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STEVE COWPER, GOVERNOR

DEPARTMENT OF EDUCATION

OFFICE OF THE COMMISSIONER

GOLDBELT PLACE
801 WEST 10th STREET
POUCH F
JUNEAU, ALASKA 99811

February 6, 1987

The Honorable Steve Frank
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

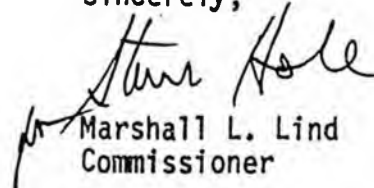
Dear Representative Frank:

Attached are reports on recommendations of the Pupil Transportation Funding Committee that you requested.

The Department of Law has advised us that a statutory change is necessary in order to implement the interim funding method proposed by the Committee. Attached is a copy of revised statutory language which has been submitted to the Governor's Office for consideration.

If you have questions regarding this material, please contact Romayne Kareen, the department's Administrator of Pupil Transportation Services, at 465-2865.

Sincerely,


Marshall L. Lind
Commissioner

Attachments

cc: Steve Hole
Larry Huxel
Jim Tozer

MEMORANDUM

State of Alaska

TO: Members of the State Board of Education

DATE: December 31, 1985

THRU: Harold Reynolds, Jr.
Commissioner of Education

FILE NO.: 86-78

TELEPHONE NO.: 465-2865

FROM: *[Signature]*
Larry Huxel, Director
Educational Finance and Support Services

SUBJECT: Report of Pupil Transportation Funding Committee

- and -

Romayne Kareen, Administrator *[Signature]*
Pupil Transportation Services

Legislative intent accompanying the Department's FY86 appropriation for pupil transportation required that the Department develop and present to the 1986 Legislature a funding plan for pupil transportation that will provide incentives to local school districts for cost control.

The Department appointed a committee consisting of superintendents, business managers, transportation directors and school bus contractors to assist in developing the required plan. The Committee met five times and developed the attached report. Participating members included:

Guy Bellville, Controller
Anchorage School District

Steve Kalmes, Transportation Director
Anchorage School District

Richard Leath, Superintendent
Bristol Bay School District

Marcy White, Business Manager
Copper River School District

Loretta Nistler, Bus Contractor
Delta/Greely School District

Bob Shefchik, Transportation Director
Fairbanks School District

Tom Hyatt, Bus Contractor
Anchorage and Fairbanks Districts

Richard Swarner, Business Manager
Kenai School District

John Witteveen, Asst. Supt.
Kodiak School District

Saundra Hutchins, Transportation Dir.
Mat-Su School District

Tom Armour, Business Manager
Yukon Flats School District

Jim Paul, Superintendent
Railbelt School District

Larry Huxel, Director, EFSS
Department of Education

Romayne Kareen, Administrator
Pupil Transportation - Dept. of Educ.

The Committee reviewed historical cost data and concluded that districts have become more efficient in administering transportation programs, and that the competitive proposal process required by 4 AAC 27.085 has been effective in containing transportation costs.

It is the concensus of the Pupil Transportation Funding Committee and the Department of Education that funding for pupil transportation should continue at 100%. If state funding is not adequate to cover statewide approved transportation costs, the Department will prorate the appropriation to all districts with transportation services. Proration will require districts to either reduce transportation services or use local dollars to cover deficits. The report outlines services that districts may be forced to reduce.

We respectfully request that the State Board of Education accept this report for transmittal to the 1986 Legislature.

Attachment
RMK:pg

Department of Education
PUPIL TRANSPORTATION FUNDING COMMITTEE REPORT
December 30, 1985

The purpose of this report is to inform the Legislature of actions taken by the Department of Education to comply with intent which accompanied the Department's FY 1985-86 appropriation for pupil transportation. The two-part intent reads as follows:

It is the Legislature's intent that the state's FY-86 costs for pupil transportation be contained at the FY-85 level.

Further, the Department of Education is directed to develop and present to the 1986 Legislature a funding plan for pupil transportation which will provide incentives to local school districts for cost control.

CONTAINMENT OF FY-86 COSTS

The FY 1985-86 pupil transportation appropriation is less than one percent higher than the FY 1984-85 appropriation. Although most contract rates increased by cost of living which exceeded the one percent increase, it does appear that the FY-86 appropriation will be adequate to cover current year approved statewide transportation costs. This is due in part to a ceiling being placed on reimbursement for Anchorage district-operated transportation, and a reduction of new contract costs in the Fairbanks district.

The appropriation would not be adequate, however, if considerable growth took place in districts or if the ceiling on reimbursement to Anchorage was not in place. During the 1985-86 school year, the Anchorage District will contribute approximately \$1,500,000 in local dollars to its transportation program.

FUNDING PLAN

The department appointed a Pupil Transportation Funding Committee comprised of school district superintendents, business managers, transportation coordinators, school bus contractors, and Department of Education representatives to review the intent language and provide input for the plan. The committee met five times and arrived at the following conclusions:

1. The current competitive process required by 4 AAC 27.085 for awarding pupil transportation contracts has been effective in containing costs for regular route transportation. Historical cost data indicates that the average annual cost per student transported on regular transportation routes (students living beyond 1.5 miles from school)

Department of Education
Pupil Transportation Funding Committee Report
December 30, 1985

decreased by 1.9 percent from FY 1978-79 to FY 1984-85. During this same period the cost of living has increased 50.1 percent and the appropriated Foundation cost per student has increased 130 percent. These patterns are shown below:

	<u>FY 1978-79</u>	<u>FY 1984-85</u>	<u>% OF CHANGE</u>
Regular Route Cost per Student	\$ 494.86	\$ 485.47	- 1.9%
CPI-U Index	188.5	283.1	+ 50.1%
Appropriated Foundation Cost per Student	\$ 2152.00	\$ 4951.00	+130.0%

Districts have contained costs by becoming efficient in managing transportation programs and by generating competition for new contracts.

2. The cost of transporting special education students continues to increase. The average annual cost per student transported on special education routes increased by 24.4 percent from FY 1978-79 to FY 1984-85. The FY-79 average cost per student was \$3,086.26, and the FY-85 cost was \$3,838.00.

While Federal requirements, through the individualized education program (IEP) process, are intended to provide transportation services to special education students, we believe that a review of services actually provided in Alaska compared with services required by Federal law will need to be completed in order to contain costs. Examples of areas to review include when to provide door-to-door service and when aides are needed on special education buses. Additionally, appropriate guidelines need to be written to properly certify the necessary level of transportation service.

3. Transportation costs will continue to rise. Contract rates will rise due to a number of factors, including the growing numbers of students, the cost of living increases, and higher costs for wages, insurance, replacement buses, etc. Attempts have been made to contain these costs through cost of living and insurance escalator clauses in contracts. Additionally, emphasis on safety and training will cause costs to go up. The state will need to consider these increased costs through increased appropriations.

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4. The state appropriation should provide 100 percent reimbursement for regular, special education, and other conveyance routes, and 50 percent reimbursement for hazardous routes to all districts with school transportation services. We believe the competitive process required by 4 AAC 27.085 has been effective in controlling costs and should remain intact. A review of special education transportation needs to take place to determine the level of service for which the state will provide reimbursement.

5. If the state appropriation and reimbursement to districts is less than 100 percent, districts will be forced to absorb costs at the local level or to reduce services. If the state appropriation is less than 100 percent, it will be prorated among districts with transportation services. Use of local dollars to absorb the deficit could mean taking dollars away from classroom programs.

Reduction of service could include any one or combination of the following:

- A. Eliminating transportation services and having parents transport their children.
- B. Eliminating hazardous route transportation.
- C. Extending the walking distance beyond 1 1/2 miles for some or all grade levels, up to the elimination of transportation services for high school students.
- D. Charging students for riding the school bus.
- E. Changing school start/dismissal times for maximum utilization of buses where feasible.
- F. Extending the useful life of a school bus to keep costs down.

SUMMARY

It is the consensus of the Pupil Transportation Funding Committee and the Department of Education that, from FY-79 to FY-85, districts have become more efficient in administering transportation programs, and that the competitive proposal process required by 4 AAC 27.085 has been effective in containing transportation costs.

It is also the consensus of the Committee and the Department that state

Department of Education
Pupil Transportation Funding Committee Report
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funding for pupil transportation should continue at 100 percent. If state funding is not adequate to cover statewide approved transportation costs, the Department will prorate the appropriation to all districts with transportation services. Proration will require districts to either reduce transportation services, or use local dollars to cover deficits.

Special education transportation continues to be a high cost service and will be reviewed with guidelines to be established for determining level of transportation services. Additionally, 4 AAC 27 Regulations, Transportation of Pupils, will be reviewed for potential update and modification. These reviews will take place during the 1986 calendar year.

MEMORANDUM

State of Alaska
Department of Education

TO: Pupil Transportation
Funding Committee

DATE: October 24, 1986

FILE NO: 2176M

TELEPHONE NO: 465-2865

FROM: Romaine Kareen, Administrator
Pupil Transportation Services

SUBJECT: Meeting on 10/31/86

Commissioner Lind has directed Jim Tozer and myself to submit to him no later than February, 1987 a proposal for a different way of allocating pupil transportation reimbursement to districts, and revised regulations which incorporate the proposed allocation method.

It is his desire, and ours, to remove the department from the process of approving contracts, new routes, extensions, bus purchases, in-lieu-of agreements, etc. We would like to give districts annual allocations, with amounts known in advance for local budget planning, to be used as districts deem necessary for pupil transportation services in their areas.

To assist us in meeting the Commissioner's directive, we are requesting assistance from the Pupil Transportation Funding Committee, and are therefore holding a meeting of the Committee on Friday, October 31, 1986 from 9:00 am - 4:00 pm in Room 202 of the Anchorage School District Administration Building, 4600 DeBarr Road.

We are receptive to suggestions from committee members and others on creative ways to fund pupil transportation which will result in equitable distribution of funds, and a minimum of paperwork by districts, contractors, and the department.

Ideas which have surfaced thus far include:

- a. Reimburse percentage of actual costs as reflected in school district audit report.
- b. Calculate percentage of previous three-five years' appropriations that each district received, and reimburse same percentage allocation for next three-five years' appropriations.
- c. Reimburse set dollar amount per ADM, whether or not student rides the bus. Apply multiplier factor for regions of the state same as foundation program.
- d. Reimburse on a formula method using unit values per student, mile, bus, or combination.

Enclosed are comments we previously received on transportation funding, and also a review which was done by the State of New York on funding methods in eight states. This material should generate additional ideas for discussion at our meeting.

For information purposes, the FY-86 pupil transportation appropriation was \$23,134,000, which covered 94.3% of approved statewide costs. The FY-87 appropriation is \$21,170,900, and may cover only 80% of approved statewide costs. The budget request for full funding for FY-88 is \$25,411,072, or \$4,240,172 more than the current appropriation. Our confidence level is not high that we will receive the additional funds.

We hope to see as many of you as possible on the 31st. We sincerely want your ideas and suggestions, and will appreciate your sharing them with us.

Enclosures

cc: Marshall Lind, Commissioner
Jim Tozer

PUPIL TRANSPORTATION FUNDING COMMITTEE
10/24/86

Guy Bellville, Controller
Anchorage School District

Richard Leath, Superintendent
Bristol Bay School District

Loretta Nistler, Bus Contractor
Delta/Greely School District

Tom Hyatt, Bus Contractor
Anchorage and Fairbanks Districts

John Witteveen, Asst. Supt.
Kodiak School District

Tom Armour, Business Manager
Yukon Flats School District

Jim Tozer, Education Admin.
Department of Education

Steve Kalmes, Transportation Director
Anchorage School District

Marcy White, Business Manager
Copper River School District

Bob Shefchik, Transportation Director
Fairbanks School District

Richard Swarner, Business Manager
Kenai School District

Sandra Hutchins, Transportation Dir.
Mat-Su School District

Jim Paul, Superintendent
Railbelt School District

Romayne Kareen, Administrator
Pupil Transportation - Dept. of Educ.

MEMORANDUM

State of Alaska
Department of Education

TO: Marshall L. Lind
Commissioner

DATE: November 19, 1986

FILE NO: 2407M

TELEPHONE NO: 465-2865

R/K
FROM: Romaine Kareen, Administrator
Pupil Transportation Services

SUBJECT: Report on Pupil
Transportation Funding
Committee Meeting
October 31, 1986

The Pupil Transportation Funding Committee, comprised of Superintendents, business managers, transportation coordinators and school bus contractors, met in Anchorage on October 31, 1986 to discuss alternate ways of funding pupil transportation.

It was the consensus of the group that an interim funding plan be adopted for the next two fiscal years while we continue to work towards a long term solution.

The proposed interim plan is as follows:

FUNDING - Each district would receive an allocation based on pupil transportation reimbursement received during the last five years, divided by the last five years accumulative statewide pupil transportation payments.

Example: If Anchorage received 33% of statewide pupil transportation payments over the last five years, the district would receive 33% of whatever the pupil transportation appropriation is for FY 1987-88 and FY 1988-89.

REGULATIONS - Regulations would address safety of equipment (minimum construction standards and vehicle inspection); training of drivers; training of instructors; accident reporting; insurance requirements; statistical reporting requirements; method for determining allocations; and state monitoring of reasonableness and accuracy of data used to determine allocations.

The proposed long term plan currently being discussed is as follows:

FUNDING - During the current and next fiscal year, collect data on levels of transportation services provided; costs of district-operated and contracted services; numbers, sizes and types of buses operated; miles traveled; students transported; road conditions; and climatic impact. Devise a method of allocating funds based on what is happening in districts cost-wise and service-wise.

REGULATIONS - Regulations would be similar to those proposed for short term plan, with refinement of determination of allocations.

The department is in the process of determining allocations based on the previous five years payments, and will distribute this information to committee members by December 3rd. We are also drafting proposed regulations and reporting forms for discussion at the next meeting of the committee scheduled for December 12th in Anchorage.

A final report ~~with~~ of proposed future funding of pupil transportation, and accompanying regulations, will be submitted to you in February, 1987.

cc: Larry Huxel
Jim Tozer

MEMORANDUM

State of Alaska
Department of Education

TO: Tom Wagner
Assistant Attorney General
Department of Law

DATE: December 23, 1986

FILE NO: 2640M

TELEPHONE NO: 465-2800

FROM: Steve Hole
Deputy Commissioner
Department of Education

SUBJECT: Revision of Pupil
Transportation
Regulations

Attached is a draft copy of "conceptual" regulations agreed to by the Pupil Transportation Funding Committee. These regulations when finalized would replace those currently in 4 AAC 27.

I would appreciate your reviewing the draft and letting me know as soon as possible if AS 14.09.010 would prevent implementation of the concepts.

We would like to have the regulations presented at the January meeting of the State Board of Education.

Thanks for your assistance.

Attachment

cc: Larry Huxel
Jim Tozer
Romaine Kareen

SAFETY REGULATIONS:

1. Minimum Standards for Vehicles -

a. All school buses transporting pupils must meet the minimum standards for Alaska school buses in effect on date of manufacture of bus.

b. The following handbooks are adopted by reference as the minimum standards for school buses in Alaska:

(1) For school buses manufactured before January 2, 1982

(A) Minimum Standards for School Buses, 1970 Edition, published by the National Commission of Safety Education, National Education Association, 1201 16th Street, N.W., Washington, D.C. 20036; and

(B) Minimum Standards for Alaska School Buses, Third Edition (Revised), 1980, published by the department.

(2) For school buses manufactured after January 1, 1982

(A) National Minimum Standards for School Buses, 1980 Edition, published by the National Safety Council, 444 North Michigan Avenue, Chicago, Illinois 60611; and

(B) Minimum Standards for Alaska School Buses Manufactured after January 1, 1982, 1981 Edition, published by the department.

12/17/86

Steve -

Here are the "concept" 1975. agreed to by the Pupil Transportation Funding Comm at its meeting 12/12/86. We like to have them ready for packet 1/15/87. Could we

review you' up on 12/21

Thanks your assist Pormay.

2. Inspection of Vehicles -

a. All school buses transporting pupils must receive regular twice-yearly safety inspections conducted by the Department of Public Safety or other agency approved by the Department of Education. The inspections must be conducted before the first day of school and January 15 of each school year.

b. School districts must maintain on file for at least three years a copy of the completed Alaska School Bus Safety Inspection Report for each bus for each inspection.

3. Vehicle Capacity -

a. The passenger capacity of a pupil transportation vehicle is determined based on the manufacturer's rated capacity (13-inch seating space) for elementary school children (K-8) and two-thirds of the manufacturer's rated capacity for students in grades nine through twelve.

b. Passengers may not be permitted to stand when the school bus is underway.

~~4. Accident Reporting -~~

a. A school bus contractor or school district operating pupil transportation vehicles must complete the Alaska School Bus Accident Report Form within 24 hours of an accident. The report must be submitted to the department within three days following the accident.

b. An accident is defined as that occurrence in a sequence of events which usually produces unintended injury, death or property damage.

c. The report must be completed whether pupils are present or not if the accident involves any amount of property damage (in excess of \$) or personal injury or fatality to:

- (1) occupants in the bus (pupils, drivers or other persons);
- (2) occupants of any other vehicle(s) involved in the accident;
- (3) non-occupants of the school bus or other vehicle (e.g., students in the loading or unloading zone, pedestrian bystanders, etc.).

INSURANCE REQUIREMENTS:

1. The school bus contractor or school district operating pupil transportation vehicles must secure and maintain in effect during the period when pupils are transported liability insurance coverage of not less than one million dollars combined single limit, including coverage for injury or death to passengers. Districts may require higher limits of liability.

2. The district must have on file evidence of required insurance coverage consisting of a certificate(s) of insurance which provides a minimum of 60 days advance written notice to the district of cancellation or material change in the policy.

3. For district-operated transportation systems, the district must have on file either the required certificate of insurance or other evidence showing that the requirements of this section are being met through self insurance.

4. The district may require the contractor to name the district as an additional insured under the policy.

REIMBURSEMENT ENTITLEMENT:

1. Effective for Fiscal Years 1987-88 and 1988-89, each school district providing transportation services for students to and from school is entitled to receive reimbursement from the department based on the ~~following~~ method *described below, or actual transportation costs, whichever is less:*

a. For districts that received pupil transportation reimbursement from the department for the five year period beginning fiscal year 1981-82 and ending fiscal year 1985-86:

(1) an allocation will be established based on reimbursement received during this period, divided by the accumulative statewide pupil transportation payments during this period.

(2) this allocation percentage will apply to 98% of the pupil transportation legislative appropriations for fiscal years 1987-88 and 1988-89.

b. For districts that received pupil transportation reimbursement from the department for a portion or none of the five year period beginning fiscal year 1981-82 and ending fiscal year 1985-86:

(1) an allocation will be established based on costs

approved by the department for fiscal years 1987-88 and 1988-89.

(c) the balance of unallocated funds at the close of the fiscal year will be distributed to districts according to the allocation percentages established pursuant to 1.(a) of this section.

2. Districts are not required to provide transportation services. The local school board will determine what services, if any, will be provided. Reimbursement entitlement will be paid only if services are provided.

Staff - Please use amended wording below. Thank!
Bormayne

~~3. Reimbursement entitlement will be made in nine equal payments on the first working day of each month commencing with September 1.~~

4. Reimbursement entitlement shall be withheld until required reports are submitted.

Reimbursement Entitlement: (Amended)

3. Payment to eligible districts for the allocation established under this section will be distributed in the following manner:
- a. Commencing with September 1 and continuing through February 1, two-thirds of the annual allocation initially determined will be distributed in six equal installments.
 - b. The remaining one-third of the annual allocation will be distributed in three equal installments commencing March 1, subject to the availability of funds as determined by the Department.

REQUIRED REPORTING:

1. Districts with pupil transportation services will submit the following reports to the Department:

- a. By October 15th of each year, a preliminary estimate of pupil transportation expenditures and other statistical data for the ensuing fiscal year on forms provided by the Department.
- b. By August 15th of each year, a final report of pupil transportation expenditures and other statistical data for the preceding fiscal year on forms provided by the Department.
- c. By December 15th of each year, a revised estimate of pupil transportation expenditures and other statistical data for the current fiscal year.
- d. At times specified by the Department, reports on student load counts.
- e. Reports on school bus accidents on forms provided by the Department.
- f. Other reports as required by the Department.
- g. Allocation of annual pupil transportation expenditures between special education and regular transportation should be based upon generally accepted

accounting treatment.

2. The Department may field audit at any time the reports submitted by districts.
3. Records will be maintained for not less than three years or as required by local school district policy, whichever is longer.

LICENSING AND TRAINING OF SCHOOL BUS DRIVERS:

1. Licensing -

a. A person may not drive a school bus transporting school children until the person has applied for and has been issued a license for that purpose under AS 28.15.046.

b. Effective September 1, 1987, drivers applying for an initial school bus driver permit who have not for the previous two years been licensed by the state to operate a school bus, must first complete a state approved school bus driver training course.

2. Approved School Bus Driver Training Program -

a. The department will consider contractor training programs required by contract between the district and the contractor as approved for the duration of the existing contract.

b. All drivers not covered by 2.a. of this section must receive a minimum of 10 hours of ^{see service} training in the following subjects during fiscal year 1987-88: loading and unloading procedures; student management; safety and emergency procedures; pre-trip inspection; bus

components; first aid; defensive driving, driving skills, and student rider procedures.

c. Local Training Plan:

(1) Districts must submit a local school bus driver training plan to the department for approval pursuant to the following schedule:

- By September 15, 1987 - Districts with bus contracts which expire June 30, 1988.
- By February 15, 1988 - Districts with district-operated transportation systems.
- By September 15, 1988 - Districts with bus contracts which expire June 30, 1989.
- By September 15, 1989 - Districts with bus contracts which expire June 30, 1990.
- By September 15, 1990 - Districts with bus contracts which expire June 30, 1991.
- By September 15, 1991 - Districts with bus contracts which expire June 30, 1992.

(2) Approval of the plan constitutes approval of the school bus driver training course required by AS 14.07.020(a)(14).

(3) The plan for districts with district-operated transportation systems must be implemented on or before July 1, 1988.

(4) The plan for districts with contracted service must be implemented on or before July 1 of the calendar year in which the current contract expires.

(3) The local plan will be updated by the district as required by the department.

(4) The local plan will contain at a minimum the number of required pre-service and in-service training hours by subject, training record forms including evaluation reports, statement as to whether certain training may be waived for experienced drivers, and detailed procedures for waiver process.

3. Certification of Instructors -

a. Persons who have completed a department approved school bus driver training instructor certification program will be certified as school bus driver instructors.

- b. The certification will be valid for three years.
- c. To be eligible for certification renewal, the instructor must

- (1) submit an application to the department

- (3) ~~(2)~~ have completed a department approved instructor training refresher program

- (2) ~~(3)~~ have conducted at least one training program annually meeting requirements of an approved local training plan, *or have prior approval of the Department to enter refresher program.*

4. Certification of Drivers -

- a. School bus drivers must meet requirements of the local training plan for their area.

- b. Training must be ~~conducted~~ by a department certified school bus driver training instructor.

- b.* An initial certification will be issued by a department certified instructor upon successful completion by the driver of the pre-service requirements of the local plan. ~~The certification will be valid for one year.~~

- ~~d. To be eligible for certification renewal, the driver must~~

~~THE C. P. O. OF THE DISTRICT OF COLUMBIA~~

Definitions:

Route miles (Steve - wording to be forthcoming)

1/26/87 DRAFT 0272M

CHAPTER 09. TRANSPORTATION OF PUPILS

AS 14.09.010 and 14.09.020 REPEALED

PROPOSED NEW LANGUAGE

Sec. 14.09.010 TRANSPORTATION OF PUPILS. (a) School districts may provide for the transportation of pupils.

(b) School districts which provide transportation services to pupils are eligible to receive funding from the state under regulations to be adopted by the department.

Chapter 09. Transportation of Pupils.

Section

10. Transportation of pupils
20. Transportation for nonpublic school students

Sec. 14.09.010. Transportation of pupils. (a) The department may provide for the transportation of pupils who reside a distance from established schools, and in order to accomplish that purpose may

(1) require school districts to enter into contracts with the department for the administration, supervision, operation or subcontracting of the operation of transportation systems for students to and from the schools within their service areas;

(2) require all school districts, transportation contractors and other recipients of state transportation funds to submit to the department an annual report, which includes a financial statement and other operational data required by the department;

(3) permit school districts to (A) establish supplementary systems of student transportation for students ineligible to utilize transportation facilities paid for by the state, (B) charge fares or fees for the supplementary transportation systems, and (C) use local funds to pay, in whole or in part, the cost of the supplementary system.

(b) Each school district mentioned in (a) (1) of this section is entitled to receive reimbursement from the state for the operation of the transportation system on a unit cost basis determined by the department.

(c) The school board of a district, or the department for areas not within school districts, shall designate as hazardous those routes which cannot be safely traveled by children not served by school bus. The designation may recognize hazards that exist only part of the time and in these instances the designation shall be applicable only during the time the hazards are found to exist. The board or the department shall provide for the transportation of pupils on routes designated as hazardous. The additional cost of the transportation in a district shall be shared equally by the district and the department. Eligibility to receive school bus service on routes designated as hazardous shall not be subject to restrictions based on the minimum distance between established schools and the residences of pupils. (Sec. 1 ch 98 SLA 1966; Sec. 1 ch 39 SLA 1966)

Sec. 14.09.020. Transportation for nonpublic school students. In those places in the state where the department or a school district provides transportation for children attending public schools, the department also shall provide transportation for children who, in compliance with the provisions of ch. 30 of this title, attend nonpublic schools which are administered in compliance with state law where the children, in order to reach the nonpublic schools, must travel distances comparable to, and over routes the same as, the distances and routes over which the children attending public schools are transported. The commissioner shall administer this nonpublic school student transportation program, integrating it into existing systems as much as feasible, and the cost of the program shall be paid from funds appropriated for that purpose by the legislature. (Sec. 1 ch 157 SLA 1972)

STATE AID:

1. Effective for Fiscal Years 1987-88 and 1988-89, each school district providing transportation services for students to and from school is entitled to receive state aid from the department based on either the method described below, or actual transportation costs, whichever is less:

- a. For districts that received pupil transportation reimbursement from the department for fiscal year 1986-87:
 - (1) an allocation will be established based on reimbursement received during this period, divided by the total statewide pupil transportation payments for this period.
 - (2) this allocation percentage will apply to at least 90% of the pupil transportation legislative appropriation for to/from school transportation for fiscal years 1987-88 and 1988-89.
- b. Up to ten percent of the appropriation will be distributed as follows:
 - (1) For districts that received pupil transportation reimbursement from the department for a portion or none of fiscal year 1986-87, an allocation will be established based on costs approved by the department for fiscal years 1987-88 and 1988-89.
 - (2) For districts that require increased service due to increased enrollment, the department may assist with additional funding.
 - (3) For districts that provide educational services to pupils residing outside the district boundaries and attending school in the district, the department will reimburse the district one hundred percent of approved transportation costs providing this arrangement has prior approval from the department.
 - (4) The balance of unallocated funds at the close of the fiscal year will be distributed to districts according to the allocation percentages established pursuant to a.(1) and b.(1) of this section.

2. Districts are not required to provide transportation services. The local school board will determine what services, if any, will be provided. State aid will be paid only if services are provided.

3. Payment to eligible districts for the allocation established under this section will be distributed in the following manner:

- a. On the first day of each month commencing with September 1 and continuing through February 1, two-thirds of the annual allocation initially determined will be distributed in six equal installments. The remaining one-third of the annual allocation will be distributed in three equal installments on the first day of each month commencing with March 1, subject to the availability of funds as determined by the Department.
 - b. The remaining balance of the unallocated funds will be distributed no later than August 15 providing reporting requirements have been met.
4. State aid shall be withheld until required reports are submitted.

STATE OF ALASKA

DEPARTMENT OF EDUCATION

STEVE COWPER, GOVERNOR

GOLDBELT PLACE
801 WEST 10TH STREET
P.O. BOX F
JUNEAU, ALASKA 99811-0500

March 23, 1987

MEMORANDUM

TO: Pupil Transportation Funding Committee

FROM: Romaine Kareen, Administrator *RK*
Pupil Transportation Services

SUBJECT: Alternate Funding Methods

Good News!

- a. CSSB 115, containing \$3,341,000 additional funding for FY-87 pupil transportation, is in House HESS Committee.
- b. Governor Cowper has added \$3,254,300 to his FY-88 budget request bringing the total amount requested for pupil transportation reimbursement to \$18,500,900. This will provide approximately 74.6% funding of statewide costs.
- c. The statute change needed to modify the current method of funding has been transmitted by the Governor to the Senate. I am awaiting a copy of the bill and will send it to you ASAP.

The Department of Law has indicated that we can pursue regulation changes while the statute change is moving through the Legislature. New regs. can be presented to the State Board of Education for promulgation with the notation that implementation is contingent upon passage of SB # .

The Department now needs to decide on the interim funding method that we will pursue for the next two fiscal years while a more finite method is being developed. Appropriate regulations will follow.

Attached is information on four ways to establish district allocations. We would appreciate your written and/or verbal comments by April 6th on the method that you think would be most acceptable to districts.

=====

FUNDING METHOD SUGGESTED BY THE PUPIL TRANSPORTATION FUNDING COMMITTEE

Five Year Percentage Allocation: Each district would receive an allocation based on its total pupil transportation reimbursement received during the last five years, divided by the last five years accumulative statewide pupil transportation payments. If actual transportation costs are less than the allocation, the district would be reimbursed actual costs.

** See ATTACHMENT A for estimated allocations under this method. Percentages will need to be updated to reflect FY-83 thru FY-87 actual reimbursement.

=====

FUNDING ALTERNATIVE #1 - SUGGESTED BY DOE

One Year Percentage Allocation: Each district would receive an allocation based on its total pupil transportation reimbursement received during FY 1986-87, divided by total statewide pupil transportation payments for FY 1986-87. If actual transportation costs are less than the allocation, the district would be reimbursed actual costs.

** See ATTACHMENT B for estimated allocations under this method. Percentages will need to be updated in August to reflect FY-87 actual reimbursement.

=====

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FUNDING ALTERNATIVE #2 - SUGGESTED BY A FUNDING COMMITTEE MEMBER

Higher of 5-yr. or 1-yr. Percentage Allocation: Each district would receive an allocation based on either (a) total pupil transportation reimbursement received during the last five years, divided by the last five years accumulative statewide pupil transportation payments, or (b) pupil transportation reimbursement received during FY 1986-87 divided by FY 1986-87 total statewide pupil transportation payments, whichever is greater. If actual transportation costs are less than the allocation, the district would be reimbursed actual costs.

The allocation would be determined as follows:

$$DA = \frac{(DHP)(FY88 \text{ Appr.})}{SPT}$$

DA = District's Allocation
 DHP = District's Highest Percentage of 5-yr. or 1-yr. percentage distributions
 FY88 Appr. = FY 1987-88 Pupil Transportation Appropriation
 SPT = Statewide Percentage Total

1. Calculate the percentage that each district received of the previous five years statewide pupil transportation reimbursement (Attachment C, column 2). These percentages will need to be updated at the close of the current year to reflect FY 1982-83 thru FY 1986-87 reimbursement distribution.

Example: Anchorage 35.55603%

2. Calculate the percentage that each district received of the FY 1986-87 statewide pupil transportation reimbursement (Attachment C, column 3).

Example: Anchorage 33.53028%

3. DHP - Determine the higher of the two percentages (Attachment C, column 4).

Example: Anchorage 35.55603%

4. SPT - Add the higher of the two percentages for each district to determine a statewide total percentage. This total will exceed 100%. For example, the total on Attachment C, column 4, line 60 is 104.67399%.

5. FY88 Appropriation - The Governor's FY88 revised budget request for pupil transportation reimbursement is \$18,500,900.

6. DA - To determine the FY 1987-88 allocation for a district, multiply the FY 1987-88 appropriation by the district's high percentage as calculated in step 3. Then divide this amount by the statewide percentage total.

Example: Anchorage FY 1987-88 Allocation: \$6,284,451

$$\$6,284,451 = \frac{35.55603\% \times \$18,500,900}{104.67399\%}$$

The total of all district allocations generated using this formula will equal the pupil transportation appropriation.

6. If a district's actual transportation costs are less than the allocation, the district will be reimbursed actual costs.

** See ATTACHMENT C for estimated allocations under this method. Percentages will need to be updated to reflect FY-83 thru FY-87 actual reimbursement.

=====

FUNDING ALTERNATIVE #3 - SUGGESTED BY A FUNDING COMMITTEE MEMBER

Each district would receive an allocation based on the average of its 5-yr. (FY 1983 thru FY 1987) and 1-yr. (FY 1986-87) percentage distributions.

** See ATTACHMENT D for estimated allocations under this method. Percentages will need to be updated to reflect FY-83 thru FY-87 actual reimbursement.

=====

** ATTACHMENT E summarizes estimated allocations each district would receive under the four methods.

cc: Larry Huxel
Jim Tozer

FY88 PUPIL TRANSPORTATION

ESTIMATED ALLOCATIONS TO DISTRICTS
 BASED ON FY88 GOVERNOR'S BUDGET REQUEST
 AND FY82 THRU FY86 PERCENTAGE DISTRIBUTION
 PREPARED: 3/23/87

FY88 GOVERNOR'S
 BUDGET
 REQUEST
 \$18,500,900

ATTACHMENT A

BK
3/23/87

SCHOOL DISTRICT	FY82 THRU FY86 PERCENTAGE DISTRIBUTION	FY88 ESTIMATED ALLOCATION
ADAK	0.45764%	\$84,668
ALASKA GATEWAY	1.33771%	\$267,489
ANCHORAGE	35.55603%	\$6,578,186
ANNETTE ISLAND	0.06095%	\$11,275
BERING STRAITS	0.07762%	\$14,360
BRISTOL BAY	0.48604%	\$89,922
CHATHAM	0.01249%	\$2,310
CHUGACH	0.00134%	\$249
COPPER RIVER	1.96034%	\$362,680
CORDOVA	0.18615%	\$34,439
CRAIG	0.03399%	\$6,289
DELTA/GREELEY	1.87973%	\$347,768
DILLINGHAM	0.43253%	\$80,022
FAIRBANKS	16.54720%	\$3,061,381
GALENA	0.12032%	\$22,261
HAINES	0.75447%	\$139,583
HOONAH	0.02051%	\$3,794
IDITAROD	0.06813%	\$12,604
JUNEAU	3.88389%	\$718,554
KAKE	0.11416%	\$21,121
KENAI	12.38385%	\$2,291,124
KETCHIKAN	1.98367%	\$366,997
KING COVE	0.14040%	\$25,975
KODIAK	1.47536%	\$272,955
KUSPUK	0.20544%	\$38,008
LAKE & PENN	0.16052%	\$29,698
LOWER KUSKOKWIM	0.73775%	\$136,490
LOWER YUKON	0.01324%	\$2,450
MAT-SU	11.47316%	\$2,122,638
NENANA	0.43498%	\$80,475
NOME	0.65682%	\$121,518
NORTH SLOPE	0.56463%	\$104,461
PELICAN	0.01368%	\$2,531
PETERSBURG	0.35780%	\$66,197
RAILBELT	0.99881%	\$184,788
S.E. ISLANDS	0.27732%	\$51,306
SAND POINT	0.05146%	\$9,521
SITKA	1.27447%	\$235,789
SKAGWAY	0.01174%	\$2,171
SOUTHWEST REGION	0.18861%	\$34,895
UNALASKA	0.48844%	\$90,366
VALDEZ	1.36835%	\$253,158
WRANGELL	0.26402%	\$48,847
YAKUTAT	0.18560%	\$34,338
YUKON FLATS	0.20277%	\$37,514
YUKON/KOYUKUK	0.09586%	\$17,735
TOTALS	100%	\$18,500,900

FY88 PUPIL TRANSPORTATION
 ESTIMATED ALLOCATIONS TO DISTRICTS
 BASED ON GOVERNOR'S BUDGET REQUEST
 AND FY87 ESTIMATED PERCENTAGE DISTRIBUTION
 PREPARED: 3/23/87

FY88
 GOVERNOR'S
 BUDGET REQUEST
 \$18,500,900

ATTACHMENT 3

PK
 3/23/87

SCHOOL DISTRICT	FY87 ESTIMATED REIMBURSEMENT	FY87 PERCENTAGE DISTRIBUTION OF \$24,311,723.70	FY88 ESTIMATED ALLOCATION
ADAK	\$117,324.81	0.48259%	\$89,283
ALASKA GATEWAY	\$337,266.52	1.38726%	\$256,655
ANCHORAGE	\$8,151,790.09	33.53028%	\$6,203,404
ANNETTE ISLAND	\$15,447.78	0.06354%	\$11,756
BERING STRAITS	\$37,440.00	0.15400%	\$28,491
BRISTOL BAY	\$127,478.37	0.52635%	\$97,009
CHATHAM	\$4,722.00	0.01942%	\$3,593
COPPER RIVER	\$465,395.40	1.91428%	\$354,160
CORDOVA	\$56,206.80	0.23119%	\$42,773
DELTA/GREELEY	\$481,215.21	1.97935%	\$366,198
DILLINGHAM	\$145,566.00	0.59875%	\$110,774
FAIRBANKS	\$3,622,474.87	14.90012%	\$2,756,655
GALENA	\$30,439.80	0.12521%	\$23,164
HAINES	\$181,231.20	0.74545%	\$137,915
HOONAH	\$13,792.09	0.05673%	\$10,496
IDITAROD	\$33,500.00	0.13779%	\$25,493
JUPITER	\$960,057.60	3.94895%	\$730,591
KAKE	\$31,705.20	0.13041%	\$24,127
KENAI	\$3,142,987.10	12.92787%	\$2,391,772
KETCHIKAN	\$414,127.00	1.70340%	\$315,145
KING COVE	\$36,154.42	0.14871%	\$27,513
KODIAK	\$402,328.26	1.65487%	\$306,166
KUSPUK	\$71,458.00	0.29392%	\$54,379
LAKE & PENN	\$43,051.00	0.17708%	\$32,761
LOWER KUSKOKWIM	\$200,445.42	0.82448%	\$152,536
LOWER YUKON	\$17,399.50	0.07157%	\$13,241
MAT-SU	\$3,279,378.00	13.48887%	\$2,495,563
MENANA	\$65,254.80	0.26841%	\$49,658
NOME	\$192,650.40	0.79242%	\$146,604
NORTH SLOPE	\$169,311.80	0.69642%	\$128,844
PELICAN	\$3,524.00	0.01450%	\$2,682
PETERSBURG	\$116,637.69	0.47976%	\$88,760
RAILBELT	\$193,032.40	0.79399%	\$146,895
SAND POINT	\$28,296.08	0.11639%	\$21,533
SITKA	\$344,317.75	1.41626%	\$262,021
SKAGWAY	\$1,723.00	0.00709%	\$1,311
S.E. ISLANDS	\$106,612.80	0.43852%	\$81,131
SOUTHWEST REGION	\$77,399.00	0.31836%	\$58,900
UNALASKA	\$110,668.80	0.45521%	\$84,217
VALDEZ	\$281,640.63	1.15846%	\$214,325
WRANGELL	\$61,435.80	0.25270%	\$46,752
YAKUTAT	\$47,870.80	0.19690%	\$36,429
YUKON FLATS	\$49,358.60	0.20302%	\$37,561
YUKON/KOYUKUK	\$41,607.00	0.17114%	\$31,662
TOTALS	\$24,311,723.70	100%	\$18,500,900

1 FY88 PUPIL TRANSPORTATION
 2 ESTIMATED ALLOCATIONS TO DISTRICTS
 3 BASED ON FY88 GOVERNOR'S BUDGET REQUEST
 4 FY82 THRU FY86 PERCENTAGE DISTR. & FY87 DISTR.
 5 PREPARED: 3/23/87

FY88 GOVERNOR'S
 BUDGET
 REQUEST
 \$18,500,900

ATTACHMENT C

RK
 3/23/87

7	FY82 THRU FY86	PERCENTAGE	HIGHER	
8 SCHOOL	PERCENTAGE	DISTRIBUTION	PERCENTAGE OF	FY88 ESTIMATED
9 DISTRICT	DISTRIBUTION	OF FY87	COLUMN 2 OR 3	ALLOCATION
11				
12 ADAK	0.45764%	0.48259%	0.48259%	\$85,296
13 ALASKA GATEWAY	1.33771%	1.38726%	1.38726%	\$245,195
14 ANCHORAGE	35.55603%	33.53028%	35.55603%	\$6,284,451
15 ANNETTE ISLAND	0.06095%	0.06354%	0.06354%	\$11,231
16 BERING STRAITS	0.07762%	0.15400%	0.15400%	\$27,219
17 BRISTOL BAY	0.48604%	0.52435%	0.52435%	\$92,678
18 CHATHAM	0.01269%	0.01942%	0.01942%	\$3,433
19 CHUGACH	0.00134%	0.00000%	0.00134%	\$237
20 COPPER RIVER	1.96034%	1.91428%	1.96034%	\$346,486
21 CORDOVA	0.18615%	0.23119%	0.23119%	\$40,863
22 CRAIG	0.03399%	0.00000%	0.03399%	\$6,008
23 DELTA/G/ ELEY	1.87973%	1.97935%	1.97935%	\$349,846
24 DILLINGHAM	0.43253%	0.59875%	0.59875%	\$105,827
25 FAIRBANKS	16.54720%	14.90012%	16.54720%	\$2,924,681
26 GALENA	0.12032%	0.12521%	0.12521%	\$22,130
27 HAINES	0.75447%	0.76545%	0.75447%	\$133,351
28 HOONAH	0.02051%	0.05673%	0.05673%	\$10,027
29 IDITAROD	0.06813%	0.13779%	0.13779%	\$24,355
30 JUNEAU	3.88389%	3.94895%	3.94895%	\$697,968
31 KAKE	0.11416%	0.13041%	0.13041%	\$23,050
32 KENAI	12.38385%	12.92787%	12.92787%	\$2,284,972
33 KETCHIKAN	1.98367%	1.70340%	1.98367%	\$350,609
34 KING COVE	0.14040%	0.14871%	0.14871%	\$26,285
35 KODIAK	1.47536%	1.65487%	1.65487%	\$292,495
36 KUSPUK	0.20544%	0.29392%	0.29392%	\$51,950
37 LAKE & PENN	0.16052%	0.17708%	0.17708%	\$31,298
38 LOWER KUSKOKWIM	0.73775%	0.82448%	0.82448%	\$145,725
39 LOWER YUKON	0.01324%	0.07157%	0.07157%	\$12,650
40 MAT-SU	11.47316%	13.48887%	13.48887%	\$2,384,129
41 NENANA	0.43498%	0.26841%	0.43498%	\$76,882
42 NOME	0.65682%	0.79242%	0.79242%	\$140,058
43 NORTH SLOPE	0.56463%	0.69642%	0.69642%	\$123,091
44 PELICAN	0.01368%	0.01450%	0.01450%	\$2,562
45 PETERSBURG	0.35780%	0.47976%	0.47976%	\$84,796
46 RAILBELT	0.99881%	0.79399%	0.99881%	\$176,537
47 S.E. ISLANDS	0.27732%	0.63852%	0.63852%	\$77,507
48 SAND POINT	0.05146%	0.11639%	0.11639%	\$20,572
49 SITKA	1.27017%	1.41626%	1.41626%	\$250,321
50 SKAGWAY	0.01174%	0.00709%	0.01174%	\$2,074
51 SOUTHWEST REGION	0.18861%	0.31836%	0.31836%	\$56,270
52 UNALASKA	0.48844%	0.45521%	0.48844%	\$86,331
53 VALDEZ	1.36835%	1.15846%	1.36835%	\$241,854
54 WRANGELL	0.26402%	0.25270%	0.26402%	\$46,665
55 YAKUTAT	0.18560%	0.19690%	0.19690%	\$34,802
56 YUKON FLATS	0.20277%	0.20302%	0.20302%	\$35,884
57 YUKON/KOYUKUK	0.09586%	0.17114%	0.17114%	\$30,249
58				
59				
60 TOTALS	100.00000%	100.00000%	104.67399%	\$18,500,900
61		FY88 GOVERNOR'S BUDGET REQUEST		\$18,500,900
62				
63		DIFFERENCE)))		10

PK 3/23/8

1	2	3	4	5	6	7	8	9	10
1	FY88 PUPIL TRANSFORMATION								
2	ESTIMATED ALLOCATIONS TO DISTRICTS								
3	BASED ON FY88 GOVERNOR'S		FY88 GOVERNOR'S		FY88 GOVERNOR'S		FY88 GOVERNOR'S		FY88 GOVERNOR'S
4	BUDGET REQUEST		BUDGET REQUEST		BUDGET REQUEST		BUDGET REQUEST		BUDGET REQUEST
5	PREPARED: 3/23/87		\$18,500,900		\$18,500,900		\$18,500,900		\$13,500,900
6	=====								
7	FY82 THRU FY86			PERCENTAGE		HIGHER		AVERAGE	
8	SCHOOL	PERCENTAGE	FY88 ESTIMATE	DISTRIBUTION	FY88 ESTIMATED	PERCENTAGE OF	FY88 ESTIMATE	PERCENTAGE OF	FY88 ESTIMATE
9	DISTRICT	DISTRIBUTION	ALLOCATION	OF FY87	ALLOCATION	COLUMN 2 OR 5	ALLOCATION	COLUMN 2 & 5	ALLOCATION
10	=====								
11									
12	ADAK	0.45764%	\$84,668	0.48259%	\$89,283	0.48259%	\$85,296	0.47011%	\$86,970
13	ALASKA GATEWAY	1.33771%	\$247,489	1.38726%	\$256,655	1.38726%	\$245,195	1.36249%	\$252,070
14	ANCHORAGE	35.55603%	\$6,578,186	33.53028%	\$6,203,404	35.55603%	\$6,284,451	34.54316%	\$6,390,790
15	ANNETTE ISLAND	0.06095%	\$11,275	0.06354%	\$11,756	0.06354%	\$11,231	0.06224%	\$11,510
16	BERING STRAITS	0.07762%	\$14,360	0.15400%	\$28,491	0.15400%	\$27,219	0.11581%	\$21,440
17	BRISTOL BAY	0.48604%	\$89,922	0.52435%	\$97,009	0.52435%	\$92,678	0.50520%	\$93,460
18	CHATHAM	0.01249%	\$2,310	0.01942%	\$3,593	0.01942%	\$3,433	0.01595%	\$2,950
19	CHUGACH	0.00134%	\$249	0.00000%	\$0	0.00134%	\$237	0.00067%	\$120
20	COPPER RIVER	1.96034%	\$362,680	1.91428%	\$354,160	1.96034%	\$346,486	1.93731%	\$358,420
21	CORDOVA	0.18615%	\$34,439	0.23119%	\$42,773	0.23119%	\$40,863	0.20867%	\$38,600
22	CRAIG	0.03399%	\$6,209	0.00000%	\$0	0.03399%	\$6,008	0.01700%	\$3,140
23	DELTA/GREELEY	1.87973%	\$347,768	1.97935%	\$366,198	1.97935%	\$349,846	1.92954%	\$356,980
24	DILLINGHAM	0.43253%	\$80,022	0.59875%	\$110,774	0.59875%	\$105,827	0.51564%	\$95,390
25	FAIRBANKS	16.54720%	\$3,061,381	14.90012%	\$2,756,655	16.54720%	\$2,924,681	15.72366%	\$2,909,010
26	GALENA	0.12032%	\$22,261	0.12521%	\$23,164	0.12521%	\$22,130	0.12276%	\$22,710
27	HAINES	0.75447%	\$139,583	0.74545%	\$137,915	0.75447%	\$133,351	0.74996%	\$138,740
28	HOONAH	0.02051%	\$3,794	0.05673%	\$10,496	0.05673%	\$10,027	0.03862%	\$7,140
29	IDITAROD	0.06813%	\$12,604	0.13779%	\$25,493	0.13779%	\$24,355	0.10296%	\$19,040
30	JUNEAU	3.88389%	\$718,554	3.94895%	\$730,591	3.94895%	\$697,968	3.91642%	\$724,570
31	KAKE	0.11416%	\$21,121	0.13041%	\$24,127	0.13041%	\$23,050	0.12229%	\$22,620
32	KENAI	12.38385%	\$2,291,124	12.92787%	\$2,391,772	12.92787%	\$2,284,972	12.65586%	\$2,341,440
33	KETCHIKAN	1.98367%	\$366,997	1.70340%	\$315,145	1.98367%	\$350,609	1.84354%	\$341,070
34	KING COVE	0.14040%	\$25,975	0.14871%	\$27,513	0.14871%	\$26,285	0.14456%	\$26,740
35	KODIAK	1.47536%	\$272,955	1.65487%	\$306,166	1.65487%	\$292,495	1.56512%	\$289,560
36	KUSLUK	0.20544%	\$38,008	0.29392%	\$54,379	0.29392%	\$51,950	0.24968%	\$46,190
37	LAKE & PENN	0.16052%	\$29,698	0.17708%	\$32,761	0.17708%	\$31,298	0.16880%	\$31,230
38	LOWER KUSKOKWIM	0.73775%	\$136,490	0.82448%	\$152,536	0.82448%	\$145,725	0.78111%	\$144,510
39	LOWER YUKON	0.01324%	\$2,450	0.07157%	\$13,241	0.07157%	\$12,650	0.04240%	\$7,840
40	MAT-SU	11.47316%	\$2,122,638	13.48887%	\$2,495,563	13.48887%	\$2,384,129	12.48102%	\$2,309,100
41	MENANA	0.43498%	\$80,475	0.26841%	\$49,658	0.43498%	\$76,882	0.35169%	\$65,060
42	NOME	0.65682%	\$121,518	0.79242%	\$146,604	0.79242%	\$140,058	0.72462%	\$134,060
43	NORTH SLOPE	0.56463%	\$104,461	0.69642%	\$128,844	0.69642%	\$123,091	0.63052%	\$116,650
44	PELICAN	0.01368%	\$2,533	0.01450%	\$2,682	0.01450%	\$2,562	0.01409%	\$2,607
45	PETERSBURG	0.35780%	\$66,197	0.47976%	\$88,760	0.47976%	\$84,796	0.41879%	\$77,478
46	RAILBELT	0.99881%	\$184,788	0.79399%	\$146,895	0.99881%	\$176,537	0.89640%	\$165,342
47	S.E. ISLANDS	0.27732%	\$51,306	0.43852%	\$81,130	0.43852%	\$77,537	0.35792%	\$66,213
48	SAND POINT	0.05146%	\$9,521	0.11639%	\$21,533	0.11639%	\$20,572	0.08393%	\$15,527
49	SITKA	1.27447%	\$235,789	1.41626%	\$262,021	1.41626%	\$250,321	1.34537%	\$243,905
50	SKAGWAY	0.01174%	\$2,171	0.00709%	\$1,312	0.01174%	\$2,074	0.00942%	\$1,742
51	SOUTHWEST REGION	0.18861%	\$34,895	0.31836%	\$58,900	0.31836%	\$56,270	0.25249%	\$45,397
52	UNALASKA	0.48844%	\$90,366	0.45521%	\$84,217	0.48844%	\$86,331	0.47122%	\$87,292
53	VALDEZ	1.36835%	\$253,158	1.15846%	\$214,325	1.36835%	\$241,354	1.26341%	\$221,741
54	WRANGELL	0.26402%	\$48,847	0.25270%	\$46,752	0.26402%	\$46,665	0.25252%	\$47,799
55	YAKUTAT	0.18560%	\$34,338	0.19690%	\$36,429	0.19690%	\$34,302	0.19125%	\$35,223
56	YUKON FLATS	0.20277%	\$37,514	0.20302%	\$37,561	0.20302%	\$35,884	0.20290%	\$37,527
57	YUKON/KOYUKUK	0.09586%	\$17,735	0.17114%	\$31,662	0.17114%	\$30,249	0.17252%	\$30,599
58	=====								
59									
60	TOTALS	100.00000%	\$18,500,900	100.00000%	\$18,500,900	104.67399%	\$18,500,900	100.00000%	\$13,500,900
61	=====								
62									
63	DIFF. IN GOVERNOR'S BUDGET REQUEST)		\$0		(\$1)		\$0		\$0

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 23, 1987

The Honorable Jan Faiks
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

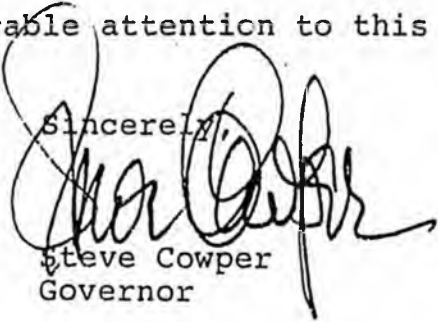
Dear Senator Faiks:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to school district transportation of pupils. The measure repeals existing AS 14.09.010, under which districts required by the department to provide pupil transportation are reimbursed on a "unit cost basis" determined by the department, and would replace it with a provision that makes pupil transportation services optional with the local districts, and directs the department to adopt regulations providing for the determination of eligibility for state pupil transportation aid and the amount of that aid. AS 14.09.020, which requires the department to provide transportation for nonpublic school students in certain situations, is repealed in sec. 2 of the bill.

The reason for the changes to AS 14.09.010 is that reimbursement on a "unit cost basis" essentially rewards districts that have high costs for their failure to contain costs, while districts that run more efficient transportation systems are penalized. Under the proposed new language of AS 14.09.010(b), the Department of Education will develop a system of distributing pupil transportation money which does not contain such disincentives to efficiency.

I urge your prompt and favorable attention to this bill.

Sincerely,


Steve Cowper
Governor

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: SB208

Bill Version: 773-87-0128
Publish Date: _____

Revision Date: _____
Title: ...transportation of pupils...

Agency Affected: Education
BRU: K-12 Support

Sponsor: Governor
Requestor: Governor

Components: Pupil Transportation

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		0	0	0	0	0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND		0	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS :

This legislation will not require an increased appropriation.

Prepared by: Steve Hole
Division: Commissioner's Office

Phone: 465-2800
Date: March 18, 1987

Approved by Commissioner: Marshall L. Lind
Agency: Education

Date: March 18, 1987

Distribution (by preparer):

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