

HB314

[] USE COMMITTEE REPORT

(11)

Date Referred: May 14, 1991

FURTHER REFERRALS:

Date of Committee Action: 5/17/91

The FINANCE Committee considered:

HB 314

HOUSE BILL NO. 314

SCHOOL DISTRICT COOPERATION GRANTS

"An Act establishing a cooperative arrangement grant program for school districts; and providing for an effective date."

RECOMMENDATIONS:

be replaced with _____

CS HB 314 (FIN)

the same title

a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

fiscal impact DOE

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
Wilo Koponen Koponen	✓	Bob Sharp Sharp		✓	
Max Boyer	X	ROD & ROD Phillips		✓	
Ronald J. Hanson	X	EP Maclean		✓	
Mike Navarre Navarre	✓	Mike Navarre		✓	
F. Ulmer	✓				
Ray Brown	✓				
George Sadco	✓				



 CO CHAIRMAN'S SIGNATURE MAClean

CS FOR HOUSE BILL NO. 314 (FINANCE)
 IN THE LEGISLATURE OF THE STATE OF ALASKA
 SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
 Referred:

Sponsor(s): REPRESENTATIVES JACKO, Ivan, Mackie, Gruenberg, Finkelstein, G.Phillips, Koponen, Grussendorf

A BILL
 FOR AN ACT ENTITLED

1 "An Act establishing a cooperative arrangement grant program for school districts; and
 2 providing for an effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 * Section 1. AS 14.14 is amended by adding a new section to read:

5 Sec. 14.14.115. COOPERATIVE ARRANGEMENT GRANT PROGRAM FOR SCHOOL
 6 DISTRICTS. (a) To encourage cooperative arrangements between school districts to provide
 7 more efficient or economical administrative or educational services, a school district may receive
 8 a one-time cooperative arrangement grant from the department of up to \$100,000.

9 (b) The cooperative arrangement grant fund is established in the department. An
 10 appropriation made to the fund may only be used for cooperative arrangement grants to school
 11 districts that have entered into an agreement authorized under AS 14.14.110.

12 (c) In this section,

13 (1) "administrative services" and "educational services" have the meanings given
 14 in AS 14.14.110(a);

- 1 (2) "district" has the meaning given in AS 14.17.250.
- 2 * Sec. 2. This Act takes effect immediately AS 01.10.070(c).

Revision Date: _____ Department Affected: Education
Title: Establishing a cooperative arrangement grant program for school districts BRU: Education Finance and Support
Component: District Support

Sponsor: Jacko
Requestor: House HESS COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	100.0					
MISCELLANEOUS						
TOTAL OPERATING	100.0	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	100.0					
FEDERAL FUNDS						
OTHER						
TOTAL	100.0	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Mary Hakala Phone: 465-2800
Division: Commissioner's Office Date: 5/18/91
Approved by Commissioner: Steve Hole, Acting Commissioner
Agency: Education Date: 5/18/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

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Subcommittee Chair:
Courts
Department of Public Safety

Finance
Subcommittee Member:
Department of Fish and Game

Rep. George Jacko, Jr.

MEMORANDUM

TO: Representative ^{Mike} Mike Navarre, Co-Chair
Representative ^{Eileen} Eileen MacLean, Co-Chair
House Finance Committee

FROM: Representative ^{George} George Jacko, Jr.

DATE: May 10, 1991

SUBJECT: Request for Scheduling of House Bill 314

I respectfully request that a hearing be scheduled for House Bill 314, "An Act establishing a cooperative arrangement grant program for school districts; and providing for an effective date," pending referral from the House Health, Education and Social Services Committee on Tuesday. As we ask Alaska's school districts to tighten their belts from year to year, I believe the Alaska Legislature must find ways to assist them. HB 314 is an attempt to address this need.

Aleutian Region School district is one of Alaska's smallest school districts. Inflation has caused a significant increase in operating costs and, as budgets have been cut as a result of decreasing value of the dollar, the school district has had a difficult time absorbing these increased costs. This is partially because they are very small, yet they must still provide administrative and related educational support services. These functions are necessary but do not provide teachers and materials for the students.

Recently, Aleutian Region has taken the initiative to contract with a neighboring school district for its administrative services in an attempt to reduce costs. I believe the Legislature should support these efforts and encourage all of Alaska's small school districts to find a way to live within their means.

This is why I have introduced House Bill 314, which would provide an incentive to school districts willing to enter into cooperative arrangements of this type in order to reduce costs. Application can be made to the Department of Education for a one-time only "cooperative arrangement" grant of up to \$100,000.

Thank you for your consideration of this request. I have enclosed a letter of support from the Alaska Association of School Boards and a copy of HB 314, to which several co-sponsors have signed on since the first printing. If you have any questions regarding this legislation, please contact Ingrid Jacobsen of my staff at 465-4942.

ASSOCIATION OF ALASKA SCHOOL BOARDS

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POSITION PAPER IN SUPPORT OF HB 314

Establishing a Cooperative Arrangement Grant Program for School Districts

The Association of Alaska School Boards supports and encourages favorable consideration HB 314 awarding cooperative services incentive grants to school districts that enter an agreement for shared administrative services.

A one-time cooperative services grant will help offset initial costs of relocation, transfer of staff, and realignment of roles and responsibilities of staff. While long term cost savings may be substantial, these short term costs can prohibit districts from entering into agreements for shared services. These grant would help alleviate the adverse impact and encourage other school districts to look more favorably on cooperative arrangements.

The Association of Alaska School Boards supported passage of HB 282 (Cooperation Between School Districts) last year because it ensured local autonomy and decision making by local school districts considering shared services. Since that time a number of districts have explored shared services, but find that, in some instances, short term costs of implementing are prohibitive. We believe an incentive grant program is the missing piece of the puzzle, and will indicate to districts the seriousness of the Legislature's intent to encourage cooperative services.

5/7/91