

HB

17

**DIVISION OF LEGAL SERVICES**

**LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA**

P.O. Box Y, Juneau, Alaska 99811  
(907) 465-3867 or 465-2450  
FAX (907) 465-2029

Deliveries to: 240 Main Street  
Court Plaza, Room 500  
Mail Stop 3101

MEMORANDUM

January 30, 1991

SUBJECT: Education budget deadline  
(CSHB 17(HESS))

TO: Representative Pat Carney

FROM: Michael F. Ford *M.F.*  
Legislative Counsel

You have asked what would be the legal effect of enacting CSHB 17(HESS), creating a statutory education funding deadline. The attached draft, while creating a statutory education funding date, does not remove the power of the legislature to appropriate money at a later date or choose to ignore the "deadline." Under Article IX, section 13 of the Alaska Constitution the legislature has total and absolute power to fund or not fund as the legislature chooses, subject of course to the governor's veto power. This power cannot be changed by statute, but could be changed by constitutional amendment. Note also that Article IX, section 8, prohibits, with certain very limited exceptions, the incurring of any state debt.

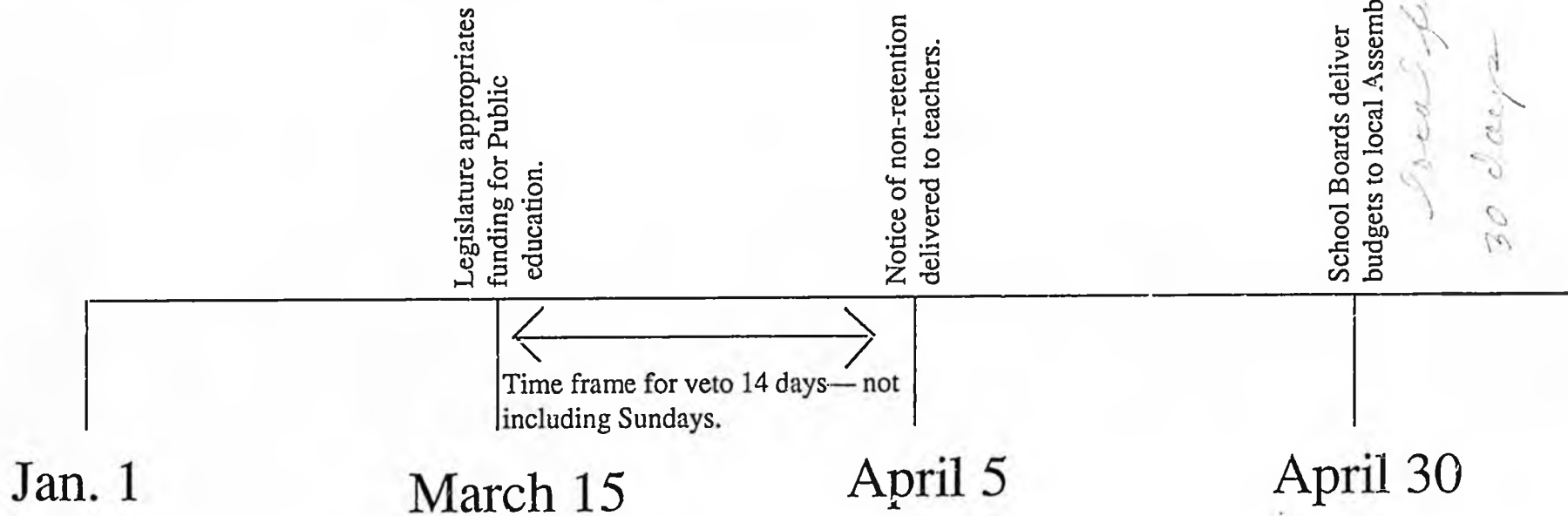
There are numerous examples of similar funding statutes, such as the requirement for funding bonded debt retirement contained in AS 14.11.100(a). However, none of these statutes bind the legislature to make an appropriation. The legislature may weigh competing public needs against available revenue and fund some items and not others, or fund at a lower level than established in statute. In short, the legislature cannot create by statute an enforceable right to appropriate funds by a certain date.

Please contact me if you have further questions.

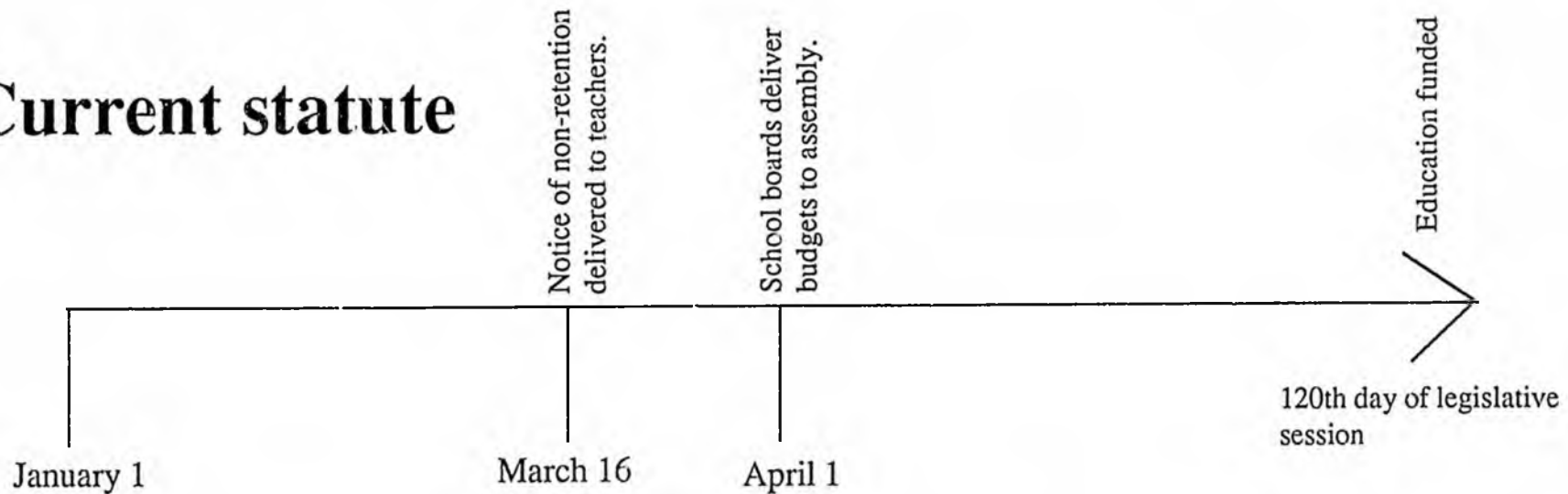
MFF:pl  
91-050.plm

Attachment

# Effects of CS HB17 as proposed



## Current statute



STATE OF ALASKA  
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY  
LEGISLATIVE REFERENCE LIBRARY

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

1/30/91 HHES

# HOUSE COMMITTEE REPORT

(7)

Date Referred: January 21, 1991

FURTHER REFERRALS:

Finance

Date of Committee Action: 2/14/91

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

HB 17

HOUSE BILL NO. 17

FUNDING DEADLINES: PUBLIC EDUCATION

"An Act relating to deadlines for action on funding of public education; and providing for an effective date."

**RECOMMENDATIONS:**

be replaced with CSHB 17 (HES)

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 \_\_\_\_\_

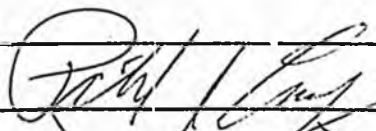
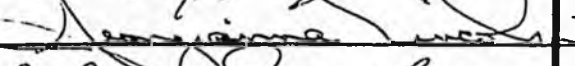
fiscal note(s) \_\_\_\_\_

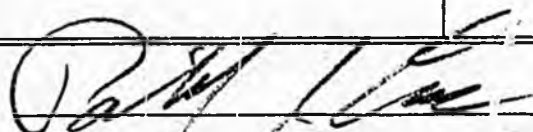
zero fiscal note \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

**SIGNING DO PASS:**

**SIGNING OTHER RECOMMENDATIONS:**

	Check appropriate column:		
	Do Not Pass	No Rec	Amend
			
			
John E. [unclear]			
Betty Davis			
Mark [unclear]			
Mary Miller			
Cheri Davis			



Chairman's Signature

FISCAL NOTE

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

BILL NO. HB 17

Revision Date: \_\_\_\_\_ Department Affected: Education  
 Title: Deadline for action on funding BRU: K-12 Support  
of public education Component: Foundation  
 Sponsor: Bruckman, Ellis, Carney  
 Requestor: House HESS COMPONENT SERIAL NO. 

0	1	4	1
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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						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: -0-

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Mary Hakala Phone: 465-2800  
 Division: Commissioner's Office Date: 1/25/91  
 Approved by Commissioner: Steve Hole, Acting Commissioner  
 Agency: Education Date: 1/28/91

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



# NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

## ANCHORAGE REGIONAL OFFICE

1411 W. 33RD AVENUE  
ANCHORAGE, ALASKA 99503  
(907) 274-0536

## JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302  
JUNEAU, ALASKA 99801  
(907) 586-3090

## FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET  
FAIRBANKS, ALASKA 99701  
(907) 456-4435

January 28, 1991

To: Representatives Carney & Lincoln; Co-Chairs  
Members, House HESS Committee

Re: HB 17; "An Act relating to deadlines for action  
on funding public education; and, providing for an  
effective date."

NEA-Alaska supports the basic concepts contained in HB 17. Funding decisions relative to public education in Alaska, at both the State and local level must be done much earlier in the process than has been so in recent years.

Program, basic services, and staffing decisions cannot be put off until the "11th" hour and still have the continuity and quality that we all expect from our public schools.

We do encourage that the Committee give serious consideration to two suggestions which we feel will enhance this legislation.

Because sometimes the precision of a specific date tends to generate arguments on issues not always germane to the primary intent of legislation, relative to Sec. 3, page 2, lines 9-16, AS 14.17.225(b), and possibly other sections of this bill which contain specific dates, we recommend that this appropriation be mandated within forty-five (45) days after the Legislature convenes.

In the event the Legislature failed to meet a funding appropriation deadline there is no provision in this legislation to provide for critical alternatives. We encourage that provision be made in this legislation that, minimally, in the event the Legislature fails to make an appropriation by the funding deadline, the level of state funding for the subsequent year will be no less than the previous year.

Thank you for your consideration of our position.

Respectfully submitted,

Bob Manners  
Executive Director

Don Oberg  
President

cc: Representative Bruckman

# ASSOCIATION OF ALASKA SCHOOL BOARDS

316 West 11th Street, Juneau, Alaska 99801-1510 • Tel. (907) 586-1083 • Fax (907) 586-2995

*Serving Alaskan Education*



January 29, 1991

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## EXECUTIVE

### DIRECTOR

Carl F.N. Rose

The Honorable Rep. Carney and Rep. Lincoln  
Co-Chairpersons  
House HESS Committee  
Alaska State Legislature  
Juneau, Alaska

## Re: IN SUPPORT OF HB 17-FUNDING DEADLINES FOR PUBLIC EDUCATION

Dear Reps. Carney and Lincoln:

The Association of Alaska School Boards supports HB 17—"An Act relating to deadlines for action on funding of public education; and providing for an effective date."

Without having advance knowledge of stable funding levels districts are forced to react to a budget crisis rather than prepare a budget that reflects the needs of Alaska's youth. Early planning of programs, staffing and procurement of supplies, equipment and maintenance are critical for providing students with quality education.

The ability to plan wisely is largely dependent on knowing what the available financial resources will be early in the planning process. Traditionally, school districts' revenues from the State foundation formula are not known until May—after the date budgets must be completed by school districts.

AASB requests that the Legislature determine the funding level for education for the following fiscal year early in the legislative session to allow school districts adequate time for planning and budget preparation before submitting budgets to the Department of Education. AASB also supports modification of the due date for submission of a municipal school district budget to the municipal government until after funding levels for the next fiscal year are known.

Respectfully submitted,

Carl F.N. Rose,  
Executive Director



# Alaska State Legislature

## HOUSE OF REPRESENTATIVES

Official Business

P.O. Box V  
State Capitol  
Juneau, Alaska 99811

### MEMORANDUM

TO: Representative Pat Carney, Co-Chair  
House HESS Committee

FROM: Representative Betty Bruckman *BB*

RE: HB 17, "An act relating to deadlines for action on  
funding of public education; and providing for an  
effective date."

DATE: January 29, 1991

I have introduced HB 17 in order to improve our public schools' ability to make basic funding decisions. This legislation will provide for early planning for staffing, programs, supplies, equipment, and maintenance. Delivering these services in a well planned and timely manner is crucial to maintaining the quality of our schools.

By promoting an earlier funding date, I believe that our public education system will improve its ability to provide quality services to our children.

I would greatly appreciate your support for HB 17 during the committee hearing process.

## CS FOR HOUSE BILL NO. 17 (HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered:

Referred:

Sponsor(s): REPRESENTATIVES BRUCKMAN, Ellis, Carney, Ulmer, Taylor, B.Davis

## A BILL

## FOR AN ACT ENTITLED

1 "An Act relating to deadlines for action on funding of public education; and providing  
2 for an effective date."

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

4 \* Section 1. AS 14.11.100(c) is amended to read:

5 (c) The school construction account is established. Funds to carry out the provisions of  
6 this section shall be included within the general appropriation bill submitted to the legislature  
7 under AS 37.07.020 and may be appropriated annually by the legislature to the account. Not  
8 later than 45 days after the commencement of each session, the legislature shall appropriate  
9 funds to school districts under this section for the next fiscal year. If amounts in the account  
10 are insufficient for the purpose of providing the share to which a borough or city is entitled under  
11 this section, those funds that are available shall be distributed pro rata among the eligible local  
12 governments except that the legislature may direct that additional debt service on refunding bonds  
13 that exceeds the total debt service on the refunded bonds be disregarded in whole or in part.

14 \* Sec. 2. AS 14.14.060(c) is amended to read:

1 (c) The borough school board shall submit the school budget for the following school  
2 year to the borough assembly by April 30 [APRIL 1] for approval of the total amount. Within  
3 30 days after receipt of the budget the assembly shall determine the total amount of money to  
4 be made available from local sources for school purposes and shall furnish the school board with  
5 a statement of the sum to be made available. If the assembly does not, within 30 days, furnish  
6 the school board with a statement of the sum to be made available, the amount requested in the  
7 budget is automatically approved. By May 31, the assembly shall appropriate the amount to be  
8 made available from local sources from money available for the purpose.

9 \* Sec. 3. AS 14.17.225(b) is amended to read:

10 (b) Money to carry out the provisions of AS 14.17.010 - 14.17.190 may be appropriated  
11 annually by the legislature into the public school foundation account. Not later than 45 days  
12 after the commencement of each session, the legislature shall appropriate funds for direct  
13 and indirect services and other funding under this chapter for the next fiscal year. If  
14 amounts in the account are insufficient to meet the allocations authorized under AS 14.17.010 -  
15 14.17.190 for a fiscal year, each district's basic need shall be reduced pro rata as necessary to  
16 make the funds available sufficient to meet the allocations for that fiscal year.

17 \* Sec. 4. AS 37.07.030 is amended to read:

18 Sec. 37.07.030. RESPONSIBILITIES OF THE LEGISLATURE. The legislature shall

19 (1) provide for a budget review function;

20 (2) analyze the comprehensive operating and capital improvements programs and  
21 financial plans recommended by the governor;

22 (3) adopt legislation to authorize implementation of the governor's comprehensive  
23 operating and capital improvements programs and financial plans or appropriate alternatives to  
24 those plans;

25 (4) provide for a post-audit function to cover financial transactions, program  
26 accomplishment, and compliance with legislative intent;

27 (5) adopt or revise the estimate or receipts required to balance the succeeding  
28 fiscal year's budget in order that proposed expenditures do not exceed estimated receipts for that  
29 fiscal year;

30 (6) adopt, revise, or initiate revenue measures in order to balance the succeeding  
31 fiscal year's budget and the capital improvements section of the budget for the succeeding six

1 years;

2 (7) appropriate money for the succeeding fiscal year for public school  
3 construction debt retirement under AS 14.11.100, public school foundation program under  
4 AS 14.17, pupil transportation, student lunch program, cigarette tax distribution, tuition  
5 students, boarding home grants, youth in detention, and schools for the handicapped no  
6 later than 45 days after the commencement of each session ~~is~~.

7 \* Sec. 5. This Act takes effect July 1, 1991.

7-LS0188ND  
Ford ✓  
1/31/91

CS FOR HOUSE BILL NO. 17 ( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY

Offered:

Referred:

↓  
Sponsor(s): REPRESENTATIVES BRUCKMAN, Ellis, Carney, Ulmer, Taylor, B.Davis

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to deadlines for action on funding of public education and for providing  
2 notification of nonretention to tenured teachers; and providing for an effective date."

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

4 \* Section 1. AS 14.11.100(c) is amended to read:

5 (c) The school construction account is established. Funds to carry out the provisions of  
6 this section shall be included within the general appropriation bill submitted to the legislature  
7 under AS 37.07.020 and may be appropriated annually by the legislature to the account. Before  
8 March 15 the legislature shall appropriate funds to school districts under this section for  
9 the next fiscal year. If amounts in the account are insufficient for the purpose of providing the  
10 share to which a borough or city is entitled under this section, those funds that are available shall  
11 be distributed pro rata among the eligible local governments except that the legislature may direct  
12 that additional debt service on refunding bonds that exceeds the total debt service on the refunded  
13 bonds be disregarded in whole or in part.

14 \* Sec. 2. AS 14.14.060(c) is amended to read:

1 (c) The borough school board shall submit the school budget for the following school  
2 year to the borough assembly by April 30 [APRIL 1] for approval of the [TOTAL] amount of  
3 money funded from local sources. Within 30 days after receipt of the budget the assembly  
4 shall determine the total amount of money to be made available from local sources for school  
5 purposes and shall furnish the school board with a statement of the sum to be made available.  
6 If the assembly does not, within 30 days, furnish the school board with a statement of the sum  
7 to be made available, the amount requested in the budget is automatically approved. By May  
8 31, the assembly shall appropriate the amount to be made available from local sources from  
9 money available for the purpose.

10 \* Sec. 3. AS 14.17.225(b) is amended to read:

11 (b) Money to carry out the provisions of AS 14.17.010 - 14.17.190 may be appropriated  
12 annually by the legislature into the public school foundation account. Before March 15 the  
13 legislature shall appropriate funds for direct and indirect services and other funding under  
14 this chapter for the next fiscal year. If amounts in the account are insufficient to meet the  
15 allocations authorized under AS 14.17.010 - 14.17.190 for a fiscal year, each district's basic need  
16 shall be reduced pro rata as necessary to make the funds available sufficient to meet the  
17 allocations for that fiscal year.

18 \* Sec. 4. AS 14.20.140(a) is amended to read:

19 (a) If a teacher who has acquired tenure rights is not to be retained for the following  
20 school year, the employer shall notify the teacher of the nonretention by writing, delivered before  
21 April 5 [MARCH 16], or by registered mail postmarked before April 5 [MARCH 16].

22 \* Sec. 5. AS 37.07.030 is amended to read:

23 Sec. 37.07.030. RESPONSIBILITIES OF THE LEGISLATURE. The legislature shall

24 (1) provide for a budget review function;

25 (2) analyze the comprehensive operating and capital improvements programs and  
26 financial plans recommended by the governor;

27 (3) adopt legislation to authorize implementation of the governor's comprehensive  
28 operating and capital improvements programs and financial plans or appropriate alternatives to  
29 those plans;

30 (4) provide for a post-audit function to cover financial transactions, program  
31 accomplishment, and compliance with legislative intent;

1                   (5) adopt or revise the estimate or receipts required to balance the succeeding  
 2 fiscal year's budget in order that proposed expenditures do not exceed estimated receipts for that  
 3 fiscal year;

4                   (6) adopt, revise, or initiate revenue measures in order to balance the succeeding  
 5 fiscal year's budget and the capital improvements section of the budget for the succeeding six  
 6 years;

7                   (7) appropriate money for public school construction debt retirement under  
 8 AS 14.11.100, public school foundation program under AS 14.17, pupil transportation,  
 9 student lunch program, cigarette tax distribution, tuition students, boarding home grants,  
 10 youth in detention, and schools for the handicapped no later than March 15 of each year  
 11 for the succeeding fiscal year.

12 \* Sec. 6. This Act takes effect July 1, 1991.