

HB314

SENATE FINANCE COMMITTEE REPORT

DATE: 4/1/92

FURTHER:

DATE TURNED INTO OFFICE: ~~5-6-92~~

The Finance Committee considered CS FOR HOUSE BILL NO. 314 (FINANCE)

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

and recommends:

- replace with _____ CS _____ (FINANCE)
- or adopt previous ~~5 CS CS HB 314 (HRS)~~
- attaches amendment(s)

- same title
- new title
- technical title change (HB only)

adopts _____ Letter of Intent

further referral to the _____

- do pass
- do not pass
- no recommendation
- individual recommendations

NEW FISCAL NOTES: Dept/Date

zero fiscal notes _____

fiscal notes _____

appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date

zero fiscal notes ~~TYPE (3-10-92)~~

fiscal notes _____

DO PASS:

OTHER RECOMMENDATIONS:

1. _____
Co-Chair: Signature/Recommendation

Co-Chair: Signature/Recommendation

FISCAL NOTE

No. 3

Bill Version: CSHB 314 (FIN)

(H) Publish Date: 3/11/92

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Revision Date: 3-10-92

Department Affected: Education

Title: An Act establishing a cooperative arrangement grant program for school districts.

BRU: Educational Finance and Support Services

Sponsor: Representative Jacko

Component: District Support

Requestor: (H) Rules

COMPONENT SERIAL NO.

	1	5	5
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Changes in SCS CSHB 314 (HES) have no fiscal impact. This fiscal note is appropriate.

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)

31 Mar 92 date MAH Comte Aide (initial)

This zero fiscal note assumes the department would establish specific criteria to evaluate district grant proposals and would then request requisite funding from the Legislature for those approved cooperative agreements. It is unclear if the intent is to capitalize the grant program in advance.

Prepared by: Mike Maher

Division: Commissioner's Office

Phone: 465-2800

Date: 3-10-92

Approved by Commissioner: Mike Maher

Agency: Education

Jerry Covey

Date: 3-10-92

COMMITTEE COPY

SENATE CS FOR CS FOR HOUSE BILL NO. 314 (HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 4/1/92
Referred: Finance

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

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. APPLICABILITY. Grants under AS 14.14.115, enacted in sec. 1 of this Act, may be given
- 3 for cooperative arrangements that are entered into on or after July 1, 1991.
- 4 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).

House of Representatives

While in Session:

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Member
Finance Committee

Finance
Subcommittee Chair:
Courts
Department of Public Safety
Finance
Subcommittee Member:
Department of Fish and Game

Rep. George Jacko, Jr.

Sponsor Statement

Representative George Jacko, Jr.
March 10, 1992

House Bill 314, "An Act establishing a cooperative arrangement grant program for school districts; and providing for an effective date".

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. This is particularly true because inflation has caused a significant increase in operating costs, yet budgets have been cut by the decreasing value of the dollar. HB 314 is an attempt to partially address this need.

Aleutian Region School District as one of Alaska's smallest school districts has had a difficult time absorbing increasing 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 or materials for Alaska's students.

Within the last year, 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 such efforts and encourage all of Alaska's school districts to find ways to live within their means.

This is why I have introduced House Bill 314, which would provide an incentive grant to school districts willing to enter into cooperative arrangements to reduce costs. Under the program established in this bill, applications would 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 legislation. House Bill 314 has a zero Fiscal Note from the Department of Education and the support of the Alaska Association of School Boards.

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



SENATOR FRED F. ZHAROFF
ALASKA STATE LEGISLATURE

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DISTRICT N

ALASKA PENINSULA • ALEUTIAN CHAIN • BRISTOL BAY • KODIAK ISLAND • LAKE CLARK/LAKE ILIAMNA • PRIBILOF ISLANDS • SHUMAGIN ISLANDS

MEMORANDUM

TO: Senator Pat Pourchot, Co-Chair
Senator Jay Kerttula, Co-Chair
Senate Finance Committee

FROM: Senator Fred F. Zharoff 

DATE: April 8, 1992

SUBJ: Support for SCS CS HB 314 (HESS)

I would like to offer my support to SCS CS HB 314 (HESS) relating to school district cooperation grants which is currently in the Senate Finance Committee. SCS CS HB 314 (HESS) is the companion measure to SB 280, which I sponsored last year and is currently in Senate HESS.

I believe SCS CS HB 314 (HESS) will allow school districts to save money in the long run by allowing them to combine administrative expenses and support staff. The grants available through this program will assist with the costs associated with initiating a cooperative agreement.

I would appreciate the committee's favorable consideration of SCS CS HB 314 (HESS).

cc: Representative George Jacko, Jr.