HB

477

Alaska State Legislature

HOUSE OF REPRESENTATIVES

REPRESENTATIVE FRAN ULMER

MEMORANDUM

February 16, 1994

TO: Rep. Harley Olberg, Chair
House Community & Regional Affairs Committee

FROM: Rep. Fran Ulmer

RE: HB 477, relating to local contributions for education

The amount of money which may be appropriated to a school district to operate is limited by state and federal law. This limit or cap is designed to ensure relative parity among school districts and their educational programs across the state. Under federal law, there shall be no difference in funding greater than 25% between districts.

Alaska law establishes a maximum local contribution of 23% of the instructional unit value in AS 14.17.056. HB 477 raises the cap on voluntary local contributions to 24% of the instructional unit value; there is no change to the minimum requirement.

There are several districts close to the existing maximum limits, including Fairbanks, Juneau, Kenai, Ketchikan and Sitka. A 1% increase in local contributions will maintain the policy of parity among districts while allowing districts to better maintain the level of service currently in place.

The intent of this bill is consonant with Alaska's policy of local control of education. Increasing the amount which a municipality MAY contribute to the funding of its school district allows local communities a greater opportunity to create the type of educational programs they desire. This bill thus encourages the concept of local control and responsibility as well as offering a practical remedy for those districts who wish to offset the negative effects of inflation on school funding.

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Juneau, AK 99801-1182

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HB 477
Local Contributions to Education

Sectional Analysis

Section 1. Increases the maximum amount of voluntary local contribution to a school district from 23% to 24% of the district's basic need.

Section 2. Effective date: July 1, 1994.

INCAP.XLS

ALASKA DEPARTMENT OF EDUCATION
FY94 FOUNDATION PROGRAM

	1% of Basic Need
ALEUTIANS EAST	40,425
ANCHORAGE	2,290,764
BRISTOL BAY	24,254
CORDOVA	32,147
CRAIG	23,491
DENALI	33,373
DILLINGHAM	38,564
FAIRBANKS	799,631
GALENA	14,756
HAINES	25,827
HOONAH	21,350
HYDABURG	10,114
JUNEAU	289,957
KAKE	13,804
KENAI	567,880
KETCHIKAN	133,791
KLAWOCK	16,074
KODIAK	172,545
LAKE AND PENN.	72,401
MATSU	608,280
NENANA	16,061
NOME	53,338
NORTHWEST ARCTIC	182,250
PELICAN	6,015
PETERSBURG	37,881
SITKA	93,861
SKAGWAY	11,535
ST. MARY'S	11,682
TANANA	12,316
WRANGELL	30,884
YAKUTAT	13,408
TOTALS	5,698,659

Potential increase of local contributions due to increased cap from 23% of basic need to 24%.

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. HB 477

Revision Date: _____

Department Affected: Education

Title: An Act increasing the amount of local contribution that may be made to a city or borough school district.....

BRU: K-12

Component: Foundation Program

Sponsor: Representative Ulmer

Requestor: _____

COMPONENT SERIAL NO. 141

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE FUND SOURCE:						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: $ -0-

ANALYSIS: (Attach a separate page if necessary.)

HB 477 does not have a fiscal impact on the State. HB 477 will amend AS 14.17.025(b)(2) which will increase the additional local revenue cities or boroughs are allowed to contribute for school operations from 23% to 24% of that district's basic need.

Prepared by: _____ Phone: 465-8679
Division: _____ Date: February 16, 1994

Approved by Commissioner: _____ Jerry Covey
Agency: Education Date: February 16, 1994

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HOUSE COMMUNITY AND REGIONAL AFFAIRS

DATE: 2/24/94

PLACE: Rm 124

SUBJECT OF MEETING:

HB 477

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
DUANE GULLEY	DOE	JUNEAU, AK.			5-8679	Y	N	AVAILABLE TO ANSWER QUESTIONS
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	

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