

SB

233

Fiscal Note
Being prepared
by DOE on CS SB233-
(includes enclosed
amendment)

A M E N D M E N T

OFFERED IN THE SENATE
TO: SB 233

BY SENATOR KERTTULA

*placed
in statute*

Page 2, line 6:

Delete "In this section, "funding community" means"

Insert "For purposes of this section, each of the following constitutes a funding community:"

Page 2, line 8:

Delete all material and insert:

"(2) all of the public schools in a city and within a borough school district or a regional educational attendance area;"

Page 2, lines 9 - 10:

Delete all material.

Re-number the following paragraphs accordingly.

Page 2, line 17:

Delete "January 1"

Insert "October 22"

6.6 million worth of funding communities would be grandfathered in as an exception. Dept wants to phase out these schools -



Official Business

Alaska State Legislature

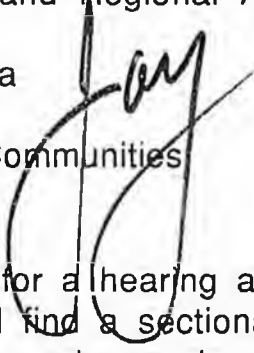
Senate

Pouch V
State Capitol
Juneau, Alaska 99811

February 1, 1994

MEMORANDUM

To: Senator Randy Phillips, Chair
Senate Community and Regional Affairs Committee

From: Senator Jay Kerttula 

Re: S. B. 233 Funding Communities

Please schedule the above bill for a hearing at your earliest convenience. Attached you will find a sectional analysis, a statement of purpose and a proposed amendment. The amendment is a clarification of the definition of funding community.

Thank you for your attention to this matter.

DIVISION OF LEGAL SERVICES

**LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

(907) 465-6767 or 465-2450
FAX (907) 465-2029
Mail Stop 1101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

January 18, 1994

SUBJECT: Sectional Summary of SB 233

TO: Senator Jay Kerttula

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

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Repeals the authority of the Department of Education to define the term "funding community" by regulation.

Section 2. Adds a definition of the term "funding community" for purposes of the foundation formula.

MFF:pl
94-043.plm

SPONSOR STATEMENT S.B. 233

FUNDING COMMUNITIES

SENATOR KERTTULA

The purpose of this bill is to bring into statute from regulation the definition of funding community and to grandfather-in certain funding communities that exist at the present time.

I believe it is important that funding decisions made by past Commissioners of Education on which districts have come to rely to build an educational program, not be changed without considerable thought on the impact to those districts.

Last session, a proposal was made by the current administration to overturn approval of funding districts in the Mat-Su and other school districts that would have reduced the amount of money available by over \$9,200,630. Over three million of this amount would have been deducted from the Mat-Su school district's foundation allocation.

The discretion of commissioners of education to change decisions that have such a large impact on districts without

substantial legislative hearings is in my opinion an abrogation of our responsibilities. Incorporating these regulations into law will ensure that the legislature will make decisions on whether to change the method by which schools are funded and that decisions will not change with commissioners of education.

DRAFT FOR DISCUSSION PURPOSES

2/3/94 FILE: COMMUNIT.XLS

Twenty funding communities appear to be elementary schools feeding into secondary schools. Estimated reduction in the foundation obligation if these funding communities are eliminated and the schools are merged into one community should be about 6.6 million dollars.

District	Nearest	Estimated	Means of	Grade	FY94 ADM	Estimated
Communities	Community	Miles	Transportation	Level		Savings
ANCHORAGE						\$412,970
GIRDWOOD	Anchorage	45	Bus	K-8	154.75	
BRISTOL BAY						\$165,310
SOUTH NAKNEK	Naknek	3	Plane	PE-8	16.00	
CHATHAM						\$184,830
KLUKWAN	Haines	23	Bus	K-8	24.70	
COPPER RIVER						\$565,470
COPPER CENTER	Glennallen	15	Bus	K-6	77.50	
GAKONA	Glennallen	20	Bus	K-6	22.85	
FAIRBANKS						\$810,690
SALCHA	Eielson	20	Bus	K-6	73.00	
TWO RIVERS	North Pole	25	Bus	K-6	126.00	
HAINES						\$128,100
MOSQUITO LAKE	Haines	28	Bus	K-3	15.00	
KENAI PENINSULA						\$1,713,490
KASILOF	Soldotna	15	Bus	K-6	273.75	
MCNEIL CANYON	Homer	15	Bus	K-6	183.90	
MOOSE PASS	Seward	20	Bus	K-8	34.00	
STERLING	Soldotna	10	Bus	K-6	354.50	
KUSPUK						\$326,960
LOWER KALSKAG	Upper Kalskag	3	Bus	K-6	50.50	
MAT-SU						\$2,329,590
BERYOZAVA	Mat-su	38	Bus	K-6	13.30	
BIG LAKE	Houston	7	Bus	K-6	637.00	
BUTTE	Palmer	9	Bus	K-6	384.20	
SUTTON	Palmer	15	Bus	K-6	77.10	
TALKEETNA	Mat-su	14	Bus	K-6	114.40	
TRAPPER CREEK	Mat-su	19	Bus	K-6	50.60	
WILLOW	Mat-su	18	Bus	K-6	165.40	
Total excess cost Statewide						\$6,637,410

Attachment to Fiscal Note SB 233 "An Act relating to state aid for education"
By Senators Kerttula, Salo, Zharoff

Funding Communities Decertified In FY95

District	Community	FY93 ADM	FY94 ADM	Total Units	Area Diff.	Adj. Units	Foundation
Aleutian Region	Nikolski	8.00	0.00	0.00	1.31	0.00	\$0
Chugack	Icy Bay	6.00	6.80	2.25	1.14	2.57	156,770
Copper River	Lottie Sparks	6.00	6.00	2.25	1.14	2.57	156,770
Copper River	Paxson	0.00	0.00	0.00	1.14	0.00	0
Kenai	Dolina	0.00	0.00	0.00	1.00	0.00	0
Kenai	Windy Bay	0.00	0.00	0.00	1.00	0.00	0
Southeast Island	Bruce Hill	6.00	7.00	2.35	1.04	2.44	148,840
Southeast Island	Kasaan	6.45	3.00	2.25	1.04	2.34	142,740
Southeast Island	Smith Cove	7.65	5.00	2.35	1.04	2.44	148,840
Total		40.10	27.80	11.45		12.36	\$753,960

The foundation column reflects the potential foundation program savings due to the decertification of funding communities less than 8 ADM. However, Southeast Island School District losing three funding communities may qualify for hold harmless units. If Southeast Island qualifies for hold harmless units the funding will be held to 75% of the previous years K-12 units, 50% of the base the second year and 25% of the base in the third year.

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Funding Communities with an ADM of or more in FY93 or FY94.

District	Community	FY93 ADM	FY94 ADM	Total Units	Area Diff.	Adj. Units	Foundation
Alaska Gateway	Alcan Border	7.00	8.00	2.00	1.19	2.38	\$145,180
Chatham	Hobart Bay	7.65	8.00	2.00	1.03	2.06	125,660
Iditarod	Lake Minchuminc	9.00	8.00	2.25	1.33	2.99	182,390
Iditarod	Telida	5.00	8.00	2.45	1.33	3.26	198,860
Kenai	Beluga	10.00	8.00	2.00	1.00	2.00	122,000
LKSD	Platinum	13.15	8.00	2.35	1.42	3.34	203,740
S.E. Island	Meyers Chuck	5.00	8.00	2.45	1.04	2.55	155,550
Total		56.80	56.00	13.50		16.20	\$988,200

The foundation column reflects the foundation program cost of the funding communities with 8 ADM or more.

Copper River	Two Moon Bay	9.00	5.10	2.25	1.14	2.57	156,770
Delta Greely	Healy Lake	9.50	6.00	2.56	1.16	2.97	181,170

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Insert "October 22"



Alaska State Legislature
Senator Randy Phillips

SESSION
 State Capitol
 Juneau, AK 99801
 (907) 465-4949
 800-478-4950
 Fax: 465-4979

INTERIM
 P.O. Box 142
 Eagle River AK 99577
 (907) 694-4949

CHAIR
 Legislative Budget & Audit
 Community & Regional Affairs

VICE-CHAIR
 Transportation

MEMBER
 Alaska Commission on
 Postsecondary Education

Phillips' Fax

DATE: 2/9/94

TO: Mike Ford Fax# 2029

FROM: Shirley Anshutz Fax# (907) 465-4979
SCRA Tel: (907) 465-4949
 Toll Free: (800) 478-4950

Comments: Please draft a SCRA CS
for SB233. Attached is
an amendment to the original bill.
Thanks

called 2/9/94 3:20pm not ready

8-LS1351NE
Ford
2/11/94

CS FOR SENATE BILL NO. 233(CRA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS KERTTULA Salo, Zharoff

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to state aid for education."

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

3 * Section 1. AS 14.17.031(a) is amended to read:

4 (a) [THE DEPARTMENT SHALL ADOPT REGULATIONS DEFINING
5 FUNDING COMMUNITIES WITHIN EACH DISTRICT THAT REFLECT
6 GEOGRAPHIC AND ATTENDANCE AREA FACTORS.] For the purpose of
7 determining instructional units, students are counted in the district and the funding
8 community from which they receive educational services. The total number of
9 instructional units in a school district is the sum of the following units for each
10 funding community within the district, as determined by the department:

11 (1) the number of units for elementary and secondary students
12 determined under AS 14.17.041(a) or (b);

13 (2) the number of units for vocational education determined under
14 AS 14.17.043;

1 (3) the number of units for special education determined under
2 AS 14.17.045; and

3 (4) the number of units for bilingual education determined under
4 AS 14.17.047.

5 * Sec. 2. AS 14.17.031 is amended by adding a new subsection to read:

6 (c) For purposes of this section, each of the following constitutes a funding
7 community:

8 (1) all of the public schools within a city school district;

9 (2) all of the public schools in a city and within a borough school
10 district or a regional educational attendance area;

11 (3) a high school and dependent schools outside of a city but located
12 within a borough school district or a regional educational attendance area;

13 (4) a public school with eight or more students in average daily
14 membership that cannot be reached by road from the funding community located
15 nearest to the public school; and

16 (5) a public school that is treated as a funding community by the
17 department on October 22, 1993, and that has at least eight or more students in
18 average daily membership.

SENATE BILL NO. 233

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY SENATORS KERTTULA, Salo, Zharoff

Introduced: 1/10/94
Referred: CRA, HES, FIN

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6 (c) In this section, [funding community] ^{insert} means

7 (1) all of the public schools within a city school district;

8 [(2) all of the public schools within a borough school district;] ^{insert}

9 [(3) all of the public schools within a regional educational attendance]

10 [area;

11 (4) a high school and dependent schools outside of a city but located
12 within a borough school district or a regional educational attendance area;

13 (5) a public school with eight or more students in average daily
14 membership that cannot be reached by road from the funding community located
15 nearest to the public school; and

16 (6) a public school that is treated as a funding community by the
17 department on [January 1] ^{alter}, 1993, and that has at least eight or more students in average
18 daily membership.