

**SB**

**78**

# SENATE COMMITTEE REPORT

## FIRST COMMITTEE OF REFERRAL

DATE: 1/29/93

FURTHER: HES  
FINANCE

Date of 5-Day Notice: 4/20/93  
(in accordance with Uniform Rule 23)

DATE TURNED  
INTO OFFICE: \_\_\_\_\_

CRA            Committee considered        SENATE BILL NO. 78

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

and recommends:

- replace with \_\_\_\_\_ CS \_\_\_\_\_ ( )
- 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

**FISCAL NOTE INFORMATION**

Department	Date	Zero	Fiscal
Dept of Educ	2/1/93	φ	

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

Governor's Bill with Previous Fiscal Notes (enter information above)

**DO PASS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**OTHER RECOMMENDATIONS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Roll C 100) Do Pass

Chair: Signature and Recommendation

**POSITION PAPER: DEPARTMENT OF EDUCATION**

Division School Finance/Data Services Bill Number SB 78

Bill Title An act relating to deadlines for action on funding of public education; and providing for an effective date.

Sponsor Senator Suzanne Little

Position Statement: Explain briefly what the bill does, its impacts and Department's position, i.e., a) support, b) do not support, c) neutral or d) oppose.

The Department of Education supports early appropriation of funds in support of K-12 Public School Foundation, Pupil Transportation, Student Lunch, Cigarette Tax, Tuition Students, Boarding Home, Youth in Detention, Schools for the Handicapped and Debt Reimbursement programs. The Department has no objection to the delay from April 1 to April 30 for submittal of the school budget to the borough assembly as amended by section 2 of Senate Bill 78. This delay in submittal to the assembly may reduce the administrative burden associated with the preparation of multiple drafts of operating budgets with unknown revenue amounts.

Early funding does not increase the cost of the programs or change the fiscal impact on the department of administering the programs. Early funding does provide critical financial information to public school districts at a time when districts are making staffing and other educational program decisions for the following school year. Early funding provides an indication of the level of commitment on behalf of the legislature and the administration to support public schools.

APPROVED:

Director Duane Guiley Division School Finance/Data Services

Signature  Date 4/20/93

Commissioner/Deputy Mike Maher

Signature  Date 4/20/93

# FISCAL NOTE

STATE OF ALASKA  
1993 LEGISLATIVE SESSION

BILL NO. SB78

Revision Date: \_\_\_\_\_  
Title: Deadlines For Action On Funding Public Education

Department Affected: Education  
BRU: K-12 Support, School Debt, School Finance  
Component: See Analysis

Sponsor: Sen. Little  
Requestor: Sen. Little

COMPONENT SERIAL NO. 141, 144, 145, 146, 147,  
148, 150, 151, 153, 155

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0

<b>CAPITAL</b>						
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<b>REVENUE FUND SOURCE:</b>						
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**FUNDING:**

(Thousands of Dollars)

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

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$0 \_\_\_\_\_

**ANALYSIS:** (Attach a separate page if necessary.) This legislation changes the appropriation date only, not the dollar amount of the appropriation or the resulting program support costs. The analysis included the potential fiscal impact on the following components: Foundation Program, Additional District Support, Cigarette Tax Distribution, Tuition Students, Boarding Home Grants, Youth In Detention, Schools For The Handicapped, Pupil Transportation, School Debt Reimbursement, District Support Services and Child Nutrition. Section 2 delays the due date from April 1 to April 30 for submittal of a school board budget to the Borough Assembly and changes the approval from the total amount to the amount of money funded from local sources. Section 2 has no fiscal impact.

Prepared by: Duane Guiley

Phone: 465-2891 \_\_\_\_\_

Division: School Finance

Date: February 8, 1993 \_\_\_\_\_

Approved by Commissioner: \_\_\_\_\_  
Agency: Education

Jerry Covey  
Date: 2-9-93

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## SECTIONAL ANALYSIS OF SB 78

**SB 78 "An Act relating to deadline for action on funding of public education; and providing for an effective date"**

- Section 1: Would require the Legislature to appropriate the funds to the school construction account before March 7 for the next fiscal year.
- Section 2: Changes the date by which the school board must submit their budget. Would require the school board to submit their budget to the assembly by April 30 for approval of the amount of money funded from local sources.
- Section 3: Would require the Legislature before March 7 to appropriate funds for direct and indirect services and other funding for the next fiscal year.
- Section 4: Would require the Legislature to appropriate the money for the succeeding fiscal year for public school construction debt retirement , public school foundation program, pupil transportation, student lunch program, cigarette tax distribution, tuition students, boarding home grants, youth in detention, and schools for the handicapped no later than March 7 of each year.

**ASSOCIATION OF ALASKA SCHOOL BOARDS**

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**POSITION PAPER**

**IN SUPPORT OF SB 78--FUNDING DEADLINES  
FOR PUBLIC EDUCATION**

The Association of Alaska School Boards supports SB 87, by Sen. Little -"An Act relating to deadlines for action on funding of public education; and providing for an effective date."

AASB is extremely pleased with the early funding of education through HB 45 this session. However, this year was unusual. Traditionally, school district revenues from the state foundation formula are not known until May--after the date budgets must be completed by school districts. The ability to plan wisely is largely dependent on knowing what the available financial resources will be early in the planning process.

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.

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.



# NEA-ALASKA

*Affiliated with the National Education Association*

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April 21, 1993

**To: Senator Suzanne Little**  
**From: Claudia Douglas, President**  
**Vernon Marshall, Executive Director**  
**RE: Support for SB 78**

NEA-Alaska strongly supports Senate Bill 78 and encourages expedited action on this legislation. Early and full funding is essential to the continuity of programs and services in public schools.

Each year with a few exception our school districts, and therefore our students, are unaware of the level of funding for educational program until late Spring or early summer.

Statutes require borough school boards to complete their budget deliberation on or before April 1 of each year. On rare occasions the boards are aware of the level of funding from the State by April 1. This bill changes that situation and affords school boards the ability to make informed decisions regarding their budgets. Presently, boards are required to make their "best guess" regarding one of the most important service that the state provides to our children. This situation must be corrected, and SB 78 will correct this situation.

Quality education requires informed decision-making. Specific program needs are driven by financial considerations such as class sizes, teachers' load and preparations, and the types of classes and course options which can be made available to students.

We thank you for your support of this concept.

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APR 15 1993

# SENATOR SUZANNE LITTLE

ALASKA STATE LEGISLATURE

## MEMORANDUM

To: Senator Randy Phillips  
From: Senator Suzanne Little *SRL*  
Date: April 15, 1993  
Re: SB 78

I appreciate the opportunity to have SB 78, relating to deadlines for action on the funding of public education heard in the Senate Community and Regional Affairs Committee this session. This bill is crucial to the effective administration of our public education system. Currently, local school districts and governments do not know the level of education funding they may have to work with until after their budgets are required by law to be submitted to the state. SB 78 would require the Legislature to early fund education by March 7. Knowing their level of funding for the next year allows local school districts to make the best decisions possible for their children.

As you know, it was significant that the Legislature was able to pass the education budget by March 19 this session. In past years, the Legislature has made slow progress on passing the education budget and usually ended up passing a bill in the final hours of the session. This has made it extremely difficult for school districts to plan their budgets, because local school districts must have their budgets written and submitted to the borough assembly for approval by April 1. It is impossible for the school districts and city governments to make appropriate budget decisions when they don't have accurate information from the state until months after their budget is due.

Thank you.