

**HB**

**1955**

# FISCAL NOTE

**STATE OF ALASKA  
1999 LEGISLATIVE SESSION**

**BILL NO. HB 195**

Revision Date/Time (Note if correction)	Dept. Affected	<u>Education</u>
Title	BRU	<u>School Finance</u>
	Component	<u>Educational Facilities Support</u>
Sponsor	<u>Dyson</u>	
Requester	<u>House HESS</u>	Component Serial No. <u>1957</u>

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>		<b>97,214.0</b>				
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY99) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

The projected potential impact is shown in FY2001 based on the additional amount that would be eligible beginning in that year. The attached cost summary is a conservative estimate of the immediate potential cost impact of this bill. The analysis does not consider the long-term increase in costs associated with implementation. See attached analysis.

Prepared by	Michael Morgan, School Facilities Manager	Phone <u>465-1858</u>
Division	Education Support Services	Date/Time <u>4-16-99 1:55 PM</u>
Approved by Commissioner:	Richard S. Cross	Date <u>4/16/99</u>
Agency	Department of Education	

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## HB 195 - School Grade Levels - Cost Impact Summary



Funding Areas	Projected FY05 6th Grade Class	HB 195 Additional Net SF per 6th grader	HB 195 Net SF Increase	State Share/SF Project Cost	HB 195 Estimated Cost Increase
Total Anchorage Attendance Area	3210	43.75 SF	140,438 SF	\$175	\$24,576,563
Total Eagle River Attendance Area <sup>4</sup>	373	43.75 SF	16,319 SF	\$175	\$2,855,781
Total Mat-Su Palmer Attendance Area	312	43.75 SF	13,650 SF	\$175	\$2,388,750
Total Mat-Su Colony Attendance Area	370	43.75 SF	16,188 SF	\$175	\$2,832,813
Total Mat-Su Wasilla Attendance Area	377	43.75 SF	16,494 SF	\$175	\$2,886,406
Total Mat-Su Periphery Attendance Area	177	43.75 SF	7,744 SF	\$175	\$1,355,156
Total Fairbanks Core Attendance Area <sup>1</sup>	783	43.75 SF	34,256 SF	\$185	\$6,337,406
Total Fairbanks Periphery Attendance Area <sup>1</sup>	205	43.75 SF	8,969 SF	\$185	\$1,659,219
Remaining Municipal Attendance Areas <sup>2</sup>	2,703	43.75 SF	118,256 SF	\$185	\$21,877,406
Remaining Rural Attendance Areas <sup>3</sup>	548	43.75 SF	23,975 SF	\$350	\$8,391,250
Total FY00 CIP Construction List					\$22,052,829
<b>Estimated Cost to the State of Alaska for Increased Space Eligibility per HB 195</b>					<b>\$97,213,579</b>

<sup>1</sup> The Attendance Area currently *does not* qualify to construct additional space however their *eligibility* for future space would increase by 43.75 SF per 6th grader

<sup>2</sup> The Attendance Area currently *may not* qualify to construct additional space however their *eligibility* for future space would increase by 43.75 SF per 6th grader

<sup>3</sup> The Attendance Area currently *may not* qualify to construct additional space however their *eligibility* for future space would increase 43.75 SF per 6th grader

<sup>4</sup> The Attendance Area currently *does not* qualify to construct additional space however their *eligibility* for future space would increase by 43.75 SF per 6th grader

# HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: April 13, 1999

FURTHER REFERRALS:

Finance

Date of Committee Action: 4/27/99

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

HB 195

HOUSE BILL NO. 195

SCHOOL GRANT/DEBT REIMBURSEMENT

"An Act relating to school construction grants and to municipal school construction debt reimbursement."

recommends it be replaced with the following committee substitute \_\_\_\_\_  the same title  a new title

additional referral to \_\_\_\_\_ Committee  
 attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) \_\_\_\_\_

APPROVES PREVIOUS: (Dept/Date) \_\_\_\_\_

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

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

zero fiscal note(s) DOE

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

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
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<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>			<input checked="" type="checkbox"/>	

CHAIR'S SIGNATURE *[Signature]* *[Signature]*



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## Chugiak-Eagle River Chamber of Commerce

P.O. BOX 770353  
EAGLE RIVER, ALASKA 9987711401 OLD GLENN HIGHWAY, SUITE 110A  
EAGLE RIVER, ALASKA 99577*"Place of Many Places"*

April 8, 1999

Senator Randy Phillips, SB 95 Sponsor  
Senator Rick Halford, SB 95 Sponsor  
Representative Fred Dyson  
Representative Pate Kott  
Representative Vic Kohring  
State Capitol  
Juneau, AK 99801

Dear Chugiak-Eagle River Legislative Delegation,

This letter is a Board of Directors' endorsement of SB 95, an Act relating to school construction grants and to municipal school construction debt reimbursement.

This legislation seeks to redefine when state grant are available for debt reimbursement by increasing flexibility through redefining criteria for reimbursement.


The Chugiak-Eagle River Chamber of Commerce 1999 Legislative Priorities specifically requests the Legislature to address this issue:

- **PUBLIC EDUCATION:** Support greater flexibility in education regulations covering debt reimbursement program through the Department of Education. Geographically isolated schools in areas with steady population growth should be allowed additional time to reach and sustain design capacity.

Current education regulations require a new high school in the Eagle River/Chugiak area to be full within five years of occupancy if it is to qualify for state construction reimbursement. Regulations also require that existing schools in Chugiak-Eagle River be full within two years. This forces 1800 students at Chugiak High to grow to over 2800 students before construction of a new high school could receive full matching state grant funding. (AAC 31.0021 & AS 14.11.011)

SB 95 will permit the Anchorage School District a more realistic and flexible approach to determine needs based on how facilities are actually utilized. The Chamber applauds this legislation which directly addresses these issues.

Sincerely,

  
Mark Eidem  
President



Alaska State Legislature

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## REPRESENTATIVE FRED DYSON

### HB 195 Sponsor Statement

**"An Act relating to school construction grants and to municipal school construction debt reimbursement."**

House Bill 195 amends the current definition of secondary school student to include the grade 6 to 8 middle school concept. Currently only junior high school students in grades 7 to 9 are considered secondary students.

Many junior high schools statewide have been converted to middle schools for instructional purposes. All Anchorage junior high schools have been converted to middle schools. This change seeks to expand Department of Education regulations in a manner that conforms with the middle school concept chosen by many local school boards.

Inclusion of sixth grade in the middle school configuration also has an impact on facilities planning. All students in the middle school program require the same facilities and space allocation. Changing this definition allows 6<sup>th</sup> grade students enrolled in a middle school program to be counted at the secondary school allowance of 150 square feet per student rather than the 106 square feet per student allowance.

The current elementary square foot allowance for sixth grade students hinders a local school board's ability to properly plan and design a middle school facility to meet the educational needs of the students it serves.

- E-mail -  
Representative\_Fred\_Dyson  
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<http://www.akrepublicans.org>



## ASD Memorandum of Support: HB 195

**HB 195:** An Act relating to school construction grants and to municipal school construction debt reimbursement.

HB 195, as currently written, would amend state statute to provide sixth grade students with the space allocation given to secondary students when the sixth grade students are housed in a middle school, junior high school, or high school that includes the sixth grade.

The Anchorage School Board supports this amendment to state statute.

Many junior high schools statewide have been converted to middle schools for instructional purposes. All Anchorage School District junior highs have been converted to middle schools.

Inclusion of sixth grade in the middle school configuration has an impact on facilities planning. All students in the middle school program require the same programs and space allocation. Amending state statute would allow 6<sup>th</sup> grade students enrolled in a middle school program to be counted at the secondary school allowance of 150 square feet per student rather than the 106 square feet per student allowance of elementary students to meet the educational needs of the students it serves.

The current elementary square foot allowance for sixth graders hinders a district's ability to properly plan and design a middle school facility to meet the educational needs of the students it serves.

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