

SB

290

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 3/17/00

FURTHER:

REPORTED OUT OF
SFC 4/12/00

Date of 5-Day Notice: 24 hour Rule
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 4-13-00

Finance Committee considered . SENATE BILL NO. 290

"An Act relating to state funding for transportation of public school students; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 290 (FIN)
- adopt previous _____ CS forth coming
- attached amendment(s) CS
- adopt Letter of Intent by _____
- further referral to the _____

- Senate Bill:
- same title
 - new title
- House Bill:
- same title
 - technical title
 - new: SCR" _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Erin White</i>	→	<i>Will E. Hill</i>	→		
		<i>Linda Gregg</i>			✓
		<i>Peter Kelly</i>	✓		
		<i>Kevin D. Flynn</i>	✓		
		<i>Al Adams</i>		X	needs amend + w/ Equi
		<i>Don Dwyer</i>			✓
Co-Chair: _____		Co-Chair: <i>[Signature]</i>		✓	
Co-Chair: <i>Alan Panel</i>	✓	Co-Chair: _____			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>#1 SFC Education</i>	<i>3/11/00</i>		<i>5079.9</i>

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

STATE OF ALASKA
2000 Legislative Session

FISCAL NOTE
REPORTED OUT OF
SFC 4/12/00

Bill Version: CSSB 290 (FIN)
(S) Publish Date: 4-13-00

Revision Date: 04/04/00
Title: An Act relating to state funding for transportation of public school students; and providing for an effective date.
Sponsor: Senate Finance
Requester: Senate Finance

Dept. Affected: Education & Early Development
BRU: K-12 Support
Component: Pupil Transportation

Component Serial No. _____

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY01	FY02	FY03	FY04	FY05	FY06
Personal Services	0.0					
Travel	0.0					
Contractual	5,079.9					
Supplies	0.0					
Equipment	0.0					
Land & Structures	0.0					
Grants & Claims	0.0					
Miscellaneous	0.0					
TOTAL OPERATING	5,079.9	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES []						
------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY01	FY02	FY03	FY04	FY05	FY06
1002 Federal Receipts	0.0					
1003 GF Match	0.0					
1004 GF	5,079.9					
1005 GF/Program Receipts	0.0					
1037 GF/Mental Health	0.0					
1091 Designated Program Receipts	0.0					
TOTAL	5,079.9	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY99) costs: 0.0

POSITIONS

POSITIONS	FY01	FY02	FY03	FY04	FY05	FY06
Full-time	0					
Part-time	0					
Temporary	0					

ANALYSIS: (Attach a separate page if necessary)

CSSB 290 will reduce the amount of state reimbursement for pupil transportation cost equal to 50% of the increase over the base year of FY2001. The savings will be based on the increase in total pupil transportation expenditures from FY2001 to FY2002 and each subsequent year for all districts. The amounts will not be known until the daily rate proposals for FY2002 are submitted by prospective contractors in the fall of 2000. The cost reflected here funds pupil transportation at the Governor's FY2001 budget request.

Prepared By: SENATE FINANCE COMMITTEE


SENATOR SEAN PARNELL, CO-CHAIR

Date: 3/11/99 00
Phone: 465-2995


SENATOR JOHN TORGERSON, CO-CHAIR

Date: 3/11/99 00
Phone: 465-2828

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

Bill Number	SB 290	
Amendment	Report from	
Motion	Committee	
	"N"	
<u>Motion by</u>	W	
<u>Objection</u>		
<u>Objection by</u>	G / T	
<u>Removed</u>	✓	
<u>Second Objection by</u>		
<u>Committee Member</u>	<u>Vote</u>	
Senator Loren Leman		
Senator Al Adams		
Senator Gary Wilken	✓	
Senator Pete Kelly	✓	
Senator Lyda Green		
Senator Randy Phillips	✓	
Senator Dave Donley	✓	
Co-Chair Sean Parnell	✓	
Co-Chair John Torgerson		
<u>Tally</u>		
Yea	5	0
Nay	3	0
Absent	1	0
<u>MOTION</u>	Pass	

SENATE FINANCE
COMMITTEE

Amendment Number: 6
Bill Number: SB 290
Sponsor: Adams Date: 4/12/00
Logged In By: Mindy

1-LS1555\N.2

Ford

4/12/00

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR ADAMS

TO: CSSB 290(), Draft Version "N"

- 1 Page 1, line 1:
- 2 Delete "transportation of"

- 3 Page 3, following line 8:
- 4 Insert a new bill section to read:
- 5 **"* Sec. 5. AS 14.17.490(d) is repealed."**

- 6 Renumber the following bill sections accordingly.

- 7 Page 3, line 9:
- 8 Delete "Sections 3 and 4"
- 9 Insert "Sections 3 - 5"

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

Bill Number	SB 290		
Amendment	#6		
Motion	Adopt		
<u>Motion by</u>	A		
<u>Objection</u>			
<u>Objection by</u>	T		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	Vote	N
Senator Pete Kelly		+	
Senator Lyda Green			✓
Senator Randy Phillips			✓
Senator Dave Donley			✓
Senator Loren Leman			✓
Senator Al Adams	✓		
Senator Gary Wilken			✓
Co-Chair Sean Parnell			✓
Co-Chair John Torgerson			✓
<u>Tally</u>			
Yea	7	0	
Nay	1	0	
Absent	1	0	
<u>MOTION</u>	FFIL		

SENATE FINANCE
COMMITTEE
Amendment Number: 5 1-LS1555\N.1
Bill Number: SB 290 Ford
Sponsor: Green Date: 4/12/00 4/12/00
Logged In By: Mindy

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR GREEN

TO: CSSB 290(), Draft Version "N"

- 1 Page 2, line 21:
- 2 Delete "principals. assistant principals."
- 3 Insert "assistant principals"

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

Bill Number	SB 290		
Amendment	#5		
Motion	accpt		
<u>Motion by</u>	G		
<u>Objection</u>			
<u>Objection by</u>	T		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>N</u>	<u>Vote</u>
Senator Gary Wilken			N
Senator Pete Kelly			N
Senator Lyda Green	✓		
Senator Randy Phillips			N
Senator Dave Donley			N
Senator Loren Lemar			N
Senator Al Adams			N
Co-Chair Sean Parnell			N
Co-Chair John Torgerson			N
<u>Tally</u>			
Yea	1		0
Nay	8		0
Absent	-		0
<u>MOTION</u>	FAIL		

SENATE FINANCE
COMMITTEE
Amendment Number: #4
Bill Number: SB 290
Sponsor: Adams Date: 4/3/00
Logged In By: Mindy

AMENDMENT

OFFERED IN SENATE FINANCE

BY SENATOR ADAMS

TO: CSSB 290 () version D

On page 1, lines 13 and 14:

Delete: 2001

Insert : 2000

SENATE FINANCE
COMMITTEE
Amendment Number: #3 1-LS1555A.2
Bill Number: SB 290 Ford
Sponsor: Adams Date: 4/3/00 3/27/00
Logged In By: Mindy

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR ADAMS

TO: SB 290

- 1 Page 1, line 1:
- 2 Delete "transportation of"

- 3 Page 1, following line 13:
- 4 Insert a new bill section to read:
- 5 "* Sec. 2. AS 14.17.490(d) is repealed."

- 6 Renumber the following bill section accordingly.

SENATE FINANCE
COMMITTEE #2 1-LS1555VA.1 ✓
Amendment Number: #2
Bill Number: SB 290 Ford
Sponsor: Green Date: 3/27/00 3/27/00
Logged In By: Mindy

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR GREEN

TO: SB 290

- 1 Page 1, line 13, following "district":
- 2 Insert "; the 50 percent limitation imposed under this paragraph does not apply
- 3 to student transportation system operating costs that are incurred as a result of an
- 4 increase in student enrollment"

SENATE FINANCE
COMMITTEE

Amendment Number: # 1
Bill Number: SB 290
Sponsor: Torgerson Date: 3/27/00
Logged In By: Mindy

AMENDMENT

(not offered)

OFFERED IN THE SENATE
TO: SB 290

BY SENATOR TORGERSON

1. Page 1, line 1, following "students;":
2. Insert "and to minimum expenditure for instruction;"

3. Page 1, following line 13:
4. Insert a new bill section to read:
5. ** Sec. 2. AS14.17.520 is amended to read:
6. (a) A district shall budget for and spend a minimum of 80 [70] percent
7. of its school operating expenditures in each fiscal year on the instructional
8. component of the district budget.

9. Renumber the following bill sections accordingly.

SENATE FINANCE COMMITTEE
2000 COMMITTEE ACTION

Bill Number	SB 290	
Amendment	Version "N"	
Motion	adopt as Workdraft	
<u>Motion by</u>	W	
<u>Objection</u>		
<u>Objection by</u>	T	
<u>Removed</u>		
<u>Second Objection by</u>		
<u>Committee Member</u>	<u>Y</u>	<u>N</u>
Senator Al Adams		✓
Senator Gary Wilken	✓	
Senator Pete Kelly		✓
Senator Lyda Green	✓	
Senator Randy Phillips		✓
Senator Dave Donley	✓	
Senator Loren Leman	✓	
Co-Chair Sean Parnell	✓	
Co-Chair John Torgerson		✓
<u>Tally</u>		
Yea	6	0
Nay	4	0
Absent		0
<u>MOTION</u>	Pass	

adopted

WORK DRAFT

WORK DRAFT

WORK DRAFT

1-LS1555N
Ford
4/11/00

CS FOR SENATE BILL NO. 290()

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to state funding for transportation of public school students;
2 relating to a minimum amount of expenditures by school districts for
3 instruction; determining the facilities constituting a school for purposes of public
4 school funding; and providing for an effective date."

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

6 * Section 1. AS 14.09.010(b) is amended to read:

7 (b) Except as otherwise provided in (d) of this section, a [A] school district
8 that enters into a contract described under (a)(1) of this section shall be reimbursed for

9 (1) at least 90 percent of the cost of operating the student transportation
10 system if the transportation is provided by the school district; and

11 (2) 100 percent of the cost of operating the student transportation system
12 when the transportation is provided under a contract with the school district.

13 * Sec. 2. AS 14.09.010(d) is repealed and reenacted to read:

14 (d) Transportation costs eligible for reimbursement under this section are

L

1 subject to the following adjustments:

2 (1) transportation costs may not exceed the amount received by the
3 school district for student transportation reimbursement in state fiscal year 2001;

4 (2) costs resulting from new school facilities, an increase in enrollment,
5 or costs incurred to meet a requirement imposed by state or federal law are exempt
6 from the limit imposed under (d) of this subsection;

7 (3) the sum calculated under (1) of this subsection shall be increased
8 for each state fiscal year following state fiscal year 2001 by the lesser of the following:

9 (A) four percent; or

10 (B) any increases in the Consumer Price Index for all urban
11 consumers for the Anchorage metropolitan area compiled by the Bureau of
12 Labor Statistics, United States Department of Labor; the index for January of
13 2001 is the reference base index; and

14 (4) only 50 percent of those costs reimbursable under this section that
15 are in excess of the sum calculated under (1) - (3) of this subsection shall be
16 reimbursed to a school district.

17 * Sec. 3. AS 14.17.520(f) is amended to read:

18 (f) In this section,

19 (1) "instructional component" means [INCLUDES] expenditures for
20 teachers and [FOR] pupil support services, but does not include expenditures for
21 school administration or for principals, assistant principals, or other assistants
22 employed to generally supervise administrative operations of a school;

23 (2) "school administration" means expenditures related to
24 managing a school, including expenditures for supplies, materials, and travel.

25 * Sec. 4. AS 14.17.905 is amended to read:

26 **Sec. 14.17.905. Facilities constituting a school.** For purposes of this chapter,
27 the determination of the number of schools in a district is subject to the following:

28 (1) a community with an ADM of at least 10, but not more than 100,
29 shall be counted as one school;

30 (2) a community with an ADM of at least 101, but not more than 450
31 [750], shall be counted as

1 (A) one elementary school, which includes those students in
2 grades kindergarten through six [6]; and

3 (B) one secondary school, which includes students in grades
4 seven [7] through 12;

5 (3) in a community with an ADM of greater than 450 [750], each
6 facility that is administered as a separate school shall be counted as one school, except
7 that each alternative school with an ADM of less than 200 shall be counted as a part
8 of the school in the district with the highest ADM.

9 * Sec. 5. Sections 3 and 4 of this Act takes effect July 1, 2000.

10 * Sec. 6. Sections 1 and 2 of this Act take effect July 1, 2001.

1-LS1555K
Fcrd
4/7/00

CS FOR SENATE BILL NO. 290()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

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2 relating to a minimum amount of expenditures by school districts for
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8 that enters into a contract described under (a)(1) of this section shall be reimbursed for

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10 system if the transportation is provided by the school district; and

11 (2) 100 percent of the cost of operating the student transportation system
12 when the transportation is provided under a contract with the school district.

13 * Sec. 2. AS 14.09.010(d) is repealed and reenacted to read:

14 (d) Transportation costs eligible for reimbursement under this section are

1 subject to the following adjustments:

2 (1) transportation costs may not exceed the amount received by the
3 school district for student transportation reimbursement in state fiscal year 2001;
4 however, costs resulting from new school facilities, an increase in enrollment, or costs
5 incurred to meet a requirement imposed by state or federal law, are exempt from the
6 limit imposed under this paragraph;

7 (2) the sum calculated under (1) of this subsection shall be increased
8 by four percent for each state fiscal year following state fiscal year 2001; and

9 (3) only 50 percent of those costs reimbursable under this section that
10 are in excess of the sum calculated under (1) and (2) of this subsection shall be
11 reimbursed to a school district.

12 * Sec. 3. AS 14.17.520(f) is amended to read:

13 (f) In this section, "instructional component" means [INCLUDES] expenditures
14 for teachers and [FOR] pupil support services, but does not include expenditures for
15 principals, assistant principals, or other assistants employed to generally supervise
16 administrative operations of a school.

17 * Sec. 4. AS 14.17.905 is amended to read:

18 **Sec. 14.17.905. Facilities constituting a school.** For purposes of this chapter,
19 the determination of the number of schools in a district is subject to the following:

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21 shall be counted as one school;

22 (2) a community with an ADM of at least 101, but not more than 450
23 [750], shall be counted as

24 (A) one elementary school, which includes those students in
25 grades kindergarten through six [6]; and

26 (B) one secondary school, which includes students in grades
27 seven [7] through 12;

28 (3) in a community with an ADM of greater than 450 [750], each
29 facility that is administered as a separate school shall be counted as one school, except
30 that each alternative school with an ADM of less than 200 shall be counted as a part
31 of the school in the district with the highest ADM.

- 1 * Sec. 5. Sections 3 and 4 of this Act takes effect July 1, 2000.
- 2 * Sec. 6. Sections 1 and 2 of this Act take effect July 1, 2001.

CS FOR SENATE BILL NO. 290()

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to state funding for transportation of public school students; and
2 providing for an effective date."

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

4 * Section 1. AS 14.09.010(b) is amended to read:

5 (b) Except as otherwise provided in this subsection, a [A] school district
6 that enters into a contract described under (a)(1) of this section shall be reimbursed for
7 (1) at least 90 percent of the cost of operating the student transportation system if the
8 transportation is provided by the school district; and (2) 100 percent of the cost of
9 operating the student transportation system when the transportation is provided under
10 a contract with the school district. Only 50 percent of those costs reimbursable
11 under (1) and (2) of this subsection that are in excess of the amount received by
12 the school district for student transportation reimbursement in state fiscal year
13 2001 shall be reimbursed to the school district.

14 * Sec. 2. This Act takes effect July 1, 2001.



Official Business

Alaska State Senate

Senate Finance Committee

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

Sponsor Statement

SB 290 – Pupil Transportation Reimbursement Costs

Currently school district transportation costs that are approved by the Department of Education and Early Development are eligible for 100% reimbursement by the State. Senate Bill 290 sets forth a plan to involve local school districts in the funding of the district's pupil transportation costs.

Under this legislation, any increase to the school district's transportation costs that is above the amount received by the district for student transportation reimbursement in FY01 is shared equally between the local school district and the State of Alaska. The State will reimburse 50% of the additional transportation costs and the school district will fund the remaining 50%.

In the past several years, the cost to transport our students to school has risen substantially. Under the current reimbursement scheme, the cost to local districts is minimal or non-existent. Senate Bill 290 asks local school boards to take a greater responsibility and involvement in funding the costs of transporting our children.

Senate Bill 290 requires a financial commitment upon the part of the school board, thus focusing the local district's interest and attention on ways to provide the best and least costly transportation for its student body. The intent of this legislation is to validate the cost of pupil transportation, thereby directing state education dollars where they belong, in the classroom.

Your support for SB 290 is encouraged.

**ALASKA DEPARTMENT OF EDUCATION
UNIFORM CHART OF ACCOUNTS FOR SCHOOL DISTRICTS
AND ACCOUNT CODE DESCRIPTIONS
1996 Edition**

UNIFORM CHART OF ACCOUNTS FOR SCHOOL DISTRICTS
AND ACCOUNT CODE DESCRIPTIONS
1996 Edition

- 350 SUPPORT SERVICES - INSTRUCTION - Activities which assist instructional staff with the content and process of providing learning experience for students. This includes the cost of non-teaching directors and/or coordinators of instructional programs, librarians and library aides. Instruction related inservice supplies, materials, travel and conference fees and curriculum development are coded to this function. (Required)
- 351 IMPROVEMENT OF INSTRUCTIONAL SERVICES - Educational improvement through leadership, guidance, inservice training and supervision designed to aid teaching staff and improve curriculum and curriculum materials. (Optional)
- 352 LIBRARY SERVICE - Pertains to the cost of organizing and maintaining libraries. (Optional)
- 353 AUDIO-VISUAL SERVICES - Pertains to the preparation, storage, maintenance, cataloging and circulation of audio-visual materials and equipment from central locations in the school system. (Optional)
- 354 INSERVICE - General instruction of teaching staff including teacher training, conferences, workshops, and staff development related expenses including membership in staff development networks. (Optional)
- 400 SCHOOL ADMINISTRATION - Activities of directing and managing a school. This function includes the activities performed by the principal, assistant principal and other assistants in general supervision of administrative operations of the school, evaluation of school staff members, assignment of duties to staff members, supervision and maintenance of the school records and coordination of school instruction activities. Salaries for principals, assistant principals, and support staff for school administration are classified under this function. Expenditures for supplies, materials, communication and school administration travel are included. (Required)
- 510 DISTRICT ADMINISTRATION - Activities related to the broad overall executive and general administration of the school system and the elected body which has been created according to State law and vested with responsibilities for educational activities in a given geographical area. (Required)
- 511 BOARD OF EDUCATION - Consists of the activities of the elected body which has been created according to State law and vested with responsibilities for educational activities in a given geographical area. Expenditures for lobbyists are included under this function. (Optional)
- 512 OFFICE OF THE SUPERINTENDENT - Pertains to the activities performed by the superintendent and such assistants as deputy, associate and assistant superintendents, in the broad overall executive and general direction and management of all affairs of the school system. (Optional)

**To: Members of the State Board of
Education & Early Development**

March 15, 2000

From: Richard S. Cross, Commissioner

Agenda Item: 7

◆ **ISSUE**

The board is asked to adopt proposed changes to 4 AAC 09.115, School Administrators as Part of Instruction. The proposed changes would place building level administration in the instructional component of a district's budget.

◆ **BACKGROUND**

At its November 1998, meeting, the board adopted regulation 4 AAC 09.115, Minimum Expenditure for Instruction. The regulation defined the instructional categories of expenditure for compliance with the requirements of AS 14.17.520, Minimum Expenditure for Instruction.

AS 14.17.520 requires a school district to budget and spend a minimum of 70% of its school operating expenditures in each fiscal year on the instructional component of the district budget. The percentage requirement is phased in over a three-year period: FY99 60%, FY2000 65%, and FY2001 70%.

The department has completed two budgetary reviews of the requirement under AS 14.17.520. In each review, school districts, the Association of Alaska School Boards, and the Alaska Council of School Administrators have requested that school administration be included as an instructional expenditure. The current regulation does not allow the inclusion of principals under instructional expenditures. The ACSA & AASB have prepared a briefing paper on this topic, which accompanies this memorandum. Significant public comment is also included.

Karen Rehfeld, Director of Education Support Services, and Eddy Jeans, School Finance Manager, will be present to brief the board.

◆ **OPTIONS**

Adopt the proposed regulation.

Amend the proposed regulation.

Seek further public comment.

◆ **ADMINISTRATION'S RECOMMENDATION**

Adopt the proposed regulation.

◆ **SUGGESTED MOTION**

I move the State Board of Education & Early Development adopt 4 AAC 09.115, School Administrators as Part of Instruction.

CHAPTER 09. STATE SUPPORT OF SCHOOLS.

4 AAC 09.115 is amended to read:

4 AAC 09.115. MINIMUM EXPENDITURE FOR INSTRUCTION.

The department will calculate each district's required minimum expenditure for instruction under AS 14.17.520 based upon district operating fund expenditures reported under the uniform chart of accounts. The instructional component of a district budget shall consist of expenditures in the following functional categories:

- (1) 100 - Instruction;
- (2) 200 - Special Education Instruction;
- (3) 220 - Special Education Support Services - Students;
- (4) 300 - Support Services - Students; [AND]
- (5) 350 - Support Services - Instruction[.], and
- (6) 400 - School Administration.

(Eff. 7/22/99, Register 151; am / /2000, Register)

Authority AS 14.17.520 AS 14.17.920 AS 14.03.050
AS 14.07.020(1) Sec. 43, Chapt. 83, SLA 1998

Department of Education and Early Development
 FY2000 Budgeted
 Instructional Percentages

	100	200	220	300	350	SB36	400	510	550	600	700	780	
	INSTRUC-	SPECIAL	SPECIAL	STUDENT	INSTRUC-	INSTRUC-	SCHOOL	DISTRICT	DISTRICT	OPERATION	STUDENT	COMM.	TOTAL
	TION	EDUCA-	EDUCATION	SUPPORT	TION	TIONAL	ADMIN	ADMIN	ADMIN.	&	ACTIV.	SERVICES	
		TION	SUPPORT		SUPPORT	PERCENTAGE			SUPPORT	MAINT.			
ALASKA GATEWAY	49.83%	5.57%	3.30%	2.00%	4.47%	65.17%	5.29%	5.35%	2.89%	20.82%	0.43%	0.00%	100%
ALEUTIAN REGION	54.99%	5.56%	0.68%	0.00%	0.54%	61.77%	2.82%	21.20%	0.00%	13.40%	0.81%	0.00%	100%
ALEUTIANS EAST	48.17%	5.31%	3.22%	0.00%	7.22%	63.93%	6.07%	6.11%	3.63%	16.57%	3.58%	0.00%	100%
ANCHORAGE	51.60%	12.06%	2.76%	4.14%	3.34%	73.91%	6.33%	1.32%	3.31%	14.16%	0.85%	0.12%	100%
ANNETTE ISLAND	50.82%	7.19%	1.05%	6.24%	0.00%	65.29%	5.29%	4.79%	7.73%	13.36%	4.25%	0.00%	100%
BERING STRAIT	53.05%	5.82%	1.05%	3.29%	1.79%	65.00%	3.91%	4.00%	2.01%	21.19%	3.71%	0.00%	100%
BRISTOL BAY	54.06%	6.98%	0.00%	1.71%	2.24%	64.98%	4.46%	5.25%	3.29%	18.28%	3.43%	0.00%	100%
CHATHAM	55.66%	2.79%	3.33%	3.46%	2.19%	67.43%	5.81%	9.90%	3.56%	12.83%	0.39%	0.00%	100%
CHUGACH	47.86%	0.35%	1.61%	3.09%	17.36%	70.28%	0.53%	10.72%	1.89%	15.44%	0.77%	0.24%	100%
COPPER RIVER	51.41%	9.52%	0.11%	2.24%	1.98%	65.25%	7.90%	5.37%	2.57%	16.90%	1.85%	0.00%	100%
CORDOVA	55.40%	7.23%	1.48%	0.87%	0.91%	65.88%	6.64%	3.82%	4.07%	16.05%	3.49%	0.00%	100%
CRAIG	56.63%	8.63%	2.93%	0.69%	2.11%	70.99%	5.60%	3.64%	3.48%	10.68%	5.61%	0.00%	100%
DELTA GREELY	60.32%	7.69%	1.49%	1.05%	1.54%	72.10%	7.08%	3.94%	2.24%	12.72%	1.61%	0.28%	100%
DENALI	54.11%	4.36%	1.86%	1.84%	3.39%	65.57%	6.52%	3.51%	3.50%	17.93%	2.97%	0.00%	100%
DILLINGHAM	51.48%	14.10%	0.00%	3.32%	1.68%	70.58%	6.39%	3.50%	3.91%	11.36%	4.18%	0.00%	100%
FAIRBANKS	53.73%	9.91%	1.41%	3.89%	3.06%	72.00%	6.76%	1.38%	4.88%	13.32%	1.64%	0.00%	100%
GALENA	65.00%	2.71%	0.92%	2.20%	2.48%	73.30%	11.35%	2.82%	2.56%	8.68%	0.84%	0.24%	100%
HAINES	52.62%	10.23%	0.00%	4.57%	0.00%	67.43%	6.78%	6.41%	0.00%	16.06%	3.32%	0.00%	100%
HOONAH	43.75%	14.22%	0.61%	1.31%	2.29%	62.18%	2.57%	6.75%	2.01%	16.25%	2.89%	7.26%	100%
HYDABURG	49.86%	4.17%	1.35%	5.39%	4.23%	65.00%	4.40%	7.76%	2.46%	15.51%	4.88%	0.00%	100%
IDITAROD	51.43%	4.83%	1.45%	0.62%	6.69%	65.02%	6.15%	4.46%	3.15%	20.03%	1.04%	0.00%	100%
JUNEAU	51.50%	11.99%	3.98%	4.64%	1.54%	73.65%	7.08%	1.12%	5.30%	12.65%	0.15%	0.00%	100%
KAKE	49.76%	9.61%	1.09%	2.66%	0.00%	63.13%	2.04%	6.90%	5.61%	18.93%	3.24%	0.00%	100%
KASHUNAMIUT	48.38%	7.54%	0.00%	0.42%	4.90%	61.22%	4.07%	9.66%	4.93%	16.92%	2.25%	0.75%	100%
KENAI	50.29%	8.89%	3.44%	2.69%	3.06%	68.37%	7.80%	3.96%	0.00%	17.98%	1.88%	0.00%	100%
KETCHIKAN	52.09%	8.48%	2.53%	2.42%	4.93%	70.46%	7.02%	2.66%	2.19%	15.86%	1.65%	0.08%	100%
KLAWOCK	54.07%	10.23%	0.00%	3.54%	1.10%	68.95%	4.43%	7.44%	1.67%	12.51%	4.91%	0.00%	100%
KODIAK	51.06%	8.20%	4.40%	2.71%	3.18%	69.56%	7.12%	1.76%	3.95%	15.17%	2.44%	0.00%	100%
KUSPUK	50.41%	8.23%	1.86%	1.38%	3.53%	65.41%	6.88%	3.99%	4.52%	17.58%	1.49%	0.01%	100%
LAKE & PENINSULA	51.75%	7.03%	2.04%	3.42%	7.33%	71.57%	3.43%	3.56%	3.66%	17.06%	0.00%	0.00%	100%

Department of Education and Early Development
 FY2000 Budgeted
 Instructional Percentages

	100	200	220	300	350	SB36	400	510	550	600	700	780	TOTAL
	INSTRUC- TION	SPECIAL EDUCA- TION	SPECIAL EDUCATION SUPPORT	STUDENT SUPPORT	INSTRUC- TION SUPPORT	INSTRUC- TIONAL PERCENTAGE	SCHOOL ADMIN	DISTRICT ADMIN	DISTRICT ADMIN. SUPPORT	OPERATION & MAINT.	STUDENT ACTIV.	COMM. SERVICES	
LOWER KUSKOKWIM	53.28%	6.95%	1.58%	2.20%	2.59%	66.60%	9.24%	1.88%	4.91%	15.64%	1.70%	0.00%	100%
LOWER YUKON	47.57%	6.94%	1.85%	1.97%	5.09%	63.43%	7.85%	3.95%	3.95%	18.33%	2.35%	0.00%	100%
MAT-SU	49.30%	11.55%	5.14%	3.72%	2.15%	71.87%	8.04%	0.70%	3.74%	14.22%	1.43%	0.00%	100%
NENANA	65.93%	6.19%	0.60%	2.14%	0.07%	74.94%	3.53%	4.90%	5.88%	8.53%	2.19%	0.00%	100%
NOME	46.29%	5.02%	3.22%	5.65%	3.99%	64.17%	4.28%	3.63%	4.37%	21.62%	1.88%	0.00%	100%
NORTH SLOPE	44.99%	5.45%	0.00%	5.26%	8.46%	64.16%	1.86%	2.19%	6.47%	22.60%	2.51%	0.00%	100%
NORTHWEST ARCTIC	42.60%	7.25%	1.22%	1.19%	6.45%	58.70%	6.40%	2.37%	3.90%	25.71%	2.81%	0.00%	100%
PELICAN	51.40%	0.14%	4.69%	0.66%	12.08%	68.97%	0.00%	2.95%	8.38%	17.76%	1.93%	0.00%	100%
PETERSBURG	53.33%	10.32%	0.00%	1.61%	3.18%	68.44%	6.46%	3.87%	1.89%	16.28%	3.05%	0.00%	100%
PRIBILOF	45.53%	5.40%	3.32%	0.00%	4.20%	58.45%	4.19%	7.41%	11.25%	15.11%	3.57%	0.00%	100%
SITKA	56.05%	11.97%	1.61%	2.99%	3.16%	75.79%	7.69%	3.18%	2.55%	9.98%	0.80%	0.00%	100%
SKAGWAY	52.51%	6.23%	0.61%	0.11%	2.40%	61.85%	5.97%	9.60%	2.47%	15.64%	4.39%	0.00%	100%
SOUTHEAST ISLAND	55.52%	6.71%	0.55%	1.67%	0.66%	65.11%	3.12%	6.72%	6.26%	17.76%	0.88%	0.00%	100%
SOUTHWEST REGION	46.18%	8.91%	0.00%	3.46%	9.13%	67.69%	7.01%	1.95%	4.09%	16.95%	2.21%	0.00%	100%
ST. MARY'S	48.84%	11.09%	1.06%	1.62%	2.89%	65.50%	2.82%	4.40%	2.47%	22.16%	2.41%	0.13%	100%
TANANA	34.94%	6.98%	1.61%	0.40%	0.92%	44.85%	0.00%	12.15%	9.14%	32.25%	1.32%	0.00%	100%
UNALASKA	53.18%	5.48%	0.77%	2.67%	3.40%	65.51%	6.11%	5.44%	3.78%	15.77%	3.39%	0.00%	100%
VALDEZ	56.27%	5.70%	1.53%	1.64%	4.91%	70.05%	7.22%	2.34%	2.34%	15.20%	2.82%	0.00%	100%
WRANGELL	55.60%	8.87%	0.59%	2.59%	2.36%	70.02%	6.56%	2.62%	3.97%	12.38%	4.44%	0.00%	100%
YAKUTAT	47.45%	10.03%	1.65%	0.00%	2.92%	62.05%	6.88%	11.51%	3.92%	15.58%	0.00%	0.00%	100%
YUKON FLATS	40.10%	4.86%	2.90%	1.10%	1.47%	50.44%	5.20%	7.26%	7.96%	26.32%	2.48%	0.10%	100%
YUKON/KOYUKUK	45.61%	4.91%	2.95%	4.06%	5.96%	63.49%	7.09%	6.39%	4.68%	17.41%	0.83%	0.00%	100%
YUPIIT	42.36%	11.35%	2.32%	3.30%	2.88%	62.21%	5.52%	7.38%	4.30%	18.64%	1.88%	0.00%	100%

Department of Education & Early Development
Pupil Transportation Program
Anchorage Reimbursement History
February 15, 2000

Anchorage Per Bus Reimbursement--District-Operated & Contracted

Fiscal Year	Reimbursed District Costs	% Change from Prior FY	# of District Buses	Cost Per Bus Per Year	Cost Per Bus Per Day	Reimbursed Contract Costs	% Change from Prior FY	# of Contr. Buses	Cost Per Bus Per Year	Cost Per Bus Per Day
FY2000 (Estimated)	\$5,678,686	+3.9%	84	\$67,332	\$386.96	\$8,102,072	+13.3%	171	\$47,380	\$272.30
FY99	5,464,654	+45.7%	84	65,055	382.68	7,148,866	+17.8%	170	42,052	247.36
FY98	3,749,955	-4.8%	84	44,642	259.54	6,068,561	+4.1%	171	35,488	206.32
FY97*	3,931,116	-0.4%	81	48,532	280.53	5,827,380	+6.6%	163	35,750	206.65
FY96	3,945,916	+1.8%	81	48,715	284.88	5,466,777	+5.1%	162	33,745	197.34
FY95	3,876,971	+10.1%	81	47,863	279.90	5,202,673	+10.1%	158	32,928	178.95
FY94**	3,521,793	-6.4%	82	42,948	251.16	4,727,416	+6.97%	157	30,110	168.21
FY93	3,748,720		82	45,716	265.79	4,419,127		157	28,147	163.64

* Amounts shown are 98.9% of actual entitlement.

** Amounts shown are 97.7% of actual entitlement.

Reimbursement level for costs of contracted transportation is 100% for all years.
Reimbursement for district-operated costs from FY93-FY98 is 66.83% of actual costs.
Reimbursement for district-operated costs for FY99 is 90% of actual costs.
Reimbursement for district-operated costs for FY2000 will be 100% of actual costs.
District costs include crossing guards--\$85,269 in FY99.

Operated in FY99 by	Number of Bus Routes	Total Route Miles--FY99	Avg. Miles per Route--Year	Avg. Cost per Route--Year	Avg. Cost Per Mile	Students Transported	Avg. Cost per Student--Year
District	84	1,017,054	12,108	\$65,055	\$5.37	6,040	\$904.74
Contractor	176	2,320,158	13,183	\$42,052	\$3.08	11,215	\$637.43

33.3% of District routes are Special Needs: 35.8% of contracted routes are Special Needs.

Alaska Department of Education & Early Development
 History of Contract Rate Increases
 February 17, 2000

PRE-MERGER RATE INCREASES -- Before January 1, 1996

DISTRICT	Type of Service	Contract Renewed	Term of Contract	Number Busses	Rate Changes in Percentage
Anchorage	3 Service Areas	1993	5 Years	90	12.7
	3 Service Areas	1994	5 Years	70	17.7
MatSu	Regular	1991	5 Years	107	-1.1
	Special Ed.	1993	5 Years	40	-14.1
Fairbanks	All	1995	5 Years	140	5.0
Kenai	All	1994	5 Years	75	5.87

POST-MERGER RATE INCREASES -- After January 1, 1996

DISTRICT	Type of Service	Contract Renewed	Term of Contract	Number Busses	Rate Increase in Percentage	Renewal Year	Number Busses
Anchorage	3 Service Areas	1998	3 Years	90	26.1	2001	167
Anchorage	3 Service Areas	1999	2 Years* or 7 Years	77	48.9 44.1	2001 2006	
MatSu	Regular	1996	5 Years	109	18.4	2001	142
MatSu	Special Ed.	1998	3 Years	33	35.3	2001	
Fairbanks	All	Extension in 1999	5 Yrs. w. 1-Yr Extension	140	22.8	2001	140
Kenai	All	1999	2 Years or 7 Years**	79	36.28	2001	79
					25.54	2006	

- * Anchorage opted for the 2 year contract to merge both of their contracts in 2001 rather than waiting till 2006.
- ** Kenai opted for the 7 year contract. They would then be on the same cycle as Anchorage, MatSu and Fairbanks.

Department of Education & Early Development
Pupil Transportation
Total Program Reimbursement History
February 9, 2000

Reimbursement Amounts

Fiscal Year	Statewide Reimbursements	%age Change from Prior FY
FY99	38,405,316	+13.2%
FY98	33,921,952	+3.7%
FY97*	32,705,650	0%
FY96	32,705,640	+3.6%
FY95	31,564,848	+7.3%
FY94**	29,410,153	+3.4%
FY93***	28,444,313	+4.3%
FY92	27,275,778	+11.4%
FY91****	24,482,400	0%
FY90	24,482,400	-6.1%
FY89	24,632,454	

FY00 - approx +10%
(includes supplemental)
\$ 2.1 million

- * Amount shown is 98.9% of actual entitlements.
- ** Amount shown is 97.7% of actual entitlements.
- *** Amount shown is 99.6% of actual entitlements.
- **** Amount shown is 96.9% of actual entitlements.

Department of Education & Early Development
 Costs of Route Changes FY99-00
 February 17, 2000

DISTRICT	NUMBER OF ROUTE BUSES FY98	CHANGE IN ROUTE BUSES FY99	COST OF ADDED OR DELETED ROUTES	CHANGE IN ROUTE BUSES FY2000	COST OF ADDED OR DELETED ROUTES
ALASKA GATEWAY	12				
ALEUTIANS EAST	3				
ANCHORAGE	255	Minus 1	(44,842)	Plus 3	164,826
ANNETTE ISLAND	1				
BERING STRAITS	1				
BRISTOL BAY	4			Plus 1	18,000
CHATHAM	0				
COPPER RIVER	13				
CORDOVA	1				
CRAIG	0			Plus 1	9,000
DELTA/GREELY	18				
DENALI	5				
DILLINGHAM	8				
FAIRBANKS	137	Plus 4	295,310	Minus 1	(49,216)
GALENA	1				
HAINES	3				
HOONAH	1				
HYDABURG	0				
IDITAROD	1				
JUNEAU	36			Plus 1	27,162
KAKE	1				
KASHUNAMIUT	0				
KENAI PENINSULA	86				
KETCHIKAN	19	Plus 1	58,864		
KLAWOCK	0				
KODIAK	16	Plus 2	110,563	Plus 1	24,917
KUSPUK	3				
LAKE & PENINSULA	6				
LOWER KUSKOKWIM	4	Plus 2	152,674		
LOWER YUKON	0				
MAT-SU	143				
NENANA	2				
NOME	3				
NORTH SLOPE	10	Plus 1	25,881		
NORTHWEST ARCTIC	1				
PELICAN	0				
PETERSBURG	2				
SITKA	10	Plus 1	53,363		
SKAGWAY	0				
SOUTHEAST ISLAND	4				
SOUTHWEST REGION	2	Plus 1	65,700		
TANANA	1				
UNALASKA	2				
VALDEZ	7	1 Extension	5,400		
WRANGELL	2				
YAKUTAT	1				
YUKON FLATS	5	Minus 1	(24,300)		
YUKON/KOYUKUK	3	Minus 1	(18,000)		
TOTAL	833	842	\$681,113	848	\$194,689

Department of Education & Early Development
 FY2000 Daily Bus Rates--Estimated
 February 29, 2000

DISTRICT	# OF BUSSES	FY00 DAILY RATES	CONTRACT EXPIRATION
ALASKA GATEWAY--EAGLE	1	\$165.09	FY02
MENTASTA LAKE	1	268.72	FY01
NORTHWAY	2	313.51	FY01
TOK	6	271.20	FY01
ANCHORAGE CONTRACTED	20	316.10	FY01
	29	323.46	FY01
	26	326.82	FY01
	31	264.26	FY01
	13	262.06	FY01
	2	308.22	FY01
	2	293.21	FY01
	1	289.83	FY01
	24	253.27	FY01
	24	249.12	FY01
ANCHORAGE DISTRICT-OPERATED	84	386.96 (ESTIMATED)	
BERING STRAITS	1	328.58	FY02
BRISTOL BAY--CONTRACTORS	3	329.23	FY03
SOUTH NAKNEK	1	100.00	FY03
KING AIR	1	337.00	FY00
COPPER RIVER	13	289.50	FY04
CORDOVA	1	279.41	FY00
DELTA/GREELY	4	255.23	FY01
	11	266.76	FY01
	2	327.58	FY01
	1	197.35	FY01
DENALI	1	268.16	FY06
	1	267.29	FY06
	3	454.28	FY06
DILLINGHAM	5	319.27	FY00
	1	233.22	FY00
	1	323.80	FY00
FAIRBANKS	91	273.42	FY01
	34	371.51	FY01
GALENA	1	273.39	FY03
HAINES	3	5,814 PER MILE	FY00
JUNEAU	30	202.97	FY01
	6	301.81	FY01
KAKE	1	148.62	FY03
KENAI PENINSULA	63	266.09	FY06
	13	298.57	FY06
	2	320.86	FY06
	1	288.02	FY06
KETCHIKAN	13	254.30	FY00
	6	330.62	FY00
KODIAK	15	276.86	FY01
	3	344.13	FY02
LAKE & PENINSULA	1	222.95	FY00
LOWER KUSKOKWIM	4	438.82	FY03
	2	420.39	FY03
MAT-SU	96	234.27	FY01
	13	268.33	FY01
	?	355.60	FY01
	28	293.31	FY01
NENANA	1	302.29	FY03
	1	333.63	FY03
NOME	3	413.50	FY01
PETERSBURG	2	389.00	FY04
SITKA	9	253.30	FY02
	2	299.72	FY02
SOUTHEAST ISLAND--HOLLIS	1	305.34	FY03
THORNE BAY--1 BUS, 1 BOAT	1/1	436.44	FY03
HYDER	1	237.76	FY03
SOUTHWEST REGION--TOGIK	1	369.75	FY01
MANOKOTAK	1	364.79	FY01
UNALASKA	2	550.53	FY04
VALDEZ	7	271.13	FY02
WRANGELL	1	542.26	FY03
	1	480.87	FY03
YAKUTAT	1	334.55	FY03

Department of Education & Early Development
Pupil Transportation Program
Reimbursed Costs
February 24, 2000

REIMBURSED COSTS

- A. Personnel
 - 1. Salaries
 - a. Managerial/Supervisory
 - b. Schedulers, Trainers, Dispatchers, Office Staff
 - c. Drivers
 - d. Mechanics & Shop Staff
 - 2. Benefits & Insurance

- B. Operation & Maintenance
 - 1. Gas/Diesel
 - 2. Tires & Tubes
 - 3. Oil & Lubricants
 - 4. Repair Parts
 - 5. Facilities Maintenance & Repair
 - 6. Rental of Facilities
 - 7. Utilities (gas, phone, electric, water, waste, hazardous material disposal)
 - 8. Office Equipment & Materials
 - 9. Training
 - 10. Travel

- C. Insurance, Taxes, Licenses & Related
 - 1. Liability Insurance
 - 2. Property & Casualty
 - 3. Workers Compensation
 - 4. Unemployment
 - 5. FICA
 - 6. Property Taxes
 - 7. Vehicle Licenses
 - 8. Business & Other Licenses
 - 9. Maintenance Agreements (copier, software, memberships, publications)
 - 10. Purchased/Subcontracted Services
 - a. Consultant
 - b. Legal
 - c. Accounting
 - d. Outside Vehicle Repairs

- D. Purchase/Depreciation
 - 1. Vehicles
 - 2. Property
 - 3. Equipment

Department of Education & Early Development
Pupil Transportation Program
Reimbursed Costs
February 24, 2000

4 AAC 27.060 REIMBURSEMENT TO DISTRICTS.

(a) Subject to the availability of appropriations from the legislature, the department will reimburse districts for the cost of all approved regular routes, special education routes, other conveyance routes, and in-lieu-of agreements. The reimbursement payment is equal to 100 percent of the cost of operating the pupil transportation system. The department will issue a transportation reimbursement agreement setting out the approved route mileage, the rate of reimbursement, and other terms and conditions of reimbursement to the district. The department will not reimburse costs submitted for reimbursement that exceed the maximum reimbursement provided for in the agreement unless the additional costs have been approved, in advance and in writing, by the department. Costs that are not reimbursable include:

- (1) driver and vehicle maintenance costs related to mid-day kindergarten routes;
- (2) the portion of actual costs arising from the operation of hazardous routes that is not reimbursable under AAC 27.035(e);
- (3) the costs of transporting pupils between their regular attendance center and other attendance centers, including vocational schools, magnet programs, and other optional programs, except if attendance at more than one attendance center is required by a pupil's IEP;
- (4) the costs of transportation for field, athletic, and extra-curricular activity trips;
- (5) the costs of transportation to and from pre-elementary programs under 4 AAC 60 unless required by a pupil's IEP and defined in AS 14.30.347; and
- (6) other costs not in the transportation reimbursement agreement and not approved by the department.

**Department of Education & Early Development
 FY2001 Projected Pupil Transportation Program
 December 15, 1999 Governor's Budget Request**

District	FY2000 Authorized	FY2001 Projection
Alaska Gateway	\$ 494,592	\$ 491,079
Aleutians East	63,394	40,089
Aleutian Region	—	0
Anchorage	12,805,867	14,208,561
Annette Islands	24,097	12,090
Bering Strait	41,254	63,495
Eristol Bay	240,581	271,068
Chatham	10,854	9,730
Chugach	0	0
Copper River	606,360	779,711
Cordova	54,330	52,413
Craig	18,891	23,072
Delta/Greely	948,187	1,011,482
Denali	296,642	375,603
Dillingham	361,713	387,391
Fairbanks	6,058,653	8,645,069
Galena	41,457	52,604
Haines	182,436	181,725
Hoonah	43,234	41,524
Hydaburg	1,627	1,885
Iditarod	47,529	40,894
Juneau	1,495,700	1,417,761
Kake	29,227	27,231
Kashunamiut	3,102	943
Kenai	3,595,362	4,452,043
Ketchikan	996,058	1,115,652
Klawock	11,305	10,646
Kodiak	790,466	904,709
Kuspuk	148,998	134,711
Lake and Peninsula	105,852	98,925
Lower Kuskokwim	295,997	484,605
Lower Yukon	0	842
Mat-Su	7,076,411	6,490,974
Nenana	96,495	112,485
Nome	232,567	220,715
North Slope	400,438	404,626
Northwest Arctic	0	10,507
Pelican	0	1,519
Petersburg	133,778	139,527
Pribilof	0	0
Sitka	419,197	560,032
Skagway	5,496	4,463
Southeast Island	193,975	209,529
Southwest Region	113,635	160,233
St. Mary's	0	0
Tanana	23,766	16,349
Unalaska	186,914	206,693
Valdez	342,988	353,762
Wrangell	178,093	184,642
Yakutat	61,905	61,224
Yukon Flats	108,640	95,395
Yukon/Koyukuk	97,596	85,867
Yupik	0	921
Contracts	189,500	200,000
Total	\$ 39,775,100	\$ 44,854,992

Department of Education and Early Development
Pupil Transportation

DISTRICT	FINAL FY00 TOTALS	FY2000 (BUDGET NOV. 98)	FY2000 ACTUAL (INC. COLA & CONTRACT RAISES)	DIFFERENCE BETWEEN FY2000 BUDGET AND ACTUAL	TOTAL PRO-RATED BASED ON BUDGETED 39,775,100	CONTRACT COSTS PLUS 3.5% COLA FOR FY2001 PROJECTED	DIFFERENCE BETWEEN FY2000 BUDGET AND FY2001 PROJECTED
ALASKA GATEWAY	\$464,852	\$484,592	476,293	(18,299)	451,869	491,079	(3,513)
ALEUTIANS EAST	37,948	63,394	38,882	(24,512)	36,888	40,089	(23,305)
ALEUTIANS REGION	0	0	0	0	0	0	0
ANCHORAGE	11,721,681	12,605,867	13,780,758	974,891	13,074,085	14,208,561	1,402,694
ANNETTE ISLAND	11,809	24,097	12,099	(11,998)	11,479	12,475	(11,622)
BERING STRAITS	60,104	41,254	61,583	20,329	58,425	63,495	22,241
BRISTOL BAY	236,980	240,581	262,907	22,326	249,425	271,068	30,427
CHATHAM	9,210	10,854	9,437	(1,417)	8,953	9,730	(1,124)
CHUGACH	0	0	0	0	0	0	0
COPPER RIVER	664,045	606,360	756,235	149,875	717,455	779,711	173,351
CORDOVA	49,613	54,330	50,835	(3,495)	48,228	52,413	(1,917)
CRAIG	21,840	18,891	22,377	3,486	21,230	23,072	4,181
DELTA/GREELY	957,462	948,187	981,027	32,840	930,721	1,011,482	63,295
DENALI	272,131	296,642	364,294	67,652	345,613	375,603	78,961
DILLINGHAM	366,701	361,713	375,727	14,014	356,460	387,391	25,678
FAIRBANKS	5,996,768	6,058,653	7,058,986	1,000,333	6,697,004	8,647,069	2,583,416
GALENA	49,794	41,457	51,020	9,563	48,403	52,604	11,147
HAINES	172,020	182,436	176,253	(6,183)	167,215	181,725	(711)
HOONAH	39,306	43,234	40,273	(2,961)	38,208	41,524	(1,710)
HYDABURG	1,765	1,627	1,808	181	1,715	1,865	238
IDITAROD	38,710	47,529	39,663	(7,866)	37,629	40,894	(6,635)
JUNEAU	1,342,043	1,495,700	1,375,074	(120,626)	1,304,590	1,417,761	(77,939)
KAKE	25,776	29,227	26,411	(2,816)	25,056	27,231	(1,996)
KASHUNAMIUT	893	3,102	915	(2,187)	868	943	(2,159)
KENAI PENINSULA	3,466,441	3,695,362	4,317,997	622,635	4,096,571	4,452,043	756,681
KETCHIKAN	801,122	996,058	820,840	(175,218)	778,747	1,115,652	119,594
KLAWOCK	10,077	11,305	10,325	(980)	9,796	10,646	(659)
KODIAK	856,391	790,466	877,469	87,003	832,473	904,709	114,243
KUSPUK	127,516	148,998	130,655	(18,343)	123,955	134,711	(14,287)
LAKE & PENINSULA	93,642	105,852	95,946	(9,906)	91,026	98,925	(6,927)
LOWER KUSKOKWIM	458,724	295,997	470,014	174,017	445,912	484,605	188,608
LOWER YUKON	797	0	816	816	774	842	842
MAT-SU	6,144,312	7,076,411	6,295,539	(780,872)	5,972,706	6,490,974	(585,437)
NENANA	106,478	96,405	109,099	12,694	103,504	112,485	16,080
NOME	208,927	232,567	214,069	(18,498)	203,092	220,715	(11,852)
NORTH SLOPE	383,016	400,438	392,443	(7,995)	372,319	404,626	4,188
NORTHWEST ARCTIC	9,946	0	10,191	10,191	9,668	10,507	10,507
PELICAN	1,438	0	1,473	1,473	1,398	1,519	1,519
PETERSBURG	126,336	133,779	135,326	1,547	128,387	139,527	5,748
PRIIBLOF	0	0	0	0	0	0	0
SITKA	530,122	419,197	543,170	123,973	515,316	560,032	140,835
SKAGWAY	4,225	5,456	4,329	(1,167)	4,107	4,463	(1,033)
SOUTHEAST ISLAND	171,699	193,975	203,220	9,245	192,799	209,529	15,554
SOUTHWEST REGION	151,675	113,635	155,409	41,774	147,439	160,233	46,598
ST. MARY'S	0	0	0	0	0	0	0
TANANA	15,475	23,766	15,856	(7,910)	15,043	16,349	(7,417)
UNALASKA	173,871	186,944	200,470	13,526	190,190	206,693	19,749
VALDEZ	334,869	342,988	343,111	123	325,516	353,762	10,774
WRANGELL	174,781	178,093	179,082	989	169,899	184,642	6,549
YAKUTAT	57,954	61,905	59,381	(2,524)	56,336	61,224	(681)
YUKON FLATS	90,300	108,640	92,523	(16,117)	87,778	95,395	(13,245)
YUKONKOYUKUK	81,282	97,566	83,282	(14,314)	79,011	85,867	(11,729)
YUPIK	0	0	893	893	847	921	921
CONTRACTS	189,000	189,500	189,000	(500)	189,000	195,615	6,115
TOTALS	\$37,301,867	\$39,775,100	\$41,914,783	\$2,139,683	\$39,775,100	\$44,854,562	\$5,079,892

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

Department of Education & Early Development

Education Support Services

*Goldbelt Place
801 West 10th Street, Suite 200
Juneau, Alaska 99801-1894
(907) 465-8679
(907) 463-5279 Fax
Eddy_Jeans@eed.state.ak.us*

March 17, 2000

The Honorable Sean Parnell, Co-Chair
The Honorable John Torgerson, Co-Chair
Senate Finance Committee
State Capitol, Room 518 and 516
Juneau, AK 99801-1182

Dear Senators Parnell and Torgerson:

The following information is in response to questions raised by the Senate Finance Committee regarding the FY2000 supplemental request dealing with pupil transportation costs, specifically in Anchorage, and children in state custody who are placed in out-of-state treatment facilities.

In response to the question regarding Anchorage pupil transportation costs, the enclosed schedule shows the actual reimbursement from FY93 through FY99 and the estimated FY2000 cost for both contracted and district operated transportation services. The schedule also shows the number of busses operated and the estimated cost per bus, per year and cost per bus, per day for district operated and contracted services.

In addition, the committee asked if the department could determine if any of the children that had been placed in out-of-state treatment facilities in the current year had been counted for foundation funding. Of the 56 students identified, as of 10/31/99, the department was able to identify 14 students claimed for foundation funding generating a total of \$95,156. The department is working with the Department of Health & Social Services to coordinate the billing of school districts for the education program for these students.

Senators Parnell and Torgerson
March 17, 2000
Page 2 of 2

Please do not hesitate to contact me if you have further questions or concerns.

Sincerely,



Eddy Jeans
School Finance Manager

Enclosure

cc: Members of the Senate Finance Committee

Richard S. Cross, Commissioner
Education & Early Development

Karen Perdue, Commissioner
Health & Social Services

Annalee McConnell, Director
Office of Management & Budget

Janet Clarke, Director
Administrative Services, Health & Social Services

Department of Education & Early Development
Pupil Transportation Program
Anchorage Reimbursement History
February 15, 2000

Anchorage Per Bus Reimbursement--District-Operated & Contracted

Fiscal Year	Reimbursed District Costs	% Change from Prior FY	# of District Buses	Cost Per Bus Per Year	Cost Per Bus Per Day	Reimbursed Contract Costs	% Change from Prior FY	# of Contr. Buses	Cost Per Bus Per Year	Cost Per Bus Per Day
FY2000 (Estimated)	\$5,678,686	+3.9%	84	\$67,332	\$386.96	\$8,102,072	+13.3%	171	\$47,380	\$272.30
FY99	5,464,654	+45.7%	84	65,055	382.68	7,148,866	+17.8%	170	42,052	247.36
FY98	3,749,955	-4.8%	84	44,642	259.54	6,068,561	+4.1%	171	35,488	206.32
FY97*	3,931,116	-0.4%	81	48,532	280.53	5,827,380	+6.6%	163	35,750	206.65
FY96	3,945,916	+1.8%	81	48,715	284.88	5,466,777	+5.1%	162	33,745	197.34
FY95	3,876,971	+10.1%	81	47,863	279.90	5,202,673	+10.1%	158	32,928	178.95
FY94**	3,521,793	-6.4%	82	42,948	251.16	4,727,416	+6.97%	157	30,110	168.21
FY93	3,748,720		82	45,716	265.79	4,419,127		157	28,147	163.64

* Amounts shown are 98.9% of actual entitlement.

** Amounts shown are 97.7% of actual entitlement.

Reimbursement level for costs of contracted transportation is 100% for all years.
Reimbursement for district-operated costs from FY93-FY98 is 66.83% of actual costs.
Reimbursement for district-operated costs for FY99 is 90% of actual costs.
Reimbursement for district-operated costs for FY2000 will be 100% of actual costs.
District costs include crossing guards--\$85,269 in FY99.

Operated in FY99 by	Number of Bus Routes	Total Route Miles--FY99	Avg. Miles per Route--Year	Avg. Cost per Route--Year	Avg. Cost Per Mile	Students Transported	Avg. Cost per Student--Year
District	84	1,017,054	12,108	\$65,055	\$5.37	6,040	\$904.74
Contractor	170	2,320,158	13,647	\$42,052	\$3.08	11,215	\$637.43

33.3% of District routes are Special Needs: 35.8% of contracted routes are Special Needs.

Subject: sb 290

Date: Fri, 17 Mar 2000 16:00:37 -0900

From: Darwin Peterson <Darwin_Peterson@legis.state.ak.us>

To: Shari Kochman <Shari_Kochman@gov.state.ak.us>

Shari,

I need a fiscal note from Education and Early Development for SB 290, "Pupil Transportaion Cost Reimbursement." This bill has not yet been scheduled for a hearing, but will be soon. Thanks,
Darwin



Anchorage School District

4600 DeBarr Road
P. O. Box 196614
Anchorage, Alaska 99519-6614
(907) 333-9561

SCHOOL BOARD

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Dave Werdal
Vice President

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athi Gillespie

Debbie Ossiander

SUPERINTENDENT

Bob Christal

March 21, 2000

Senator Parnell and Senator Torgerson
Co-chairs, Senate Finance Committee
Alaska State Legislature

Dear Senator Parnell and Senator Torgerson:

Attached please find a copy of the memorandum prepared by Steve Kalmes, Director, Pupil Transportation Services, regarding pupil transportation within the Anchorage School District.

The Anchorage School District is requesting an opportunity to meet with Senate Finance to review your concerns regarding pupil transportation and to explain what measures the Anchorage School District has taken to control costs, as well as those factors that influence an increase in pupil transportation spending.

Steve Kalmes is available to come to Juneau next week to meet with your committee to discuss these issues.

Sincerely,

Lawrence A. Wiget, Ed.D.
Executive Director, Public Affairs
(w) 907 742-4322 (f) 907 269-2340
(e-mail) Wiget_Larry@msmail.asd.k12.ak.us

ANCHORAGE SCHOOL DISTRICT
TRANSPORTATION SERVICES
ANCHORAGE, ALASKA

MEMORANDUM

MARCH 16, 2000

TO: LARRY WIGET, DIRECTOR GOVERNMENT RELATIONS
FROM: STEVEN KALMES, DIRECTOR, TRANSPORTATION SERVICES
SUBJECT: COST OF STUDENT TRANSPORTATION

During the past several years many factors have influenced the cost of student transportation to increase. I have listed below some of these factors that have directly related to the increase in costs.

EQUIPMENT REQUIREMENTS

The following items have been added to buses during the past decade. Statute or regulation requires all of these items on new school buses.

- ***Strobe lights on stop arms** – added in an attempt to reduce the number of vehicles that pass stopped school buses.
- **Roof mounted strobe lights** – White lights on the roof of the bus that are operated when students are on board the bus.
- **Reflective material on buses** – makes school buses more visible to other motorists.
- **Additional emergency exits** – Roof hatches, emergency window exits and side emergency doors have been added during the past few years. Additional exits were added to improve safety in the event of fire or other emergency.
- **Automatic transmissions** – Allows drivers to concentrate on students while driving and making stops to board and discharge students. Reduces maintenance costs.

EMPLOYEE REQUIREMENTS

- ***Minimum wage for school bus drivers** – The entry-level wage for school bus drivers in Alaska is two times the Alaska minimum wage.
- ***Criminal background checks** – Background checks are performed on all school bus drivers.

* Legislative Mandate

- **Driver Training** – A minimum of 40 hours of training is required before a school bus permit can be issued by DMV.
- **Drug and alcohol testing** – The federal government requires pre-employment, random, post accident and reasonable cause testing for school bus drivers.
- **Training for special education drivers and attendants** – More students with intensive needs have been entering the system in the past several years. Transportation department staff must receive specialized training to provide safe transportation for medically fragile and students with intensive needs.

COST SAVING MEASURES

- **Route reduction** – During the early 1980's 291 school buses were operated on a daily basis. During that time ASD routed buses operated by the district and the contractor routes buses in their service area. All bus routing was brought in house, service areas were realigned and routes were consolidated. These changes resulted in a savings of over \$1,000,000. We currently operate 255 buses on a daily basis. More students are transported on fewer buses than were operated in 1984.
- **Air operated doors** – Reduced worker compensation claims for shoulder injuries.
- **Air-ride suspensions** – Provides improved ride and reduced maintenance costs.
- **Air Brakes** - Improved braking systems on new buses, reduced maintenance costs.
- **Automatic tire chains** – Improved and reduced workers compensation claims for shoulder injuries.
- **Auxiliary Heaters** – Reduced energy cost for school bus engine heaters. Reduced air pollution when buses are started in cold weather.
- **Diesel powered buses** – Buses purchased in the past ten years are diesel powered, significantly reducing fuel costs.
- **Large capacity buses** – Sixty-five passenger buses have been replaced with seventy-two and eighty-four passenger buses.
- **Type "D" buses** – Flat front transit style buses improve visibility for the driver and are more maneuverable than conventional school buses.
- **Synthetic motor oil** – Oil is changed only one time per year reducing maintenance costs.
- **Longer useful life of school buses** – Specifications have been developed for heavy duty buses that will extend the useful life of vehicles from ten to fifteen years.

IMPROVED SAFETY

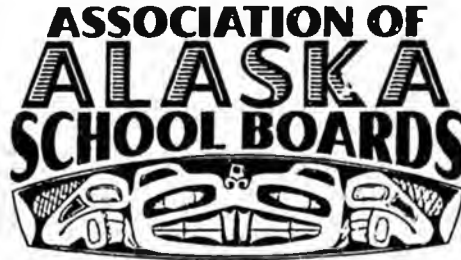
- **Type "D" school buses** – Improved driver visibility, these buses allow the driver to see students when they are required to cross the road in front of the school bus.

- **Heated remote controlled mirrors** – Drivers can now adjust mirrors without the assistance of a mechanic. Heated mirrors improve visibility during the winter months.
- **Thermal pane windows** – The first several windows on the service door side of the bus are now fitted with thermal pane windows. These windows do not fog thus improving driver visibility.
- **PA Systems** – Interior and exterior PA Systems have been added to buses to improve communication with students both on and off the bus.
- **Video monitors** – Video monitors are a tool to assist drivers with discipline and safety issues on the buses.

The table below is a comparison of employee wages between ASD and Laidlaw Transit Incorporated. I have also included the salary schedule for MOA Transit Drivers and Refuse Equipment operators.

	School Bus Drivers		Transit Drivers		Refuse Equipment Operator	
	ASD	Laidlaw	MOA Transit	MOA		
	Effective 1/1/00	Effective 7/1/99	Effective 1/4/99	Effective 1/4/99		
0-1 Year	11.55	0-1 Year 11.30	Entry 15.02	Entry 19.93		
1-2 Years	12.00	1-2 Years 11.65	6 months 15.78	6 months 20.93		
2-4 Years	12.50	2-3 Years 11.85	1.5 Years 16.57	1.5 Years 21.97		
4-6 Years	13.00	3-4 Years 12.05	1.5 years 17.40	1.5 years 23.07		
6-8 Years	13.50	4-5 Years 12.25				
8-10 Years	14.00	5-6 Years 12.45				
10-12 Years	14.50	6-7 Years 12.65				
12-14 Years	15.15	7-8 Years 12.85				
14 & beyond	15.75	8-9 Years 13.05				
		Therafter 13.25				

Special Education Bus Attendants			
	Effective 1/1/00		Effective 1/1/00
0-1 Year	8.60	0-1 Year	8.60
1-2 Years	9.75	1-2 Years	8.80
2-4 Years	10.10	2-3 Years	9.05
4-6 Years	10.45	3-4 Years	9.30
6-8 Years	10.95	4-5 Years	10.30
8-10 Years	11.45	5-6 Years	10.45
10-12 Years	11.95	6-7 Years	10.60
12-14 Years	12.55	7-8 Years	10.75
14 & beyond	13.50	8-9 Years	10.90
		Therafter	11.05



Advocates for Alaska's Youth

MARCH 24, 2000

The Honorable John Torgerson
Alaska State Senate
Juneau, Alaska 99801

Dear Sen. Torgerson:

Attached are preliminary results from a "quick survey" recently conducted by the Association of Alaska School Boards on the topic of pupil transportation. We are awaiting a response from the Mat-Su Borough School District.

With the exception of Fairbanks, districts appear to be locked into signed bus contracts and are unable to reopen negotiations. Districts provided explanations for increased rates and have some enlightening comments on the issue of cost containment in this area.

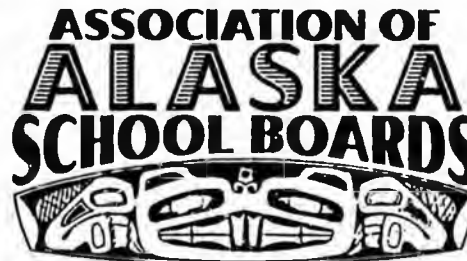
It may not satisfy all of your concerns, but I think it is a good place from which to start a new dialog about the cost of bus contracts in Alaska.

I am available to assist you with any concerns you may have on this issue.

Sincerely,

Carl Rose,
Executive Director

Attachment



Advocates for Alaska's Youth

Pupil Transportation Survey: Selected Districts

Compiled: March 2000

District	Q#1 Current bus contract duration	Q#2 If you were not to receive the FY00 supplemental (\$2.1 million statewide in state aid) would it be possible to renegotiate your current contract? If no, why not.	Q#3 Please explain the increase in cost over your last contract. How does the carrier or the district account for the higher rates/costs?	Comments
Anchorage	<p>Service areas I, II & VI 7-1-98 to 6-30-01</p> <p>Service areas III, IV & V 7-1-99 to 6-30-01</p>	<p>No. The district has the ability to alter the scope of service or cancel contracts for failure to perform. We were able to negotiate a lower daily rate than the rate proposed by the contractor for the two-year contract that was awarded last year. However, in order to do so we waived the maximum wage requirements for 13 buses.</p>	<p>Contracted transportation has increased significantly in our last two contracts. Increases ranged from 23% to 37% to 45% in the contract awarded in '99. Many factors have contributed to the increase in the cost of transportation the last several years. Including increased costs for driver's salaries due to an increase in the minimum wage increases in the cost of parts and equipment and additional training requirements for special education drivers and attendants. We also believe that the lack of competition has contributed to the rapid rise in costs.</p>	<p>New equipment requirements in the past decade: strobe lights on stop arms, roof mounted strobe lights, reflective material on buses, additional emergency exists, automatic transmissions</p> <p>New employee requirements: criminal background checks, driver training, drug and alcohol testing, training for special education drivers and attendants, minimum wage for school bus drivers.</p> <p>Improved safety on buses: Type D buses improve driver visibility, remote controlled mirrors to improve visibility, thermal pane windows that do not fog, PA systems to improve communication with students both on and off the bus, video monitors to assist drivers with discipline and safety issues.</p>
Fairbanks	<p>11-4-94 to 8-10-01 per amendment #3 dated 11-25-98</p>	<p>No. Since FY00 is rapidly drawing to a close, it will be next to impossible to do anything about expenditures already incurred. Not funding the FY00 supplemental will create a shortfall in a year already impacted by declining enrollment, reduced foundation funding due to increased assessed</p>	<p>The last amendment to our contract was executed in a effort to extend the termination date of our contract to coincide with other termination dates of other pupil transportation contracts across the state, thereby encouraging entry of competition into the bidding and proposal process, and potentially</p>	<p>I have heard it said that school districts have no incentive to bargain tough contracts because the State picks up the tab. School districts more than anyone realize that the State does not necessarily fund mandates and it is in the best interest of everyone to be as prudent as possible. The whole</p>

		<p>values, and rising health care costs that will be difficult to absorb in the current year.</p> <p>We are currently cutting 4 million out of our proposed FY01 status quo budget that cuts deep into the heart of many of our education programs. We are considering eliminating instrumental music teachers, nurses, administrators, and counselors. Not funding transportation in FY01 will create an additional \$830K shortfall and a tremendous burden on our budget.</p> <p>I'm sure our contractor would like the chance to renegotiate the remaining one year on our current contract. I do not believe that our contractor anticipated the dramatic increase in fuel prices, a continuing problem with an available work force, or proposed increases to minimum wage laws. I am not privy to how this all impacts their bottom line, but the cost of doing business has steadily increased since our last amendment was signed. I'm sure they would like for the State to once again encourage our District to open up our contract so they can try to recoup these costs.</p>	<p>generating cost savings for years to come. The last amendment to our contract was expensive and addressed many concerns, including a stable work force and safety concerns.</p> <p>The amendment aligned bus driver wages to current State of Alaska mandated bus driver minimum wages with contractually allowed COLA increases. Our previous contract was grandfathered at lower driver rates. The State was well aware that opening our contract to align expiration dates would require that we comply with State mandated driver rates. The change improved the ability of the contractor to hire and retain qualified, experienced school bus drivers. The amendment required additional resources to monitor on-board student behavior, including 5 surveillance cameras and 3 additional adult safety monitors.</p>	<p>reason behind budgeted cost increases in FY01 is due to the desire of school districts to align contracts, attract competition, and realize future cost savings. The cost increases should not have come to a surprise to anyone. Our contract has a clause that stipulates that " This Amendment No. 3 shall not be effective and shall create no obligation in the District unless and until it has been approved by the State of Alaska Department of Education". Our approval letter was dated November 20, 1998.</p>
Juneau	7-1-96 to 6-30-01	It would not be possible to renegotiate the contract because in accordance with the contract cancellation is for unsatisfactory performance. This is not the case.	Increase in costs was due to COLA and adding a special education bus.	It is a hardship for districts to absorb these unexpected costs out of their operating fund. In light of the fact that the state is realizing a savings in foundation funding due to decreased enrollment, it seems inappropriate to further penalize districts.
Kenai Peninsula	1999-01		Our district asked for bids responding to both two-year and seven-year contracts. Although several proposal packets were distributed, only one bid was returned to the district. The bid was received from Laidlaw Transit, Inc. We opted for the contract that increased our cost by \$695,569.86 per year (24.54%) over seven years. We felt this was a more fiscally responsibly approach than a contract to increase rates by \$1,028,382 per year over two years (36.28%) and have to renegotiate from those rates, again, two years later.	
Kodiak	1996-97 to 2000-	We have a clause that allows us to reduce services	Our contract includes an adjustment clause that is	Part of the increased costs are directly attributable

	01	<p>for unnecessary routes but we still pay at 40% for the remainder of the year. We have a "Grounds for suspension of service and/or cancellation of contract " clause that only allows cancellation for performance reasons.</p> <p>Our "Force Majeure" clause states that "The District shall also be excused from future performance hereunder during the time and to the extent that funds for transportation are not available pursuant to 4 AAC 27.060 or other statutes or regulations". So if they don't fund the supplemental this year and the \$5 million next year, we might be able to suspend the contract for next year. But I don't know if that necessarily would give us the clear right to renegotiate. Seems to me that there might be some legal ramifications relating to avoidance of contract simply because the legislature thinks we are paying Laidlaw too much.</p> <p>We do not have an express clause that allows us to renegotiate because of costs.</p>	<p>ties to the Anchorage CPI-U calculated as of January to January. The adjustment is for the second through fifth years of the contract.</p>	<p>to the Legislature. They have passed legislation requiring that school bus drivers are paid twice the minimum wage. So when districts re-bid their contracts they are forced to raise the wages of the contract.</p> <p>The main contributing factor to the raise this and next year is related to the DEED's effort to bring an additional bidder/vendor into the state. Eddy Jeans and Joe Precourt worked with Anchorage, Mat-Su, Fairbanks, Kenai and some smaller districts (Kodiak) to align contract dates so there would be a big enough part of the market available at one time to make it feasible for a second vendor to enter the market. This necessitated short term bids to align different districts.</p> <p>Laidlaw saw what was happening and hiked up their bids for the short term periods. The attachment labeled contract rate chart shows the bid information related to the short term bids. This resulted in higher costs for FY 00 and FY 01.</p> <p>Kodiak lines up with Anchorage, Fairbanks and Mat-Su for the bid that will be done next fall to start in July 01. All the districts have agreed to work together on bid specs and timing so a new bidder can be attracted.</p> <p>The legislature needs to let the process work and hopefully the bidding process will bring the costs down.</p>
Mat-Su				

**Gordon Warren Epperly
P.O. Box 34358
Juneau, Alaska 99803**

Tel: (907) 789-5659

April 2, 2000

**Senate Finance Committee
Alaska State Legislature
Capitol Building
Juneau, Alaska 99801**

Subject: Senate Bill No. 290

Honorable Members of the Senate Finance Committee

On March 27, 2000 the Senate Finance Committee took testimony on Senate Bill No. 290 "*An Act relating to state funding for transportation of public school students; and providing for an effective date.*" Although I signed the testimony sheet, I was not allowed to appear before the Committee.

I would like to give some insight as a School Bus driver of 31 years. When I began driving School Buses in Juneau, I received \$14/hr which had the purchasing power to support my family. That is not true today.

As the Legislature imposed new laws over the years, the cost of Student transportation began to rise. Because our Legislators enacted laws for the purpose of obtaining Federal money (*which no longer exist*), the cost to Contractors began to rise with the Driver's suffering the expenses with inadequate wages. My wage has dropped from \$14/hr to \$12/hr while inflation has more than tripled in those 31 years.

Just what is the State of Alaska receiving for my \$12/hr? As a matter of qualifications, I am required to:

- Pass a federal background check. (\$10)
- Pass a State approved School Bus Driver training course.
- Pass a Drug and Alcohol Test (random test throughout the year).
- Obtain a Commercial Driver License (4 year license @ \$100).
- Have a Federal DOT Physical (every two years @ \$130).
- Have a State approved School Bus Driver Physical (every year @ \$100).
- Obtain First Aid and CPR Cards (every two years @ \$25/card).
- Obtain a School Bus "S" Card (every year @ \$5).

When a School Bus Driver goes to work, that Driver places everything he/she owns in jeopardy as well as his/her reputation. Unlike the Members of this Legislature or any Employee of a School District, a School Bus Driver is involved with life and death situations every moment of his employment. If a mistake is made, someone will suffer injury or lose their life. School Bus Drivers should be getting "*Hazardous Pay*" as many Drivers have been assaulted by Students welding knives or guns (*not to mention having to drive under hazardous road conditions*). In my 31 years of driving, my driving has been accident free.

You have heard testimony that many School Bus Drivers receive less than \$7/hr - WHAT AN INSULT especially when Students receive more for washing dishes at fast food restaurants. How do you explain the passage of the "*Little Bacon Davis Act*" mandating that a Flagman shall receive \$22/hr or a Driver of a Bus taking Workman to a job site shall be paid \$23/hr while the Legislature excludes School Bus Drivers from that Act? In general, Truck Drivers receive an average wage of \$22/hr with Benefits while School Bus Drivers receive no Benefits what so ever.

You say that the State has been financing 100% of the cost of operating the Student Transportation system - but that is not true. All expenses incurred

by School Bus Drivers (*as stated above*) are not paid by the State. These expenses constitute a reduction in wages and it is absurdity that the Alaska Legislature should continue to expect School Bus Drivers to pay for the privilege of providing services to the State.

The cutting of expenses in Student Transportation will rest upon the shoulders of School Bus Drivers. Most of the expenses of School Bus Contractors are "*fixed*" and it is the "*Wages*" of Employees that are negotiated when they bid a Contract. As you know, the Cities and Boroughs will not guarantee the payment of fair wages for School Bus Drivers (*while they pay their Municipal Bus Drivers as much as \$23/hr with Benefits*).

We already see School Districts cutting corners in Student Transportation that puts Students at risk. They are employing Passenger Bus Contractors to transport Students to and from Classroom Activities with Buses that are 30 years old and older. Their buses don't have the safety features of a modern School Bus and their Drivers never had "*Criminal Background Checks*" or other requirements of a School Bus Driver. It is obvious that "*Safety*" is not the concern of the Legislature. These cost saving activities will increase with the passage of Senate Bill No. 290 which will result in the endangerment of Students and further reduction of hours of employment for School Bus Drivers.

School Bus Drivers need your help, please don't let them down.

Sincerely Yours

Gordon Warren Epperly
Gordon Warren Epperly



Public Affairs Memo

*Educating students
for success in life.*

*"It is not good enough that we do our best, sometimes we have to do
what's required." - Winston Churchill*

TO: SENATE FINANCE COMMITTEE
FROM: *Larry Wiget* LARRY WIGET, EXECUTIVE DIRECTOR, PUBLIC AFFAIRS
SUBJECT: SENATE BILL 290: A SOLUTION
DATE: APRIL 5, 2000

Steve Kalmes, ASD Pupil Transportation Director, provided the following information regarding the Anchorage School District's position on SB 290. Steve is one of the leading pupil transportation experts in the United States.

The Anchorage School District is concerned about the impact of Senate Bill 290. The bill as written will allow for reimbursement of 50% of additional contracted transportation costs after 2001. We do not believe this bill treats all school districts equitably. There is not a provision for growth in student population or additional requirements placed on us by the State or Federal Government.

We are also concerned about rising costs, but there are legitimate reasons for the increased cost. The minimum wage for drivers has increased, new policies to insure the safety of students have also been implemented including background checks and drug and alcohol testing for drivers. But one of the major reasons for increased cost is the lack of competition. We had only one bidder last year.

The other major concern is the fact that school districts currently provide differing levels of service, for instance some districts provide dedicated routes for private schools, monitors on regular route buses and establish bus routes so that students do not have to cross two lane roads. All of these items have an effect on the cost of providing service. Anchorage does not provide any of these services.

Solution: We believe that DEED should establish a base line for allowable costs and require school districts to pay for optional service. This method is used by other states and could be implemented in Alaska. The allowable cost method is a more equitable system that will help control costs and not penalize districts that grow or are currently operating efficient transportation systems.

SENATE FINANCE COMMITTEE

SIGN-IN

SB 290-PUPIL TRANSPORTATION COST REIMBURSEMENT

NAME: Darroll Hargraves Subject/Bill No: SB-290
Co./Dept./Title: Executive Director ACSA Phone: 586-9702
Address: 326 Fourth St. Junction Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions



Teleconference Participants

TCN: 10686

Participant Lists

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Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

DELTA JCT. (DJT)

1

Name: Mr. Dan Beck, Super.
Address: Delta/Greely Schools
City /St /Zip:

Phone:
Affiliation:
Type: Testifier

Bill: SB 290: PUPIL TRANSPORTATION COST REIMBURSEMENT

*FAIRBANKS OFFICE
MIKE FISHER
SB 290*

SENATE FINANCE COMMITTEE

SIGN-IN

SB 290-PUPIL TRANSPORTATION COST REIMBURSEMENT

NAME: GARY BADER Subject/Bill No: SB 290
Co./Dept./Title: JUNEAU School DISTRICT Phone: 463-1700
Address: 10014 CRAZY HORSE DRIVE Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: CARL ROSE Subject/Bill No: SB 290
Co./Dept./Title: AASB Exec. Director Phone: 6-1083
Address: 316 W 17th ST JUNEAU Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

SENATE FINANCE COMMITTEE

SIGN-IN

SB 290-PUPIL TRANSPORTATION COST REIMBURSEMENT

NAME: LARRY WIGET Subject/Bill No: SB 290

Co./Dept./Title: EX. DIR, PUBLIC AFFAIRS DIV Phone: 742-4322

Address: 4600 DEBARR N, ANCHORAGE Zip: 99501

Do you wish to testify? Yes No Respond To Questions

NAME: STEVE KALME Subject/Bill No: SB 290

Co./Dept./Title: ANCHORAGE SCHOOL DIST
DIR. TRANSPORTATION Phone: 907-742-1200

Address: 3580 E TROUR RD ANC. Zip: 99507

Do you wish to testify? Yes No Respond To Questions

NAME: Gordon Eganly Subject/Bill No: SB 290

Co./Dept./Title: _____ Phone: 907-789-5659

Address: P.O. Box 34258 JUNEAU AK 99803 Zip: 99807

Do you wish to testify? Yes No Respond To Questions

NAME: Carl Rose Subject/Bill No: SB 290

Co./Dept./Title: AASB Phone: 6-1083

Address: 316 W 11th St JUNEAU Zip: 99801

Do you wish to testify? Yes No Respond To Questions