

**HB**

**342**

# *Alaska State Legislature*


**SESSION ADDRESS:**  
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**Representative Gary Stevens**

## **MEMORANDUM**

**To:** Representative Fred Dyson  
House Health, Education, and Social Service Committee

**From:** Representative Gary Stevens 

**Date:** February 19, 2002

**Re:** HB 342

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I would respectfully request that you hold a hearing HB 342 "An Act Relating to Appropriations for Operating Expenses for Primary and Secondary Public Education; and providing for an effective date" at your earliest possible convenience.

Thank you for your consideration of this request.

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## **Representative Gary Stevens**

### **SPONSOR STATEMENT – HB 342 An Act Relating to Appropriations for Operating Expenses for Primary and Secondary Public Education**

**HB 342** would let school districts know the amount of state aide they will be receiving for the succeeding school year by April 1<sup>st</sup> of each calendar year.

By state statute, school districts are required to submit funding requests to their municipal governments by May 1<sup>st</sup> of each year. In many instances, the legislature and the governor have not passed the operating budget until well after the first of May. This situation makes it difficult for school districts to prepare an actual financial plan and puts an added burden on local government officials developing their budgets. Over the years, the uncertainty has also caused school districts to layoff educators only to attempt to hire them again once the final budget has been approved.

**HB 342** solves this dilemma in two ways. Section one of the bill requires the governor to submit a separate appropriation bill to the legislature for public elementary and secondary schools before the fourth day of each regular session. It also requires the legislature to pass and transmit to the governor a bill to fund education for the succeeding fiscal year. Section two amends a provision in the Executive Budget Act to reflect that a separate appropriation bill to fund education must be submitted by the governor as part of the budget package.

School districts throughout Alaska are dealing with many issues including recruiting and retaining teachers, meeting new pupil performance standards and inflationary costs. The legislature can assist school districts by giving them early notice of their state funding. Please join me in supporting this bill.

# LEGAL SERVICES

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LEGISLATIVE AFFAIRS AGENCY  
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Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

January 22, 2002

**SUBJECT:** Sectional Summary (HB 342)

**TO:** Representative Gary Stevens  
Attn: Doug Letch

**FROM:** Tamara Brandt Cook  
Director *TBC*

**Sec. 1.** Requires the governor before the fourth legislative day to submit a separate appropriation bill to the legislature limited to appropriations for operations of public elementary and secondary schools. Requires the legislature to pass and transmit to the governor by April 1 a bill to fund education for the succeeding fiscal year.

**Sec. 2.** Amends a provision in the Executive Budget Act to reflect that a separate appropriation bill to fund education must be submitted by the governor as part of the budget package.

TBC:med  
02-041.med

TO: Representative Con Bunde  
Chair: House Special Committee on Education  
FROM: Rich Kronberg  
President: NEA-Alaska  
RE: Forward funding of education  
DATE: February 12, 2002

NEA-Alaska supports HB 342 that provides for the forward funding of education. Our resolution P-48, adopted by our Delegate Assembly in 1995, says in part:

“NEA-Alaska supports full forward funding of education...”

Our delegates adopted this position for three reasons that I will share in this memorandum.

- Full forward funding of education would be a concrete demonstration that education is a priority of the legislature. By adopting the education budget in the prior year's session, legislators would, in essence, be saying, “We are fulfilling our Constitutional responsibility first, before we deal with other budgetary requests”
- Full forward funding of education will give school districts and their communities the knowledge they need to best utilize the resources they will receive. Planning is an important component in the design of a district's educational delivery model. The current system does not build in such time for planning. School districts have been preparing their budgets for next year since October, but they will not have certainty around their funding until May. The fiscal year for our districts begins in July. Under the current system districts have had only two months to finalize their plans and begin implementation.
- Full forward funding will allow serious bargaining to begin earlier than is currently the case. This will provide more time to work out differences and come to win-win resolutions at the bargaining table.

While we are very much in support of HB 342, we must add that forward funding is not a substitute for adequate funding. We strongly support looking at the legislation presently proposed (SB1, HB 211, HB 312, HB 379) as the bare minimum necessary to move forward with our very ambitious statewide education program. If we are serious about creating the opportunity for all students to meet or exceed standards, then we need to invest significantly more resources in their education.

# FISCAL NOTE

**STATE OF ALASKA  
2002 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: HB 342  
 (H) Publish Date: 2/13/02

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Education & Early Development  
 Title: "An Act relating to appropriations for operating BRU: K-12 Support  
expenses for primary and secondary public education; and ..." Component: Foundation Program  
 Sponsor: Representative Stevens  
 Requester: House Special Committee on Education Component Number: 141

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

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

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
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>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
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 (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

This bill would require the legislature to make an appropriation for the Public School Funding Program (Foundation Program), by April 1, each year. An early appropriation for the succeeding fiscal year will help school districts as they prepare to submit their budgets to the local municipalities by May 1, as outlined in AS 14.14.060(c).

Prepared by: Eddy Jeans, School Finance Manager Phone 465-8679  
 Division: Education & Early Development Date/Time 02/04/02  
 Approved by: Ed McLain, Deputy Commissioner Date 2/5/02  
 Agency: Education & Early Development

For distribution information, call the Governor's Legislative Office

**HOUSE COMMITTEE REPORT**

2-13-02

(9)

Date Referred to Committee: January 18, 2002

FURTHER REFERRALS: HES

Finance

Date of Committee Action: 2-13-02

The HOUSE SPECIAL COMMITTEE ON EDUCATION Committee considered:

HB 342

HOUSE BILL NO. 342

EDUCATION FUNDING

"An Act relating to appropriations for operating expenses for primary and secondary public education; and providing for an effective date."

Recommends it be replaced with CS ( ) [ ] Same Title [ ] New Title  
 For Senate Bills with new title: [ ] Technical Title [ ] New Title: HCR \_\_\_\_\_

- [ ] attach amendments
- [ ] add new referral to \_\_\_\_\_ Committee
- [ ] Letter of Intent \_\_\_\_\_ Committee

List of Abbrev. for Depts.:  
 ADM  
 CED  
 COR  
 CRT  
 EED  
 DEC  
 DFG  
 GOV  
 HSS  
 LAA  
 LAW  
 LWF  
 MVA  
 DNR  
 DPS  
 REV  
 DOT  
 UA

<u>NEW FISCAL NOTES</u>				
*For Chief Clerk's Office Use Only				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
EED	1			✓

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Green	7	✓		
	Soule	✓			
	Porter	✓			
	Wilson	✓			
	GUESS	✓			
Chair:	Bunde	✓			
Chair:	Bunde	✓			