

**HB**

**154**

SFIN

FILE

# SENATE FINANCE COMMITTEE REPORT

REPORTED OUT  
 MAY 15 2003  
 SENATE FINANCE  
 COMMITTEE

DATE: 5/11/03

FURTHER:

DATE TURNED  
 IN TO OFFICE: 15 May 2003

Finance Committee considered CS FOR HOUSE BILL NO. 154(FIN)

## HB 154 UNDER SCHOOL AGE STUDENTS

"An Act relating to advancement in public schools of children under school age; and providing for an effective date for the Act of July 1, 2004."

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to \_\_\_\_\_ Committee

**Senate Bill:**

- same title
- new title

**House Bill:**

- same title
- technical title
- new: SCR # \_\_\_\_\_

**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Zero	FN#

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Zero	FN#
Education	5/1/03	✓		#2

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>John Taylor</i>	✓			
<i>Don Ho</i>		✓		
<i>Joseph C. Ober</i>		✓		
<i>Tom Burnett</i>	✓			
<i>Ben Steen</i>	✓			
COCHAIR:				
COCHAIR: <i>Leslye</i>	✓			

MAY 15 2003

SENATE JOURNAL  
OFFICE

# FISCAL NOTE

STATE OF ALASKA  
2003 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: CSHB 154(FIN)  
(H) Publish Date: 5/1/2003

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Education & Early Development  
Title An Act relating to admission to and BRU K-12 Support  
advancement in public school of children under school age... Component Foundation Program  
Sponsor Rules Committee  
Requester Governor Component No. 141

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

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims		(3,916.2)				
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>(3,916.2)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF		(3,916.2)				
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>(3,916.2)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2003) cost: 0.0  
Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)  
This proposed amendment to AS 14.03.080(c) eliminates a district's ability to offer two year kindergarten programs beginning July 1, 2004.

Prepared by: Eddy Jeans, School Finance Manager Phone 465-8679  
Division: Education and Early Development Date/Time 5/1/03 4:56 PM  
Approved by: \_\_\_\_\_ Date 5/1/2003  
Agency: Education and Early Development

Pre-K Foundation Cost

State Cost Generated

School District	Total w/o Pre-K	OASIS w/Pre-K	State Cost Generated by Pre-K
Alaska Gateway	4,551,894	4,551,894	-
Aleutian Region	939,370	939,370	-
Aleutians East Borough	2,777,340	2,787,565	10,225
Anchorage	197,487,394	197,556,078	68,684
Annette Island	1,223,136	1,223,136	-
Bering Strait	13,452,828	14,324,457	871,629
Bristol Bay Borough	1,203,628	1,203,628	-
Chatham	1,714,908	-1,722,960	8,052
Chugach	1,687,368	1,715,308	27,940
Copper River	5,210,733	5,210,733	-
Cordova	2,675,630	2,679,069	3,439
Craig	3,792,134	3,792,134	-
Delta/Greely	5,483,670	5,483,670	-
Denali Borough	2,640,120	2,640,120	-
Dillingham	3,464,355	3,464,355	-
Fairbanks N. Star Borough	64,768,592	64,788,279	19,687
Galena	14,658,628	14,822,406	163,778
Haines Borough	1,584,374	1,584,374	-
Hoonah	1,392,912	1,399,748	6,836
Hydaburg	815,333	830,050	14,717
Iditarod Area	4,292,376	4,302,651	10,275
Juneau Borough	20,657,653	20,666,591	8,938
Kake	1,131,684	1,131,684	-
Kashunamiut	2,254,883	2,262,130	7,247
Kenai Peninsula Borough	41,523,910	41,528,620	4,710
Ketchikan Gateway Borough	9,531,715	9,536,908	5,193
Klawock	1,148,850	1,148,850	-
Kodiak Island Borough	13,655,051	13,655,051	-
Kuspuk	4,168,872	4,201,402	32,530
Lake & Peninsula Borough	5,797,707	5,797,707	-
Lower Kuskokwim	34,776,160	34,798,175	22,015
Lower Yukon	15,840,489	16,081,647	241,158
Mat-Su Borough	67,312,754	67,348,424	35,670
Nenana	5,327,671	5,327,671	-
Nome	5,006,969	5,006,969	-
North Slope Borough	7,568,755	8,472,874	904,119
Northwest Arctic Borough	18,348,673	19,614,005	1,265,332
Pelican	379,561	386,400	6,839
Petersburg	3,231,989	3,231,989	-
Pribilof	1,098,346	1,108,572	10,226
Sitka Borough	6,567,113	6,579,916	12,803
Skagway	707,917	707,917	-
Southeast Island	2,658,024	2,676,659	18,635
Southwest Region	5,806,090	5,806,090	-
St. Mary's	1,678,316	1,761,908	83,592
Tanana	821,526	840,975	19,449
Unalaska	2,134,007	2,134,007	-
Valdez	3,653,062	3,653,062	-
Wrangell	2,415,335	2,425,803	10,468
Yakutat	1,179,924	1,179,924	-
Yukon Flats	4,137,262	4,137,262	-
Yukon/Koyukuk	5,808,098	5,821,080	12,982
Yupit	4,036,252	4,045,310	9,058
Alyeska Central School	3,500,495	3,500,495	-
Mt. Edgecumbe High School	1,396,430	1,396,430	-
<b>TOTALS:</b>	<b>641,078,266</b>	<b>644,994,492</b>	<b>7,916,226</b>

G:\DistSup\304Foundation\Fiscal Notes\PRE-K Cost\_AS14-03-080c.xls|Pre-Kindergarten Cost to State

FRANK H. MURKOWSKI  
GOVERNOR  
GOVERNOR@GOV.STATE.AK.US



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

HB 154  
P.O. Box 110001  
JUNEAU, ALASKA 99811-0001  
(907) 465-3500  
FAX (907) 465-3532  
WWW.GOV.STATE.AK.US

March 5, 2003

The Honorable Pete Kott  
Speaker of the House  
Alaska State Legislature  
State Capitol, Room 208  
Juneau, AK 99801-1182

Dear Speaker Kott:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill which clarifies local school district programs for under school age children.

Pursuant to existing statutes, a district may enroll a four year old child, referred to as an "under school age student." The intent of this bill is to prohibit districts from constructing curriculums that offer two years of kindergarten as a standard program. Early entry of four year olds into the school system should be a rare event and reserved for the truly exceptional child.

This bill would remove a school district's ability to offer early entry as standard practice to access the foundation formula and provide state funded pre-school programs. Currently, districts can enroll four year olds and then enroll them again as a kindergarten student in the next school year. This action effectively provides a child with two years of kindergarten with very little in the way of extra expense to the district. The result to the state is an additional year of per pupil funding equating to approximately \$3.9 million.

Enrolling four year olds as the current statute provides should be retained. However, early enrolled children should be expected to advance through to the next grade level or grade level equivalent.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in cursive script that reads "Frank H. Murkowski".

Frank H. Murkowski  
Governor