

HB

233

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 3/10/04

FURTHER:

REPORTED OUT

MAY 03 2004

SENATE FINANCE
COMMITTEE

DATE TURNED IN TO OFFICE: 3 May 2004

Finance Committee considered CS FOR HOUSE BILL NO. 233(EDU) am

HB 233 INCREASE EDUCATION FUNDING

"An Act increasing the base student allocation used in the formula for state funding of public education; and providing for an effective date."

and recommends:

- be replaced with S CS CS HB 233 (FIN)
- adopt previous _____ CS CS forthcoming _____
- 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 Change
 New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero.	FN#
M&VF	7/1/04	535.4			
DOEED Special School	7/1/04	520.1			
DOEED Foundation	5/1/04	8448.1			
DEED FOUNDATION	5/1/04	82053.2			5

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero.	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>			✓	
<i>[Signature]</i>				✓
<i>[Signature]</i>				✓
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			

MAY 03 2004

SENATE FINANCE
COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: HB233CS-DMVA-AMYA
Bill Version: CSHB 233(EDU) am
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Military & Veterans' Affairs
Title Increase Education Funding BRU Alaska National Guard
Component Alaska Military Youth Academy
Sponsor Representative Wilson
Requester Military & Veterans Affairs Component No. 1969

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual	224.9					
Supplies	149.9					
Equipment						
Land & Structures						
Grants & Claims	160.6					
Miscellaneous						
TOTAL OPERATING	535.4	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1007 I/A Receipts	535.4					
TOTAL	535.4	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cut: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would increase budgeted interagency receipt authority received from the Department of Education and Early Development for the Alaska Military Youth Academy (AMYA) program. Funds will be used to support the non-personal services costs of the educational program. Funding calculation increase is as follows: 157 (cadets) times 7 (residential factor) times \$419 (base allocation increase) equals \$460,481.00 plus 298 (cadets) times 0.6 (non-residential factor) times \$419 (base allocation increase) equals \$74,917.20. The total funding increase based on the statutory formula is \$535,398.20. This request amount is contained in the EED general fund fiscal note. The Military and Veterans Affairs fiscal note will allow the recording of budgeted interagency receipts for the AMYA program and is submitted for budgetary recording purposes only.

Prepared by: John Cramer, Director Phone 465-4602
Division Administrative Services Division Date/Time 3/16/04 5:33 PM
Approved by: Commissioner Craig Campbell Date 3/16/2004
Agency Department of Military and Veterans Affairs

MAY 03 2004

SENATE FINANCE
COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CS HB233(FIN)
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
Title "An Act increasing the base student allocation RDU K-12 Support
used in the formula for state funding of public education:.." Component Special Schools
Sponsor Rep. Wilson
Requester Senate Finance Component No. 2735

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	520.1	0.0	0.0	0.0	0.0	0.0
Miscellaneous						
TOTAL OPERATING	520.1	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	520.1	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	520.1	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would increase the base student allocation from \$4,169 to \$4,576. This would be an increase of \$407.

The funding for the Alaska Challenge Youth Academy is authorized under AS 14.30.740. The funding of this program is directly linked to the based student allocation set out in AS 14.17.470.

Prepared by: Eddy Jeans, School Finance Manager Phone 465-8679
Division Education Support Services Date/Time 5/3/04 8:12 AM
Approved by: _____ Date 5/3/2004
Agency Education & Early Development

ALASKA MILITARY YOUTH ACADEMY

CURRENT FY05 PROJECTION

157 x \$4169 x 7 =	4,581,731
298 x \$4169 x .6 =	745,417
less \$2,100,000	(2,100,000)
	3,227,148

SB1

157 x \$4576 x 7 =	5,029,024
298 x \$4576 x .6 =	818,189
less \$2,100,000	(2,100,000)
	3,747,213

INCREASE TO AMYA: \$ 520,065

Department of Education and Early Development

Prepared on 5/3/04

HB233 Increase to AMYA

G:\DistSup\S05Foundation\Fiscal Notes\SB1_4576increaseMilitaryspreadsh.t.xls]Sheet1

Prepared by Mindy Lobaugh

MAY 03 2004

SENATE FINANCE
COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSHB233 (EDU)
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
Title "An Act increasing the base student allocation RDU K-12 Support
used in the formula for state funding of public education.." Component Foundation Program
Sponsor Representative Wilson
Requester House Special Committee of Education... Component No. 141

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	84,480.1	0.0	0.0	0.0	0.0	0.0
Miscellaneous						
TOTAL OPERATING	84,480.1	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	84,480.1	0.0	0.0	0.0	0.0	0.0
1005 GF/Prograr Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	84,480.1	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would increase the base student allocation from \$4,169 to \$4,588. This would be an increase of \$419.

Prepared by: Eddy Jeans, School Finance Manager Phone 465-8679
Division: Education Support Services Date/Time 3/9/04 3:42 PM
Approved by: _____ Date 3/9/2004
Agency: Education & Early Development

School District	Increase to Basic Need	Change to Floor	Net Increase	Increase to Local Cap
Alaska Gateway	506,198	(138,486)	367,712	-
Aleutian Region	103,698	(41,480)	62,218	-
Aleutians East Borough	389,825	-	389,825	89,660
Anchorage	28,191,619	-	28,191,619	6,484,072
Annette Island	214,461	-	214,461	-
Bering Strait	2,164,772	-	2,164,772	-
Bristol Bay Borough	191,525	-	191,525	44,050
Chatham	222,665	-	222,665	-
Chugach	136,753	-	136,753	-
Copper River	565,608	-	565,608	-
Cordova	355,132	-	355,132	81,681
Craig	551,680	-	551,680	126,886
Delta/Greely	765,526	-	765,526	-
Denali Borough	464,856	-	464,856	106,917
Dillingham	447,781	-	447,781	102,990
Fairbanks N. Star Borough	8,951,562	-	8,951,562	2,058,860
Galena	1,477,155	(590,862)	886,293	339,746
Haines Borough	240,029	-	240,029	55,207
Hoonah	152,324	(17,373)	134,951	35,034
Hydaburg	74,658	(21,542)	53,116	17,172
Iditarod Area	433,790	(141,143)	292,647	-
Juneau Borough	3,228,973	-	3,228,973	742,663
Take	124,657	(26,110)	98,547	28,671
Kashunamiut	366,738	-	366,738	-
Kenai Peninsula Borough	5,917,717	-	5,917,717	1,361,075
Ketchikan Gateway Borough	1,535,978	-	1,535,978	353,275
Klawock	128,927	(22,501)	106,426	29,653
Kodiak Island Borough	1,866,059	-	1,866,059	429,194
Kuspuk	541,230	(31,163)	510,067	-
Lake & Peninsula Borough	626,560	(62,846)	563,714	144,108
Lower Kuskokwim	4,367,819	(1,747,127)	2,620,692	-
Lower Yukon	2,270,976	-	2,270,976	-
Mat-Su Borough	8,642,558	-	8,642,558	1,987,788
Nenana	492,836	-	492,836	113,352
Nome	625,424	-	625,424	143,848
North Slope Borough	1,884,410	-	1,884,410	-
Northwest Arctic Borough	2,332,346	-	2,332,346	536,439
Pelican	27,779	(11,111)	16,668	6,389
Petersburg	442,012	-	442,012	101,663
Pribilof	165,840	(7,901)	157,939	-
Saint Mary's	183,509	-	183,509	42,207
Sitka Borough	893,157	-	893,157	205,426
Skagway	100,103	(40,042)	60,061	-
Southeast Island	267,393	(106,958)	160,435	-
Southwest Region	840,460	-	840,460	-
Tanana	95,436	(38)	95,398	21,950
Unalaska	353,250	(141,300)	211,950	81,248
Valdez	600,414	(227,732)	372,682	-
Wrangell	258,808	-	258,808	59,526
Yakutat	105,982	(23,834)	82,148	24,375
Yukon Flats	481,649	(192,659)	288,990	-
Yukon/Koyukuk	915,063	-	915,063	-
Yup'it	523,490	(137,564)	385,926	-
Alyeska Central School	197,768	-	197,768	-
Mt. Edgecumbe High School	202,981	-	202,981	-
Total	88,209,919	(3,729,772)	84,480,147	15,955,125

Adopted

23-LS0911V
Mischel
5/2/04

SENATE CS FOR CS FOR HOUSE BILL NO. 233(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES WILSON, Anderson, McGuire, Wolf, Dahlstrom, Chenault, Seaton, Gara, Croft, Ogg, Kookesh, Kapsner, Crawford, Meyer, Masek, Joule, Lynn, Guttenberg, Kohring

SENATORS Wilken, Cowdery, Bunde, Guess, Ben Stevens, Stedman, French, Gary Stevens, Wagoner, Seekins, Elton, Olson

A BILL

FOR AN ACT ENTITLED

1 **"An Act increasing the base student allocation used in the formula for state funding of**
2 **public education; and providing for an effective date."**

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

4 *** Section 1. AS 14.17.470 is amended to read:**

5 **Sec. 14.17.470. Base student allocation. The base student allocation is**
6 **\$4,576 [\$4,169].**

7 *** Sec. 2. This Act takes effect July 1, 2004.**

SENATE FINANCE COMMITTEE
SB 13 / 2004 COMMITTEE ACTION

Bill Number	SB HB 233		
Amendment	CS "I"		
Motion	adopt		
<u>Motion by</u>	Wilken		
<u>Objection by</u>	Hoffman		
<u>Removed</u>	✓		
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Olson			
Senator Stevens			
Senator Bunde			
Senator Dyson			
Senator Hoffman			
Co-Chair Green			
Co-Chair Wilken			
<u>Tally</u>			
Yea			
Nay			
Absent			
<u>MOTION:</u>	Pass		



Alaska State Senate

Senate Finance Committee

Official Business

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

FAX COVER SHEET

DATE: 3 May 2004 TIME: 9:30 am

TO: Legal Services

NUMBER OF PAGES, INCLUDING COVER SHEET: 1

FROM: MINDY ROWLAND
SENATE FINANCE COMMITTEE SECRETARY
PHONE: 465-4935
FAX: 465-2187

NOTES: Final Please

SCS CS HB 233 (FIN)

23-LS0911\I Mischel 5/2/04

No changes

*Thx.
ci*

ALASKA STATE LEGISLATURE

Interim:
P.O. Box 109
Wrangell, AK 99929
Phone: (907) 874-3088
Fax: (907) 874-3055

Session:
State Capitol, Room 104
Juneau, AK 99801-1182
Phone: (907) 465-3824
Fax: (907) 465-3175

REPRESENTATIVE PEGGY WILSON
HOUSE DISTRICT 2

SPONSOR STATEMENT

CSHB 233 (EDU) am

“An Act relating to the base student allocation used in the formula for state funding of public education; and providing for an effective date.”

School districts all over the state are budget trimming to cope with inflationary factors including but not limited to greatly increased insurance costs. The legislature supports the concept of the “No Child Left Act” and it is imperative that increased funds be allocated in order to implement this act and assure that no child is left behind. In addition greatly increased costs of PERS /TRS were largely unforeseen and if additional dollars are not added to cover these increased costs that will cause direct cuts to the classroom.

Public education is charged with assuming greater responsibility at the same time they face a reduction in the purchasing power of the student dollar. Alaska cannot continue to ask its school districts to meet all these additional responsibilities with insufficient dollars; therefore additional funding is a necessity.

Providing additional funding for K-12 education this early in the session would be tremendously helpful to school districts. It would keep many school districts from having to hand out pink-slips, which cause unnecessary anxiety in schools across the state.

The substantial increase of \$419 to the base student allocation in CS House Bill 233 as amended would bring needed help to our local schools districts at this very challenging time. This would assist them in meeting and hopefully exceeding the public's expectations and demands. The time to act is now and I ask your support of CSHB 233 as amended which will raise the base student allocation to \$4,588.



STATE OF ALASKA/ LEGISLATIVE AFFAIRS AGENCY

Petersburg Legislative Information office P.O. Box 1470 Petersburg, AK 99833
Phone: 907-772-3741 Fax: 907-772-3779
Email:petersburg_lio@legis.state.ak.us

FAX TRANSMISSION

TO: SFIN
FAX: 907.465.2187
PHONE:
DATE: 3/17/2004
RE:
FROM: Psg LIO

2 pages to follow this cover -
Pls enter this testimony in to
the SFIN records for HB 233.

thx,

3-17-04

TO: Senate Finance for HB233 as amended

FROM: Sheri Wikan-Board Chair for Petersburg City Schools

Article VII, Sec 1 of the Alaska State Constitution states that the Legislature shall establish and maintain a system of public schools open to all school age children. Public education in the State is the largest entitlement program. We call upon the Governor and the Alaska Legislature to make education of our youth a top priority.

Schools have been inundated with statutes, regulations and court decisions that require additional services without accompanying appropriations. With inflation eroding purchasing power and increased expectations for services, schools are forced to respond with decreased resources. We encourage all policy makers to take responsibility for their mandates by fully funding or removing them.

Rising insurance costs is a huge concern. We urge the Alaska Legislature to begin an immediate study to determine what actions the State may undertake to mitigate these unprecedented costs. School districts have seen increases in liability, property, and workers compensation between 250% and 350%. Health insurances have also increased by 30% to 50% per year over the last five years. Insurance costs are draining badly needed resources for the classrooms and will continue to do so unless steps are taken to mitigate these uncontrolled increases.

There is an expanding federal role and responsibility in delivery of public education. The cornerstone of the presidential education policy calls for increased testing and adequate yearly progress for each student through the ESEA "No Child Left Behind" Act, and should therefore include adequate funding.

HB233**Sheri Wikan****Page 2**

Greatly increased costs of PERS/TRS were largely unforeseen and if additional dollars are not seen then cuts will be made which will directly impact the classrooms.

We urge the legislature to adopt a new method of calculating funding for individual school districts. At present local districts and local municipal governments are engaged in a high stakes guessing game every spring as the school board and the municipal assembly try to predict next fall's enrollment and on that basis set a budget. While there is not a perfect solution to this dilemma, it would certainly be helpful to know the level of state funding to count on for the coming fiscal year as the local community goes about setting a budget and signing teacher contracts.

Please support HB233 as amended which will raise the base student allocation to \$4,588 so we can give our students of Petersburg and the rest of Alaska the quality education they deserve and are entitled to. The House has taken this important step to stand up for education and I would hope that you will do the same.

SENATE FINANCE COMMITTEE

SIGN-IN

HB 233-INCREASE EDUCATION FUNDING

NAME: Michael Sigler Subject/Bill No: Increase Education Funding
Co./Dept./Title: Alaska Kids Count Phone: 780-6359
Address: 1505 Crest Court Juneau Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Susan Pollard Subject/Bill No: HB 233
Co./Dept./Title: Alaska Kids Count Phone: 463-3653
Address: 814 Goldbelt Juneau Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: Jan Carlisle Subject/Bill No: HB 233
Co./Dept./Title: _____ Phone: 789 4746
Address: 15580 Glacier Hwy Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: Mary Hakala Subject/Bill No: HB 233
Co./Dept./Title: self, Alaska Kids Count! Phone: 780-4640
Address: 1606 Laurie Lane Zip: 99801
Do you wish to testify? Yes No Respond To Questions

NAME: Sara Roster Subject/Bill No: HB 233

Co./Dept./Title: _____ Phone: 790 2251

Address: 8313 Gladstone 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

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