

**HB**

**317**

<target><bill>HB 317</bill><subject>HB  
317</subject><comm>HFIN26</comm></target>

# Alaska State Legislature

Rep. Cathy Muñoz, Vice-Chair  
Rep. Wes Keller  
Rep. Bob Buch



Rep. Peggy Wilson  
Rep. Bryce Edgmon  
Rep. Berta Gardner

## Rep. Paul Seaton, Chairman **HOUSE EDUCATION COMMITTEE**

### **CSHB 317(EDC)**

Forward Funding of Education and Increasing Funding for Vocational Education

### **Sponsor Statement**

HB 317 forward funds education by setting in statute a \$125 increase in the Base Student Allocation (BSA) for the next two years. The bill also increases block funding to School Districts by 1.5% for the next two fiscal years and extends Consumer Price Index (CPI) adjustments to the formula for funding pupil transportation.

In 2008 the legislature instituted recommendations of the Joint Legislative Education Funding Task Force which included a three year increase in the BSA of \$100 each year. HB 317 extends this concept for an additional two years by setting in statute an increase in the BSA of \$125 for FY2012 and FY2013. The increase in block grant funding will bring the special education, gifted and talented, vocational education and bilingual education block grants from 20% of BSA (current) to 21.5% for FY2012 and 23% for FY2013. HB317 also extends the Anchorage CPI adjustment to pupil transportation established in 2008 by the Education Funding Task Force and amends it from "changes" to "increases" to guard against any potential decrease in the CPI. The total increase in state funding to school districts for the next two fiscal years is less than \$60 million, which is consistent with the past three years of increases in education funding.

Letting School Districts know the amount of their funding in advance allows them to plan their budgets and avoids the destructive teacher layoff/re-hire cycle that has happened in the past. The intent of the increase to block funding is to allow school districts to direct more funds to career technical or vocational education. A letter of intent reflecting this sentiment accompanies the bill. Alaska needs to prepare and engage our students who are interested in skilled labor for the developing needs of our state.

HB 317 confirms to Alaskans, educators and parents the legislature's commitment to fund education by forward funding education for the next three years. It also recognizes the responsibility of the State and school districts to develop vocational education resources in Alaska's schools.

Staff Contact, Katie Koester (907)-465-2028  
CSHB 317 (EDC)/S  
2/15/2010

Alaska State Legislature

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**HOUSE EDUCATION COMMITTEE**

**Summary of changes between CSHB 317(EDC)v.S and HB 317v.E**

There are two changes between HB 317v.E and the Education Committee Substitute before the House Finance Committee, CSHB 317(EDC)v.S

1. The original bill (HB 317v.E) forward funds education for three years by applying a \$125 annual increase to the Base Student Allocation (BSA) until FY2013. The House Education Committee eliminated the third year, shortening the BSA increases to apply on to FY2011 and FY2012 (CSHB 317(EDC)v.S).
2. The original bill (HB 317v.E) increases block funding for special education, gifted and talented education, vocational education and bilingual education services by 1.5% in FY2011. The committee substitute extends this increase an additional fiscal year for a total 3% increase by FY2012 (CSHB 317(EDC)v.S).

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**HOUSE EDUCATION COMMITTEE**

Letter of intent: HB 317

Introduced By: SEATON

Date: February 10, 2010

It is the intent of the legislature that the increases in block funding for education in AS.14.17.420(a)(1) as amended by HB 317 are meant to enhance a district's ability to offer career technical/vocational education as an addition to other funds that a district applies to career technical/vocational education. The increase is not to be interpreted as the *only* funds a district can designate for career technical/vocational education.



# FISCAL NOTE

STATE OF ALASKA  
2010 LEGISLATIVE SE

Fiscal Note Number: 1  
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(H) Publish Date: 2/12/10

Identifier (file name): HB317-EED-AMYA-2-5-10 Dept. Affected: Education & Early Development  
Title: "An Act increasing the special needs funding and base student RDU K-12 Support  
Allocation for public schools, and extending the adjustment for student...." Component: AK Challenge Youth Academy  
Sponsor: House Education Committee  
Requester: House Education Committee Component Number: 2837

## Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims		0.0	0.0	187.7	187.7	0.0	0.0	0.0
Miscellaneous								
<b>TOTAL OPERATING</b>		<b>0.0</b>	<b>0.0</b>	<b>187.7</b>	<b>187.7</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	187.7	187.7	0.0	0.0
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>187.7</b>	<b>187.7</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2010) cost: \_\_\_\_\_

### POSITIONS

Full-time							
Part-time							
Temporary							

**ANALYSIS:** *(Attach a separate page if necessary)*  
 HB 317 beginning in FY 2012 the following increases will affect the Alaska Challenge Youth Academy:  
 FY2012 BSA increase of \$125 to \$5,805.  
 FY2013 BSA increases of \$125 to \$5,930.

Prepared by: Eddy Jeans, Director Phone 465-8679  
 Division: School Finance Date/Time 2/5/10 12:00 AM  
 Approved by: Larry LeDoux, Commissioner Date 2/5/2010

**ALASKA MILITARY YOUTH ACADEMY**

**FY2011 Projection**

189 x \$5680 x 7 =	7,514,640
297 x \$5680 x 60% =	1,012,176
less \$2,700,000	(2,700,000)
<b>TOTAL \$</b>	<b>5,826,816</b>

**FY12 Projection**

189 x \$5805 x 7 =	7,680,015
297 x \$5805 x 60% =	1,034,451
less \$2,700,000	(2,700,000)
<b>TOTAL \$</b>	<b>6,014,466</b>

<b>FY12 Change over FY11</b>	<b>\$ 187,650</b>
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**NOTES:**

*HB317 increases BSA from \$5680 to \$5805 in FY12*

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less \$2,700,000	(2,700,000)
<b>TOTAL \$</b>	<b>6,014,466</b>

**FY13 Projection**

189 x \$5930 x 7 =	7,845,390
297 x \$5930 x 60% =	1,056,726
less \$2,700,000	(2,700,000)
<b>TOTAL \$</b>	<b>6,202,116</b>

<b>FY12 Change over FY11</b>	<b>\$ 187,650</b>
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**NOTES:**

*HB317 increases BSA from \$5805 to \$5930 in FY13*

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Allocation for public schools, and extending the adjustment for student..." Component: Foundation Program  
Sponsor: House Education Committee  
Requester: House Education Committee Component Number: 141

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Personal Services								
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Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims	0.0	0.0	44,984.5	46,048.0	0.0	0.0	0.0	
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>44,984.5</b>	<b>46,048.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

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1003 GF Match							
1004 GF	0.0	0.0	44,984.5	46,048.0	0.0	0.0	0.0
1005 GF/Program Receipts							
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Other Interagency Receipts							
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>44,984.5</b>	<b>46,048.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2010) cost: \_\_\_\_\_

### POSITIONS

Full-time							
Part-time							
Temporary							

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

HB 317 beginning in FY 2012 the following increases will affect the foundation formula:  
 FY2012 special needs funding factor of 1.20 to 1.215; BSA increase of \$125 to \$5,805.  
 FY2013 special needs funding factor of 1.215 to 1.230; BSA increases of \$125 to \$5,930.

In addition the Pupil Transportation language has been altered to use only increases to the CPI-U for all urban consumers for the Anchorage metropolitan area rather than changes. If there is a reduction in the CPI-U then the pupil transportation grants will be unaffected.

Prepared by: Eddy Jeans, Director  
 Division: School Finance  
 Approved by: Larry LeDoux, Commissioner

Phone: 465-8679  
 Date/Time: 2/5/10 12:00 AM  
 Date: 2/5/2010

School Districts	FY2012 - SPED add on from 1.20 to 1.215	BSA Increased by \$125 to \$5805	Total Increase
ALASKA GATEWAY	78,434	149,842	228,276
ALEUTIAN REGION	17,942	33,549	51,491
ALEUTIANS EAST BOROUGH	81,965	147,355	229,320
ANCHORAGE	4,536,807	9,333,439	13,870,246
ANNETTE ISLAND	45,283	85,420	130,703
BERING STRAIT	443,434	814,281	1,257,715
BRISTOL BAY BOROUGH	32,467	60,961	93,428
CHATHAM	37,024	71,302	108,326
CHUGACH	10,205	29,832	40,037
COPPER RIVER	86,181	167,151	253,332
CORDOVA CITY	53,372	102,944	156,316
CRAIG CITY	45,626	127,419	173,045
DELTA/GREELY	112,895	233,650	346,545
DENALI BOROUGH	45,910	104,881	150,791
DILLINGHAM CITY	72,567	137,263	209,830
FAIRBANKS NORTH STAR BOROUGH	1,486,828	3,258,327	4,745,155
GALENA CITY	45,283	420,530	465,813
HAINES BOROUGH	43,575	91,794	135,369
HOONAH CITY	22,499	44,843	67,342
HYDABURG CITY	13,498	25,605	39,103
IDITAROD AREA	59,921	116,523	176,444
JUNEAU BOROUGH	538,955	1,149,286	1,688,241
KAKE CITY	16,975	35,082	52,057
KASHUNAMIUT	60,605	114,175	174,780
KENAI PENINSULA BOROUGH	1,017,761	2,048,173	3,065,934
KETCHIKAN GATEWAY BOROUGH	263,270	510,320	773,590
KLAWOCK CITY	23,125	46,023	69,148
KODIAK ISLAND BOROUGH	334,184	645,286	979,470
KUSPUK	93,984	170,306	264,290
LAKE AND PENINSULA BOROUGH	122,579	222,763	345,342
LOWER KUSKOKWIM	829,736	1,565,831	2,395,567
LOWER YUKON	457,047	836,830	1,293,877
MATANUSKA-SUSITNA BOROUGH	1,596,132	3,438,192	5,034,324
NENANA CITY	35,998	145,235	181,233
NOME CITY	112,041	209,939	321,980
NORTH SLOPE BOROUGH	332,532	605,738	938,270
NORTHWEST ARCTIC BOROUGH	409,713	767,229	1,176,942
PELICAN CITY	2,979	5,254	8,233
PETERSBURG CITY	75,699	154,032	229,731
PRIBILOF	24,664	43,904	68,568
SAINT MARY'S	37,708	71,875	109,583
SITKA BOROUGH	157,722	335,881	493,603
SKAGWAY CITY	14,126	28,318	42,444
SOUTHEAST ISLAND	52,174	98,173	150,347
SOUTHWEST REGION	154,019	288,323	442,342
TANANA	12,701	24,167	36,868
UNALASKA CITY	67,897	122,313	190,210
VALDEZ CITY	85,497	166,644	252,141
WRANGELL PUBLIC	44,998	96,338	141,336
YAKUTAT	21,303	37,929	59,232
YUKON FLATS	93,529	174,288	267,817
YUKON/KOYUKUK	87,946	276,157	364,103
YUPIIT	108,850	198,283	307,133
Mt. Edgecumbe	49,384	87,704	137,088
<b>TOTAL</b>	<b>14,707,549</b>	<b>30,276,902</b>	<b>44,984,451</b>

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School Districts	FY2012 - SPED add on from 1.215 to 1.230	FY2013 - BSA Increased by \$125 to \$5930	Total Increase
ALASKA GATEWAY	82,076	154,917	236,993
ALEUTIAN REGION	18,569	34,333	52,902
ALEUTIANS EAST BOROUGH	86,849	154,609	241,458
ANCHORAGE	4,636,310	9,432,999	14,069,309
ANNETTE ISLAND	47,732	88,928	136,660
BERING STRAIT	466,961	848,296	1,315,257
BRISTOL BAY BOROUGH	33,762	62,760	96,522
CHATHAM	39,234	74,616	113,850
CHUGACH	10,636	30,381	41,017
COPPER RIVER	89,178	170,951	260,129
CORDOVA CITY	55,299	105,535	160,834
CRAIG CITY	47,500	130,013	177,513
DELTA/GREELY	116,827	238,780	355,607
DENALI BOROUGH	46,918	105,888	152,806
DILLINGHAM CITY	74,684	139,833	214,517
FAIRBANKS NORTH STAR BOROUGH	1,523,705	3,298,479	4,822,184
GALENA CITY	46,394	421,701	468,095
HAINES BOROUGH	45,462	94,353	139,815
HOONAH CITY	23,750	46,619	70,369
HYDABURG CITY	14,261	26,735	40,996
IDITAROD AREA	62,809	120,654	183,463
JUNEAU BOROUGH	558,584	1,174,857	1,733,441
KAKE CITY	18,045	36,655	54,700
KASHUNAMIUT	62,983	117,421	180,404
KENAI PENINSULA BOROUGH	1,058,083	2,102,329	3,160,412
KETCHIKAN GATEWAY BOROUGH	274,227	525,175	799,402
KLAWOCK CITY	24,332	47,649	71,981
KODIAK ISLAND BOROUGH	347,689	663,544	1,011,233
KUSPUK	98,083	175,957	274,040
LAKE AND PENINSULA BOROUGH	128,702	231,476	360,178
LOWER KUSKOKWIM	858,249	1,602,213	2,460,462
LOWER YUKON	480,523	870,503	1,351,026
MATANUSKA-SUSITNA BOROUGH	1,640,416	3,489,417	5,129,833
NENANA CITY	36,964	146,366	183,330
NOME CITY	115,605	214,362	329,967
NORTH SLOPE BOROUGH	346,640	624,963	971,603
NORTHWEST ARCTIC BOROUGH	426,854	790,650	1,217,504
PELICAN CITY	3,044	5,396	8,440
PETERSBURG CITY	79,224	158,944	238,168
PRIBILOF	25,729	45,358	71,087
SAINT MARY'S	39,350	74,151	113,501
SITKA BOROUGH	164,210	344,665	508,875
SKAGWAY CITY	14,437	28,692	43,129
SOUTHEAST ISLAND	54,659	101,650	156,309
SOUTHWEST REGION	160,369	297,063	457,432
TANANA	13,214	24,928	38,142
UNALASKA CITY	70,491	125,784	196,275
VALDEZ CITY	87,897	169,446	257,343
WRANGELL PUBLIC	46,742	98,672	145,414
YAKUTAT	22,527	39,662	62,189
YUKON FLATS	98,142	180,912	279,054
YUKON/KOYUKUK	91,855	281,612	373,467
YUPIIT	113,218	204,258	317,476
Mt. Edgecumbe	51,400	90,451	141,851
<b>TOTAL</b>	<b>15,181,403</b>	<b>30,866,561</b>	<b>46,047,964</b>

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Letter of intent: HB 317

Introduced By: SEATON

Date: February 10, 2010

It is the intent of the legislature that the increases in block funding for education in AS.14.17.420(a)(1) as amended by HB 317 are meant to enhance a district's ability to offer career technical/vocational education as an addition to other funds that a district applies to career technical/vocational education. The increase is not to be interpreted as the *only* funds a district can designate for career technical/vocational education.

A handwritten signature in cursive script that reads "Paul Seaton".

# HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: February 12, 2010

FURTHER REFERRALS:

Date of Committee Action: 4/14/10

The FINANCE Committee considered:

HOUSE BILL NO. 317

"An Act increasing the special needs funding and base student allocation for public schools, and extending the adjustment for student transportation funding; and providing for an effective date."

HB 317-EDUC. FUNDING: BASIC/SPEC NEEDS/TRANSPORT

Recommends it be replaced with  HCS or  CS for HB 317 (FIN)  
 For Senate Bills with new title:  Technical Title  New Title: HCR \_\_\_\_\_ |  Same Title |  New Title

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

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

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero
EED	1	✓		
EED	2	✓		

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Thomas Doigan			✓	
	FOSTER			✓	
Anna Fairclough	FAIRCLOUGH	✓			
	Gara				✓
	KELLY			x	
	KELLY			✓	
	Salmon	x			
Chair:	Salter	x			
Chair:	Howken	x			

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<b>CAPITAL EXPENDITURES</b>							
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Division: School Finance  
Approved by: Larry LeDoux, Commissioner

Phone 465-8679  
Date/Time 2/5/10 12:00 AM  
Date 2/5/2010

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Equipment								
Land & Structures								
Grants & Claims	0.0	0.0	44,984.5	46,048.0	0.0	0.0	0.0	
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>44,984.5</b>	<b>46,048.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

<b>CAPITAL EXPENDITURES</b>								
-----------------------------	--	--	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>								
-------------------------------	--	--	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF	0.0	0.0	44,984.5	46,048.0	0.0	0.0	0.0	
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>44,984.5</b>	<b>46,048.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

Estimate of any current year (FY2010) cost: \_\_\_\_\_

**POSITIONS**

Full-time							
Part-time							
Temporary							

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

HB 317 beginning in FY 2012 the following increases will affect the foundation formula:  
 FY2012 special needs funding factor of 1.20 to 1.215; BSA increase of \$125 to \$5,805.  
 FY2013 special needs funding factor of 1.215 to 1.230; BSA increases of \$125 to \$5,930.

In addition the Pupil Transportation language has been altered to use only increases to the CPI-U for all urban consumers for the Anchorage metropolitan area rather than changes. If there is a reduction in the CPI-U then the pupil transportation grants will be unaffected.

Prepared by: Eddy Jeans, Director  
 Division: School Finance  
 Approved by: Larry LeDoux, Commissioner

Phone: 465-8679  
 Date/Time: 2/5/10 12:00 AM  
 Date: 2/5/2010

School Districts	FY2012 - SPED add on from 1.20 to 1.215	BSA Increased by \$125 to \$5805	Total Increase
ALASKA GATEWAY	78,434	149,842	228,276
ALEUTIAN REGION	17,942	33,549	51,491
ALEUTIANS EAST BOROUGH	81,965	147,355	229,320
ANCHORAGE	4,536,807	9,333,439	13,870,246
ANNETTE ISLAND	45,283	85,420	130,703
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DILLINGHAM CITY	72,567	137,263	209,830
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JUNEAU BOROUGH	538,955	1,149,286	1,688,241
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YUPIIT	108,850	198,283	307,133
Mt. Edgecumbe	49,384	87,704	137,088
<b>TOTAL</b>	<b>14,707,549</b>	<b>30,276,902</b>	<b>44,984,451</b>

\* DistSup511FdurationFiscalNotes\FB317\FB317\_SF\_3125BSA\_FY12313\_SPED1.215&1.23\_2.5-10UPDATE\_disj\FY12 Proj Funding Increase

School Districts	FY2012 - SPED add on from 1.215 to 1.230	FY2013 - BSA Increased by \$125 to \$5930	Total Increase
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CHATHAM	39,234	74,616	113,850
CHUGACH	10,636	30,381	41,017
COPPER RIVER	89,178	170,951	260,129
CORDOVA CITY	55,299	105,535	160,834
CRAIG CITY	47,500	130,013	177,513
DELTA/GREELY	116,827	238,780	355,607
DENALI BOROUGH	46,918	105,888	152,806
DILLINGHAM CITY	74,684	139,833	214,517
FAIRBANKS NORTH STAR BOROUGH	1,523,705	3,298,479	4,822,184
GALENA CITY	46,394	421,701	468,095
HAINES BOROUGH	45,462	94,353	139,815
HOONAH CITY	23,750	46,619	70,369
HYDABURG CITY	14,261	26,735	40,996
IDITAROD AREA	62,809	120,654	183,463
JUNEAU BOROUGH	558,584	1,174,857	1,733,441
KAKE CITY	18,045	36,655	54,700
KASHUNAMIUT	62,983	117,421	180,404
KENAI PENINSULA BOROUGH	1,058,083	2,102,329	3,160,412
KETCHIKAN GATEWAY BOROUGH	274,227	525,175	799,402
KLAWOCK CITY	24,332	47,649	71,981
KODIAK ISLAND BOROUGH	347,689	663,544	1,011,233
KUSPUK	98,083	175,957	274,040
LAKE AND PENINSULA BOROUGH	128,702	231,476	360,178
LOWER KUSKOKWIM	858,249	1,602,213	2,460,462
LOWER YUKON	480,523	870,503	1,351,026
MATANUSKA-SUSITNA BOROUGH	1,640,416	3,489,417	5,129,833
NENANA CITY	36,964	146,366	183,330
NOME CITY	115,605	214,362	329,967
NORTH SLOPE BOROUGH	346,640	624,963	971,603
NORTHWEST ARCTIC BOROUGH	426,854	790,650	1,217,504
PELICAN CITY	3,044	5,396	8,440
PETERSBURG CITY	79,224	158,944	238,168
PRIBILOF	25,729	45,358	71,087
SAINT MARY'S	39,350	74,151	113,501
SITKA BOROUGH	164,210	344,665	508,875
SKAGWAY CITY	14,437	28,692	43,129
SOUTHEAST ISLAND	54,659	101,650	156,309
SOUTHWEST REGION	160,369	297,063	457,432
TANANA	13,214	24,928	38,142
UNALASKA CITY	70,491	125,784	196,275
VALDEZ CITY	87,897	169,446	257,343
WRANGELL PUBLIC	46,742	98,672	145,414
YAKUTAT	22,527	39,662	62,189
YUKON FLATS	98,142	180,912	279,054
YUKON/KOYUKUK	91,855	281,612	373,467
YUPIIT	113,218	204,258	317,476
Mt. Edgecumbe	51,400	90,451	141,851
<b>TOTAL</b>	<b>15,181,403</b>	<b>30,866,561</b>	<b>46,047,964</b>

13:\OrclSup\511\Foundation F\scat\notes\1\B317\PH4317\_SF\_312\BSA\_FY12&13\_SPE01215&123\_2-5-10\UPDATE xls\JFY13 Proj Funding Incre use

**CS FOR HOUSE BILL NO. 317(FIN)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-SIXTH LEGISLATURE - SECOND SESSION**

**BY THE HOUSE FINANCE COMMITTEE**

**Offered:**

**Referred:**

**Sponsor(s): HOUSE EDUCATION COMMITTEE**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act increasing the special needs funding and base student allocation for public**  
2 **schools, and extending the adjustment for student transportation funding; and**  
3 **providing for an effective date."**

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

5 **\* Section 1.** AS 14.17.420(a), as amended by sec. 6, ch. 9, SLA 2008, is amended to read:

6 (a) As a component of public school funding, a district is eligible for special  
7 needs funding and may be eligible for intensive services funding as follows:

8 (1) special needs funding is available to a district to assist the district  
9 in providing special education, gifted and talented education, vocational education,  
10 and bilingual education services to its students; a special needs funding factor of 1.215  
11 [1.20] shall be applied as set out in AS 14.17.410(b)(1);

12 (2) in addition to the special needs funding for which a district is  
13 eligible under (1) of this subsection, a district is eligible for intensive services funding  
14 for each special education student who needs and receives intensive services and is

1 enrolled on the last day of the count period; for each such student, intensive services  
2 funding is equal to the intensive student count multiplied by 13.

3 \* **Sec. 2.** AS 14.17.420(a), as amended by sec. 6, ch. 9, SLA 2008, and by sec. 1 of this Act,  
4 is amended to read:

5 (a) As a component of public school funding, a district is eligible for special  
6 needs funding and may be eligible for intensive services funding as follows:

7 (1) special needs funding is available to a district to assist the district  
8 in providing special education, gifted and talented education, vocational education,  
9 and bilingual education services to its students; a special needs funding factor of 1.23  
10 [1.215] shall be applied as set out in AS 14.17.410(b)(1);

11 (2) in addition to the special needs funding for which a district is  
12 eligible under (1) of this subsection, a district is eligible for intensive services funding  
13 for each special education student who needs and receives intensive services and is  
14 enrolled on the last day of the count period; for each such student, intensive services  
15 funding is equal to the intensive student count multiplied by 13.

16 \* **Sec. 3.** AS 14.17.470, as amended by sec. 10, ch. 9, SLA 2008, is amended to read:

17 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$5,805  
18 [\$5,680].

19 \* **Sec. 4.** AS 14.17.470, as amended by sec. 10, ch. 9, SLA 2008, and by sec. 3 of this Act,  
20 is amended to read:

21 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$5,930  
22 [\$5,805].

23 \* **Sec. 5.** Section 11, ch. 9, SLA 2008, is amended to read:

24 Sec. 11. AS 14.09.010(c), added by sec. 2, ch. 9, SLA 2008 [OF THIS ACT],  
25 is repealed June 30, 2013 [2011].

26 \* **Sec. 6.** Sections 1 and 3 of this Act take effect July 1, 2011.

27 \* **Sec. 7.** Sections 2 and 4 of this Act take effect July 1, 2012.

Alaska State Legislature

Rep. Cathy Muñoz, Vice-Chair  
Rep. Wes Keller  
Rep. Bob Buch



Rep. Peggy Wilson  
Rep. Bryce Edgmon  
Rep. Berta Gardner

Rep. Paul Seaton, Chairman  
**HOUSE EDUCATION COMMITTEE**

Letter of intent: HB 317

Introduced By: SEATON

Date: February 10, 2010

It is the intent of the legislature that the increases in block funding for education in AS.14.17.420(a)(1) as amended by HB 317 are meant to enhance a district's ability to offer career technical/vocational education as an addition to other funds that a district applies to career technical/vocational education. The increase is not to be interpreted as the *only* funds a district can designate for career technical/vocational education.

A handwritten signature in cursive script that reads "Paul Seaton".

# FISCAL NOTE

STATE OF ALASKA  
2010 LEGISLATIVE SE

Fiscal Note Number: 1  
 Bill Version: CSHB 317(EDC)  
 (H) Publish Date: 2/12/10

Identifier (file name): HB317-EED-AMYA-2-5-10 Dept. Affected: Education & Early Development  
 Title: "An Act increasing the special needs funding and base student RDU K-12 Support  
Allocation for public schools, and extending the adjustment for student...." Component: AK Challenge Youth Academy  
 Sponsor: House Education Committee  
 Requester: House Education Committee Component Number: 2837

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

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims	0.0	0.0	187.7	187.7	0.0	0.0	0.0	
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>187.7</b>	<b>187.7</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>							
-------------------------------	--	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF	0.0	0.0	187.7	187.7	0.0	0.0	0.0
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>187.7</b>	<b>187.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2010) cost: \_\_\_\_\_

**POSITIONS**

Full-time							
Part-time							
Temporary							

**ANALYSIS:** (Attach a separate page if necessary)  
 HB 317 beginning in FY 2012 the following increases will affect the Alaska Challenge Youth Academy:  
 FY2012 BSA increase of \$125 to \$5,805.  
 FY2013 BSA increases of \$125 to \$5,930.

Prepared by: Eddy Jeans, Director Phone 465-8679  
 Division: School Finance Date/Time 2/5/10 12:00 AM  
 Approved by: Larry LeDoux, Commissioner Date 2/5/2010

**ALASKA MILITARY YOUTH ACADEMY**

**FY2011 Projection**

189 x \$5680 x 7 =	7,514,640
297 x \$5680 x 60% =	1,012,176
less \$2,700,000	(2,700,000)
<b>TOTAL \$</b>	<b>5,826,816</b>

**FY12 Projection**

189 x \$5805 x 7 =	7,680,015
297 x \$5805 x 60% =	1,034,451
less \$2,700,000	(2,700,000)
<b>TOTAL \$</b>	<b>6,014,466</b>

<b>FY12 Change over FY11</b>	<b>\$ 187,650</b>
------------------------------	-------------------

**NOTES:**

*HB317 increases BSA from \$5680 to \$5805 in FY12*

**ALASKA MILITARY YOUTH ACADEMY**

**FY2012 Projection**

189 x \$5805 x 7 =	7,680,015
297 x \$5805 x 60% =	1,034,451
less \$2,700,000	(2,700,000)
<b>TOTAL \$</b>	<b>6,014,466</b>

**FY13 Projection**

189 x \$5930 x 7 =	7,845,390
297 x \$5930 x 60% =	1,056,726
less \$2,700,000	(2,700,000)
<b>TOTAL \$</b>	<b>6,202,116</b>

<b>FY12 Change over FY11</b>	<b>\$ 187,650</b>
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**NOTES:**

*HB317 increases BSA from \$5805 to \$5930 in FY13*

# FISCAL NOTE

**STATE OF ALASKA**  
**2010 LEGISLATIVE SE**

Fiscal Note Number: 2  
 Bill Version: CSHB 317(EDC)  
 (H) Publish Date: 2/12/10

Identifier (file name): HB317-EED-ESS-2-8-10 Dept. Affected: Education & Early Development  
 Title: "An Act increasing the special needs funding and base student RDU: K-12 Support  
Allocation for public schools, and extending the adjustment for student...." Component: Foundation Program  
 Sponsor: House Education Committee  
 Requester: House Education Committee Component Number: 141

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

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
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Land & Structures								
Grants & Claims	0.0	0.0	44,984.5	46,048.0	0.0	0.0	0.0	
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>44,984.5</b>	<b>46,048.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

<b>CAPITAL EXPENDITURES</b>							
-----------------------------	--	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>							
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Other Interagency Receipts							
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>44,984.5</b>	<b>46,048.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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Prepared by: Eddy Jeans, Director  
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Phone 465-8679  
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G:\DistSup\11Foundation\FiscalNotes\HB317\HB317\_SF\_\$125BSA\_FY12&13\_SPED1.215&1.23\_2-5-10UPDATE.xlsx\FY12 Proj. Funding Increase

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COPPER RIVER	89,178	170,951	260,129
CORDOVA CITY	55,299	105,535	160,834
CRAIG CITY	47,500	130,013	177,513
DELTA/GREELY	116,827	238,780	355,607
DENALI BOROUGH	46,918	105,888	152,806
DILLINGHAM CITY	74,684	139,833	214,517
FAIRBANKS NORTH STAR BOROUGH	1,523,705	3,298,479	4,822,184
GALENA CITY	46,394	421,701	468,095
HAINES BOROUGH	45,462	94,353	139,815
HOONAH CITY	23,750	46,619	70,369
HYDABURG CITY	14,261	26,735	40,996
IDITAROD AREA	62,809	120,654	183,463
JUNEAU BOROUGH	558,584	1,174,857	1,733,441
KAKE CITY	18,045	36,655	54,700
KASHUNAMIUT	62,983	117,421	180,404
KENAI PENINSULA BOROUGH	1,058,083	2,102,329	3,160,412
KETCHIKAN GATEWAY BOROUGH	274,227	525,175	799,402
KLAWOCK CITY	24,332	47,649	71,981
KODIAK ISLAND BOROUGH	347,689	663,544	1,011,233
KUSPUK	98,083	175,957	274,040
LAKE AND PENINSULA BOROUGH	128,702	231,476	360,178
LOWER KUSKOKWIM	858,249	1,602,213	2,460,462
LOWER YUKON	480,523	870,503	1,351,026
MATANUSKA-SUSITNA BOROUGH	1,640,416	3,489,417	5,129,833
NENANA CITY	36,964	146,366	183,330
NOME CITY	115,605	214,362	329,967
NORTH SLOPE BOROUGH	346,640	624,963	971,603
NORTHWEST ARCTIC BOROUGH	426,854	790,650	1,217,504
PELICAN CITY	3,044	5,396	8,440
PETERSBURG CITY	79,224	158,944	238,168
PRIBILOF	25,729	45,358	71,087
SAINT MARY'S	39,350	74,151	113,501
SITKA BOROUGH	164,210	344,665	508,875
SKAGWAY CITY	14,437	28,692	43,129
SOUTHEAST ISLAND	54,659	101,650	156,309
SOUTHWEST REGION	160,369	297,063	457,432
TANANA	13,214	24,928	38,142
UNALASKA CITY	70,491	125,784	196,275
VALDEZ CITY	87,897	169,446	257,343
WRANGELL PUBLIC	46,742	98,672	145,414
YAKUTAT	22,527	39,662	62,189
YUKON FLATS	98,142	180,912	279,054
YUKON/KOYUKUK	91,855	281,612	373,467
YUPIIT	113,218	204,258	317,476
Mt. Edgecumbe	51,400	90,451	141,851
<b>TOTAL</b>	<b>15,181,403</b>	<b>30,866,561</b>	<b>46,047,964</b>

G:\DistSup\111Foundation\FiscalNotes\HB317\HB317\_SF\_125BSA\_FY12&13\_SPED1.215&1.23\_2-5-10UPDATE.xlsx\FY13 Proj. Funding Increase

*Adopted  
4/14/10*

26-LS1378P  
Mischel  
4/13/10

**CS FOR HOUSE BILL NO. 317(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): HOUSE EDUCATION COMMITTEE

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act increasing the special needs funding and base student allocation for public  
2 schools, and extending the adjustment for student transportation funding; and  
3 providing for an effective date."

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

5 \* **Section 1.** AS 14.17.420(a), as amended by sec. 6, ch. 9, SLA 2008, is amended to read:

6 (a) As a component of public school funding, a district is eligible for special  
7 needs funding and may be eligible for intensive services funding as follows:

8 (1) special needs funding is available to a district to assist the district  
9 in providing special education, gifted and talented education, vocational education,  
10 and bilingual education services to its students; a special needs funding factor of 1.215  
11 [1.20] shall be applied as set out in AS 14.17.410(b)(1);

12 (2) in addition to the special needs funding for which a district is  
13 eligible under (1) of this subsection, a district is eligible for intensive services funding  
14 for each special education student who needs and receives intensive services and is

1 enrolled on the last day of the count period; for each such student, intensive services  
2 funding is equal to the intensive student count multiplied by 13.

3 \* **Sec. 2.** AS 14.17.420(a), as amended by sec. 6, ch. 9, SLA 2008, and by sec. 1 of this Act,  
4 is amended to read:

5 (a) As a component of public school funding, a district is eligible for special  
6 needs funding and may be eligible for intensive services funding as follows:

7 (1) special needs funding is available to a district to assist the district  
8 in providing special education, gifted and talented education, vocational education,  
9 and bilingual education services to its students; a special needs funding factor of 1.23  
10 [1.215] shall be applied as set out in AS 14.17.410(b)(1);

11 (2) in addition to the special needs funding for which a district is  
12 eligible under (1) of this subsection, a district is eligible for intensive services funding  
13 for each special education student who needs and receives intensive services and is  
14 enrolled on the last day of the count period; for each such student, intensive services  
15 funding is equal to the intensive student count multiplied by 13.

16 \* **Sec. 3.** AS 14.17.470, as amended by sec. 10, ch. 9, SLA 2008, is amended to read:

17 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$5,805  
18 [\$5,680].

19 \* **Sec. 4.** AS 14.17.470, as amended by sec. 10, ch. 9, SLA 2008, and by sec. 3 of this Act,  
20 is amended to read:

21 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$5,930  
22 [\$5,805].

23 \* **Sec. 5.** Sections 1 and 3 of this Act take effect July 1, 2011.

24 \* **Sec. 6.** Sections 2 and 4 of this Act take effect July 1, 2012.

Adopted 4/14/10

#3

CONCEPTUAL AMENDMENT

OFFERED IN HOUSE FINANCE BY REPRESENTATIVE

5/16/10



To: Draft CS for HB 317 (FIN) 26-LS1378\P

Page 2, following line 24 Insert:

Sec. 7. Section 11, ch. 9, SLA 2008, is amended to read:

Sec. 11 AS 14.09.010(c), added by sec. 2, ch. 9, SLA 2008 [OF THIS ACT]  
is repealed June 30, 2013 [2011].

NEW AMENDMENT #2

Failed  
4/14/10

OFFERED IN THE HOUSE

BY REPRESENTATIVE GARA

TO: CSHB 317 (FIN)

Page 2, line 17:

Delete "\$5,805"

Insert "5,830"

Page 2, lines 21-22:

Delete "5,930 [\$5,805]"

Insert "5,980 [\$5,830]"

## **Inflation Proofing the Base Student Allocation**

Distributed by Rep. Gara

The current scheduled increase to the BSA in FY 11 is \$100 raising it to \$5,680. HB 317 proposes to change the annual BSA increase to \$125. But inflation has outpaced both the \$100 and \$125 increases in recent years. In Anchorage, the cost of living has risen, on average, by 2.7% over the past three years. The FY 10 and FY 11 increases of \$100 reflect an approximate 1.8% annual BSA increase and the proposed \$125 annual increases would be approximately a 2.2% increase.

### Actual BSA Increases Compared to an Inflation-Adjusted Increase

	Actual BSA Increase	Actual Total BSA	Inflation Adjusted Increase	Inflation Adjusted Total
FY 09	\$100	\$5,480	\$145	\$5,525
FY 10	\$100	\$5,580	\$148	\$5,628

### Future Inflation-Adjusted BSA Increases (assuming a 3-year average 2.7% inflation rate)

	BSA Increase to Match CPI (2.7%)	BSA
FY 11	\$151	\$5,731
FY 12	\$155	\$5,886
FY 13	\$159	\$6,045

# The Cost of Living in Alaska

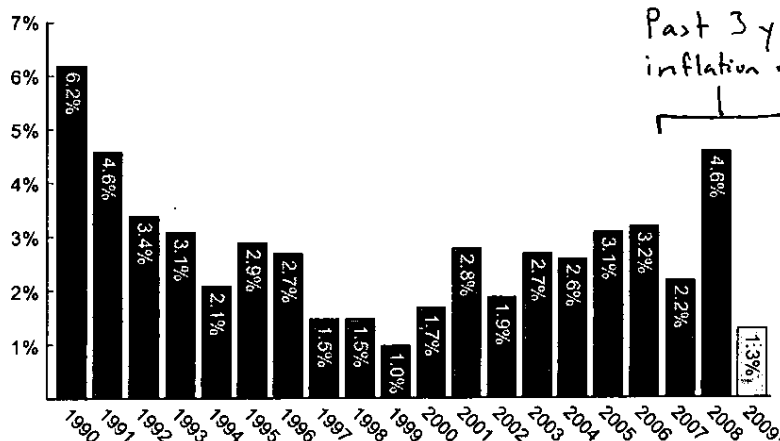
By Neal Fried, and  
Dan Robinson,  
Economists

## Volatile energy prices and a new geographic study

**I**n Alaska, oil prices are usually discussed in the context of their impact on state revenue and budgets. With no state sales or income taxes, oil generates the dominant share of what state government spends.

But oil prices also have a large effect on consumer prices in a state where heating homes and transporting goods are major expenses. Oil prices shot up above \$140 in 2008 before falling back to around \$30 later in the same year. That unprecedented volatility affected Alaskans' household expenses in a variety of ways.

### 1 Energy Accounts for Recent Volatility Change in Anchorage CPI-U, 1990 to 2009



<sup>1</sup> The CPI for 2009 is the percent increase in the index from the first half of 2008 to the first half of 2009. All of the other percentages are the average of the index increases from the first and second halves of the previous years.

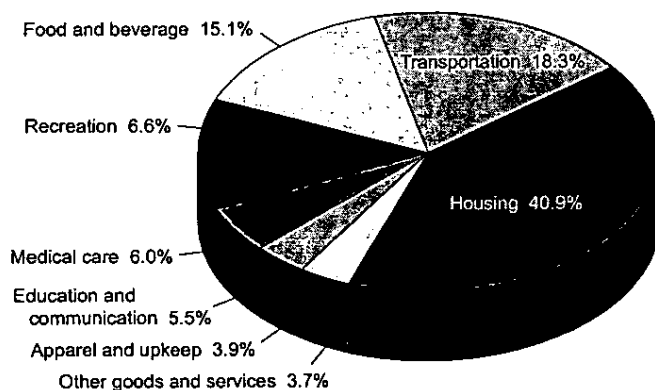
Source: U.S. Department of Labor, Bureau of Labor Statistics

### Two ways to look at the cost of living

There are two basic ways to look at the cost of living. One is to examine the changes in prices over time. For that, the Consumer Price Index<sup>1</sup> is the most frequently used. It's referred to generically as the inflation rate and is used to adjust salaries and rents, among other things, so they keep pace with inflation.

The other way to measure the cost of living is to compare the costs of different locations during the same time period. This is the type of information that helps a person trying to decide whether it makes economic sense to relocate from one city to another or a company trying to equalize wages for employees in different cities. There are a variety of these types of measures available.

### 2 Most is Spent on Housing CPI weighting, December 2008



Source: U.S. Department of Labor, Bureau of Labor Statistics

### High 2008 inflation, then a big drop in 2009

The Anchorage CPI<sup>2</sup> rose 4.6 percent in 2008 – the highest annual increase since 1991 – be-

<sup>1</sup> All references to the CPI in this article are to the CPI-U (Consumer Price Index for all Urban Consumers), produced by the U.S. Department of Labor's Bureau of Labor Statistics unless otherwise specified.

<sup>2</sup> Anchorage is the only Alaska city for which a consumer price index is calculated. A national CPI is produced every month and monthly CPI data are also available for the nation's four Census major regions (Northeast, Midwest, South and West) and for three major metropolitan areas. Data for 11 smaller metropolitan areas are produced every two months. Anchorage is in a group of 13 smaller metropolitan areas for which data are published every six months.

2010 HOUSE FINANCE  
VOTE CALL

DATE: \_\_\_\_\_

Amendment: Amend # 2

MEMBER	Favor	Oppose
REP. SALMON		✓
REP. THOMAS		✓
REP. AUSTERMAN		✓
REP. DOOGAN	✓	
REP. FAIRCLOUGH		✓
REP. FOSTER	✓	
REP. GARA	✓	
REP. JOULE		
REP. KELLY		✓
REP. HAWKER		✓
REP. STOLTZE		✓

3  
 YEA 7  
 NAY 3

2010 HOUSE FINANCE  
VOTE CALL

DATE: 4/14/10

Amendment: New Amend # 2

MEMBER	Favor	Oppose
REP. KELLY		✓
REP. SALMON		PASS
REP. THOMAS		
REP. AUSTERMAN		✓
REP. DOOGAN	✓	
REP. FAIRCLOUGH		✓
REP. FOSTER	✓	
REP. GARA	✓	
REP. JOULE		
REP. STOLTZE		✓
REP. HAWKER		✓

YEA \_\_\_\_\_

NAY \_\_\_\_\_

*Failed*

NEW AMENDMENT #2

OFFERED IN THE HOUSE

BY REPRESENTATIVE GARA

TO: CSHB 317 (FIN)

Page 2, line 17:

Delete "\$5,805"

Insert "5,830"

Page 2, lines 21-22:

Delete "5,930 [\$5,805]"

Insert "5,980 [\$5,830]"

*N*     *Y*  
~~||||~~    ~~||||~~  
~~||||~~     |||  
||

## **Inflation Proofing the Base Student Allocation**

Distributed by Rep. Gara

The current scheduled increase to the BSA in FY 11 is \$100 raising it to \$5,680. HB 317 proposes to change the annual BSA increase to \$125. But inflation has outpaced both the \$100 and \$125 increases in recent years. In Anchorage, the cost of living has risen, on average, by 2.7% over the past three years. The FY 10 and FY 11 increases of \$100 reflect an approximate 1.8% annual BSA increase and the proposed \$125 annual increases would be approximately a 2.2% increase.

### Actual BSA Increases Compared to an Inflation-Adjusted Increase

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# The Cost of Living in Alaska

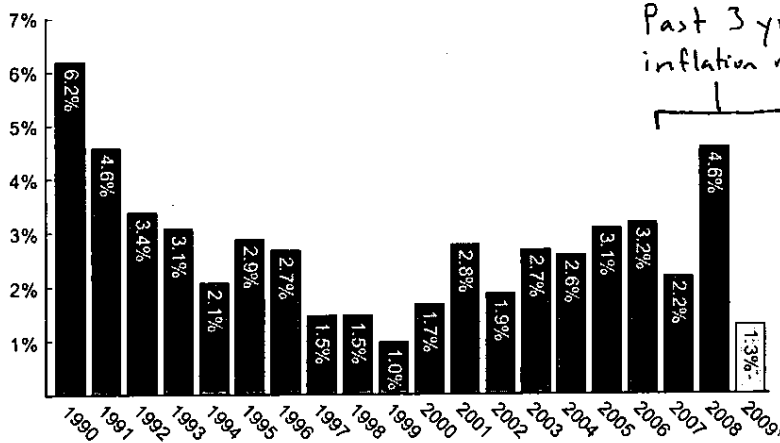
By Neal Fried, and  
Dan Robinson,  
Economists

## Volatile energy prices and a new geographic study

**I**n Alaska, oil prices are usually discussed in the context of their impact on state revenue and budgets. With no state sales or income taxes, oil generates the dominant share of what state government spends.

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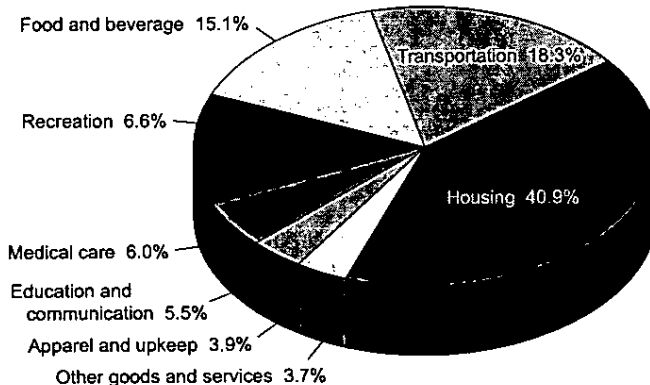
### 1 Energy Accounts for Recent Volatility Change in Anchorage CPI-U, 1990 to 2009



<sup>1</sup> The CPI for 2009 is the percent increase in the index from the first half of 2008 to the first half of 2009. All of the other percentages are the average of the index increases from the first and second halves of the previous years.

Source: U.S. Department of Labor, Bureau of Labor Statistics

### 2 Most is Spent on Housing CPI weighting, December 2008



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### High 2008 inflation, then a big drop in 2009

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HOUSE FINANCE COMMITTEE  
HB 317 - EDUC. FUNDING: BASIC/SPEC/NEEDS/TRANSPORT  
SIGN-IN

NAME: Carl Rose  
Dept./Company: AASB Title: Exec Dir  
Email: crose@aab.org Phone: 6-1083  
Do you wish to testify?  Yes  No  Respond To Questions

NAME: MARY A. FRANCIS  
Dept./Company: ACSA Title: EXEC. DIR.  
Email: mary-acsa@sigintel Phone: \_\_\_\_\_  
Do you wish to testify?  Yes  No  Respond To Questions

NAME: Andi Story  
Dept./Company: Juneau School Board Title: Vice President  
Email: andi.mike@ak.net Phone: 787-4292  
Do you wish to testify?  Yes  No  Respond To Questions

NAME: DAVE JONES  
Dept./Company: KENAI PENINSULA BOR S.D Title: ASST. SUPT  
Email: DJONES2@KPBSD.K12.AK.US Phone: 539-5959  
Do you wish to testify?  Yes  No  Respond To Questions

NAME: Amy Lujan  
Dept./Company: AK Assoc of School Business Title: Executive Director  
Officials  
Email: alawbo@gei.net Phone: 500-9086  
Do you wish to testify?  Yes  No  Respond To Questions

AMENDMENT #1

OFFERED IN THE HOUSE

BY REPRESENTATIVE GARA

TO: CSHB 317(EDC)

1 Page 2, following line 25:

2 Insert a new bill section to read:

3 **\* Sec. 5.** AS 14.17.470 is amended by adding a new subsection to read:

4 (b) Beginning July 1, 2011, the base student allocation established under (a) of  
5 this section shall be adjusted annually on October 1 according to increases in the  
6 Consumer Price Index for all urban consumers of the Anchorage metropolitan area  
7 compiled by the United States Department of Labor, Bureau of Labor Statistics. The  
8 index for 1982 to 1984 is the reference base index for an adjustment made under this  
9 subsection."

10

11 Renumber the following bill sections accordingly.

12

13 Page 2, line 28, following "allocation."

14 Insert "(a)"

15

16 Page 3, line 3:

17 Delete "5"

18 Insert "6"

*Amendment # 1*  
*Conceptual # 2*  
*GARA -*  
*not brought forward*

Conceptual AMENDMENT #2

OFFERED IN THE HOUSE

BY REPRESENTATIVE GARA

TO: CSHB 317 (~~EDC~~)  
EDC

Page 2, line 24:

Delete "\$5,805"

Insert "\$5,830"

Page 2, line 28:

Delete "\$5,930"

Insert "\$5,980"

Percent Increase to FY11 BSA of \$5680

	<u>\$125</u>	<u>\$150</u>	<u>\$165</u>
FY12	2.20%	2.64%	2.90%
FY13	2.11%	2.51%	2.75%

Distributed by Rep. Gara

School Districts	HB273	HB317		FY2012 Total Increase
	1/4 increase of remaining 50% ISER	FY2012 - SPED add on from 1.20 to 1.215	BSA Increased by \$125 to \$5805	
ALASKA GATEWAY	157,381	78,434	149,842	385,657
ALEUTIAN REGION	21,075	17,942	33,549	72,566
ALEUTIANS EAST BOROUGH	237,579	81,965	147,355	466,899
ANCHORAGE	0	4,536,807	9,333,439	13,870,246
ANNETTE ISLAND	112,325	45,283	85,420	243,028
BERING STRAIT	1,089,473	443,434	814,281	2,347,188
BRISTOL BAY BOROUGH	50,295	32,467	60,961	143,723
CHATHAM	114,148	37,024	71,302	222,474
CHUGACH	25,063	10,205	29,832	65,100
COPPER RIVER	98,883	86,181	167,151	352,215
CORDOVA CITY	62,314	53,372	102,944	218,630
CRAIG CITY	81,681	45,626	127,419	254,726
DELTA/GREELY	127,989	112,895	233,650	474,534
DENALI BOROUGH	8,544	45,910	104,881	159,335
DILLINGHAM CITY	54,511	72,567	137,263	264,341
FAIRBANKS NORTH STAR BOROUGH	428,567	1,486,828	3,258,327	5,173,722
GALENA CITY	14,410	45,283	420,530	480,223
HAINES BOROUGH	73,307	43,575	91,794	208,676
HOONAH CITY	63,397	22,499	44,843	130,739
HYDABURG CITY	44,941	13,498	25,605	84,044
IDITAROD AREA	129,242	59,921	116,523	305,686
JUNEAU BOROUGH	682,153	538,955	1,149,286	2,370,394
KAKE CITY	61,232	16,975	35,082	113,289
KASHUNAMIUT	93,300	60,605	114,175	268,080
KENAI PENINSULA BOROUGH	1,475,778	1,017,761	2,048,173	4,541,712
KETCHIKAN GATEWAY BOROUGH	395,018	263,270	510,320	1,168,608
KLAWOCK CITY	54,567	23,125	46,023	123,715
KODIAK ISLAND BOROUGH	550,574	334,184	645,286	1,530,044
KUSPUK	182,841	93,984	170,306	447,131
LAKE AND PENINSULA BOROUGH	282,522	122,579	222,763	627,864
LOWER KUSKOKWIM	888,634	829,736	1,565,831	3,284,201
LOWER YUKON	1,120,517	457,047	836,830	2,414,394
MATANUSKA-SUSITNA BOROUGH	930,101	1,596,132	3,438,192	5,964,425
NENANA CITY	20,163	35,998	145,235	201,396
NOME CITY	112,098	112,041	209,939	434,078
NORTH SLOPE BOROUGH	552,967	332,532	605,738	1,491,237
NORTHWEST ARCTIC BOROUGH	655,097	409,713	767,229	1,832,039
PELICAN CITY	6,493	2,979	5,254	14,726
PETERSBURG CITY	160,286	75,699	154,032	390,017
PRIBILOF	42,607	24,664	43,904	111,175
SAINT MARY'S	67,498	37,708	71,875	177,081
SITKA BOROUGH	277,453	157,722	335,881	771,056
SKAGWAY CITY	4,727	14,126	28,318	47,171
SOUTHEAST ISLAND	91,021	52,174	98,173	241,368
SOUTHWEST REGION	248,630	154,019	288,323	690,972
TANANA	23,639	12,701	24,167	60,507
UNALASKA CITY	93,073	67,897	122,313	283,283
VALDEZ CITY	62,771	85,497	166,644	314,912
WRANGELL PUBLIC	65,504	44,998	96,338	206,840
YAKUTAT	62,143	21,303	37,929	121,375
YUKON FLATS	214,170	93,529	174,288	481,987
YUKON/KOYUKUK	175,095	87,946	276,157	539,198
YUPIIT	170,994	108,850	198,283	478,127
Mt. Edgecumbe	82,192	49,384	87,704	219,280
<b>TOTAL</b>	<b>12,900,983</b>	<b>14,707,549</b>	<b>30,276,902</b>	<b>57,885,434</b>

School Districts	HB273	HB317		FY2013 Total Increase
	1/4 increase of remaining 50% ISER - final	FY2013 - SPED add on from 1.215 to 1.230	FY2013 - BSA Increased by \$125 to \$5930	
ALASKA GATEWAY	154,580	82,076	154,917	391,573
ALEUTIAN REGION	17,960	18,569	34,333	70,862
ALEUTIANS EAST BOROUGH	251,374	86,849	154,609	492,832
ANCHORAGE	0	4,636,310	9,432,999	14,069,309
ANNETTE ISLAND	115,804	47,732	88,928	252,464
BERING STRAIT	1,118,968	466,961	848,296	2,434,225
BRISTOL BAY BOROUGH	50,088	33,762	62,760	146,610
CHATHAM	115,279	39,234	74,616	229,129
CHUGACH	15,002	10,636	30,381	56,019
COPPER RIVER	87,932	89,178	170,951	348,061
CORDOVA CITY	65,482	55,299	105,535	226,316
CRAIG CITY	73,470	47,500	130,013	250,983
DELTA/GREELY	122,277	116,827	238,780	477,884
DENALI BOROUGH	0	46,918	105,888	152,806
DILLINGHAM CITY	45,072	74,684	139,833	259,589
FAIRBANKS NORTH STAR BOROUGH	346,653	1,523,705	3,298,479	5,168,837
GALENA CITY	8,163	46,394	421,701	476,258
HAINES BOROUGH	73,820	45,462	94,353	213,635
HOONAH CITY	59,068	23,750	46,619	129,437
HYDABURG CITY	38,426	14,261	26,735	79,422
IDITAROD AREA	129,798	62,809	120,654	313,261
JUNEAU BOROUGH	633,246	558,584	1,174,857	2,366,687
KAKE CITY	55,277	18,045	36,655	109,977
KASHUNAMIUT	88,340	62,983	117,421	268,744
KENAI PENINSULA BOROUGH	1,466,380	1,058,083	2,102,329	4,626,792
KETCHIKAN GATEWAY BOROUGH	418,258	274,227	525,175	1,217,660
KLAWOCK CITY	51,487	24,332	47,649	123,468
KODIAK ISLAND BOROUGH	503,390	347,689	663,544	1,514,623
KUSPUK	165,309	98,083	175,957	439,349
LAKE AND PENINSULA BOROUGH	277,555	128,702	231,476	637,733
LOWER KUSKOKWIM	837,448	858,249	1,602,213	3,297,910
LOWER YUKON	1,089,406	480,523	870,503	2,440,432
MATANUSKA-SUSITNA BOROUGH	746,368	1,640,416	3,489,417	5,876,201
NENANA CITY	15,744	36,964	146,366	199,074
NOME CITY	90,556	115,605	214,362	420,523
NORTH SLOPE BOROUGH	549,630	346,640	624,963	1,521,233
NORTHWEST ARCTIC BOROUGH	664,968	426,854	790,650	1,882,472
PELICAN CITY	3,539	3,044	5,396	11,979
PETERSBURG CITY	149,740	79,224	158,944	387,908
PRIBILOF	42,042	25,729	45,358	113,129
SAINT MARY'S	66,765	39,350	74,151	180,266
SITKA BOROUGH	245,252	164,210	344,665	754,127
SKAGWAY CITY	3,032	14,437	28,692	46,161
SOUTHEAST ISLAND	107,465	54,659	101,650	263,774
SOUTHWEST REGION	247,117	160,369	297,063	704,549
TANANA	22,274	13,214	24,928	60,416
UNALASKA CITY	91,313	70,491	125,784	287,588
VALDEZ CITY	42,684	87,897	169,446	300,027
WRANGELL PUBLIC	62,100	46,742	98,672	207,514
YAKUTAT	58,252	22,527	39,662	120,441
YUKON FLATS	210,673	98,142	180,912	489,727
YUKON/KOYUKUK	162,452	91,855	281,612	535,919
YUPIIT	165,251	113,218	204,258	482,727
Mt. Edgecumbe	76,678	51,400	90,451	218,529
<b>TOTAL</b>	<b>12,299,207</b>	<b>15,181,403</b>	<b>30,866,561</b>	<b>58,347,171</b>

The Department of Education and Early-Development – School Finance.  
Response to House Education Committee Questions of 2/1/2010/

- #1 Does Alaska Military Youth Academy (AMYA) receive more or less funding than other residential programs?

The AMYA program is not of the same type as some other residential programs, for example the program serves all drop outs and runs two sessions of students (spring and fall) each year. State aid per ADM compares approximately: \$18,249 (Galena); \$20,703 (Lower Kuskokwim); \$18,139 (Nenana); \$19,441 (Mt Edgecumbe); and \$27,756 plus \$2,361-post residential mentoring for a separate pool of students (AMYA).

- #2 How does AMYA schedule the residential portion?

There are two 22 week residential sessions each year. Funding is provided once based on the October residential count. For example, the FY2010 count funded 209 ADM, this represents 209 students in the first session and a different 209 students in the second session. Residential is "24/7" students do not leave the campus.

- #3 Are pupil transportation contracts tied to the CPI?

Some contracts (Anchorage, Mat su, and Kodiak) adjust up and down with the CPI. Other districts have in house programs or contracts that do not adjust up and down with CPI.

- #4 How did total categorical funding for Voc Ed under the old formula compare to adding 1.5% to the current 20% special needs block grant?

1998, prior categorical funding for Voc Ed was 1.08% of total basic need.

Based on 2012 projections, adding .015% to the special needs factor for a total of 1.215% equates to 1.07% of basic need intended towards Career and Technical.

Adding a second .015% to the special needs factor for a total of 1.23% equates to 2.14% of basic need intended towards Career and Technical.

EED 2/11/2010  
 Summary Data FY2010 Residential Program Comparative Revenues  
 FY2010 Projected Data

<b>Galena</b>			
	Residential ADM	Revenues	Residential per ADM
Foundation State Aid	163.7	2,044,982	12,492
State GF Residential Boarding Home (Dec 1 residential count paid for 159 students)	159	915,360	5,757
<b>Total Support per residential ADM, not including Capital</b>			<b>\$ 18,249</b>

<b>Lower Kuskokwim</b>			
	Residential ADM	Revenues	Residential per ADM
Foundation State Aid	29.5	471,130	15,971
State GF Residential Boarding Home (Dec 1 residential count paid for 10 students)	10	47,322	4,732
<b>Total Support per residential ADM, not including Capital</b>			<b>\$ 20,703</b>

<b>Nenana</b>			
	Residential ADM	Revenues	Residential per ADM
Foundation State Aid	84	1,086,771	12,938
State GF Residential Boarding Home	84	436,917	5,201
<b>Total Support per residential ADM, not including Capital</b>			<b>\$ 18,139</b>

<b>Mt Edgecumbe</b>			
	Residential ADM	Revenues	Residential per ADM
Foundation State Aid	395.85	3,023,382	7,638
State GF Residential Boarding Home	395.85	3,971,800	10,034
State receipted Federal Impact Aid	395.85	700,647	1,770
<b>Total Support per residential ADM, not including Capital</b>			<b>\$ 19,441</b>

<b>Alaska Military Youth Academy</b>			
ADM: Residential 209, post residential mentoring/education 266			
	Residential ADM	Revenues	Residential per ADM
Foundation State Aid - residential w education program	209	8,163,540	39,060
Federal Grant Reduction	209	(2,362,500)	(11,304)
<b>Total Support per residential ADM, not including Capital</b>			<b>27,756</b>
Non residential component, after program mentoring			
Foundation State Aid - non residential	266	890,568	3,348
Federal Grant Reduction	266	(262,500)	(987)
<b>Total Support per non residential/mentoring ADM</b>			<b>2,361</b>

Note:  
 Does not include formula grants such as NCLB, Special Education, etc.. Does not include separate capital project funding.  
 Page 2 of 2

**Subject:** Pupil Transportation - CPI increase impact

After a few telephone discussions about the contract language in different district contracts, I found out the following.

Anchorage, MatSu, and Kodiak all have language in their current contracts that have adjustments to their contract prices based on the ANC CPI index whether it goes up or down. Additional language in each also states that the increase will be 4% or the CPI whichever is less, with a cap of 6%.

Kenai has language in their contract that has no increases over the life of the contract. They have taken on the burden of paying for all fuel in the contract instead of building in an increase.

All of the above contracts expire on June 30, 2011 and will be up for renewal/bid.

*page 3/5*

Subject: AMYA...info

As requested.

I spoke with James Jones, Deputy Director at the military youth academy, (907)384-6105.  
The academy runs 2 sessions of 22week or 5 ½ months, in a year.  
The dates of those programs are: Oct 1 to Feb. 28 and April 1 to August 31.

The student attend the residential program for those 22 weeks and do not leave campus at all. It is 7 days a week 24 hours a day. Following the program the cadet leaves or graduates from the residential program/academy and then becomes a non-residential that works with a mentor that they check in with once a week and also once a month with academy, too.

page 4/5

EED  
School Finance

VOCATIONAL EDUCATION/ CAREER & TECHNICAL INCREASES TO THE 1.20 SPECIAL NEEDS FACTOR

FY1998	1.215	1.230
Categorical Funding	BSA at \$5680	BSA at \$5680
8,575,990	14,707,549	29,888,952
795,018,978	1,376,845,060	1,398,953,329
	1.08%	2.14%

**Katie Koester**

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**From:** Rep. Paul Seaton  
**Sent:** Friday, January 29, 2010 3:16 PM  
**To:** Katie Koester  
**Subject:** FW: HB 317

-----Original Message-----

**From:** Friedman\_Jeff [mailto:Friedman\_Jeff@asdk12.org]  
**Sent:** Thursday, January 28, 2010 3:57 PM  
**To:** Rep. Paul Seaton  
**Cc:** Rep. Cathy Munoz; Rep. Bryce Edgmon; Representative\_we\_keller@legis.state.ak.us; representative\_peggy\_wilson@legis.state.ak.us; Rep. Bob Buch; Rep. Berta Gardner; Comeau\_Carol; Steele\_Tim; Olson\_Robin  
**Subject:** HB 317

Chair Seaton and Committee Members:

I am writing to express my personal support of HB 317. This bill will increase the block grant funding for vocational education, gifted and talented, special education, and bilingual services by 1.5 percentage points. The current block grant is insufficient to cover all of our current costs, so this small increase is definitely needed.

HB 317 will also provide advance, programed increases to the Base Student Allocation. For the last three years, we have been able to count on known increases when planning our budget. This has been a huge success from my point of view.

Jeff Friedman  
Anchorage School Board  
1534 D Street  
Anchorage, AK 99501  
907-742-4699 (Home)

Mary  
Francis

## Position Statement 09-15

### Career and Technical Education

The Alaska Council of School Administrators supports the reestablishment of categorical Career and Technical Education funding to ensure our K-12 schools have the tools to prepare a workforce trained in 21<sup>st</sup> century work skills and to provide a viable mechanism to increase graduation rates by reengaging disenfranchised students in their high school education.

- Increased funding in Career and Technical Education professional development opportunities is critical to ensure CTE teachers can meet the wide array of learning needs of our students while also demonstrating content mastery through methods appropriate to their areas of expertise, utilizing industry-based credentials.
- All students need a strong array of reading, comprehension, reasoning, problem-solving and personal skills to be ready to enter the world of meaningful postsecondary education and training or to enter the high-skilled workplace.
- A strong and well-articulated Career and Technical Education model is critical to supporting high K-12 educational standards and Alaska's economic stability and growth.

Adopted by the Alaska Council of School Administrators (AASA, AAESP and AASSP) October 2009

Mam  
Francis

**Position Statement 09-1**

**Increase to Base Student Allocation**

The Alaska Council of School Administrators requests that the Legislature establish and fund a base student allocation beyond the amount currently in law.

- Increased energy costs, increases in health care costs, general labor expenses and other costs continue to result in funding pressures in school districts.
- Many districts project FY 11 staff and program cuts; the negative effects on student education would be mitigated by this additional funding.
- Provide adequate and equitable funding to all districts.

Adopted by the Alaska Council of School Administrators  
October and December 2009

## Louie Flora

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**From:** Al Weinberg [alweinberg@hydaburg.k12.ak.us]  
**Sent:** Saturday, January 30, 2010 1:11 PM  
**To:** Louie Flora  
**Subject:** RE: House Education Committee schedule

Hydaburg City School District supports HB317.

Al Weinberg, Superintendent  
HYDABURG CITY SCHOOL DISTRICT

**From:** Louie Flora [mailto:Louie\_Flora@legis.state.ak.us]  
**Sent:** Thursday, January 28, 2010 4:54 PM  
**To:** lnsclaf+houseeducationcommittee@legis.state.ak.us; lnsclaf+educationlist@legis.state.ak.us;  
lnsclaf+liolist@legis.state.ak.us  
**Subject:** House Education Committee schedule

Attached and posted below is the schedule for House Education Committee next week.

Louie Flora  
House Education Committee Aide,  
Representative Paul Seaton, Chair  
(907) 465-3923

**Monday, February 1st** Room 106 at 8:00 a.m.

\*+ HB 317 EDUC. FUNDING; BASIC/SPEC NEEDS/TRANSPORT  
=+ HB 235 PROF STUDENT EXCHANGE LOAN FORGIVENESS  
=+HB 206 HIGH SCHOOL ASSESSM'T/POSTSECONDARY CLASS

<bills previously heard/scheduled>

**Wednesday, February 3rd** Room 124 at 8:00 a.m.  
(Joint With Senate Education)

+ Overview – Governor's Performance Scholarship  
\*+HB 297 POSTSECONDARY SCHOLARSHIPS

**Friday, February 5th** Room 106 at 8:00 a.m.

<bills previously heard/scheduled>

+ <teleconferenced>

**FY2011 - 2.9%  
 CPI-U = \$165  
 Increase to BSA**

School Districts	
ALASKA GATEWAY	191,080
ALEUTIAN REGION	43,200
ALEUTIANS EAST BOROUGH	185,108
ANCHORAGE	12,188,718
ANNETTE ISLAND	108,126
BERING STRAIT	1,030,736
BRISTOL BAY BOROUGH	78,128
CHATHAM	89,826
CHUGACH	38,681
COPPER RIVER	215,377
CORDOVA CITY	132,612
CRAIG CITY	164,638
DELTA/GREELY	301,518
DENALI BOROUGH	136,874
DILLINGHAM CITY	177,576
FAIRBANKS NORTH STAR BOROUGH	4,245,005
GALENA CITY	553,334
HAINES BOROUGH	117,844
HOONAH CITY	56,887
HYDABURG CITY	32,267
IDITAROD AREA	148,444
JUNEAU BOROUGH	1,481,535
KAKE CITY	44,303
KASHUNAMIUT	146,396
KENAI PENINSULA BOROUGH	2,631,076
KETCHIKAN GATEWAY BOROUGH	654,837
KLAWOCK CITY	58,557
KODIAK ISLAND BOROUGH	826,805
KUSPUK	217,209
LAKE AND PENINSULA BOROUGH	282,447
LOWER KUSKOKWIM	2,017,117
LOWER YUKON	1,060,342
MATANUSKA-SUSITNA BOROUGH	4,464,365
NENANA CITY	190,103
NOME CITY	270,798
NORTH SLOPE BOROUGH	774,142
NORTHWEST ARCTIC BOROUGH	982,821
PELICAN CITY	6,736
PETERSBURG CITY	196,655
PRIBILOF	56,064
SAINT MARY'S	91,913
SITKA BOROUGH	431,003
SKAGWAY CITY	36,860
SOUTHEAST ISLAND	124,985
SOUTHWEST REGION	369,001
TANANA	30,928
UNALASKA CITY	156,712
VALDEZ CITY	215,788
WRANGELL PUBLIC	124,032
YAKUTAT	47,784
YUKON FLATS	221,460
YUKON/KOYUKUK	357,214
YUPIIT	253,813
Mt. Edgecumbe	111,902
<b>TOTAL</b>	<b>39,171,682</b>