

SB

84

(FILE 1)

<TARGET><BILL>SB 84</BILL><SUBJECT>SB 84 (FILE
1)</SUBJECT><COMM>SEDC27</COMM></TARGET>

ALASKA STATE SENATE

Sen. Kevin Meyer
Alaska State Capitol
Juneau, Alaska 99801
Room 103
Phone: 907-465-4945
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Sen. Joe Thomas
Alaska State Capitol
Juneau, Alaska 99801
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SENATE EDUCATION COMMITTEE Senators Kevin Meyer & Joe Thomas, Co-Chairs

North to the Future Education and Vocational Training Act FACT SHEET

The Senate Education Committee, under the leadership of Senators Joe Thomas (D-Fairbanks) and Kevin Meyer (R-Anchorage), will be sponsoring the *North to the Future* Education and Vocational Training Act, a school funding bill that **increases the Base Student Allocation (BSA) over the next three years** and establishes a separate Vocational Education funding stream for high school students.

The BSA is currently \$5680 per student (subject to geographical and school size factors), and has increased by \$100 increments (a rate of less than 2% per year) from FY09-FY11. The Education Committee proposal will continue with similar, modest increases in the next three fiscal years (FY12-FY14).

The committee also proposes to **create a High School Vocational Education Allocation**. This will be an on-going allocation, designed to give high schools the ability to provide consistent vocational education programs that train Alaska's students for Alaska's jobs.

The proposed bill will not alter in any way the existing Special Needs Funding Factor for special education, bilingual education, gifted and talented programs or vocational education programs currently existing in state statute and available to all grade levels. The proposed High School Vocational Education Allocation would instead result in new funding to strengthen career and technical education for students in grades 9-12.

It is the intent of the committee chairmen to introduce the *North to the Future* Education and Vocational Training Act during the week of January 31, 2011.

For more information on the *North to the Future* Education and Vocational Training Act contact Education Committee Aide Murray Richmond in the Office of Senator Joe Thomas at 907-465-2327 or at murray.richmond@legis.state.ak.us or Edra Morledge at 907-465-4945 (edra.morledge@legis.state.ak.us).

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number 3
 Bill Version CSSB 84(FIN)
 (S) Publish Date 4/6/11

Identifier (file name) _____ Dept. Affected DEED
 Title "An Act relating to funding for high school vocational and Appropriation K-12 Support
 Allocation AK Challenge Youth Academy
 Sponsor Senate Finance Committee
 Requester Senate Finance Committee OMB Component Number 2837

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants	168.7							
Miscellaneous								
TOTAL OPERATING	168.7							

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	168.7							
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other (please identify)								
TOTAL	168.7							

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time								
Part-time								
Temporary								

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by Darwin Peterson, Senate Finance Committee staff
Senator Bert Stedman, Co-Chair Senate Finance Committee
Senator Lyman Hoffman, Co-Chair Senate Finance Committee

Phone 465-3873
 Date/Time 4/6/11 8:24 AM
 Date 4/6/2011

Analysis

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FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number 4
 Bill Version CSSB 84(FIN)
 (S) Publish Date 4/6/11

Identifier (file name) _____ Dept. Affected DEED
 Title "An Act relating to funding for high school vocational and Appropriation K-12 Support
 Allocation Foundation Program
 Sponsor Senate Finance Committee
 Requester Senate Finance Committee OMB Component Number 141

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants		38,434.0						
Miscellaneous								
TOTAL OPERATING		38,434.0						

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

CHANGE IN REVENUES								
---------------------------	--	--	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF		38,434.0						
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other (please identify)								
TOTAL		38,434.0						

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time								
Part-time								
Temporary								

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by Darwin Peterson, Senate Finance Committee staff
Senator Bert Stedman, Co-Chair Senate Finance Committee
Senator Lyman Hoffman, Co-Chair Senate Finance Committee

Phone 465-3873
 Date/Time 4/6/11 8:17 AM
 Date 4/6/2011

Analysis

School Finance schedule attached

School District	1.01 factor for Voc-Ed	\$110 BSA Increase to \$5,790	FY2012: Total State Aid Entitlement
Alaska Gateway	66,984	142,899	209,883
Aleutian Region	13,158	28,562	41,720
Aleutians East Borough	63,055	124,416	187,471
Anchorage	3,576,006	8,110,967	11,686,973
Annette Island	36,113	73,344	109,457
Bering Strait	352,640	713,603	1,066,243
Bristol Bay Borough	26,373	55,689	82,062
Chatham	28,878	57,804	86,682
Chugach	7,909	27,252	35,161
Copper River	65,391	137,821	203,212
Cordova	40,214	82,709	122,923
Craig	36,000	107,735	143,735
Delta/Greely	87,490	206,105	293,595
Denali Borough	37,480	115,539	153,019
Dillingham	59,693	131,130	190,823
Fairbanks N. Star Borough	1,171,952	2,855,016	4,026,968
Galena	40,156	377,577	417,733
Haines Borough	35,030	80,695	115,725
Hoonah	17,942	40,710	58,652
Hydaburg	9,797	21,971	31,768
Iditarod Area	51,606	112,646	164,252
Juneau Borough	440,358	1,035,715	1,476,073
Kake	13,043	28,292	41,335
Kashunamiut	49,385	103,466	152,851
Kenai Peninsula Borough	831,389	1,876,908	2,708,297
Ketchikan Gateway Borou	206,709	440,315	647,024
Klawock	19,024	44,279	63,303
Kodiak Island Borough	267,827	568,629	836,456
Kuspuk	73,421	146,081	219,502
Lake & Peninsula Borough	92,902	186,374	279,276
Lower Kuskokwim	672,583	1,396,217	2,068,800
Lower Yukon	373,316	749,566	1,122,882
Mat-Su Borough	1,315,264	3,116,080	4,431,344
Nenana	28,651	137,960	166,611
Nome	87,833	179,373	267,206
North Slope Borough	261,787	523,527	785,314
Northwest Arctic Borough	318,406	648,176	966,582
Pelican	2,362	4,613	6,975
Petersburg	57,188	131,532	188,720
Pribilof	19,310	37,610	56,920
Saint Mary's	29,334	62,954	92,288
Sitka Borough	124,572	294,719	419,291
Skagway	9,683	18,900	28,583
Southeast Island	41,124	87,569	128,693
Southwest Region	119,956	244,039	363,995
Tanana	9,454	19,914	29,368
Unalaska	54,341	108,803	163,144
Valdez	69,036	147,561	216,597
Wrangell	35,600	88,225	123,825
Yakutat	17,088	33,374	50,462
Yukon Flats	73,421	151,779	225,200
Yukon/Koyukuk	69,262	236,751	306,013
Yupitit	86,180	175,228	261,408
Mt. Edgecumbe High Schc	37,823	73,751	111,574
TOTAL	11,731,499	26,702,470	38,433,969

27-LS0465-M
Mischel
1/28/11

SENATE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY SENATOR THOMAS

Introduced:
Referred:

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to funding for vocational education as a component of special needs
2 funding for public schools; increasing the base student allocation used in the public
3 school funding formula; and providing for an effective date."

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

5 * **Section 1.** AS 14.17.410(b) is amended to read:

6 (b) Public school funding consists of state aid, a required local contribution,
7 and eligible federal impact aid determined as follows:

8 (1) state aid equals basic need minus a required local contribution and
9 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
10 obtained under (D) of this paragraph, multiplied by the base student allocation set out
11 in AS 14.17.470; district adjusted ADM is calculated as follows:

12 (A) the ADM of each school in the district is calculated by
13 applying the school size factor to the student count as set out in AS 14.17.450;

14 (B) the number obtained under (A) of this paragraph is

1 multiplied by the district cost factor described in AS 14.17.460;

2 (C) the ADMs of each school in a district, as adjusted
3 according to (A) and (B) of this paragraph, are added; the sum is then
4 multiplied by the combined special needs ~~factors~~ ^{and the high} [FACTOR] set out in
5 AS 14.17.420(a)(1) and (3):

*school
vocational
education
factor*

6 (D) the number obtained for intensive services under
7 AS 14.17.420(a)(2) and the number obtained for correspondence study under
8 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

9 (E) notwithstanding (A) - (C) of this paragraph, if a school
10 district's ADM adjusted for school size under (A) of this paragraph decreases
11 by five percent or more from one fiscal year to the next fiscal year, the school
12 district may use the last fiscal year before the decrease as a base fiscal year to
13 offset the decrease, according to the following method:

14 (i) for the first fiscal year after the base fiscal year
15 determined under this subparagraph, the school district's ADM adjusted
16 for school size determined under (A) of this paragraph is calculated as
17 the district's ADM adjusted for school size, plus 75 percent of the
18 difference in the district's ADM adjusted for school size between the
19 base fiscal year and the first fiscal year after the base fiscal year;

20 (ii) for the second fiscal year after the base fiscal year
21 determined under this subparagraph, the school district's ADM adjusted
22 for school size determined under (A) of this paragraph is calculated as
23 the district's ADM adjusted for school size, plus 50 percent of the
24 difference in the district's ADM adjusted for school size between the
25 base fiscal year and the second fiscal year after the base fiscal year;

26 (iii) for the third fiscal year after the base fiscal year
27 determined under this subparagraph, the school district's ADM adjusted
28 for school size determined under (A) of this paragraph is calculated as
29 the district's ADM adjusted for school size, plus 25 percent of the
30 difference in the district's ADM adjusted for school size between the
31 base fiscal year and the third fiscal year after the base fiscal year;

1 (F) the method established in (E) of this paragraph is available
 2 to a school district for the three fiscal years following the base fiscal year
 3 determined under (E) of this paragraph only if the district's ADM adjusted for
 4 school size determined under (A) of this paragraph for each fiscal year is less
 5 than the district's ADM adjusted for school size in the base fiscal year;

6 (G) the method established in (E) of this paragraph does not
 7 apply to a decrease in the district's ADM adjusted for school size resulting
 8 from a loss of enrollment that occurs as a result of a boundary change under
 9 AS 29;

10 (2) the required local contribution of a city or borough school district is
 11 the equivalent of a four mill tax levy on the full and true value of the taxable real and
 12 personal property in the district as of January 1 of the second preceding fiscal year, as
 13 determined by the Department of Commerce, Community, and Economic
 14 Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a
 15 district's basic need for the preceding fiscal year as determined under (1) of this
 16 subsection.

17 * **Sec. 2.** AS 14.17.420(a) is amended to read:

18 (a) As a component of public school funding, a district is eligible for special
 19 needs funding ^{and high school vocational education funding} and may be eligible for intensive services funding as follows:

20 (1) special needs funding is available to a district to assist the district
 21 in providing special education, gifted and talented education, vocational education,
 22 and bilingual education services to its students; a special needs funding factor of 1.20
 23 shall be applied as set out in AS 14.17.410(b)(1);

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

29 **(3) in addition to the special needs and intensive services funding**
 30 **available under (1) and (2) of this subsection, a district is eligible for**
 31 **high school vocational education supplemental special needs funding for direct vocational education instruction**

as determined by the department

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for each student who is enrolled in grades nine through 12 ~~on the last day of the~~ ^{high school vocational education} ~~count period~~; a supplemental special needs funding factor of 1.025 shall be applied as set out in AS 14.17.410(b)(1): in this paragraph. "direct vocational education instruction" excludes costs associated with

(A) administrative expenses; and

(B) instruction in general literacy, mathematics, and job readiness skills.

* **Sec. 3.** AS 14.17.440(a) is amended to read:

(a) Except as provided in AS 14.17.400(b), funding for state boarding schools established under AS 14.16.010 includes an allocation from the public education fund in an amount calculated by

(1) determining the ADM of state boarding schools by applying the school size factor to the student count as described in AS 14.17.450;

(2) multiplying the number obtained under (1) of this subsection by the combined special needs factors [FACTOR] in AS 14.17.420(a)(1) and (3) and multiplying that product by the base student allocation; and

(3) multiplying the product determined under (2) of this subsection by the district cost factor that is applicable to calculation of the state aid for the adjacent school district under AS 14.17.460.

* **Sec. 4.** AS 14.17.470 is amended to read:

Sec. 14.17.470. Base student allocation. The base student allocation is \$5,790 [\$5,680].

* **Sec. 5.** AS 14.17.470, as amended by sec. 4 of this Act, is amended to read:

Sec. 14.17.470. Base student allocation. The base student allocation is \$5,905 [\$5,790].

* **Sec. 6.** AS 14.17.470, as amended by secs. 4 and 5 of this Act, is amended to read:

Sec. 14.17.470. Base student allocation. The base student allocation is \$6,025 [\$5,905].

* **Sec. 7.** Section 4 of this Act takes effect July 1, 2011.

* **Sec. 8.** Section 5 of this Act takes effect July 1, 2012.

* **Sec. 9.** Section 6 of this Act takes effect July 1, 2013.

Fax

To: LAA Legal ATT: Jean Mischel **From:** Murray Richmond

Fax: 465-2029 **Pages:** 4

Phone: 465-6443 **Date:** 2/3/11

Re: 27-LS0465\M and LS0425\M **cc:**

Urgent **For Review** **Please Comment** **Please Reply** **Please Recycle**

● **Comments:** Jean,

We found out that the department can get data needed to get a high school voc ed factor, and so...we are back to your first version, with some minor changes. Also, this is an Education Committee Bill, as is 27-LS0425\M the act providing for payment and loan incentives to public teachers for certification.

Can we get finals of both of these bills. We would love to be able to drop these bills this afternoon. Sorry for the rush. Is there any way you can get it to us by 3:30?

And do you need us to return the other two finals you sent of these bills?

27-LS0465M
Mischel
1/28/11

SENATE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY SENATOR THOMAS

Introduced:
Referred:

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to funding for ^{High school} vocational education as a component of ~~special needs~~
2 funding for public schools; increasing the base student allocation used in the public
3 school funding formula; and providing for an effective date."

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

5 * **Section 1.** AS 14.17.410(b) is amended to read:

6 (b) Public school funding consists of state aid, a required local contribution,
7 and eligible federal impact aid determined as follows:

8 (1) state aid equals basic need minus a required local contribution and
9 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
10 obtained under (D) of this paragraph, multiplied by the base student allocation set out
11 in AS 14.17.470; district adjusted ADM is calculated as follows:

12 (A) the ADM of each school in the district is calculated by
13 applying the school size factor to the student count as set out in AS 14.17.450;

14 (B) the number obtained under (A) of this paragraph is

1 multiplied by the district cost factor described in AS 14.17.460;

2 (C) the ADMs of each school in a district, as adjusted
3 according to (A) and (B) of this paragraph, are added; the sum is then
4 multiplied by the ~~combined~~-special needs factors [FACTOR] set out in
5 AS 14.17.420(a)(1) and (3); and the ^{high school} vocational educational factor

6 (D) the number obtained for intensive services under *us set*
7 AS 14.17.420(a)(2) and the number obtained for correspondence study under *out in*
8 AS 14.17.430 are added to the number obtained under (C) of this paragraph; *14.17.420?*

9 (E) notwithstanding (A) - (C) of this paragraph, if a school
10 district's ADM adjusted for school size under (A) of this paragraph decreases
11 by five percent or more from one fiscal year to the next fiscal year, the school
12 district may use the last fiscal year before the decrease as a base fiscal year to
13 offset the decrease, according to the following method:

14 (i) for the first fiscal year after the base fiscal year
15 determined under this subparagraph, the school district's ADM adjusted
16 for school size determined under (A) of this paragraph is calculated as
17 the district's ADM adjusted for school size, plus 75 percent of the
18 difference in the district's ADM adjusted for school size between the
19 base fiscal year and the first fiscal year after the base fiscal year;

20 (ii) for the second fiscal year after the base fiscal year
21 determined under this subparagraph, the school district's ADM adjusted
22 for school size determined under (A) of this paragraph is calculated as
23 the district's ADM adjusted for school size, plus 50 percent of the
24 difference in the district's ADM adjusted for school size between the
25 base fiscal year and the second fiscal year after the base fiscal year;

26 (iii) for the third fiscal year after the base fiscal year
27 determined under this subparagraph, the school district's ADM adjusted
28 for school size determined under (A) of this paragraph is calculated as
29 the district's ADM adjusted for school size, plus 25 percent of the
30 difference in the district's ADM adjusted for school size between the
31 base fiscal year and the third fiscal year after the base fiscal year;

1 (F) the method established in (E) of this paragraph is available
2 to a school district for the three fiscal years following the base fiscal year
3 determined under (E) of this paragraph only if the district's ADM adjusted for
4 school size determined under (A) of this paragraph for each fiscal year is less
5 than the district's ADM adjusted for school size in the base fiscal year;

6 (G) the method established in (E) of this paragraph does not
7 apply to a decrease in the district's ADM adjusted for school size resulting
8 from a loss of enrollment that occurs as a result of a boundary change under
9 AS 29;

10 (2) the required local contribution of a city or borough school district is
11 the equivalent of a four mill tax levy on the full and true value of the taxable real and
12 personal property in the district as of January 1 of the second preceding fiscal year, as
13 determined by the Department of Commerce, Community, and Economic
14 Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a
15 district's basic need for the preceding fiscal year as determined under (1) of this
16 subsection.

17 * **Sec. 2.** AS 14.17.420(a) is amended to read:

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

20 (1) special needs funding is available to a district to assist the district
21 in providing special education, gifted and talented education, vocational education,
22 and bilingual education services to its students; a special needs funding factor of 1.20
23 shall be applied as set out in AS 14.17.410(b)(1);

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

29 **(3) in addition to the special needs and intensive services funding**
30 **available under (1) and (2) of this subsection, a district is eligible for**
31 **supplemental special needs funding for ~~direct~~ vocational education instruction**

high school vocational education

as determined by the department

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for each student who is enrolled in grades nine through 12 on the last day of the count period; a ^{high school vocational education} ~~supplemental special needs~~ funding factor of 1.025 shall be applied as set out in AS 14.17.410(b)(1); in this paragraph, "direct-vocational education instruction" excludes costs associated with

(A) administrative expenses; and

(B) instruction in general literacy, mathematics, and job readiness skills.

* Sec. 3. AS 14.17.440(a) is amended to read:

(a) Except as provided in AS 14.17.400(b), funding for state boarding schools established under AS 14.16.010 includes an allocation from the public education fund in an amount calculated by

(1) determining the ADM of state boarding schools by applying the school size factor to the student count as described in AS 14.17.450;

(2) multiplying the number obtained under (1) of this subsection by the combined special needs factors [FACTOR] in AS 14.17.420(a)(1) and (3) and multiplying that product by the base student allocation; and

(3) multiplying the product determined under (2) of this subsection by the district cost factor that is applicable to calculation of the state aid for the adjacent school district under AS 14.17.460.

* Sec. 4. AS 14.17.470 is amended to read:

Sec. 14.17.470. Base student allocation. The base student allocation is \$5,790 [\$5,680].

* Sec. 5. AS 14.17.470, as amended by sec. 4 of this Act, is amended to read:

Sec. 14.17.470. Base student allocation. The base student allocation is \$5,905 [\$5,790].

* Sec. 6. AS 14.17.470, as amended by secs. 4 and 5 of this Act, is amended to read:

Sec. 14.17.470. Base student allocation. The base student allocation is \$6,025 [\$5,905].

* Sec. 7. Section 4 of this Act takes effect July 1, 2011.

* Sec. 8. Section 5 of this Act takes effect July 1, 2012.

* Sec. 9. Section 6 of this Act takes effect July 1, 2013.

Senator Joe Thomas

Fax

To: Legal Services Att: Jean Mischel **From:** Sen. Joe Thomas

Fax: 465-2029 **Pages:** 5

Phone: 465-6443 **Date:** 2/2/11

Re: Work Order 27-LS0465M **cc:**

Urgent **For Review** **Please Comment** **Please Reply** **Please Recycle**

● **Comments:** Jean, we would like to introduce this as soon as possible. Call if you have questions.

Murray

27-LS0465\M
Mischel
1/28/11

SENATE BILL NO.

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

BY SENATOR THOMAS

Introduced:
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2 ~~funding~~ for public schools; increasing the base student allocation used in the public
3 school funding formula; and providing for an effective date."

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5 * **Section 1.** AS 14.17.410(b) is amended to read:

6 (b) Public school funding consists of state aid, a required local contribution,
7 and eligible federal impact aid determined as follows:

8 (1) state aid equals basic need minus a required local contribution and
9 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
10 obtained under (D) of this paragraph, multiplied by the base student allocation set out
11 in AS 14.17.470; district adjusted ADM is calculated as follows:

12 (A) the ADM of each school in the district is calculated by
13 applying the school size factor to the student count as set out in AS 14.17.450;

14 (B) the number obtained under (A) of this paragraph is

1 multiplied by the district cost factor described in AS 14.17.460;

2 (C) the ADMs of each school in a district, as adjusted
3 according to (A) and (B) of this paragraph, are added; the sum is then
4 multiplied by the combined special needs factors [FACTOR] set out in
5 AS 14.17.420(a)(1) ~~and (3)~~;

6 (D) the number obtained for intensive services under
7 AS 14.17.420(a)(2) and the number obtained for correspondence study under
8 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

9 (E) notwithstanding (A) - (C) of this paragraph, if a school
10 district's ADM adjusted for school size under (A) of this paragraph decreases
11 by five percent or more from one fiscal year to the next fiscal year, the school
12 district may use the last fiscal year before the decrease as a base fiscal year to
13 offset the decrease, according to the following method:

14 (i) for the first fiscal year after the base fiscal year
15 determined under this subparagraph, the school district's ADM adjusted
16 for school size determined under (A) of this paragraph is calculated as
17 the district's ADM adjusted for school size, plus 75 percent of the
18 difference in the district's ADM adjusted for school size between the
19 base fiscal year and the first fiscal year after the base fiscal year;

20 (ii) for the second fiscal year after the base fiscal year
21 determined under this subparagraph, the school district's ADM adjusted
22 for school size determined under (A) of this paragraph is calculated as
23 the district's ADM adjusted for school size, plus 50 percent of the
24 difference in the district's ADM adjusted for school size between the
25 base fiscal year and the second fiscal year after the base fiscal year;

26 (iii) for the third fiscal year after the base fiscal year
27 determined under this subparagraph, the school district's ADM adjusted
28 for school size determined under (A) of this paragraph is calculated as
29 the district's ADM adjusted for school size, plus 25 percent of the
30 difference in the district's ADM adjusted for school size between the
31 base fiscal year and the third fiscal year after the base fiscal year;

*High School
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(F) the method established in (E) of this paragraph is available to a school district for the three fiscal years following the base fiscal year determined under (E) of this paragraph only if the district's ADM adjusted for school size determined under (A) of this paragraph for each fiscal year is less than the district's ADM adjusted for school size in the base fiscal year;

(G) the method established in (E) of this paragraph does not apply to a decrease in the district's ADM adjusted for school size resulting from a loss of enrollment that occurs as a result of a boundary change under AS 29;

(2) the required local contribution of a city or borough school district is the equivalent of a four mill tax levy on the full and true value of the taxable real and personal property in the district as of January 1 of the second preceding fiscal year, as determined by the Department of Commerce, Community, and Economic Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a district's basic need for the preceding fiscal year as determined under (1) of this subsection.

* Sec. 2. AS 14.17.420(a) is amended to read:

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

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

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

See p. 5 — ~~(3) in addition to the special needs and intensive services funding available under (1) and (2) of this subsection, a district is eligible for supplemental special needs funding for direct vocational education instruction~~

1 for each student who is enrolled in grades nine through 12 on the last day of the
2 count period; a supplemental special needs funding factor of 1.025 shall be
3 applied as set out in AS 14.17.410(b)(1); in this paragraph, "direct vocational
4 education instruction" excludes costs associated with
5 (A) administrative expenses; and
6 (B) instruction in general literacy, mathematics, and job
7 readiness skills.

8 * **Sec. 3.** AS 14.17.440(a) is amended to read:

9 (a) Except as provided in AS 14.17.400(b), funding for state boarding schools
10 established under AS 14.16.010 includes an allocation from the public education fund
11 in an amount calculated by

12 (1) determining the ADM of state boarding schools by applying the
13 school size factor to the student count as described in AS 14.17.450;

14 (2) multiplying the number obtained under (1) of this subsection by the
15 combined special needs factors [FACTOR] in AS 14.17.420(a)(1) and (3) and
16 multiplying that product by the base student allocation; and

17 (3) multiplying the product determined under (2) of this subsection by
18 the district cost factor that is applicable to calculation of the state aid for the adjacent
19 school district under AS 14.17.460.

20 * **Sec. 4.** AS 14.17.470 is amended to read:

21 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$5,790
22 [\$5,680].

23 * **Sec. 5.** AS 14.17.470, as amended by sec. 4 of this Act, is amended to read:

24 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$5,905
25 [\$5,790].

26 * **Sec. 6.** AS 14.17.470, as amended by secs. 4 and 5 of this Act, is amended to read:

27 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$6,025
28 [\$5,905].

29 * **Sec. 7.** Section 4 of this Act takes effect July 1, 2011.

30 * **Sec. 8.** Section 5 of this Act takes effect July 1, 2012.

31 * **Sec. 9.** Section 6 of this Act takes effect July 1, 2013.

Page five, to be inserted AS 14.17.420(a)(3)

In addition to the special needs and intensive services funding available under (1) and (2) of this subsection, a district is eligible for high school vocational education funding for the students who are enrolled in grades nine through 12 as determined by the department; high school vocational education funding is equal to the number of high school students in the district as determined by the department multiplied by 1.025; in this paragraph, "high school vocational education" excludes costs associated with

(A) Administrative expenses; and

(B) instruction in general literacy, mathematics, and job readiness skills.

In addition to the special needs and intensive services funding available under (1) and (2) of this subsection, a district is eligible for high school vocational education funding for the students who are enrolled in grades nine through 12 as determined by the department; high school vocational education funding is equal to the number of high school students in the district as determined by the department multiplied by 1.25; in this paragraph, "high school vocational education" excludes costs associated with

(A) Administrative expenses; and

(B) instruction in general literacy, mathematics, and job readiness skills.

27-LS0465\VM
Mischel
1/28/11

SENATE BILL NO.

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

BY SENATOR THOMAS

Introduced:
Referred:

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to funding for ^{high school} vocational education ^{7fw} as a component of special needs**
2 **funding for public schools; increasing the base student allocation used in the public**
3 **school funding formula; and providing for an effective date."**

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

5 *** Section 1.** AS 14.17.410(b) is amended to read:

6 (b) Public school funding consists of state aid, a required local contribution,
7 and eligible federal impact aid determined as follows:

8 (1) state aid equals basic need minus a required local contribution and
9 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
10 obtained under (D) of this paragraph, multiplied by the base student allocation set out
11 in AS 14.17.470; district adjusted ADM is calculated as follows:

12 (A) the ADM of each school in the district is calculated by
13 applying the school size factor to the student count as set out in AS 14.17.450;

14 (B) the number obtained under (A) of this paragraph is

1 multiplied by the district cost factor described in AS 14.17.460;

2 (C) the ADMs of each school in a district, as adjusted
3 according to (A) and (B) of this paragraph, are added; the sum is then
4 multiplied by the combined special needs factors [FACTOR] set out in
5 AS 14.17.420(a)(1) and (3);

6 (D) the number obtained for intensive services under
7 AS 14.17.420(a)(2) and the number obtained for correspondence study under
8 ~~AS 14.17.430~~ ^{are added} to the number obtained under (C) of this paragraph;

9 (E) notwithstanding (A) - (C) of this paragraph, if a school
10 district's ADM adjusted for school size under (A) of this paragraph decreases
11 by five percent or more from one fiscal year to the next fiscal year, the school
12 district may use the last fiscal year before the decrease as a base fiscal year to
13 offset the decrease, according to the following method:

14 (i) for the first fiscal year after the base fiscal year
15 determined under this subparagraph, the school district's ADM adjusted
16 for school size determined under (A) of this paragraph is calculated as
17 the district's ADM adjusted for school size, plus 75 percent of the
18 difference in the district's ADM adjusted for school size between the
19 base fiscal year and the first fiscal year after the base fiscal year;

20 (ii) for the second fiscal year after the base fiscal year
21 determined under this subparagraph, the school district's ADM adjusted
22 for school size determined under (A) of this paragraph is calculated as
23 the district's ADM adjusted for school size, plus 50 percent of the
24 difference in the district's ADM adjusted for school size between the
25 base fiscal year and the second fiscal year after the base fiscal year;

26 (iii) for the third fiscal year after the base fiscal year
27 determined under this subparagraph, the school district's ADM adjusted
28 for school size determined under (A) of this paragraph is calculated as
29 the district's ADM adjusted for school size, plus 25 percent of the
30 difference in the district's ADM adjusted for school size between the
31 base fiscal year and the third fiscal year after the base fiscal year;

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(F) the method established in (E) of this paragraph is available to a school district for the three fiscal years following the base fiscal year determined under (E) of this paragraph only if the district's ADM adjusted for school size determined under (A) of this paragraph for each fiscal year is less than the district's ADM adjusted for school size in the base fiscal year;

(G) the method established in (E) of this paragraph does not apply to a decrease in the district's ADM adjusted for school size resulting from a loss of enrollment that occurs as a result of a boundary change under AS 29;

(2) the required local contribution of a city or borough school district is the equivalent of a four mill tax levy on the full and true value of the taxable real and personal property in the district as of January 1 of the second preceding fiscal year, as determined by the Department of Commerce, Community, and Economic Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a district's basic need for the preceding fiscal year as determined under (1) of this subsection.

* Sec. 2. AS 14.17.420(a) is amended to read:

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

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

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

(3) in addition to the special needs and intensive services funding available under (1) and (2) of this subsection, a district is eligible for supplemental special needs funding for direct vocational education instruction *high school funding*

the public schools prefer to have the district students who are
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for each student who is enrolled in grades nine through 12 on the last day of the count period; a supplemental special needs funding factor of 1.025 shall be applied as set out in AS 14.17.410(b)(1); in this paragraph, "direct vocational education instruction" excludes costs associated with

(A) administrative expenses; and

(B) instruction in general literacy, mathematics, and job readiness skills.

* **Sec. 3.** AS 14.17.440(a) is amended to read:

(a) Except as provided in AS 14.17.400(b), funding for state boarding schools established under AS 14.16.010 includes an allocation from the public education fund in an amount calculated by

(1) determining the ADM of state boarding schools by applying the school size factor to the student count as described in AS 14.17.450;

(2) multiplying the number obtained under (1) of this subsection by the **combined** special needs **factors** [FACTOR] in AS 14.17.420(a)(1) **and (3)** and multiplying that product by the base student allocation; and

(3) multiplying the product determined under (2) of this subsection by the district cost factor that is applicable to calculation of the state aid for the adjacent school district under AS 14.17.460.

* **Sec. 4.** AS 14.17.470 is amended to read:

Sec. 14.17.470. Base student allocation. The base student allocation is **\$5,790** [\$5,680].

* **Sec. 5.** AS 14.17.470, as amended by sec. 4 of this Act, is amended to read:

Sec. 14.17.470. Base student allocation. The base student allocation is **\$5,905** [\$5,790].

* **Sec. 6.** AS 14.17.470, as amended by secs. 4 and 5 of this Act, is amended to read:

Sec. 14.17.470. Base student allocation. The base student allocation is **\$6,025** [\$5,905].

* **Sec. 7.** Section 4 of this Act takes effect July 1, 2011.

* **Sec. 8.** Section 5 of this Act takes effect July 1, 2012.

* **Sec. 9.** Section 6 of this Act takes effect July 1, 2013.

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
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims	0.0	0.0	44,984.5	46,048.0	0.0	0.0	0.0	
Miscellaneous								
TOTAL OPERATING	0.0	0.0	44,984.5	46,048.0	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	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							
TOTAL	0.0	0.0	44,984.5	46,048.0	0.0	0.0	0.0

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
TOTAL	14,707,549	30,276,902	44,984,451

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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
TOTAL	15,181,403	30,866,561	46,047,964

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FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: HB 273
 (H) Publish Date: 1/24/08

Identifier (file name): HB273-EED-ESS-01-18-08 Dept. Affected: Education & Early Development
 Title: An Act relating to school funding, the based student RDU K-12 Support
allocation, district cost factors, and the adjustments for... Component: Foundation Program
 Sponsor: Representative Hawker
 Requester: Joint Legislative Education Funding Task Force Component Number: 141

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
OPERATING EXPENDITURES							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims	112,496.4	0.0	56,491.6	57,712.5	12,901.0	12,075.0	
Miscellaneous							
TOTAL OPERATING	112,496.4	0.0	56,491.6	57,712.5	12,901.0	12,075.0	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	112,496.4	0.0	56,491.6	57,712.5	12,901.0	12,075.0	0.0
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	112,496.4	0.0	56,491.6	57,712.5	12,901.0	12,075.0	0.0

Estimate of any current year (FY2008) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

This bill would set the district cost factors in FY09 at 50% of the ISER increase over the original cost factors and implement the remaining 50% over the next 4 years; offers 9x the Base Student Allocation (BSA) for intensives plus it will increase it to 11x the BSA in FY10 and 13x the BSA in FY11; provide a hold harmless provision for those districts whose School Size adjusted ADM has decreased by more than 5% over the prior year; and increase the BSA by \$100 for FY09 to \$5,480, FY10 to \$5,580, & FY11 to \$5,680.

The Legislature funded 50% of ISER in FY08 outside the formula for approximately \$50million and the School Improvement Grant for approximately \$20million. If the \$70million provided in FY08 is taken into consideration, then the actual increase in FY09 over FY08 is approximately \$42million.

The GF capitalizes on the Public Education Fund (PEF).

BASED ON FY09 PROJECTED ADM

Prepared by: Eddy Jeans, Director Phone 465-8679
 Division: School Finance Date/Time 1/18/08 12:00 AM
 Approved by: Barbara Thompson, Interim Commissioner Date 1/18/2008
Education & Early Development

School Districts	50% ISER Implemented	BSA increase by \$100 to \$5,480	Intensive Multiplier from x5 to x9	5% reduction in School Size Adjustment Hold Harmless	YEAR 1 FY2009 funding
ALASKA GATEWAY	596,366	113,123	129,120	-	838,609
ALEUTIAN REGION	78,404	26,202	-	-	104,606
ALEUTIANS EAST BOROUGH	900,215	100,271	-	-	1,000,486
ANCHORAGE	0	6,983,032	17,904,640	-	24,887,672
ANNETTE ISLAND	425,420	57,390	21,520	-	504,330
BERING STRAIT	4,145,639	589,180	430,400	-	5,165,219
BRISTOL BAY BOROUGH	190,478	46,578	43,040	-	280,096
CHATHAM	432,435	51,220	86,080	-	569,735
CHUGACH	96,157	38,056	-	-	134,213
COPPER RIVER	364,445	131,496	193,680	-	689,621
CORDOVA CITY	239,798	80,423	129,120	-	449,341
CRAIG CITY	303,255	105,434	215,200	-	623,889
DELTA/GREELY	484,884	187,840	150,640	-	823,364
DENALI BOROUGH	26,872	96,054	64,560	-	187,486
DILLINGHAM CITY	197,709	111,559	172,160	-	481,428
FAIRBANKS NORTH STAR BOROUGH	1,624,033	2,265,608	6,176,240	-	10,065,881
GALENA CITY	49,968	337,704	-	-	387,672
HAINES BOROUGH	277,679	67,805	172,160	-	517,644
HOONAH CITY	230,517	34,073	86,080	61,029	411,699
HYDABURG CITY	168,840	19,289	-	-	188,129
IDITAROD AREA	489,741	88,044	-	-	577,785
JUNEAU BOROUGH	2,512,971	844,226	2,926,720	-	6,283,917
KAKE CITY	201,162	23,138	43,040	150,278	417,618
KASHUNAMIUT	350,470	90,362	129,120	-	569,952
KENAI PENINSULA BOROUGH	5,592,144	1,497,259	1,936,800	-	9,026,203
KETCHIKAN GATEWAY BOROUGH	1,514,550	376,286	430,400	-	2,321,236
KLAWOCK CITY	205,425	33,583	64,560	-	303,568
KODIAK ISLAND BOROUGH	2,044,545	490,291	581,040	-	3,115,876
KUSPUK	683,673	135,581	43,040	-	862,294
LAKE AND PENINSULA BOROUGH	1,060,692	161,945	43,040	-	1,265,677
LOWER KUSKOKWIM	3,290,913	1,175,026	1,355,760	-	5,821,699
LOWER YUKON	4,246,059	625,032	301,280	-	5,172,371
MATANUSKA-SUSITNA BOROUGH	3,303,917	2,450,573	4,863,520	-	10,618,010
NENANA CITY	71,984	101,892	64,560	-	238,436
NOME CITY	412,471	163,737	64,560	-	640,768
NORTH SLOPE BOROUGH	2,095,213	452,486	193,680	-	2,741,379
NORTHWEST ARCTIC BOROUGH	2,500,614	588,294	430,400	-	3,519,308
PELICAN CITY	24,120	6,577	-	-	30,697
PETERSBURG CITY	597,662	112,660	258,240	-	968,562
PRIBILOF	161,232	34,170	-	-	195,402
SAINT MARY'S	257,389	53,609	43,040	-	354,038
SITKA BOROUGH	1,030,205	249,106	774,720	-	2,054,031
SKAGWAY CITY	16,026	24,202	64,560	140,890	245,678
SOUTHEAST ISLAND	345,128	60,682	64,560	-	470,370
SOUTHWEST REGION	934,857	210,911	129,120	-	1,274,888
TANANA	90,222	20,711	43,040	-	153,973
UNALASKA CITY	345,289	89,503	43,040	-	477,832
VALDEZ CITY	225,823	131,981	172,160	-	529,964
WRANGELL PUBLIC	248,325	63,930	43,040	-	355,295
YAKUTAT	211,686	26,347	-	128,694	366,727
YUKON FLATS	811,558	127,931	21,520	-	961,009
YUKON/KOYUKUK	659,714	213,398	172,160	-	1,045,272
YUPIIT	642,556	151,448	43,040	-	837,044
Mt. Edgecumbe	305,090	63,350	-	-	368,440
TOTAL	48,316,540	22,380,608	41,318,400	480,891	112,496,439

School Districts	1/4 increase of remaining 50% ISER	BSA increase by \$100 to \$5,580	Intensive Multiplier from x9 to x11	YEAR 2 FY2010 funding
ALASKA GATEWAY	151,855	117,086	65,760	334,701
ALEUTIAN REGION	20,390	26,573	-	46,963
ALEUTIANS EAST BOROUGH	229,239	104,442	-	333,681
ANCHORAGE	0	7,149,432	9,118,720	16,268,152
ANNETTE ISLAND	108,382	59,562	10,960	178,904
BERING STRAIT	1,051,110	612,305	219,200	1,882,615
BRISTOL BAY BOROUGH	48,476	47,860	21,920	118,256
CHATHAM	110,031	54,022	43,840	207,893
CHUGACH	24,238	38,497	-	62,735
COPPER RIVER	95,411	135,032	98,640	329,083
CORDOVA CITY	60,127	82,717	65,760	208,604
CRAIG CITY	78,813	108,868	109,600	297,281
DELTA/GREELY	123,441	191,486	76,720	391,647
DENALI BOROUGH	8,244	96,804	32,880	137,928
DILLINGHAM CITY	52,542	114,115	87,680	254,337
FAIRBANKS NORTH STAR BOROUGH	413,520	2,330,532	3,145,520	5,889,572
GALENA CITY	13,959	337,958	-	351,917
HAINES BOROUGH	70,623	70,690	87,680	228,993
HOONAH CITY	61,225	37,303	43,840	142,368
HYDABURG CITY	43,309	20,077	-	63,386
IDITAROD AREA	124,704	90,313	-	215,017
JUNEAU BOROUGH	658,091	883,400	1,490,560	3,032,051
KAKE CITY	59,028	27,987	21,920	108,935
KASHUNAMIUT	90,134	93,202	65,760	249,096
KENAI PENINSULA BOROUGH	1,423,959	1,541,168	986,400	3,951,527
KETCHIKAN GATEWAY BOROUGH	381,147	387,221	219,200	987,568
KLAWOCK CITY	52,653	35,141	32,880	120,674
KODIAK ISLAND BOROUGH	531,243	505,357	295,920	1,332,520
KUSPUK	176,366	139,190	21,920	337,476
LAKE AND PENINSULA BOROUGH	272,547	167,304	21,920	461,771
LOWER KUSKOKWIM	857,431	1,203,227	690,480	2,751,138
LOWER YUKON	1,081,173	647,504	153,440	1,882,117
MATANUSKA-SUSITNA BOROUGH	897,387	2,512,101	2,476,960	5,886,448
NENANA CITY	19,455	102,846	32,880	155,181
NOME CITY	108,161	166,305	32,880	307,346
NORTH SLOPE BOROUGH	533,551	463,994	98,640	1,096,185
NORTHWEST ARCTIC BOROUGH	632,040	603,794	219,200	1,455,034
PELICAN CITY	6,266	6,691	-	12,957
PETERSBURG CITY	154,657	117,874	131,520	404,051
PRIBILOF	41,110	34,918	-	76,028
SAINT MARY'S	65,073	55,193	21,920	142,186
SITKA BOROUGH	267,655	261,176	394,560	923,391
SKAGWAY CITY	4,561	27,533	32,880	64,974
SOUTHEAST ISLAND	87,826	62,880	32,880	183,586
SOUTHWEST REGION	239,790	216,474	65,760	522,024
TANANA	22,753	21,525	21,920	66,198
UNALASKA CITY	89,751	91,536	21,920	203,207
VALDEZ CITY	60,511	134,682	87,680	282,873
WRANGELL PUBLIC	63,259	65,481	21,920	150,660
YAKUTAT	59,961	30,240	-	90,201
YUKON FLATS	206,705	131,892	10,960	349,557
YUKON/KOYUKUK	169,057	218,074	87,680	474,811
YUPIIT	164,880	154,848	21,920	341,648
Mt. Edgecumbe	79,307	64,793	-	144,100
TOTAL	12,447,127	23,001,225	21,043,200	56,491,552

School Districts	1/4 increase of remaining 50% ISER	BSA increase by \$100 to \$5,680	Intensive Multiplier from x11 to x13	YEAR 3 FY2011 funding
ALASKA GATEWAY	154,617	121,049	66,960	342,626
ALEUTIAN REGION	20,761	26,944	-	47,705
ALEUTIANS EAST BOROUGH	233,353	108,612	-	341,965
ANCHORAGE	0	7,315,832	9,285,120	16,600,952
ANNETTE ISLAND	110,241	61,732	11,160	183,133
BERING STRAIT	1,070,291	635,431	223,200	1,928,922
BRISTOL BAY BOROUGH	49,357	49,142	22,320	120,819
CHATHAM	112,143	56,826	44,640	213,609
CHUGACH	24,733	38,939	-	63,672
COPPER RIVER	97,202	138,569	100,440	336,211
CORDOVA CITY	61,276	85,012	66,960	213,248
CRAIG CITY	80,247	112,302	111,600	304,149
DELTA/GREELY	125,686	195,132	78,120	398,938
DENALI BOROUGH	8,282	97,552	33,480	139,314
DILLINGHAM CITY	53,442	116,670	89,280	259,392
FAIRBANKS NORTH STAR BOROUGH	421,043	2,395,456	3,202,920	6,019,419
GALENA CITY	14,103	338,210	-	352,313
HAINES BOROUGH	71,965	73,576	89,280	234,821
HOONAH CITY	62,396	39,218	44,640	146,254
HYDABURG CITY	44,209	20,867	-	65,076
IDITAROD AREA	126,974	92,582	-	219,556
JUNEAU BOROUGH	670,121	922,575	1,517,760	3,110,456
KAKE CITY	60,101	29,461	22,320	111,882
KASHUNAMIUT	91,662	96,040	66,960	254,662
KENAI PENINSULA BOROUGH	1,449,923	1,585,078	1,004,400	4,039,401
KETCHIKAN GATEWAY BOROUGH	388,083	398,156	223,200	1,009,439
KLAWOCK CITY	53,665	36,700	33,480	123,845
KODIAK ISLAND BOROUGH	540,854	520,422	301,320	1,362,596
KUSPUK	179,520	142,798	22,320	344,638
LAKE AND PENINSULA BOROUGH	277,561	172,664	22,320	472,545
LOWER KUSKOKWIM	873,031	1,231,428	703,080	2,807,539
LOWER YUKON	1,100,845	669,976	156,240	1,927,061
MATANUSKA-SUSITNA BOROUGH	913,658	2,573,628	2,522,160	6,009,446
NENANA CITY	19,754	103,799	33,480	157,033
NOME CITY	110,185	168,874	33,480	312,539
NORTH SLOPE BOROUGH	543,204	475,501	100,440	1,119,145
NORTHWEST ARCTIC BOROUGH	643,540	619,294	223,200	1,486,034
PELICAN CITY	6,379	6,805	-	13,184
PETERSBURG CITY	157,471	123,088	133,920	414,479
PRIBILOF	41,746	35,664	-	77,410
SAINT MARY'S	66,201	56,776	22,320	145,297
SITKA BOROUGH	272,525	273,246	401,760	947,531
SKAGWAY CITY	4,702	28,217	33,480	66,399
SOUTHEAST ISLAND	89,536	65,080	33,480	188,096
SOUTHWEST REGION	244,209	222,038	66,960	533,207
TANANA	23,223	22,340	22,320	67,883
UNALASKA CITY	91,326	93,568	22,320	207,214
VALDEZ CITY	61,667	137,384	89,280	288,331
WRANGELL PUBLIC	64,410	67,032	22,320	153,762
YAKUTAT	61,109	31,332	-	92,441
YUKON FLATS	210,353	135,851	11,160	357,364
YUKON/KOYUKUK	172,133	222,750	89,280	484,163
YUPIIT	167,880	158,248	22,320	348,448
Mt. Edgecumbe	80,695	66,235	-	146,930
TOTAL	12,673,593	23,611,701	21,427,200	57,712,494

YEAR 4 - FY2012
1/4 increase of
remaining 50% ISER

School Districts	
ALASKA GATEWAY	157,381
ALEUTIAN REGION	21,075
ALEUTIANS EAST BOROUGH	237,579
ANCHORAGE	0
ANNETTE ISLAND	112,325
BERING STRAIT	1,089,473
BRISTOL BAY BOROUGH	50,295
CHATHAM	114,148
CHUGACH	25,063
COPPER RIVER	98,883
CORDOVA CITY	62,314
CRAIG CITY	81,681
DELTA/GREELY	127,989
DENALI BOROUGH	8,544
DILLINGHAM CITY	54,511
FAIRBANKS NORTH STAR BOROUGH	428,567
GALENA CITY	14,410
HAINES BOROUGH	73,307
HOONAH CITY	63,397
HYDABURG CITY	44,941
IDITAROD AREA	129,242
JUNEAU BOROUGH	682,153
KAKE CITY	61,232
KASHUNAMIUT	93,300
KENAI PENINSULA BOROUGH	1,475,778
KETCHIKAN GATEWAY BOROUGH	395,018
KLAWOCK CITY	54,567
KODIAK ISLAND BOROUGH	550,574
KUSPUK	182,841
LAKE AND PENINSULA BOROUGH	282,522
LOWER KUSKOKWIM	888,634
LOWER YUKON	1,120,517
MATANUSKA-SUSITNA BOROUGH	930,101
NENANA CITY	20,163
NOME CITY	112,098
NORTH SLOPE BOROUGH	552,967
NORTHWEST ARCTIC BOROUGH	655,097
PELICAN CITY	6,493
PETERSBURG CITY	160,286
PRIBILOF	42,607
SAINT MARY'S	67,498
SITKA BOROUGH	277,453
SKAGWAY CITY	4,727
SOUTHEAST ISLAND	91,021
SOUTHWEST REGION	248,630
TANANA	23,639
UNALASKA CITY	93,073
VALDEZ CITY	62,771
WRANGELL PUBLIC	65,504
YAKUTAT	62,143
YUKON FLATS	214,170
YUKON/KOYUKUK	175,095
YUPIIT	170,994
Mt. Edgecumbe	82,192
TOTAL	12,900,983

YEAR 5 - FY2013
1/4 increase of
remaining 50% ISER

School Districts	
ALASKA GATEWAY	153,222
ALEUTIAN REGION	18,684
ALEUTIANS EAST BOROUGH	237,523
ANCHORAGE	0
ANNETTE ISLAND	109,534
BERING STRAIT	1,089,360
BRISTOL BAY BOROUGH	50,239
CHATHAM	114,090
CHUGACH	26,201
COPPER RIVER	88,003
CORDOVA CITY	66,016
CRAIG CITY	75,187
DELTA/GREELY	120,413
DENALI BOROUGH	0
DILLINGHAM CITY	45,397
FAIRBANKS NORTH STAR BOROUGH	321,482
GALENA CITY	7,177
HAINES BOROUGH	73,251
HOONAH CITY	63,453
HYDABURG CITY	42,492
IDITAROD AREA	129,185
JUNEAU BOROUGH	606,282
KAKE CITY	62,314
KASHUNAMIUT	90,054
KENAI PENINSULA BOROUGH	1,405,488
KETCHIKAN GATEWAY BOROUGH	413,814
KLAWOCK CITY	51,549
KODIAK ISLAND BOROUGH	506,489
KUSPUK	173,216
LAKE AND PENINSULA BOROUGH	272,155
LOWER KUSKOKWIM	807,864
LOWER YUKON	1,099,385
MATANUSKA-SUSITNA BOROUGH	697,531
NENANA CITY	15,664
NOME CITY	92,388
NORTH SLOPE BOROUGH	537,590
NORTHWEST ARCTIC BOROUGH	674,349
PELICAN CITY	5,696
PETERSBURG CITY	149,918
PRIBILOF	42,548
SAINT MARY'S	67,383
SITKA BOROUGH	244,073
SKAGWAY CITY	3,532
SOUTHEAST ISLAND	88,460
SOUTHWEST REGION	240,998
TANANA	24,265
UNALASKA CITY	85,496
VALDEZ CITY	43,859
WRANGELL PUBLIC	62,200
YAKUTAT	60,776
YUKON FLATS	214,112
YUKON/KOYUKUK	166,835
YUPIIT	165,526
Mt. Edgecumbe	72,284
TOTAL	12,075,002

Catherine Reardon

From: Catherine Reardon
Sent: Wednesday, January 26, 2011 9:01 PM
To: Joe Hardenbrook; Murray Richmond
Subject: Please read re education bill drafting

Dear Murray and Joe,

I have given some thought to the way the new 2.5% for high school voc-ed can be referenced in the existing school funding formula, so the student count adjustment is made at the beginning of the calculation and is, therefore, subject to the school size and district cost factor adjustments.

In addition to the language creating the high school voc-ed factor of 1.025 (which I offered in my first email below,) I believe we will need an amendment to AS 14.17.410 (the existing statute that says how the number of real students is manipulated to reach the final number that is multiplied by the BSA)

I suggest that AS 14.17.410(b)(1)(A) be amended to read, "the ADM of each school in the district is calculated by applying the school size factor to the student count as set out in AS 14.17.450 as modified by application of the vocational education factor to the students enrolled in grades nine through twelve in each school

Of course, the Legal Services drafter will not accept my language as written, but it may be helpful to communicate an approach that we think works, rather than waiting to see what voluminous language they send us at 4:30 pm ☺

Joe – Murray and I discussed two other things related to the bill this evening:

- 1) We may discover that districts do not report to the department the grade levels of the students in the October count, and that it would be difficult/costly to require them to do so for the purposes of calculating how many are in high school. For example, it may be more complicated than it seems to decide if a student is in 9th grade vs. 8th grade during the month of October...although I would think No Child Left Behind data would require determining who is in high school. If the department says this is a problem that would trigger a large fiscal note, we will have to develop another method. For example, we might have to multiply the entire student enrollment (K-12) by a smaller factor (1%?), but only allow the money to be spent on high school students.
- 2) Given the need for department feedback on our method and our cost estimates, as well as discussion with Stevens and approval of the final draft by Meyers, it is probably unrealistic to plan to submit a final version to the Senate Secretary this Friday afternoon.
- 3) I suggest producing a 1-page sheet that describes the legislation conceptually and announcing that a Senate Education Committee bill will be introduced next week. Ideally, the conceptual description would be given to members of the Committee during the Friday morning meeting, and then distributed to the school board association Friday afternoon. If Thomas and Meyer's issue a press release Friday, we are somewhat protected from having our thunder stolen by another legislator dropping in a BSA bill Friday or Monday (a rep. or a Senate minority member or Weilechowski, for example.)

Distributing the conceptual page Friday morning would prevent Committee members from being caught unprepared if their local school board members ask what they think about the Thomas/Meyer proposal during visits Monday, and will allow the school boards to lobby in support as they travel through the building. The school board association work sessions take place on Saturday, so it would be ideal if they could discuss our legislation then. Since no one will have a bill draft, the focus will be on the concepts (BSA increase and high school voc-ed multiplier) rather than the wording details. This big picture focus will be more comfortable for Joe Thomas, will be easier for school boards and superintendents to get behind quickly, and will protect us from being undercut by discussion of department technical issues or identification of error.

Finally, regarding co-sponsors Joe: am I correct that committee bills cannot have co-primes? Can they have regular cosponsors at the time of introduction?

Thanks for reading!
--Catherine

From: Catherine Reardon
Sent: Wednesday, January 26, 2011 7:17 PM
To: Murray Richmond; Joe Hardenbrook
Subject: definition of vocational education

I did not spot a definition of "vocational education" in the statutes. There may be a definition in regulation. Legal Services can do a quick search to answer that question.

Since the new 2.5% vocational education money will be provided only for students in grades 9-12, I think this new "vocational education factor" of 1.025 will have to be set out in its own paragraph of AS 14.17.420(a).

I suggest the following approximate language, which I modeled after the wording in AS 14.17.420(a)(2):
"(3) in addition to the special needs and intensive services funding for which a district is eligible under (1) and (2) of this subsection, a district is eligible for vocational education funding for each student enrolled in grades 9-12 during the count period; a vocational education funding factor of 1.025 shall be applied as set out in AS 14.17.410(b)(1). The funding provided by this paragraph shall be used by school districts only for direct vocational education instruction, supplies and equipment and shall not be used for administrative costs or instruction in general literacy, mathematics, or job-readiness skills."

--Catherine

Murray,
This is a correction.
I wrote "intensive needs"
in my original email.
-Catherine

School Funding Legislation Plan

School Board Meeting

1) Maintain the Base Student Allocation at workable levels.

- a. Increase the Base Student Allocation by **\$110** [**\$26M**] on July 1, 2011, by **\$115** [**\$27.5M**] on July 1, 2012, and by **\$120** [**\$29M**] on July 1, 2013.
- b. Around a **two percent increase** per year.
- c. Helps districts keep up with rising costs of operation
- d. It is by no means certain that a BSA increase will pass.
 - i. A lot of legislators who don't yet accept that the BSA must increase modestly every year to provide a stable educational program. *It is your job to contact your legislators and push for this*
 - ii. School districts must convince legislators **that predictable annual increases are fiscally responsible** because they result in less waste and more efficiency than the previous unpredictable pattern.
- e. The BSA is currently \$5,680 and the total cost of school funding in the Governor's FY12 budget is \$1.13 billion

2) Create high school Vocational Education fund for students in grades 9-12

- a. **Would not change** the definition or funding of the existing special needs factor for current Special Needs, Gifted and Talented, current Voc Ed programs or Bi-lingual education.
- b. The legislation would establish 2.5% specifically for high school vocational education similar to current special education funding
- c. Vocational Education money tends to get used special education, because it is in the same fund.
- d. To be given to districts and used for High School Voc Ed.

- 4) Education Committee wants to hear different **ways to deliver education in Alaska** during this session. What are you doing that works? Want to know what works, and let districts use what will best serve them, combining, structuring and synchronizing existing programs,
- a. Teacher preparedness—Teachers able to identify problems, especially in younger years and implement plans for remediation
 - i. Encourage national teacher certification
 - b. Counselors to help guide students, especially in career decisions
 - c. Early Education; different options for early childhood education including public/private partnerships.
 - i. Parents as Teachers
 - ii. Best Beginnings
 - iii. Headstart
 - iv. Traditional classroom Pre-K program
- 5) We are interesting in hearing what works in your communities. Help us adapt different strategies to provide the best education for our children.

BASE Student Allocation FY 1999 – FY 2011

3% average annual BSA increase in 12 years from July 1, 1998 to June 30, 2010

Year	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY99-FY11
BSA	4,010	4,010	4,010	4,010	4,010	4,169	4,576	4,919	5,380	5,380	5,480	5,580	5,680	----
\$ Change	----	0	0	0	0	159	407	343	461	0	100	100	100	1,670
% Change	----	0	0	0	0	3.96%	9.76%	7.49%	9.37%	0	1.85%	1.82%	1.79%	36.04%
Anchorage Cost of Living Increase	1.0%	1.7%	2.8%	1.9%	2.7%	2.6%	3.1%	3.2%	2.2%	4.6%	1.2%	1.8%	----	28.8%

2.4% average annual Anchorage COL increase in 12 years from January 1, 1999 – December 31, 2010 (US Bureau of Labor Statistics)

BSA Increase

- Not necessarily an increase; helps them keep even with rising cost
- We estimate that increasing the BSA by \$110, \$115 and \$120 would result in incremental increases of approximately \$24, \$24.5 and \$25 Million in FY11-FY13.
- (In 2009 the \$100 increase in the BSA cost \$23,611,701)
- Represents a 1.94%, 1.99%, and 2.03% increase in the BSA over the next three years.
- Less than what the Fairbanks and Anchorage schools are asking.

High School Vocational Education

- We estimate the 2.5% increase for high school voc-ed would cost \$9.5 million.
 - Based on the assumption that one third of state education funding (or \$377 million) goes to high school students, and 2.5 percent of \$377 million is \$9,425,000.
- The specific amount generated for each district is subject to the same cost adjustments as the current Base Student Allocation.
- Vocational Education is more expensive than regular classroom instruction
- Vocational Education money tends to get used for special education, because it is in the same fund.

Intend to introduce Bill the week of January 31.

School Funding Legislation Plan

School Board Meeting

1) **Maintain the Base Student Allocation** at workable levels.

- a. Increase the Base Student Allocation by \$110 on July 1, 2011, by \$115 on July 1, 2012, and by \$120 on July 1, 2013. *increase*
- b. **Around a two percent per year.**
- c. Helps districts keep up with rising costs of operation;
- d. It is by no means certain that a BSA increase will pass.
 - i. A lot of legislators who don't yet accept that the BSA must increase modestly every year to provide a stable educational program. *- It's your job to convince them.*
 - ii. School districts must convince legislators that predictable annual increases are fiscally responsible because they result in less waste and more efficiency than the previous unpredictable pattern. *Contact your legislator*
- e. The BSA is currently \$5,680 and the total cost of school funding in the Governor's FY12 budget is \$1.13 billion

2) **Create high school Vocational Education fund** for students in grades 9-12

- a. The legislation would establish 2.5% specifically for high school vocational education similar to current special education funding
- b. Vocational Education money tends to get used special education, because it is in the same fund. *deducted or funded*
- c. Would not change the existing special needs factor. *deducted or funded*
- d. To be given to districts and used for High School Voc Ed.

3) Education Committee wants to hear different **ways to deliver education in Alaska** during this session. What are you doing that works?

- a. Teacher preparedness—Teachers able to identify problems, especially in younger years and implement plans for remediation
 - i. Encourage national teacher certification
- b. Counselors to help guide students, especially in career decisions
- c. Early Education; different options for early childhood education
- d. ~~Want to know what works, and let districts use what will best serve them~~
 - i. Parents as Teachers
 - ii. Best Beginnings
 - iii. Headstart
 - iv. Traditional classroom Pre-K program

4) We are interesting in hearing what works in your communities. Adapt different strategies to provide best education for our children.

comparing, studying, synchronizing programs w/ existing programs public/private partnerships.

let districts use programs that best serve.

School Funding Legislation Plan School Board Meeting

- 1) **Maintain the Base Student Allocation** at workable levels.
 - a. **around a two percent per year.**
 - b. Helps districts **keep up with rising costs** of operation;
 - c. The BSA is currently \$5,680 and the total cost of school funding in the Governor's FY12 budget is \$1.13 billion
 - d. **It is by no means certain that a BSA increase will pass.**
 - i. A lot of legislators who **don't yet accept** that the BSA must **increase modestly every year** to provide a stable educational program.
 - ii. School districts must convince legislators that **predictable annual increases** are fiscally responsible because they result in **less waste and more efficiency** than the previous unpredictable pattern.

- 2) Create **high school Vocational Education** fund for students in grades 9-12
 - a. The legislation would establish **block funding** for high school vocational education **similar to current special education funding**
 - b. **Would not change** the existing special needs factor.
 - c. Vocational Education money tends to get used special education, because it is the in the same fund.
 - d. To be given to districts and used for High School Voc Ed.

- 3) Education Committee wants to hear different **ways to deliver education in Alaska** during this session. What are you doing that works?

Specifically we are interested in:

- a. **Teacher preparedness**—Teachers able to identify problems, especially in younger years and implement plans for remediation
 - i. Encourage **national teacher certification**
- b. **Counselors** to help guide students, especially in career decisions
- c. **Early Education; different options** for early childhood education

d) *points as mediator*

e) *highways education & curriculum that as many experts indicate open the mind to learning*

*Ch. 12
Funding*

5825 - 5960 - 6085

\$ 145 in FY 12 = 2.55%

\$ 135 in FY 13 = 2.32%

\$ 125 in FY 14 = 2.10%

5865 - 5940 - 6085

\$ 125 in FY 12 = 2.20%

\$ 135 in FY 13 = 2.33%

\$ ~~145~~ in FY 14 = 2.44%

CUNY

School Boards
School Districts
Professors
Principal
Administrators

Position Statement on Education Issues in the 27th Alaska Legislature

The Alaska Advisory Task Force on Higher Education and Career Readiness is conducting an honest appraisal of our public education system. AASB believes that our priorities are particularly relevant to the conversation and goals of the Task Force.

The focus of the Task Force centers around the cost and challenges of remediation and the rates of post secondary completion, be they university or career technical preparation. One of the fundamental questions to be examined is whether remediation is most effective and appropriate in the 13th year, or is it more effectively addressed at the earliest identification of deficiency, the 3rd grade benchmark. Research indicates that 3rd grade is where instruction and curriculum steepen and that children who are not grade level proficient in reading, writing and math will begin to experience the learning gap. Correcting this deficiency at the earliest point of identification is less costly, more effective and will assist students throughout their k-12 experience.

Research shows that 40 percent of children entering kindergarten are not prepared. How can the state enhance a rich learning environment for all children to close this gap?

Early Childhood Development: The state can assist in providing a rich learning environment for all children through community based early childhood efforts at a fraction of the cost and without expanding state government.

Talking Points:

- Young Alaskans can use all help available, especially from parents and families, in preparing for a successful start to elementary school.
- AASB requests a state investment in community- and school-based early development programs, including Head Start, Parents as Teachers and Best Beginnings.

Innovation for Student Success: AASB believes that schools should teach students in ways that engage them in their own learning.

Talking Points:

- Focused instructional strategies and professional development can provide early remediation to help students get to where they need to go.
- Alaska should support programs of merit, including distance learning, extended learning and early remediation.
- Distance learning must provide opportunities for all kids.
- The AASB Consortium for Digital Learning is a proven program now operating in 100 schools statewide.

Career and Technical Education: We should train Alaskans for Alaska jobs.

Talking Points:

- Many K-12 schools have facilities that can be the backbone of a revitalized system of career and technical education.
- The existing partnership between the University, EED and the Department of Labor & Workforce Development should be strengthened. — *Employers & Other Occ. Ed. Partners*
- Barriers to offering CTE as part of a school's core curriculum should be eliminated.

Funding: A vision without funding is an illusion.

Talking Points:

- AASB supports forward funding of K-12 education, including a multi-year increase to the Base Student Allocation.
- The 20 percent block grant is insufficient to cover special education, bilingual and cultural, and vocational education.

98 — Funding to the Cap

January 2011

School Funding Legislation Plan

- 1) **Maintain the Base Student Allocation** at workable levels.
 - a. **around a two percent per year.**
 - b. Helps districts keep up with rising costs of operation;
 - c. The BSA is currently \$5,680 and the total cost of school funding in the Governor's FY12 budget is \$1.13 billion

- 2) Create formula funding for students in grades 9-12 students. *high school voc-ed* by 2.5% specifically for high school vocational education similar to current special education funding. *The legislature will est*
 - a. Vocational Education money tends to get used special education, because it is the in the same fund.
 - b. Would not change the existing special needs factor.
 - c. To be given to districts and used for High School Voc Ed.

- 3) Education Committee will be spending time looking at **better ways to deliver education in Alaska** during the session.
 - a. Teacher preparedness—Teachers able to identify problems, especially in younger years and implement plans for remediation
 - i. Encourage *to obtain* teacher certification
 - b. Counselors to help guide students, especially in career decisions
 - c. Early Education; different options for early childhood education
 - d. Want to know what works, and let districts use what will best serve them
 - i. Parents as Teachers
 - ii. Best Beginnings
 - iii. Headstart
 - iv. Traditional classroom Pre-K program

- 4) We are interesting in hearing what works in your communities. Adapt different strategies to provide best education for our children.

School Funding Legislation Plan

- 1) Increase the Base Student Allocation by \$110 on July 1, 2011, by \$115 on July 1, 2012, and by \$120 on July 1, 2013. This represent less around a two percent increase per year.
- 2) Increase formula funding for students in grades 9-12 students by 2.5% specifically for high school vocational education.
- 3) Education Committee will be spending time looking at better ways to deliver education in Alaska during the session.

BSA Increase

- The BSA is currently \$5,680 and the total cost of school funding in the Governor's FY12 budget is \$1.13 billion.
- Not necessarily and increase; helps them keep even with rising cost of operation
- We estimate that increasing the BSA by \$110, \$115 and \$120 would result in incremental increases of approximately \$24, \$24.5 and \$25 Million in FY11-FY13.
- (In 2009 the \$100 increase in the BSA cost \$23,611,701)
- Represents a 1.94%, 1.99%, and 2.03% increase in the BSA over the next three years.
- Less than what the Fairbanks and Anchorage schools are asking.

High School Vocational Education

- We estimate the 2.5% increase for high school voc-ed would cost \$9.5 million.
 - Based on the assumption that one third of state education funding (or \$377 million) goes to high school students, and 2.5 percent of \$377 million is \$9,425,000.
- Would not change the existing special needs factor.
- The specific amount generated for each district is subject to the same cost adjustments as the current Base Student Allocation.
- Vocation Education is more expensive than regular classroom instruction
- Vocational Education money tends to get used special education, because it is the in the same fund.

Intend to introduce Bill the week of January 31.

27-LS0465\O
Mischel
4/14/11

HOUSE CS FOR CS FOR SENATE BILL NO. 84(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATE EDUCATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act amending the funding for statewide residential educational programs; relating**
2 **to funding for high school vocational and technical instruction as a component of**
3 **funding for public schools; relating to education tax credits; creating a pilot project in**
4 **the Iditarod Area School District; providing for an effective date by amending the**
5 **effective date in sec. 57, ch. 92, SLA 2010; and providing for an effective date."**

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

7 *** Section 1.** AS 14.16.200 is amended by adding a new subsection to read:

8 (c) In addition to the programs eligible for reimbursement of costs under (a) of
9 this section, the department may approve three district-operated statewide residential
10 educational programs that began operating after January 1, 2005, for reimbursement of
11 costs incurred by the district in operating the program under regulations adopted by
12 the department.

13 *** Sec. 2.** AS 14.17.410(b) is amended to read:

1 (b) Public school funding consists of state aid, a required local contribution,
2 and eligible federal impact aid determined as follows:

3 (1) state aid equals basic need minus a required local contribution and
4 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
5 obtained under (D) of this paragraph, multiplied by the base student allocation set out
6 in AS 14.17.470; district adjusted ADM is calculated as follows:

7 (A) the ADM of each school in the district is calculated by
8 applying the school size factor to the student count as set out in AS 14.17.450;

9 (B) the number obtained under (A) of this paragraph is
10 multiplied by the district cost factor described in AS 14.17.460;

11 (C) the ADMs of each school in a district, as adjusted
12 according to (A) and (B) of this paragraph, are added; the sum is then
13 multiplied by the special needs factor set out in AS 14.17.420(a)(1) **and the**
14 **high school vocational education factor set out in AS 14.17.420(a)(3);**

15 (D) the number obtained for intensive services under
16 AS 14.17.420(a)(2) and the number obtained for correspondence study under
17 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

18 (E) notwithstanding (A) - (C) of this paragraph, if a school
19 district's ADM adjusted for school size under (A) of this paragraph decreases
20 by five percent or more from one fiscal year to the next fiscal year, the school
21 district may use the last fiscal year before the decrease as a base fiscal year to
22 offset the decrease, according to the following method:

23 (i) for the first fiscal year after the base fiscal year
24 determined under this subparagraph, the school district's ADM adjusted
25 for school size determined under (A) of this paragraph is calculated as
26 the district's ADM adjusted for school size, plus 75 percent of the
27 difference in the district's ADM adjusted for school size between the
28 base fiscal year and the first fiscal year after the base fiscal year;

29 (ii) for the second fiscal year after the base fiscal year
30 determined under this subparagraph, the school district's ADM adjusted
31 for school size determined under (A) of this paragraph is calculated as

1 the district's ADM adjusted for school size, plus 50 percent of the
2 difference in the district's ADM adjusted for school size between the
3 base fiscal year and the second fiscal year after the base fiscal year;

4 (iii) for the third fiscal year after the base fiscal year
5 determined under this subparagraph, the school district's ADM adjusted
6 for school size determined under (A) of this paragraph is calculated as
7 the district's ADM adjusted for school size, plus 25 percent of the
8 difference in the district's ADM adjusted for school size between the
9 base fiscal year and the third fiscal year after the base fiscal year;

10 (F) the method established in (E) of this paragraph is available
11 to a school district for the three fiscal years following the base fiscal year
12 determined under (E) of this paragraph only if the district's ADM adjusted for
13 school size determined under (A) of this paragraph for each fiscal year is less
14 than the district's ADM adjusted for school size in the base fiscal year;

15 (G) the method established in (E) of this paragraph does not
16 apply to a decrease in the district's ADM adjusted for school size resulting
17 from a loss of enrollment that occurs as a result of a boundary change under
18 AS 29;

19 (2) the required local contribution of a city or borough school district is
20 the equivalent of a four mill tax levy on the full and true value of the taxable real and
21 personal property in the district as of January 1 of the second preceding fiscal year, as
22 determined by the Department of Commerce, Community, and Economic
23 Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a
24 district's basic need for the preceding fiscal year as determined under (1) of this
25 subsection.

26 * **Sec. 3.** AS 14.17.420(a) is amended to read:

27 (a) As a component of public school funding, a district is eligible for special
28 needs **and high school vocational and technical instruction** funding and may be
29 eligible for intensive services funding as follows:

30 (1) special needs funding is available to a district to assist the district
31 in providing special education, gifted and talented education, vocational education,

1 and bilingual education services to its students; a special needs funding factor of 1.20
2 shall be applied as set out in AS 14.17.410(b)(1);

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

8 **(3) in addition to the special needs and intensive services funding**
9 **available under (1) and (2) of this subsection, high school vocational and**
10 **technical instruction funding is available to assist districts in providing vocational**
11 **and technical instruction to students who are enrolled in grades nine through 12;**
12 **a high school vocational and technical instruction funding factor of 1.01 shall be**
13 **applied as set out in AS 14.17.410(b)(1); in this paragraph, "vocational and**
14 **technical instruction" excludes costs associated with**

15 **(A) administrative expenses; and**

16 **(B) instruction in general literacy, mathematics, and job**
17 **readiness skills.**

18 * **Sec. 4.** AS 14.17.440(a) is amended to read:

19 (a) Except as provided in AS 14.17.400(b), funding for state boarding schools
20 established under AS 14.16.010 includes an allocation from the public education fund
21 in an amount calculated by

22 (1) determining the ADM of state boarding schools by applying the
23 school size factor to the student count as described in AS 14.17.450;

24 (2) multiplying the number obtained under (1) of this subsection by the
25 special needs factor in AS 14.17.420(a)(1) **and the high school vocational education**
26 **factor set out in AS 14.17.420(a)(3)** and multiplying that product by the base student
27 allocation; and

28 (3) multiplying the product determined under (2) of this subsection by
29 the district cost factor that is applicable to calculation of the state aid for the adjacent
30 school district under AS 14.17.460.

31 * **Sec. 5.** AS 21.96.070(a) is amended to read:

1 (a) A taxpayer is allowed a credit against the tax due under AS 21.09.210 or
2 AS 21.66.110 for cash contributions accepted

3 (1) for direct instruction, research, and educational support purposes,
4 including library and museum acquisitions, and contributions to endowment, by an
5 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
6 four-year college accredited by a regional accreditation association;

7 (2) for secondary school level vocational education courses, programs,
8 and facilities by a school district in the state;

9 (3) for vocational education courses, programs, and facilities by a
10 state-operated vocational technical education and training school; [AND]

11 (4) for a facility or an annual intercollegiate sports tournament by a
12 nonprofit, public or private, Alaska two-year or four-year college accredited by a
13 regional accreditation association; and

14 (5) for Alaska Native cultural or heritage programs and
15 educational support, including mentoring and tutoring, provided by a nonprofit
16 agency for public school staff and for students who are in grades kindergarten
17 through 12 in the state.

18 * Sec. 6. AS 43.20.014(a) is amended to read:

19 (a) A taxpayer is allowed a credit against the tax due under this chapter for
20 cash contributions accepted

21 (1) for direct instruction, research, and educational support purposes,
22 including library and museum acquisitions, and contributions to endowment, by an
23 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
24 four-year college accredited by a regional accreditation association;

25 (2) for secondary school level vocational education courses, programs,
26 and facilities by a school district in the state;

27 (3) for vocational education courses, programs, and facilities by a
28 state-operated vocational technical education and training school; [AND]

29 (4) for a facility or an annual intercollegiate sports tournament by a
30 nonprofit, public or private, Alaska two-year or four-year college accredited by a
31 regional accreditation association; and

1 **(5) for Alaska Native cultural or heritage programs and**
2 **educational support, including mentoring and tutoring, provided by a nonprofit**
3 **agency for public school staff and for students who are in grades kindergarten**
4 **through 12 in the state.**

5 * **Sec. 7.** AS 43.55.019(a) is amended to read:

6 (a) A producer of oil or gas is allowed a credit against the tax due under this
7 chapter for cash contributions accepted

8 (1) for direct instruction, research, and educational support purposes,
9 including library and museum acquisitions, and contributions to endowment, by an
10 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
11 four-year college accredited by a regional accreditation association;

12 (2) for secondary school level vocational education courses, programs,
13 and facilities by a school district in the state;

14 (3) for vocational education courses, programs, and facilities by a
15 state-operated vocational technical education and training school; [AND]

16 (4) for a facility **or an annual intercollegiate sports tournament** by a
17 nonprofit, public or private, Alaska two-year or four-year college accredited by a
18 regional accreditation association; **and**

19 **(5) for Alaska Native cultural or heritage programs and**
20 **educational support, including mentoring and tutoring, provided by a nonprofit**
21 **agency for public school staff and for students who are in grades kindergarten**
22 **through 12 in the state.**

23 * **Sec. 8.** AS 43.56.018(a) is amended to read:

24 (a) The owner of property taxable under this chapter is allowed a credit
25 against the tax due under this chapter for cash contributions accepted

26 (1) for direct instruction, research, and educational support purposes,
27 including library and museum acquisitions, and contributions to endowment, by an
28 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
29 four-year college accredited by a regional accreditation association;

30 (2) for secondary school level vocational education courses, programs,
31 and facilities by a school district in the state;

1 (3) for vocational education courses, programs, and facilities by a
2 state-operated vocational technical education and training school; [AND]

3 (4) for a facility or an annual intercollegiate sports tournament by a
4 nonprofit, public or private, Alaska two-year or four-year college accredited by a
5 regional accreditation association; and

6 (5) for Alaska Native cultural or heritage programs and
7 educational support, including mentoring and tutoring, provided by a nonprofit
8 agency for public school staff and for students who are in grades kindergarten
9 through 12 in the state.

10 * Sec. 9. AS 43.65.018(a) is amended to read:

11 (a) A person engaged in the business of mining in the state is allowed a credit
12 against the tax due under this chapter for cash contributions accepted

13 (1) for direct instruction, research, and educational support purposes,
14 including library and museum acquisitions, and contributions to endowment, by an
15 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
16 four-year college accredited by a regional accreditation association;

17 (2) for secondary school level vocational education courses, programs,
18 and facilities by a school district in the state;

19 (3) for vocational education courses, programs, and facilities by a
20 state-operated vocational technical education and training school; [AND]

21 (4) for a facility or an annual intercollegiate sports tournament by a
22 nonprofit, public or private, Alaska two-year or four-year college accredited by a
23 regional accreditation association; and

24 (5) for Alaska Native cultural or heritage programs and
25 educational support, including mentoring and tutoring, provided by a nonprofit
26 agency for public school staff and for students who are in grades kindergarten
27 through 12 in the state.

28 * Sec. 10. AS 43.75.018(a) is amended to read:

29 (a) A person engaged in a fisheries business is allowed a credit against the tax
30 due under this chapter for cash contributions accepted

31 (1) for direct instruction, research, and educational support purposes,

1 including library and museum acquisitions, and contributions to endowment, by an
2 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
3 four-year college accredited by a regional accreditation association;

4 (2) for secondary school level vocational education courses, programs,
5 and facilities by a school district in the state;

6 (3) for vocational education courses, programs, and facilities by a
7 state-operated vocational technical education and training school; [AND]

8 (4) for a facility or an annual intercollegiate sports tournament by a
9 nonprofit, public or private, Alaska two-year or four-year college accredited by a
10 regional accreditation association; **and**

11 **(5) for Alaska Native cultural or heritage programs and**
12 **educational support, including mentoring and tutoring, provided by a nonprofit**
13 **agency for public school staff and for students who are in grades kindergarten**
14 **through 12 in the state.**

15 * **Sec. 11.** AS 43.77.045(a) is amended to read:

16 (a) In addition to the credit allowed under AS 43.77.040, a person engaged in
17 a floating fisheries business is allowed a credit against the tax due under this chapter
18 for cash contributions accepted

19 (1) for direct instruction, research, and educational support purposes,
20 including library and museum acquisitions, and contributions to endowment, by an
21 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
22 four-year college accredited by a regional accreditation association;

23 (2) for secondary school level vocational education courses, programs,
24 and facilities by a school district in the state;

25 (3) for vocational education courses, programs, and facilities by a
26 state-operated vocational technical education and training school; [AND]

27 (4) for a facility or an annual intercollegiate sports tournament by a
28 nonprofit, public or private, Alaska two-year or four-year college accredited by a
29 regional accreditation association; **and**

30 **(5) for Alaska Native cultural or heritage programs and**
31 **educational support, including mentoring and tutoring, provided by a nonprofit**

1 agency for public school staff and for students who are in grades kindergarten
2 through 12 in the state.

3 * **Sec. 12.** The uncodified law of the State of Alaska is amended by adding a new section to
4 read:

5 IDITAROD AREA SCHOOL DISTRICT; PILOT PROJECT. (a) The regional school
6 board for the Iditarod Area School District shall establish a pilot project for the purpose of
7 developing and implementing culturally relevant and theme-based curriculum materials and
8 strategies for students who are enrolled in the district in grades kindergarten through 12. The
9 materials and strategies developed under this section shall be made available to other school
10 districts in the state on request.

11 (b) The legislature may appropriate not more than \$1,500,000 to the Iditarod Area
12 School District to carry out the pilot project established in (a) of this section.

13 (c) The Iditarod Area School District regional school board shall provide data and
14 information developed under this section in an annual report to the legislature and shall
15 cooperate with and provide information requested by a joint legislative task force established
16 for the purpose of evaluating and implementing theme-based curriculum in the state.

17 (d) The pilot project established under this section shall terminate on June 30, 2014.

18 * **Sec. 13.** The uncodified law of the State of Alaska is amended by adding a new section to
19 read:

20 STATEWIDE RESIDENTIAL EDUCATIONAL PROGRAMS; ROOM AND
21 BOARD STIPEND. (a) Notwithstanding the amounts established in AS 14.16.200(b)(2), for
22 the fiscal years ending June 30, 2012, and June 30, 2013, a district may claim room and board
23 expenses for reimbursement under AS 14.16.200(a) as a per-pupil monthly stipend for a
24 period of not more than 10 months in the following maximum amounts:

25 (1) for the Southeast Region (Region I), \$820;

26 (2) for the Southcentral Region (Region II), \$800;

27 (3) for the Interior Region (Region III), \$968;

28 (4) for the Southwest Region (Region IV), \$1,006;

29 (5) for the Northern Remote Region (Region V), \$1,184.

30 (b) In this section, "district" has the meaning given in AS 14.17.990.

31 * **Sec. 14.** AS 21.96.070(a)(4), 21.96.070(a)(5); AS 43.20.014(a)(4), 43.20.014(a)(5);

1 AS 43.55.019(a)(4), 43.55.019(a)(5); AS 43.56.018(a)(4), 43.56.018(a)(5);

2 AS 43.65.018(a)(4), 43.65.018(a)(5); AS 43.75.018(a)(4), 43.75.018(a)(5);

3 AS 43.77.045(a)(4), 43.77.045(a)(5) are repealed January 1, 2021.

4 * **Sec. 15.** Section 57, ch. 92, SLA 2010, is amended to read:

5 Sec. 57. Except as provided in sec. 56 of this Act, this Act takes effect
6 January 1, 2021 [2014].

7 * **Sec. 16.** This Act takes effect July 1, 2011.

The senate companion was
dismantled.

— Draft —

by Catherine 4/4/11

CSSB 97 (FIN): An Act authorizing additional appropriations for public education and for community revenue sharing based on the price of Alaska North Slope crude oil, and adjusting the formula for payments to communities; and providing for an effective date."

Sponsored by Senate Finance

Passed Senate 19/1 on April 1 (nay was Sen. Coghill)

Referred to House Education, then C&RA, then Finance

This bill establishes a system for additional money to be distributed to schools through the existing school funding formula, and to communities through the existing revenue sharing system.

After the end of each fiscal year, (during July-August) the Division of Legislative Finance will calculate how much surplus there was and how much of it will be distributed to school districts and communities. The division will determine:

1. **How much was appropriated from the General Fund for the fiscal year that just ended.**
The total will include capital, operating and supplemental appropriations, but will not include deposits into the statutory budget reserve or the appropriations for these additional education and revenue sharing payments.
2. **Given oil production figures for the fiscal year that just ended and the existing tax system, the average price of ANS oil that would have generated the amount of GF revenue needed to fund the above GF appropriations.** This price will be rounded to the nearest whole dollar and then \$2 will be added to cover a margin of error and provide the money to pay the additional education and revenue sharing money.
3. **The difference between the oil price that would have produced the necessary GF, and the actual average ANS price.** If the actual average oil price was high enough to produce a surplus, then additional money will be distributed. The amount of additional money will be \$5 million for each dollar the actual price exceeded the price needed to cover the year's appropriations (the price in #2 above.)

The additional money will be distributed to school districts and communities when the above calculations have been completed, probably in September or October.

Comments or corrections, Murray?

Sponsored by: Mayor Isaacson
Introduced and Passed: April 18, 2011

CITY OF NORTH POLE

RESOLUTION 11-14

A RESOLUTION OF THE CITY OF NORTH POLE IN SUPPORT OF SENATE BILL 84 ESTABLISHING INCREMENTAL THREE-YEAR INCREASES IN THE BASE STUDENT ALLOCATION AND SETS ASIDE FUNDS FOR HIGH SCHOOL VOCATIONAL EDUCATION

WHEREAS, the City of North Pole places great value on public education and recognizes the powerful relationship between public schools and community and economic development, and

WHEREAS, the historic compact between the business community and public schools is based on high expectations for student achievement and workforce preparedness, and

WHEREAS, the mission of the Fairbanks North Star Borough School District is to provide an excellent and equitable education in a safe, supportive environment so all students can become productive members of a diverse and changing society; and

WHEREAS, without a funding commitment from the legislature in advance, problems arise from the misalignment of the legislative session and the school district budget cycle since the school district must submit a balanced budget to the Borough Assembly by April 1 of each year (before the legislative session is over); and

WHEREAS, educators, employers, and government officials agree schools must prepare students to transition from public education to a career pathway or higher education; and

WHEREAS, a lack of categorical funding for vocational (career and technical) education inhibits the school district's ability to provide a dynamic and meaningful career and technical education to its large and diverse student population; and

WHEREAS, SB 84 has broad support from both parties in that it passed 18-0 from Senate Finance.

NOW, THEREFORE, BE IT RESOLVED, that the North Pole City Council urges the legislature to pass Senate Bill 84, which provides an increase to the Base Student Allocation for Fiscal Years 2012 through 2014, and establishes categorical funding for career and technical education for grades 9-12, thereby sustaining and growing Alaska's investment in education.

Sponsored by: Mayor Isaacson
Introduced and Passed: April 18, 2011

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council on the 18th day of April, 2011.

Douglas W. Isaacson, Mayor

ATTEST:

Kathryn M. Weber, MMC, City Clerk

ALASKA STATE SENATE

Sen. Kevin Meyer
Alaska State Capitol
Juneau, Alaska 99801
Room 103
Phone: 907-465-4945
Fax: 907-465-3476



Sen. Joe Thomas
Alaska State Capitol
Juneau, Alaska 99801
Room 514
Phone: 907-465-2327
Fax: 907-465-5241

SENATE EDUCATION COMMITTEE Senators Kevin Meyer & Joe Thomas, Co-Chairs

Dear Senator Stedman:

The Senate Education Committee respectfully requests a hearing on SB 84 before the Senate Finance Committee.

SB 84 provides stable and predictable school funding, so districts can concentrate on improving educational outcomes rather than managing volatile budgets. In 2007, the legislature passed legislation raising the BSA \$100 per year for three years, ending with FY11. SB 84 follows that responsible precedent, increasing the BSA by approximately 2% each of the next three years. This helps districts maintain current programs in the face of rising costs.

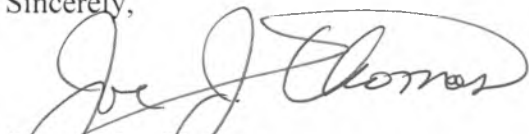
SB 84 also builds into the school funding formula a 1% Career and Technical Education factor, to assist districts in providing vocational education to their high school students. In recent years, school districts have told us they had to reduce their vocational education programs in order to direct funds to mandated programs. The career and technical education funding will be subject to the same school-size and district cost modifications as other school funding.

This hearing request includes:

- 1) A Sponsor statement
- 2) Current version of the bill (Version D)
- 3) Fiscal notes from the Department of Education and Early Development
- 4) Support letters from a variety of people around the state.

We would appreciate a hearing on this bill at your earliest convenience.

Sincerely,


Senator Joe Thomas
Co-Chair, Senate Education Committee



Senator Kevin Meyer
Co-Chair, Senate Education Committee

Car

OFFERED IN: The House Finance Committee

#1

TO: CSSB 84(FIN)

OFFERED BY:

Insert a new section to read:

AS 14.17.470 is amended to read:

Sec. 14.17.470. Base student allocation. The base student allocation is \$5,790 [\$5,680].

FISCAL NOTE DRAFT

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number _____
Bill Version CSSB084
() Publish Date _____



Identifier (file name): SB084CS-EED-ESS-4-14-11
Title "An Act relating to funding for high school vocational and technical instruction as a component of funding for public schools; "
Sponsor Senate Education Committee
Requester House Finance Committee
Dept. Affected _____ Fund Transfer _____
Appropriation Designated Savings (UGF)
Allocation Public Education Fund
OMB Component Number 141

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants	11,731.5		11,731.5	11,731.5	11,731.5	11,731.5	11,731.5	11,731.5
Miscellaneous								
TOTAL OPERATING	11,731.5	0.0	11,731.5	11,731.5	11,731.5	11,731.5	11,731.5	11,731.5

CAPITAL EXPENDITURES

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CHANGE IN REVENUES

--	--	--	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF	11,731.5		11,731.5	11,731.5	11,731.5	11,731.5	11,731.5	11,731.5
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other (Interagency Receipt)								
TOTAL	11,731.5	0.0	11,731.5	11,731.5	11,731.5	11,731.5	11,731.5	11,731.5

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time								
Part-time								
Temporary								

Why this fiscal note differs from previous version (if initial version, please note as such)

This portion of House Finance CS removes the Base Student Allocation increase. There are now two additional fiscal notes associated with the House Finance CS which include a grant to the Iditarod School District for theme-based education; and a two-year increase for Boarding Home Grants/Stipends.

Prepared by Elizabeth Nudelman, Director
Division School Finance
Approved by Mike Hanley, Commissioner

Phone 465-8679
Date/Time 4/14/11 6:20 PM
Date 4/14/2011

**FISCAL NOTE
DRAFT**

**STATE OF ALASKA
2011 LEGISLATIVE SESSION**

BILL NO. CSSB084

Analysis

This bill would create a high school vocational education factor adjustment of 1.01 in the foundation formula. The adjustment follows the special needs factor adjustment of 1.20, and would generate state funding in the amount of approximately \$11.7 million. These funds are intended to assist districts in providing vocational and technical instruction for students enrolled in grades nine through 12.

DRAFT

FISCAL NOTE DRAFT

**STATE OF ALASKA
2011 LEGISLATIVE SESSION**

3

Fiscal Note Number _____
 Bill Version CSSB084
 () Publish Date _____
 Dept. Affected EED
 Appropriation Teaching & Learning Support
 Allocation Student & School Achievement
 OMB Component Number 2796

Identifier (file name): SB084CS-EED-TLS-4-14-11
 Title "An Act relating to funding for high school vocational and technical instruction as a component of funding for public schools; "
 Sponsor Senate Education Committee
 Requester House Finance Committee

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants	500.0		500.0	500.0	0.0	0.0	0.0	
Miscellaneous								
TOTAL OPERATING	500.0	0.0	500.0	500.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES								
---------------------------	--	--	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF	500.0		500.0	500.0	0.0	0.0	0.0	
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other (Interagency Receipt)								
TOTAL	500.0	0.0	500.0	500.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time								
Part-time								
Temporary								

Why this fiscal note differs from previous version (if initial version, please note as such)

House Finance CS adds theme based learning program development for Iditarod School district not to exceed \$1,500,000 over three years FY2012 - FY2014 (\$500,000 each for three years).

Prepared by Elizabeth Nudelman, Director
 Division School Finance
 Approved by Mike Hanley, Commissioner

Phone 465-8679
 Date/Time 4/14/11 5:30 PM
 Date 4/14/2011

FISCAL NOTE
DRAFT

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSSB084

Analysis

This bill would create a high school vocational education factor adjustment of 1.01 in the foundation formula. The adjustment follows the special needs factor adjustment of 1.20, and would generate state funding in the amount of approximately \$11.7 million. These funds are intended to assist districts in providing vocational and technical instruction for students enrolled in grades nine through 12.

In addition there is an increase to the base student allocation of \$110 amending it from \$5,680 to \$5,790 for FY2012.

DRAFT

FISCAL NOTE DRAFT

**STATE OF ALASKA
2011 LEGISLATIVE SESSION**

#2

Fiscal Note Number _____
 Bill Version CSSB084
 () Publish Date _____

Identifier (file name): SB084CS-EED-K12-4-14-11
 Title "An Act relating to funding for high school vocational and technical instruction as a component of funding for public schools; "
 Sponsor Senate Education Committee
 Requester House Finance Committee
 Dept. Affected EED
 Appropriation K-12 Support
 Allocation Boarding Home Grants
 OMB Component Number 148

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES							
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants	1,640.0		1,640.0				
Miscellaneous							
TOTAL OPERATING	1,640.0	0.0	1,640.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES							
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CHANGE IN REVENUES							
---------------------------	--	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
1002 Federal Receipts						
1003 GF Match						
1004 GF	1,640.0		1,640.0			
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Interagency Receipt)						
TOTAL	1,640.0	0.0	1,640.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time						
Part-time						
Temporary						

Why this fiscal note differs from previous version (if initial version, please note as such)

initial version

Prepared by Elizabeth Nudelman, Director
 Division School Finance
 Approved by Mike Hanley, Commissioner

Phone 465-8679
 Date/Time 4/14/11 5:20 PM
 Date 4/14/2011

FISCAL NOTE
DRAFT

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSSB084

Analysis

The House Finance CS increases residential boarding home stipends at 14.600.200(b)(2) by doubling the existing amounts for two years in FY2012 and FY2013 (\$1,640,000 is an additional amount each year).

DRAFT

FISCAL NOTE DRAFT

STATE OF ALASKA
2011 LEGISLATIVE SESSION

1

Fiscal Note Number _____
Bill Version CSSB084
() Publish Date _____

Identifier (file name): SB084CS-EED-ESS-4-14-11
Title "An Act relating to funding for high school vocational and technical instruction as a component of funding for public schools; "
Sponsor Senate Education Committee
Requester House Finance Committee
Dept. Affected _____ Fund Transfer _____
Appropriation Designated Savings (UGF)
Allocation Public Education Fund
OMB Component Number 141

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants	38,434.0		38,434.0	38,434.0	38,434.0	38,434.0	38,434.0	38,434.0
Miscellaneous	11.7							
TOTAL OPERATING	38,434.0	0.0	38,434.0	38,434.0	38,434.0	38,434.0	38,434.0	38,434.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES								
---------------------------	--	--	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF	38,434.0		38,434.0	38,434.0	38,434.0	38,434.0	38,434.0	38,434.0
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other (Interagency Receipt)								
TOTAL	38,434.0	0.0	38,434.0	38,434.0	38,434.0	38,434.0	38,434.0	38,434.0

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time								
Part-time								
Temporary								

Why this fiscal note differs from previous version (if initial version, please note as such)

This portion of House Finance CS remains unchanged. There are now two additional fiscal notes associated with the House Finance CS which include a grant to the Iditarod School District for theme-based education; and a two-year increase for Boarding Home Grants/Stipends.

Prepared by Elizabeth Nudelman, Director
Division School Finance
Approved by Mike Hanley, Commissioner

Phone 465-8679
Date/Time 4/14/11 5:40 PM
Date 4/14/2011

FISCAL NOTE
DRAFT

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSSB084

Analysis

This bill would create a high school vocational education factor adjustment of 1.01 in the foundation formula. The adjustment follows the special needs factor adjustment of 1.20, and would generate state funding in the amount of approximately \$11.7 million. These funds are intended to assist districts in providing vocational and technical instruction for students enrolled in grades nine through 12.

In addition there is an increase to the base student allocation of \$110 amending it from \$5,680 to \$5,790 for FY2012.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number _____
 Bill Version CSSB084
 () Publish Date _____

Identifier (file name): SB084CS-EED-ACYA-4-13-11
 Title "An Act relating to funding for high school vocational and technical instruction as a component of funding for public schools; ..."
 Sponsor Senate Education Committee
 Requester Senate Finance Committee
 Dept. Affected EED
 Appropriation K-12 Support
 Allocation AK Challenge Youth Academy
 OMB Component Number 2837

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants	168.7		168.7	168.7	168.7	168.7	168.7	168.7
Miscellaneous								
TOTAL OPERATING	168.7	0.0	168.7	168.7	168.7	168.7	168.7	168.7

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

CHANGE IN REVENUES								
---------------------------	--	--	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF	168.7		168.7	168.7	168.7	168.7	168.7	168.7
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other (please identify)								
TOTAL	168.7	0.0	168.7	168.7	168.7	168.7	168.7	168.7

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time								
Part-time								
Temporary								

Why this fiscal note differs from previous version (if initial version, please note as such)

Legislative Finance requested we carry the FY2012 increase forward to the out year of FY2013-FY2017.

Prepared by Elizabeth Nudelman, Director
 Division School Finance
 Approved by Mike Hanley, Commissioner

Phone 465-8679
 Date/Time 4/13/11 5:00 PM
 Date 4/13/2011

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSSB084

Analysis

The Alaska Challenge Youth Academy would see an increase of \$110 to the current base student allocation of \$5,680 to \$5,790 for FY2012.

ALASKA MILITARY YOUTH ACADEMY

FY2012 Current Projection	
194 x \$5680 x 7 =	7,713,440
292 x \$5680 x 60% =	995,136
less \$2,700,000	(2,700,000)
TOTAL \$	6,008,576

CSSB 84 - FY2012	
194 x \$5790 x 7 =	7,862,820
292 x \$5790 x 60% =	1,014,408
less \$2,700,000	(2,700,000)
TOTAL \$	6,177,228

FY12 Est. change over FY12 F \$	168,652
--	----------------

Section 1 – This is the section that outlines the funding formula.

Page 2, Line 4; establishes vocational education factor as a multiplier in the funding formula.

- 1) Add the adjusted ADMs of each school district (which includes the school size factor and district cost factor.
- 2) Multiply that by the special needs factor (1.20) (which includes money for special, vocational, bilingual and gifted and talented education.)
- 3) **Multiply by the high school vocational education factor (1.01)**

Section 2 – Establishes and defines the various funding available to school districts

Page 3, Line 19,

Adds “high school vocational and technical instruction funding” to the funds that school districts are eligible to receive.

Page 3, Line 30 – Page 4, Line 8

Defines the high school vocational and technical education fund

- 1) Available to use for students in grades 9-12
- 2) Is a funding factor of 1.01
- 3) Excludes funding for administrative expenses and general literacy, math, and basic job readiness skills.

Section 3—allows state boarding schools to receive the vocational education factor per their funding formula.

Vocational education

[REFER TO CHART]

Why special ~~the~~ Voc Ed.
1) Capital intensive - if auto mech. - need car, weirdy = weird.
2) specialized instruction.

Quote from Sitka School Board member Thomas Conley: *Though we in the educational community have always been somewhat leery of categorical funding, we recognize that dollars going into the 20% Block Grant for Special ED, ESL, Gifted and Talented, & Vocational ED are being siphoned off almost exclusively by Special ED due to federal mandates and leaving Vocational Education seriously short funded;*

A 2003 Cornell study showed that:

A) *Giving students the option of choosing career-technical courses in high school will help retain some students in high school, raise the high school graduation rate and induce some to continue their occupational preparation in college.*

B) *Students who start preparing for an occupation in high school are more successful in the labor market both in the short and long run. They are more likely to find a job, more likely to enter the occupation of their choice and they end up earning more.*

We know we need to improve our graduation rate, this can be a key element in that process.

Following sections refer to the Base Student Allocation.

Section 4 sets the Base Student Allocation at \$5,790, an increase of \$110, or less than 2 percent.

Section 7 sets the effective date at July 1, 2011 (FY12).

Section 5 sets the Base Student Allocation at \$5,905, an increase of \$115, or less than 2 percent.

Section 8 sets the effective date for July 1, 2012 (FY13)

Section 6 sets the Base Student Allocation at \$6,025 an increase of \$120, a shade more than 2%.

Section 9 sets the effective date at 2013 (FY14)

One time BSA—Rising fuel costs,

Also Insurance costs, water costs,

Adding it to the BSA lets districts know this is reliable funding.

2 budgets = 1. with increase in BSA
2. with no increase in BSA

for many, if not most districts - Both budgets involved cuts not increases.

On the one hand this sends a clear message to the school districts—this is what you have to work with. This is what you get. This allows them to do longer term planning, and allocate funds, knowing what they will have for the next three years. This gives them the opportunity to do fiscally responsible planning.

Not throwing money =

On the other hand, this sends a clear message to the districts—this is what you have to work with. You will work within these budget parameters.

I have heard people say in the last few days that schools need to prove they are doing a better job. Some of them are doing a better—much better. Alaska schools have problems, but Alaska schools are also graduating many bright, promising, well-educated students. There are drop outs, but there are also students who go on to success in college and career.

ALASKA STATE SENATE

Sen. Kevin Meyer
Alaska State Capitol
Juneau, Alaska 99801
Room 103
Phone: 907-465-4945
Fax: 907-465-3476



Sen. Joe Thomas
Alaska State Capitol
Juneau, Alaska 99801
Room 514
Phone: 907-465-2327
Fax: 907-465-5241

SENATE EDUCATION COMMITTEE Senators Kevin Meyer & Joe Thomas, Co-Chairs

Senate Bill 84 Vocational Education Factor

As proposed in SB 84, the vocational education factor is an addition to the current funding formula. It is calculated after the Adjusted Average Daily Membership and District Cost factor come into play.

Current Formula

- Step 1 Adjust the ADM for school size
- Step 1a Review the Hold Harmless eligibility (in case of a greater than 5% decrease in ADM)
- Step 2 Apply District Cost Factor
- Step 3 Apply Special Needs, Vocational Education, Gifted and Talented and Bilingual Ed factors (1.20)
- Step 4 Add Intensive Services Counts *SNS x ADM*
- Step 5 Add Correspondence Students Counts *90% of full count*

Under SB 84

- Step 1 Adjust the ADM for school size
- Step 1a Review the Hold Harmless eligibility (in case of a greater than 5% decrease in ADM)
- Step 2 Apply District Cost Factor
- Step 3 Apply Special Needs, Vocational Education, Gifted and Talented and Bilingual Ed factors (1.20)
- Step 4 Apply Vocational Education Factor (1.01)**
- Step 5 Add Intensive Services Counts
- Step 6 Add Correspondence Students Counts

27-LS0465AE
Mischel
3/31/11

Fin

CS FOR SENATE BILL NO. 84(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATE EDUCATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to funding for high school vocational and technical instruction as a**
2 **component of funding for public schools; relating to education tax credits; providing for**
3 **an effective date by amending the effective date in sec. 57, ch. 92, SLA 2010; and**
4 **providing for an effective date."**

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

6 *** Section 1.** AS 14.17.410(b) is amended to read:

7 (b) Public school funding consists of state aid, a required local contribution,
8 and eligible federal impact aid determined as follows:

9 (1) state aid equals basic need minus a required local contribution and
10 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
11 obtained under (D) of this paragraph, multiplied by the base student allocation set out
12 in AS 14.17.470; district adjusted ADM is calculated as follows:

13 (A) the ADM of each school in the district is calculated by
14 applying the school size factor to the student count as set out in AS 14.17.450:

1 (B) the number obtained under (A) of this paragraph is
2 multiplied by the district cost factor described in AS 14.17.460;

3 (C) the ADMs of each school in a district, as adjusted
4 according to (A) and (B) of this paragraph, are added; the sum is then
5 multiplied by the special needs factor set out in AS 14.17.420(a)(1) **and the**
6 **high school vocational education factor set out in AS 14.17.420(a)(3);**

7 (D) the number obtained for intensive services under
8 AS 14.17.420(a)(2) and the number obtained for correspondence study under
9 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

10 (E) notwithstanding (A) - (C) of this paragraph, if a school
11 district's ADM adjusted for school size under (A) of this paragraph decreases
12 by five percent or more from one fiscal year to the next fiscal year, the school
13 district may use the last fiscal year before the decrease as a base fiscal year to
14 offset the decrease, according to the following method:

15 (i) for the first fiscal year after the base fiscal year
16 determined under this subparagraph, the school district's ADM adjusted
17 for school size determined under (A) of this paragraph is calculated as
18 the district's ADM adjusted for school size, plus 75 percent of the
19 difference in the district's ADM adjusted for school size between the
20 base fiscal year and the first fiscal year after the base fiscal year;

21 (ii) for the second fiscal year after the base fiscal year
22 determined under this subparagraph, the school district's ADM adjusted
23 for school size determined under (A) of this paragraph is calculated as
24 the district's ADM adjusted for school size, plus 50 percent of the
25 difference in the district's ADM adjusted for school size between the
26 base fiscal year and the second fiscal year after the base fiscal year;

27 (iii) for the third fiscal year after the base fiscal year
28 determined under this subparagraph, the school district's ADM adjusted
29 for school size determined under (A) of this paragraph is calculated as
30 the district's ADM adjusted for school size, plus 25 percent of the
31 difference in the district's ADM adjusted for school size between the

1 base fiscal year and the third fiscal year after the base fiscal year;

2 (F) the method established in (E) of this paragraph is available
3 to a school district for the three fiscal years following the base fiscal year
4 determined under (E) of this paragraph only if the district's ADM adjusted for
5 school size determined under (A) of this paragraph for each fiscal year is less
6 than the district's ADM adjusted for school size in the base fiscal year;

7 (G) the method established in (E) of this paragraph does not
8 apply to a decrease in the district's ADM adjusted for school size resulting
9 from a loss of enrollment that occurs as a result of a boundary change under
10 AS 29;

11 (2) the required local contribution of a city or borough school district is
12 the equivalent of a four mill tax levy on the full and true value of the taxable real and
13 personal property in the district as of January 1 of the second preceding fiscal year, as
14 determined by the Department of Commerce, Community, and Economic
15 Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a
16 district's basic need for the preceding fiscal year as determined under (1) of this
17 subsection.

18 * **Sec. 2.** AS 14.17.420(a) is amended to read:

19 (a) As a component of public school funding, a district is eligible for special
20 needs **and high school vocational and technical instruction** funding and may be
21 eligible for intensive services funding as follows:

22 (1) special needs funding is available to a district to assist the district
23 in providing special education, gifted and talented education, vocational education,
24 and bilingual education services to its students; a special needs funding factor of 1.20
25 shall be applied as set out in AS 14.17.410(b)(1);

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

31 **(3) in addition to the special needs and intensive services funding**

1 available under (1) and (2) of this subsection, high school vocational and
2 technical instruction funding is available to assist districts in providing vocational
3 and technical instruction to students who are enrolled in grades nine through 12;
4 a high school vocational and technical instruction funding factor of 1.01 shall be
5 applied as set out in AS 14.17.410(b)(1); in this paragraph, "vocational and
6 technical instruction" excludes costs associated with

7 (A) administrative expenses; and

8 (B) instruction in general literacy, mathematics, and job
9 readiness skills.

10 * **Sec. 3.** AS 14.17.440(a) is amended to read:

11 (a) Except as provided in AS 14.17.400(b), funding for state boarding schools
12 established under AS 14.16.010 includes an allocation from the public education fund
13 in an amount calculated by

14 (1) determining the ADM of state boarding schools by applying the
15 school size factor to the student count as described in AS 14.17.450;

16 (2) multiplying the number obtained under (1) of this subsection by the
17 special needs factor in AS 14.17.420(a)(1) and the high school vocational education
18 factor set out in AS 14.17.420(a)(3) and multiplying that product by the base student
19 allocation; and

20 (3) multiplying the product determined under (2) of this subsection by
21 the district cost factor that is applicable to calculation of the state aid for the adjacent
22 school district under AS 14.17.460.

23 * **Sec. 4.** AS 21.96.070(a) is amended to read:

24 (a) A taxpayer is allowed a credit against the tax due under AS 21.09.210 or
25 AS 21.66.110 for cash contributions accepted

26 (1) for direct instruction, research, and educational support purposes,
27 including library and museum acquisitions, and contributions to endowment, by an
28 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
29 four-year college accredited by a regional accreditation association;

30 (2) for secondary school level vocational education courses, programs,
31 and facilities by a school district in the state:

1 (3) for vocational education courses, programs, and facilities by a
2 state-operated vocational technical education and training school; [AND]

3 (4) for a facility by a nonprofit, public or private, Alaska two-year or
4 four-year college accredited by a regional accreditation association; and

5 (5) for education, research, rehabilitation, and facilities by an
6 institution that is located in the state and that qualifies as a coastal ecosystem
7 learning center under the Coastal America Partnership established by the federal
8 government.

9 * **Sec. 5.** AS 43.20.014(a) is amended to read:

10 (a) A taxpayer is allowed a credit against the tax due under this chapter for
11 cash contributions accepted

12 (1) for direct instruction, research, and educational support purposes,
13 including library and museum acquisitions, and contributions to endowment, by an
14 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
15 four-year college accredited by a regional accreditation association;

16 (2) for secondary school level vocational education courses, programs,
17 and facilities by a school district in the state;

18 (3) for vocational education courses, programs, and facilities by a
19 state-operated vocational technical education and training school; [AND]

20 (4) for a facility by a nonprofit, public or private, Alaska two-year or
21 four-year college accredited by a regional accreditation association; and

22 (5) for education, research, rehabilitation, and facilities by an
23 institution that is located in the state and that qualifies as a coastal ecosystem
24 learning center under the Coastal America Partnership established by the federal
25 government.

26 * **Sec. 6.** AS 43.55.019(a) is amended to read:

27 (a) A producer of oil or gas is allowed a credit against the tax due under this
28 chapter for cash contributions accepted

29 (1) for direct instruction, research, and educational support purposes,
30 including library and museum acquisitions, and contributions to endowment, by an
31 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or

four-year college accredited by a regional accreditation association;

(2) for secondary school level vocational education courses, programs, and facilities by a school district in the state;

(3) for vocational education courses, programs, and facilities by a state-operated vocational technical education and training school; [AND]

(4) for a facility by a nonprofit, public or private, Alaska two-year or four-year college accredited by a regional accreditation association; and

(5) for education, research, rehabilitation, and facilities by an institution that is located in the state and that qualifies as a coastal ecosystem learning center under the Coastal America Partnership established by the federal government.

* Sec. 7. AS 43.56.018(a) is amended to read:

(a) The owner of property taxable under this chapter is allowed a credit against the tax due under this chapter for cash contributions accepted

(1) for direct instruction, research, and educational support purposes, including library and museum acquisitions, and contributions to endowment, by an Alaska university foundation or by a nonprofit, public or private, Alaska two-year or four-year college accredited by a regional accreditation association;

(2) for secondary school level vocational education courses, programs, and facilities by a school district in the state;

(3) for vocational education courses, programs, and facilities by a state-operated vocational technical education and training school; [AND]

(4) for a facility by a nonprofit, public or private, Alaska two-year or four-year college accredited by a regional accreditation association; and

(5) for education, research, rehabilitation, and facilities by an institution that is located in the state and that qualifies as a coastal ecosystem learning center under the Coastal America Partnership established by the federal government.

* Sec. 8. AS 43.65.018(a) is amended to read:

(a) A person engaged in the business of mining in the state is allowed a credit against the tax due under this chapter for cash contributions accepted

1 (1) for direct instruction, research, and educational support purposes,
2 including library and museum acquisitions, and contributions to endowment, by an
3 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
4 four-year college accredited by a regional accreditation association;

5 (2) for secondary school level vocational education courses, programs,
6 and facilities by a school district in the state;

7 (3) for vocational education courses, programs, and facilities by a
8 state-operated vocational technical education and training school; [AND]

9 (4) for a facility by a nonprofit, public or private, Alaska two-year or
10 four-year college accredited by a regional accreditation association; **and**

11 **(5) for education, research, rehabilitation, and facilities by an**
12 **institution that is located in the state and that qualifies as a coastal ecosystem**
13 **learning center under the Coastal America Partnership established by the federal**
14 **government.**

15 * Sec. 9. AS 43.75.018(a) is amended to read:

16 (a) A person engaged in a fisheries business is allowed a credit against the tax
17 due under this chapter for cash contributions accepted

18 (1) for direct instruction, research, and educational support purposes,
19 including library and museum acquisitions, and contributions to endowment, by an
20 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
21 four-year college accredited by a regional accreditation association;

22 (2) for secondary school level vocational education courses, programs,
23 and facilities by a school district in the state;

24 (3) for vocational education courses, programs, and facilities by a
25 state-operated vocational technical education and training school; [AND]

26 (4) for a facility by a nonprofit, public or private, Alaska two-year or
27 four-year college accredited by a regional accreditation association; **and**

28 **(5) for education, research, rehabilitation, and facilities by an**
29 **institution that is located in the state and that qualifies as a coastal ecosystem**
30 **learning center under the Coastal America Partnership established by the federal**
31 **government**

1 * **Sec. 10.** AS 43.77.045(a) is amended to read:

2 (a) In addition to the credit allowed under AS 43.77.040, a person engaged in
3 a floating fisheries business is allowed a credit against the tax due under this chapter
4 for cash contributions accepted

5 (1) for direct instruction, research, and educational support purposes,
6 including library and museum acquisitions, and contributions to endowment, by an
7 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
8 four-year college accredited by a regional accreditation association;

9 (2) for secondary school level vocational education courses, programs,
10 and facilities by a school district in the state;

11 (3) for vocational education courses, programs, and facilities by a
12 state-operated vocational technical education and training school; [AND]

13 (4) for a facility by a nonprofit, public or private, Alaska two-year or
14 four-year college accredited by a regional accreditation association; **and**

15 **(5) for education, research, rehabilitation, and facilities by an**
16 **institution that is located in the state and that qualifies as a coastal ecosystem**
17 **learning center under the Coastal America Partnership established by the federal**
18 **government.**

19 * **Sec. 11.** AS 21.96.070(a)(5), AS 43.20.014(a)(5), AS 43.55.019(a)(5),
20 AS 43.56.018(a)(5), AS 43.65.018(a)(5), AS 43.75.018(a)(5), and AS 43.77.045(a)(5) are
21 repealed January 1, 2021.

22 * **Sec. 12.** Section 57, ch. 92, SLA 2010, is amended to read:

23 Sec. 57. Except as provided in sec. 56 of this Act, this Act takes effect
24 January 1, **2021** [2014].

25 * **Sec. 13.** This Act takes effect July 1, 2011.

27-LS0465\T
Mischel
4/5/11

CS FOR SENATE BILL NO. 84(FIN)

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

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATE EDUCATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to funding for high school vocational and technical instruction as a
2 component of funding for public schools; relating to the base student allocation; relating
3 to education tax credits; providing for an effective date by amending the effective date in
4 sec. 57, ch. 92, SLA 2010; and providing for an effective date."

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

6 * **Section 1.** AS 14.17.410(b) is amended to read:

7 (b) Public school funding consists of state aid, a required local contribution,
8 and eligible federal impact aid determined as follows:

9 (1) state aid equals basic need minus a required local contribution and
10 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
11 obtained under (D) of this paragraph, multiplied by the base student allocation set out
12 in AS 14.17.470; district adjusted ADM is calculated as follows:

13 (A) the ADM of each school in the district is calculated by
14 applying the school size factor to the student count as set out in AS 14.17.450;

1 (B) the number obtained under (A) of this paragraph is
2 multiplied by the district cost factor described in AS 14.17.460;

3 (C) the ADMs of each school in a district, as adjusted
4 according to (A) and (B) of this paragraph, are added; the sum is then
5 multiplied by the special needs factor set out in AS 14.17.420(a)(1) **and the**
6 **high school vocational education factor set out in AS 14.17.420(a)(3)**;

7 (D) the number obtained for intensive services under
8 AS 14.17.420(a)(2) and the number obtained for correspondence study under
9 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

10 (E) notwithstanding (A) - (C) of this paragraph, if a school
11 district's ADM adjusted for school size under (A) of this paragraph decreases
12 by five percent or more from one fiscal year to the next fiscal year, the school
13 district may use the last fiscal year before the decrease as a base fiscal year to
14 offset the decrease, according to the following method:

15 (i) for the first fiscal year after the base fiscal year
16 determined under this subparagraph, the school district's ADM adjusted
17 for school size determined under (A) of this paragraph is calculated as
18 the district's ADM adjusted for school size, plus 75 percent of the
19 difference in the district's ADM adjusted for school size between the
20 base fiscal year and the first fiscal year after the base fiscal year;

21 (ii) for the second fiscal year after the base fiscal year
22 determined under this subparagraph, the school district's ADM adjusted
23 for school size determined under (A) of this paragraph is calculated as
24 the district's ADM adjusted for school size, plus 50 percent of the
25 difference in the district's ADM adjusted for school size between the
26 base fiscal year and the second fiscal year after the base fiscal year;

27 (iii) for the third fiscal year after the base fiscal year
28 determined under this subparagraph, the school district's ADM adjusted
29 for school size determined under (A) of this paragraph is calculated as
30 the district's ADM adjusted for school size, plus 25 percent of the
31 difference in the district's ADM adjusted for school size between the

base fiscal year and the third fiscal year after the base fiscal year;

(F) the method established in (E) of this paragraph is available to a school district for the three fiscal years following the base fiscal year determined under (E) of this paragraph only if the district's ADM adjusted for school size determined under (A) of this paragraph for each fiscal year is less than the district's ADM adjusted for school size in the base fiscal year;

(G) the method established in (E) of this paragraph does not apply to a decrease in the district's ADM adjusted for school size resulting from a loss of enrollment that occurs as a result of a boundary change under AS 29;

(2) the required local contribution of a city or borough school district is the equivalent of a four mill tax levy on the full and true value of the taxable real and personal property in the district as of January 1 of the second preceding fiscal year, as determined by the Department of Commerce, Community, and Economic Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a district's basic need for the preceding fiscal year as determined under (1) of this subsection.

* Sec. 2. AS 14.17.420(a) is amended to read:

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

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

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

(3) in addition to the special needs and intensive services funding

1 available under (1) and (2) of this subsection, high school vocational and
2 technical instruction funding is available to assist districts in providing vocational
3 and technical instruction to students who are enrolled in grades nine through 12;
4 a high school vocational and technical instruction funding factor of 1.01 shall be
5 applied as set out in AS 14.17.410(b)(1); in this paragraph, "vocational and
6 technical instruction" excludes costs associated with

7 (A) administrative expenses; and

8 (B) instruction in general literacy, mathematics, and job
9 readiness skills.

10 * **Sec. 3.** AS 14.17.440(a) is amended to read:

11 (a) Except as provided in AS 14.17.400(b), funding for state boarding schools
12 established under AS 14.16.010 includes an allocation from the public education fund
13 in an amount calculated by

14 (1) determining the ADM of state boarding schools by applying the
15 school size factor to the student count as described in AS 14.17.450;

16 (2) multiplying the number obtained under (1) of this subsection by the
17 special needs factor in AS 14.17.420(a)(1) and the high school vocational education
18 factor set out in AS 14.17.420(a)(3) and multiplying that product by the base student
19 allocation; and

20 (3) multiplying the product determined under (2) of this subsection by
21 the district cost factor that is applicable to calculation of the state aid for the adjacent
22 school district under AS 14.17.460.

23 * **Sec. 4.** AS 14.17.470 is amended to read:

24 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$5,790
25 [\$5,680].

26 * **Sec. 5.** AS 21.96.070(a) is amended to read:

27 (a) A taxpayer is allowed a credit against the tax due under AS 21.09.210 or
28 AS 21.66.110 for cash contributions accepted

29 (1) for direct instruction, research, and educational support purposes,
30 including library and museum acquisitions, and contributions to endowment, by an
31 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or

1 four-year college accredited by a regional accreditation association;

2 (2) for secondary school level vocational education courses, programs,
3 and facilities by a school district in the state;

4 (3) for vocational education courses, programs, and facilities by a
5 state-operated vocational technical education and training school; [AND]

6 (4) for a facility by a nonprofit, public or private, Alaska two-year or
7 four-year college accredited by a regional accreditation association; **and**

8 **(5) for education, research, rehabilitation, and facilities by an**
9 **institution that is located in the state and that qualifies as a coastal ecosystem**
10 **learning center under the Coastal America Partnership established by the federal**
11 **government.**

12 * **Sec. 6.** AS 43.20.014(a) is amended to read:

13 (a) A taxpayer is allowed a credit against the tax due under this chapter for
14 cash contributions accepted

15 (1) for direct instruction, research, and educational support purposes,
16 including library and museum acquisitions, and contributions to endowment, by an
17 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
18 four-year college accredited by a regional accreditation association;

19 (2) for secondary school level vocational education courses, programs,
20 and facilities by a school district in the state;

21 (3) for vocational education courses, programs, and facilities by a
22 state-operated vocational technical education and training school; [AND]

23 (4) for a facility by a nonprofit, public or private, Alaska two-year or
24 four-year college accredited by a regional accreditation association; **and**

25 **(5) for education, research, rehabilitation, and facilities by an**
26 **institution that is located in the state and that qualifies as a coastal ecosystem**
27 **learning center under the Coastal America Partnership established by the federal**
28 **government.**

29 * **Sec. 7.** AS 43.55.019(a) is amended to read:

30 (a) A producer of oil or gas is allowed a credit against the tax due under this
31 chapter for cash contributions accepted

1 (1) for direct instruction, research, and educational support purposes,
2 including library and museum acquisitions, and contributions to endowment, by an
3 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
4 four-year college accredited by a regional accreditation association;

5 (2) for secondary school level vocational education courses, programs,
6 and facilities by a school district in the state;

7 (3) for vocational education courses, programs, and facilities by a
8 state-operated vocational technical education and training school; [AND]

9 (4) for a facility by a nonprofit, public or private, Alaska two-year or
10 four-year college accredited by a regional accreditation association; and

11 (5) for education, research, rehabilitation, and facilities by an
12 institution that is located in the state and that qualifies as a coastal ecosystem
13 learning center under the Coastal America Partnership established by the federal
14 government.

15 * **Sec. 8.** AS 43.56.018(a) is amended to read:

16 (a) The owner of property taxable under this chapter is allowed a credit
17 against the tax due under this chapter for cash contributions accepted

18 (1) for direct instruction, research, and educational support purposes,
19 including library and museum acquisitions, and contributions to endowment, by an
20 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
21 four-year college accredited by a regional accreditation association;

22 (2) for secondary school level vocational education courses, programs,
23 and facilities by a school district in the state;

24 (3) for vocational education courses, programs, and facilities by a
25 state-operated vocational technical education and training school; [AND]

26 (4) for a facility by a nonprofit, public or private, Alaska two-year or
27 four-year college accredited by a regional accreditation association; and

28 (5) for education, research, rehabilitation, and facilities by an
29 institution that is located in the state and that qualifies as a coastal ecosystem
30 learning center under the Coastal America Partnership established by the federal
31 government.

1 * **Sec. 9.** AS 43.65.018(a) is amended to read:

2 (a) A person engaged in the business of mining in the state is allowed a credit
3 against the tax due under this chapter for cash contributions accepted

4 (1) for direct instruction, research, and educational support purposes,
5 including library and museum acquisitions, and contributions to endowment, by an
6 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
7 four-year college accredited by a regional accreditation association;

8 (2) for secondary school level vocational education courses, programs,
9 and facilities by a school district in the state;

10 (3) for vocational education courses, programs, and facilities by a
11 state-operated vocational technical education and training school; [AND]

12 (4) for a facility by a nonprofit, public or private, Alaska two-year or
13 four-year college accredited by a regional accreditation association; **and**

14 **(5) for education, research, rehabilitation, and facilities by an**
15 **institution that is located in the state and that qualifies as a coastal ecosystem**
16 **learning center under the Coastal America Partnership established by the federal**
17 **government.**

18 * **Sec. 10.** AS 43.75.018(a) is amended to read:

19 (a) A person engaged in a fisheries business is allowed a credit against the tax
20 due under this chapter for cash contributions accepted

21 (1) for direct instruction, research, and educational support purposes,
22 including library and museum acquisitions, and contributions to endowment, by an
23 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
24 four-year college accredited by a regional accreditation association;

25 (2) for secondary school level vocational education courses, programs,
26 and facilities by a school district in the state;

27 (3) for vocational education courses, programs, and facilities by a
28 state-operated vocational technical education and training school; [AND]

29 (4) for a facility by a nonprofit, public or private, Alaska two-year or
30 four-year college accredited by a regional accreditation association; **and**

31 **(5) for education, research, rehabilitation, and facilities by an**

1 **institution that is located in the state and that qualifies as a coastal ecosystem**
2 **learning center under the Coastal America Partnership established by the federal**
3 **government.**

4 * **Sec. 11.** AS 43.77.045(a) is amended to read:

5 (a) In addition to the credit allowed under AS 43.77.040, a person engaged in
6 a floating fisheries business is allowed a credit against the tax due under this chapter
7 for cash contributions accepted

8 (1) for direct instruction, research, and educational support purposes,
9 including library and museum acquisitions, and contributions to endowment, by an
10 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
11 four-year college accredited by a regional accreditation association;

12 (2) for secondary school level vocational education courses, programs,
13 and facilities by a school district in the state;

14 (3) for vocational education courses, programs, and facilities by a
15 state-operated vocational technical education and training school; [AND]

16 (4) for a facility by a nonprofit, public or private, Alaska two-year or
17 four-year college accredited by a regional accreditation association; **and**

18 **(5) for education, research, rehabilitation, and facilities by an**
19 **institution that is located in the state and that qualifies as a coastal ecosystem**
20 **learning center under the Coastal America Partnership established by the federal**
21 **government.**

22 * **Sec. 12.** AS 21.96.070(a)(5), AS 43.20.014(a)(5), AS 43.55.019(a)(5),
23 AS 43.56.018(a)(5), AS 43.65.018(a)(5), AS 43.75.018(a)(5), and AS 43.77.045(a)(5) are
24 repealed January 1, 2021.

25 * **Sec. 13.** Section 57, ch. 92, SLA 2010, is amended to read:

26 Sec. 57. Except as provided in sec. 56 of this Act, this Act takes effect
27 January 1, **2021** [2014].

28 * **Sec. 14.** This Act takes effect July 1, 2011.

Fiscal Note #1
 Bill No. *CSSB 84 (FIN) ver. T*

School District	1.01 factor for Voc-Ed	\$110 BSA Increase to \$5,790	FY2012: Total State Aid Entitlement
Alaska Gateway	66,984	142,899	209,883
Aleutian Region	13,158	28,562	41,720
Aleutians East Borough	63,055	124,416	187,471
Anchorage	3,576,006	8,110,967	11,686,973
Annette Island	36,113	73,344	109,457
Bering Strait	352,640	713,603	1,066,243
Bristol Bay Borough	26,373	55,689	82,062
Chatham	28,878	57,804	86,682
Chugach	7,909	27,252	35,161
Copper River	65,391	137,821	203,212
Cordova	40,214	82,709	122,923
Craig	36,000	107,735	143,735
Delta/Greely	87,490	206,105	293,595
Denali Borough	37,480	115,539	153,019
Dillingham	59,693	131,130	190,823
Fairbanks N. Star Borough	1,171,952	2,855,016	4,026,968
Galena	40,156	377,577	417,733
Haines Borough	35,030	80,695	115,725
Hoonah	17,942	40,710	58,652
Hydaburg	9,797	21,971	31,768
Iditarod Area	51,606	112,646	164,252
Juneau Borough	440,358	1,035,715	1,476,073
Kake	13,043	28,292	41,335
Kashunamiut	49,385	103,466	152,851
Kenai Peninsula Borough	831,389	1,876,908	2,708,297
Ketchikan Gateway Borou	206,709	440,315	647,024
Klawock	19,024	44,279	63,303
Kodiak Island Borough	267,827	568,629	836,456
Kuspuk	73,421	146,081	219,502
Lake & Peninsula Borough	92,902	186,374	279,276
Lower Kuskokwim	672,583	1,396,217	2,068,800
Lower Yukon	373,316	749,566	1,122,882
Mat-Su Borough	1,315,264	3,116,080	4,431,344
Nenana	28,651	137,960	166,611
Nome	87,833	179,373	267,206
North Slope Borough	261,787	523,527	785,314
Northwest Arctic Borough	318,406	648,176	966,582
Pelican	2,362	4,613	6,975
Petersburg	57,188	131,532	188,720
Pribilof	19,310	37,610	56,920
Saint Mary's	29,334	62,954	92,288
Sitka Borough	124,572	294,719	419,291
Skagway	9,683	18,900	28,583
Southeast Island	41,124	87,569	128,693
Southwest Region	119,956	244,039	363,995
Tanana	9,454	19,914	29,368
Unalaska	54,341	108,803	163,144
Valdez	69,036	147,561	216,597
Wrangell	35,600	88,225	123,825
Yakutat	17,088	33,374	50,462
Yukon Flats	73,421	151,779	225,200
Yukon/Koyukuk	69,262	236,751	306,013
Yupit	86,180	175,228	261,408
Mt. Edgecumbe High Schc	37,823	73,751	111,574
TOTAL	11,731,499	26,702,470	38,433,969



Alaska State Legislature

House of Representatives

Office of the Chief Clerk

Thomas B. Stewart Legislative
Office Building, Room 202
Juneau, AK 99801-1182
Phone: (907) 465-3725
Fax: (907) 465-5334

Official Business

CONCUR

April 17, 2011

MESSAGE TO THE SENATE

OFFICE OF THE SECRETARY

Date: April 17, 2011

Mister President:

TO: Sen. Thomas Sponsor
RE: Message from the House

The House passed:

CS FOR SENATE BILL NO. 84(FIN)

"An Act relating to funding for high school vocational and technical instruction as a component of funding for public schools; relating to the base student allocation; relating to education tax credits; providing for an effective date by amending the effective date in sec. 57, ch. 92, SLA 2010; and providing for an effective date."

SB 84-VOC ED & BASIC FUNDING/TAX CREDITS

with the following amendment(s),

HOUSE CS FOR CS FOR SENATE BILL NO. 84(FIN) am H

"An Act amending the funding for statewide residential educational programs; relating to funding for high school vocational and technical instruction as a component of funding for public schools; relating to education tax credits; creating a pilot project in the Iditarod Area School District; providing for an effective date by amending the effective date in sec. 57, ch. 92, SLA 2010; and providing for an effective date."

SB 84-VOC ED & BASIC FUNDING/TAX CREDITS

(Title change resolution HCR 16)

and it is returned for consideration.


Suzi Lowell, Chief Clerk

Adopted Floor Amendment(s) Attached.

Engrossment has been waived in accordance with Uniform Rule 43(b).
Certified Amendment(s) Attached.



AMENDMENT #4

OFFERED IN THE HOUSE

BY REPRESENTATIVE KERTTULA

TO: HCS CSSB 84(FIN)

1 Page 5, line 13:

2 Delete "and"

3

4 Page 5, line 17, following "state":

5 Insert "; and

6 (6) for education, research, rehabilitation, and facilities by an
7 institution that is located in the state and that qualifies as a coastal ecosystem
8 learning center under the Coastal America Partnership established by the federal
9 government"

10

11 Page 5, line 31:

12 Delete "and"

13

14 Page 6, line 4, following "state":

15 Insert "; and

16 (6) for education, research, rehabilitation, and facilities by an
17 institution that is located in the state and that qualifies as a coastal ecosystem
18 learning center under the Coastal America Partnership established by the federal
19 government"

20

21 Page 6, line 18:

22 Delete "and"

23

CERTIFIED AMENDMENT
Chief Clerk of the House

1 Page 6, line 22, following "state":

2 Insert "; and

3 (6) for education, research, rehabilitation, and facilities by an
4 institution that is located in the state and that qualifies as a coastal ecosystem
5 learning center under the Coastal America Partnership established by the federal
6 government"

7
8 Page 7, line 5:

9 Delete "and"

10
11 Page 7, line 9, following "state":

12 Insert "; and

13 (6) for education, research, rehabilitation, and facilities by an
14 institution that is located in the state and that qualifies as a coastal ecosystem
15 learning center under the Coastal America Partnership established by the federal
16 government"

17
18 Page 7, line 23:

19 Delete "and"

20
21 Page 7, line 27, following "state":

22 Insert "; and

23 (6) for education, research, rehabilitation, and facilities by an
24 institution that is located in the state and that qualifies as a coastal ecosystem
25 learning center under the Coastal America Partnership established by the federal
26 government"

27
28 Page 8, line 10:

29 Delete "and"

CERTIFIED AMENDMENT
Chief Clerk of the House

30
31 Page 8, line 14, following "state":

1 Insert "and

2 (6) for education, research, rehabilitation, and facilities by an
3 institution that is located in the state and that qualifies as a coastal ecosystem
4 learning center under the Coastal America Partnership established by the federal
5 government"

6
7 Page 8, line 29:

8 Delete "and"

9
10 Page 9, line 2, following "state":

11 Insert "and

12 (6) for education, research, rehabilitation, and facilities by an
13 institution that is located in the state and that qualifies as a coastal ecosystem
14 learning center under the Coastal America Partnership established by the federal
15 government"

16
17 Page 9, line 31, through page 10, line 3:

18 Delete all material and insert:

19 "** Sec. 12. AS 21.96.070(a)(4), 21.96.070(a)(5), 21.96.070(a)(6); AS 43.20.014(a)(4),
20 43.20.014(a)(5), 43.20.014(a)(6); AS 43.55.019(a)(4), 43.55.019(a)(5), 43.55.019(a)(6);
21 AS 43.56.018(a)(4), 43.56.018(a)(5), 43.56.018(a)(6); AS 43.65.018(a)(4), 43.65.018(a)(5),
22 43.65.018(a)(6); AS 43.75.018(a)(4), 43.75.018(a)(5), 43.75.018(a)(6); AS 43.77.045(a)(4),
23 43.77.045(a)(5), and 43.77.045(a)(6) are repealed January 1, 2021."

CERTIFIED AMENDMENT
Chief Clerk of the House

HOUSE CS FOR CS FOR SENATE BILL NO. 84(FIN) am H

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Amended: 4/17/11

Offered: 4/15/11

Sponsor(s): SENATE EDUCATION COMMITTEE

Engrossment has been waived
in accordance with
Uniform Rule 43(b)

Certified amendment(s) attached

A BILL

FOR AN ACT ENTITLED

1 "An Act amending the funding for statewide residential educational programs; relating
2 to funding for high school vocational and technical instruction as a component of
3 funding for public schools; relating to education tax credits; creating a pilot project in
4 the Iditarod Area School District; providing for an effective date by amending the
5 effective date in sec. 57, ch. 92, SLA 2010; and providing for an effective date."

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

7 * **Section 1.** AS 14.16.200 is amended by adding a new subsection to read:

8 (c) In addition to the programs eligible for reimbursement of costs under (a) of
9 this section, the department may approve three district-operated statewide residential
10 educational programs that began operating after January 1, 2005, for reimbursement of
11 costs incurred by the district in operating the program under regulations adopted by
12 the department.

13 * **Sec. 2.** AS 14.17.410(b) is amended to read:



Alaska SeaLife Center
w i n d o w s t o t h e s e a

April 15, 2011

The Honorable Beth Kerttula
House Minority Leader
Alaska State House
State Capitol
Juneau, AK 99801

Re: HCS CSSB 84 (FIN)

Dear Representative Kerttula,

We understand that language has been removed from SB 84 that would allow tax credits for contributions to the Alaska SeaLife Center. The Center is an educational and research organization with legitimate reasons to be included in the existing line up-of tax credit allowances for private investment in education in our state. Please let us encourage you to restore that language.

Although the Alaska SeaLife Center is situated in Seward, Alaska, we serve over 3,000 K-12 students statewide, particularly in the Kenai Peninsula, Mat-Su, and Anchorage areas, through our overnight Nocturne program or day visits. Additionally, we connect with over 7,000 K-12 students through distance education, many of these from Alaska.

We also foster the educational development of, on average, 25 college and postgraduate level interns annually in numerous biological sciences fields. Many of our interns go on to serve Alaska as veterinarians, scientists, and educators.

We host 4 full-time faculty and a varying number of graduate students from the University of Alaska Fairbanks School of Fisheries and Ocean Sciences who conduct cutting edge research on marine mammals and sea birds using state-of-the-art facilities unmatched elsewhere in the state. Tax credits will enable industry partners such as BP to collaborate with Center scientists to invest in research programs which benefit their sector.

The Alaska SeaLife Center is owned by the City of Seward and operated by a non-profit organization. We annually seek financial assistance in the form of state and federal grants. Including the language in the Senate version of CSSB 84 (FIN) would add private industry to our list of potential revenue sources. These tax credits will enable the Center to develop the critical infrastructure and programs necessary to sustain its role as the leading non-profit marine research and education facility in Alaska. Please give us this important tool to attract investment in our worthwhile educational, scientific, and rehabilitative mission, which has statewide impact.

Sincerely,

Ian M. Dutton, Ph.D.
President and CEO

Tara Riemer Jones, Ph.D.
Chief Operating Officer



Official Business

Alaska State Legislature

House of Representatives

Office of the Chief Clerk

Thomas B. Stewart Legislative
Office Building, Room 202
Juneau, AK 99801-1182
Phone: (907) 465-3725
Fax: (907) 465-5334

CONCUR

April 16, 2011

OFFICE OF THE SECRETARY

Date: April 17, 2011

MESSAGE TO THE SENATE

TO: Sen. Thomas Sponsor
RE: Message from the House

Mister President:

The House passed:

CS FOR SENATE BILL NO. 84(FIN)

"An Act relating to funding for high school vocational and technical instruction as a component of funding for public schools; relating to the base student allocation; relating to education tax credits; providing for an effective date by amending the effective date in sec. 57, ch. 92, SLA 2010; and providing for an effective date."

SB 84-VOC ED & BASIC FUNDING/TAX CREDITS

with the following amendment(s),

HOUSE CS FOR CS FOR SENATE BILL NO. 84(FIN)

"An Act amending the funding for statewide residential educational programs; relating to funding for high school vocational and technical instruction as a component of funding for public schools; relating to education tax credits; creating a pilot project in the Iditarod Area School District; providing for an effective date by amending the effective date in sec. 57, ch. 92, SLA 2010; and providing for an effective date."

SB 84-VOC ED & BASIC FUNDING/TAX CREDITS

(Title change resolution HCR 16)

and it is returned for consideration.

A handwritten signature in cursive script that reads "Suzi Lowell".

Suzi Lowell, Chief Clerk

SENATE COMMITTEE REPORT First Committee of Referral

DATE: 2/4/11

FURTHER: Finance

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

DATE TURNED
IN TO OFFICE: 3/21/11

Education Committee considered SENATE BILL NO. 84

SB 84-VOC ED FUNDING/BASE STUDENT ALLOCATION

"An Act relating to funding for high school vocational education as a component of funding for public schools; increasing the base student allocation used in the public school funding formula; and providing for an effective date."

and recommends:


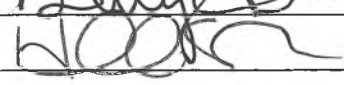

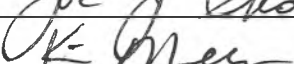
- be replaced with CS SB 84 (EDC) Same Title New Title
- adopt previous CS _____ (SCS/CS- Forthcoming) Same Title New Title
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
<u>EED</u>	<input checked="" type="checkbox"/>			
<u>EED</u>	<input checked="" type="checkbox"/>			

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	DAVIS	<input checked="" type="checkbox"/>			
	French	<input checked="" type="checkbox"/>			
CO-CHAIR: 	Thomas	<input checked="" type="checkbox"/>			
CO-CHAIR: 	Meyer	<input type="checkbox"/>			

ALASKA STATE SENATE

Sen. Kevin Meyer
Alaska State Capitol
Juneau, Alaska 99801
Room 103

Phone: 907-465-4945
Fax: 907-465-3476



Sen. Joe Thomas
Alaska State Capitol
Juneau, Alaska 99801
Room 514

Phone: 907-465-2327
Fax: 907-465-5241

SENATE EDUCATION COMMITTEE **Senators Kevin Meyer & Joe Thomas, Co-Chairs**

The legislature shall by general law establish and maintain a system of public schools open to all children of the State, and may provide for other public educational institutions.

In our country we have accepted a daunting challenge—to provide a quality education to every single child in our nation. For Alaska this is an especially daunting task. The immensity of the state combined with the small scale of many communities poses challenges no other state faces, especially in the economic arena.

In 2008 the 25th Legislature saw fit to pass an annual \$100 increase to the Base Student Allocation for three consecutive years to ensure stable and adequate funding of education. 2011 is the last of that three-year cycle. The legislature also revisited and increased funding for intensive needs special education, and incorporated new district cost factors to provide equitable funding across the state. The foresight of the Legislature on these two issues is commendable, and should be emulated by future legislatures.

To that end we are introducing SB 84, which establishes incremental three-year increases in the BSA and sets aside funds for high school vocational education. This additional annual amount added to the BSA allows schools to keep up with the rising cost of educating our children. The incremental increases represent less than two percent a year, which is below the current inflation rate.

This bill also sends a clear message to the school districts—this is the amount they will have to work with for the next three years. It allows them to act in fiscally responsible ways by giving them financial parameters for the next three years.

SB 84 also establishes a vocational education factor in the school funding formula. Currently vocational education is combined with bilingual, gifted and talented and special education. Legal mandates require districts to offer certain special education programs, and often those required programs take a huge amount of money, leaving little left over for vocational education.

Throwing money at the educational issues in our will not solve our problems, but neither will allowing inflation to erode two to three percent of funding every year.

SB 84 is a moderate and responsible piece of legislation designed to provide funding, stability and predictability so school districts can concentrate on the essential work of improving educational outcomes.

We urge you to support this important bill.

27-LS0465\D
Mischel
2/28/11

CS FOR SENATE BILL NO. 84(EDC)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE EDUCATION COMMITTEE

Offered:

Referred:

Sponsor(s): SENATE EDUCATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to funding for high school vocational and technical instruction as a**
2 **component of funding for public schools; increasing the base student allocation used in**
3 **the public school funding formula; and providing for an effective date."**

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

5 *** Section 1.** AS 14.17.410(b) is amended to read:

6 (b) Public school funding consists of state aid, a required local contribution,
7 and eligible federal impact aid determined as follows:

8 (1) state aid equals basic need minus a required local contribution and
9 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
10 obtained under (D) of this paragraph, multiplied by the base student allocation set out
11 in AS 14.17.470; district adjusted ADM is calculated as follows:

12 (A) the ADM of each school in the district is calculated by
13 applying the school size factor to the student count as set out in AS 14.17.450;

14 (B) the number obtained under (A) of this paragraph is

1 multiplied by the district cost factor described in AS 14.17.460;

2 (C) the ADMs of each school in a district, as adjusted
3 according to (A) and (B) of this paragraph, are added; the sum is then
4 multiplied by the special needs factor set out in AS 14.17.420(a)(1) **and the**
5 **high school vocational education factor set out in AS 14.17.420(a)(3):**

6 (D) the number obtained for intensive services under
7 AS 14.17.420(a)(2) and the number obtained for correspondence study under
8 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

9 (E) notwithstanding (A) - (C) of this paragraph, if a school
10 district's ADM adjusted for school size under (A) of this paragraph decreases
11 by five percent or more from one fiscal year to the next fiscal year, the school
12 district may use the last fiscal year before the decrease as a base fiscal year to
13 offset the decrease, according to the following method:

14 (i) for the first fiscal year after the base fiscal year
15 determined under this subparagraph, the school district's ADM adjusted
16 for school size determined under (A) of this paragraph is calculated as
17 the district's ADM adjusted for school size, plus 75 percent of the
18 difference in the district's ADM adjusted for school size between the
19 base fiscal year and the first fiscal year after the base fiscal year;

20 (ii) for the second fiscal year after the base fiscal year
21 determined under this subparagraph, the school district's ADM adjusted
22 for school size determined under (A) of this paragraph is calculated as
23 the district's ADM adjusted for school size, plus 50 percent of the
24 difference in the district's ADM adjusted for school size between the
25 base fiscal year and the second fiscal year after the base fiscal year;

26 (iii) for the third fiscal year after the base fiscal year
27 determined under this subparagraph, the school district's ADM adjusted
28 for school size determined under (A) of this paragraph is calculated as
29 the district's ADM adjusted for school size, plus 25 percent of the
30 difference in the district's ADM adjusted for school size between the
31 base fiscal year and the third fiscal year after the base fiscal year;

1 (F) the method established in (E) of this paragraph is available
2 to a school district for the three fiscal years following the base fiscal year
3 determined under (E) of this paragraph only if the district's ADM adjusted for
4 school size determined under (A) of this paragraph for each fiscal year is less
5 than the district's ADM adjusted for school size in the base fiscal year;

6 (G) the method established in (E) of this paragraph does not
7 apply to a decrease in the district's ADM adjusted for school size resulting
8 from a loss of enrollment that occurs as a result of a boundary change under
9 AS 29;

10 (2) the required local contribution of a city or borough school district is
11 the equivalent of a four mill tax levy on the full and true value of the taxable real and
12 personal property in the district as of January 1 of the second preceding fiscal year, as
13 determined by the Department of Commerce, Community, and Economic
14 Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a
15 district's basic need for the preceding fiscal year as determined under (1) of this
16 subsection.

17 * **Sec. 2.** AS 14.17.420(a) is amended to read:

18 (a) As a component of public school funding, a district is eligible for special
19 needs **and high school vocational and technical instruction** funding and may be
20 eligible for intensive services funding as follows:

21 (1) special needs funding is available to a district to assist the district
22 in providing special education, gifted and talented education, vocational education,
23 and bilingual education services to its students; a special needs funding factor of 1.20
24 shall be applied as set out in AS 14.17.410(b)(1);

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

30 **(3) in addition to the special needs and intensive services funding**
31 **available under (1) and (2) of this subsection, high school vocational and**

1 technical instruction funding is available to assist districts in providing vocational
2 and technical instruction to students who are enrolled in grades nine through 12;
3 a high school vocational and technical instruction funding factor of 1.01 shall be
4 applied as set out in AS 14.17.410(b)(1); in this paragraph, "vocational and
5 technical instruction" excludes costs associated with
6 (A) administrative expenses; and
7 (B) instruction in general literacy, mathematics, and job
8 readiness skills.

9 * **Sec. 3.** AS 14.17.440(a) is amended to read:

10 (a) Except as provided in AS 14.17.400(b), funding for state boarding schools
11 established under AS 14.16.010 includes an allocation from the public education fund
12 in an amount calculated by

13 (1) determining the ADM of state boarding schools by applying the
14 school size factor to the student count as described in AS 14.17.450;

15 (2) multiplying the number obtained under (1) of this subsection by the
16 special needs factor in AS 14.17.420(a)(1) and the high school vocational education
17 factor set out in AS 14.17.420(a)(3) and multiplying that product by the base student
18 allocation; and

19 (3) multiplying the product determined under (2) of this subsection by
20 the district cost factor that is applicable to calculation of the state aid for the adjacent
21 school district under AS 14.17.460.

22 * **Sec. 4.** AS 14.17.470 is amended to read:

23 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$5,790
24 [\$5,680].

25 * **Sec. 5.** AS 14.17.470, as amended by sec. 4 of this Act, is amended to read:

26 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$5,905
27 [\$5,790].

28 * **Sec. 6.** AS 14.17.470, as amended by secs. 4 and 5 of this Act, is amended to read:

29 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$6,025
30 [\$5,905].

31 * **Sec. 7.** Sections 1 - 4 of this Act take effect July 1, 2011.

- 1 * **Sec. 8.** Section 5 of this Act takes effect July 1, 2012.
- 2 * **Sec. 9.** Section 6 of this Act takes effect July 1, 2013.

BASE Student Allocation FY 1999 – FY 2011

2.45% average annual BSA increase in 12 years from July 1, 1998 to June 30, 2010

Year	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY99-FY11
BSA	4,010	4,010	4,010	4,010	4,010	4,169	4,576	4,919	5,380	5,380	5,480	5,580	5,680	----
\$ Change	----	0	0	0	0	159	407	343	461	0	100	100	100	1,670
% Change	----	0	0	0	0	3.96%	9.76%	7.49%	9.37%	0	1.85%	1.82%	1.79%	29.4%
Anchorage Cost of Living Increase	1.0%	1.7%	2.8%	1.9%	2.7%	2.6%	3.1%	3.2%	2.2%	4.6%	1.2%	1.8%	----	28.8%

2.4% average annual Anchorage COL increase in 12 years from January 1, 1999 – December 31, 2010 (US Bureau of Labor Statistics)

SB 97

\$2 x (amount oil is over \$89 pb. on July 1)
~~\$89~~ ~~2.00~~

- 1) Doesn't help with long term planning
- 2) Not all increased funding is due to cost of oil.
- 3) Increased funding needed to implement programs to ~~reduce~~ increase graduation rates.
- 4) If oil drops, no increase in funding.
If oil skyrockets, more money than can responsibly be used.
- 5) ~~Does not~~ Does not affect long-term planning

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number _____
 Bill Version CSSB84
 () Publish Date _____

Identifier (file name): SB084CS-EED-ACYA-3-4-2011 Dept. Affected EED
 Title "An Act relating to funding for high school vocational and Appropriation K-12 Support
technical instruction as a component of funding for public schools; ..." Allocation AK Challenge Youth Academy
 Sponsor Senate Education Committee
 Requester Senate Education Committee OMB Component Number 2837

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants		168.7	168.7	176.3	184.0			
Miscellaneous								
TOTAL OPERATING		168.7	168.7	176.3	184.0	0.0	0.0	0.0

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

CHANGE IN REVENUES								
---------------------------	--	--	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF		168.7	168.7	176.3	184.0			
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other (please identify)								
TOTAL		168.7	168.7	176.3	184.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time								
Part-time								
Temporary								

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by Elizabeth Nudelman, Director
 Division School Finance
 Approved by Mike Hanley, Commissioner

Phone 465-8679
 Date/Time 3/4/11 3:00 PM
 Date 3/4/2011

FISCAL NOTE

**STATE OF ALASKA
2011 LEGISLATIVE SESSION**

BILL NO. CSSB84

Analysis

The Alaska Challenge Youth Academy would see an increase to the current base student allocation of \$5,680 over the next three fiscal years as follows:

FY2012: increase of \$110 to \$5,790

FY2013: increase of \$115 to \$5,905

FY2014: increase of \$120 to \$6,025

ALASKA MILITARY YOUTH ACADEMY

SB 84 - FY2012	
194 x \$5790 x 7 =	7,862,820
292 x \$5790 x 60% =	1,014,408
less \$2,700,000	(2,700,000)
TOTAL \$	6,177,228

CSSB 84 - FY2013	
194 x \$5905 x 7 =	8,018,990
292 x \$5905 x 60% =	1,034,556
less \$2,700,000	(2,700,000)
TOTAL \$	6,353,546

FY13 Est. change over FY12 \$	176,318
--------------------------------------	----------------

ALASKA MILITARY YOUTH ACADEMY

FY2012 Current Projection	
194 x \$5680 x 7 =	7,713,440
292 x \$5680 x 60% =	995,136
less \$2,700,000	(2,700,000)
TOTAL \$	6,008,576

CSSB 84 - FY2012	
194 x \$5790 x 7 =	7,862,820
292 x \$5790 x 60% =	1,014,408
less \$2,700,000	(2,700,000)
TOTAL \$	6,177,228

FY12 Est. change over FY12 F \$	168,652
--	----------------

ALASKA MILITARY YOUTH ACADEMY

SB 84 - FY2013	
194 x \$5905 x 7 =	8,018,990
292 x \$5905 x 60% =	1,034,556
less \$2,700,000	(2,700,000)
TOTAL \$	6,353,546

CSSB 84 - FY2014	
194 x \$6025 x 7 =	8,181,950
292 x \$6025 x 60% =	1,055,580
less \$2,700,000	(2,700,000)
TOTAL \$	6,537,530

FY14 Est. change over FY13	\$	183,984
-----------------------------------	-----------	----------------

Section 1 – This is the section that outlines the funding formula.

Page 2, Line 4; establishes vocational education factor as a multiplier in the funding formula.

- 1) Add the adjusted ADMs of each school district (which includes the school size factor and district cost factor.
- 2) Multiply that by the special needs factor (1.20) (which includes money for special, vocational, bilingual and gifted and talented education.)
- 3) **Multiply by the high school vocational education factor (1.01)**

AADM x SNFF x VTEFF

AADM x 1.20 x 1.01

Section 2 – Establishes and defines the various funding available to school districts

Page 3, Line 19,

Adds “high school vocational and technical instruction funding” to the funds that school districts are eligible to receive.

Page 3, Line 30 – Page 4, Line 8

Defines the high school vocational and technical education fund

- 1) Available to use for students in grades 9-12
- 2) Is a funding factor of 1.01
- 3) Excludes funding for administrative expenses and general literacy, math, and basic job readiness skills.

Section 3 – Provides high school vocational education funding factor for state boarding schools

Sections 4-9 – Establish the base student allocation over the next three years

- 1) As of July 1, 2011, the base student allocation is \$5,790, an increase of \$110 (1.94%)
- 2) As of July 1, 2012, the base student allocation is \$5,905, an increase of \$115 (1.99%)
- 3) As of July 1, 2013, the base student allocation is \$6,025, an increase of \$120 (2.03%)

27-LS0465\D
Mischel
2/28/11

CS FOR SENATE BILL NO. 84(EDC)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE EDUCATION COMMITTEE

Offered:

Referred:

Sponsor(s): SENATE EDUCATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to funding for high school vocational and technical instruction as a**
2 **component of funding for public schools; increasing the base student allocation used in**
3 **the public school funding formula; and providing for an effective date."**

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

5 *** Section 1.** AS 14.17.410(b) is amended to read:

6 (b) Public school funding consists of state aid, a required local contribution,
7 and eligible federal impact aid determined as follows:

8 (1) state aid equals basic need minus a required local contribution and
9 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
10 obtained under (D) of this paragraph, multiplied by the base student allocation set out
11 in AS 14.17.470; district adjusted ADM is calculated as follows:

12 (A) the ADM of each school in the district is calculated by
13 applying the school size factor to the student count as set out in AS 14.17.450;

14 (B) the number obtained under (A) of this paragraph is

1 multiplied by the district cost factor described in AS 14.17.460;

2 (C) the ADMs of each school in a district, as adjusted
3 according to (A) and (B) of this paragraph, are added; the sum is then
4 multiplied by the special needs factor set out in AS 14.17.420(a)(1) **and the**
5 **high school vocational education factor set out in AS 14.17.420(a)(3)**;

6 (D) the number obtained for intensive services under
7 AS 14.17.420(a)(2) and the number obtained for correspondence study under
8 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

9 (E) notwithstanding (A) - (C) of this paragraph, if a school
10 district's ADM adjusted for school size under (A) of this paragraph decreases
11 by five percent or more from one fiscal year to the next fiscal year, the school
12 district may use the last fiscal year before the decrease as a base fiscal year to
13 offset the decrease, according to the following method:

14 (i) for the first fiscal year after the base fiscal year
15 determined under this subparagraph, the school district's ADM adjusted
16 for school size determined under (A) of this paragraph is calculated as
17 the district's ADM adjusted for school size, plus 75 percent of the
18 difference in the district's ADM adjusted for school size between the
19 base fiscal year and the first fiscal year after the base fiscal year;

20 (ii) for the second fiscal year after the base fiscal year
21 determined under this subparagraph, the school district's ADM adjusted
22 for school size determined under (A) of this paragraph is calculated as
23 the district's ADM adjusted for school size, plus 50 percent of the
24 difference in the district's ADM adjusted for school size between the
25 base fiscal year and the second fiscal year after the base fiscal year;

26 (iii) for the third fiscal year after the base fiscal year
27 determined under this subparagraph, the school district's ADM adjusted
28 for school size determined under (A) of this paragraph is calculated as
29 the district's ADM adjusted for school size, plus 25 percent of the
30 difference in the district's ADM adjusted for school size between the
31 base fiscal year and the third fiscal year after the base fiscal year;

1 (F) the method established in (E) of this paragraph is available
 2 to a school district for the three fiscal years following the base fiscal year
 3 determined under (E) of this paragraph only if the district's ADM adjusted for
 4 school size determined under (A) of this paragraph for each fiscal year is less
 5 than the district's ADM adjusted for school size in the base fiscal year;

6 (G) the method established in (E) of this paragraph does not
 7 apply to a decrease in the district's ADM adjusted for school size resulting
 8 from a loss of enrollment that occurs as a result of a boundary change under
 9 AS 29;

10 (2) the required local contribution of a city or borough school district is
 11 the equivalent of a four mill tax levy on the full and true value of the taxable real and
 12 personal property in the district as of January 1 of the second preceding fiscal year, as
 13 determined by the Department of Commerce, Community, and Economic
 14 Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a
 15 district's basic need for the preceding fiscal year as determined under (1) of this
 16 subsection.

17 * **Sec. 2.** AS 14.17.420(a) is amended to read:

18 (a) As a component of public school funding, a district is eligible for special
 19 needs **and high school vocational and technical instruction** funding and may be
 20 eligible for intensive services funding as follows:

21 (1) special needs funding is available to a district to assist the district
 22 in providing special education, gifted and talented education, vocational education,
 23 and bilingual education services to its students; a special needs funding factor of 1.20
 24 shall be applied as set out in AS 14.17.410(b)(1);

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

30 **(3) in addition to the special needs and intensive services funding**
 31 **available under (1) and (2) of this subsection, high school vocational and**

1 technical instruction funding is available to assist districts in providing vocational
2 and technical instruction to students who are enrolled in grades nine through 12;
3 a high school vocational and technical instruction funding factor of 1.01 shall be
4 applied as set out in AS 14.17.410(b)(1); in this paragraph, "vocational and
5 technical instruction" excludes costs associated with
6 (A) administrative expenses; and
7 (B) instruction in general literacy, mathematics, and job
8 readiness skills.

9 * Sec. 3. AS 14.17.440(a) is amended to read:

10 (a) Except as provided in AS 14.17.400(b), funding for state boarding schools
11 established under AS 14.16.010 includes an allocation from the public education fund
12 in an amount calculated by

13 (1) determining the ADM of state boarding schools by applying the
14 school size factor to the student count as described in AS 14.17.450;

15 (2) multiplying the number obtained under (1) of this subsection by the
16 special needs factor in AS 14.17.420(a)(1) and the high school vocational education
17 factor set out in AS 14.17.420(a)(3) and multiplying that product by the base student
18 allocation; and

19 (3) multiplying the product determined under (2) of this subsection by
20 the district cost factor that is applicable to calculation of the state aid for the adjacent
21 school district under AS 14.17.460.

22 * Sec. 4. AS 14.17.470 is amended to read:

23 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$5,790
24 [\$5,680].

25 * Sec. 5. AS 14.17.470, as amended by sec. 4 of this Act, is amended to read:

26 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$5,905
27 [\$5,790].

28 * Sec. 6. AS 14.17.470, as amended by secs. 4 and 5 of this Act, is amended to read:

29 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$6,025
30 [\$5,905].

31 * Sec. 7. Sections 1 - 4 of this Act take effect July 1, 2011.

- 1 * **Sec. 8.** Section 5 of this Act takes effect July 1, 2012.
- 2 * **Sec. 9.** Section 6 of this Act takes effect July 1, 2013.

CS FOR SENATE BILL NO. 84(EDC)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE EDUCATION COMMITTEE

**Offered:
Referred:**

Sponsor(s): SENATE EDUCATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to funding for high school vocational and technical instruction as a**
2 **component of funding for public schools; increasing the base student allocation used in**
3 **the public school funding formula; and providing for an effective date."**

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

5 *** Section 1.** AS 14.17.410(b) is amended to read:

6 (b) Public school funding consists of state aid, a required local contribution,
7 and eligible federal impact aid determined as follows:

8 (1) state aid equals basic need minus a required local contribution and
9 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum
10 obtained under (D) of this paragraph, multiplied by the base student allocation set out
11 in AS 14.17.470; district adjusted ADM is calculated as follows:

12 (A) the ADM of each school in the district is calculated by
13 applying the school size factor to the student count as set out in AS 14.17.450;

14 (B) the number obtained under (A) of this paragraph is

1 multiplied by the district cost factor described in AS 14.17.460;

2 (C) the ADMs of each school in a district, as adjusted
3 according to (A) and (B) of this paragraph, are added; the sum is then
4 multiplied by the special needs factor set out in AS 14.17.420(a)(1) **and the**
5 **high school vocational education factor set out in AS 14.17.420(a)(3);**

6 (D) the number obtained for intensive services under
7 AS 14.17.420(a)(2) and the number obtained for correspondence study under
8 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

9 (E) notwithstanding (A) - (C) of this paragraph, if a school
10 district's ADM adjusted for school size under (A) of this paragraph decreases
11 by five percent or more from one fiscal year to the next fiscal year, the school
12 district may use the last fiscal year before the decrease as a base fiscal year to
13 offset the decrease, according to the following method:

14 (i) for the first fiscal year after the base fiscal year
15 determined under this subparagraph, the school district's ADM adjusted
16 for school size determined under (A) of this paragraph is calculated as
17 the district's ADM adjusted for school size, plus 75 percent of the
18 difference in the district's ADM adjusted for school size between the
19 base fiscal year and the first fiscal year after the base fiscal year;

20 (ii) for the second fiscal year after the base fiscal year
21 determined under this subparagraph, the school district's ADM adjusted
22 for school size determined under (A) of this paragraph is calculated as
23 the district's ADM adjusted for school size, plus 50 percent of the
24 difference in the district's ADM adjusted for school size between the
25 base fiscal year and the second fiscal year after the base fiscal year;

26 (iii) for the third fiscal year after the base fiscal year
27 determined under this subparagraph, the school district's ADM adjusted
28 for school size determined under (A) of this paragraph is calculated as
29 the district's ADM adjusted for school size, plus 25 percent of the
30 difference in the district's ADM adjusted for school size between the
31 base fiscal year and the third fiscal year after the base fiscal year;

1 (F) the method established in (E) of this paragraph is available
 2 to a school district for the three fiscal years following the base fiscal year
 3 determined under (E) of this paragraph only if the district's ADM adjusted for
 4 school size determined under (A) of this paragraph for each fiscal year is less
 5 than the district's ADM adjusted for school size in the base fiscal year;

6 (G) the method established in (E) of this paragraph does not
 7 apply to a decrease in the district's ADM adjusted for school size resulting
 8 from a loss of enrollment that occurs as a result of a boundary change under
 9 AS 29;

10 (2) the required local contribution of a city or borough school district is
 11 the equivalent of a four mill tax levy on the full and true value of the taxable real and
 12 personal property in the district as of January 1 of the second preceding fiscal year, as
 13 determined by the Department of Commerce, Community, and Economic
 14 Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a
 15 district's basic need for the preceding fiscal year as determined under (1) of this
 16 subsection.

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18 (a) As a component of public school funding, a district is eligible for special
 19 needs **and high school vocational and technical instruction** funding and may be
 20 eligible for intensive services funding as follows:

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 22 in providing special education, gifted and talented education, vocational education,
 23 and bilingual education services to its students; a special needs funding factor of 1.20
 24 shall be applied as set out in AS 14.17.410(b)(1);

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 26 eligible under (1) of this subsection, a district is eligible for intensive services funding
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 28 enrolled on the last day of the count period; for each such student, intensive services
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 14 school size factor to the student count as described in AS 14.17.450;

15 (2) multiplying the number obtained under (1) of this subsection by the
 16 special needs factor in AS 14.17.420(a)(1) and the high school vocational education
 17 factor set out in AS 14.17.420(a)(3) and multiplying that product by the base student
 18 allocation; and

19 (3) multiplying the product determined under (2) of this subsection by
 20 the district cost factor that is applicable to calculation of the state aid for the adjacent
 21 school district under AS 14.17.460.

22 * **Sec. 4.** AS 14.17.470 is amended to read:

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1 * **Sec. 8.** Section 5 of this Act takes effect July 1, 2012.

2 * **Sec. 9.** Section 6 of this Act takes effect July 1, 2013.

The rationale for the vocational and technical education fund

To guide money toward high school vocational education. (CTE)

Quote from Sitka School Board member Thomas Conley: *Though we in the educational community have always been somewhat leery of categorical funding, we recognize that dollars going into the 20% Block Grant for Special ED, ESL, Gifted and Talented, & Vocational ED are being siphoned off almost exclusively by Special ED due to federal mandates and leaving Vocational Education seriously short funded;*

There are a lot of people leery of categorical funding, including people from the department. However it is not the intent of this bill to mandate the department to chase down how specific money is being used. It is the intent to establish usage for this money, and to provide it to the districts to use for vocational education.

The rationale for an increase in the BSA

Base student allocation

The JLETF recognizes that *school districts are better able to plan and budget their programs when the amount of their student funding is known and predictable.*

This is from the report of the September 1, 2007 Joint Legislative Education Task Force, Chaired by Representative Mike Hawker.

Your packets include 22 letters of support from school districts, school board members, teachers, and parents and I have received an additional six more this weekend, for a total of 28 letters of support. These letters are from communities that range in size from Anchorage to Kuspuk.

The increase amounts to around 2 percent a year, which is less than the rise in the cost of living for Anchorage.

But most important, it lets schools make fiscally responsible budgets over the next three years. Many of them are well into budget process. If they know what they will be getting, they can be working on reliable budgets based on accurate figures.

In 2007 the legislature had the foresight to provide schools with the resources they needed to make responsible financial decisions. This bill allows the 27th Legislature to do the same.

The fiscal note has been prepared, and is ready to be presented. If you have any questions that I can answer, I will be glad to.

BASE Student Allocation FY 1999 – FY 2011

2.45% average annual BSA increase in 12 years from July 1, 1998 to June 30, 2010

Year	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY99-FY11
BSA	4,010	4,010	4,010	4,010	4,010	4,169	4,576	4,919	5,380	5,380	5,480	5,580	5,680	----
\$ Change	----	0	0	0	0	159	407	343	461	0	100	100	100	1,670
% Change	----	0	0	0	0	3.96%	9.76%	7.49%	9.37%	0	1.85%	1.82%	1.79%	29.4%
Anchorage Cost of Living Increase	1.0%	1.7%	2.8%	1.9%	2.7%	2.6%	3.1%	3.2%	2.2%	4.6%	1.2%	1.8%	----	28.8%

2.4% average annual Anchorage COL increase in 12 years from January 1, 1999 – December 31, 2010 (US Bureau of Labor Statistics)