

HB

82

<TARGET><BILL>HB 82</BILL><SUBJECT>HB
82</SUBJECT><COMM>HEDC29</COMM></TARGET>

Alaska House of Representatives

Rep. Neal Foster, Co-Chair
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Nome, Alaska 99762

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During the Legislative Session
Alaska State Capitol, Room 434
Juneau, Alaska 99801

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House Transportation Committee

Sponsor Statement HB 82 Sponsor Statement

The 28th Legislature passed an omnibus bill that, among other things, provided support for schools with internet service of less than 10 megabits/sec who qualified for the federal universal services program. That qualifying service level was based on the bill's effective date. Unfortunately schools who had, in good faith, brought their service level up to 10 megabits before that date, were forever left out of the program. Nome Public Schools (NPS) was one of these schools. Their three year contract for internet service expired on June 30th 2013, when they had three megabits/sec of service. At the time they were negotiating for a new contract, the Department of Education made it clear that online state testing would become mandatory. In order to comply with this mandate, NPS negotiated for eleven megabits/sec of service. Their bill for service is now \$80,810/yr, a considerable strain on a school their size. This adds to an overhead that is already so high that the State grants the school a waiver on the 70/30 instructional requirement.

HB 82 would allow schools in a similar situation to NPS to participate in the program established by House Bill 278. This comes down to a question of timing. Had NPS's contract been on a different cycle, they could have qualified for the State's broadband funding program.

District 39: Alatna, Alcan Border, Allakaket City, Arctic Village, Beaver, Bettles City, Birch Creek, Brevig Mission City, Central, Chalkyitsik, Chicken, Chisana, Chistochina, Chitina, Circle, Coldfoot, Copper Center, Diomedea City, Dot Lake, Dot Lake Villages, Dry Creek, Eagle City, Eagle Village, Elim City, Evansville, Fort Yukon City, Gakona, Galena City, Gambell City, Golovin City, Gulkana, Healy Lake, Hughes City, Huslia City, Kaltag City, Kenny Lake, Koyuk City, Koyukuk City, Livengood, McCarthy, Mentasta Lake, Nabesna, New Allakaket, Nome City, Northway, Northway Junction, Northway Village, Nulato City, Paxson, Port Clarence, Rampart, Savoonga City, Shaktoolik City, Shishmaref City, Silver Springs, Slana, St. Michael City, Stebbins City, Stevens Village, Tanacross, Tazlina, Teller City, Tetlin, Tok, Unalakleet City, Venetie, Wales City, White Mountain City and Wiseman.

CS FOR HOUSE BILL NO. 82(EDC)

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

BY THE HOUSE EDUCATION COMMITTEE

Offered:

Referred:

Sponsor(s): REPRESENTATIVE FOSTER

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to funding for Internet services for schools."**

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

3 *** Section 1.** AS 14.03.127(a) is amended to read:

4 (a) Each fiscal year, a district in which one or more schools qualify for a
5 discounted rate for Internet services under the federal universal services program is
6 eligible to receive an amount for each school that is equal to the amount needed to
7 bring the applicant's share, as of June 30, 2013, to 10 megabits of download a second
8 of the Internet services.

9 *** Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
10 read:

11 FUNDING FOR INTERNET SERVICES FOR SCHOOLS. Subject to appropriation,
12 a school district is eligible to receive supplemental funding under AS 14.03.127 for the fiscal
13 years ending June 30, 2014, and June 30, 2015, for each school in the school district that
14 qualified for a discounted rate for Internet services under the federal universal services
15 program after June 30, 2013. If insufficient funding is appropriated to provide supplemental

1 funding authorized under this section, the state share shall be distributed pro rata to school
2 districts that would have been eligible for funding in the fiscal years ending June 30, 2014,
3 and June 30, 2015.

29-LS0307\W

Glover

4/9/15

CS FOR HOUSE BILL NO. 82()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY

Offered:

Referred:

Sponsor(s): REPRESENTATIVE FOSTER

A BILL**FOR AN ACT ENTITLED**1 **"An Act relating to funding for Internet services for schools."**2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**3 * **Section 1.** AS 14.03.127(a) is amended to read:4 (a) Each fiscal year, a district in which one or more schools qualify for a
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12 a school district is eligible to receive supplemental funding under AS 14.03.127 for the fiscal
13 years ending June 30, 2014, and June 30, 2015, for each school in the school district that
14 qualified for a discounted rate for Internet services under the federal universal services
15 program after June 30, 2013. If insufficient funding is appropriated to provide supplemental

1 funding authorized under this section, the state share shall be distributed pro rata to school
2 districts that would have been eligible for funding in the fiscal years ending June 30, 2014,
3 and June 30, 2015.

Fiscal Note

State of Alaska
2015 Legislative Session

Bill Version: HB 82
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB082-EED-LO-4-9-15
Title: INTERNET SERVICES FUNDING FOR SCHOOLS
Sponsor: FOSTER
Requester: House Education Committee

Department: Department of Education and Early Development
Appropriation: Alaska Library and Museums
Allocation: Library Operations
OMB Component Number: 208

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

| | FY2016 Appropriation Requested | Included in Governor's FY2016 Request | Out-Year Cost Estimates | | | | |
|-------------------------------|--------------------------------------|--|-------------------------|----------------|----------------|----------------|----------------|
| | | | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
| OPERATING EXPENDITURES | FY 2016 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
| Personal Services | | | | | | | |
| Travel | | | | | | | |
| Services | | | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | 1,064.1 | 3,000.0 | 4,064.1 | 4,064.1 | 4,064.1 | 4,064.1 | 4,064.1 |
| Miscellaneous | | | | | | | |
| Total Operating | 1,064.1 | 3,000.0 | 4,064.1 | 4,064.1 | 4,064.1 | 4,064.1 | 4,064.1 |

Fund Source (Operating Only)

| | | | | | | | |
|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 1004 Gen Fund | 1,064.1 | 3,000.0 | 4,064.1 | 4,064.1 | 4,064.1 | 4,064.1 | 4,064.1 |
| Total | 1,064.1 | 3,000.0 | 4,064.1 | 4,064.1 | 4,064.1 | 4,064.1 | 4,064.1 |

Positions

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

| | | | | | | | |
|---------------------------|--|--|--|--|--|--|--|
| Change in Revenues | | | | | | | |
|---------------------------|--|--|--|--|--|--|--|

Estimated SUPPLEMENTAL (FY2015) cost: 3,128.1 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2016) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

| |
|----------------------------------|
| Not applicable, initial version. |
|----------------------------------|

| | | |
|--------------|---|---------------------------|
| Prepared By: | Linda Thibodeau, Director | Phone: (907)465-2911 |
| Division: | Libraries, Archives & Museums | Date: 04/09/2015 01:30 PM |
| Approved By: | Mike Hanley, Commissioner | Date: 04/09/15 |
| Agency: | Department of Education & Early Development | |

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2015 LEGISLATIVE SESSION

BILL NO. HB 82

Analysis

AS 14.03.127 funds the undiscounted portion of broadband Internet costs for all Alaska public schools.

Section 1: Amends AS 14.03.127(a) by adding the base date of July 1, 2013 for determining when a school had 10 megabits a second (mbps) of download speed.

Section 2: Amends uncodified law by providing supplemental funding for FY2014 and FY2015 for each school in the school district that qualified for a discounted rate for Internet services under the federal universal services program after June 30, 2013. Furthermore, if insufficient funds are appropriated, the supplemental funding would be distributed pro rata.

The following assumptions are provided as the basis for the fiscal note calculation.

A. Costs for schools that were eligible in July 2014 (under existing legislation) include:

1. FY2015 base rate is \$16,256,290 based on what school districts requested on their internet reimbursement application to bring their schools up to 10 mbps of download. In FY2015, EED was appropriated and awarded \$5,000,000 for internet costs to eligible schools under AS 14.03.127; that covered 80% of five months (February 2015 – June 2015) for schools that had less than 10 mbps broadband service.

2. FY2016 base amount remains at \$16,256,290 for the original set of schools that qualified under this program in FY2015. E-rate is expected to fund an average of 75% of this base rate, leaving a 25% average local/state share. 25% of the base amount is \$4,064,073, this would be the total cost for FY2016.

B. Costs for schools that would become eligible from July 1, 2013 (under this draft legislation) include:

1. The bandwidth level information for FY2014 was not collected, so the actual district bandwidths are unknown. Based on this, it is not known how many additional schools/districts would become eligible for reimbursement under Section 1 of this bill.

2. EED is estimating that for FY2017 and beyond, the estimated base rate will revert to the rate for FY2016: \$4,064,073.

C. Costs for supplemental funding, per Section 2:

1. Total FY2015 Supplemental funding for FY2014 and FY2015 is \$3,128,146 ($\$4,064,073 + \$4,064,073 - \$5,000,000$).

Exact figures for internet services will vary from year to year, from vendor to vendor, depending upon such variables as service changes, type of service and discounted rates from the universal services program.

Department of Education & Early Development
Operating Fund Minimum Expenditures for Instruction Summary

| | 70% | 70% | 70% | 70% | 70% | 70% | 70% | 70% | 70% | 70% | 70% | 70% | 70% | 70% | 70% | 70% | 70% | 70% | 70% | |
|------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | FY 2005 | FY 2005 | FY 2006 | FY 2006 | FY 2007 | FY 2007 | FY 2008 | FY 2008 | FY2009 | FY 2009 | FY2010 | FY2010 | FY2011 | FY2011 | FY2012 | FY2012 | FY2012 | FY2013 | FY2013 | FY2014 |
| | Budget | Audit | Budget | Audit | Budget | Audit | Budget | Audit | Budget | Audit | Budget | Audit | Budget | Audit | Budget | Audit | Budget | Audit | Budget | Audit |
| Alaska Gateway | 67% | 66% | 66% | 63% | 66% | 65% | 63% | 67% | 66% | 66% | 67% | 67% | 67% | 65% | 70% | 65% | 70% | *68% | 69% | 69% |
| Aleutian Region | 66 | 70 | 69 | 72 | 70 | 70 | 72 | 71 | 68 | 69 | 63 | 63 | 65 | 63 | 67 | 64 | 67 | 66 | 66 | 69 |
| Aleutians East Borough | 67 | 68 | 66 | 64 | 68 | 64 | 64 | 66 | 66 | 67 | 67 | 68 | 66 | 66 | 67 | 67 | 66 | 66 | 66 | 68 |
| Anchorage | 77 | 77 | 77 | 77 | 78 | 77 | 77 | 80 | 79 | 79 | 79 | 79 | 79 | 79 | 79 | 79 | 80 | 80 | 80 | 77 |
| Annette Island | 66 | 66 | 70 | 71 | 71 | 72 | 70 | 73 | 70 | 70 | 70 | 70 | 70 | 72 | 73 | 70 | 71 | 72 | 72 | 72 |
| Bering Strait | 70 | 70 | 71 | 69 | 70 | 66 | 70 | 71 | 67 | 66 | 67 | 69 | 67 | 70 | 67 | 69 | 70 | 70 | 70 | 70 |
| Bristol Bay Borough | 62 | 62 | 62 | 61 | 64 | 64 | 60 | 61 | 63 | 60 | 60 | 61 | 62 | 61 | 63 | 61 | 64 | 62 | 62 | 62 |
| Chatham | 69 | 66 | 65 | 65 | 66 | 67 | 67 | 66 | 66 | 63 | 65 | 67 | 65 | 66 | 64 | 62 | 64 | 66 | 66 | 66 |
| Chugach | 76 | 80 | 74 | 80 | 79 | 76 | 79 | 83 | 77 | 84 | 77 | 81 | 81 | 79 | 74 | 78 | 70 | 79 | 78 | 78 |
| Copper River | 69 | 68 | 69 | 69 | 68 | 68 | 67 | 70 | 68 | 66 | 67 | 67 | 65 | 65 | 65 | 66 | 66 | 67 | 65 | 65 |
| Cordova City | 69 | 69 | 69 | 69 | 67 | 70 | 67 | 71 | 69 | 70 | 71 | 71 | 70 | 72 | 71 | 70 | 71 | 70 | 70 | 70 |
| Crnog City | 76 | 79 | 79 | 79 | 78 | 78 | 80 | 80 | 79 | 78 | 80 | 79 | 76 | 73 | 77 | 77 | 76 | 75 | 75 | 75 |
| Delta Greely | 75 | 74 | 72 | 73 | 74 | 74 | 70 | 72 | 73 | 72 | 71 | 70 | 72 | 70 | 70 | 71 | 71 | 71 | 71 | 71 |
| Denali Borough | 73 | 71 | 72 | 70 | 71 | 69 | 68 | 71 | 70 | 71 | 68 | 71 | 70 | 70 | 72 | 71 | 72 | 74 | 72 | 72 |
| Dillingham City | 73 | 71 | 72 | 70 | 72 | 70 | 73 | 73 | 70 | 70 | 74 | 72 | 74 | 73 | 75 | 74 | 77 | 76 | 75 | 75 |
| Fairbanks North Star Borough | 76 | 76 | 75 | 75 | 75 | 76 | 74 | 78 | 77 | 77 | 76 | 78 | 78 | 78 | 77 | 77 | 78 | 79 | 79 | 79 |
| Galena City | 72 | 72 | 72 | 70 | 73 | 73 | 71 | 75 | 70 | 71 | 70 | 71 | 70 | 71 | 71 | 68 | 71 | *69 | 70 | 70 |
| Haines Borough | 69 | 70 | 69 | 70 | 70 | 70 | 70 | 73 | 71 | 73 | 72 | 74 | 72 | 74 | 75 | 76 | 74 | 75 | 74 | 74 |
| Hoonah City | 56 | 58 | 53 | 56 | 60 | 59 | 62 | 63 | 60 | 62 | 60 | 61 | 62 | 65 | 65 | 64 | 66 | 68 | 64 | 64 |
| Hydaburg City | 67 | 65 | 67 | 60 | 70 | 56 | 71 | 62 | 58 | 59 | 55 | 55 | 59 | 59 | 60 | 57 | 61 | 61 | 61 | 64 |
| Iditarod Area | 61 | 61 | 62 | 60 | 61 | 62 | 60 | 64 | 61 | 62 | 60 | 61 | 60 | 62 | 63 | 65 | 61 | 62 | 61 | 61 |
| Juneau Borough | 76 | 76 | 76 | 77 | 77 | 78 | 79 | 80 | 77 | 78 | 78 | 78 | 78 | 78 | 78 | 79 | 79 | 80 | 80 | 80 |
| Kake City | 62 | 60 | 59 | 59 | 61 | 55 | 54 | 58 | 59 | 58 | 58 | 57 | 59 | 61 | 60 | 60 | 60 | 61 | 60 | 60 |
| Kashunamiut | 73 | 67 | 70 | 68 | 70 | 70 | 70 | 70 | 70 | 65 | 70 | 65 | 70 | 68 | 70 | 66 | 64 | 61 | 63 | 63 |
| Kenai Peninsula Borough | 73 | 71 | 73 | 72 | 74 | 73 | 74 | 75 | 73 | 74 | 74 | 74 | 74 | 74 | 75 | 74 | 76 | 76 | 75 | 75 |
| Ketchikan Gateway Borough | 76 | 78 | 77 | 77 | 77 | 76 | 74 | 77 | 76 | 78 | 77 | 77 | 78 | 77 | 78 | 78 | 79 | 80 | 81 | 81 |
| Klawock City | 67 | 66 | 68 | 66 | 67 | 65 | 66 | 65 | 66 | 65 | 71 | 69 | 72 | 70 | 72 | 68 | 70 | *68 | 70 | 70 |
| Kodiak Island Borough | 75 | 73 | 74 | 72 | 74 | 73 | 72 | 74 | 72 | 73 | 73 | 72 | 74 | 74 | 73 | 72 | 74 | 73 | 74 | 74 |
| Kuspuk | 64 | 66 | 63 | 61 | 65 | 67 | 62 | 63 | 64 | 65 | 62 | 61 | 64 | 62 | 66 | 62 | 66 | 66 | 66 | 66 |
| Lake & Peninsula Borough | 65 | 65 | 65 | 65 | 66 | 65 | 66 | 67 | 65 | 64 | 67 | 66 | 65 | 62 | 66 | 65 | 65 | 67 | 67 | 67 |
| Lower Kuskokwim | 74 | 75 | 73 | 74 | 71 | 75 | 72 | 75 | 75 | 74 | 76 | 74 | 74 | 75 | 74 | 76 | 78 | 78 | 78 | 78 |
| Lower Yukon | 67 | 67 | 68 | 69 | 70 | 69 | 70 | 68 | 67 | 69 | 67 | 67 | 71 | 68 | 70 | 71 | 71 | 70 | 71 | 71 |
| Matanuska Susitna Borough | 78 | 76 | 77 | 76 | 79 | 78 | 78 | 80 | 80 | 79 | 79 | 78 | 79 | 78 | 78 | 78 | 78 | 78 | 79 | 78 |
| Nenana City | 70 | 71 | 69 | 70 | 70 | 71 | 70 | 74 | 75 | 75 | 74 | 72 | 73 | 75 | 74 | 73 | 74 | 74 | 73 | 73 |
| Nome City | 64 | 64 | 66 | 64 | 65 | 66 | 62 | 66 | 64 | 64 | 65 | 64 | 65 | 64 | 66 | 64 | 68 | 66 | 68 | 68 |
| North Slope Borough | 66 | 63 | 64 | 63 | 64 | 64 | 63 | 65 | 61 | 61 | 64 | 63 | 65 | 65 | 66 | 65 | 67 | 66 | 66 | 66 |
| Northwest Arctic Borough | 65 | 63 | 63 | 62 | 63 | 63 | 65 | 67 | 65 | 61 | 60 | 61 | 60 | 62 | 62 | 61 | 66 | 67 | 64 | 64 |
| Pelican City | 61 | 55 | 56 | 55 | 60 | 60 | 59 | 56 | 59 | 63 | 61 | 56 | 58 | 49 | 62 | 53 | 56 | 45 | 52 | 52 |
| Petersburg City | 72 | 72 | 71 | 74 | 71 | 71 | 70 | 74 | 73 | 74 | 74 | 75 | 74 | 73 | 73 | 72 | 72 | 72 | 72 | 73 |
| Pribilof Islands | 60 | 63 | 68 | 62 | 64 | 63 | 65 | 66 | 69 | 67 | 68 | 64 | 68 | 61 | 67 | 61 | 64 | 54 | 60 | 60 |

Department of Education & Early Development Operating Fund Minimum Expenditures for Instruction Summary

| | 70% FY 2005 Budget | 70% FY 2005 Audit | 70% FY 2006 Budget | 70% FY 2006 Audit | 70% FY 2007 Budget | 70% FY 2007 Audit | 70% FY 2008 Budget | 70% FY 2008 Audit | 70% FY 2009 Budget | 70% FY 2009 Audit | 70% FY 2010 Budget | 70% FY 2010 Audit | 70% FY 2011 Budget | 70% FY 2011 Audit | 70% FY 2012 Budget | 70% FY 2012 Audit | 70% FY 2013 Budget | 70% FY 2013 Audit | 70% FY 2014 Budget |
|------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|
| Saint Mary's | 64 | 62 | 65 | 62 | 65 | 64 | 62 | 62 | 62 | 58 | 61 | 47 | 61 | 60 | 61 | 54 | 61 | 55 | 61 |
| Sitka Borough | 79 | 77 | 78 | 76 | 78 | 77 | 77 | 79 | 79 | 79 | 77 | 78 | 77 | 78 | 79 | 78 | 79 | 80 | 80 |
| Skagway City | 60 | 65 | 65 | 65 | 67 | 66 | 68 | 74 | 70 | 71 | 66 | 66 | 64 | 65 | 61 | 62 | 63 | 58 | 63 |
| Southeast Island | 68 | 66 | 67 | 60 | 71 | 70 | 72 | 67 | 69 | 67 | 68 | 67 | 67 | 72 | 67 | 67 | 67 | 65 | 69 |
| Southwest Region | 67 | 69 | 67 | 67 | 67 | 65 | 67 | 69 | 67 | 68 | 68 | 65 | 66 | 65 | 68 | 67 | 69 | 70 | 70 |
| Ianana City | 56 | 51 | 48 | 41 | 48 | 40 | 54 | 51 | 54 | 49 | 54 | 56 | 53 | 54 | 54 | 54 | 62 | 51 | 62 |
| Unalaska City | 70 | 72 | 70 | 72 | 70 | 70 | 71 | 72 | 70 | 71 | 72 | 72 | 72 | 72 | 72 | 71 | 72 | 72 | 71 |
| Valdez City | 74 | 74 | 71 | 74 | 74 | 76 | 71 | 74 | 74 | 76 | 76 | 76 | 75 | 76 | 76 | 77 | 77 | 74 | 76 |
| Wrangell City | 69 | 70 | 69 | 70 | 68 | 70 | 67 | 71 | 68 | 70 | 68 | 70 | 69 | 71 | 71 | 74 | 72 | 72 | 72 |
| Yakutat City | 68 | 68 | 69 | 70 | 71 | 71 | 70 | 71 | 70 | 67 | 70 | 66 | 69 | 71 | 70 | 66 | 70 | *69 | 70 |
| Yukon Flats | 63 | 59 | 62 | 60 | 62 | 61 | 64 | 65 | 60 | 60 | 61 | 61 | 61 | 57 | 64 | 62 | 67 | | 66 |
| Yukon/Koyukuk | 68 | 67 | 66 | 68 | 73 | 67 | 71 | 70 | 67 | 67 | 70 | 68 | 71 | 73 | 72 | 70 | 71 | 71 | 72 |
| Yupik | 69 | 68 | 69 | 71 | 68 | 60 | 70 | 70 | 72 | 68 | 70 | 65 | 71 | # 63 | 70 | 71 | 71 | 68 | 66 |
| Total Waivers | 32 | 1 | 32 | 2 | 24 | 5 | 24 | 3 | 28 | 3 | 27 | 5 | 26 | 3 | 23 | 5 | 23 | 4 | 24 |

 - Waiver Requested and Approved
 * Waiver being requested
 - Waiver Requested and Denied

BY OF PERCENTAGES BY C/

| | | | | | | | | | | | | | | | | | | | |
|-------------------------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|
| Districts below 60% | 2 | 4 | 4 | 4 | 1 | 4 | 3 | 3 | 4 | 4 | 3 | 4 | 4 | 4 | 1 | 4 | 1 | 5 | 1 |
| Districts between [60% - 65%] | 10 | 8 | 5 | 13 | 9 | 10 | 10 | 6 | 8 | 10 | 10 | 10 | 8 | 11 | 10 | 11 | 10 | 6 | 11 |
| Districts between [65% - 70%] | 20 | 18 | 21 | 11 | 14 | 13 | 11 | 13 | 16 | 14 | 14 | 16 | 14 | 10 | 12 | 13 | 12 | 15 | 12 |
| Districts at 70% and above | 21 | 23 | 21 | 25 | 29 | 26 | 29 | 31 | 25 | 25 | 26 | 23 | 27 | 28 | 30 | 25 | 30 | 26 | 29 |
| | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 |

† Minimum Expenditure for Instruction Percentages for FY1999 and FY2004 Budgets and Audits have been removed

FY2015 Alaska School Broadband Assistance Grant Awards

| School District | FY2015 Total Award to Each School District | School Name | Cost to Upgrade to 10Mbps February through June 2015 | Total Needed by Each District for All Eligible Schools | Per Regulations, Ratio of District Need to Total Need of All Districts | Multiply Ratio by \$4,950,000 for Total Award to Each SD |
|------------------------|--|---------------------------------------|--|--|--|--|
| Alaska Gateway | \$236,548.20 | Dot Lake | \$26,526.80 | \$298,953.15 | 4.78% | \$236,548.20 |
| | | Eagle Community | \$140,789.60 | | | |
| | | Mentasta Lake | \$59,794.10 | | | |
| | | Walter Northway | \$25,543.00 | | | |
| | | Tanacross | \$20,125.40 | | | |
| | | Tetlin | \$26,174.25 | | | |
| Aleutians East Borough | \$164,383.24 | False Pass School | \$55,000.00 | \$207,750.00 | 3.32% | \$164,383.24 |
| | | Cold Bay School | \$55,000.00 | | | |
| | | Akutan School | \$47,250.00 | | | |
| | | King Cove School | \$30,500.00 | | | |
| | | Sand Point Office | Office not eligible | | | |
| | | Sand Point Library | Library not eligible | | | |
| | | Sand Point School | \$20,000.00 | | | |
| Aleutian Region | \$217,907.69 | Adak School | \$134,635.00 | \$275,395.00 | 4.40% | \$217,907.69 |
| | | Netsvetov School (Atka) | \$140,760.00 | | | |
| Bering Strait | \$553,482.92 | Aniguiin School | \$48,100.00 | \$699,500.00 | 11.18% | \$553,482.92 |
| | | Anthony Andrews School | \$34,500.00 | | | |
| | | Brevig Mission School | \$34,500.00 | | | |
| | | Diomede School | \$48,100.00 | | | |
| | | Gambell School | \$34,500.00 | | | |
| | | Hogarth Kingeekuk Sr. Memorial School | \$34,500.00 | | | |
| | | James C. Isabell School | \$48,100.00 | | | |
| | | Koyuk-Malimiut School | \$48,100.00 | | | |

| | | | | | | |
|---------------|--------------|--------------------------------|--------------------------|--------------|---------|--------------|
| | | Martin L. Olson School | \$48,100.00 | | | |
| | | Shishmaref School | \$34,500.00 | | | |
| | | Tukurngailnguq School | \$34,500.00 | | | |
| | | Wales School | \$48,100.00 | | | |
| | | White Mountain School | \$48,100.00 | | | |
| | | Shaktoolik School | \$155,800.00 | | | |
| Bristol Bay | \$85,503.02 | Naknek Elementary | \$108,060.00 | \$108,060.00 | 1.73% | \$85,503.02 |
| | | Bristol Bay Middle/High School | 3 shares w/ elementary | | | |
| Chatham | \$73,073.28 | Angoon School | \$17,983.55 | \$92,351.10 | 1.48% | \$73,073.28 |
| | | Gustavus School | \$12,447.80 | | | |
| | | Tenakee Springs School | \$23,149.00 | | | |
| | | Klukwan School | \$38,770.75 | | | |
| Chugach | \$292,457.76 | Chenega Bay | \$97,087.50 | \$369,612.50 | 5.91% | \$292,457.76 |
| | | Tatitlek | \$215,780.00 | | | |
| | | Whittier | \$56,745.00 | | | |
| Copper River | | Copper River School District | Not eligible | | | |
| | | Glennallen Elementary School | Not eligible | | | |
| | | Glennallen High School | Not eligible | | | |
| | | Kenny Lake School | Not eligible | | | |
| | | Slana School | Not eligible | | | |
| Dillingham | \$149,903.27 | Dillingham Middle/High | \$189,450.00 | \$189,450.00 | 3.03% | \$149,903.27 |
| | | Dillingham Elementary | 39 shares w/ middle/high | | | |
| Fairbanks | \$178.03 | Salcha Elementary | \$225.00 | \$225.00 | 0.0036% | \$178.03 |
| Hoonah | \$18,414.40 | Hoonah Elementary | \$23,272.40 | \$23,272.40 | 0.37% | \$18,414.40 |
| | | Hoonah Jr./Sr.C44 High School | 3 shares w/ elementary | | | |
| Iditarod Area | \$209,840.84 | Blackwell School | \$45,100.00 | \$265,200.00 | 4.24% | \$209,840.84 |
| | | David Louis Memorial School | \$33,825.00 | | | |

| | | | | | | |
|-------------|--------------|---|--------------|-----------------------------|-------|--------------|
| | | Holy Cross School | \$17,875.00 | | | |
| | | Innoko River School | \$31,125.00 | | | |
| | | McGrath School | \$58,350.00 | | | |
| | | Takotna Community School | \$33,825.00 | | | |
| | | Top of the Kuskokwim School | \$45,100.00 | | | |
| | | DLC | Not eligible | | | |
| | | | | | | |
| Juneau | | Auke Bay | Not eligible | | | |
| | | Dxantik'i Heeni | Not eligible | | | |
| | | Floyd Dryden | Not eligible | | | |
| | | Gastineau | Not eligible | | | |
| | | Glacier Valley | Not eligible | | | |
| | | Harborview | Not eligible | | | |
| | | JCCS (What is this?) | Not eligible | | | |
| | | Juneau Douglas | Not eligible | | | |
| | | Mendenhall River | Not eligible | | | |
| | | Riverbend | Not eligible | | | |
| | | Thunder Mountain | Not eligible | | | |
| | | Yaakoosge | Not eligible | | | |
| | | Johnson Youth C. | Not eligible | | | |
| | | Juneau Youth S. | Not eligible | | | |
| | | Marie Drake Core | Not eligible | | | |
| | | District Internet | Not eligible | | | |
| | | | | | | |
| Kashunamiut | \$33,232.71 | Kashunamiut | \$42,000.00 | \$42,000.00 | 0.67% | \$33,232.71 |
| | | | | | | |
| Kenai | \$21,687.07 | Hope | \$8,750.00 | \$27,408.45 | 0.44% | \$21,687.07 |
| | | Susan B. English | \$500.00 | | | |
| | | Tebugna (at 7.5 mbps, per district request) | \$18,158.45 | | | |
| | | | | | | |
| Kuspuk | \$151,920.97 | Aniak Secondary School | \$11,250.00 | \$192,000.00 | 3.07% | \$151,920.97 |
| | | Auntie Mary Nicoli Elem. School | | office & 1 schl. share line | | |
| | | Kuspuk School District Office | | office & 1 schl. share line | | |
| | | George Morgan Sr. H.S. | \$16,750.00 | | | |
| | | Zackar Levi Elementary | | shares with H.S. above | | |

| | | | | | | |
|-------------------|--------------|--|------------------------|--------------|-------|--------------|
| | | Gregory Elementary | shares with H.S. above | | | |
| | | Crow Village Sam School | \$41,000.00 | | | |
| | | Johnnie John Sr. School | \$41,000.00 | | | |
| | | Jack Egnaty Sr. School | \$41,000.00 | | | |
| | | Gusty Michael School | \$41,000.00 | | | |
| | | | | | | |
| Lake and Peinsula | \$358,992.42 | Chignik Bay School | \$34,900.00 | \$453,700.00 | 7.25% | \$358,992.42 |
| | | Chignik Lagoon School | \$34,900.00 | | | |
| | | Chignik Lake School | \$34,900.00 | | | |
| | | Egegik School | \$34,900.00 | | | |
| | | Igiugig School | \$34,900.00 | | | |
| | | Kokhanok School | \$34,900.00 | | | |
| | | Levelock School | \$34,900.00 | | | |
| | | Newhalen School | \$34,900.00 | | | |
| | | Nondalton School | \$34,900.00 | | | |
| | | King Salmon Office | Not eligible | | | |
| | | Perryville School | \$34,900.00 | | | |
| | | Pilot Point School | \$34,900.00 | | | |
| | | Port Alsworth Tanalian School | \$34,900.00 | | | |
| | | Port Heiden Meshik School | \$34,900.00 | | | |
| | | | | | | |
| Lower Kuskokwim | | Districtwide Contract | Not eligible | | | |
| | | | | | | |
| Matanuska-Susitna | | Sent list of 50 sites all at 40 mbps or better | Not eligible | | | |
| | | | | | | |
| North Slope | \$255,520.00 | Alak School | \$30,040.00 | \$322,930.00 | 5.16% | \$255,520.00 |
| | | Kaveolook | \$52,570.00 | | | |
| | | Kali School | \$52,570.00 | | | |
| | | Meade River | \$52,570.00 | | | |
| | | Nuiqsut Trapper | \$52,570.00 | | | |
| | | Nunamiut | \$52,570.00 | | | |
| | | Tikigaq | \$30,040.00 | | | |
| | | Ipalook Elem | Not eligible | | | |
| | | Kiita Learning | Not eligible | | | |
| | | Hopson Middle | Not eligible | | | |

| | | Barrow High Sch | Not eligible | | | |
|------------------|--------------|---|-----------------------|--------------|--------|--------------|
| Northwest Arctic | \$480,014.89 | Ambler School | \$33,150.00 | \$606,650.00 | 9.70% | \$480,014.89 |
| | | Aqqaluk High/Noorvik Elementary | \$33,150.00 | | | |
| | | Buckland School | \$33,150.00 | | | |
| | | Davis-Ramoth School | \$33,150.00 | | | |
| | | Deering School | \$33,150.00 | | | |
| | | Kiana School | \$33,150.00 | | | |
| | | Kobuk School | \$33,150.00 | | | |
| | | McQueen School | \$33,150.00 | | | |
| | | Napaaqtugmiut School | \$33,150.00 | | | |
| | | Shungnak School | \$33,150.00 | | | |
| | | June Nelson Elementary | \$275,150.00 | | | |
| Pelican | \$40,155.40 | Pelican School | \$50,749.00 | \$50,749.00 | 0.81% | \$40,155.40 |
| Pribilof | \$19,991.06 | St. George Island School | \$25,265.00 | \$25,265.00 | 0.40% | \$19,991.06 |
| | | St. Paul Island School | \$+D91hares w/ St. G. | | | |
| Southeast Island | \$392,114.36 | Port Protection | \$92,000.00 | \$495,560.00 | 7.92% | \$392,114.36 |
| | | Whale Pass | \$92,000.00 | | | |
| | | Port Alexander | \$92,000.00 | | | |
| | | Hyder | \$92,000.00 | | | |
| | | Naukati School | \$80,000.00 | | | |
| | | Hollis | \$15,065.00 | | | |
| | | Howard Valentine (Coffman Cove) | \$18,470.00 | | | |
| | | Kasaan School | \$14,025.00 | | | |
| Southwest Region | \$564,631.70 | William "Sonny" Nelson (Ekwok) School | \$170,375.00 | \$713,590.00 | 11.41% | \$564,631.70 |
| | | Koliganek School | \$124,280.00 | | | |
| | | "Chief" Ivan Blunka (New Stuyahok) School | \$124,280.00 | | | |
| | | Togiak School | \$124,280.00 | | | |
| | | Twin Hills School | \$170,375.00 | | | |

| | | | | | | |
|---------------|-----------------------|-----------------------------|-------------------------|-----------------------|----------------|-----------------------|
| St. Mary's | \$66,089.58 | St. Mary's School | \$83,525.00 | \$83,525.00 | 1.34% | \$66,089.58 |
| | | | | | | |
| Tanana | \$79,224.41 | Tanana City School District | \$100,125.00 | \$100,125.00 | 1.60% | \$79,224.41 |
| | | | | | | |
| Unalaska City | \$46,327.98 | Unalaska City School | \$58,550.00 | \$58,550.00 | 0.94% | \$46,327.98 |
| | | Eagle View Elementary | 139hares w/ city school | | | |
| | | | | | | |
| Yakutat City | \$24,718.81 | Yakutat School | \$31,240.00 | \$31,240.00 | 0.50% | \$24,718.81 |
| | | | | | | |
| Yukon Flats | \$183,966.80 | Arctic Village | \$38,750.00 | \$232,500.00 | 3.72% | \$183,966.80 |
| | | Circle | \$38,750.00 | | | |
| | | Cruikshank | \$38,750.00 | | | |
| | | John Fredson | \$38,750.00 | | | |
| | | Tsuk Taih | \$38,750.00 | | | |
| | | Fort Yukon | \$38,750.00 | | | |
| | | | | | | |
| Yukon-Koyukuk | \$127,392.07 | Allakaket | \$11,250.00 | \$161,000.00 | 2.57% | \$127,392.07 |
| | | Andrew K Demoski | \$11,250.00 | | | |
| | | Ella B Verneti | \$27,500.00 | | | |
| | | Jimmy Huntington | \$11,250.00 | | | |
| | | Johnny Oldman | \$27,500.00 | | | |
| | | Kaltag | \$16,750.00 | | | |
| | | Gladys Dart | \$27,500.00 | | | |
| | | Merrelina A Kangas | \$16,750.00 | | | |
| | | Minto | \$11,250.00 | | | |
| | | | | | | |
| Yupit SD | \$102,327.08 | Tuluksak School | \$33,375.00 | \$129,322.50 | 2.07% | \$102,327.08 |
| | | Akiachak School | \$95,947.50 | | | |
| | | Akiak School | Not eligible | | | |
| TOTALS | \$4,950,000.00 | | \$6,255,884.10 | \$6,255,884.10 | 100.00% | \$4,950,000.00 |

Janet Ogan

From: Paul Labolle
Sent: Thursday, April 09, 2015 9:55 AM
To: linda.thibodeau@alaska.gov
Cc: Janet Ogan
Subject: HB 82 fiscal note

Follow Up Flag: Follow up
Flag Status: Flagged

Hi Linda,

I just wanted to follow up on our phone conversation. HB82 is crafted to change the qualifying service level date for the program. It does not extend the program retroactively nor does it increase the amount available for the fund. Per statute the funding for the program is independent of the number of schools participating. Our intent is simply to allow schools who's contracts expired prior to the effective date of HB 278 an opportunity to apply to the program.

I am at your disposal for further clarification

1 **"An Act relating to funding for Internet services for schools."**

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

3 * **Section 1.** AS 14.03.127(a) is amended to read:

4 (a) Each fiscal year, a district in which one or more schools qualify for a
5 discounted rate for Internet services under the federal universal services program is
6 eligible to receive an amount for each school that is equal to the amount needed to
7 bring the applicant's share, **as of July 1, 2013**, to 10 megabits of download a second of
8 the Internet services.

9 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
10 read:

11 FUNDING FOR INTERNET SERVICES FOR SCHOOLS. Subject to appropriation,
12 a school district is eligible to receive supplemental funding under AS 14.03.127 for the fiscal
13 years ending June 30, 2014, and June 30, 2015, for each school in the school district that
14 qualified for a discounted rate for Internet services under the federal universal services
15 program after June 30, 2013. **If insufficient funding is appropriated to provide supplemental**

1 funding authorized under this section, the state share shall be distributed pro rata to school
2 districts that would have been eligible for funding in the fiscal years ending June 30, 2014,
3 and June 30, 2015.

Paul LaBolle
Staff to Representative Foster
Phone: 907-465-3789
Fax: 907-465-3242



February 9, 2015

Thank you for the opportunity to comment on HB 82. My name is Robin Johnson and I am the Director of Technology for Nome Public Schools.

We are grateful the legislature recognizes the issue rural districts are experiencing in relation to cost and access to bandwidth. The passing of **HB 278. Sec. 14.03.127. Funding for Internet services** is commendable and does a lot to help districts fill the gaps that distance, geography and expense create for rural districts. I am writing to ask for your support of HB. 82 since some districts were deemed ineligible for this program because of contract cycles, and the upcoming State online testing requirement. Nome Public Schools is one of those districts and the change that Representative Foster proposes in the amendment to Section 14.03.127(a) on HB. 82 will "make us whole".

In 2013 Nome Public Schools was in the final year of a 3 year contract for internet services. At this time our district of 700+ students and 100 staff shared 3Mbps under this contract. This contract expired on June 30, 2013 and we went into contract negotiations for our new internet services. At this time DEED had made it clear that online state testing would become a reality during our next 3-year internet service contract. In order to be in compliance with this mandate we had to increase our bandwidth. As a result we entered into a new contract for internet services which went into place on July 1, 2013. This contract increased our bandwidth to 6Mbps. effective July 1, 2013. The other factor we had to take into account during these contract negotiations was the fact the the new GCI Terra system would be online in Nome in the fall of 2013. Moving from Satellite service to the Terra network meant a decrease in latency and wait time as well as the ability to access more bandwidth. We chose to move from 6Mbps to 11Mbps once the Terra system came online in November of 2013. This came at steep price which attributes to a reduction of staffing at Nome Elementary School. The cost of this increase meant that \$80,810.00 would now come from our general fund to pay for our internet services. Nome Public Schools annual expense for 11Mbps via the Terra System is \$381,552.00 or \$31,796.00 a month. We are eligible for 80% reimbursement through the E-Rate program which equals \$305,240.00 leaving us with 20% of the expense, or \$76,310. In addition we are required, by the Child Internet Protection Act (CIPA) to have filters in place for student online safety. These filters are not eligible for E-Rate funding nor are our email accounts. The cost of these two items adds \$4500.00 to our overall internet expense equalling \$80,810.00 a year from our general fund.

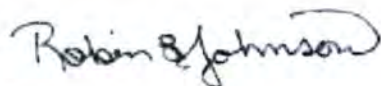
I ask that you please support HB 82, and not penalize the us because we happened to be in a renewal year in June of 2013. When you read the language in HB278, it does appear to cover districts such as Nome because we do meet the requirements as outlined. The problem is the date the law went into effect was just after we increased our service to 11Mbps. With the fiscal year driving district budgets and the E-rate process, I ask that you include the language that would make the bill inclusive of the entire fiscal year that the law went into place. The Date of June 30, 2013 would accomplish this goal as prior contracts expired on that date.

Alaska is a great state but some of the things that make it great also cause great problems. Due to the climate, vastness, terrain, and lack of roads, our district, and others like us, we are hundreds of miles from the source of internet connectivity. Satellite and microwave solutions are all we have. These

solutions are expensive to deploy and maintain. Our schools do not have the purchasing power to meet with the need. Broadband is great the equalizer and our rural students need and deserve the same access as their urban counterparts. However the expense is not equitable with our urban counterparts. HB 278 helps fill that gap and it will go further if it encompasses the entire fiscal year that it became law.

Please feel free to contact me if you need further clarification or information. I can be reached at rjohnson@nomeschools.com or 907-443-6203.

Thank you for your time and consideration.

A handwritten signature in black ink that reads "Robin Johnson". The signature is written in a cursive, flowing style.

Robin Johnson
Director of Technology
Nome Public Schools
rjohnson@nomeschools.com
907-443-6203

Nome-Beltz Jr/Sr High School

Box 131 • Nome, Alaska 99762

Phone: 443-5201 Fax: 443-3626

Harlan Heinrich
Principal



Doug Bushey
Assistant Principal

Date: February 20, 2015

To: Legislative Assembly and Committee Members

From: Harlan Heinrich, Principal Nome-Beltz Jr/Sr High School

Re: HB 82

Thank you for this opportunity to share my support for HB 82. This bill is of significant importance to us in Rural Alaska. We are struggling with demands for broader bandwidth and the costs that are associated with that. As you probably already know that the required state wide assessments (AMP) testing places a considerable strain on our available bandwidth. As sophistication of Internet services increases the bandwidth also increases and the costs for engaging in those services continues to rise. Your support for HB 82 will provide us with some, much needed, relief for these additional expenses.