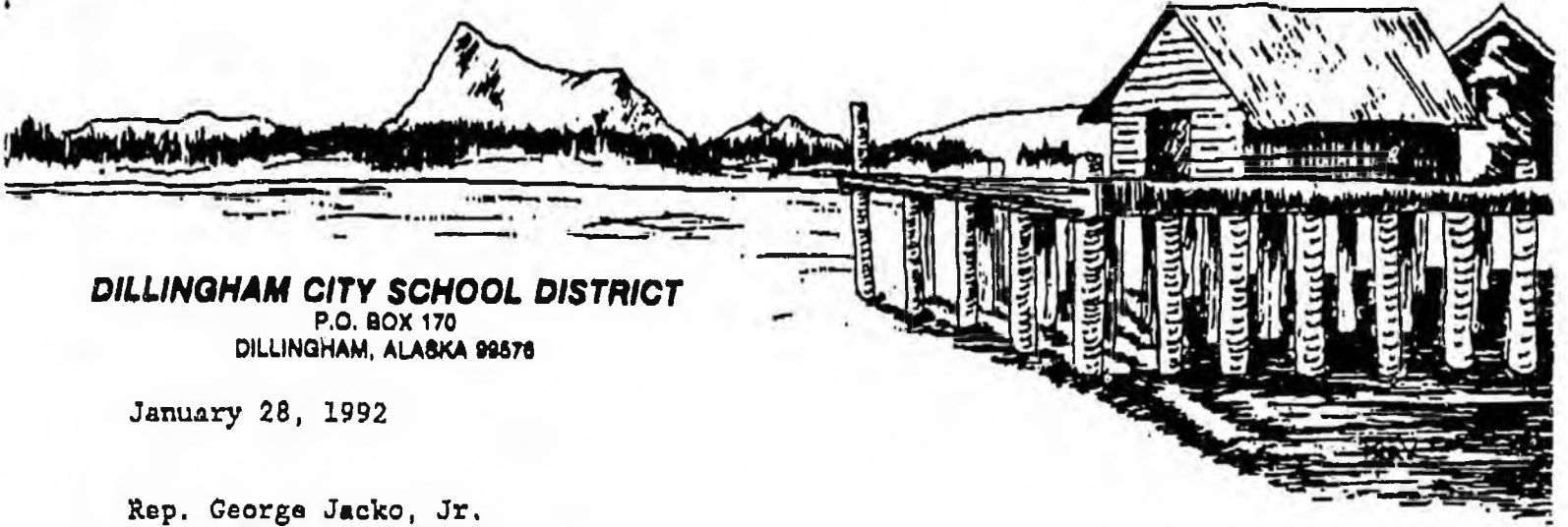


Leg. Finance-House & Senate Finance Comte Files (1991-1992) 713



DILLINGHAM CITY SCHOOL DISTRICT
 P.O. BOX 170
 DILLINGHAM, ALASKA 99578

January 28, 1992

Rep. George Jacko, Jr.
 House of Representatives
 Box V
 Juneau, AK 99811

Dear Representative Jacko

This is to ask you to support for CS HB 25. More importantly, your attention and energy needs to be directed at Section I (b) to preserve the \$234,000 that was allocated to the Dillingham City School District.

Without detailing every additional cost for next year, below I have listed the items which have the largest impact on our budget.

| | |
|---|------------------|
| Increases in teacher salaries as per our negotiated agreement..... | \$ 90,000 |
| Increase in Teacher Retirement System..... | 84,000 |
| Increase in Classified salaries..... | 18,000 |
| Increase in Heat and Electricity..... | <u>20,000</u> |
| TOTAL..... | <u>\$212,000</u> |

Without the additional allocation, we would have to find a way to increase our revenue by \$212,000 just to maintain the present programs.

It is easy to see if additional revenue is not forthcoming, it will be necessary to cut that amount from next year's budget. Without a doubt, that means reducing the teaching staff because that is the only place where sufficient money can be found. Our "fixed" costs are just that--"fixed."

I am developing the proposed budget for our School District now. Because I feel compelled to recommend a balanced budget, I am proposing the reduction of 4-5 teachers. That will, as an example, result in reducing second grade staff to two teachers instead of three; Thus, changing the pupils per teacher from 18 to 1 to 27 to 1. Even if that made good educational sense, the rooms simply are not designed to carry that many pupils!

We will need to do this for kindergarten, grades 1 and 2, and eliminate music, physical education, and counseling at the Elementary School.

Representative Jacko
January 28, 1992
Page 2

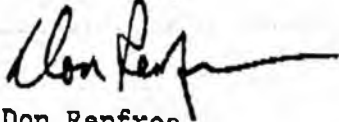
Further reductions at the High School severely impair our ability to offer a basic comprehensive program.

The city is presently funding us at 5.7 mils. Word we get from the Council is that that exceeds what they will be able to do next year.

The bottom line is either the legislature improves the formula for Dillingham, or the pendulum will swing away from an acceptable basic program to mediocrity.

If you can help secure the additional monies needed, we would be forever grateful.

Sincerely .



Don Renfroe
Superintendent

mmk

Unalaska City School District

January 29, 1992

Rep. George Jacko
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Jacko,

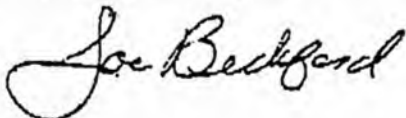
On behalf of Unalaska City School District and Aleutian Region School District, I would like to thank you for your continued efforts in supporting single/dual site supplemental funding. This additional funding is critical for the single/ dual site school districts in Alaska. As I am sure you are aware, one consequence of the current foundation program was to bring about a big shift in the way money was being distributed from small to large school districts.

As small school districts, this additional funding has been of critical importance in allowing us to carry out our programs. Although it is difficult to track this money precisely - It has been incorporated with other general fund money - I can say that without this money we would not be able to do the things we are doing to move these two districts toward the year 2000 by making a substantive investment in both curriculum updating and in-servicing for teachers. Without the \$157,800. we received this year, we would have difficulty in making our fixed expenses; it would have to be at the cost of severely reducing things such as classroom supplies and other instructional materials.

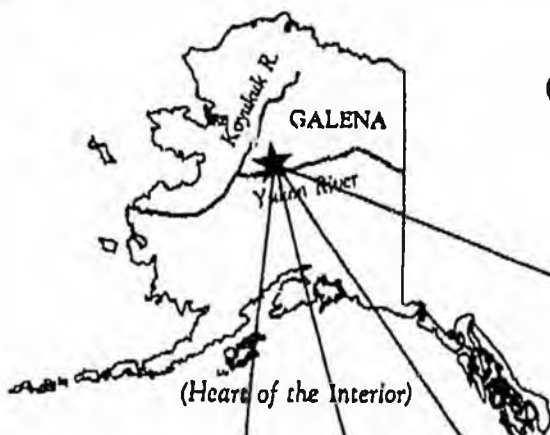
One factor which has had a significant financial impact upon our districts is the increase in the Teacher Retirement System employer contribution rate. This year, the additional cost of going from 10.54% to 11.86% cost the Unalaska District an additional \$26,800. For next year, the increase from 11.86% to 15.69% is projected to cost Unalaska an additional \$75,000. A \$101,800. increase in two years. Without the supplemental funding, I do not know where the money will come from to cover this added expense.

I hope that you can impress upon your colleagues the impact that these funds have upon the level of quality with which we are able to deliver our programs.

Sincerely,
UNALASKA CITY SCHOOL DISTRICT/
ALEUTIAN REGION SCHOOL DISTRICT

A handwritten signature in cursive script that reads "Joe Beckford".

Joseph B. Beckford
Superintendent



GALENA CITY SCHOOL DISTRICT

GALENA, ALASKA 99741
PHONE (907) 656-1205

SUPERINTENDENT'S
OFFICE

January 31, 1992

Representative Georgianna Lincoln
P.O. Box V
Juneau, Alaska 99811

Dear Representative Lincoln:

Galena City School District is a single-site school district that has 143 students K-12, not counting our early childhood program which we just added last year (without any additional financial support). In a recent report prepared by Dr. Nat Cole, January 28, 1992 it is clearly shown that there is an equity disparity of approximately 12% in the funding formula for school districts our size. We need that money to give our children an equal educational opportunity. Even with the single site funds we are facing major cuts due to loss of PL-874 funds. Without the additional \$150,000 single-site money the state has provided in the past, I am sure we will be forced to cut programs and staff.

Carole Huntington and I have planned a meeting with you on Monday, February 10th, at 3:00 p.m. to explain in more detail our exact situation with PL-874 funding. Any other additional funding assistance will also be greatly appreciated. At our current enrollment level a \$63,000 unit would give us an additional \$81,030 which we greatly need.

However, the inequity in the basic formula still exists and will not cover our revenue short-fall.

I am sorry to have to make such a strong plea for help this year but I know you and the other members of the HESS Committee remember the faces of our children. It is for them that I write this letter.

Many school districts can turn to their local community and borough for help. Our city recently held a meeting to explore second-class city status because of their financial position. There are no additional local revenues and the community, in general, has fallen upon hard times. However, I might add that presently the city is meeting its 4 mil responsibility which is more cost-effective for the state as opposed to being in a REAA.

I would like to address the comments made by Matthew Berman and Eric Larson which reflect their opinion in a recent Executive Summary of educational equity. I refer specifically to page six, paragraph two, under subsection Educational Equity.

Representative Lincoln
January 31, 1992
Page 2

These two gentlemen have made a pretty bold statement of opinion to suggest that if you give small districts more money that it would be wasted in the "formation of less efficient districts." Do they mean that additional school districts would be formed or do they mean that existing small districts would waste the money or do they mean that small districts are less efficient?

I would really like to have an opportunity to ask some very pointed questions about the efficiency and effectiveness of small single-site districts compared to REAA's and boroughs.

It would be interesting to do a statistical analysis using a multiple regression design to answer the following questions:

1) How do the smaller schools in an REAA or borough compare in achievement and services to the school located in the community in which the central offices are located? In other words, do the small remote sites get the same level of services that the schools do where the main offices are located?

2) How do the small single-site districts compare to the small REAA and borough schools that are not located where the district offices are located?

I have been a principal in both a small school outside of the district's main offices and in the main headquarters, and a principal in a single-site district. From my experience, I can assure you that the small schools attached to a central office located elsewhere do not get the same level of service of either a single-site district or a central office site, no matter how hard and committed the borough or REAA is to all their needs.

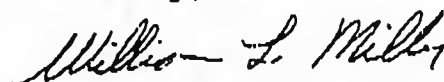
I have found that there are seldom simple answers to complex issues and Mr. Berman and Mr. Larson have made a statement of opinion unsupported by facts about the efficiency of small single-site districts. I don't know who the gentlemen are but wish that before they make statements that could harm a lot of school children, they have proper documentation.

Perhaps we need some serious research done to get at the issue of qualitative and quantitative differences between small schools with local control, large single-site districts with local control, and between and among school sites in REAA's and boroughs.

The question of efficiency, effectiveness, and necessity should not be confused with equity and need.

Thank you and the state legislators for any assistance in this matter.

Sincerely,



William L. Miller, Superintendent



ST. MARY'S SCHOOL DISTRICT

P.O. Box 171 St. Mary's, Alaska 99658
(907) 438-2311 or (907) 438-2834

Accredited by Northwest Accreditation Association



Representative Georgianna Lincoln
P.O. Box V
Juneau, Alaska 99811

Dear Repreretative Lincoln,

In regards to the St. Mary's School District, I would like to address several issues that may be of help in the support of single/dual site funding.

An increase of the instructional unit from \$60,000 to \$63,000 would reflect a dollar increase of \$64,590 for the St. Mary's School District. Although the increase is significant, it is not enough to finance our basic instructional program. The school district received \$156,000 in supplemental monies for the fiscal year '91, and \$127,800 for the fiscal year '92. This supplemental funding is absolutely necessary to just maintain our instructional program.

The St. Mary's School District does not have local financial resource other than the 4 mill levy. This amounts to only \$17,837 and is used as an in-kind match by the city for plowing snow.

The disparity between districts and financial resources, as well as the disparity in the foundation program itself, has been recognized in the last two years by the legislature. The supplemental funding was made available to address the funding inequity in the foundation program, while the request for an increase in the instructional unit is simply an attempt to maintain inflationary costs. The supplemental funding for single/dual sites must be made a permanent part of the foundation program. This along with the instructional unit increase is absolutely necessary to maintain a school in St. Mary's.

Because of attempts to force consolidation, I hesitate to make inferences about costs of large vs small school districts without factual supportive statistics.

Education in rural Alaska is expensive for all school districts. A small school district has high maintenance and operational costs relative to lower student numbers. All supplies come in by barge or air freight. That is the geographical nature of rural Alaska and needs to be accepted by the legislature as part of its financial responsibility in financing an educational system in a state as diverse as Alaska.

Sincerely,

Dale Moore

TANANA CITY SCHOOL DISTRICT

P.O. Box 89
Tanana, Alaska 99777
(907) 366-7203

Dr. Vince Barry
Superintendent
Richard P. Lee
Principal

January 28, 1992

To: Georgianna Lincoln, Representative
From: Vince Barry, Ed.D., Superintendent
Subject: Single Site Funding



If Tanana loses the \$122,400 the legislation calls for, the hurt caused will effect every aspect of a child's school life in Tanana.

The following cuts come to mind immediately:

* the University of Alaska Fairbanks advanced Mathematics and English programs...Last year 80% of all 11th and 12th graders received credit in pre-calculus college algebra and college english composition, (Math 107 & English 111). One student completed Math 108, college trigonometry, during the summer.

* Athabaskan Language Program...Four of Tanana's most revered elders teach both parents and students in this program.

* Library...Our library aide, whose time has already been reduced, would be eliminated.

* Music...Athabaskan Old Time Fiddlers' Program...upwards of 30 students are learning the intricacies of the violin through this program. Our teacher will return from sabbatical next year and will need to be reassigned.

* Cross-Country Skiing...we have approximately 65 elementary students in the school and 50 are engaged in our cross-country ski program. It is an integral part of our extended physical education program and leads to life long participation. Tanana is host of the state's cross-country ski meet.

* Other Sports...our girls' and boys' basketball and cross country running, as well as our sports' cross country ski program.

* Special Programs...we are forced to expend funds from our regular foundation program in order to support the FAS children, due to the fact that the dollars available through the special education program are not sufficient. This is the saddest implication of further cuts.

Tanana has already been cut from \$150,000 appropriation to \$122,000. I would like to invite the members of the legislature to Tanana, to help them understand what it takes in terms of psychic energy as well as dollars to deliver, not only the best education in Alaska, but a world class education. Four years from now, kids from Tanana will be educated as well as the French, German, Japanese, or any other nation.

The Institute for Social Science and Economic Research (ISER) study made a false inference relative to its work concerning single sites, when it indicated the \$122,000, for Tanana, was not needed. It simply ignored the same basic flaw in the foundation program, that has to do with "front-end loading" which is the repeating of administrative costs throughout each site. Whether or not economists will ever agree as to which study of the single site issue is appropriate, please understand that Tanana not only needs this \$122,000 allocation but is absolutely desperate for it. I have no reason to negatively exaggerate Tanana's financial situation. Nothing accrues to me nor the children of Tanana by such an exaggeration.

Please support and encourage all of your colleagues in the House and Senate to support the Single/Dual Site Funding. The Purpose of the Tanana school is:

To help all children succeed in obtaining the necessary knowledge, skills and attitudes to live a happy, productive life as a contributing member of society.

Statement On Small Single Funding Community School Districts and Findings In The ISER Report

The ISER report pp. 62-73 analyzes the costs of small schools in two ways. One approach was to analyze the revenue per school verses the expenditures per school in two school districts that have both small and somewhat isolated schools as well as large schools within the district. The Districts used were Kenai and Mat-Su. Figures 48 and 49 pp. 68-69 show the results graphically. Table A incorporates the same analysis of small single funding school districts with the ISER findings. Column D of Table A shows the per ADM difference between state foundation support and total expenditures for the small single funding community school districts by size grouping while columns E and F show the same information for the Mat-Su and Kenai school districts respectively. It can be seen that the small single site funding community school districts show gaps between foundation support and expenditures that are as great or greater than Kenai and Mat-Su in similar size school groups.

The ISER report points out that Kenai spends nearer what the foundation provides for small schools while Mat-Su spends considerably more and indicates that the data is inconclusive as to a pattern of state foundation revenue vs expenditures in Kenai and Mat-Su. If ISER had investigated the funding community patterns of Kenai and Mat-Su they would have found that the Kenai small schools had been granted separate funding community status by the Department of Education while Mat-Su had not been granted the same status for their small schools (Kenai 21 funding communities, Mat-Su 6 funding communities). The result being that Kenai received much more state foundation support per ADM than did Mat-Su for comparably sized small schools. Kenai also provided \$927 more per ADM in local funding than did Mat-Su.

Mat-Su has since petitioned the Department of Education and received approval for 7 new funding communities in their small schools. Table B column Q shows that action will provide an average of \$1,476 per more state foundation support per ADM for 7 small schools in the Mat-Su District bringing them in line with Kenai except for local effort.

Since it is not within the Department of Education's authority to grant relief to the small single funding community school districts (they are already separate funding communities), these districts are seeking relief from the legislature in the form of statutory change.

The second approach that ISER took to investigate small school costs was to compare district wide costs between districts in which the average school enrollment in one district was twice as large as the other district and nothing else was different. This simply does not speak to the issue raised by the small single funding community school district consortium. The consortium's point is that when a school district with approximately the same ADM as a single funding community school district has multiple funding communities, the multiple funding district receives much more state foundation funding per ADM than the single funding community school district. Table B illustrates

TABLE A

Small Single Funding Community School Districts Compared to
Kenai and Matu-Su School Sites From the ISER Report

| SCHOOL DISTRICT | A | B | C | D | E | F | G | H | I |
|--------------------|------------------------|-----------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|--------------------------------|-----------------------------|----------------------------|
| | FY 1990 FOUNDATION ADM | FY90 SUPPLE SUPPORT PER ADM | SS DIST PROPOSED F93 \$/ADM | TOTAL EXP LESS FND PER ADM | TOTAL EXP LESS FND PER ADM | TOTAL EXP LESS FND PER ADM | MAT-SU/KENAI ADMIN EXP PER ADM | MAT-SU EXP LESS FND PER ADM | KENAI EXP LESS FND PER ADM |
| Total ADM 1-250 | 1735.35 | \$845 | \$873 | \$4,027 | \$3,800 | \$2,510 | \$1,500 | \$2,300 | \$1,010 |
| Total ADM 251-525 | 2250.05 | \$197 | \$425 | \$2,813 | \$2,880 | \$2,700 | \$1,500 | \$1,380 | \$1,200 |
| Total ADM 526-1000 | 2135.55 | \$29 | \$510 | \$2,501 | \$1,530 | \$3,570 | \$1,500 | \$30 | \$2,070 |
| AVERAGE | | | \$510 | | | | | | |

TABLE B

Demonstration of Small Single Funding School Districts
vs. Multiple Funding Community Districts, K-12 Units
With Same Enrollments Using Mat-Su Schools in Supplemental

| SCHOOL SITES | J | K | L | M | N | O | P | Q |
|------------------------------------|---------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | ADM | FUND COMM UNITS | FUND COMM UNITS | FUND COMM UNITS | FUND COMM UNITS | FUND COMM UNITS | FUND COMM UNITS | FUND COMM UNITS |
| BERYOZARA | 9.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| TRAPPER CREEK | 42.50 | 6.81 | 6.81 | 6.81 | 6.91 | 6.81 | 6.81 | 6.91 |
| SUTTON | 68.00 | 9.67 | | 9.67 | 9.67 | 9.67 | 9.67 | 9.67 |
| TALKEETNA | 102.25 | 12.52 | | | 12.52 | 12.52 | 12.52 | 12.52 |
| WILLOW | 125.48 | 14.37 | | | | 14.37 | 14.37 | 14.37 |
| BUTTE | 359.72 | 24.59 | | | | | 24.59 | 24.59 |
| BIG LAKE | 559.48 | 37.90 | | | | | | 37.90 |
| TOTAL | 1263.43 | 107.95 | 8.81 | 18.48 | 31.00 | 45.37 | 69.95 | 107.95 |
| UNITS AS SINGLE FUNDING COMMUNITY | | | 7.81 | 13.875 | 20.72 | 29.08 | 53.00 | 74.32 |
| DIFF IN K-12 UNITS MULT VS. SNGL | | | 1.00 | 4.61 | 10.28 | 16.29 | 16.95 | 31.07 |
| % OF K-12 UNITS GAIN MULT VS. SNGL | | | 12.77% | 33.19% | 49.64% | 36.01% | 31.99% | 41.81% |
| ADM AS SINGLE FUNDING COMMUNITY | | | 50.5 | 118.5 | 220.75 | 346.23 | 704.95 | 1263.43 |
| DIFF \$/ADM MULT VS. SINGLE | | | \$1,185 | \$2,332 | \$2,795 | \$2,823 | \$1,443 | \$1,476 |

Small Single Site School District Funding

Issue

To revise Title 13, Chapter 17 Public School Foundation Program to include an increase for schools with one funding community (site) and 1,000 or fewer average daily membership (ADM).

Background

The present public funding act was passed in the 1987 Legislative Session. During the Legislative hearings there was much discussion concerning the adequacy of the funding formula for small single site school districts i.e. districts of up to 1,000 (750, 525, 100-525) in enrollment that were a single funding community. No one was sure of the impact of the new formula on these districts and an appropriation of two million dollars was made to the State Department of Education to address unique and emergency circumstances substantiated by school districts to the Department. Subsequent fiscal year appropriations were made to the Department for specific school districts, the majority of which were single site school districts.

A review of testimony on HB 126, and the discussions in subsequent years on supplemental appropriations for single site school districts, shows that the Legislature believes there is a need for some adjustment in the foundation program for single site school districts. Certainly the passage of supplementals for FY90, 91 and 92 shows there is a continuing need for additional support to single site districts. The major questions concerning the issue are: what size districts should receive additional support, how much support, and how to incorporate the adjustments into the foundation program.

Analysis

There has been general agreement that single site districts as large as the Nome School District need some adjustment. For purposes of analysis single site school districts of 1000 or fewer in ADM will be divided into three groups, i.e. districts of 1-250 ADM, 251-525 ADM and 526-1,000 ADM. These groups are selected for analysis because they generally follow breakpoints in the present formula for K-12 instructional units. These districts were analyzed on a per ADM basis for changes that have occurred in state funding, local effort, P.L. 81-874 funds, fund balances, property values, supplemental support and pupil teacher ratios (PTR) since FY86. FY86 was selected as the base year because it had the highest state support for public education in the history of the State. The Aleutian Region REAA and the schools in the Aleutian East Borough were excluded from the analysis because of a lack of comparable data, and the North Slope Borough and Valdez City districts were excluded because of extremely high local property values.

Small Single Site School District Funding Proposal

Fiscal Note*

| SCHOOL DISTRICT | PROJECTED FY 93 ADM | PROJECTED FY93 K-12 UNITS | ADJUSTMENT FACTOR | INCREASED UNITS | AREA DIFFERENTIAL | SMALL SINGLE SITE PROPOSAL |
|-----------------|---------------------|---------------------------|-------------------|-----------------|-------------------|----------------------------|
| Galena | 160 | 16.67 | 12.00% | 2.00 | 1.30 | \$156,031 |
| Hoonah | 225 | 21.00 | 12.00% | 2.52 | 1.08 | \$163,296 |
| Hydaburg | 120 | 14.00 | 12.00% | 1.68 | 1.03 | \$103,824 |
| Kake | 178 | 17.87 | 12.00% | 2.14 | 1.03 | \$132,524 |
| Kashumamiut | 208 | 19.87 | 12.00% | 2.38 | 1.33 | \$190,275 |
| Klawock | 215 | 20.33 | 12.00% | 2.44 | 1.03 | \$150,767 |
| Nenana | 185 | 18.33 | 12.00% | 2.20 | 1.20 | \$158,371 |
| Pelican | 48.2 | 7.53 | 12.00% | 0.90 | 1.08 | \$58,553 |
| Skagway | 135 | 15.00 | 12.00% | 1.80 | 1.05 | \$113,400 |
| St. Mary's | 105.5 | 12.97 | 12.00% | 1.56 | 1.30 | \$121,399 |
| Tarana | 100 | 12.33 | 12.00% | 1.48 | 1.30 | \$115,409 |
| Yakutat | 127 | 14.47 | 12.00% | 1.74 | 1.08 | \$112,519 |
| | | | | | | |
| Annette Island | 420 | 34.00 | 8.00% | 2.72 | 1.03 | \$168,096 |
| Cordova | 487.75 | 37.22 | 8.00% | 2.98 | 1.11 | \$198,308 |
| Craig | 390 | 32.00 | 8.00% | 2.56 | 1.03 | \$158,208 |
| Dillingham | 553 | 42.91 | 8.00% | 3.43 | 1.27 | \$261,579 |
| Unalaska | 332 | 28.13 | 8.00% | 2.25 | 1.27 | \$171,480 |
| Wrangell | 527 | 40.55 | 8.00% | 3.24 | 1.00 | \$194,640 |
| | | | | | | |
| Adak | 718 | 51.91 | 6.00% | 3.11 | 1.27 | \$237,333 |
| Nome | 773 | 56.88 | 6.00% | 3.41 | 1.34 | \$274,389 |
| Petersburg | 722 | 53.70 | 6.00% | 3.22 | 1.00 | \$193,320 |
| | | | | | | |
| TOTAL | 6729.45 | 567.67 | | 49.78 | | \$3,433,721 |

*The fiscal note is for \$3,433,722. However, when the FY 92 small school supplemental (HB 5: \$2,131,200 and the Petersburg and Wrangell FY91 supplementals HB 15: \$372,600, TOTAL \$2,503,800) are considered, the increase is \$929,400.

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

Small Single Site School District Funding

Issue

To revise Title 13, Chapter 17 Public School Foundation Program to include an increase for schools with one funding community (site) and 1,000 or fewer average daily membership (ADM).

Background

The present public funding act was passed in the 1987 Legislative Session. During the Legislative hearings there was much discussion concerning the adequacy of the funding formula for small single site school districts i.e. districts of up to 1,000 (750, 525, 100-525) in enrollment that were a single funding community. No one was sure of the impact of the new formula on these districts and an appropriation of two million dollars was made to the State Department of Education to address unique and emergency circumstances substantiated by school districts to the Department. Subsequent fiscal year appropriations were made to the Department for specific school districts, the majority of which were single site school districts.

A review of testimony on HB 126, and the discussions in subsequent years on supplemental appropriations for single site school districts, shows that the Legislature believes there is a need for some adjustment in the foundation program for single site school districts. Certainly the passage of supplementals for FY90, 91 and 92 shows there is a continuing need for additional support to single site districts. The major questions concerning the issue are: what size districts should receive additional support, how much support, and how to incorporate the adjustments into the foundation program?

Analysis

There has been general agreement that single site districts as large as the Nome School District need some adjustment. For purposes of analysis single site school districts of 1000 or fewer in ADM will be divided into three groups, i.e. districts of 1-250 ADM, 251-525 ADM and 526-1,000 ADM. These groups are selected for analysis because they generally follow breakpoints in the present formula for K-12 instructional units. These districts were analyzed on a per ADM basis for changes that have occurred in state funding, local effort, P.L. 81-874 funds, fund balances, property values, supplemental support and pupil teacher ratios (PTR) since FY86. FY86 was selected as the base year because it had the highest state support for public education in the history of the State. The Aleutian Region REAA and the schools in the Aleutian East Borough were excluded from the analysis because of a lack of comparable data, and the North Slope Borough and Valdez City districts were excluded because of extremely high local property values.

Analysis (continued)

The procedure that was used for analysis purposes was to:

- accumulate the changes in each area listed above incorporating the changes required by the FY88 Foundation Act, and
- dividing the cumulative changes per ADM by the K-12 instructional unit basic need for FY91.

This determined the percentage of gain or loss by group as if there had been no supplemental support, allowing a comparison between what has been appropriated for supplementals and what the analysis shows as needed.

Findings

1. Single site school districts of 1-250 had a loss of 19.96%.
2. Single site districts of 251-525 had a loss of 10.00%.
3. Single site districts of 526-1000 had a loss of 5.06%.
4. The rest of the school districts as a group had a loss of 1.87%.
5. The data would suggest that single site school districts of 1-250 should receive an additional 18.09% (19.96% - 1.87%) of K-12 units, single site districts of 251-525 an addition of 8.13%, and single site districts of 526-1,000 an addition of 3.19%.
6. However, the 1-250 group of single site school districts received about a 4.50% more in supplemental support and exceeded the required 4 mill local effort by about 1 mill more than the other two groups, yielding about another 1.5% advantage, leaving that group at about a 12% adjusted loss. The 526-1,000 group of single site school districts started with a significantly higher pupil teacher ratio and increased it by almost one-fifth, which means that the group cut their programs beyond what the other groups did, reflecting about a 3% lower loss than they should have, had they received a higher level of supplemental support.

Recommendation

The above analysis and findings support the following recommendation for increased support to single site school districts of 1,000 or fewer in ADM except Valdez, which receives a considerable state support break because of the 35% rule.

| ADM | Percent of K-12 Units |
|----------|-----------------------|
| 1-250 | 12 |
| 251-525 | 8 |
| 526-1000 | 6 |

Small Single Site School District Funding Proposal

Fiscal Note*

| SCHOOL DISTRICT | PROJECTED FY 93 ADM | PROJECTED FY93 K-12 UNITS | ADJUSTMENT FACTOR | INCREASED UNITS | AREA DIFFERENTIAL | SMALL SINGLE SITE PROPOSAL |
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| Klawock | 215 | 20.33 | 12.00% | 2.44 | 1.03 | \$150,767 |
| Nenana | 185 | 18.33 | 12.00% | 2.20 | 1.20 | \$158,371 |
| Pelican | 48.2 | 7.53 | 12.00% | 0.90 | 1.08 | \$58,553 |
| Skagway | 135 | 15.00 | 12.00% | 1.80 | 1.05 | \$113,400 |
| St. Mary's | 105.5 | 12.97 | 12.00% | 1.56 | 1.30 | \$121,399 |
| Tanana | 100 | 12.33 | 12.00% | 1.48 | 1.30 | \$115,409 |
| Yakutat | 127 | 14.47 | 12.00% | 1.74 | 1.08 | \$112,519 |
| | | | | | | |
| Annette Island | 420 | 34.00 | 8.00% | 2.72 | 1.03 | \$168,096 |
| Cordova | 487.75 | 37.22 | 8.00% | 2.98 | 1.11 | \$198,308 |
| Craig | 390 | 32.00 | 8.00% | 2.56 | 1.03 | \$158,208 |
| Dillingham | 553 | 42.91 | 8.00% | 3.43 | 1.27 | \$261,579 |
| Unalaska | 332 | 28.13 | 8.00% | 2.25 | 1.27 | \$171,480 |
| Wrangell | 527 | 40.55 | 8.00% | 3.24 | 1.00 | \$194,640 |
| | | | | | | |
| Adak | 718 | 51.91 | 6.00% | 3.11 | 1.27 | \$237,333 |
| Nome | 773 | 56.88 | 6.00% | 3.41 | 1.34 | \$274,389 |
| Petersburg | 722 | 53.70 | 6.00% | 3.22 | 1.00 | \$193,320 |
| | | | | | | |
| TOTAL | 6729.45 | 567.67 | | 49.78 | | \$3,433,721 |

*The fiscal note is for \$3,433,722. However, when the FY 92 small school supplemental (HB 5: \$2,131,200 and the Petersburg and Wrangell FY91 supplementals HB 15: \$372,600, TOTAL \$2,503,800) are considered, the increase is \$929,400.

Proposed Legislative Wording

* Sec. _____ AS 14.17.041 is amended by adding a new subsection to read: (e) A district with an ADM of 1,000 or less that consists of one funding community and whose property evaluation per ADM is less than \$1,000,000.00 shall increase the elementary and secondary instructional units to which it is entitled under (a) or (b) of this section by a percentage determined under the following table:

| District ADM | Percentage |
|--------------|------------|
| 1-250 | 1.12 |
| 251-525 | 1.08 |
| 526-1000 | 1.06 |

Small Single Site School Districts

Funding Analysis

TABLE I

| Sch Dist. Size in ADM | A ACTUAL FY91 ADM | B AV. SUPP. PER ADM | C FY90 LOCAL EFF ≥ 4 MILLS PER ADM | D ADJ LOC EFF CNG PER ADM | E F90-F86 FND BAL PER ADM | F F88-91 LO EF/ADM CNG @ 4 MIL | G ST FND/ADM F86-F91 | H PL874/ADM F88-F91 | I C&B PL874 ADJUST/ADM |
|--------------------------|-------------------------|---------------------------|---|------------------------------------|------------------------------------|---|----------------------------|---------------------------|------------------------------|
| Total ADM 1-250 | 2046.1 | 500 | 517 | -420 | -986 | -35 | -1766 | -209 | 802 |
| Total ADM 251-525 | 2095.45 | 142 | 430 | -235 | -325 | 3 | -928 | 532 | 200 |
| Total ADM 526-1000 | 2171.15 | 116 | 331 | -47 | -512 | -33 | -1014 | 1022 | 46 |
| Total Other Districts | 99321.25 | | 646 | -22 | -102 | -618 | 123 | 212 | 56 |

TABLE II

| Sch Dist. Size in ADM | J CUM CNGS/ADM | K CUM CNGS/ADM PER YEAR | L F91 K-12 BASIC ND PER ADM | M CUM CNG AS % OF F91 BN INC SUPP | N AV SUPP AS % OF F91 BN | O CUM % CNG WITHOUT SUPP | P CNG LOC EFF C&B ≥ 4 MILLS IN F90 |
|--------------------------|----------------------|----------------------------------|--------------------------------------|--|-----------------------------------|-----------------------------------|---|
| Total ADM 1-250 | -2613 | -523 | 7226 | -7.23% | -6.92% | -14.15% | -5.81% |
| Total ADM 251-525 | -754 | -151 | 5284 | -2.85% | -2.69% | -5.55% | -4.45% |
| Total ADM 526-1000 | -537 | -107 | 5343 | -2.01% | -2.17% | -4.18% | -0.88% |
| Total Other Districts | -351 | -70 | 4913 | -1.43% | 0.00% | -1.43% | -0.44% |

TABLE III

| Sch Dist. Size in ADM | Q GRAND TOTAL % CNG/ADM | R ONE MILL PER ADM | S LOCAL MILL EFFORT ≥ 4 MILLS | T PTR F86 | U PTR F90 | V % INC PTR F90VS86 |
|--------------------------|-------------------------------|--------------------------|--|--------------|--------------|---------------------------|
| Total ADM 1-250 | -19.96% | 151 | 3.43 | 7.13 | 8.96 | 25.66% |
| Total ADM 251-525 | -10.00% | 187 | 2.30 | 9.59 | 10.92 | 13.83% |
| Total ADM 526-1000 | -5.06% | 138 | 2.39 | 11.62 | 13.82 | 18.90% |
| Total Other Districts | -1.87% | 219 | 2.94 | 13.05 | 13.73 | 5.25% |

Column Explanation Tables I-III

School District Size In ADM:

Total ADM 1-250 : Is single site school districts with average daily memberships (ADM) of 1-250.

Total ADM 251-525: Is single site school districts of 251-525 ADM.

Total ADM 526-1000: Is single site school districts of 526-1000 ADM.

Total Other Districts: Is all other school districts except Valdez, North Slope , Aleutian East and Aleutian Region as noted in the analysis section of the report.

Column A: Actual FY 91 ADM: Foundation ADM for fiscal year 1991

Column B: Average Supplementals Per ADM: Total supplemental support FY 86-91 divided by the number of supplementals received divided the FY 91 ADM.

Column C: F 90 Local Effort Greater Than 4 Mills Per ADM: Shows the per ADM local effort of school districts greater than the 4 mills required by the foundation act in effect in FY 88.

Column D: Adjusted Local Effort Change Per ADM: Shows the difference in local effort per ADM in FY 86 minus FY 90. This represents the local effort change made by school districts over the 5 year period FY 86- FY90. Negative represents more local effort and positive less local effort.

Column E: F 90- F 86 Fund Balance Per ADM: Shows the loss(-) or gain (+) in fund balance per ADM between FY 86 and FY 90.

Column F: FY 88_FY91 Local Effort Per ADM change at 4 Mills: Shows the increase (-) or decrease (+) in required local effort resulting from the change in local property valuations per ADM between FY 88 and FY 90. That is the change in state foundation funding (Column G) would have been greater or lesser had the property values remained the same.

Column G: State Foundation Per ADM FY 86 less FY 91: Shows the loss (-) or gain (+) in state foundation payments per ADM between FY 86 and FY 91. Columns F, H and I are adjustments to this number for required local effort (F) and P. L. 874 (H,I).

Column H: P. L. 874 per ADM FY 88 less FY 91: Shows the gain (-) or loss (+) in P. L. 874 from FY 88 to FY 91. A gain reduced state aid and a loss increased state aid compared to no change.

Column I: City and Borough P. L. 874 payments that were first taken into consideration in FY 88 and which adjusts positively to the foundation change (Column G). That is the loss in state funds for city and borough school districts due to the 874 payments was an intentional adjustment and should show as a reduction in the change in Column G.

Column J: Cumulative Changes Per ADM: Shows the net result of the changes in Columns D through I.

Column K: Cumulative Changes Per ADM Per Year: Column J divided by the five years FY 86 through FY 90 to get the average change to apply to FY 91 K-12 Basic Need.

Column L: FY 91 K-12 Basic Need Per ADM: Shows the FY 91 dollars per ADM that represents the amount of K-12 Basic Need. This is the number that the changes from FY 86 to FY 91 are compared to determine the needed percent change in the K-12 Instructional Units for the single site school districts.

Column M: Cumulative Changes AS A Percent Of FY 91 Basic Need Including Supplementals: Shows the average adjusted changes per year brought about by changes in local effort up to 4 mills, change in fund balance, change in P. L. 874 and state foundation change. It also includes the supplemental support shown in Column B which when relating to foundation payments must be adjusted out to show how districts foundation payments are affected without the supplementals.

Column N: Average Supplemental AS A Percent Of FY 91 Basic Need: Shows the effects of not having the supplementals in Column B.

Column O: Cumulative Percent Change Without The Supplemental: Shows the sum of Columns M and O.

Column P: Change In Local Effort With City And Borough's Local Effort Greater Than 4 Mills In FY 90 FY86 Less FY 90: Shows the local effort increase (-) above 4 mills in FY 90.

Column Q: Grand Total Percent Change Per ADM: Shows the total changes as a percent of FY 91 K-12 Basic Need.

Column R: One Mill Per ADM: Shows the dollars per ADM generated by one mill.

Column S: Local Mill Effort Greater Than 4 Mills.

Column T: PTR FY 86: Shows the pupil teacher ratio for FY 86.

Column U: PTR FY 90: Shows the pupil teacher ratio for FY 90.

Column V: Percent Increase In PTR FY 90 Verses FY 86.



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

ANCHORAGE REGIONAL OFFICE

1411 W. 33RD AVENUE
ANCHORAGE, ALASKA 99503
(907) 274-0536

JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302
JUNEAU, ALASKA 99801
(907) 586-3090

FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-4435

February 11, 1991

To: **Representatives Carney and Lincoln, Co-Chairs
Members, House HESS Committee**

Re: **HB 25; "An Act relating to the instructional
unit value in the public school foundation
formula."**

NEA-Alaska strongly supports the concept of increasing the Instructional Unit value in the funding formula and encourages the expeditious attention of the Committee to HB 25.

Over the past five years the state level of funding has been cut, it has been under-funded, the former state contribution to TRS of approximately \$25-30 million has been "passed along" to local districts, funding has been vetoed, and inflation has clearly had an adverse impact. It is time to increase the Instructional Unit value substantially.

The Instructional Unit value was set at \$60,000 in 1987-88 and has not since been changed. In "1987-88 dollars" it is now worth only \$52,361 as a result of inflation. If it were to keep pace with the US-Urban Consumer Price Index for 1991-92, the Instructional Unit value should be set at \$74,550.

During this same five-year period we have seen the reduction and elimination of many critical programs and services for students. Employees have subsidized public education with salary and benefit cuts and freezes and increased workloads. Critical maintenance goes undone and many school buildings are below basic safety codes. Student enrollment is at an all time high and is projected to increase again next year. Specific data with has been provided to the Committee by the Alaska Association of School Administrators emphasizes these critical needs.

We are also asking public education to take on even more responsibility in terms of finding solutions to our increasing societal problems. We cannot do more with less.

We commend the sponsor for the provisions in Sec. 2 of the bill which provide for annual "inflation proofing" of the Instructional Unit value and encourage favorable consideration by the Committee. If we can "inflation proof" the Permanent Fund, we can do no less for public education.

Thank you for your consideration of our position.

Respectfully submitted,

Bob Manners
Executive Director

Don Oberg
President

cc: **Representative Carney**

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 West 11th Street, Juneau, Alaska 99801-1510 • Tel. (907) 586-1083 • Fax (907) 586-2995

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Michael Williams

EX-OFFICIO DIRECTOR
Dick Anderson
Delta-Greely

EXECUTIVE
DIRECTOR
Carl F.N. Rose

February 14, 1991

The Honorable Pat Carney
The Honorable Georgianna Lincoln
Co-chairs, House HESS Committee
House of Representatives
Alaska State Legislature
Juneau, Alaska 99811

**Re: In support of CS HB 25—An Act relating to the instructional unit value
in the public school foundation formula.**

Dear Reps. Carney and Lincoln:

The Association of Alaska School Boards enthusiastically supports CS HB 25 with its increase in the instructional unit value which includes an annual cost of living adjustment.

The legislature has not increased the instructional unit value for five years, the result of which has been five years of serious cost-cutting measures by school districts.

The educational expectation that has been created by the governor, political and business leaders fails to recognize the lack of financial commitment required to reach the national goals set by the National Governors' Association, the educational outcomes adopted by the Alaska's State Board of Education, and the legislative recommendations of the Joint Committee on School Performance.

Schools across the state are experiencing serious difficulty dealing with program cuts as a result of the inflationary loss of buying power of the educational dollar coupled with former Governor Cowper's cuts to the FY 91 budgets. Schools have critical needs that will not be addressed if adequate levels of funding are not established for FY 92 and beyond.

The Association of Alaska School Boards has gone on record as supporting a number of legislative proposals to increase foundation funding, including HB 53 which also has as one of its components an increase in the instructional unit value. AASB believes that CS HB 25 addresses a critical issue facing education. We encourage your active support of this bill on behalf of Alaska's children.

Respectfully submitted

Carl F.N. Rose,
Executive Director



ALASKA ASSOCIATION OF ELEMENTARY SCHOOL PRINCIPALS
ALASKA ASSOCIATION OF SECONDARY SCHOOL PRINCIPALS
ALASKA ASSOCIATION OF SCHOOL ADMINISTRATORS

• ALASKA COUNCIL OF SCHOOL ADMINISTRATORS •
326 Fourth St , Suite 408, Juneau, AK 99801-1101 (907) 586-9702 FAX (907) 586-5879

POSITION PAPER

HOUSE BILL 25

"AN ACT RELATING TO THE INSTRUCTIONAL UNIT VALUE IN THE PUBLIC SCHOOL FOUNDATION FORMULA."

The Alaska Council of School Administrators has gone on record supporting an increase in the foundation instructional unit for reasons addressed in previous testimony. House Bill 25 speaks to the increase and a continual increase for years to come through the adjustment according to the Consumer Price Index.

It also addresses the concept of early funding with an automatic instructional unit funding increase.

Because of these two important elements found in the bill, The Alaska Council of School Administrators expresses their appreciation to the sponsor for recognizing the need for increased funding and further, we support HB 25.

Alaska State Legislature

Co-Chair
Health, Education and
Social Services Committee

Resources Committee

Legislative Budget and Audit

Special Committee
on Oil and Gas

During Session:
State Capitol
P.O. Box V
Juneau, Alaska 99811
(907) 465-2186


During Interim:
P.O. Box 87-1746
Wasilla, Alaska 99687
(907) 373-2518

Representative Patrick J. Carney

February 11, 1991

MEMORANDUM

TO: House Finance Committee

FROM: Representative Pat Carney 

RE: CSHB 25, (HES) "An Act relating to the instructional unit value in the public school foundation formula."

The proposed CS for HB 25 increases the instructional unit value (IUV) from \$60,000 to \$65,300, which is proportional to the cost of inflation from the end of 1986 through mid-year 1990. It also establishes a mechanism, driven by the Anchorage Consumer Price Index (CPI), which will automatically adjust the instructional unit value to keep pace with inflation.

The \$65,300 amount was determined as follows. Section 9, Chapter 91, SLA 1987, established the IUV at \$60,000. (HB 126 was the enacting legislation for this law and was introduced and passed in 1987.) It is reasonable to assume that the \$60,000 amount took into account the cost of living through 1986. It is also reasonable to assume that the \$60,000 amount was intended to apply to the 1987 - 88 school year (FY 1988). Thus, for the purposes of calculating inflation since that time, \$60,000 is the base IUV amount, 1987 - 88 is the initial school year, and 1988 is the initial fiscal year.

The Consumer Price Index for urban consumers (CPI-U) for the Anchorage metropolitan area, is the mechanism used to calculate the rate of inflation. The standard reference base period used by the Bureau of Labor Statistics to calculate the CPI-U is 1982 - 84 = 100. The CPI-U annualized reference base for 1986 is 107.4. The calculation for each year since 1986 follows:

| Year that CPI index applies | school year | fiscal year | index base | instructional unit value |
|--------------------------------|----------------|----------------|---------------|-----------------------------|
| 1986 | 87-88 | 1988 | 107.4 | \$60,000 |
| 1987 | 88-89 | 1989 | 108.1 | 60,391 |
| 1989 | 90-91 | 1991 | 112.5 | 62,849 |
| 1990 | 91-92 | 1992 | 116.9 | 65,307 |

The proposed CS for HB 25 assumes the index of 116.9 and the IUV of \$65,300 as bases for the calculation of future changes in the IUV as prescribed in the bill.

Even though the instructional unit value would be increased annually under this bill, future legislatures retain the constitutional authority to set the overall funding level for the foundation program in the relevant fiscal year.

HB 25

SENATE FINANCE COMMITTEE REPORT

RETURNED FROM RULES
DATE: 5/7/92

FURTHER:

DATE TURNED
INTO OFFICE: 5-9-92

The Finance Committee considered

CS FOR HOUSE BILL NO. 25 (FIN)

Appropriations to the Dept. of Education for support of kindergarten, primary, and secondary education and community schools programs and for school construction debt retirement,; efd.

and recommends:

- [] replace with _____ CS _____ (FINANCE) [] same title
or [] adopt previous _____ CS _____ () [] new title
[] attaches amendment(s) [] technical title change (HB only)

[] adopts _____ Letter of Intent

[] further referral to the _____

do pass

[] do not pass

[] no recommendation

[] individual recommendations

NEW FISCAL NOTES: Dept/Date

[] zero fiscal notes _____

[] fiscal notes _____

PREVIOUS FISCAL NOTES: Dept/Date

[] zero fiscal notes _____

[] fiscal notes _____

appropriation--no fiscal note

DO PASS:

Jim Duncan

Al Adams

Tom Hoff

[Signature]

[Signature]

[Signature]

[Signature]

1. *[Signature]* Do pass.

Co-Chair: Signature/Recommendation

OTHER RECOMMENDATIONS:

Co-Chair: Signature/Recommendation

CS FOR HOUSE BILL NO. 25 (FINANCE)
 IN THE LEGISLATURE OF THE STATE OF ALASKA
 SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/10/92

Referred: Today's calendar

Funding Information: General Fund \$732,455,234
 Other Funds 49,833,000
 \$782,288,234

Sponsor(s): REPRESENTATIVES CARNEY, Ellis, B.Davis
 A BILL

FOR AN ACT ENTITLED

1 "An Act making appropriations to the Department of Education for support of
 2 kindergarten, primary, and secondary education and community schools programs and for
 3 school construction debt retirement; and providing for an effective date."

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

5 * Section 1. (a) The sum of \$654,685,034 is appropriated from the general fund and from other
 6 funds in the amounts listed to the Department of Education for the purposes expressed and allocated in
 7 the amounts listed for operating expenditures for the fiscal year ending June 30, 1993:

| 8 | FUND SOURCE | AMOUNT |
|----|---|---------------|
| 9 | General fund | \$597,362,334 |
| 10 | General fund/mental health trust income account | |
| 11 | (AS 37.14.011) | 7,489,700 |
| 12 | Public school trust fund (AS 37.14.110) | 8,309,000 |
| 13 | School fund (AS 43.50.140) | 2,700,000 |
| 14 | P.L. 81-874 | 20,624,000 |

| | | |
|----|--------------------------------|-------------------|
| 1 | Federal receipts other than | |
| 2 | P.L. 81-874 | 18,200,000 |
| 3 | PURPOSE | ALLOCATION AMOUNT |
| 4 | Foundation program | \$584,595,834 |
| 5 | Student law program | 18,100,000 |
| 6 | Cigarette tax distribution | 2,700,000 |
| 7 | Tuition students | 13,878,500 |
| 8 | Boarding home grants | 230,000 |
| 9 | Youth in detention | 800,000 |
| 10 | Schools for the handicapped | 3,077,500 |
| 11 | Pupil transportation | 28,572,000 |
| 12 | Community schools | 600,000 |
| 13 | Additional district support | 2,131,200 |

14 (b) The amount allocated under (a) of this section for additional district support is further
15 allocated to the following school districts in the amounts listed:

| 16 | SCHOOL DISTRICT | ALLOCATION AMOUNT |
|----|---------------------------------|-------------------|
| 17 | Cordova City School District | \$ 187,800 |
| 18 | Craig City School District | 165,600 |
| 19 | Dillingham City School District | 234,000 |
| 20 | Galena City School District | 150,000 |
| 21 | Hoonah City School District | 165,600 |
| 22 | Hydaburg City School District | 96,600 |
| 23 | Kake City School District | 129,600 |
| 24 | Klawock City School District | 143,400 |
| 25 | Nenana City School District | 155,400 |
| 26 | Pelican City School District | 58,200 |
| 27 | St. Mary's City School District | 127,800 |
| 28 | Skagway City School District | 111,000 |
| 29 | Tanana City School District | 122,400 |
| 30 | Unalaska City School District | 157,800 |
| 31 | Yakutat City School District | 126,000 |

1 * Sec. 2. (a) The sum of \$127,603,200 is appropriated from the general fund to the Alaska debt
2 retirement fund (AS 37.15.011).

3 (b) The sum of \$127,603,200 is appropriated from the Alaska debt retirement fund
4 (AS 37.15.011) to the Department of Education for state aid for costs of school construction under
5 AS 14.11.100.

6 * Sec. 3. This Act takes effect July 1, 1992.

SENATE FINANCE COMMITTEE REPORT

DATE: 4/13/92

FURTHER:

REPORTED OUT OF
SFC 4-21-92

DATE TURNED
INTO OFFICE: 4/21/92

The Finance Committee considered CS FOR HOUSE BILL NO. 25 (FINANCE)

"An Act making appropriations to the Department of Education for support of kindergarten, primary, and secondary education and community schools programs and for school construction debt retirement; and providing for an effective date."

and recommends:

[] replace with S CS CS-HB 25 (FINANCE)
or [] adopt previous CS ()
[] attaches amendment(s)

same title
[] new title
[] technical
title change
(HB only)

[] adopts _____ Letter of Intent

[] further referral to the _____

do pass

[] do not pass

[] no recommendation

[] individual recommendations

NEW FISCAL NOTES: Dept/Date

[] **zero** fiscal notes _____

[] fiscal notes _____

PREVIOUS FISCAL NOTES: Dept/Date

[] **zero** fiscal notes _____

[] fiscal notes _____

appropriation--no fiscal note

DO PASS:

OTHER RECOMMENDATIONS:

1. [Signature]
Co-Chair: Signature/Recommendation

2. [Signature]
Co-Chair: Signature/Recommendation

7-LS0282S
Utermohle
4/20/92

REPORTED OUT OF
SFC 4-21-92

SENATE CS FOR CS FOR HOUSE BILL NO. 25 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

| | | | |
|----------------------|--------------|--------------------------|-------------|
| Funding Information: | General Fund | \$738,497,033 | 738,675,713 |
| | Other Funds | 49,833,000 | |
| | | \$788,330,033 | 788,508,713 |

Sponsor(s): REPRESENTATIVES CARNEY, Ellis, B.Davis, Mackie

A BILL

FOR AN ACT ENTITLED

1 "An Act making appropriations to the Department of Education for support of
2 kindergarten, primary, and secondary education and community schools programs and for
3 school construction debt retirement; and providing for an effective date."

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

5 * Section 1. (a) The sum of ~~\$660,726,833~~ ^{660,905,513} is appropriated from the general fund and from other
6 funds in the amounts listed to the Department of Education for the purposes expressed and allocated in
7 the amounts listed for operating expenditures for the fiscal year ending June 30, 1993:

| 8 | FUND SOURCE | AMOUNT |
|----|---|--------------------------------------|
| 9 | General fund | \$603,404,133 603,582,813 |
| 10 | General fund/mental health trust income account | |
| 11 | (AS 37.14.011) | 7,489,700 |
| 12 | Public school trust fund (AS 37.14.110) | 8,309,000 |
| 13 | School fund (AS 43.50.140) | 2,700,000 |
| 14 | P.L. 81-874 | 20,624,000 |

| | | |
|--|---------------------------|----------------|
| Post-It™ brand fax transmittal memo 7671 | | # of pages ▶ 1 |
| To <i>Wanda Cooksey</i> | From <i>State Finance</i> | |
| Co. | Co. | |
| Dept. | Phone # <i>465-4935</i> | |
| Fax # <i>586-1001</i> | | |

WORK DRAFT

WORK DRAFT

| | | |
|----|-----------------------------|---------------------------------------|
| 1 | Federal receipts other than | |
| 2 | P.L. 81-874 | 18,200,000 - <i>660,995,513</i> |
| 3 | PURPOSE | ALLOCATION AMOUNT |
| 4 | Foundation program | \$590,637,633 |
| 5 | Student lunch program | 18,100,000 |
| 6 | Cigarette tax distribution | 2,700,000 |
| 7 | Tuition students | 13,878,500 |
| 8 | Boarding home grants | 230,000 |
| 9 | Youth in detention | 800,000 |
| 10 | Schools for the handicapped | 3,077,500 |
| 11 | Pupil transportation | 28,572,000 |
| 12 | Community schools | 600,000 |
| 13 | Additional district support | 2,131,200 <i>2,309,880</i> |

14 (b) The amount allocated under (a) of this section for additional district support is further
 15 allocated to the following school districts in the amounts listed:

| 16 | SCHOOL DISTRICT | ALLOCATION AMOUNT |
|----|---------------------------------|--------------------|
| 17 | Cordova City School District | 203,565 \$ 187,800 |
| 18 | Craig City School District | 162,360 165,600 |
| 19 | Dillingham City School District | 200,490 234,000 |
| 20 | Galena City School District | 159,900 150,000 |
| 21 | Hoonah City School District | 167,280 165,600 |
| 22 | Hydaburg City School District | 106,395 96,600 |
| 23 | Kake City School District | 135,300 129,600 |
| 24 | Klawock City School District | 154,365 143,400 |
| 25 | Nenana City School District | 162,360 155,400 |
| 26 | Pelican City School District | 59,655 58,200 |
| 27 | St. Mary's City School District | 122,385 127,800 |
| 28 | Skagway City School District | 116,235 111,000 |
| 29 | Tanana City School District | 118,080 122,400 |
| 30 | Unalaska City School District | 175,890 157,800 |
| 31 | Yakutat City School District | 115,620 126,000 |
| | <i>None</i> | <i>150,000</i> |
| | | <u>2,309,880</u> |

inst. unit
~~61,500~~
1
Cont. budget reduced
\$10,000.00
150,000
2,281,200
schm.
full funding

SCS CSHB 25(FIN)

New Text Underlined [DELETED TEXT BRACKETED]

1 * Sec. 2. (a) The sum of \$127,603,200 is appropriated from the general fund to the Alaska debt
2 retirement fund (AS 37.15.011). ~~127,511,000~~ Department's number says ~~127,511,000~~

3 (b) The sum of \$127,603,200 is appropriated from the Alaska debt retirement fund
4 (AS 37.15.011) to the Department of Education for state aid for costs of school construction under
5 AS 14.11.100. ~~127,511,200~~ not moved. This remained to be DOE District

6 * Sec. 3. This Act takes effect July 1, 1992.

ALASKA DEPARTMENT OF EDUCATION
FY93 AMENDMENT TO SB446.

4-21-92 FILE: ELGEE.XLS

| GRANTS TO NAMED RECIPIENTS | PROJECTED FY93 ADM |
|-------------------------------|-----------------------|
|-------------------------------|-----------------------|

| | | |
|--------------------|--------------------|-------------------|
| ADAK | \$0 | 718.00 |
| ALASKA GATEWAY | 0 | 490.00 |
| ALEUTIAN REGION | 0 | 27.00 |
| ALEUTIANS EAST | 0 | 391.00 |
| ANCHORAGE | 0 | 44,800.00 |
| ANNETTE ISLANDS | 0 | 420.00 |
| BERING STRAIT | 0 | 1,482.00 |
| BRISTOL BAY | 0 | 270.00 |
| CHATHAM | 0 | 384.00 |
| CHUGACH | 0 | 138.00 |
| COPPER RIVER | 0 | 588.00 |
| CORDOVA | 203,565 | 478.75 |
| CRAIG | 162,360 | 390.00 |
| DELTA/GREELY | 0 | 870.00 |
| DILLINGHAM | 200,490 | 553.00 |
| FAIRBANKS | 0 | 15,139.50 |
| GALENA | 159,900 | 160.00 |
| HAINES | 0 | 447.00 |
| HOONAH | 167,280 | 225.00 |
| HYDABURG | 106,395 | 120.00 |
| IDITAROD | 0 | 409.00 |
| JUNEAU | 0 | 5,375.00 |
| KAKE | 135,300 | 178.00 |
| KASHUNAMIUT | 0 | 208.00 |
| KENAI | 0 | 9,739.00 |
| KETCHIKAN | 0 | 2,734.00 |
| KLAWOCK | 154,365 | 215.00 |
| KODIAK | 0 | 2,498.08 |
| KUSPUK | 0 | 455.00 |
| LAKE AND PENINSULA | 0 | 420.00 |
| LOWER KUSKOKWIM | 0 | 2,901.00 |
| LOWER YUKON | 0 | 1,420.00 |
| MAT-SU | 0 | 10,962.00 |
| NENANA | 162,360 | 185.00 |
| NOME | 150,000 | 773.00 |
| NORTH SLOPE | 0 | 1,510.20 |
| NORTHWEST ARCTIC | 0 | 1,605.00 |
| PELICAN | 59,655 | 48.20 |
| PETERSBURG | 0 | 722.00 |
| PRIBILOF | 0 | 156.00 |
| RAILBELT | 0 | 344.00 |
| SITKA | 0 | 1,850.00 |
| SKAGWAY | 116,235 | 135.00 |
| SOUTHEAST | 0 | 416.15 |
| SOUTHWEST | 0 | 511.00 |
| ST. MARY'S | 122,385 | 105.50 |
| TANANA | 118,080 | 100.00 |
| UNALASKA | 175,890 | 332.00 |
| VALDEZ | 0 | 865.00 |
| WRANGELL | 0 | 527.00 |
| YAKUTAT | 115,620 | 127.00 |
| YUKON FLATS | 0 | 352.00 |
| YUKON/KOYUKUK | 0 | 540.00 |
| YUPIIT | 0 | 355.00 |
| TOTAL | \$2,309,880 | 117,164.38 |

FISCAL NOTE

No. 1
 Bill Version: CSHB 25(HES)
 (H) Publish Date: 2/19/91

STATE OF ALASKA
 1991 LEGISLATIVE SESSION

Revision Date: _____ Department Affected: Education
 Title: The Instructional Unit value BRU: K-12 Support
in the public school foundation Component: Foundation
 Sponsor: Carney
 Requestor: House HESS COMPONENT SERIAL NO.

| | | | |
|--|---|---|---|
| | 1 | 4 | 1 |
|--|---|---|---|

Expenditures/Revenues: (Thousands of Dollars)

| OPERATING | FY 92 | FY 93 | FY 94 | FY 95 | FY 96 | FY 97 |
|------------------------|-----------------|------------------|------------------|------------------|------------------|------------------|
| PERSONAL SERVICES | | | | | | |
| TRAVEL | | | | | | |
| CONTRACTUAL | | | | | | |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | 95,674.6 | 160,022.8 | 230,037.6 | 306,211.8 | 389,094.0 | 479,266.6 |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | 95,674.6 | 160,022.8 | 230,037.6 | 306,211.8 | 389,094.0 | 479,266.6 |
| CAPITAL | | | | | | |
| REVENUE | | | | | | |

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------|-----------------|------------------|------------------|------------------|------------------|------------------|
| GENERAL FUND | 95,674.6 | 160,022.8 | 230,037.6 | 306,211.8 | 389,094.0 | 479,266.6 |
| FEDERAL FUNDS | | | | | | |
| OTHER | | | | | | |
| TOTAL | 95,674.6 | 160,022.8 | 230,037.6 | 306,211.8 | 389,094.0 | 479,266.6 |

POSITIONS:

| | | | | | | |
|------------|--------|--------|--------|--------|--------|--------|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |
| UNIT VALUE | 65,300 | 71,046 | 77,298 | 84,100 | 91,501 | 99,553 |

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.) This fiscal analysis assumes a unit value increase of 8.8% annually. No accommodation is made for anticipated enrollment increases.

Prepared By: Mary Hakala Phone: 465-2800
 Division: Commissioner's Office Date: 2/13/91
 Approved by Commissioner: Steve Hines, Acting Commissioner
 Agency: Education Date: 2/13/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

ALASKA DEPARTMENT OF EDUCATION
 PROJECTED FY92 FOUNDATION PROGRAM ENTITLEMENT
 PREPARED 2/13/91

BASED ON HB25
 UNIT VALUE OF \$65,300

PROJECTED FY92
 FOUNDATION
 ENTITLEMENT

| | |
|----------------------------------|---------------|
| ADAK | \$2,566,390 |
| ALASKA GATEWAY | \$4,775,806 |
| ALEUTIAN REGION | \$748,149 |
| ALEUTIANS EAST | \$3,256,510 |
| ANCHORAGE | \$179,931,018 |
| ANNETTE ISLANDS | \$1,530,076 |
| BERING STRAIT | \$14,202,145 |
| BRISTOL BAY | \$1,879,282 |
| CHATHAM | \$2,865,489 |
| CHUGACH | \$1,563,180 |
| COPPER RIVER | \$5,557,181 |
| CORDOVA | \$2,513,659 |
| CRAIG | \$2,346,525 |
| DELTA/GREELY | \$4,705,849 |
| DILLINGHAM | \$3,242,557 |
| FAIRBANKS | \$66,676,299 |
| GALENA | \$1,334,749 |
| HAINES | \$2,498,508 |
| HONAH | \$1,547,176 |
| HYDABURG | \$1,071,952 |
| IDITAROD | \$4,841,921 |
| JUNEAU | \$22,934,026 |
| KAKE | \$1,149,582 |
| KASHUNAMIUT | \$1,553,783 |
| KENAI | \$44,046,489 |
| KETCHIKAN | \$11,593,538 |
| KLAWOCK | \$1,418,009 |
| KODIAK | \$13,280,940 |
| KUSPUK | \$5,142,945 |
| LAKE AND PENINSULA | \$6,031,163 |
| LOWER KUSKOKWIM | \$30,708,228 |
| LOWER YUKON | \$11,131,940 |
| MAT-SU | \$47,411,178 |
| NENANA | \$1,642,561 |
| NOME | \$5,398,804 |
| NORTH SLOPE | \$9,219,695 |
| NORTHWEST ARCTIC | \$12,918,876 |
| PELICAN | \$615,719 |
| PETERSBURG | \$3,381,771 |
| PRIBILOF | \$1,581,528 |
| RAIBELT | \$3,283,477 |
| SITKA | \$7,037,184 |
| SKAGWAY | \$916,403 |
| SOUTHEAST | \$5,616,814 |
| SOUTHWEST | \$5,591,248 |
| ST. MARY'S | \$1,425,146 |
| TANANA | \$1,281,636 |
| UNALASKA | \$1,870,873 |
| VALDEZ | \$3,067,202 |
| WRANGELL | \$2,872,809 |
| YAKUTAT | \$1,269,572 |
| YUKON FLATS | \$5,259,418 |
| YUKON/KOYUKUK | \$6,011,439 |
| YUPIIT | \$3,897,804 |
| STATE CORR. STUDY | \$5,836,188 |
| MT. EDGE CUMBE SCHOOL | \$1,652,573 |
| VALDEZ CONTRACT | \$600,000 |
| 4 MILL PHASE-IN (SUBSIDY) | \$15,545 |
| PL81-874 PASS THRU | \$1,277,192 |
| ESTIMATED PRIOR YEAR ADJUSTMENTS | \$1,500,000 |

COMMITTEE COPY

ESTIMATED ENTITLEMENT AS OF 2/13/91

\$601,099,727

Amendments
for
Senate CS for CS for HB 25 (Fin)

Index of Amendments
for
Single Site for School Districts

| | | | | |
|----|---|---|---|-----------------|
| #1 | — | All 22 SSSD @ I.U. of \$61,500 | = | \$ 3,435,735.00 |
| #2 | — | All 22 SSSD @ I.U. of \$61,000 | = | \$ 3,430,640.00 |
| #3 | — | All 22 SSSD @ I.U. of \$60,000 | = | \$ 3,351,406.00 |
| #4 | — | All 22 SSSD @ 0.6723% proration (based on \$61,500 I.U.) | = | \$ 2,309,880.00 |

Amendment
for
Senate CS for CS for HB 25 (Fin)

page 1, line 9 [603,582,813] 604,708,668

page 2, line 13 [2,309,880] 3,435,735

page 2, line 16-31 and
page 3, line 1 delete and replace as follows:

| SCHOOL DISTRICT | ALLOCATION AMOUNT |
|---------------------------------|-------------------|
| Adak City School District | \$243,266 |
| Aleutian Region Schools | \$47,179 |
| Annette Island Schools | \$172,298 |
| Cordova City School District | \$203,266 |
| Craig City School District | \$162,163 |
| Dillingham City School District | \$201,089 |
| Galena City School District | \$159,932 |
| Hoonah City School District | \$167,378 |
| Hydaburg City School District | \$106,420 |
| Kake City School District | \$135,837 |
| Kashunamiut School District | \$195,032 |
| Klawock City School District | \$154,536 |
| Nenana City School District | \$162,330 |
| Nome City School District | \$281,249 |
| Pelican City School District | \$60,017 |
| Petersburg City School District | \$198,153 |
| Skagway City School District | \$116,235 |
| St. Mary's City School District | \$110,331 |
| Tanana City School District | \$118,294 |
| Unalaska City School District | \$175,767 |
| Wrangell City School District | \$149,630 |
| Yakutat City School District | \$115,332 |

NOTE: This amendment includes all 22 single site school districts and provides an allocation computed by using the Single Site formula proposed in SB 446 at the I.U. value of \$61,500

Amendment
for
Senate CS for CS for HB 25 (Fin)

page 1, line 9 [603,582,813] 598,661,774

page 2, line 13 [2,309,880] 3,430,640

page 2, line 16 - 31 and
page 3, line 1 delete and replace as follows:

| SCHOOL DISCRICT | ALLOCATION AMOUNT |
|---------------------------------|-------------------|
| Adak Region School District | \$240,950 |
| Aleutian Region | \$59,780 |
| Annette Island School District | \$170,800 |
| Cordova City School District | \$201,910 |
| Craig City School District | \$161,040 |
| Dillingham City School District | \$198,860 |
| Galena City School District | \$158,600 |
| Hoonah City School District | \$165,920 |
| Hydaburg City School District | \$105,530 |
| Kake City School District | \$134,200 |
| Kashunamiut School District | \$193,370 |
| Klawock City School District | \$153,110 |
| Nenana City School District | \$161,040 |
| Nome City School District | \$278,770 |
| Pelican City School District | \$59,170 |
| Petersburg City School District | \$196,420 |
| Skagway City School District | \$115,290 |
| St. Mary's City School District | \$121,390 |
| Tanana City School District | \$117,120 |
| Yakutat City School District | \$114,680 |
| Unalaska City School District | \$174,460 |
| Wrangell City School District | \$148,230 |

NOTE: This amendment includes all 22 single site school districts and provides an allocation computed by using the Single Site formula proposed in SB 446 at the I.U. value of \$61,000.

Amendment
for
Senate CS for CS for HB 25 (Fin)

page 1, line 9 [603,582,813] 578,289,474

page 2, line 13 [2,309,880] 3,351,406

page 2, line 16 - 31 and
page 3, line 1 delete and replace as follows:

| SCHOOL DISCRICT | ALLOCATION AMOUNT |
|---------------------------------|-------------------|
| Adak Region School District | \$237,333 |
| Aleutian Region | \$46,028 |
| Annette Island School District | \$168,096 |
| Cordova City School District | \$198,308 |
| Craig City School District | \$158,208 |
| Dillingham City School District | \$195,834 |
| Galena City School District | \$156,031 |
| Hoonah City School District | \$163,296 |
| Hydaburg City School District | \$103,824 |
| Kake City School District | \$132,524 |
| Kashunamiut School District | \$190,275 |
| Klawock City School District | \$150,767 |
| Nenana City School District | \$158,371 |
| Nome City School District | \$274,389 |
| Pelican City School District | \$58,553 |
| Petersburg City School District | \$193,320 |
| Skagway City School District | \$113,400 |
| St. Mary's City School District | \$107,640 |
| Tanana City School District | \$115,409 |
| Yakutat City School District | \$112,519 |
| Unalaska City School District | \$171,480 |
| Wrangell City School District | \$145,800 |

NOTE: This amendment includes all 22 single site school districts and provides an allocation computed by using the Single Site formula proposed in SB 446 at the I.U. value of \$60,000.

Amendment
for
Senate CS for CS for HB 25 (Fin)

page 2, line 16-31 and
page 3, line 1 delete and replace as follows:

| SCHOOL DISTRICT | ALLOCATION AMOUNT |
|---------------------------------|-------------------|
| Adak City School District | \$163,550 |
| Aleutian Region Schools | \$31,719 |
| Annette Island Schools | \$115,838 |
| Cordova City School District | \$136,658 |
| Craig City School District | \$109,024 |
| Dillingham City School District | \$135,194 |
| Galena City School District | \$107,524 |
| Hoonah City School District | \$112,530 |
| Hydaburg City School District | \$71,547 |
| Kake City School District | \$91,325 |
| Kashunamiut School District | \$131,122 |
| Klawock City School District | \$103,896 |
| Nenana City School District | \$109,136 |
| Nome City School District | \$189,087 |
| Pelican City School District | \$40,350 |
| Petersburg City School District | \$133,220 |
| Skagway City School District | \$78,146 |
| St. Mary's City School District | \$74,177 |
| Tanana City School District | \$79,530 |
| Unalaska City School District | \$118,170 |
| Wrangell City School District | \$100,597 |
| Yakutat City School District | \$77,539 |

NOTE: This amendment includes all 22 single site school districts and provides an allocation computed by using the Single Site formula proposed in SB 446 at the I.U. value of \$61,500 and prorated 0.6723% in order to remain at appropriation level of \$2,309880.

Small Single Site School Districts

and

Senate CS for CS for HB 25 (Fin)

For the coming school year (1992-93) the DOE reports there will be 22 single site school districts of 800 ADM or less.

SCS CSHB 25(Fin) has 16 single site school districts named in Sec. 1 (b) for additional district support. The allocation amount for these 16 districts is \$2,309,880. The allocation is derived by applying the following formula:

Formula: Increase K-12 units by the following:

1-250 ADM=12%, 251-525 ADM=8%, 526+ ADM=6%.

EXCEPT FOR:

- The exclusion of the three Rural Education Attendance Areas—Adak, Annette Island and Kashunamiut
- The exclusion of Wrangell School District and Petersburg School District
- Providing a flat rate of \$150,000 for Nome School District, and
- The exclusion of a multi-site district that will be single site next year—Aleutian Region, an REAA.

The inequities with the list are:

1. Title 14 computes K-12 units for REAAs the same as for city/borough school districts. To suggest, as has been done before, that they are left off because of their PL81-874 funding is not defensible. All districts have 90% of their eligible PL81-874 funds deducted when computing basic need. To deny single site REAAs inclusion with the single site districts on such a basis in fact takes their PL81-874 funds into account twice. No other districts are treated this way. Multi-site REAAs are in no way penalized because of their PL81-874 funds. During FY 91 and 92 REAAs were omitted. That action is now being challenged through the PL81-874 appeal process.
2. The Wrangell and Petersburg School Districts are not listed. They were omitted from the first draft as last year's HB 5 (the original list) addressed schools with 500 ADM or less. The list now has two (2) districts with over 500 ADM estimated for FY 93:

| | |
|--------------------------------------|---------|
| Dillingham School District | 553 ADM |
| Nome School District | 773 ADM |
| Wrangell School District estimates | 527 ADM |
| Petersburg School District estimates | 722 ADM |

Wrangell and Petersburg School Districts were funded last year in HB 15. To omit them is to treat them differently than they were treated last year.
3. The Nome School District allocation is for \$150,000. At an I.U. value of \$61,500, Nome's allocation would be \$281,249.

The 16 school districts listed in SCS CSHB 25(Fin) can no longer be defined as single sites of a certain enrollment. It does not fund those included by a single formula.

Fifteen (15) of the twenty-two (22) districts are given allocation in a defensible manner. Six (6) have nothing and one (1) does somewhat better than nothing but is not treated as others in its enrollment range.

All of this makes a good case for changing the Foundation Formula in Title 14 thus preventing the need to yearly decide who should be on the list and how much they should receive.

AMENDMENT#1

SENATE FINANCE COMMITTEE
BY: Hoffman and Adams

APRIL 22, 1992
CS HB 25 (Finance)

Section 1(a), Page 1, Line 9 is amended to read:

General Fund [597,362,334] 598,661,774

Section 1(a), Page 2, Line 13 is amended to read:

Additional district support [2,131,200] 3,430,640

Delete existing Section 1 (b) Page 2, lines 14-31 and replace with the following:

(b) The amount allocated under (a) of this section for additional district support is further allocated to the following school districts in the amounts listed:

| SCHOOL DISTRICT | ALLOCATION AMOUNT |
|---------------------------------|-------------------|
| Galena City School District | \$158,600 |
| Hoonah City School District | 165,920 |
| Hydaburg City School District | 105,530 |
| Kake City School District | 134,200 |
| Kashunamiut School District | 193,370 |
| Klawock City School District | 153,110 |
| Nenana City School District | 161,040 |
| Pelican City School District | 59,170 |
| Skagway City School District | 115,290 |
| St. Mary's City School District | 121,390 |
| Tanana City School District | 117,120 |
| Yakutat City School District | 114,680 |
| Annette Island School District | 170,800 |
| Cordova City School District | 201,910 |
| Craig City School District | 161,040 |
| Unalaska City School District | 174,460 |

| | |
|---------------------------------|---------|
| Adak Region School District | 240,950 |
| Dillingham City School District | 198,860 |
| Nome City School District | 278,770 |
| Petersburg City School District | 196,420 |
| Wrangell City School District | 148,230 |
| Aleutian Region | 59,780 |

Explanation to Amendment #1 CS HB 25 (Finance)

This amendment would appropriate/allocate funds for single-site school districts consistent with the report entitled "Small Single Site School District Funding" presented to the Senate Finance Committee in support of SB 446.

If adopted, this amendment would insure additional funding for these small districts in FY 93 regardless of whether or not SB 446 passes and is signed into law. The fiscal note for SB 446 could be reduced to zero upon adoption of this amendment. If SB 446 passes, additional funds would be distributed through the foundation formula. If SB 446 does not pass, additional funds would be distributed outside of the formula.

The increase from the House passed version of HB 25 is \$1,299,440 in General Funds and assumes an instructional unit value of \$61,000.

Distribution of funds is calculated on increasing instructional units for affected districts as follows:

| DISTRICT ADM | PERCENTAGE |
|--------------|------------|
| 1-250 | 1.12 |
| 251-525 | 1.08 |
| 526-800 | 1.06 |

AMENDMENT#2

SENATE FINANCE COMMITTEE
BY: Hoffman by request of Adams

APRIL 22, 1992
CS HB 25 (Finance)

Section 1(a), Page 1, Line 9 is amended to read:

| | | |
|--------------|---------------|--------------------|
| General Fund | [597,362,334] | <u>597.512.334</u> |
|--------------|---------------|--------------------|

Section 1(a), Page 2, Line 13 is amended to read:

| | | |
|-----------------------------|-------------|------------------|
| Additional district support | [2,131,200] | <u>2.281.200</u> |
|-----------------------------|-------------|------------------|

Section 1(b), Page 2, after Line 31 insert:

| | | |
|----------------------------------|--|----------------|
| <u>Nome City School District</u> | | <u>150.000</u> |
|----------------------------------|--|----------------|

Explanation to Amendment #2 CS HB 25 (Finance):

This amendment would increase funding for additional district support to reflect additional operating costs associated with the Nome-Beltz School Complex.

These funds were appropriated by the legislature last year as a supplemental for FY 91 and were subsequently vetoed by the Governor.

The amount included in this amendment is \$124,389 less than what Nome would receive under the small single site district proposal.

April 14, 1992

Senator Al Adams
State Capitol
Juneau, Ak 99801

Dear Senator Adams:

The intent of this letter is to make a declaratory statement concerning special financial needs of the Nome Public Schools.

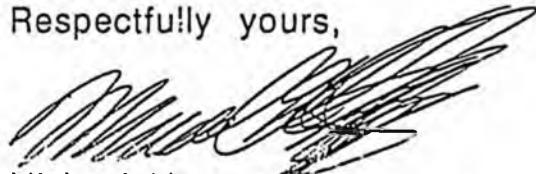
Over the past year we have been heavily impacted by students who need special education services. Fetal Alcohol Syndrome, children of single parent families and profoundly handicapped along with learning disability children have caused special education numbers to reach over two hundred students. Our total school population is 773 ADM. This is an extraordinary percentage of special needs children.

A second area of concern is the unusually high cost of maintenance required by the Nome Beltz facility. Although Nome Beltz is undergoing a life/safety code upgrade, the aged heating equipment and air handling equipment is less than efficient. The Nome Beltz campus is made up of several buildings erected in the 50's for a regional trade school.

Nome must be included in the single site formula, single site payment schedule or given an excess space consideration.

Your help is desperately needed and will be appreciated.

Respectfully yours,



Michael Murphy,
Board Member

| |
|---|
| UNIT AT \$81,000 SINGLE SITE UNITS UNDER 800 ADM |
|---|

| | | |
|----------------------------|--------------------|---|
| ADAK | \$240,850 | ✓ |
| ALASKA GATEWAY | 0 | |
| ALEUTIAN REGION | 59,780 | ✓ |
| ALEUTIANS EAST | 0 | |
| ANCHORAGE | 0 | |
| ANNETTE ISLANDS | 170,800 | ✓ |
| BERING STRAIT | 0 | |
| BRISTOL BAY | 0 | |
| CHATHAM | 0 | |
| CHUGACH | 0 | |
| COPPER RIVER | 0 | |
| CORDOVA | 201,910 | ✓ |
| CRAIG | 161,040 | ✓ |
| DELTA/GREELY | 0 | |
| DILLINGHAM | 198,880 | ✓ |
| FAIRBANKS | 0 | |
| GALENA | 158,600 | ✓ |
| HAINES | 0 | |
| HOONAH | 166,920 | ✓ |
| HYDABURG | 105,630 | ✓ |
| IDITAROD | 0 | |
| JUNEAU | 0 | |
| KAKE | 134,200 | ✓ |
| KASHUNAMIUT | 193,370 | ✓ |
| KENAI | 0 | |
| KETCHIKAN | 0 | |
| KLAWOCK | 153,110 | ✓ |
| KODIAK | 0 | |
| KUSPUK | 0 | |
| LAKE AND PENINSULA | 0 | |
| LOWER KUSKOKWIM | 0 | |
| LOWER YUKON | 0 | |
| MAT-SU | 0 | |
| NENANA | 181,040 | ✓ |
| NOME | 278,770 | ✓ |
| NORTH SLOPE | 0 | |
| NORTHWEST ARCTIC | 0 | |
| PELICAN | 59,170 | ✓ |
| PETERSBURG | 186,420 | ✓ |
| PRIBILOF | 0 | |
| RAILBELT | 0 | |
| SITKA | 0 | |
| SKAGWAY | 115,290 | ✓ |
| SOUTHEAST | 0 | |
| SOUTHWEST | 0 | |
| ST. MARY'S | 121,390 | ✓ |
| TANANA | 117,120 | ✓ |
| UNALASKA | 174,450 | ✓ |
| VALDEZ | 0 | |
| WRANGELL | 148,230 | ✓ |
| YAKUTAT | 114,680 | ✓ |
| YUKON FLATS | 0 | |
| YUKON/KOYUKUK | 0 | |
| YUPIIT | 0 | |
| SUB - TOTALS | 3,430,640 | |
| STATE CORR. STUDY | 0 | |
| MT. EDGE CUMBE SCHOOL | 0 | |
| VALDEZ CONTRACT | 0 | |
| 4 MILL PHASE-IN (SUBSIDY) | 0 | |
| PL81-874 PASS THRU | 0 | |
| EST. PRIOR YEAR ADJ. | 0 | |
| FY93 EST. INCREASES | \$3,430,640 | |

Adds a single site district table to Increase K-12 units by the following formula: 1-250 ADM = 12%, 251-525 ADM = 8%, 526-800 = 6%.

ALASKA DEPARTMENT OF EDUCATION
 FY93 PROJECTED FOUNDATION ENTITLEMENTS IF UNIT VALUE IS ADJUSTED.

4-17-92 File:FOUND93.XLS

| ADJUSTED UNIT VALUE > | \$61,000 | \$61,500 | \$62,000 | \$62,500 | \$63,000 |
|---------------------------|---------------|---------------|---------------|---------------|---------------|
| ADAK | \$2,419,400 | \$2,457,305 | \$2,495,210 | \$2,533,115 | \$2,571,020 |
| ALASKA GATEWAY | 4,433,780 | 4,474,215 | 4,514,650 | 4,555,085 | 4,595,520 |
| ALEUTIAN REGION | 648,764 | 654,889 | 661,014 | 667,139 | 673,264 |
| ALEUTIANS EAST | 3,955,164 | 3,990,344 | 4,025,524 | 4,060,704 | 4,095,884 |
| ANCHORAGE | 180,607,972 | 182,426,127 | 184,244,282 | 186,062,437 | 187,880,592 |
| ANNETTE ISLANDS | 1,236,243 | 1,258,238 | 1,280,233 | 1,302,228 | 1,324,223 |
| BERING STRAIT | 13,450,043 | 13,593,698 | 13,737,353 | 13,881,008 | 14,024,663 |
| BRISTOL BAY | 1,933,845 | 1,957,525 | 1,981,205 | 2,004,885 | 2,028,565 |
| CHATHAM | 2,775,584 | 2,805,834 | 2,836,084 | 2,866,334 | 2,896,584 |
| CHUGACH | 1,778,170 | 1,793,800 | 1,809,430 | 1,825,060 | 1,840,690 |
| COPPER RIVER | 5,342,142 | 5,386,917 | 5,431,692 | 5,476,467 | 5,521,242 |
| CORDOVA | 2,433,643 | 2,458,568 | 2,483,493 | 2,508,418 | 2,533,343 |
| CRAIG | 2,108,433 | 2,127,643 | 2,146,853 | 2,166,063 | 2,185,273 |
| DELTA/GREELY | 4,808,706 | 4,855,576 | 4,902,446 | 4,949,316 | 4,996,186 |
| DILLINGHAM | 3,742,935 | 3,779,885 | 3,816,835 | 3,853,785 | 3,890,735 |
| FAIRBANKS | 63,497,271 | 64,122,271 | 64,747,271 | 65,372,271 | 65,997,271 |
| GALENA | 1,372,789 | 1,386,294 | 1,399,799 | 1,413,304 | 1,426,809 |
| HAINES | 2,281,817 | 2,304,542 | 2,327,267 | 2,349,992 | 2,372,717 |
| HOONAH | 1,568,058 | 1,582,243 | 1,596,428 | 1,610,613 | 1,624,798 |
| HYDABURG | 1,072,473 | 1,081,493 | 1,090,513 | 1,099,533 | 1,108,553 |
| IDITAROD | 4,747,186 | 4,791,501 | 4,835,816 | 4,880,131 | 4,924,446 |
| JUNEAU | 20,932,642 | 21,152,852 | 21,373,062 | 21,593,272 | 21,813,482 |
| KAKE | 1,158,968 | 1,170,333 | 1,181,698 | 1,193,063 | 1,204,428 |
| KASHUNAMIUT | 1,655,659 | 1,672,654 | 1,689,649 | 1,705,644 | 1,723,639 |
| KENAI | 41,455,268 | 41,911,073 | 42,366,878 | 42,822,683 | 43,278,488 |
| KETCHIKAN | 10,011,279 | 10,123,419 | 10,235,559 | 10,347,699 | 10,459,839 |
| KLAWOCK | 1,436,369 | 1,449,379 | 1,462,389 | 1,475,399 | 1,488,409 |
| KODIAK | 12,425,343 | 12,553,238 | 12,681,133 | 12,809,028 | 12,936,923 |
| KUSPUK | 5,200,608 | 5,246,913 | 5,293,218 | 5,339,523 | 5,385,828 |
| LAKE AND PENINSULA | 5,674,274 | 5,727,059 | 5,779,844 | 5,832,629 | 5,885,414 |
| LOWER KUSKOKWIM | 28,906,526 | 29,188,526 | 29,470,526 | 29,752,526 | 30,034,526 |
| LOWER YUKON | 10,885,979 | 11,008,079 | 11,130,179 | 11,252,279 | 11,374,379 |
| MAT-SU | 50,044,443 | 50,514,573 | 50,984,703 | 51,454,833 | 51,924,963 |
| NENANA | 1,545,127 | 1,558,322 | 1,571,517 | 1,584,712 | 1,597,907 |
| NOME | 5,097,612 | 5,144,017 | 5,190,422 | 5,236,827 | 5,283,232 |
| NORTH SLOPE | 8,974,199 | 9,090,939 | 9,207,679 | 9,324,419 | 9,441,159 |
| NORTHWEST ARCTIC | 12,290,063 | 12,428,743 | 12,567,423 | 12,705,103 | 12,844,783 |
| PELICAN | 573,086 | 578,231 | 583,376 | 588,521 | 593,666 |
| PETERSBURG | 3,145,598 | 3,177,373 | 3,209,148 | 3,240,923 | 3,272,698 |
| PRIBILOF | 1,494,203 | 1,509,940 | 1,525,677 | 1,541,414 | 1,557,151 |
| RAILBELT | 3,203,352 | 3,229,772 | 3,256,192 | 3,282,612 | 3,309,032 |
| SITKA | 7,032,612 | 7,107,432 | 7,182,252 | 7,257,072 | 7,331,892 |
| SKAGWAY | 865,969 | 875,134 | 884,299 | 893,464 | 902,629 |
| SOUTHEAST | 5,031,050 | 5,078,255 | 5,125,460 | 5,172,665 | 5,219,870 |
| SOUTHWEST | 5,478,456 | 5,534,196 | 5,589,936 | 5,645,676 | 5,701,416 |
| ST. MARY'S | 1,261,585 | 1,272,350 | 1,283,115 | 1,293,880 | 1,304,645 |
| TANANA | 1,089,508 | 1,099,653 | 1,109,798 | 1,119,943 | 1,130,088 |
| UNALASKA | 1,720,590 | 1,741,260 | 1,761,930 | 1,782,600 | 1,803,270 |
| VALDEZ | 3,280,232 | 3,319,177 | 3,358,122 | 3,397,067 | 3,436,012 |
| WRANGELL | 2,496,114 | 2,520,999 | 2,545,884 | 2,570,769 | 2,595,654 |
| YAKUTAT | 1,118,322 | 1,128,242 | 1,138,162 | 1,148,082 | 1,158,002 |
| YUKON FLATS | 4,696,090 | 4,738,935 | 4,781,780 | 4,824,625 | 4,867,470 |
| YUKON/KOYUKUK | 5,917,552 | 5,975,702 | 6,033,852 | 6,092,002 | 6,150,152 |
| YUPIIT | 3,751,466 | 3,790,091 | 3,828,716 | 3,867,341 | 3,905,966 |
| SUB - TOTALS | 576,064,562 | 581,905,777 | 587,746,992 | 593,588,207 | 599,429,422 |
| STATE CORR. STUDY | 5,560,760 | 5,606,340 | 5,651,920 | 5,697,500 | 5,743,080 |
| MT. EDGE CUMBE SCHOOL | 1,735,264 | 1,748,324 | 1,761,384 | 1,774,444 | 1,787,504 |
| VALDEZ CONTRACT | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 |
| 4 MILL PHASE-IN (SUBSIDY) | 0 | 0 | 0 | 0 | 0 |
| PL81-874 PASS THRU | 1,277,192 | 1,277,192 | 1,277,192 | 1,277,192 | 1,277,192 |
| EST. PRIOR YEAR ADJ. | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| FY93 EST. INCREASES | \$586,737,778 | \$592,637,633 | \$598,537,488 | \$604,437,343 | \$610,337,198 |

ALASKA DEPARTMENT OF EDUCATION
 FY93 PROJECTED FOUNDATION INCREASED ENTITLEMENTS IF UNIT VALUE IS ADJUSTED.

4-17-92 File:FOUND93.XLS

| UNIT VALUE INCREASES BY > | \$1,000 | \$1,500 | \$2,000 | \$2,500 | \$3,000 |
|---------------------------|--------------|--------------|--------------|--------------|--------------|
| ADAK | \$75,810 | \$113,715 | \$151,620 | \$189,525 | \$227,430 |
| ALASKA GATEWAY | 80,870 | 121,305 | 161,740 | 202,175 | 242,610 |
| ALEUTIAN REGION | 12,250 | 18,375 | 24,500 | 30,625 | 36,750 |
| ALEUTIANS EAST | 70,360 | 105,540 | 140,720 | 175,900 | 211,080 |
| ANCHORAGE | 3,636,310 | 5,454,465 | 7,272,620 | 9,090,775 | 10,908,930 |
| ANNETTE ISLANDS | 43,990 | 65,985 | 87,980 | 109,975 | 131,970 |
| BERING STRAIT | 287,310 | 430,965 | 574,620 | 718,275 | 861,930 |
| BRISTOL BAY | 47,360 | 71,040 | 94,720 | 118,400 | 142,080 |
| CHATHAM | 60,500 | 90,750 | 121,000 | 151,250 | 181,500 |
| CHUGACH | 31,260 | 46,890 | 62,520 | 78,150 | 93,780 |
| COPPER RIVER | 89,550 | 134,325 | 179,100 | 223,875 | 268,650 |
| CORDOVA | 49,850 | 74,775 | 99,700 | 124,625 | 149,550 |
| CRAIG | 38,420 | 57,630 | 76,840 | 96,050 | 115,260 |
| DELTA/GREELY | 93,740 | 140,610 | 187,480 | 234,350 | 281,220 |
| DILLINGHAM | 73,900 | 110,850 | 147,800 | 184,750 | 221,700 |
| FAIRBANKS | 1,250,000 | 1,875,000 | 2,500,000 | 3,125,000 | 3,750,000 |
| GALENA | 27,010 | 40,515 | 54,020 | 67,525 | 81,030 |
| HAINES | 45,450 | 68,175 | 90,900 | 113,625 | 136,350 |
| HOONAH | 28,370 | 42,555 | 56,740 | 70,925 | 85,110 |
| HYDABURG | 18,040 | 27,060 | 36,080 | 45,100 | 54,120 |
| IDITAROD | 88,630 | 132,945 | 177,260 | 221,575 | 265,890 |
| JUNEAU | 440,420 | 660,630 | 880,840 | 1,101,050 | 1,321,260 |
| KAKE | 22,730 | 34,095 | 45,460 | 56,825 | 68,190 |
| KASHUNAMIUT | 33,990 | 50,985 | 67,980 | 84,975 | 101,970 |
| KENAI | 911,610 | 1,367,415 | 1,823,220 | 2,279,025 | 2,734,830 |
| KETCHIKAN | 224,280 | 336,420 | 448,560 | 560,700 | 672,840 |
| KLAWOCK | 26,020 | 39,030 | 52,040 | 65,050 | 78,060 |
| KODIAK | 255,790 | 383,685 | 511,580 | 639,475 | 767,370 |
| KUSPUK | 92,610 | 138,915 | 185,220 | 231,525 | 277,830 |
| LAKE AND PENINSULA | 105,570 | 158,355 | 211,140 | 263,925 | 316,710 |
| LOWER KUSKOKWIM | 564,000 | 846,000 | 1,128,000 | 1,410,000 | 1,692,000 |
| LOWER YUKON | 244,200 | 366,300 | 488,400 | 610,500 | 732,600 |
| MAT-SU | 940,260 | 1,410,390 | 1,880,520 | 2,350,650 | 2,820,780 |
| NENANA | 26,390 | 39,585 | 52,780 | 65,975 | 79,170 |
| NOME | 92,810 | 139,215 | 185,620 | 232,025 | 278,430 |
| NORTH SLOPE | 233,480 | 350,220 | 466,960 | 583,700 | 700,440 |
| NORTHWEST ARCTIC | 277,360 | 416,040 | 554,720 | 693,400 | 832,080 |
| PELICAN | 10,290 | 15,435 | 20,580 | 25,725 | 30,870 |
| PETERSBURG | 63,550 | 95,325 | 127,100 | 158,875 | 190,650 |
| PRIBILOF | 31,490 | 47,235 | 62,980 | 78,725 | 94,470 |
| RAILBELT | 52,840 | 79,260 | 105,680 | 132,100 | 158,520 |
| SITKA | 149,640 | 224,460 | 299,280 | 374,100 | 448,920 |
| SKAGWAY | 18,330 | 27,495 | 36,660 | 45,825 | 54,990 |
| SOUTHEAST | 94,410 | 141,615 | 188,820 | 236,025 | 283,230 |
| SOUTHWEST | 111,480 | 167,220 | 222,960 | 278,700 | 334,440 |
| ST. MARY'S | 21,530 | 32,295 | 43,060 | 53,825 | 64,590 |
| TANANA | 20,290 | 30,435 | 40,580 | 50,725 | 60,870 |
| UNALASKA | 41,340 | 62,010 | 82,680 | 103,350 | 124,020 |
| VALDEZ | 77,890 | 116,835 | 155,780 | 194,725 | 233,670 |
| WRANGELL | 49,770 | 74,655 | 99,540 | 124,425 | 149,310 |
| YAKUTAT | 19,840 | 29,760 | 39,680 | 49,600 | 59,520 |
| YUKON FLATS | 85,690 | 128,535 | 171,380 | 214,225 | 257,070 |
| YUKON/KOYUKUK | 116,300 | 174,450 | 232,600 | 290,750 | 348,900 |
| YUPIIT | 77,250 | 115,875 | 154,500 | 193,125 | 231,750 |
| SUB - TOTALS | 11,682,430 | 17,523,645 | 23,364,860 | 29,206,075 | 35,047,290 |
| STATE CORR. STUDY | 91,160 | 136,740 | 182,320 | 227,900 | 273,480 |
| MT. EDGE CUMBE SCHOOL | 26,120 | 39,180 | 52,240 | 65,300 | 78,360 |
| VALDEZ CONTRACT | 0 | 0 | 0 | 0 | 0 |
| 4 MILL PHASE-IN (SUBSIDY) | 0 | 0 | 0 | 0 | 0 |
| PL81-874 PASS THRU | 0 | 0 | 0 | 0 | 0 |
| EST. PRIOR YEAR ADJ. | 0 | 0 | 0 | 0 | 0 |
| FY93 EST. INCREASES | \$11,799,710 | \$17,699,565 | \$23,599,420 | \$29,499,275 | \$35,399,130 |

National Forest Receipt Payments/Unorganized Borough

| Community | Road Miles | ADM | Road Mile \$ | School \$ |
|---------------------|------------|---------------|--------------|-----------------------|
| Home Rule | | | | |
| Petersburg | | 702.35 | | \$880,192.64 |
| Wrangell | | 528.75 | | \$662,635.24 |
| First Class | | | | |
| Craig | | 314.25 | | \$393,821.51 |
| Hoonah | | 234.95 | | \$294,441.89 |
| Hydaburg | | 119.00 | | \$149,132.09 |
| Kake | | 185.05 | | \$231,906.67 |
| Klawock | | 211.85 | | \$265,492.72 |
| Pelican | | 45.90 | | \$57,522.38 |
| Skagway | | 145.00 | | \$181,715.57 |
| Yakutat | | 131.00 | | \$164,170.62 |
| Second Class | | | | |
| Angeon . | | N/A | | N/A |
| Coffman Cove | | N/A | | N/A |
| Kasaan | | N/A | | N/A |
| Kupreanof | | N/A | | N/A |
| Port Alexander | | N/A | | N/A |
| Tenakee Springs | | N/A | | N/A |
| Thorne Bay | | N/A | | N/A |
| Federal | | | | |
| Metlakatla | | 423.90 | | \$531,236.08 |
| REAA'S | | | | |
| Chatham | | 376.30 | | \$471,583.24 |
| Southeast Island | | 415.80 | | \$521,085.07 |
| TOTAL LOCAL | | 3834.1 | | \$4,804,935.71 |
| STATE | | N/A | | N/A |
| GRAND TOTAL | | 3834.1 | | \$4,804,935.71 |

JUN 27 '92 14:45

STATE OF ALASKA DCRA JUNEAU

052 P02

| | FY91 | | | | | | |
|------------------|--|----------------------------|------------------------|------------------------------|------------------------------------|----------------------------|---------------|
| | Appropriation Excess Over 4 Mill Requirement | Earnings on Investments | Other Local Revenue | 10% PL81-874 & Proportion | PL81-874 Indian Lands Add-on | FY92 Forest Receipts | FY91 Total |
| ADAK | \$0 | \$396,600 | \$2,877 | \$252,918 | \$0 | \$0 | \$652,395 |
| ALASKA GATEWAY | 0 | 211,554 | 20,775 | 56,765 | 130,571 | 0 | 419,665 |
| ALEUTIAN REGION | 0 | 5,731 | 8,726 | 9,526 | 23,596 | 0 | 47,579 |
| ALEUTIANS EAST | 0 | 0 | 21,078 | 66,796 | 152,838 | 0 | 240,712 |
| ANCHORAGE | 25,601,619 | 0 | 664,801 | 94,946 | 0 | 2,126 | 26,363,492 |
| ANNETTE ISLAND | 0 | 132,279 | 29,099 | 137,482 | 343,704 | 531,236 | 1,173,800 |
| BERING STRAIT | 0 | 653,631 | 487,024 | 451,726 | 1,129,313 | 0 | 2,721,694 |
| BRISTOL BAY | 154,127 | 0 | 30,162 | 126,391 | 61,693 | 0 | 372,373 |
| CHATHAM | 0 | 141,886 | 2,625 | 104,031 | 259,638 | 471,583 | 979,763 |
| CHUGACH | 0 | 25,556 | 77,426 | 19,891 | 42,790 | 2,726 | 168,389 |
| COPPER RIVER | 0 | 109,340 | 47,698 | 25,740 | 67,989 | 0 | 250,767 |
| CORDOVA | 285,339 | 0 | 11,678 | 6,863 | 0 | 10,177 | 314,057 |
| CRAIG | 0 | 0 | 4,572 | 2,988 | 4,950 | 393,821 | 406,331 |
| DELTA GREELY | 0 | 115,056 | 20,528 | 108,361 | 4,255 | 0 | 248,200 |
| DILLINGHAM | 274,383 | 0 | 45,170 | 176,013 | 88,162 | 0 | 583,728 |
| FAIRBANKS | 14,067,654 | 0 | 1,000,076 | 21,083 | 0 | 0 | 15,088,813 |
| GALENA | 89,796 | 0 | 3,500 | 270,822 | 110,661 | 0 | 474,779 |
| HAINES | 561,072 | 0 | 10,361 | 5,146 | 681 | 380,287 | 957,547 |
| HOONAH | 348,450 | 0 | 28,384 | 130,102 | 53,697 | 294,442 | 855,075 |
| HYDABURG | 34,068 | 0 | 37,337 | 27,590 | 6,794 | 149,132 | 254,921 |
| IDITAROD | 0 | 148,809 | 94,843 | 85,987 | 199,330 | 0 | 528,969 |
| JUNEAU | 5,757,940 | 0 | 124,337 | 19,142 | 0 | 685,381 | 6,586,800 |
| KAKE | 56,731 | 0 | 26,592 | 192,711 | 84,142 | 231,907 | 592,083 |
| KASHUNAMIUT | 0 | 26,371 | 32,882 | 50,756 | 126,890 | 0 | 236,899 |
| KENAI | 11,195,217 | 0 | 76,179 | 106,832 | 68,459 | 8,839 | 11,455,527 |
| KETCHIKAN | 2,984,840 | 0 | 51,822 | 9,539 | 0 | 391,753 | 3,437,954 |
| KLAWOCK | 145,783 | 0 | 1,762 | 258,823 | 81,434 | 0 | 487,802 |
| KODIAK | 442,615 | 0 | 36,763 | 12,702 | 26,916 | 180 | 519,176 |
| KUSPUK | 0 | 57,192 | 0 | 56,457 | 153,156 | 0 | 266,805 |
| LAKE & PEN. | 439,626 | 0 | 5,895 | 858,504 | 322,517 | 0 | 1,626,542 |
| LOWER KUSKOKWIM | 0 | 520,822 | 225,164 | 618,871 | 1,477,890 | 0 | 2,842,747 |
| LOWER YUKON | 0 | 659,169 | 17,516 | 437,990 | 1,094,973 | 0 | 2,209,648 |
| MAT-SU | 9,408,168 | 0 | 70,004 | 304 | 0 | 336 | 9,478,812 |
| NENANA | 73,492 | 0 | 8,846 | 3,363 | 414 | 0 | 86,115 |
| NOME | 75,934 | 0 | 200,898 | 12,637 | 0 | 0 | 289,469 |
| NORTH SLOPE | 13,440,007 | 0 | 37,332 | 2,509,929 | 783,995 | 0 | 16,771,313 |
| NW ARCTIC | 257,990 | 0 | 128,145 | 1,087,591 | 845,228 | 0 | 2,318,954 |
| PELICAN | 0 | 0 | 4,010 | 0 | 0 | 57,522 | 61,532 |
| PETERSBURG | 306,996 | 0 | 20,259 | 7,780 | 0 | 880,193 | 1,215,228 |
| PRIBILOF | 0 | 119,485 | 1,503 | 51,301 | 128,126 | 0 | 300,415 |
| RAILBELT | 0 | 53,211 | 14,243 | 4,477 | 0 | 0 | 71,931 |
| SITKA | 1,231,970 | 0 | 19,164 | 107,017 | 31,737 | 751,779 | 2,141,667 |
| SKAGWAY | 154,895 | 0 | 500 | 0 | 0 | 181,716 | 337,111 |
| SOUTHEAST ISLAND | 0 | 176,522 | 2,840 | 88,695 | 73,277 | 521,085 | 862,419 |
| SOUTHWEST REGION | 0 | 395,933 | 163,760 | 147,984 | 369,960 | 0 | 1,077,637 |
| ST. MARY'S | 92,459 | 0 | 9,189 | 155,400 | 51,666 | 0 | 308,714 |
| TANANA | 3,731 | 0 | 89,160 | 145,942 | 51,032 | 0 | 289,865 |
| UNALASKA | 126,865 | 0 | 49,804 | 2,193 | 2,729 | 0 | 181,591 |
| VALDEZ | 2,130,054 | 0 | 69,009 | 22,488 | 0 | 18,149 | 2,239,700 |
| WRANGELL | 408,708 | 0 | 3,840 | 1,861 | 0 | 662,635 | 1,077,044 |
| YAKUTAT | 118,688 | 0 | 13,538 | 51,726 | 10,505 | 164,171 | 358,628 |
| YUKON FLATS | 0 | 140,573 | 127,480 | 59,768 | 328,187 | 0 | 656,008 |
| YUKON-KOYUKUK | 0 | 229,113 | 83,811 | 139,678 | 345,142 | 0 | 797,744 |
| YUPIIT | 0 | 141,388 | 1,909 | 106,289 | 265,721 | 0 | 515,307 |
| Totals | \$90,269,220 | \$4,460,221 | \$4,366,946 | \$9,509,917 | \$9,404,758 | \$6,791,176 | \$124,802,238 |

| | FY90 | | | | | |
|------------------|--|----------------------------|------------------------|------------------------------|------------------------------------|---------------|
| | Appropriation Excess Over 4 Mill Requirement | Earnings on Investments | Other Local Revenue | 10% PL81-874 & Proportion | PL81-874 Indian Lands Add-on | FY90 Total |
| ADAK | \$0 | \$392,715 | \$60,435 | \$238,613 | \$0 | \$691,763 |
| ALASKA GATEWAY | 0 | 198,221 | 661 | 51,621 | 114,887 | 365,390 |
| ALEUTIAN REGION | 0 | 1,721 | 28,411 | 9,321 | 23,295 | 62,748 |
| ALEUTIANS EAST | 3,370 | 0 | 2,016 | 49,498 | 108,455 | 163,339 |
| ANCHORAGE | 27,512,047 | 0 | 615,212 | 255,646 | 1,552 | 28,384,457 |
| ANNETTE ISLAND | 0 | 151,897 | 12,260 | 133,052 | 332,629 | 629,838 |
| BERING STRAIT | 0 | 604,915 | 520,990 | 406,543 | 1,016,358 | 2,548,806 |
| BRISTOL BAY | 0 | 0 | 220,768 | 105,801 | 57,845 | 384,414 |
| CHATHAM | 0 | 151,643 | 5,381 | 86,716 | 216,125 | 459,865 |
| CHUGACH | 0 | 16,540 | 74,172 | 17,082 | 34,541 | 142,335 |
| COPPER RIVER | 0 | 76,886 | 61,237 | 24,490 | 45,129 | 207,742 |
| CORDOVA | 306,775 | 0 | 11,652 | 7,940 | 0 | 326,367 |
| CRAIG | 0 | 0 | 1,612 | 4,285 | 6,115 | 12,012 |
| DELTA GREELY | 0 | 169,384 | 26,486 | 100,678 | 4,806 | 301,354 |
| DILLINGHAM | 194,883 | 0 | 40,878 | 128,403 | 72,298 | 436,462 |
| FAIRBANKS | 12,558,445 | 0 | 297,157 | 46,598 | 0 | 12,902,200 |
| GALENA | 82,080 | 0 | 31,562 | 262,277 | 102,837 | 478,756 |
| HAINES | 471,390 | 0 | 18,144 | 5,602 | 1,132 | 496,268 |
| HOONAH | 61,856 | 0 | 18,039 | 45,853 | 28,110 | 153,858 |
| HYDABURG | 37,195 | 0 | 20,154 | 28,795 | 7,239 | 93,383 |
| IDITAROD | 0 | 144,290 | 55,093 | 81,161 | 184,782 | 465,326 |
| JUNEAU | 4,944,537 | 0 | 92,187 | 24,395 | 16 | 5,061,135 |
| KAKE | 52,729 | 0 | 15,370 | 190,309 | 87,563 | 345,971 |
| KASHUNAMIUT | 0 | 60,008 | 19,589 | 54,630 | 136,574 | 270,801 |
| KENAI | 9,485,651 | 0 | 77,938 | 120,996 | 9,676 | 9,694,261 |
| KETCHIKAN | 2,506,417 | 0 | 14,471 | 9,946 | 0 | 2,530,834 |
| KLAWOCK | 175,888 | 0 | 8,168 | 260,304 | 81,944 | 526,304 |
| KODIAK | 877,033 | 0 | 59,691 | 51,030 | 4,693 | 992,447 |
| KUSPUK | 0 | 102,099 | 0 | 55,374 | 131,760 | 289,233 |
| LAKE & PENINSULA | 0 | 0 | 92,217 | 106,377 | 265,940 | 464,534 |
| LOWER KUSKOKWIM | 0 | 417,515 | 114,817 | 589,251 | 1,410,860 | 2,532,443 |
| LOWER YUKON | 0 | 854,404 | 26,725 | 414,258 | 1,035,643 | 2,331,030 |
| MAT-SU | 7,052,953 | 0 | 44,799 | 24,429 | 0 | 7,122,181 |
| NENANA | 80,620 | 0 | 48,844 | 6,450 | 148 | 136,062 |
| NOME | 52,697 | 0 | 179,151 | 4,639 | 0 | 236,487 |
| NORTH SLOPE | 13,725,910 | 0 | 62,381 | 1,889,014 | 592,146 | 16,269,451 |
| NORTHWEST ARCTIC | 332,198 | 0 | 39,186 | 1,410,818 | 818,756 | 2,600,958 |
| PELICAN | 3,330 | 0 | 526 | 0 | 0 | 3,856 |
| PETERSBURG | 86,926 | 0 | 4,490 | 5,775 | 0 | 97,191 |
| PRIBILOF | 0 | 127,157 | 15,362 | 46,594 | 114,083 | 303,196 |
| RAILBELT | 0 | 70,871 | 0 | 4,475 | 484 | 75,830 |
| SITKA | 1,343,122 | 0 | 15,290 | 71,312 | 6,497 | 1,436,221 |
| SKAGWAY | 13,059 | 0 | 0 | 17 | 0 | 13,076 |
| SOUTHEAST ISLAND | 0 | 169,080 | 8,853 | 82,337 | 79,533 | 339,803 |
| SOUTHWEST REGION | 0 | 411,417 | 112,502 | 152,833 | 388,250 | 1,065,002 |
| ST. MARY'S | 118,949 | 0 | 0 | 199,880 | 63,039 | 381,868 |
| TANANA | 80,851 | 0 | 2,761 | 160,986 | 58,826 | 303,424 |
| UNALASKA | 46,419 | 0 | 140,362 | 1,385 | 3,900 | 192,066 |
| VALDEZ | 2,409,411 | 0 | 203,500 | 33,214 | 0 | 2,646,125 |
| WRANGELL | 337,182 | 0 | 463 | 5,221 | 0 | 342,866 |
| YAKUTAT | 128,433 | 0 | 23,356 | 42,353 | 17,668 | 211,810 |
| YUKON FLATS | 0 | 94,596 | 96,272 | 100,588 | 251,470 | 542,926 |
| YUKON-KOYUKUK | 0 | 258,607 | 21,624 | 131,827 | 329,404 | 741,462 |
| YUPIIT | 0 | 218,119 | 346 | 96,090 | 240,224 | 554,779 |
| Totals | \$85,082,356 | \$4,692,085 | \$3,663,561 | \$8,437,082 | \$8,487,232 | \$110,362,316 |

| | FY90 Total | FY91 Total | FY90 & FY91 Average | Estimated Five Year Total |
|------------------|---------------|---------------|------------------------|------------------------------|
| ADAK | \$691,763 | \$652,395 | \$672,079 | \$3,360,395 |
| ALASKA GATEWAY | 365,390 | 419,665 | 392,528 | 1,962,638 |
| ALEUTIAN REGION | 62,748 | 47,579 | 55,163 | 275,817 |
| ALEUTIANS EAST | 163,339 | 240,712 | 202,026 | 1,010,128 |
| ANCHORAGE | 28,384,457 | 26,363,492 | 27,373,975 | 136,869,873 |
| ANNETTE ISLAND | 629,838 | 1,173,800 | 901,819 | 4,509,095 |
| BERING STRAIT | 2,548,806 | 2,721,694 | 2,635,250 | 13,176,251 |
| BRISTOL BAY | 384,414 | 372,373 | 378,394 | 1,891,968 |
| CHATHAM | 459,865 | 979,763 | 719,814 | 3,599,070 |
| CHUGACH | 142,335 | 168,389 | 155,362 | 776,810 |
| COPPER RIVER | 207,742 | 250,767 | 229,255 | 1,146,273 |
| CORDOVA | 326,367 | 314,057 | 320,212 | 1,601,060 |
| CRAIG | 12,012 | 406,331 | 209,172 | 1,045,858 |
| DELTA GREELY | 301,354 | 248,200 | 274,777 | 1,373,885 |
| DILLINGHAM | 436,462 | 583,728 | 510,095 | 2,550,475 |
| FAIRBANKS | 12,902,200 | 15,088,813 | 13,995,507 | 69,977,533 |
| GALENA | 478,756 | 474,779 | 476,768 | 2,383,838 |
| HAINES | 496,268 | 957,547 | 726,908 | 3,634,538 |
| HOONAH | 153,858 | 855,075 | 504,467 | 2,522,333 |
| HYDABURG | 93,383 | 254,921 | 174,152 | 870,760 |
| IDITAROD | 465,326 | 528,969 | 497,148 | 2,485,738 |
| JUNEAU | 5,061,135 | 6,586,800 | 5,823,968 | 29,119,838 |
| KAKE | 345,971 | 592,083 | 469,027 | 2,345,135 |
| KASHUNAMIUT | 270,801 | 236,899 | 253,850 | 1,269,250 |
| KENAI | 9,694,261 | 11,455,526 | 10,574,894 | 52,874,468 |
| KETCHIKAN | 2,530,834 | 3,437,954 | 2,984,394 | 14,921,970 |
| KLAWOCK | 526,304 | 487,805 | 507,055 | 2,535,273 |
| KODIAK | 992,447 | 519,176 | 755,812 | 3,779,058 |
| KUSPUK | 289,233 | 266,805 | 278,019 | 1,390,094 |
| LAKE & PEN. | 464,534 | 1,626,542 | 1,045,538 | 5,227,690 |
| LOWER KUSKOKWIM | 2,532,443 | 2,842,747 | 2,687,595 | 13,437,975 |
| LOWER YUKON | 2,331,030 | 2,209,648 | 2,270,339 | 11,351,695 |
| MAT-SU | 7,122,181 | 9,478,812 | 8,300,497 | 41,502,483 |
| NENANA | 136,062 | 86,115 | 111,089 | 555,443 |
| NOME | 236,487 | 289,469 | 262,978 | 1,314,890 |
| NORTH SLOPE | 16,269,451 | 16,771,313 | 16,520,382 | 82,601,910 |
| NW ARCTIC | 2,600,958 | 2,318,954 | 2,459,956 | 12,299,780 |
| PELICAN | 3,856 | 61,532 | 32,694 | 163,470 |
| PETERSBURG | 97,191 | 1,215,228 | 656,210 | 3,281,048 |
| PRIBILOF | 303,196 | 300,415 | 301,806 | 1,509,028 |
| RAILBELT | 75,830 | 71,931 | 73,881 | -369,403 |
| SITKA | 1,436,221 | 2,141,667 | 1,788,944 | 8,944,720 |
| SKAGWAY | 13,076 | 337,111 | 175,094 | 875,468 |
| SOUTHEAST ISLAND | 339,803 | 862,419 | 601,111 | 3,005,555 |
| SOUTHWEST REGION | 1,065,002 | 1,077,637 | 1,071,320 | 5,356,598 |
| ST. MARY'S | 381,868 | 308,714 | 345,291 | 1,726,455 |
| TANANA | 303,424 | 289,865 | 296,645 | 1,483,223 |
| UNALASKA | 192,066 | 181,591 | 186,829 | 934,143 |
| VALDEZ | 2,646,125 | 2,239,700 | 2,442,913 | 12,214,563 |
| WRANGELL | 342,866 | 1,077,044 | 709,955 | 3,549,775 |
| YAKUTAT | 211,810 | 358,628 | 285,219 | 1,426,095 |
| YUKON FLATS | 542,926 | 656,008 | 599,467 | 2,997,335 |
| YUKON-KOYUKUK | 741,462 | 797,744 | 769,603 | 3,848,015 |
| YUPIIT | 554,779 | 515,307 | 535,043 | 2,675,215 |
| Totals | \$110,362,316 | \$124,802,238 | \$117,582,277 | \$587,911,397 |

**KASHUNAMIUT SCHOOL DISTRICT**

985 KSD Way
Chevak, Alaska 99563
(907) 858-7713 FAX (907) 858-7328

April 16, 1992

Honorable Pat Pourchot
Alaska State Senate
PO Box V
Juneau, Alaska 99811

Dear Senator Pourchot:

I understand that HB 25 is scheduled to be heard in Senate Finance on April 21. This bill represents a critical opportunity to help school districts maintain quality educational programs for the students of Alaska.

As you know, the foundation unit value has remained static for some time, while the costs of operating school districts has escalated. As an example of how this impacts school operations and programs, the Kashunamiut School District currently has 11% fewer teachers to serve 19% more students than in FY '90, and the situation will be exacerbated next year.

Therefore, I urge you to pass out HB 25 with two amendments-- an instructional unit value of \$63,000 and supplemental foundation aid to all 21 single site districts on the formula recommended by the Single Site School District Consortium. As regards this latter issue, the Legislature has recognized for some time an inequity in the foundation formula affecting single site districts. The method of dealing with this for the last two years, and as contained in the House version of HB 25, is to provide supplemental aid only to single site municipal districts up to 500 (or 750) average daily membership.

This does not address the demonstrated needs of single site districts up to 1,000 ADM (or even 800 as proposed in SB 446) and unfairly discriminates against REAA's, such as Kashunamiut. The formula proposed by the Single Site Consortium would cover the 21 smallest single site municipal and REAA districts in a fair and equitable manner.

I urge you to vote for the passage of HB 25 with the amendments suggested above.

Very sincerely,

A handwritten signature in black ink, appearing to read "B. A. Weinberg".

B. A. Weinberg, Superintendent
KASHUNAMIUT SCHOOL DISTRICT

ALASKA STATE LEGISLATURE SENATE

SENATOR RICHARD I. ELIASON

PRESIDENT OF THE SENATE
LABOR & COMMERCE COMMITTEE
RESOURCES COMMITTEE
RULES COMMITTEE
CHAIRMAN, SPECIAL COMMITTEE ON
DOMESTIC & INTERNATIONAL
COMMERCIAL FISHERIES



P.O. BOX 143
SITKA, ALASKA 99835

P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4916

FAX (907) 465-4928

MEMORANDUM

TO: Senator Jay Kerttula, Co-chair
Senator Pat Pourchot, Co-chair
Senate Finance Committee

FROM: Senator Dick Eliason *Dick*

DATE: April 15, 1992

RE: HB 25 - relating to school funding

During your deliberations of HB 25, relating to school funding, I respectfully request that the Senate Finance Committee amend the dollar amounts listed in Section 1 (b) to reflect the school districts' projected enrollments for FY 93. The amounts currently listed for single site school districts in CSHB 25 (FIN) were computed using a \$60,000 unit value and the school districts' FY 92 ADM. As HB 25 allocates money to the Foundation program to cover a unit value of \$61,000, the single site school district appropriation should be based on that value also.

The attached printout provided by the Department of Education indicates the distribution of funds for single site school districts with less than 800 ADM using a \$61,000 unit value. The dollar amounts were based on the districts' projected FY 93 enrollment. I respectfully request that HB 25 be amended to reflect the most accurate information available.

Thank you very much for your assistance in providing equity in education funding.

| |
|---|
| UNIT AT \$81,000 SINGLE SITE UNITS UNDER 800 ADM |
|---|

| | |
|----------------------------|--------------------|
| ADAK | \$240,950 |
| ALASKA GATEWAY | 0 |
| ALEUTIAN REGION | 59,780 |
| ALEUTIANS EAST | 0 |
| ANCHORAGE | 0 |
| ANNETTE ISLANDS | 170,800 |
| BERING STRAIT | 0 |
| BRISTOL BAY | 0 |
| CHATHAM | 0 |
| CHUGACH | 0 |
| COPPER RIVER | 0 |
| CORDOVA | 201,910 |
| CRAIG | 161,040 |
| DELTA/GREELY | 0 |
| DILLINGHAM | 199,880 |
| FAIRBANKS | 0 |
| GALENA | 159,600 |
| HAINES | 0 |
| HOONAH | 165,920 |
| HYDABURG | 105,530 |
| IDITAROD | 0 |
| JUNEAU | 0 |
| KAKE | 134,200 |
| KASHUNAMIUT | 193,370 |
| KENAI | 0 |
| KETCHIKAN | 0 |
| KLAWOCK | 153,110 |
| KODIAK | 0 |
| KUSPUK | 0 |
| LAKE AND PENINSULA | 0 |
| LOWER KUSKOKWIM | 0 |
| LOWER YUKON | 0 |
| MAT-SU | 0 |
| NENANA | 181,040 |
| NOME | 278,770 |
| NORTH SLOPE | 0 |
| NORTHWEST ARCTIC | 0 |
| PELICAN | 59,170 |
| PETERSBURG | 196,420 |
| PRIBILOF | 0 |
| RAILBELT | 0 |
| SITKA | 0 |
| SKAGWAY | 115,290 |
| SOUTHEAST | 0 |
| SOUTHWEST | 0 |
| ST. MARY'S | 121,390 |
| TANANA | 117,120 |
| UNALASKA | 174,460 |
| VALDEZ | 0 |
| WRANGELL | 148,230 |
| YAKUTAT | 114,680 |
| YUKON FLATS | 0 |
| YUKON/KOYUKUK | 0 |
| YUPIIT | 0 |
| SUB - TOTALS | 3,430,640 |
| STATE CORR. STUDY | 0 |
| MT. EDGE CUMBE SCHOOL | 0 |
| VALDEZ CONTRACT | 0 |
| 4 MILL PHASE-IN (SUBSIDY) | 0 |
| PL81-874 PASS THRU | 0 |
| EST. PRIOR YEAR ADJ. | 0 |
| FY83 EST. INCREASES | \$3,430,640 |

Adds a single site district table to increase K-12 units by the following formula: 1-250 ADM = 12%, 251-525 ADM = 8%, 526-800 = 6%.

PELICAN CITY SCHOOL DISTRICT

A RESOLUTION TO SUPPORT ADEQUATE FUNDING FOR THE PELICAN SCHOOL DISTRICT.

RESOLUTION # 92-1

WHEREAS: The state foundation formula for funding education units in Alaska has remained at \$60,000 the past five years; and

WHEREAS: The Pelican City School District, and districts and REAA's throughout Alaska are experiencing yearly increased costs to the operating budgets; and

WHEREAS: The increased costs include automatic step increases for employees, increases in TRS and other expenses that are not under the control of the local School Boards; and

WHEREAS: Due to rising costs the Pelican School District has appropriated unreserved funds to meet operating expenses four out of the past five years;

BE IT THEREFORE RESOLVED that the Pelican School Board reaffirms its commitment to adequate funding for school districts in Alaska. The Board supports an increase in the foundation formula to \$63,000 and an adjustment formula to adequately fund single site districts. The Board supports the provision for providing financial relief for TRS increases.

The Board urges legislators to act as soon as possible for the positive resolution to the existing shortfall in school funding by addressing: a \$63,000 funding unit, an adjustment for Single Site Districts, and TRS increases.

IN WITNESS THEREOF, we have hereunder set our hands this 11 day of March, 19 92.

Cheryl A Young
School Board President

Jerry Neah
Witness

| | | | |
|--|-------------------------|---------------------|--|
| Post-It™ brand fax transmittal memo 7671 | | # of pages <u>1</u> | |
| To: <u>SEN. PAT POURCHOT</u> | From: <u>K. BOVICKA</u> | | |
| Co: <u>SENATE FINANCE</u> | Co: <u>PELICAN S.D.</u> | | |
| Dept: | Phone # <u>785-2236</u> | | |
| Fax # <u>465-2069</u> | Fax # <u>735-2263</u> | | |

NOME PUBLIC SCHOOLS

Box 131, Nome, Alaska 99762 • FAX: (907) 443-5144 • Telephone (907) 443-2231



February 19, 1992

Mr. Jerry Covey, Commissioner
Department of Education
Goldbelt Place
801 West 10th Street
P.O. Box F
Juneau, Alaska 99811-0500

Dear Commissioner Covey:

This letter represents another attempt to draw to your attention a problem that occurred when Governor Hickel vetoed an appropriation to Nome Public Schools in the amount of \$150,000 for operation and maintenance of the Nome Beltz Complex. I apologize for my inability to adequately communicate the issue clearly enough so that you can focus on a remedy or an explanation, but please bear with me one more time.

In May 1991, HB15 carried 2.8M for nineteen single-dual site districts with less than 750 ADM. (Section 131, page 27, line 26, of HB15 - Exhibit #2) (Also see attached Exhibit #1.) Nome was not included in this supplemental appropriation.

However, Nome was included in HB15, Section 156, page 31, line 5, for an appropriation described as FY'91 Nome Beltz School Operation and Maintenance. This is the payment that had been established to defray costs of facilities constructed for former statewide boarding school programs, but now adapted for local use. (See Exhibit #2 and Exhibit #3.)

Governor Hickel vetoed the HB15 line items that carried the 2.8M for nineteen single-dual site districts with less than 750 ADM and the line item of \$150,000 payment for Nome Beltz, upon the recommendation of the Department of Education. My belief is that the \$150,000 earmarked to be paid to Nome Beltz, a payment which was historically established, was erroneously combined with the nineteen single-dual site assistance appropriations in the Department of Education's recommendation to Governor Hickel for veto. (See Exhibit #4.)

I do not know if the agreement between the Department of Education and Nome Public Schools, that allowed the State of Alaska to help defray costs of adapting a state-wide boarding school to local use, was written or implied, but obviously some authority existed for the appropriation to have been made in years past, in 1988, and in 1991. (See Exhibit #3.)

February 19, 1992

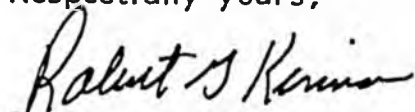
My questions to you, Mr. Commissioner, are these:

- 1) Was the appropriation for Nome Beltz, HB15 Section 156, page 31, line 5, erroneously included for veto along with Section 131, page 27, line 26, of HB15?
- 2) If the Nome Beltz appropriation was erroneously recommended for veto, can it be restored?
- 3) What can be done to see that if the Nome Beltz appropriation gets through legislation again this year that the Department of Education will not once again recommend it for veto?

In Governor Hickel's correspondence to me he did indicate that he followed the Department of Education recommendations for veto. You have a copy of that letter.

Thank you for once again spending time to help remedy what I believe to be an error or to explain why legislative action on behalf of Nome Beltz was disregarded by the Department of Education.

Respectfully yours,



Robert G. Kinna
Superintendent

/im

cc: Representative Richard Foster
Mike Murphy, Nome Board of Education

Chapter 96

1 water and sewer. Nine STP - \$750,000) is reappropriated to the Department of Administration for
 2 payment as a grant under AS 37.05.315 to the City of Nome for the Icy View water and sewer and
 3 sewage treatment plant projects.

4 * Sec. 141. The sum of \$825,000 is appropriated from the power development revolving loan fund
 5 (AS 44.83.500) in the Alaska Energy Authority to the general fund as an additional revenue source.

6 ~~WJH Sec. 142. The unexpended and unobligated balance of the appropriation made in sec. 2, ch. 206, AS
 7 SLA 1990, page 87, lines 7 - 8 (SB 527 - Cross-country mail project - \$100,000) lapses into the
 8 general fund June 30, 1992.~~

9 * Sec. 143. The unexpended and unobligated balance of the appropriation made in sec. 2, ch. 24, SLA
 10 1984, page 7, line 16, as amended by sec. 618, ch. 105, SLA 1985, and sec. 126, ch. 173, SLA 1988
 11 (Bethel Social Services, Inc. dba Bethel Community Services-residential facilities - \$510,000) is
 12 reappropriated to the Department of Health and Social Services for a Bethel youth facility, residential
 13 facilities design and construction

14 ~~WJH Sec. 144. The sum of \$40,000 is appropriated from the general fund to the Department of
 15 Administration for payment as a grant under AS 37.05.315 to the City of Kotzebue for snow removal.~~

16 * Sec. 145. The unexpended and unobligated balance in the mental health trust income account
 17 (AS 37.14.011) in the general fund and the interest earned on that sum beginning on the effective date
 18 of this section, are appropriated to the general fund, mental health capital project account.

19 * Sec. 146. (a) Subject to the condition set out in (b) of this section, the sum of \$3,000,000 is
 20 appropriated from the general fund to the Office of the Governor for a national education effort to gain
 21 approval for the opening of the Arctic National Wildlife Refuge to oil and gas development.

22 (b) The appropriation made by (a) of this section is conditioned on any contract for the Arctic
 23 National Wildlife Refuge' provision prohibiting any person participating in the development of the
 24 request for proposals from making a bid on the contract.

25 * Sec. 147. The sum of \$150,000 is appropriated from the general fund to the Department of Natural
 26 Resources for the mining reclamation program for the fiscal year ending June 30, 1992, to be allocated
 27 as follows:

| | | |
|----|---------------------------------------|----------|
| 28 | Division of mining | \$81,000 |
| 29 | Division of land and water management | 69,000 |

30 * Sec. 148. The sum of \$2,000,000 is appropriated from the general fund to the Department of Law

1 for Faxon/Valder litigation expenses for the fiscal years ending June 30, 1991, and 1992

2 ~~WJH Sec. 149. The sum of \$28,844 is appropriated from the general fund to the Depart-
 3 Administration for payment as compensation to Peter Sullivan for service on the Alaska
 4 Administrative Commission from January 23, 1991, to May 18, 1991.~~

5 ~~WJH Sec. 150. The sum of \$1,211,721 is appropriated from the general fund to the Depart-
 6 Community and Regional Affairs for the ~~cross-country mail~~ veterans property tax es-
 7 timate AS 20.13.020(g) for the fiscal year ending June 30, 1992.~~

8 * Sec. 151. The sum of \$623,100 is appropriated from the general fund to the Depart-
 9 Education for payment as a grant under AS 14.11.005 to Dillingham City School District
 10 repairs to city schools.

11 * Sec. 152. Contingent upon approval of the settlement by the Attorney General, the sum of \$
 12 is appropriated from the international airports revenue fund (AS 37.15.430) to the Depart-
 13 Transportation and Public Facilities for payment of a settlement with domestic terminal prop-
 14 Anchorage International Airport for the fiscal year ending June 30, 1991.

15 * Sec. 153. The reimbursements of costs incurred after July 1, 1991, from: the oil and haz-
 16 substance release response fund (AS 46.08.010) received and deposited to the oil and haz-
 17 substance release mitigation account in the general fund (AS 46.08.020(h)) during the fiscal year
 18 June 30, 1992 are appropriated to the oil spill reserve account in the oil and hazardous substance
 19 response fund (AS 46.08.010).

20 * Sec. 154. The sum of \$402,500 is appropriated from the oil and hazardous substance
 21 mitigation account in the general fund (AS 46.08.020(h)) to the Department of Environ-
 22 Conservation to clean up the Galena School oil spill.

23 ~~WJH Sec. 155. The sum of \$170,087 is appropriated from the general fund to the legisla-
 24 tive branch for reimbursement for the expenses of the special session for the fiscal year ending June 30,~~

25 (b) The sum of \$113,444 is appropriated from the general fund to the legislative
 26 expenses incurred for the special session for the fiscal year ending June 30, 1991.

27 ~~WJH Sec. 156. The sum of \$150,000 is appropriated from the general fund to the Depart-
 28 Education for payment to the Nome City School District to pay excess fixed costs in main-
 29 taining the Nome Delta School Complex for the fiscal year ending June 30, 1991.~~

30 * Sec. 157. The sum of \$22,000 is appropriated from the general fund to the University of

HB 27

HOUSE COMMITTEE REPORT

(11)

Date Referred: March 26, 1991

FURTHER REFERRALS:

Date of Committee Action: 4-10-91

The FINANCE Committee considered:

SSHB 27

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 27

DRUG & ALCOHOL USE BY MINORS/SCHOOL ZONES

"An Act relating to the possession of controlled substances and imitation controlled substances, to misconduct involving controlled substances and imitation controlled substances by minors, and to the provision of information that appries students about controlled substances and the penalties applicable to misconduct involving controlled substances; and requiring installation of signs in the vicinity of schools declaring the areas to be 'drug-free school zones'; and providing for an effective date."

RECOMMENDATIONS:

be replaced with CSSSH 27 (FIN) the same title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact _____

fiscal note(s) EDUCATION 3/1/91

zero fiscal note _____

zero fiscal note(s) _____

| SIGNING <u>DO</u> PASS | DP | OTHER RECOMMENDATIONS | DNP | NR | AM |
|------------------------|----|-----------------------|-----|----|----|
| <i>John Ulmer</i> | ✓ | | | | |
| <i>Michael J. Tamm</i> | ✓ | | | | |
| <i>Paul E. Bell</i> | ✓ | | | | |
| <i>Bob Sharp</i> | ✓ | | | | |
| <i>George S. ...</i> | ✓ | | | | |
| <i>[Signature]</i> | ✓ | | | | |
| <i>Paul Brown</i> | ✓ | | | | |
| <i>Michael ...</i> | ✓ | | | | |
| <i>Mike ...</i> | ✓ | | | | |
| <i>[Signature]</i> | ✓ | | | | |
| <i>Demetrius ...</i> | ✓ | | | | |

Mike ...
CHAIRMAN'S SIGNATURE

CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 27 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): REPRESENTATIVES B.DAVIS, Boyer, Ellis, Brown, Lincin, Mackie, Choquette, C.Davis, Finkelstein, Navarre, Parnell, Ulmer, Gonzales, Donley, Hanley, Taylor, Moyer, Baker

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the possession of controlled substances and imitation controlled
2 substances, to misconduct involving controlled substances and imitation controlled substances
3 by minors, and to the provision of information that appries students about controlled
4 substances and the penalties applicable to misconduct involving controlled substances; and
5 requiring municipalities to post signs in the vicinity of schools declaring the areas to be
6 'drug-free school zones'; and providing for an effective date."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 11.71.030(a) is amended to read:

9 (a) Except as authorized in AS 17.30, a person commits the crime of misconduct
10 involving a controlled substance in the third degree if the person

11 (1) manufactures or delivers any amount of a schedule IIA or IIIA controlled
12 substance or possesses any amount of a schedule IIA or IIIA controlled substance with intent to
13 manufacture or deliver;

1 (2) delivers any amount of a schedule IVA, VA, or VIA controlled substance to
2 a person under 19 years of age who is at least three years younger than the person delivering the
3 substance; or

4 (3) [BEING 18 YEARS OF AGE OR OLDER,] possesses any amount of a
5 schedule IA or IIA controlled substance

6 (A) with reckless disregard that the possession occurs on or within 500
7 feet of school; [THE] grounds; or

8 (B) on a school bus [OF OR ON A PARKING LOT IMMEDIATELY
9 ADJACENT TO A PUBLIC OR PRIVATE PRESCHOOL, ELEMENTARY, JUNIOR
10 HIGH, OR SECONDARY SCHOOL].

11 * Sec. 2. AS 11.71.030(b) is repealed and reenacted to read:

12 (b) It is an affirmative defense to a prosecution under (a)(3)(A) of this section that the
13 prohibited conduct took place entirely within a private residence located within 500 feet of the
14 school grounds, and that the prohibited conduct did not involve distributing, dispensing, or pos-
15 sessed with the intent to distribute or dispense a controlled substance for profit. Nothing in this
16 subsection precludes a prosecution under any other provision of this section or any other section
17 of this chapter.

18 * Sec. 3. AS 11.71.040(a) is amended to read:

19 (a) Except as authorized in AS 17.30, a person commits the crime of misconduct
20 involving a controlled substance in the fourth degree if the person

21 (1) manufactures or delivers any amount of a schedule IVA or VA controlled
22 substance or possesses any amount of a schedule IVA or VA controlled substance with intent to
23 manufacture or deliver;

24 (2) manufactures or delivers, or possesses with the intent to manufacture or
25 deliver, one or more preparations, compounds, mixtures, or substances of an aggregate weight
26 of one ounce or more containing a schedule VIA controlled substance;

27 (3) possesses

28 (A) any amount of a schedule IA or IIA controlled substance;

29 (B) 25 or more tablets, ampules, or syrettes containing a schedule IIIA or
30 IVA controlled substance;

31 (C) one or more preparations, compounds, mixtures, or substances of an

1 aggregate weight of three grams or more containing a schedule IIIA or IVA controlled
2 substance;

3 (D) 50 or more tablets, ampules, or syrettes containing a schedule VA
4 controlled substance;

5 (E) one or more preparations, compounds, mixtures, or substances of an
6 aggregate weight of six grams or more containing a schedule VA controlled substance:

7 or

8 (F) one or more preparations, compounds, mixtures, or substances of an
9 aggregate weight of one pound or more containing a schedule VIA controlled substance:

10 (4) [BEING 18 YEARS OF AGE OR OLDER,] possesses a schedule IIIA, IVA,
11 VA, or VIA controlled substance

12 (A) with reckless disregard that the possession occurs on or within 500
13 feet of school [THE] grounds [OF OR ON A PARKING LOT IMMEDIATELY
14 ADJACENT TO A PUBLIC OR PRIVATE PRESCHOOL, ELEMENTARY, JUNIOR
15 HIGH, OR SECONDARY SCHOOL]; or

16 (B) on a school bus;

17 (5) knowingly keeps or maintains any store, shop, warehouse, dwelling, building,
18 vehicle, boat, aircraft, or other structure or place which is used for keeping or distributing
19 controlled substances in violation of a felony offense under this chapter or AS 17.30;

20 (6) makes, delivers, or possesses a punch, die, plate, stone, or other thing which
21 prints, imprints, or reproduces a trademark, trade name, or other identifying mark, imprint, or
22 device of another or any likeness of any of these upon a drug, drug container, or labeling so as
23 to render the drug a counterfeit substance;

24 (7) knowingly uses in the course of the manufacture or distribution of a controlled
25 substance a registration number which is fictitious, revoked, suspended, or issued to another
26 person;

27 (8) knowingly furnishes false or fraudulent information in or omits material
28 information from any application, report, record, or other document required to be kept or filed
29 under AS 17.30;

30 (9) obtains possession of a controlled substance by misrepresentation, fraud,
31 forgery, deception or subterfuge; or

1 (10) affixes a false or forged label to a package or other container containing any
2 controlled substance.

3 * Sec. 4. AS 11.71.040(b) is repealed and reenacted to read:

4 (b) It is an affirmative defense to a prosecution under (a)(4)(A) of this section that the
5 prohibited conduct took place entirely within a private residence located within 500 feet of the
6 school grounds. Nothing in this subsection precludes a prosecution under any other provision
7 of this section or any other section of this chapter.

8 * Sec. 5. AS 11.71.900 is amended by adding new paragraphs to read:

9 (28) "school bus" means a motor vehicle operated by a school district or private
10 school, directly or by contract, to transport students;

11 (29) "school grounds" means a building, structure, athletic playing field,
12 playground, parking area, or land contained within the real property boundary line of a public
13 or private preschool, elementary, or secondary school.

14 * Sec. 6. AS 14.07 is amended by adding a new section to read:

15 Sec. 14.07.181. ADDITIONAL DUTIES OF BOARD. The board shall direct the
16 department to develop, adopt, periodically review, and distribute annually to each student enrolled
17 in a public school an information pamphlet. The pamphlet must be written in easily
18 understandable language, must be designed to educate the student about controlled substances,
19 and must summarize information relating to the criminal penalties applicable to the possession
20 and sale of controlled substances in public schools, in areas adjacent to schools, and on school
21 buses.

22 * Sec. 7. AS 28.01.010(d) is amended to read:

23 (d) A municipality shall erect necessary official traffic control devices on streets and
24 highways within its jurisdiction which as far as practicable conform to the current edition of the
25 Alaska Traffic Manual prepared by the Department of Transportation and Public Facilities. The
26 municipality shall post a sign indicating that the school is a "drug-free school zone" at each
27 location in which it has installed a sign identifying the location of a school.

28 * Sec. 8. AS 47.10.080(b) is amended to read:

29 (b) If the court finds that the minor is delinquent, it shall

30 (1) order the minor committed to the department for a period of time not to
31 exceed two years or in any event extend past the day the minor becomes 19, except that the

1 department may petition for and the court may grant in a hearing (A) two-year extensions of
2 commitment that do not extend beyond the child's 19th birthday if the extension is in the best
3 interests of the minor and the public; and (B) an additional one-year period of supervision past
4 age 19 if continued supervision is in the best interests of the person and the person consents to
5 it; the department shall place the minor in the juvenile facility that the department considers
6 appropriate and that may include a juvenile correctional school, detention home, or detention
7 facility; the minor may be released from placement or detention and placed on probation on order
8 of the court and may also be released by the department, in its discretion, under AS 47.10.200;

9 (2) order the minor placed on probation, to be supervised by the department, and
10 released to the minor's parents, guardian, or a suitable person; if the court orders the minor
11 placed on probation, it may specify the terms and conditions of probation; the probation may be
12 for a period of time, not to exceed two years and in no event extend past the day the minor
13 becomes 19, except that the department may petition for and the court may grant in a hearing

14 (A) two-year extensions of supervision that do not extend beyond the
15 child's 19th birthday if the extension is in the best interests of the minor and the public;
16 and

17 (B) an additional one-year period of supervision past age 19 if the
18 continued supervision is in the best interests of the person and the person consents to it;

19 (3) order the minor committed to the department and placed on probation, to be
20 supervised by the department, and released to the minor's parents, guardian, other suitable person,
21 or suitable nondetention setting such as a family home, group care facility, or child care facility,
22 whichever the department considers appropriate to implement the treatment plan of the
23 predisposition report; if the court orders the minor placed on probation, it may specify the terms
24 and conditions of probation; the department may transfer the minor, in the minor's best interests,
25 from one of the probationary placement settings listed in this paragraph to another, and the
26 minor, the minor's parents or guardian, and the minor's attorney are entitled to reasonable notice
27 of the transfer; the probation may be for a period of time, not to exceed two years and in no
28 event extend past the day the minor becomes 19, except that the department may petition for and
29 the court may grant in a hearing

30 (A) two-year extensions of commitment that do not extend beyond the
31 child's 19th birthday if the extension is in the best interests of the minor and the public;

1 and

2 (B) an additional one-year period of supervision past age 19 if the
3 continued supervision is in the best interests of the person and the person consents to it;

4 [OR]

5 (4) order the minor to make suitable restitution in lieu of or in addition to the
6 court's order under (1), (2), or (3) of this subsection; [.]

7 (5) order the minor committed to the department for placement in an adventure
8 based education program established under AS 47.21.020 with conditions the court considers
9 appropriate concerning release upon satisfactory completion of the program or commitment under
10 (1) of this subsection if the program is not satisfactorily completed; or

11 (6) in addition to an order under (1) - (5) of this subsection, if the
12 delinquency finding is based on the minor's violation of AS 11.71.030(a)(3) or
13 11.71.040(a)(4), order the minor to perform 50 hours of community service; for purposes
14 of this paragraph, "community service" includes work

15 (A) on a project identified in AS 33.30.901; or

16 (B) that, on the recommendation of the city council or traditional
17 village council, would benefit persons within the city or village who are elderly or
18 disabled.

19 * Sec. 9. Section 7 of this Act takes effect August 16, 1992.

**STATE OF ALASKA
1991 LEGISLATIVE SESSION**

Revision Date: _____ Department Affected: Education
 Title: Delivery and possession of controlled substances... 'drug free school zones' BRU: Executive Administration
 Component: Executive Administration
 Sponsor: Bettye Davis
 Requestor: House HESS COMPONENT SERIAL NO.

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

Expenditures/Revenues: (Thousands of Dollars)

| OPERATING | FY 92 | FY 93 | FY 94 | FY 95 | FY 96 | FY 97 |
|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| PERSONAL SERVICES | | | | | | |
| TRAVEL | | | | | | |
| CONTRACTUAL | 12.7 | 11.5 | 11.5 | 11.5 | 11.5 | 11.5 |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | 12.7 | 11.5 | 11.5 | 11.5 | 11.5 | 11.5 |

| | | | | | | |
|---------|--|--|--|--|--|--|
| CAPITAL | | | | | | |
|---------|--|--|--|--|--|--|

| | | | | | | |
|---------|--|--|--|--|--|--|
| REVENUE | | | | | | |
|---------|--|--|--|--|--|--|

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------|-------------|-------------|-------------|-------------|-------------|-------------|
| GENERAL FUND | 12.7 | 11.5 | 11.5 | 11.5 | 11.5 | 11.5 |
| FEDERAL FUNDS | | | | | | |
| OTHER | | | | | | |
| TOTAL | 12.7 | 11.5 | 11.5 | 11.5 | 11.5 | 11.5 |

POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.) This fiscal analysis assumes distribution of the information pamphlet to 112,200 students in the 54 public school districts in the state. Four versions of the pamphlet will be developed, targeting grades K-12, 3-5, 6-8, 9-12.

Prepared By: Mary Hakala Phone: 465-2800
 Division: Commissioner's Office Date: 2/27/91
 Approved by Commissioner: Steve Hole, Acting Commissioner
 Agency: Education Date: 2/27/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

A M E N D M E N T

OFFERED IN THE HOUSE

TO: CSSH B 27 (HES)

Page 4, following line 21:

Insert a new bill section to read:

"* Sec. 7. AS 14.08.111 is amended by adding a new paragraph to read:

(12) post at least one sign on the school grounds indicating that a school is a "drug-free school zone" at schools near which a "drug-free school zone" sign has not been posted under AS 28.01.010(d) because the school is not located in a municipality."

Renumber following bill sections accordingly.

Page 6, line 23:

Delete "Sections 7 and 8"

Insert "Sections 7 - 9"

FISCAL NOTE

Revision Date: 1/21/91

Title: " An Act relating to the Delivery and possession of controlled substance

Department Affected:

DOT&PF
Maintenance &
Operations

BRU:

Sponsor:
Requestor:

Component:
Component Serial Number:

Central, Northern & S. E.
564, 584, 587, 590, & 603

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING | FY92 | FY93 | FY94 | FY95 | FY96 | FY97 |
|-------------------|------|------|------|------|------|------|
| PERSONAL SERVICES | 0 | 0 | 0 | 0 | 0 | 0 |
| TRAVEL | 0 | 0 | 0 | 0 | 0 | 0 |
| CONTRACTUAL | 0 | 0 | 0 | 0 | 0 | 0 |
| SUPPLIES | 0 | 0 | 0 | 0 | 0 | 0 |
| EQUIPMENT | 0 | 0 | 0 | 0 | 0 | 0 |
| LAND & STRUCTURES | 0 | 0 | 0 | 0 | 0 | 0 |
| GRANTS, CLAIMS | 0 | 0 | 0 | 0 | 0 | 0 |
| MISCELLANEOUS | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL OPERATING: | 0 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | |
|---------|-------|------|------|------|------|------|
| CAPITAL | 148.5 | 15.0 | 30.0 | 30.0 | 30.0 | 45.0 |
|---------|-------|------|------|------|------|------|

| | | | | | | |
|---------|---|---|---|---|---|---|
| REVENUE | 0 | 0 | 0 | 0 | 0 | 0 |
|---------|---|---|---|---|---|---|

FUNDING: (Thousands of Dollars)

| | | | | | | |
|----------------|-------|------|------|------|------|------|
| GENERAL FUNDS | 148.5 | 15.0 | 30.0 | 30.0 | 30.0 | 45.0 |
| FEDERAL FUNDS | 0 | 0 | 0 | 0 | 0 | 0 |
| OTHER | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL FUNDING: | 148.5 | 15.0 | 30.0 | 30.0 | 30.0 | 45.0 |

POSITIONS

| | | | | | | |
|-----------|---|---|---|---|---|---|
| FULL-TIME | 0 | 0 | 0 | 0 | 0 | 0 |
| PART-TIME | 0 | 0 | 0 | 0 | 0 | 0 |
| TEMPORARY | 0 | 0 | 0 | 0 | 0 | 0 |

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary)
See Attached.

Prepared by: Jeffery C. Ottesen, Director

Phone: 465-2951

Division: Engineering and Operations Standards

Date: Feb 26, 1991

Approved by Commissioner:

Frank G. Turpin
Frank G. Turpin

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: Feb 26, 1991

Distribution By Preparer: Legislative Finance, Legislative Sponsor, Requestor, OMB, Impacted Agency(ies).

Department of Transportation and Public Facilities

Fiscal Note Analysis: House Bill No. 27

2/25/91

This is the same analysis that was proposed for last year's HB 391

There is no way to make an actual inventory of signed school locations without considerable effort. However, there are 660 schools, and it can reasonably be assumed that at least half are on or near the state system (including municipal arterials), and are marked as schools by school speed zones, marked crosswalks, or advance school warning signs.

Furthermore, where schools are signed there would rarely be less than two marked locations (one in each direction on one road) and probably rarely more than four (one in each direction on two roads) for an average of 3 per school. This amounts to 330 schools X 3 signs per school average = 990 signs total.

Large signing contracts average approximately \$50 per square foot for installed signs. The required sign size for legibility and consistency would be about two square feet. However, such smaller signs have much the same mounting, labor and equipment costs as those several times larger. Including the need to locate the signs rather accurately, the estimated cost per sign is conservatively \$150 each.

This results in an estimated initial cost of \$148,500 in 1990 dollars.

The sign life due to deterioration, accidental destruction, and the high vandalism target value cannot be expected to exceed about five years with, for all causes, 10% loss the first year, 20% the second through the fourth years, and 30% the last year when deterioration sets in, and about 20% per year average thereafter.

This results in maintenance as follows (in 1990 dollars):

| | |
|--------------------|--|
| 1st year | $0.10 \times \$150K = \$15,000$ |
| 2nd thru 4th years | $0.20 \times \$150K = \$30,000$ per year |
| 5th year | $0.30 \times \$150K = \$45,000$ |
| thereafter | $0.20 \times \$150K = \$30,000$ per year |

There is no way to accurately speak for the municipalities for the costs on their road system.

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SSHB #27

Revision Date: 2-26-91 Department Affected: Corrections

Title: An act relating to .drug-free zones BRU: _____
Component: _____

Sponsor: Rep. B. Davis

Requestor: Rep. B. Davis COMPONENT SERIAL NO.

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

Expenditures/Revenues: (Thousands of Dollars)

| OPERATING | FY 92 | FY 93 | FY 94 | FY 95 | FY 96 | FY 97 |
|-------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES | | | | | | |
| TRAVEL | | | | | | |
| CONTRACTUAL | | | | | | |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | -0- | -0- | -0- | -0- | -0- | -0- |

| | | | | | | |
|---------|-----|-----|-----|-----|-----|-----|
| CAPITAL | -0- | -0- | -0- | -0- | -0- | -0- |
|---------|-----|-----|-----|-----|-----|-----|

| | | | | | | |
|---------|-----|-----|-----|-----|-----|-----|
| REVENUE | -0- | -0- | -0- | -0- | -0- | -0- |
|---------|-----|-----|-----|-----|-----|-----|

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------|--|--|--|--|--|--|
| GENERAL FUND | | | | | | |
| FEDERAL FUNDS | | | | | | |
| OTHER | | | | | | |
| TOTAL | | | | | | |

POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Thomas Sutton, Director *Tom Sutton* Phone: 465-3376

Division: Administrative Services Date: 2-26-91

Approved by Commissioner: Lloyd Hames

Agency: Dept. of Corrections Date: _____

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

ALASKA STATE LEGISLATURE

Office of Majority Whip

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VICE CHAIR
HEALTH, EDUCATION
& SOCIAL SERVICES

COMMUNITY AND
REGIONAL AFFAIRS

INTERNATIONAL TRADE
AND TOURISM

CHAIR
CHILDREN'S CAUCUS

REPRESENTATIVE BETTYE DAVIS

DISTRICT 14 SEAT B • EAST ANCHORAGE • MULDOON

M E M O R A N D U M

TO: REPRESENTATIVES MIKE NAVARRE, CO-CHAIR
REPRESENTATIVES EILEEN MACLEAN, CO-CHAIR
HOUSE FINANCE COMMITTEE

FROM: REPRESENTATIVE BETTYE DAVIS *BjD*

DATE: MARCH 27, 1991

RE: CS FOR SSHB 27 - DRUG-FREE SCHOOL ZONES

I am writing to request that the House Finance Committee schedule a hearing on CS for SSHB 27, relating to conviction for possession, delivery, and use of controlled substances in school, on or near school grounds, and on school buses.

Criminal justice, education, and substance abuse prevention leaders unanimously agree that the only possible resolution to the current drug epidemic lies in successful reduction of the demand for illegal drugs, particularly among our nation's youth. Of all known drug reduction strategies, the Drug Free School Zones initiative is perhaps the most promising systemic demand-reduction innovation. Drug-Free School Zones can unite community leaders in partnerships with criminal justice, education, and prevention efforts to protect children and enhance the school learning environment by constricting the supply and lessening the demand for drugs. Conceptually, Drug-Free School Zones are designed to create drug-free "safe havens" within geographic zones surrounding schools.

Recognizing the need for greater legislative innovation the following organizations strongly supported the development of drug-free school zones: National School Boards Association, National Association of Secondary School Principals, National Association of Elementary School Principals, National Association of Partners in Education, National School Safety Center, National Association of State Alcohol and Drug Abuse Directors, Council of State Governments, National Council of

As of June 1990 forty-two (42) States plus the District of Columbia have institute Drug-Free School Zones. It has been recognized by the National Coalition for Drug-Free School Zones that Alaska already has incorporated the concept of Drug Free-School Zone in its laws. What we hope to do is enhance the law by doing the following.

(1) amends certain criminal law provisions applicable to possession of controlled substances and imitation controlled substances on or near school grounds and on school buses;

(2) requires the State Board of Education to initiate certain activity apprising the state's public and private Students about controlled substances and the criminal penalties applicable to them;

(3) directs the state and municipalities to install "drug-free school zone" signs near schools.

The Association of Alaska School Boards, Alaska Council of School Administrators, NEA-Alaska, Departments of Corrections, Education, Health and Social Services, and Public Safety all support this bill.

Thank you for hearing this bill.

BILL NO: CSSSHB 27(HESS)

DATE: 3/07/91

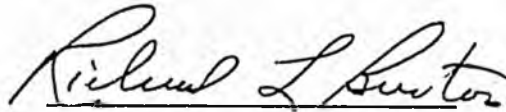
TITLE: "An Act relating to . . .
drug free School zones . . ."

CONTACT: Gayle A. Horetski
Deputy Commissioner
465-4322

DEPARTMENT OF
PUBLIC SAFETY

POSTAL PERMIT

The Department of Public Safety supports CSSSHB 27(HESS), which amends present criminal laws regarding possession of controlled substances and imitation controlled substances. The bill establishes a "drug-free zone" on or near school grounds or on a school bus. This is one more tool that will be used by law enforcement officers attempting to prevent youngsters from being exposed to illicit drugs.



Richard L. Burton
Commissioner