

ALASKA LEGISLATURE

1554

HOUSE and SENATE FINANCE COMMITTEE FILES, 1995-1996



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TO: Representative Con Bunde
Representative Norm Rokeberg
Representative Cynthia Toohey

Subject: Proposed Pupil-Transportation Amendment to CS FOR No.
SB 244 (FIN) am

Date: April 23, 1996

The Anchorage School District strongly opposes the following amendment to CS for Senate Bill No. 244 (FIN) am which passed in HHESS this afternoon:

On page 1, Amend line 10 to read:
shall provide the same daily cost [level of] reimbursement per bus for transportation provided on a

This amendment would result, in the words of DOE's attached fiscal note, "in reduced reimbursement to the Anchorage School District and a net savings to the state general fund.

The original intent of adding pupil transportation to SB 244 was to rectify an inequity in transportation reimbursement to the Anchorage School District which has been occurring throughout the past decade.

We strongly urge that the following language be substituted for the above-mentioned amendment.

On page 1, Amend line 10 and 11 to read as follows:

shall reimburse school districts for district operated pupil transportation routes 100%, less 50% for hazardous [provide the same daily cost reimbursement per bus] for transportation provided on

The Anchorage School District has been diligent in reducing costs for district operated services. During the past several years, the cost of contracted transportation has been rising at a higher rate than District operated Services.

The current language in the bill regarding pupil transportation does not correct past or current inequities and is unacceptable to the Anchorage School District.

We do not believe that is the intent of the Anchorage Caucus to further reduce pupil transportation funding to the Anchorage School District. Please rectify the problem.

Steve Kalmes, director of pupil transportation, will be more than happy to talk with each of you regarding this issue. He can be reached at 563-3022.

We are also prepared to testify on this issue before the Legislature if it should be necessary.

Thank you!

FISCAL NOTE

BILL NO. CSSB 244 (FIN) am.

STATE OF ALASKA

1996 LEGISLATIVE SESSION

Revision Date: 4/23/96

Department Affected: Education

Title: An Act relating to state foundation aid and supplementary state aid for education; transportation of public school students; school construction grants

Component: Pupil Transportation

Sponsor: Senate Rules Committee by Request

Requester: House NESS Committee

COMPONENT SERIAL NO. 144

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	\$1,992.0	\$2,031.8	\$2,072.5	\$2,113.9	\$2,156.2	\$2,199.3
MISCELLANEOUS						
TOTAL OPERATING	\$1,992.0	\$2,031.8	\$2,072.5	\$2,113.9	\$2,156.2	\$2,199.3

CAPITAL EXPENDITURES	0.0					
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CHANGE IN REVENUES	0.0					
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FUND SOURCE

(Thousands of Dollars)

	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
1002 Federal Receipts						
1003 GF Match						
1004 GF	\$1,992.0	\$2,031.8	\$2,072.5	\$2,113.9	\$2,156.2	\$2,199.3
1005 GF/Program Receipts						
1006 GP/MHTLA						
Other						
TOTAL	\$1,992.0	\$2,031.8	\$2,072.5	\$2,113.9	\$2,156.2	\$2,199.3

POSITIONS:

	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FULL-TIME	0					
PART-TIME	0					
TEMPORARY	0					

Estimate of current year (FY96) impact: \$ 2,050,243

ANALYSIS: (Attach a separate page if necessary.)

The fiscal impact noted above is based on the assumption that Anchorage district-operated pupil transportation would be reimbursed at 100%, instead of the current 66.83%. An inflation factor of 2% is added to subsequent years.

Another interpretation of the language of this amendment is that the district-operated school buses will be reimbursed at the same daily rate established by pupil transportation contracts in the school district. This interpretation would result in reduced reimbursement to Anchorage School District and a net savings to the state general fund.

The effective date of the bill will cause a proration of pupil transportation in FY98.

Prepared by: RR Wright, Pupil Transportation Administrator Phone: 465-9697
 Division: School Finance Date: 4/23/96
 Approved by Commissioner: [Signature] Richard S. Cross, Deputy Commissioner
 Agency: Education Date: 4/23/96

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HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: April 17, 1996

FURTHER REFERRALS:

Finance

Date of Committee Action: 4/30/96

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered: CSSB 244(FIN) am

CS FOR SENATE BILL NO. 244(FIN) am CALCULATION OF STATE AID TO EDUCATION

"An Act relating to transportation of public school students; relating to school construction grants; relating to state foundation aid and supplementary state aid for education; and providing for an effective date."

recommends it be replaced with the following committee substitute HCS CS SR 244 (HES) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) _____ APPROVES PREVIOUS: (Dept/Date) _____
 fiscal note(s) _____ fiscal note(s) DOE/4-11-96

zero fiscal note(s) _____ zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
<i>[Signature]</i>			<input checked="" type="checkbox"/>	

CHAIR'S SIGNATURE *[Signature]*

TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

P.O. Box 110001
Juneau, Alaska 99811-0001
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January 26, 1996

244

The Honorable Drue Pearce
Senate President
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Pearce:

Under the authority of article III, sec. 18 of the Alaska Constitution, I am transmitting a bill relating to state aid for education. This bill ensures the continued receipt of approximately \$35 million in federal dollars for public schools and fixes the long-standing problem of funding for single site school districts.

I promised Alaskans I would build a school funding program that is better than what we have today. I envision a foundation program that is fair, equitable, and accountable. At the same time it must have funding levels that are affordable, both now and in the future, and it must protect the partnership between state, federal and local dollars. While we continue to make progress toward this goal, this bill takes a substantial first step in addressing the immediate funding issues.

This fiscal year, the state has allocated approximately \$640 million through the foundation program. Almost all of this is from the state general fund, with \$5 million from the Public School Trust Fund, and \$35 million from the federal impact aid program (the so-called P.L. 81-874 funds).

In order to consider the impact aid when calculating the state's portion of school funding, the federal government requires the state to pass a "disparity test" which measures the variation in revenues between our richest and poorest school districts. The federal government recently lowered the maximum allowable disparity in revenues between the districts from 25 percent to 20 percent. The program will also be based on two-year prior data. Thus, in order to consider impact aid dollars in the state's FY 1998 school funding, we must have no more than a 20 percent disparity in FY 1996. Under our current formula, the state cannot meet this new disparity test.

This bill will fix the disparity test problem beginning with fiscal year 1997 by providing supplemental state aid of \$500 per instructional unit value for regional educational attendance areas (REAs), the districts that receive the least revenue because of their inability to levy taxes for a local contribution to their schools. This essentially "raises the floor" of our school district funding levels -- bringing it closer to the ceiling of the wealthier districts.

This supplemental funding will not mean a substantial cost to the state because we will also consider more of the federal funding to REAs as an offset to state funding. Currently, only 90 percent of federal aid to REAs is considered in determining the amount of state aid. This bill increases that to 95 percent -- for REAs only. This will not affect the school districts that make larger local contributions.

Unfortunately, this bill cannot help us achieve 20 percent disparity for FY 1996. To accomplish that, I will be requesting reallocating \$1.2 million in expected lapse money in this year's foundation formula program. That will provide additional funding to the REAs, mirroring what section 2 of this bill will accomplish through supplemental state aid in FY 1997. This bill, together with my reappropriation request, will ensure that Alaska meets the federal 20 percent disparity test this year and in future years, protecting the state's ability to consider federal impact aid when allocating state aid.

This bill also provides full funding for districts that have come to be known as "single site school districts." These districts have lobbied for years for a change in the foundation formula that would adequately fund their schools. While permanent funding changes have not been affected in statute, the legislature has annually included special grants in the budget for single site districts. It is time to fix this problem once and for all.

To that end, this bill increases the instructional units of a qualifying district by multiplying its units by a percentage between six and 12. The smaller the district, the higher the percentage multiplier. More instruction units translates into more state aid. This simple revision corrects a longstanding problem, and obviates the need for the annual battle for single site appropriations. It is time to let the single site districts go home and redirect their efforts to where they are needed most, to children in the classroom.

*Alaska Department of Education
Sectional Analysis for Foundation Formula Legislation*

SB 244: "An Act relating to state foundation aid and supplementary state aid for education; relating to transportation of public school students; relating to school construction grants; and providing for an effective date."

Section 1. Section 1 requires the department to reimburse district operated transportation services at the same level as contracted transportation services.

Section 2. Section 2 establishes in statute the department's policy which considers students in temporary facilities as "unhoused" students for the purposes of evaluating capital improvement projects.

Section 3. Section 3 of the bill would amend AS 14.17.021 by adding a new subsection applicable only to regional educational attendance areas (REAs). In calculating state foundation aid for REAs, 96% of eligible federal impact aid will be deducted from basic need. Calculation of foundation aid for city and borough school districts will remain unchanged, with 90% of eligible impact aid deducted. The 96% deduction for REAs recognizes that no required local contribution is deducted from REAs' basic need. The savings to the state, which results from the increased impact aid deduction, will cover the majority of the cost to implement the supplementary aid to REAs set out in section 4 of this bill.

Section 4. Subsection (a) creates a new section of statute to provide supplementary aid to REAs based on a flat rate per adjusted instructional unit. The flat rate is referred to as the unit allotment. Initially the unit allotment is set at \$500.00 per adjusted unit. This amount will increase the value of the adjusted units in REAs so that disparity of revenues between the 5% and 95% percentiles of districts will be 20%, the maximum allowable under the new federal impact aid statutes.

Section 5. Section 5 contains transition language, or a "hold-harmless" provision, which provides school districts with the same level of foundation revenue they were entitled to prior to implementation of this legislation.

Section 6. AS 14.17, the foundation program, shall not be applied for funding public education after June 30, 1997.

Section 7. Establishes a July 1, 1995 effective date for sections 3-5.

Section 8. The legislation takes effect immediately after receiving the Governor's signature.

DEPARTMENT OF EDUCATION
PUPIL TRANSPORTATION
4/24/96

THE FOLLOWING TABLE COMPARES ANCHORAGE SCHOOL DISTRICT TRANSPORTATION AT 100% OF ACTUAL AUDITED EXPENSES FOR FY95 FOR THE DISTRICT-OPERATED SYSTEM AS REPORTED TO THE DEPARTMENT IN THE DISTRICT'S STATEMENT OF OPERATIONS. THE NUMBERS OF STUDENTS TRANSPORTED AND DAILY MILES ARE AVERAGES COMPILED FROM MONTHLY TRANSPORTATION REPORTS SUBMITTED TO THE DEPARTMENT.

COST OF DISTRICT-OPERATED TRANSPORTATION IS HIGHER.

ANCHORAGE	FY95 COST	TOTAL ROUTE BUSES	AVERAGE DAILY COST PER BUS	STUDENTS TRANSPORTED DAILY	TOTAL DAILY MILES	ANNUAL COST PER STUDENT	APPROX. COST PER MILE
DISTRICT-OPERATED	\$5,801,243.82	81	\$409.26	6,079.56	3,136	\$954.22	\$10.57
CONTRACTED	\$5,228,172.98	158	\$189.08	10,180.66	5,939	\$513.54	\$5.03
TOTALS	\$11,029,416.80	239		16,260.22	9,075		

THIS TABLE COMPARES ANCHORAGE SCHOOL DISTRICT TRANSPORTATION USING THE CURRENT METHOD OF REIMBURSING THE DISTRICT-OPERATED PORTION AT 68.83% OF ACTUAL AUDITED EXPENSES.

COST OF DISTRICT-OPERATED TRANSPORTATION IS STILL HIGHER AFTER PERCENTAGE IS APPLIED.

ANCHORAGE	FY95 REIMBURSEMENT	TOTAL ROUTE BUSES	AVERAGE DAILY COST PER BUS	STUDENTS TRANSPORTED DAILY	TOTAL DAILY MILES	ANNUAL COST PER STUDENT	APPROX. COST PER MILE
DISTRICT-OPERATED	\$3,976,971.24	81	\$273.51	6,079.56	3,136	\$637.71	\$7.08
CONTRACTED	\$5,228,172.98	158	\$189.08	10,180.66	5,939	\$513.54	\$5.03
TOTALS	\$9,105,144.22	239		16,260.22	9,075		

TOTAL ROUTE BUSES INCLUDES BOTH REGULAR AND SPECIAL EDUCATION BUSES FOR WHICH THE DISTRICT RECEIVES STATE REIMBURSEMENT.

AVERAGE DAILY COST PER BUS IS BASED ON PROVIDING TRANSPORTATION 175 DAYS.

DEPARTMENT OF EDUCATION
PUPIL TRANSPORTATION
FY97 PROJECTION
UPDATED 4/24/96

ANCHORAGE DISTRICT-OPERATED TRANSPORTATION
REIMBURSED AT 100% OF AUDITED EXPENSES.

DISTRICT	FY97 PROJECTED ENTITLEMENT	Gov.'s Budget FY96 less 8% 84.02% Proration	Difference	Senate Finance FY96 Funding Level 91.33% Proration	Difference
ADAK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALASKA GATEWAY	443,224.55	372,398.99	70,825.56	404,781.51	38,443.04
ALEUTIANS EAST	46,848.49	39,362.28	7,486.21	42,785.09	4,063.40
ANCHORAGE	12,280,315.00	10,317,968.41	1,962,346.59	11,215,182.97	1,065,132.03
ANNETTE ISLAND	22,011.00	18,493.73	3,517.27	20,101.88	1,909.12
BERING STRAITS	37,312.45	31,350.09	5,962.39	34,076.19	3,236.29
BRISTOL BAY	214,502.00	180,225.41	34,276.59	195,897.19	18,604.81
CHATHAM	15,173.14	12,748.53	2,424.61	13,837.10	1,336.04
COPPER RIVER	551,521.50	463,390.51	88,130.99	503,685.33	47,836.17
CORDOVA	56,638.35	47,586.08	9,052.27	51,724.00	4,914.35
CRAIG	17,426.45	14,641.77	2,784.68	15,914.97	1,511.48
DELTA/GREELY	902,423.61	758,219.82	144,203.78	824,151.98	78,271.63
DENALI	287,646.75	241,681.82	45,964.93	262,697.73	24,949.02
DILLINGHAM	313,004.13	262,987.28	50,016.84	285,858.74	27,145.38
FAIRBANKS	5,299,564.00	4,452,714.28	846,849.72	4,839,908.79	459,655.21
GALENA	37,038.62	31,118.99	5,919.63	32,826.07	4,212.54
HAINES	163,022.01	136,971.72	26,050.28	148,882.31	14,139.70
HOONAH	36,579.82	30,734.51	5,845.31	33,407.07	3,172.75
HYDABURG	3,840.46	3,310.79	529.67	3,398.69	441.78
IDITAROD	44,986.26	37,806.03	7,180.23	41,083.51	3,902.75
JUNEAU	1,365,794.55	1,147,545.89	218,248.66	1,247,332.48	118,462.07
KAKE	26,412.26	22,191.68	4,220.58	24,121.39	2,290.86
KASHUNAMIUT	2,939.80	2,470.03	469.77	2,584.81	354.98
KENAI PENINSULA	3,267,822.03	2,745,636.77	522,185.26	2,984,387.78	283,434.25
KETCHIKAN	843,932.30	709,075.20	134,857.10	770,723.91	73,198.39
KLAWOCK	7,261.89	6,101.55	1,160.44	6,632.12	629.77
KODIAK	705,612.95	592,858.75	112,754.21	644,411.88	61,201.08
KUSPUK	105,387.92	88,555.75	16,842.18	96,258.24	9,141.68
LAKE & PENINSULA	105,504.24	88,645.07	16,859.17	96,353.34	9,150.90
LOWER KUSKOKWIM	260,185.16	218,608.59	41,576.58	237,618.03	22,567.14
LOWER YUKON	24,378.28	20,482.72	3,895.55	22,263.83	2,114.45
MAT-SU	6,050,745.00	5,083,859.47	966,885.53	5,525,934.17	524,810.83
NENANA	88,606.36	74,447.41	14,158.95	80,921.10	7,685.26
NOME	203,712.63	171,160.14	32,552.49	186,043.63	17,669.00
NORTH SLOPE	365,032.46	306,701.70	58,330.77	333,371.41	31,661.06
PELICAN	1,633.64	1,372.59	261.05	1,491.95	141.69
PETERSBURG	120,959.05	101,630.26	19,328.79	110,467.68	10,491.37
SITKA	372,525.03	312,996.98	59,528.05	340,214.10	32,310.93
SKAGWAY	5,998.50	5,040.80	957.70	5,479.13	520.37
SOUTHEAST ISLAND	188,048.73	141,195.20	46,853.53	153,473.04	34,575.69
SOUTHWEST REGION	62,207.88	52,267.30	9,940.58	56,812.29	5,395.59
TANANA	8,583.34	7,194.95	1,388.39	7,820.60	762.74
UNALASKA	166,217.26	139,656.39	26,560.87	151,800.42	14,416.84
VALDEZ	293,361.75	246,500.49	46,861.26	267,935.31	25,426.44
WRANGELL	134,125.52	112,692.78	21,432.74	122,492.16	11,633.37
YAKUTAT	56,079.45	47,118.17	8,961.28	51,215.60	4,863.85
YUKON FLATS	64,281.23	54,009.34	10,271.89	58,708.81	5,572.43
YUKON/KOYUKUK	110,742.29	93,046.10	17,696.19	101,137.07	9,605.22
GROWTH FACTOR*	200,000.00	168,040.78	31,959.22	182,653.02	17,346.98
TOTALS	\$35,961,289.21	\$30,214,815.00	\$5,746,474.21	\$32,842,190.00	\$3,119,099.21

* GROWTH FACTOR IS AN ESTIMATED AMOUNT TO COVER ADDITIONAL COSTS DUE TO ENROLLMENT INCREASES AND POPULATION SHIFTS. PROJECTED ENTITLEMENTS INCLUDE NEW CONTRACTS.

FAIRBANKS PROJECTED COST INCLUDES ONE NONPUBLIC BUS.

\$PTRANS971PROJ.XLS

DEPARTMENT OF EDUCATION
 PUPIL TRANSPORTATION
 FY97 PROJECTION
 UPDATED 4/24/96

ANCHORAGE DISTRICT-OPERATED TRANSPORTATION
 REIMBURSED USING THE CURRENT METHOD OF 55.83%
 OF AUDITED EXPENSES.

DISTRICT	FY97 PROJECTED ENTITLEMENT	Gov.'s Budget FY95 less 8% 88.95% Proration	Difference	Senate Finance FY95 Funding Level 95.68% Proration	Difference
ADAK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALASKA GATEWAY	443,224.55	394,236.49	48,988.06	428,517.92	14,706.63
ALEUTIANS EAST	46,848.43	41,670.49	5,178.00	45,294.01	1,554.42
ANCHORAGE	10,288,352.00	0,161,216.22	1,137,135.68	9,946,974.19	341,377.81
ANNETTE ISLAND	22,011.00	19,578.20	2,432.80	21,280.65	730.35
BERING STRAITS	37,312.48	33,188.46	4,124.02	36,074.41	1,238.07
BRISTOL BAY	214,502.00	190,793.84	23,708.16	207,384.61	7,117.39
CHATHAM	15,173.14	13,486.10	1,687.04	14,669.68	503.46
COPPER RIVER	551,521.50	490,563.75	60,957.75	533,221.46	18,300.04
CORDOVA	56,636.35	50,378.53	6,257.82	54,757.10	1,879.25
CRAIG	17,426.45	15,500.37	1,926.08	16,848.22	578.23
DELTA/GREELY	902,423.61	802,681.87	99,741.74	872,489.29	29,934.32
DENALI	287,646.75	255,854.16	31,792.59	278,102.24	9,544.51
DILLINGHAM	313,004.13	278,408.87	34,595.26	302,818.34	10,385.79
FAIRBANKS	5,299,564.00	4,713,821.67	585,742.33	5,123,719.17	175,844.83
GALENA	37,038.62	32,944.87	4,093.75	35,809.64	1,228.98
HAINES	163,022.01	145,003.75	18,018.26	157,612.77	5,409.24
HOONAH	36,579.82	32,536.78	4,043.04	35,386.08	1,213.74
HYDABURG	3,940.46	3,504.94	435.52	3,809.71	130.75
IDITAROD	44,996.26	40,022.98	4,973.28	43,503.24	1,493.02
JUNEAU	1,265,794.55	1,214,838.04	50,956.51	1,320,476.12	45,318.43
KAKE	26,412.26	23,493.00	2,919.26	25,535.87	876.39
KASHUNAMIUT	2,939.80	2,614.87	324.93	2,842.25	97.55
KENAI PENINSULA	3,267,822.03	2,905,641.05	361,180.98	3,159,392.43	108,429.60
KETCHIKAN	843,932.30	750,655.41	93,276.89	815,929.78	28,002.52
KLAWOCK	7,261.99	6,459.35	802.64	7,021.03	240.96
KODIAK	705,612.95	627,624.01	77,988.94	682,200.01	23,412.94
KUSPUK	105,397.92	93,748.66	11,649.27	101,900.72	3,497.21
LAKE & PENINSULA	105,504.24	93,843.23	11,661.02	102,003.50	3,500.74
LOWER KUSKOKWIM	260,185.18	231,427.80	28,757.38	251,551.96	8,633.22
LOWER YUKON	24,378.28	21,683.83	2,694.45	23,569.38	808.90
MAT-SU	6,050,745.00	5,381,977.25	668,767.75	5,849,975.23	200,769.77
NENANA	88,606.38	78,813.01	9,793.37	85,666.31	2,940.07
NOME	203,712.63	181,196.98	22,515.65	196,953.24	6,759.39
NORTH SLOPE	369,032.48	324,686.70	44,345.78	352,920.32	12,112.16
PELICAN	1,633.64	1,455.08	178.56	1,579.44	54.20
PETERSBURG	120,959.05	107,589.87	13,369.18	116,945.51	4,013.54
SITKA	372,525.03	331,351.14	41,173.89	360,164.28	12,360.75
SKAGWAY	5,999.50	5,338.40	661.10	5,800.43	199.07
SOUTHEAST ISLAND	138,048.73	149,474.89	(11,426.16)	162,472.76	(24,424.03)
SOUTHWEST REGION	62,207.88	55,332.26	6,875.62	60,143.78	2,064.10
TANANA	8,563.34	7,616.86	946.48	8,279.20	284.14
UNALASKA	166,217.26	147,845.84	18,371.42	160,702.00	5,515.26
VALDEZ	293,381.75	260,955.29	32,426.46	283,647.06	9,734.69
WRANGELL	134,125.52	119,301.09	14,824.43	129,675.10	4,450.42
YAKUTAT	58,079.45	49,881.18	8,198.27	54,218.87	3,860.58
YUKON FLATS	64,281.23	57,176.45	7,104.78	62,148.32	2,132.91
YUKON/KOYUKUK	110,742.29	98,502.33	12,239.96	107,067.75	3,674.54
GROWTH FACTOR*	200,000.00	177,804.70	22,195.30	193,363.80	6,636.20
TOTALS	\$33,969,326.21	\$30,214,815.00	\$3,754,511.21	\$32,842,190.00	\$1,127,136.21

* GROWTH FACTOR IS AN ESTIMATED AMOUNT TO COVER ADDITIONAL COSTS DUE TO ENROLLMENT INCREASES AND POPULATION SHIFTS. PROJECTED ENTITLEMENTS INCLUDE NEW CONTRACTS.
 FAIRBANKS PROJECTED COST INCLUDES ONE NONPUBLIC BUS.

SB

244

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 3/6/96

DATE TURNED INTO OFFICE: 4-11-96

The Finance Committee considered SB 244

Relating to state foundation aid and supplementary state aid for education.

CS (Fix)
+
New DOE
fiscal
note coming

and recommends:

- be replaced with _____ CS SB 244 (Fix)
- adopt previous _____ CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical change
 - new: SCR# _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Steve Rin</i>	✓		
		<i>Roll E. Kelly</i>	✓		
		<i>James J. Donley</i>	✓		
		<i>Paul T. Haroff</i>	✓		
		<i>Bob Sharp</i>	✓		
Co-Chair: <i>[Signature]</i>	✓	Co-Chair: _____			
Co-Chair: <i>[Signature]</i>		Co-Chair: <i>Rick Halford</i>	✓		

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>DOE</i>	<i>4/11/96</i>		<i>20.2</i>

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

No. 1

Bill Version: SB 244

(S) Publish Date: 1/26/1996

STATE OF ALASKA

1996 LEGISLATIVE SESSION

Revision Date: _____

Department Affected: Education

Title: An act relating to state foundation aid and supplementary state aid for education

BRU: K-12

Component: Foundation Program

Sponsor: Rules Committee

Requester: Governor

COMPONENT SERIAL NO. 141

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	223.8	223.8	223.8	223.8	223.8	223.8
MISCELLANEOUS						
TOTAL OPERATING	223.8	223.8	223.8	223.8	223.8	223.8

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

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

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	223.8	223.8	223.8	223.8	223.8	223.8
1005 GF/Program Receipts						
Other						
TOTAL	223.8	223.8	223.8	223.8	223.8	223.8

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ 0.0

ANALYSIS: (Attach a separate page if necessary.)
 Refer to attached spreadsheet for fiscal impact of sections 1 and 2 of the legislation. Section 3 has no fiscal impact. Section 4 allocates funds to single-site school districts. An allocation equal to the cost to implement Section 4 is requested in DOE's FY97 budget and is identified as "additional district support."

Prepared by: Eddy Jeans
 Division: School Finance
 Approved by Commissioner: *[Signature]*
 Agency: Education

Phone: 465-8685
 Date: January 19, 1996
Shirley Holloway, Ph. D.
 Date: January 19, 1996

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	A	B	C	D
1	ALASKA DEPARTMENT OF EDUCATION			
2	PROJECTED FY97 FOUNDATION PROGRAM			
3	Attachment to Governor's proposed education legislation.			
4	"An Act relating to state foundation aid and supplementary state aid for education; and providing for an effective date."			
5		Section 1	Section 2	
6			\$500 per	Column C less
7		5% Impact Aid	Adj. Unit	Column B
8				
9	ADAK	\$0	\$0	\$0
10	ALASKA GATEWAY	19,027	44,245	25,218
11	ALEUTIAN REGION	2,850	4,670	1,820
12	ALEUTIANS EAST	0	0	0
13	ANCHORAGE	0	0	0
14	ANNETTE ISLANDS	50,816	22,525	(28,291)
15	BERING STRAIT	172,756	164,585	(8,171)
16	BRISTOL BAY	0	0	0
17	CHATHAM	32,579	27,360	(5,219)
18	CHUGACH	6,260	15,100	8,840
19	COPPER RIVER	4,029	44,615	40,586
20	CORDOVA	0	0	0
21	CRAIG	0	0	0
22	DELTA/GREELY	44,809	44,085	(724)
23	DENALI	0	0	0
24	DILLINGHAM	0	0	0
25	FAIRBANKS	0	0	0
26	GALENA	0	0	0
27	HAINES	0	0	0
28	HOONAH	0	0	0
29	HYDABURG	0	0	0
30	IDIAROD	29,036	49,335	20,299
31	JUNEAU	0	0	0
32	KAKE	0	0	0
33	KASHUNAMIUT	13,578	18,235	4,657
34	KENAI	0	0	0
35	KETCHIKAN	0	0	0
36	KLAWOCK	0	0	0
37	KODIAK	0	0	0
38	KUSPUK	27,784	48,580	20,796
39	LAKE AND PENN.	0	0	0
40	LOWER KUSKOKWIM	230,618	348,085	117,467
41	LOWER YUKON	163,867	137,715	(26,152)
42	MAT-SU	0	0	0
43	NENANA	0	0	0
44	NOME	0	0	0
45	NORTH SLOPE	0	0	0
46	NORTHWEST ARCTIC	0	0	0
47	PELICAN	0	0	0
48	PETERSBURG	0	0	0
49	PRIBILOF	18,621	19,235	614
50	SITKA	0	0	0
51	SKAGWAY	0	0	0
52	SOUTHEAST	23,047	34,035	10,988
53	SOUTHWEST	53,822	63,340	9,518
54	ST. MARY'S	0	0	0
55	TANANA	0	0	0
56	UNALASKA	0	0	0
57	VALDEZ	0	0	0
58	WRANGELL	0	0	0
59	YAKUTAT	0	0	0
60	YUKON FLATS	31,599	49,875	18,276
61	YUKON/KOYUKUK	50,001	65,200	15,199
62	YUPIIT	43,249	41,355	(1,894)
63				
64	TOTALS	\$1,018,348	\$1,242,175	\$223,827

3/26/96

FISCAL NOTE

STATE OF ALASKA

BILL NO. SB 244/HB 452

1996 LEGISLATIVE SESSION

Revision Date: _____

Department Affected: Education

Title: An act relating to state foundation aid and supplementary state aid for education

BRU: K-12

Component: Foundation Program

Sponsor: Rules Committee

Requester: Governor

COMPONENT SERIAL NO. 141

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	223.8	223.8	223.8	223.8	223.8	223.8
MISCELLANEOUS						
TOTAL OPERATING	223.8	223.8	223.8	223.8	223.8	223.8

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

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

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 CF	223.8	223.8	223.8	223.8	223.8	223.8
1005 GF/Program Receipts						
Other						
TOTAL	223.8	223.8	223.8	223.8	223.8	223.8

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ 0.0

ANALYSIS: (Attach a separate page if necessary.)
 Refer to attached spreadsheet for fiscal impact of sections 1 and 2 of the legislation. Section 3 has no fiscal impact. Section 4 allocates funds to single-site school districts. An allocation equal to the cost to implement Section 4 is requested in DOE's FY97 budget and is identified as "additional district support."

Prepared by: Eddy Jeans
 Division: School Finance
 Approved by Commissioner: *Shirley Holloway*
 Agency: Education

Phone: 465-8685
 Date: January 19, 1996
Shirley Holloway, Ph. D.
 Date: January 19, 1996

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December 15, 1995, Governor's FY97 Budget Request
 ALASKA DEPARTMENT OF EDUCATION
 PROJECTED FY97 FOUNDATION PROGRAM

12/15/95 File: Single

	PROJ. FY97 ADM	K-12 UNITS	Single Site	AREA DIFF.	Adj. Single Site Units	FY97 Projected Single Site Allocation
ADAK	-	-	-	1.27	-	0
ALASKA GATEWAY	546.00	63.88	-	1.19	-	0
ALEUTIAN REGION	21.00	4.13	0.50	1.31	0.66	40,260
ALEUTIANS EAST	363.00	46.89	-	1.31	-	0
ANCHORAGE	46,601.00	3,121.56	-	1.00	-	0
ANNETTE ISLANDS	441.00	35.40	2.83	1.03	2.91	177,510
BERING STRAIT	1,786.00	202.29	-	1.39	-	0
BRISTOL BAY	294.00	27.73	-	1.27	-	0
CHATHAM	345.00	46.48	-	1.03	-	0
CHUGACH	137.00	23.03	-	1.14	-	0
COPPER RIVER	635.00	68.43	-	1.14	-	0
CORDOVA	536.00	41.42	2.49	1.11	2.76	168,360
CRAIG	424.00	34.27	2.74	1.03	2.82	172,020
DELTA/GREELY	852.00	63.97	-	1.16	-	0
DENALI	383.00	40.50	-	1.23	-	0
DILLINGHAM	598.00	45.87	2.75	1.27	3.49	212,890
FAIRBANKS	16,091.00	1,100.46	-	1.04	-	0
GALENA	160.00	16.67	2.00	1.30	2.60	158,600
HAINES	443.00	36.87	-	1.05	-	0
HOONAH	270.00	24.00	1.92	1.08	2.07	126,270
HYDABURG	107.50	12.96	1.56	1.03	1.61	98,210
IDITAROD	443.00	64.10	-	1.33	-	0
JUNEAU	5,552.00	376.82	-	1.00	-	0
KAKE	182.00	18.13	2.18	1.03	2.25	137,250
KASHUNAMIUT	252.00	22.80	1.82	1.33	2.42	147,620
KENAI	10,401.00	816.98	-	1.00	-	0
KETCHIKAN	2,850.00	197.46	-	1.00	-	0
KLAWOCK	230.00	21.33	2.56	1.03	2.64	161,040
KODIAK	2,897.21	230.35	-	1.09	-	0
KUSPUK	498.00	65.52	-	1.33	-	0
LAKE AND PENN.	506.00	83.00	-	1.31	-	0
LOWER KUSOKWIM	3,537.50	354.76	-	1.42	-	0
LOWER YUKON	1,761.39	181.37	-	1.35	-	0
MAT-SU	12,115.00	905.02	-	1.00	-	0
NENANA	170.00	17.33	2.08	1.20	2.50	152,500
NOME	701.75	52.45	3.15	1.34	4.22	257,420
NORTH SLOPE	1,889.68	167.99	-	1.45	-	0
NORTHWEST ARCTIC	1,998.00	193.16	-	1.45	-	0
PELICAN	40.00	6.50	0.78	1.08	0.84	51,240
PETERSBURG	774.00	57.43	3.45	1.00	3.45	210,450
PRIBILOF	207.00	24.22	-	1.30	-	0
SITKA	1,803.00	128.33	-	1.00	-	0
SKAGWAY	140.00	15.67	1.88	1.05	1.97	120,170
SOUTHEAST	364.00	58.44	-	1.04	-	0
SOUTHWEST	689.00	79.91	-	1.31	-	0
ST. MARY'S	140.00	15.33	1.84	1.30	2.39	145,790
TANANA	100.00	12.33	1.48	1.30	1.92	117,120
UNALASKA	360.00	30.00	2.40	1.27	3.05	186,050
VALDEZ	910.00	66.26	-	1.11	-	0
WRANGELL	565.00	43.56	2.61	1.00	2.61	159,210
YAKUTAT	173.00	18.91	2.27	1.08	2.45	149,450
YUKON FLATS	402.00	60.45	-	1.46	-	0
YUKON/KOYUKUK	624.00	83.49	-	1.34	-	0
YUPIIT	383.00	43.35	-	1.41	-	0
STATE CCS	1,624.86	98.82	-	1.00	-	0
Mt. EDGE CUMBE	275.00	23.76	-	1.00	-	0
TOTALS	126,591.89	9,692.16	45.29		51.63	\$3,494,430

	A	B	C	D
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2	PROJECTED FY97 FOUNDATION PROGRAM			
3	Attachment to Governor's proposed education legislation.			
4	"An Act relating to state foundation aid and supplementary state aid for education; and providing for an effective date."			
5		Section 1	Section 2	—
6			\$500 per	Column C less
7		5% Impact Aid	Adj. Unit	Column B
8				
9	ADAK	\$0	\$0	\$0
10	ALASKA GATEWAY	19,027	44,245	25,218
11	ALEUTIAN REGION	2,850	4,670	1,820
12	ALEUTIANS EAST	0	0	0
13	ANCHORAGE	0	0	0
14	ANNETTE ISLANDS	50,816	22,525	(28,291)
15	BERING STRAIT	172,756	164,585	(8,171)
16	BRISTOL BAY	0	0	0
17	CHATHAM	32,579	27,360	(5,219)
18	CHUGACH	6,260	15,100	8,840
19	COPPER RIVER	4,029	44,615	40,586
20	CORDOVA	0	0	0
21	CRAIG	0	0	0
22	DELTA/GREELY	44,809	44,085	(724)
23	DENALI	0	0	0
24	DILLINGHAM	0	0	0
25	FAIRBANKS	0	0	0
26	GALENA	0	0	0
27	HAINES	0	0	0
28	HOONAH	0	0	0
29	HYDABURG	0	0	0
30	IDITAROD	29,036	49,335	20,299
31	JUNEAU	0	0	0
32	KAKE	0	0	0
33	KASHUNAMIUT	13,578	18,235	4,657
34	KENAI	0	0	0
35	KETCHIKAN	0	0	0
36	KLAWOCK	0	0	0
37	KODIAK	0	0	0
38	KUSPUK	27,784	48,580	20,796
39	LAKE AND PENN.	0	0	0
40	LOWER KUSKOKWIM	230,618	348,085	117,467
41	LOWER YUKON	163,867	137,715	(26,152)
42	MAT-SU	0	0	0
43	NENANA	0	0	0
44	NOME	0	0	0
45	NORTH SLOPE	0	0	0
46	NORTHWEST ARCTIC	0	0	0
47	PELICAN	0	0	0
48	PETERSBURG	0	0	0
49	PRIBILOF	18,621	19,235	614
50	SITKA	0	0	0
51	SKAGWAY	0	0	0
52	SOUTHEAST	23,047	34,035	10,988
53	SOUTHWEST	53,822	63,340	9,518
54	ST. MARY'S	0	0	0
55	TANANA	0	0	0
56	UNALASKA	0	0	0
57	VALDEZ	0	0	0
58	WRANGELL	0	0	0
59	YAKUTAT	0	0	0
60	YUKON FLATS	31,599	49,875	18,276
61	YUKON/KOYUKUK	50,001	65,200	15,199
62	YUPIIT	43,249	41,355	(1,894)
63				
64	TOTALS	\$1,019,348	\$1,242,175	\$223,827

FISCAL NOTE

STATE OF ALASKA

BILL NO. CSSB244(FIN)

1996 LEGISLATIVE SESSION

Revision Date: 4/11/96

Department Affected: Education

Title: An act relating to state foundation aid and supplementary state aid for education

BRU: K-12

Sponsor: Rules Committee

Component: Foundation

Requester: Senate Finance Committee

COMPONENT SERIAL NO. 141

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	20.2	20.2	20.2	20.2	20.2	20.2
MISCELLANEOUS						
TOTAL OPERATING	20.2	20.2	20.2	20.2	20.2	20.2

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

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

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	20.2	20.2	20.2	20.2	20.2	20.2
1005 GF/Program Receipts						
1006 GF/MHTTA						
Other						
TOTAL	20.2	20.2	20.2	20.2	20.2	20.2

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ 311.7

ANALYSIS: (Attach a separate page if necessary.)

Refer to attached spreadsheet for fiscal impact of sections 1 and 2 of the legislation. Section 3 contains a hold-harmless provision which provides school districts with the same level of foundation revenue they were entitled to prior to implementation of this legislation.

Prepared by: Eddy Jeans, Project Assistant

Phone: 465-8685

Division: School Finance

Date: April 11, 1996

Approved by Commissioner: Shirley J. Holloway

Shirley Holloway, Ph. D., Commissioner

Agency: Education

Date: April 11, 1996

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ALASKA DEPARTMENT OF EDUCATION
 FY96 FOUNDATION PROGRAM
 CS SB244(FIN)

	Section 1 96% Impact Aid	Section 2 \$500 per Adj. Unit	Net Adjustment	Section 3 Hold Harmless
ADAK	0	0	0	0
ALASKA GATEWAY	(25,907)	45,040	19,133	0
ALEUTIAN REGION	(3,930)	5,005	1,075	0
ALEUTIANS EAST	0	0	0	0
ANCHORAGE	0	0	0	0
ANNETTE ISLANDS	(65,778)	22,795	(42,983)	42,983
BERING STRAIT	(258,696)	159,600	(99,096)	99,096
BRISTOL BAY	0	0	0	0
CHATHAM	(34,618)	26,840	(7,778)	7,778
CHUGACH	(10,227)	15,190	4,963	0
COPPER RIVER	(6,801)	45,935	39,134	0
CORDOVA	0	0	0	0
CRAIG	0	0	0	0
DELTA/GREELEY	(51,764)	49,090	(2,674)	2,674
DENALI	0	0	0	0
DILLINGHAM	0	0	0	0
FAIRBANKS	0	0	0	0
GALENA	0	0	0	0
HAINES	0	0	0	0
HOONAH	0	0	0	0
HYDABURG	0	0	0	0
IDITAROD	(38,101)	47,895	9,794	0
JUNEAU	0	0	0	0
KAKE	0	0	0	0
KASHUNAMIUT	(27,656)	18,100	(9,556)	9,556
KENAI	0	0	0	0
KETCHIKAN	0	0	0	0
KLAWOCK	0	0	0	0
KODIAK	0	0	0	0
KUSPUK	(43,067)	46,345	3,278	0
LAKE AND PENINSULA	0	0	0	0
LOWER KUSKOKWIM	(304,641)	335,370	30,729	0
LOWER YUKON	(266,669)	138,310	(128,359)	128,359
MAT-SU	0	0	0	0
NENANA	0	0	0	0
NOME	0	0	0	0
NORTH SLOPE	0	0	0	0
NORTHWEST ARCTIC	0	0	0	0
PELICAN	0	0	0	0
PETERSBURG	0	0	0	0
PRIBILOF	(21,162)	19,655	(1,507)	1,507
SITKA	0	0	0	0
SKAGWAY	0	0	0	0
SOUTHEAST	(27,339)	35,995	8,656	0
SOUTHWEST	(62,721)	61,195	(1,526)	1,526
ST. MARY'S	0	0	0	0
TANANA	0	0	0	0
UNALASKA	0	0	0	0
VALDEZ	0	0	0	0
WRANGELL	0	0	0	0
YAKUTAT	0	0	0	0
YUKON FLATS	(43,513)	53,700	10,187	0
YUKON/KOYUKUK	(57,362)	66,610	9,248	0
YUPIIT	(57,898)	39,705	(18,193)	18,193
TOTALS	(\$1,407,850)	\$1,232,375	(\$175,475)	\$311,672

	A	B	C	D
1	ALASKA DEPARTMENT OF EDUCATION			
2	PROJECTED FY97 FOUNDATION PROGRAM			
3	Revised based on CS SB244(FIN)			
4				
5		Section 1	Section 2	
6		96%	\$500 per	Net
7		Impact Aid	Adj. Unit	Change
8				
9	ADAK	\$0	\$0	\$0
10	ALASKA GATEWAY	22,832	44,245	21,413
11	ALEUTIAN REGION	3,421	4,670	1,249
12	ALEUTIANS EAST	0	0	0
13	ANCHORAGE	0	0	0
14	ANNETTE ISLANDS	60,980	22,525	(38,455)
15	BERING STRAIT	207,308	164,585	(42,723)
16	BRISTOL BAY	0	0	0
17	CHATHAM	39,095	27,360	(11,735)
18	CHUGACH	7,513	15,100	7,587
19	COPPER RIVER	4,835	44,615	39,780
20	CORDOVA	0	0	0
21	CRAIG	0	0	0
22	DELTA/GREELY	53,771	44,085	(9,686)
23	DENALI	0	0	0
24	DILLINGHAM	0	0	0
25	FAIRBANKS	0	0	0
26	GALENA	0	0	0
27	HAINES	0	0	0
28	HOONAH	0	0	0
29	HYDABURG	0	0	0
30	IDITAROD	34,842	49,335	14,493
31	JUNEAU	0	0	0
32	KAKE	0	0	0
33	KASHUNAMIUT	16,294	18,235	1,941
34	KENAI	0	0	0
35	KETCHIKAN	0	0	0
36	KLAWOCK	0	0	0
37	KODIAK	0	0	0
38	KUSPUK	33,342	48,580	15,238
39	LAKE AND PENN.	0	0	0
40	LOWER KUSKOKWIM	276,742	348,085	71,343
41	LOWER YUKON	196,640	137,715	(58,925)
42	MAT-SU	0	0	0
43	NENANA	0	0	0
44	NOME	0	0	0
45	NORTH SLOPE	0	0	0
46	NORTHWEST ARCTIC	0	0	0
47	PELICAN	0	0	0
48	PETERSBURG	0	0	0
49	PRIBILOF	22,345	19,235	(3,110)
50	SITKA	0	0	0
51	SKAGWAY	0	0	0
52	SOUTHEAST	27,657	34,035	6,378
53	SOUTHWEST	64,588	63,340	(1,246)
54	ST. MARY'S	0	0	0
55	TANANA	0	0	0
56	UNALASKA	0	0	0
57	VALDEZ	0	0	0
58	WRANGELL	0	0	0
59	YAKUTAT	0	0	0
60	YUKON FLATS	37,919	49,875	11,956
61	YUKON/KOYUKUK	60,000	65,200	5,200
62	YUPIIT	51,899	41,355	(10,544)
63				
64	TOTALS	\$1,222,021	\$1,242,175	\$20,154

4-11-96
SF
Moved
Adopted

9-GS2043V
Ford
4/4/96

Amend. #1
p-2
lines 17-19
deleted
(Adopted)

CS FOR SENATE BILL NO. 244(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to state foundation aid and supplementary state aid for
2 education; and providing for an effective date."

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

4 * Section 1. AS 14.17.021 is repealed and reenacted to read:

5 Sec. 14.17.021. STATE FOUNDATION AID. (a) Beginning July 1, 1995,
6 the amount of state foundation aid for which a city or borough school district may
7 qualify in a fiscal year is calculated by subtracting from the basic need defined in (c)
8 of this section the required local contributions under AS 14.17.025(a) and 90 percent
9 of eligible federal impact aid for that fiscal year.

10 (b) Beginning July 1, 1995, the amount of state foundation aid for which a
11 regional educational attendance area may qualify in a fiscal year is calculated by
12 subtracting from the basic need defined in (c) of this section 96 percent of eligible
13 federal impact aid for that fiscal year.

14 (c) The basic need of a school district is determined by multiplying the area

1 cost differential of the district under AS 14.17.051 by the number of instructional units
 2 in the district under AS 14.17.031 and then multiplying that product by the
 3 instructional unit value in AS 14.17.056.

4 (d) The department may make adjustments to a district's state foundation aid
 5 for a fiscal year to correct underpayments made in previous fiscal years.

6 * Sec. 2. AS 14.17 is amended by adding a new section to read:

7 Sec. 14.17.026. SUPPLEMENTARY STATE AID FOR REGIONAL
 8 EDUCATIONAL ATTENDANCE AREAS. (a) Beginning July 1, 1995, in addition
 9 to the state foundation aid for which a regional educational attendance area may
 10 qualify under AS 14.17.021(b), a regional educational attendance area may qualify for
 11 supplementary state aid. The amount of supplementary state aid for which a regional
 12 educational attendance area may qualify in a fiscal year is calculated by multiplying
 13 the area cost differential of the regional educational attendance area under
 14 AS 14.17.051 by the number of instructional units in the regional educational
 15 attendance area determined under AS 14.17.031 and then multiplying that product by
 16 a unit allotment of \$500.

17 (b) ~~The department may, by regulation, increase the unit allotment specified~~
 18 ~~in (a) of this section if necessary to keep revenue disparities among school districts in~~
 19 ~~the state in compliance with federal equalization requirements~~

20 * Sec. 3. TRANSITION. Notwithstanding the provisions of this Act, if, for fiscal year
 21 1996, a city or borough school district or a regional educational attendance area would receive
 22 less foundation aid under this Act than the city or borough school district or regional
 23 educational attendance area would have received under AS 14.17 without enactment of this
 24 Act, the school district or attendance area is eligible to receive foundation aid for fiscal year
 25 1996 equal to the amount that would have been received under AS 14.17 without the
 26 enactment of this Act.

27 * Sec. 4. Sections 1 - 3 of this Act are retroactive to July 1, 1995.

28 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).

4/11/96
 SF
 moved
 to
 remove
 (2)
 object
 4-1

JFC-96

4/2/96

Sen. 2

distributed

for

consideration

in CS(Fin)

AMENDMENT

OFFERED IN THE SENATE

TO: SB 244

1 Page 3, after line 11:

2 Insert a new bill section to read:

3 **** Sec. 5.** AS 14.17.250(4) is amended to read:

4 (4) "eligible federal impact aid" for a fiscal year means the amount of
5 federal aid received by the district as of March 1 of the fiscal year as payment for its
6 entitlement for the application submitted during the preceding fiscal year, including
7 advance payments, and adjustments received since March 1 of the preceding fiscal
8 year from prior year applications, under 20 U.S.C. 7701 - 7714 [20 U.S.C. 237-239
9 (P.L. 81-874, SECS. 2-4)], as amended, except payments received under 20 U.S.C.
10 7703(f)(2)(B) or payments received for children receiving preschool education [20
11 U.S.C. 238(d)(3)(B)(ii) (P.L. 81-874, SEC. 3(d)(2)(B)(ii))], to the extent the state may
12 consider that aid as local resources under that Act and the regulations adopted under
13 it;"

14 Renumber the following bill section accordingly.

SMALL SINGLE SITE SCHOOL DISTRICTS

Who are they?

Districts with:

- enrollment of 800 or fewer average daily membership (ADM)
- funding limited to one funding community

How many districts?

- 39% of Alaska's 54 districts

What kind of districts?

- Geographically small
- Small city
- Rural
- REAA

Where are these districts?

Aleutian Region	Annette Islands
Cordova	Craig
Dillingham	Galena
Hoonah	Hydaburg
Kake	Kashunamiut
Klawock	Nenana
Nome	Pelican
Petersburg	Skagway
St. Mary's	Tanana
Unalaska	Wrangell
Yakutat	

Are all small schools in small single site school districts?

No. There are school districts covering large geographical areas that have several small schools within the area/district.

What makes small single site school districts different?

A small district, with only one (single) funding community according to the foundation formula, is funded at a substantially lower level per student than is a district of the same enrollment with multiple funding communities.

How many students are affected by this funding situation?

Approximately 6,000.

How can this situation be remedied?

The state law can be amended to add a supplemental funding formula for those small schools that are also a small district.

What would this amendment do for the overall cost of education?

- It would increase the foundation entitlement by approximately \$3.2 million.
- This increase is about .5% of the overall K-12 foundation appropriation.

How long has this situation existed?

Since the foundation formula was amended in 1987.

Has this difference of funding just been discovered?

No. Debate at the time the funding law was changed showed concern for these small school districts.

How have these schools operated since 1987?

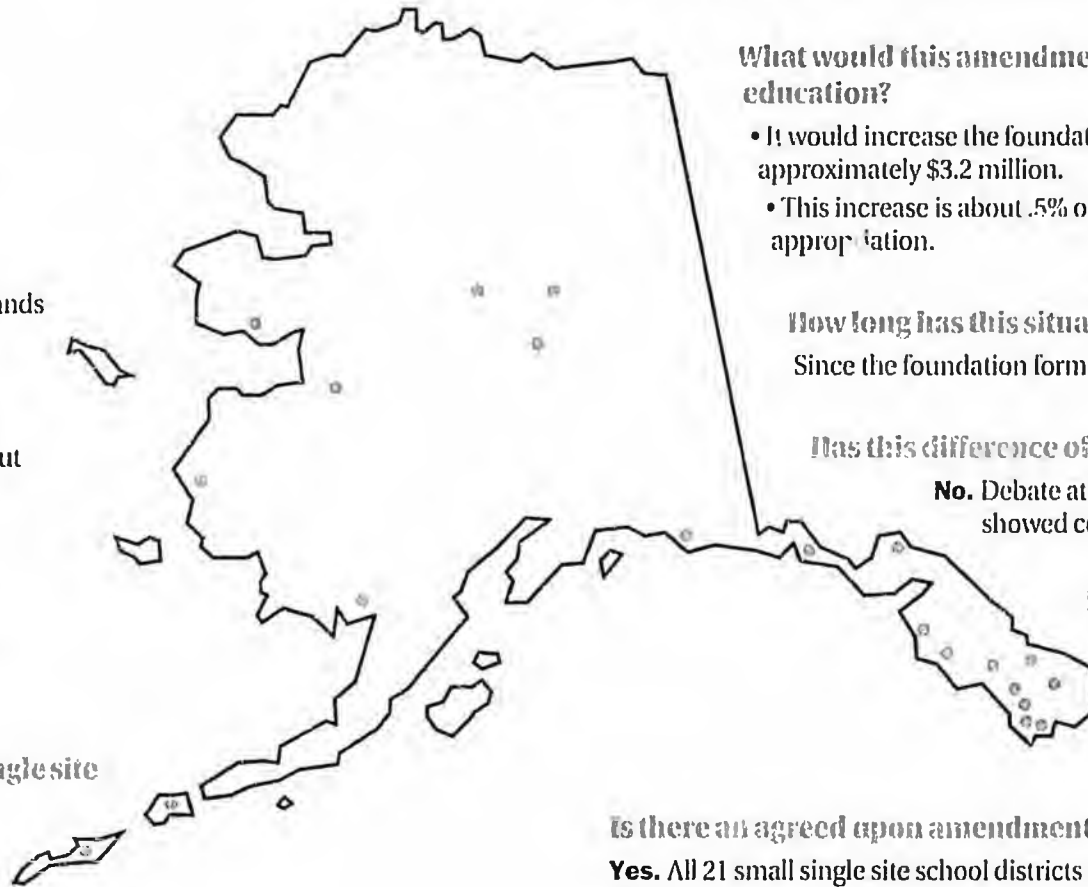
Separate legislative appropriations have been made to provide additional district support.

Is there an agreed upon amendment to the foundation formula?

Yes. All 21 small single site school districts agree on a formula that will resolve this issue.

The formula has also received support from the State Board of Education, the Alaska Association of School Administrators, the Association of Alaska School Boards, and NEA-Alaska.

See reverse side for proposed legislative wording.



A:

**See
Inside.**



Proposed Formula-Legislative Wording

*Sec. __AS 14.17.041 is amended by adding a new subsection to read:

(e) In a district that consists of a single funding community with an average daily membership of 800 or fewer students, the elementary and secondary instructional units received under (a) or (b) of this section shall be multiplied by the factor determined under the following table:

District ADM	Factor
1-250	1.12
251-525	1.08
526-800	1.06

*Sec. __ This Act takes effect _____.

For more information on the single site funding issue, contact:

Al Weinberg, Chairperson

Single Site School District Consortium

Phone: 858-7713 Fax: 858-7328

Wanda J. Cooksey, Consultant

Single Site School District Consortium

Phone: 586-9073 Fax: 586-5772



Printed on recycled paper

Q:

**How can
you help
6,000
Students
in the
State of
Alaska?**

SINGLE SITE SCHOOL DISTRICT CONSORTIUM

985 KSD WAY
CHEVAK, ALASKA 99563

(907) 858-7713
FAX 858-7328

POSITION PAPER

The Single Site School District Consortium consists of twenty-one single-funding-community school districts with 800 or fewer students in average daily membership (ADM). The Consortium seeks an amendment to the Foundation Formula that adjusts for what we believe to be an inherent inequity.

When the current Foundation Formula was adopted in 1987, the Legislature recognized that certain unintended adverse impacts may result. Almost every year since that time, adjustments have been made to accommodate for these impacts. Most commonly, and almost exclusively for the past five years, these adjustments have taken the form of supplemental noncategorical funds in specific Legislative appropriations directed to single site districts. For the past three years, the following formula (proposed by the Consortium) has been used to generate these supplemental appropriations:

ADM	FACTOR
1 - 250	1.12
251 - 525	1.08
526 - 800	1.06

Although this formula has been used to determine supplemental funding, it has not yet been enacted into law as an amendment to the Foundation Program. The Consortium supports such an amendment as has the State Board of Education, the Association of Alaska School Boards, the Alaska Association of School Administrators, and NEA-Alaska.

The problem with the present Foundation Formula, as it affects single site school districts, is what is referred to as the *front-end load*. Up to the first ten students in a funding community produce two K - 12 instructional units (\$122,000 exclusive of the area cost differential). As ADM increases, more and more students are required to produce a K - 12 instructional unit. Single site districts benefit from this *front-end load* only once, while multiple site districts take advantage of it for each funding community. Admittedly, there are incremental additional costs associated with the operation of multiple sites. However, the Consortium contends that the funding disparity between single and multiple site districts under the present Foundation Formula is unwarranted.


A graphic example of this disparity is seen in the table at right comparing two districts with similar FY '96 ADM-- Alaska Gateway, a multiple site district on the highway system, and Wrangell, a single site district. Notably, the single site district, with 19 more students, accrues *substantially* less revenue from K - 12 instructional units than does the multiple site district. (The area cost differential is not included, as it is intended to equalize dollars across the state.) Even

Ak. Gateway	536 ADM	\$3,834,460
Wrangell	555 ADM	<u>2,624,220</u>
Difference		(\$1,210,240)
		(46.0%)

with the FY '96 single site supplemental of \$159,820, Wrangell still receives \$1,050,420 (37.7%) less than Alaska Gateway. The Consortium believes that this difference is more than ample to accommodate for Alaska Gateway's additional costs necessitated by multiple site operations.

In conclusion, it is clear that for several years the Legislature has recognized an inequity in the Foundation Formula impacting small single site school districts. To address this inequity, supplemental funds have been appropriated for these districts. Given the years of supplemental funding, these additional noncategorical revenues have become institutionalized in the budgets of small single site districts. If the supplements are discontinued, the adverse impacts on these districts' operations and programs will be severe. As can be noted in the example discussed above, Wrangell's FY '96 single site supplement amounts to approximately 6% of that district's noncategorical state aid. Obviously, a revenue reduction of 6% would have a very serious impact on any school district.

Signed:


B. A. Weinberg, Chairperson
SINGLE SITE SCHOOL DISTRICT CONSORTIUM
February 27, 1996

SB 244/HB 452
Sec. 4
Small Single Site School District Formula

HISTORY: How Did We Get Here?

The issue of funding for a group of small single site school districts has been with Alaska since the 1987 revision of the foundation formula. At the time Title 14 Chapter 17 was amended a special appropriation was made to mitigate the effect of the new formula on small single site school districts. Additional funding for small single site school districts has been appropriated every year thereafter.

In 1992, Dr. Nat Cole, the author of the current foundation formula, found that, as a group, small single site school districts with 800 or fewer ADM had been adversely impacted by the 1987 revisions. He recommended a formula that would remedy the inequities he found and maintain the integrity of the existing foundation formula.

STATUS: What Is The Situation?

The formula in SB 244/HB 452 is the adjustment recommended by Dr. Cole. Dr. Cole acknowledges an oversight in the legislative drafting that led to the present situation.

The group of 21 school districts known as small single site school districts has received grants annually. These grants have been appropriated by the legislature to the Department of Education. In recent years they have been classified in the budget as Additional District Support. Since 1992 these grant amounts have been based on the formula you find in SB 244/HB 452. These funds, although paid outside the foundation formula, have been institutionalized as state funding in the school districts' budgets. The funding, around \$3 million, represents approximately 6%-12% over foundation payments for these districts. Any district would be seriously harmed with a 6% - 12% budget reduction.

REMEDY: What Will Fix It?

Section 4 of SB 244/HB 452 places the recommended formula **INTO** the foundation formula. Enactment of Section 4 will eliminate the need to appropriate grants annually, outside the formula, for 39% of Alaska school districts.

No fiscal note accompanies Section 4 of SB 244/HB 452 as the appropriation is in SB 213/HB 412 the Operating Budget for 1997. The request is in the Department of Education budget at maintenance levels as it is not new funding.

This formula known as the "single site fix" is supported by the Alaska Association of School Administrators, the Association of Alaska School Boards, NEA-Alaska, The State Board of Education, and **ALL** 21 of the small single site school districts.

Respectfully, I request your consideration and passage of the recommended remedy as set forth in Section 4.

SENATE BILL NO. 244

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/26/96

Referred: HES, FIN

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to state foundation aid and supplementary state aid for
2 education; and providing for an effective date."

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

4 * Section 1. AS 14.17.021 is repealed and reenacted to read:

5 Sec. 14.17.021. STATE FOUNDATION AID. (a) The amount of state
6 foundation aid for which a city or borough school district may qualify in a fiscal year
7 is calculated by subtracting from the basic need defined in (c) of this section the
8 required local contributions under AS 14.17.025(a) and 90 percent of eligible federal
9 impact aid for that fiscal year.

10 (b) The amount of state foundation aid for which a regional educational
11 attendance area may qualify in a fiscal year is calculated by subtracting from the basic
12 need defined in (c) of this section 95 percent of eligible federal impact aid for that
13 fiscal year.

14 (c) The basic need of a school district is determined by multiplying the area

1 cost differential of the district under AS 14.17.051 by the number of instructional units
2 in the district under AS 14.17.031 and then multiplying that product by the
3 instructional unit value in AS 14.17.056.

4 (d) The department may make adjustments to a district's state foundation aid
5 for a fiscal year to correct underpayments made in previous fiscal years.

6 * Sec. 2. AS 14.17 is amended by adding a new section to read:

7 Sec. 14.17.026. SUPPLEMENTARY STATE AID FOR REGIONAL
8 EDUCATIONAL ATTENDANCE AREAS. (a) In addition to the state foundation
9 aid for which a regional educational attendance area may qualify under AS
10 14.17.021(b), a regional educational attendance area may qualify for supplementary
11 state aid. The amount of supplementary state aid for which a regional educational
12 attendance area may qualify in a fiscal year is calculated by multiplying the area cost
13 differential of the regional educational attendance area under AS 14.17.051 by the
14 number of instructional units in the regional educational attendance area determined
15 under AS 14.17.031 and then multiplying that product by a unit allotment of \$500.

16 (b) The department may, by regulation, increase the unit allotment specified
17 in (a) of this section if necessary to keep revenue disparities among school districts in
18 the state in compliance with federal equalization requirements.

19 * Sec. 3. AS 14.17.031(a) is amended to read:

20 (a) The department shall adopt regulations defining funding communities
21 within each district that reflect geographic and attendance area factors. For the
22 purpose of determining instructional units, students are counted in the district and the
23 funding community from which they receive educational services. The total number
24 of instructional units in a school district is the sum of the following units for each
25 funding community within the district, as determined by the department:

26 (1) the number of units for elementary and secondary students
27 determined under AS 14.17.041 [AS 14.17.041(a) OR (b)];

28 (2) the number of units for vocational education determined under
29 AS 14.17.043;

30 (3) the number of units for special education determined under
31 AS 14.17.045; and

1 (4) the number of units for bilingual education determined under
2 AS 14.17.047.

3 * Sec. 4. AS 14.17.041 is amended by adding a new subsection to read:

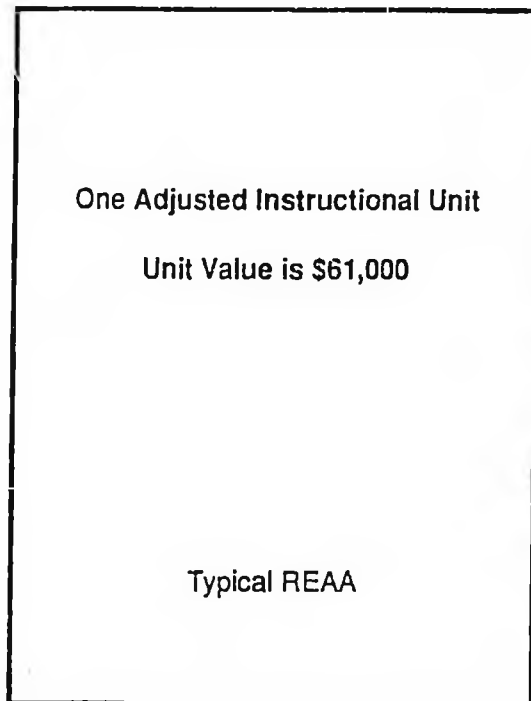
4 (c) For districts that consist of one funding community with an ADM of 900
5 or less, the elementary and secondary instructional units determined under (a) or (b)
6 of this section are increased by multiplying those units by the percentage set out in the
7 following table:

8	ADM	Percentage
9	1 - 250	12
10	251 - 525	8
11	526 - 900	6

12 * Sec. 5. This Act takes effect July 1, 1996.

4/11/96
Amend
2
② 1-5
Failed

Department of Education
Foundation Program
Disparity Computations



Sources:

State - Foundation Aid

Federal - Impact Aid

Local - 4 Mill Required Local

Basic Need = Total Units times Area Cost Differential times Unit Value.

Department of Education
Foundation Program
Disparity Computations

Allowable local excess at 23%

Source:

Excess unit value is \$14,030

Local

One Adjusted Instructional Unit

Unit Value is \$61,000

Sources:

State - Foundation Aid

Federal - Impact Aid

Local - 4 Mill Required Local

Typical City \ Borough

Department of Education
Foundation Program
Disparity Computations

Total Value including Excess local is \$75,030

Allowable local excess at 23%

Source:

Excess unit value is \$14,030

Local

One Adjusted Instructional Unit

Unit Value is \$61,000

Sources:

State - Foundation Aid

Federal - Impact Aid

Local - 4 Mill Required Local

Disparity computations:

Top end \$ 75,030
Low end \$ 61,000
Difference \$ 14,030
Disparity 23.00%

Disparity is computed by dividing the "Difference" by the "Low end".

	A	B	C	D	E	F	G	H	I	J	K
1	ALASKA DEPARTMENT OF EDUCATION										
2	SCHOOL OPERATING FUND REVENUES										
3	COMPILED FROM FISCAL YEAR 1995 Budgets										
4	Includes single site appropriations.										
5	Preliminary Disparity Test FY95 - Excludes Supplemental \$500 Unit Allocation to REAAs										
6		FY95 Actual	Adjustments	Budgeted	Budgeted	SUB-TOTAL	Budgeted	Budgeted	Budgeted	Budgeted	SUB-TOTAL
7	SCHOOL	Foundation	Based on	State	Other State	STATE	City/Borough	Earnings on	Other Local	In-Kind	LOCAL
8	DISTRICT	Payments	budget	Tuition	Revenue	REVENUE	Appropriations	Investments	Revenue	Services	REVENUE
9											
10	NORTH SLOPE	10,003,231	0	0	40,000	10,043,231	27,863,000	0	50,000	0	27,913,000
11	VALDEZ	3,296,449	6,703	0	0	3,303,152	3,946,990	80,000	48,000	0	4,074,990
12	HOONAH	1,856,774	0	0	126,270	1,983,044	538,779	25,000	15,000	0	578,779
13	UNALASKA	1,686,016	5,552	0	200,690	1,892,258	1,385,800	20,000	35,936	0	1,441,736
14	HYDABURG	977,477	0	0	108,080	1,085,571	57,711	4,000	27,500	0	89,211
15	WRANGELL	2,638,591	0	0	151,890	2,790,481	1,086,168	5,000	15,000	29,000	1,135,168
16	SKAGWAY	696,726	0	0	119,560	816,286	488,574	6,000	0	0	494,574
17	IKAKE	1,285,536	0	0	136,640	1,422,176	80,000	20,000	8,585	150,000	258,585
18	JUNEAU	22,481,943	0	110,000	0	22,591,943	12,776,000	0	83,032	0	12,859,032
19	SITKA	6,923,549	0	40,000	447,130	7,410,679	3,766,524	0	22,000	0	3,788,524
20	KENAI	44,172,161	0	272,800	0	44,444,961	20,601,573	0	75,000	5,995,064	26,671,537
21	PETERSBURG	3,196,745	0	1,818	199,470	3,398,033	1,429,406	15,000	4,000	0	1,448,406
22	HAINES	2,055,774	0	0	0	2,055,774	1,030,311	17,000	11,000	0	1,058,311
23	KETCHIKAN	9,624,799	0	40,000	28,500	9,693,299	6,347,993	14,000	10,154	280,000	6,652,147
24	BRISTOL BAY	1,522,798	0	0	0	1,522,798	933,421	20,000	15,000	200,000	1,168,421
25	NOME	4,724,803	0	13,645	264,740	5,003,188	1,117,906	30,000	117,290	0	1,265,196
26	KLAWOCK	1,520,331	0	0	166,460	1,686,791	97,500	35,000	56,452	32,400	221,352
27	FAIRBANKS	62,314,043	0	1,249,500	0	63,563,543	25,380,000	0	250,000	0	25,630,000
28	ALEUTIANS EAST	3,577,702	0	0	15,000	3,592,702	797,670	0	7,000	161,000	965,670
29	DILLINGHAM	2,944,758	0	10,000	250,100	3,204,858	685,054	30,000	157,000	0	872,054
30	TANANA	1,130,861	0	9,368	122,000	1,262,229	0	10,000	1,000	98,000	109,000
31	YAKUTAT	1,290,931	0	0	126,270	1,417,201	176,620	2,000	9,362	0	187,982
32	ANNETTE ISLAND	1,373,918	0	0	166,530	1,540,448	0	0	0	0	0
33	ANCHORAGE	179,878,890	0	950,000	983,500	181,822,390	71,773,335	1,751,500	1,099,000	0	74,623,835
34	GALENA	1,386,517	0	0	156,160	1,542,677	25,000	20,000	3,000	77,925	125,925
35	NENANA	1,497,731	0	0	164,090	1,661,821	58,514	5,000	5,272	0	68,786
36	CRAIG	2,275,901	0	0	151,890	2,427,791	296,273	20,000	2,395	40,618	359,286
37	MAT-SU	55,397,110	0	0	0	55,397,110	15,462,862	0	75,203	0	15,538,065
38	KASHUNAMIUT	1,728,969	0	0	206,180	1,935,149	0	0	0	0	0
39	PELICAN	544,061	0	0	56,730	600,791	53,179	3,000	10,500	0	66,679
40	ST. MARYS	1,212,187	0	0	119,560	1,331,747	0	5,000	0	17,753	22,753
41	LAKE AND PENN.	6,741,477	0	0	0	6,741,477	750,000	135,000	20,000	0	905,000
42	CORDOVA	2,581,326	0	0	217,160	2,798,486	699,529	10,341	8,500	0	718,370
43	KODIAK	12,300,474	0	46,787	879,582	13,226,843	3,200,000	0	36,400	452,500	3,688,900
44	ADAK	0	0	0	0	0	0	0	0	0	0
45	NW ARCTIC	16,268,410	0	0	0	16,268,410	846,708	275,000	300,000	758,212	2,179,920
46	BERING STRAIT	14,408,678	0	0	0	14,408,678	0	0	0	0	0
47	CHATHAM	2,628,517	0	0	0	2,628,517	0	0	0	0	0
48	YUKON FLATS	5,619,605	0	0	0	5,619,605	0	0	0	0	0
49	AK GATEWAY	4,916,797	0	0	0	4,916,797	0	0	0	0	0
50	YUPIIT	3,769,090	0	0	0	3,769,090	0	0	0	0	0
51	DELTA/GREELY	5,646,127	0	0	0	5,646,127	0	0	0	0	0
52	SOUTHWEST	6,041,928	0	0	0	6,041,928	0	0	0	0	0
53	IDITAROD	5,193,156	0	0	0	5,193,156	0	0	0	0	0
54	PRIBILOF	1,821,059	0	0	0	1,821,059	0	0	0	0	0
55	YUKON/KOYUKUI	6,884,158	0	0	0	6,884,158	0	0	0	0	0
56	LOWER YUKON	11,558,409	0	0	0	11,558,409	0	0	0	0	0
57	LOWER KUSKO.	32,863,714	0	0	0	32,863,714	0	0	0	0	0
58	DENALI	3,046,313	0	0	0	3,046,313	346,011	12,000	0	0	358,011
59	COPPER RIVER	5,223,578	0	0	0	5,223,578	0	0	0	0	0
60	CHUGACH	1,577,779	0	0	0	1,577,779	0	0	0	0	0
61	ALEUTIAN REGIC	563,747	0	0	0	563,747	0	0	0	0	0
62	SOUTHEAST	4,194,007	0	0	0	4,194,007	0	0	0	0	0
63	KUSPUK	4,759,302	0	0	0	4,759,302	0	0	0	0	0
64	MI. EDGE CUMBE	1,727,520	0	0	0	1,727,520	0	0	0	0	0
65											
66											
67	TOTALS	\$595,552,467	\$12,255	\$2,753,918	\$5,604,182	\$603,922,822	\$204,098,411	\$2,569,841	\$2,578,581	\$8,292,472	\$217,539,305
68											
69											
70											

	L	M	N	O	P	Q	R	S	T	U	
1	ALASKA DEPARTMENT OF EDUCATION										
2	SCHOOL OPERATING FUND REVENUES										
3	COMPILED FROM FISCAL YEAR 1995 Budgets										
4											
5		REAA's	Adjusted	Excludes Supplemental \$500 Unit Allocation to REAAs							
6		Budgeted	Deductible	Budgeted	SUB-TOTAL	Budgeted	FY95 Budgets	FY95	Revenue		
7	SCHOOL	Other	Federal	Other Federal	FEDERAL	Fund	TOTAL	Adjusted	per Adjuste		
8	DISTRICT	Revenue	PL81-874	Revenue	REVENUE	Transfers In	REVENUES	Units	Unit		
9											
10	NORTH SLOPE		448,387	0	448,387	0	38,404,618	257.13	149,359		
11	VALDEZ		24,269	0	24,269	0	7,402,411	83.81	88,324		
12	HOONAH		99,705	0	99,705	0	2,661,528	33.59	79,236		
13	UNALASKA		7,100	0	7,100	0	3,341,094	43.17	77,394		
14	HYDABURG		2,603	0	2,603	89,272	1,266,657	16.44	77,047		
15	WRANGELL		1,775	0	1,775	21,500	3,948,924	52.01	75,926		
16	ISKAGWAY		0	0	0	0	1,310,860	17.30	75,772		
17	KAKE		63,179	0	63,179	6,684	1,750,624	23.21	75,328		
18	JUNEAU		5,588	0	5,588	50,000	35,506,563	471.89	75,243	High	
19	SITKA		96,865	0	96,865	0	11,296,068	150.53	75,042		
20	KENAI		41,122	0	41,122	0	71,157,720	949.63	74,932		
21	PETERSBURG		13,125	0	13,125	0	4,859,564	65.20	74,533		
22	HAINES		9,815	0	9,815	0	3,123,900	42.01	74,361		
23	KETCHIKAN		3,419	0	3,419	0	16,348,865	220.42	74,171		
24	BRISTOL BAY		208,893	0	208,893	81,860	2,981,972	40.28	74,031		
25	NOME		31,997	0	31,997	67,000	6,367,381	86.03	74,013		
26	KLAWOCK		38,766	0	38,766	8,500	1,955,409	26.53	73,706		
27	FAIRBANKS		4,279,980	125,000	4,404,980	100,000	93,698,523	1,313.15	71,354		
28	ALEUTIANS EAST		334,692	0	334,692	64,000	4,957,064	69.95	70,866		
29	DILLINGHAM		423,126	0	423,126	0	4,500,038	63.55	70,811		
30	TANANA		63,775	0	63,775	0	1,435,004	20.32	70,620		
31	YAKUTAT		38,638	0	38,638	0	1,643,821	23.43	70,159		
32	ANNETTE ISLAND	60,000	1,263,722	160,000	1,423,722	0	3,024,170	43.24	69,939		
33	ANCHORAGE		6,336,237	265,000	6,601,237	0	263,047,462	3,818.88	68,881		
34	GALENA		135,368	0	135,368	0	1,803,970	26.22	68,901		
35	NENANA		1,695	0	1,695	12,740	1,745,042	25.54	68,326		
36	CRAIG		23,296	0	23,296	20,000	2,830,373	41.47	68,251		
37	MAT-SU		13,725	0	13,725	150,000	71,098,900	1,042.00	68,233		
38	KASHUNAMIUT	50,000	478,011	0	478,011	0	2,463,160	36.18	68,081		
39	PELICAN		0	0	0	0	6,37,470	9.84	67,832		
40	ST. MARY'S		85,830	0	85,830	0	1,440,330	21.57	66,775		
41	LAKE AND PENN.		270,323	0	270,323	0	7,916,800	119.43	66,288		
42	CORDOVA		24,734	0	24,734	35,000	3,576,590	54.19	66,001		
43	KODIAK		1,448,364	0	1,448,364	64,000	18,428,107	280.71	65,648		
44	ADAK	140,100	2,298,424	0	2,298,424	0	2,438,524	37.16	65,622		
45	NW ARCTIC		1,193,884	0	1,193,884	415,168	20,037,382	306.43	65,455		
46	BERING STRAIT	1,070,100	4,457,162	0	4,467,162	225,000	20,170,940	309.44	65,185		
47	CHATHAM	40,000	588,013	100,000	688,013	24,000	3,380,530	52.73	64,110		
48	YUKON FLATS	160,000	570,065	0	570,065	150,000	6,499,670	101.47	64,055		
49	AK GATEWAY	95,000	444,493	0	444,493	140,000	5,596,290	87.89	63,674		
50	YUPIIT	110,000	998,670	0	998,670	90,000	4,967,760	78.16	63,559		
51	DELTA/GREELY	100,000	893,073	75,000	968,073	75,000	6,789,200	107.20	63,332		
52	SOUTHWEST	235,000	967,582	0	967,582	0	7,244,510	114.91	63,045		
53	IDITAROD	86,300	527,424	0	527,424	80,000	5,886,880	93.78	62,773		
54	PRIBILOF	56,000	337,731	0	337,731	0	2,214,790	35.39	62,582		
55	YUKON/KOYUKUK	105,000	979,352	0	979,352	80,000	8,048,510	128.91	62,435		
56	LOWER YUKON	380,000	4,609,641	0	4,609,641	0	16,548,050	265.05	62,434		
57	LOWER KUSKO.	850,000	5,240,546	0	5,240,546	0	38,954,260	624.66	62,361	Low	
58	DENALI		37,307	0	37,307	0	3,441,631	55.31	62,224		
59	COPPER RIVER	93,000	126,732	0	126,732	7,500	5,450,810	87.71	62,146		
60	CHUGACH	15,000	177,191	8,000	185,191	0	1,777,970	28.77	61,799		
61	ALEUTIAN REGION	8,000	66,993	0	66,993	0	638,740	10.34	61,774		
62	SOUTHEAST	47,800	483,473	0	483,473	10,669	4,735,949	76.68	61,763		
63	KUSPUK	43,949	752,048	0	752,048	0	5,555,299	90.35	61,486		
64	ML. EDGE CUMBE		0		0		1,727,520	28.32	61,000		
65											
66											
67	TOTALS	\$3,745,249	\$42,077,928	\$733,000	\$42,810,928	\$2,067,893	\$870,086,197	12,309.54		HIGH 75,243	
68								5%		LOW 62,361	
69								615.48		DIFF 12,882	
70										DISPARITY 20.66%	

	A	B	C	D	E	F	G	H	I	J	K
1	ALASKA DEPARTMENT OF EDUCATION										
2	SCHOOL OPERATING FUND REVENUES										
3	COMPILED FROM FISCAL YEAR 1995 Budgets										
4	Impact aid disparity test computations based on FY95 Budgeted data and on foundation distributions and calculations.										
5	Includes single site appropriations.										
5	Preliminary Disparity Test FY95 - Includes Supplemental \$500 Unit Allocation to REAs										
6		FY95 Actual	Adjustments	Budgeted	Budgeted	SUB-TOTAL	Budgeted	Budgeted	Budgeted	Budgeted	SUB-TOTAL
7	SCHOOL	Foundation	Based on	State	Other State	STATE	City/Borough	Earnings on	Other Local	In-Kind	LOCAL
8	DISTRICT	Payments	budget	Tuition	Revenue	REVENUE	Appropriations	Investments	Revenue	Services	REVENUE
9											
10	NORTH SLOPE	10,603,231	0	0	40,000	10,043,231	27,863,000	0	50,000	0	27,913,000
11	VALDEZ	3,296,449	6,703	0	0	3,303,152	3,946,990	80,000	48,000	0	4,074,990
12	HOONAH	1,856,774	0	0	126,270	1,983,044	538,779	25,000	15,000	0	578,779
13	UNALASKA	1,686,016	5,552	0	200,690	1,892,258	1,385,800	20,000	35,936	0	1,441,736
14	HYDABURG	977,491	0	0	108,080	1,085,571	57,711	4,000	27,500	0	89,211
15	WRANGELL	2,638,591	0	0	151,890	2,790,481	1,086,168	5,000	15,000	29,000	1,135,168
16	SKAGWAY	696,726	0	0	119,560	816,286	488,574	6,000	0	0	494,574
17	KAKE	1,285,536	0	0	136,640	1,422,176	80,000	20,000	8,585	150,000	258,585
18	JUNEAU	22,481,943	0	110,000	0	22,591,943	12,776,000	0	83,032	0	12,859,032
19	SITKA	6,923,549	0	40,000	447,130	7,410,679	3,766,524	0	22,000	0	3,788,524
20	KENAI	44,172,161	0	272,300	0	44,444,461	20,601,573	0	75,000	5,995,064	26,671,537
21	PETERSBURG	3,196,745	0	1,518	199,470	3,398,033	1,429,406	15,000	4,000	0	1,448,406
22	HAINES	2,055,774	0	0	0	2,055,774	1,030,311	17,000	11,000	0	1,058,311
23	KETCHIKAN	9,624,799	0	40,000	28,500	9,693,299	6,347,993	14,000	10,154	280,000	6,652,147
24	BRISTOL BAY	1,522,798	0	0	0	1,522,798	933,421	20,000	15,000	200,000	1,168,421
25	NOME	4,724,803	0	13,545	264,740	5,003,188	1,117,906	30,000	117,290	0	1,265,196
26	KLAWOCK	1,520,331	0	0	166,460	1,686,791	97,500	35,000	56,452	32,400	221,352
27	FAIRBANKS	62,314,043	0	1,249,500	0	63,563,543	25,380,000	0	250,000	0	25,630,000
28	ALEUTIANS EAST	3,577,702	0	0	15,000	3,592,702	797,670	0	7,000	161,000	965,670
29	DILLINGHAM	2,944,758	0	10,000	250,100	3,204,858	685,054	30,000	157,000	0	872,054
30	TANANA	1,130,861	0	9,358	122,000	1,262,229	0	10,000	1,000	98,000	109,000
31	ANNETTE ISLAND	1,373,918	0	0	188,150	1,562,068	0	0	0	0	0
32	YAKUTAT	1,290,931	0	0	126,270	1,417,201	176,620	2,000	9,362	0	187,982
33	ANCHORAGE	179,878,890	0	960,000	983,500	181,822,390	71,773,335	1,751,500	1,099,000	0	74,623,835
34	GALENA	1,386,517	0	0	156,160	1,542,677	25,000	20,000	3,000	77,925	125,925
35	KASHUNAMIUT	1,728,969	0	0	224,270	1,953,239	0	0	0	0	0
36	NENANA	1,497,731	0	0	164,090	1,661,821	58,514	5,000	5,272	0	68,786
37	CRAIG	2,275,901	0	0	151,890	2,427,791	296,273	20,000	2,395	40,618	359,286
38	MAT-SU	55,397,110	0	0	0	55,397,110	15,462,862	0	75,203	0	15,538,065
39	PELICAN	544,061	0	0	56,730	600,791	53,179	3,000	10,500	0	66,679
40	ST. MARY'S	1,212,187	0	0	119,560	1,331,747	0	5,000	0	17,753	22,753
41	LAKE AND PENN.	6,741,477	0	0	0	6,741,477	750,000	135,000	20,000	0	905,000
42	ADAK	0	0	0	18,580	18,580	0	0	0	0	0
43	CORDOVA	2,581,326	0	0	217,160	2,798,486	699,529	10,341	8,500	0	718,370
44	BERING STRAIT	14,408,678	0	0	154,720	14,563,398	0	0	0	0	0
45	KODIAK	12,300,474	0	45,787	879,582	13,226,843	3,200,000	0	36,400	452,500	3,688,900
46	NW ARCTIC	16,268,410	0	0	0	16,268,410	846,708	275,000	300,000	758,212	2,179,920
47	CHATHAM	2,628,517	0	0	26,365	2,654,882	0	0	0	0	0
48	YUKON FLATS	5,619,605	0	0	50,735	5,670,340	0	0	0	0	0
49	AK GATEWAY	4,916,797	0	0	43,945	4,960,742	0	0	0	0	0
50	YUPIIT	3,769,090	0	0	39,080	3,808,170	0	0	0	0	0
51	DELTA/GREELY	5,646,127	0	0	53,600	5,699,727	0	0	0	0	0
52	SOUTHWEST	6,041,928	0	0	57,455	6,099,383	0	0	0	0	0
53	IDITAROD	5,193,156	0	0	46,890	5,240,046	0	0	0	0	0
54	PRIBILOF	1,821,059	0	0	17,695	1,838,754	0	0	0	0	0
55	YUKON/KOYUKUI	6,884,158	0	0	64,455	6,948,613	0	0	0	0	0
56	LOWER YUKON	11,558,409	0	0	132,525	11,690,934	0	0	0	0	0
57	LOWER KUSKO.	32,863,714	0	0	312,330	33,176,044	0	0	0	0	0
58	COPPER RIVER	5,223,578	0	0	43,855	5,267,433	0	0	0	0	0
59	CHUGACH	1,577,779	0	0	14,385	1,592,164	0	0	0	0	0
60	ALEUTIAN REGIC	563,747	0	0	5,170	568,917	0	0	0	0	0
61	SOUTHEAST	4,194,007	0	0	38,340	4,232,347	0	0	0	0	0
62	DENALI	3,046,313	0	0	0	3,046,313	346,011	12,000	0	0	358,011
63	KUSPUK	4,759,302	0	0	45,175	4,804,477	0	0	0	0	0
64	MT. EDGE CUMBE	1,727,520	0	0	0	1,727,520	0	0	0	0	0
65											
66											
67	TOTALS	\$595,552,467	\$12,255	\$2,753,916	\$6,809,192	\$605,127,832	\$204,098,411	\$2,569,841	\$2,578,581	\$8,292,472	\$217,539,305
68											
69											
70											

	L	M	N	O	P	Q	R	S	T	U	
1	ALASKA DEPARTMENT OF EDUCATION										
2	SCHOOL OPERATING FUND REVENUES										
3	COMPILED FROM FISCAL YEAR 1995 Budgets										
4											
5		REAA's	Adjusted	Includes Supplemental \$500 Unit Allocation to REAAs							
6		Budgeted	Deductible	Budgeted	SUB-TOTAL	Budgeted	FY95 Budgeted	FY95	Revenue		
7	SCHOOL	Other	Federal	Other Federal	FEDERAL	Fund	TOTAL	Adjusted	per Adjusted		
8	DISTRICT	Revenue	PL81-874	Revenue	REVENUE	Transfers In	REVENUES	Units	Unit		
9											
10	NORTH SLOPE		448,387	0	449,387	0	38,404,618	257.13	149,359		
11	VALDEZ		24,269	0	24,269	0	7,402,411	83.81	88,324		
12	HOONAH		99,705	0	99,705	0	2,661,528	33.59	79,236		
13	UNALASKA		7,100	0	7,100	0	3,341,094	43.17	77,394		
14	HYDABURG		2,603	0	2,603	89,272	1,266,657	16.44	77,047		
15	WRANGELL		1,775	0	1,775	21,500	3,946,924	52.01	75,926		
16	SKAGWAY		0	0	0	0	1,310,860	17.30	75,772		
17	KAKE		63,179	0	63,179	6,684	1,750,624	23.24	75,328		
18	JUNEAU		5,588	0	5,588	50,000	35,506,563	471.89	75,243	High	
19	SITKA		96,865	0	96,865	0	11,296,068	150.53	75,042		
20	KENAI		41,122	0	41,122	0	71,157,720	949.63	74,932		
21	PETERSBURG		13,125	0	13,125	0	4,859,564	65.20	74,533		
22	HAINES		9,815	0	9,815	0	3,123,900	42.01	74,361		
23	KETCHIKAN		3,419	0	3,419	0	16,348,865	220.42	74,171		
24	BRISTOL BAY		208,893	0	208,893	81,860	2,981,972	40.28	74,031		
25	NOME		31,997	0	31,997	67,000	6,367,381	86.03	74,013		
26	KLAWOCK		38,766	0	38,766	8,500	1,955,409	26.53	73,706		
27	FAIRBANKS		4,279,980	125,000	4,404,980	100,000	93,698,523	1,313.15	71,354		
28	ALEUTIANS E/ST		334,692	0	334,692	64,000	4,957,064	69.95	70,866		
29	DILLINGHAM		423,126	0	423,126	0	4,500,038	63.55	70,811		
30	TANANA		63,775	0	63,775	0	1,435,004	20.32	70,620		
31	ANNETTE ISLAND	60,000	1,263,722	160,000	1,423,722	0	3,045,790	43.24	70,439		
32	YAKUTAT		38,638	0	38,638	0	1,643,821	23.43	70,159		
33	ANCHORAGE		6,336,237	265,000	6,601,237	0	263,047,462	3,816.80	68,881		
34	GALENA		135,368	0	135,368	0	1,803,970	26.22	68,801		
35	KASHUNAMIUT	50,000	478,011	0	478,011	0	2,481,250	36.18	68,581		
36	NENANA		1,695	0	1,695	12,740	1,745,042	25.54	68,326		
37	CRAIG		23,296	0	23,296	20,000	2,830,373	41.47	68,251		
38	MAT-SU		13,725	0	13,725	150,000	71,098,900	1,042.00	68,233		
39	PELICAN		0	0	0	0	667,470	9.84	67,832		
40	ST. MARY'S		85,830	0	85,830	0	1,440,330	21.57	66,775		
41	LAKE AND PENN.		270,323	0	270,323	0	7,916,800	119.43	66,286		
42	ADAK	140,100	2,298,424	0	2,298,424	0	2,457,104	37.16	66,122		
43	CORDOVA		24,734	0	24,734	35,000	3,576,590	54.19	66,001		
44	BERING STRAIT	1,070,100	4,467,162	0	4,467,162	225,000	20,325,660	309.44	65,685		
45	KODIAK		1,448,364	0	1,448,364	64,000	18,428,107	280.71	65,648		
46	NW ARCTIC		1,193,884	0	1,193,884	415,168	20,057,382	306.43	65,455		
47	CHATHAM	40,000	588,013	100,000	688,013	24,000	3,406,895	52.73	64,610		
48	YUKON FLATS	160,000	570,065	0	570,065	150,000	6,550,405	101.47	64,555		
49	AK GATEWAY	95,000	444,493	0	444,493	140,000	5,640,235	87.89	64,174		
50	YUPIIT	110,000	998,670	0	998,670	90,000	5,006,840	78.16	64,059		
51	DELTA/GREELY	100,000	893,073	75,000	968,073	75,000	6,842,800	107.20	63,832		
52	SOUTHWEST	235,000	967,582	0	967,582	0	7,301,965	114.91	63,545		
53	IDITAROD	86,300	527,424	0	527,424	80,000	5,933,770	93.78	63,273		
54	PRIBILOF	56,000	337,731	0	337,731	0	2,232,485	35.39	63,082		
55	YUKON/KOYUKUK	105,000	979,352	0	979,352	80,000	8,112,965	128.91	62,935		
56	LOWER YUKON	380,000	4,609,641	0	4,609,641	0	16,680,575	265.05	62,934		
57	LOWER KUSKO.	850,000	5,240,546	0	5,240,546	0	39,266,590	624.66	62,861	Low	
58	COPPER RIVER	93,000	126,732	0	126,732	7,500	5,494,665	87.71	62,646		
59	CHUGACH	15,000	177,191	8,000	185,191	0	1,792,355	28.77	62,299		
60	ALEUTIAN REGION	8,000	66,993	0	66,993	0	643,910	10.34	62,274		
61	SOUTHEAST	47,800	483,473	0	483,473	10,669	4,774,289	76.68	62,263		
62	DENALI		37,307	0	37,307	0	3,441,631	55.31	62,224		
63	KUSPUK	43,949	752,048	0	752,048	0	5,600,474	90.35	61,986		
64	Mt. EDGE CUMBE		0		0		1,727,520	28.32	61,000		
65											
66											
67	TOTALS	\$3,745,249	\$42,077,928	\$733,000	\$42,810,928	\$2,067,893	\$871,291,207	12,309.54	HIGH 75,243		
68								5%	LOW 62,861		
69								615.48	DIFF 12,382		
70									DISPARITY 19.70%		

Separate
document

ALASKA DEPARTMENT OF EDUCATION
PROJECTED FY97 FOUNDATION PROGRAM ALLOCATIONS

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Unit Value >>>	Full Funding	Prorated		Full Funding	Prorated	Change in	Potential loss
	\$61,000	\$60,500	Loss of	\$61,000	\$60,500		
	Foundation	Foundation	State Aid	Excess	Excess	Excess	Column D plus
	Entitlement	Allocation		Local	Local	Local	Column G
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADAK							
ALASKA GATEWAY	5,055,414	5,011,169	(44,245)	0	0	0	(44,245)
ALEUTIAN REGION	518,430	513,760	(4,670)	0	0	0	(4,670)
ALEUTIANS EAST	3,743,146	3,708,036	(35,110)	985,187	977,111	(8,076)	(43,186)
ANCHORAGE	181,243,565	179,293,520	(1,950,045)	54,718,263	54,269,752	(448,511)	(2,398,556)
ANNETTE ISLANDS	1,833,349	1,810,823	(22,525)	0	0	0	(22,525)
BERING STRAIT	16,969,751	16,805,166	(164,585)	0	0	0	(164,585)
BRISTOL BAY	1,873,234	1,851,274	(21,960)	616,198	611,147	(5,051)	(27,011)
CHATHAM	2,751,502	2,724,142	(27,360)	0	0	0	(27,360)
CHUGACH	1,729,510	1,714,410	(15,100)	0	0	0	(15,100)
COPPER RIVER	5,370,508	5,325,893	(44,615)	0	0	0	(44,615)
CORDOVA	2,684,679	2,656,584	(28,095)	788,346	781,884	(6,462)	(34,557)
CRAIG	2,335,826	2,314,256	(21,570)	605,254	600,293	(4,961)	(26,531)
DELTA/GREELY	4,571,810	4,527,725	(44,085)	0	0	0	(44,085)
DENALI	3,021,537	2,994,092	(27,445)	770,107	763,794	(6,313)	(33,758)
DILLINGHAM	3,839,005	3,801,655	(37,350)	1,048,041	1,039,451	(8,590)	(45,940)
FAIRBANKS	66,371,794	65,681,699	(690,095)	19,364,066	19,205,344	(158,722)	(848,817)
GALENA	1,537,153	1,523,303	(13,850)	388,631	385,446	(3,185)	(17,035)
HAINES	2,266,876	2,243,751	(23,125)	648,888	643,569	(5,319)	(28,444)
HOONAH /2	1,963,241	1,946,066	(17,175)	481,931	477,980	(3,951)	(21,126)
HYDABURG	977,873	969,653	(8,220)	230,653	228,763	(1,890)	(10,110)
IDITAROD	5,496,233	5,446,898	(49,335)	0	0	0	(49,335)
JUNEAU /2	21,852,487	21,610,332	(242,155)	6,794,869	6,739,174	(55,695)	(297,850)
KAKE	1,265,711	1,254,246	(11,465)	321,708	319,071	(2,637)	(14,102)
KASHUNAMIUT	1,980,254	1,962,019	(18,235)	0	0	0	(18,235)
KENAI /1	44,210,660	43,728,650	(492,010)	13,525,201	13,414,338	(110,863)	(592,873)
KETCHIKAN	9,754,055	9,640,205	(113,850)	3,194,631	3,168,446	(26,185)	(140,035)
KLAWOCK	1,506,757	1,492,897	(13,860)	388,912	385,724	(3,188)	(17,048)
KODIAK	13,742,286	13,594,421	(147,865)	4,149,092	4,115,083	(34,009)	(181,874)
KUSPUK	5,426,635	5,378,055	(48,580)	0	0	0	(48,580)
LAKE AND PENINSULA	6,789,934	6,730,144	(59,790)	1,677,707	1,663,956	(13,751)	(73,541)
LOWER KUSKOKWIM	38,315,241	37,967,156	(348,085)	0	0	0	(348,085)
LOWER YUKON	13,851,625	13,713,910	(137,715)	0	0	0	(137,715)
MAT-SU	56,163,766	55,630,541	(533,225)	14,962,294	14,839,652	(122,642)	(655,867)
NENANA	1,528,611	1,515,531	(13,080)	367,025	364,016	(3,009)	(16,089)
NOME	4,589,588	4,546,863	(42,725)	1,198,864	1,189,037	(9,827)	(52,552)
NORTH SLOPE	11,289,387	11,148,742	(140,645)	24,582,337	24,582,337	0	(140,645)
NORTHWEST ARCTIC	17,606,207	17,445,597	(160,610)	4,506,717	4,469,776	(36,941)	(197,551)
PELICAN	569,066	563,936	(5,130)	143,948	142,768	(1,180)	(6,310)
PETERSBURG /2	3,227,769	3,194,524	(33,245)	932,855	925,208	(7,647)	(40,892)
PRIBILOF	2,011,494	1,992,259	(19,235)	0	0	0	(19,235)
SITKA /1	6,666,245	6,593,895	(72,350)	2,030,141	2,013,501	(16,640)	(88,990)
SKAGWAY	761,123	751,828	(9,295)	260,818	258,680	(2,138)	(11,433)
SOUTHEAST	3,737,413	3,703,378	(34,035)	0	0	0	(34,035)
SOUTHWEST	6,758,688	6,695,348	(63,340)	0	0	0	(63,340)
ST. MARY'S	1,399,655	1,387,385	(12,270)	344,296	341,474	(2,822)	(15,092)
TANANA	1,178,033	1,167,938	(10,095)	283,266	280,944	(2,322)	(12,417)
UNALASKA	1,637,671	1,615,921	(21,750)	715,403	715,403	0	(21,750)
VALDEZ	3,419,496	3,376,601	(42,895)	1,967,565	1,967,565	0	(42,895)
WRANGELL	2,625,110	2,599,130	(25,980)	728,999	723,023	(5,976)	(31,956)
YAKUTAT	1,387,078	1,374,613	(12,465)	349,768	346,901	(2,867)	(15,332)
YUKON FLATS	5,515,969	5,466,094	(49,875)	0	0	0	(49,875)
YUKON/KOYUKUK	7,054,395	6,989,195	(65,200)	0	0	0	(65,200)
YUPIIT	4,266,823	4,225,468	(41,355)	0	0	0	(41,355)
ALYESKA CORRES.	3,918,213	3,886,097	(32,116)	0	0	0	(32,116)
Mt. EDGE CUMBE	1,650,660	1,637,130	(13,530)	0	0	0	(13,530)
OTHER	26,027,260	25,957,936	(69,324)	0	0	0	(69,324)
TOTALS	\$649,839,800	\$643,401,860	(\$6,437,940)	\$164,071,981	\$162,950,611	(\$1,121,370)	(\$7,559,310)

/1 - Indicates municipal school districts at the local cap. These districts will lose both state and local funds due to proration of foundation formula.
/2 - Indicates municipal school districts that can make up some of the loss, but not all from local sources due to proration of foundation formula.

Department of Education
Briefing Paper
PL81-874 Impact Aid: Disparity Requirement
January 30, 1996

Summary of Issue

Alaska's total receipt of federal Impact Aid is in excess of \$70,000,000 annually. The Alaska Public School Foundation Formula reduces the amount of state aid and limits local aid which a district can receive in accordance with a federally certified system of equalized support. The recognition of federal aid in the foundation formula reduced the FY95 state general fund requirement by over \$43,000,000. The estimated FY96 reduction in general fund obligation as result of recognition of Impact Aid received by districts is \$35,000,000.

Statement of Why the Issue is Timely or Important

The Impact Aid Program was reauthorized by Congress in 1994. The new statutes require calculation of current year disparity utilizing revenue data from two years prior. Because Alaska uses an instructional unit as the method of determining districts' foundation entitlements, disparity is a measure of relative value of each adjusted unit, ignoring the top and bottom 5%. In FY98 the maximum disparity allowed will be reduced from 25% to 20% and will rely on FY96 data. The Department's preliminary disparity test calculation for FY96 is over the maximum 20% allowed by federal law. Unless the federal statutorily required disparity test is met in FY98, it will take a general fund increment of about \$35,000,000 to replace the eligible Impact Aid recognized currently in the school foundation formula.

Alternative Ways of Addressing Issue

1. Seek Congressional relief from the FY98 disparity standard.
2. Prorate the instructional unit value in FY98 by \$2,850 under the existing statute due to state's failure to meet disparity test for FY96.
3. Devise method of increasing unit value of REAA districts to reduce disparity. The method recommended by the State Board of Education Task Force on School Funding and approved by the State Board is the proposed supplemental aid of \$500 per instructional unit to the REAAs for FY96 and the legislation proposed by Governor Knowles for subsequent fiscal years that changes the foundation formula by: (a) raising the Impact Aid deduct from present 90% to 95% for REAAs and (b) ensuring the state meets federal disparity requirements in the future by giving the Department of Education statutory authority to increase the amount of supplementary aid to these same districts *through the foundation formula*, an important federal criterion.

Alaska Department of Education
Sectional Analysis for Foundation Formula Legislation

SB 244: "An Act relating to state foundation aid and supplementary state aid for education; and providing for an effective date."

Sectional Analysis

Section 1. Section one of the bill would amend As 14.17.021 by adding a new subsection applicable only to regional educational attendance areas (REAs). In calculating state foundation aid for REAs, 95% of eligible federal impact aid will be deducted from basic need. Calculation of foundation aid for city and borough school districts will remain unchanged, with only 90% of eligible impact aid deducted. The 95% deduction for REAs recognizes that no required local contribution is deducted from REAs' basic need. The savings to the state, which results from the increased impact aid deduction, will cover the majority of the cost to implement the supplementary aid to REAs set out in section 2 of this bill.

Section 2. Subsection (a) creates a new section of statute to provide supplementary aid to REAs based on a flat rate per adjusted instructional unit. The flat rate is referred to as the unit allotment. Initially the unit allotment is set at \$500.00 per adjusted unit. This amount will increase the value of the adjusted units in REAs so that disparity of revenues between the 5% and 95% percentiles of districts will be 20%, the maximum allowable under the new federal impact aid statutes. Subsection (b) would allow the department to increase the unit allotment by regulation if necessary for the state to maintain a disparity of no more than 20%.

Section 3. This section amends AS 14.17.031(a)(1) by deleting the reference AS 14.17.041 (a) or (b) and restates the reference as AS 14.17.041. This change is necessary because the bill amends AS 14.17.041 to add a new subsection that provides additional instructional units for certain districts.

Section 4. Section four amends AS 14.17.041 by creating a new subsection that would provide additional funding for single site school districts. The percentage increases in elementary and secondary units set out in the bill will generate approximately the same amounts that the various single site school districts have received in appropriation bills passed in recent fiscal years.

Section 5. Establishes a July 1, 1996 effective date.

OFC - 3/27/96
pm

DEPARTMENT OF EDUCATION
DIVISION OF SCHOOL FINANCE

GOLDBELT PLACE
801 WEST 10TH STREET, SUITE 200
JUNEAU, ALASKA 99801-1894
(907) 465-8685
FAX (907) 463-5279

March 27, 1996

The Honorable Bert Sharp
State Capitol, Room 514
Juneau, Alaska 99801-1182

Dear Senator Sharp:

This letter is in response to Camden Toohey's March 26, 1996 request for information on Projected FY97 Foundation Program Entitlements.

Enclosed is a spreadsheet that includes projected Foundation Entitlements and projected FY97 average daily membership based on the final, revised October 15 reports received from school districts.

Please let me know if you have questions regarding the enclosed spreadsheet.

Sincerely,



Eddy Jeans
Project Assistant

Enclosure

cc: Rick Cross, Deputy Commissioner, DOE
Jim Elliott, Acting Director, School Finance, DOE
Karen Rehfeld, Director, Administrative Services, DOE
Kimberly Homme, Special Assistant, DOE

DECEMBER 15, 1995, GOVERNOR'S FY97 BUDGET REQUEST

ALASKA DEPARTMENT OF EDUCATION

PROJECTED FY97 FOUNDATION PROGRAM ENTITLEMENTS

The enrollment and units are based on the final, revised October 15 reports received from school districts.

	Projected Foundation Entitlement	PROJ. FY97 ADM	Foundation Per ADM
ADAK	\$0	0.00	0
ALASKA GATEWAY	5,011,169	546.00	9,178
ALEUTIAN REGION	513,760	21.00	24,465
ALEUTIANS EAST	3,708,036	363.00	10,215
ANCHORAGE	179,293,520	46,601.00	3,847
ANNETTE ISLANDS	1,810,823	441.00	4,106
BERING STRAIT	16,805,166	1,786.00	9,409
BRISTOL BAY	1,851,274	294.00	6,297
CHATHAM	2,724,142	345.00	7,896
CHUGACH	1,714,410	137.00	12,514
COPPER RIVER	5,325,893	635.00	8,387
CORDOVA	2,656,584	536.00	4,956
CRAIG	2,314,256	424.00	5,458
DELTA/GREELY	4,527,725	852.00	5,314
DENALI	2,994,092	383.00	7,817
DILLINGHAM	3,801,655	598.00	6,357
FAIRBANKS	65,681,699	16,091.00	4,082
GALENA	1,523,303	160.00	9,521
HAINES	2,243,751	443.00	5,065
HOONAH	1,946,066	270.00	7,208
HYDABURG	969,653	107.50	9,020
IDITAROD	5,446,898	443.00	12,295
JUNEAU	21,610,332	5,552.00	3,892
KAKE	1,254,246	182.00	6,891
KASHUNAMIUT	1,962,019	252.00	7,786
KENAI	43,728,650	10,401.00	4,204
KETCHIKAN	9,640,205	2,850.00	3,383
KLAWOCK	1,492,897	230.00	6,491
KODIAK	13,594,421	2,897.21	4,692
KUSPUK	5,378,055	498.00	10,799
LAKE AND PENINSULA	6,730,144	506.00	13,301
LOWER KUSKOKWIM	37,967,156	3,537.50	10,733
LOWER YUKON	13,713,910	1,761.39	7,786
MAT-SU	55,630,541	12,115.00	4,592
NENANA	1,515,531	170.00	8,915
NOME	4,546,863	701.75	6,479
NORTH SLOPE	11,148,742	1,889.68	5,900
NORTHWEST ARCTIC	17,445,597	1,998.00	8,732
PELICAN	563,936	40.00	14,098
PETERSBURG	3,194,524	774.00	4,127
PRIBILOF	1,992,259	207.00	9,624
SITKA	6,593,895	1,803.00	3,657
SKAGWAY	751,828	140.00	5,370
SOUTHEAST	3,703,378	364.00	10,174
SOUTHWEST	6,695,348	689.00	9,717
ST. MARY'S	1,387,385	140.00	9,910
TANANA	1,167,938	100.00	11,679
UNALASKA	1,615,921	360.00	4,489
VALDEZ	3,376,601	910.00	3,711
WRANGELL	2,599,130	565.00	4,600
YAKUTAT	1,374,613	173.00	7,946
YUKON FLATS	5,466,094	402.00	13,597
YUKON/KOYUKUK	6,989,195	624.00	11,201
YUPIIT	4,225,468	383.00	11,033
ALYESKA CORRES.*	3,886,097	1,624.86	2,392
MT. EDGE CUMBE	1,637,130	275.00	5,953
TOTAL	\$617,443,924	126,591.89	

STATE OF ALASKA

DEPARTMENT OF EDUCATION OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR
MAR 19 1996

GOLDBELT PLACE
801 WEST 10TH STREET, SUITE 200
JUNEAU, ALASKA 99801-1894

(907) 465-2800
FAX (907) 465-4156

March 19, 1996

The Honorable Rick Halford, Co-Chair
Senate Finance Committee
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

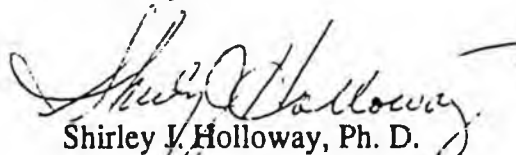
Dear Senator Halford:

I respectfully request that you schedule Senate Bill 244 for a hearing in the Senate Finance Committee at your earliest possible convenience.

As you know, SB 244 is a measure relating to state aid for education. This bill protects the ability of the Legislature to use approximately \$35 million in federal Impact Aid as a source of funding for the operations of public schools through the public school foundation program. Additionally, the measure fixes the long-standing problem of funding for single site school districts. A packet of back-up information is enclosed.

Thank you for your consideration.

Sincerely,


Shirley J. Holloway, Ph. D.
Commissioner

Enclosures

cc: Senator Steve Frank, Co-Chair
Senator Dave Donley
Senator Randy Phillips
Senator Steve Rieger
Senator Bert Sharp
Senator Fred Zharoff

TONY KNOWLES
GOVERNOR



P.O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 26, 1996

244

The Honorable Drue Pearce
Senate President
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Pearce:

Under the authority of article III, sec. 18 of the Alaska Constitution, I am transmitting a bill relating to state aid for education. This bill ensures the continued receipt of approximately \$35 million in federal dollars for public schools and fixes the long-standing problem of funding for single site school districts.

I promised Alaskans I would build a school funding program that is better than what we have today. I envision a foundation program that is fair, equitable, and accountable. At the same time it must have funding levels that are affordable, both now and in the future, and it must protect the partnership between state, federal and local dollars. While we continue to make progress toward this goal, this bill takes a substantial first step in addressing the immediate funding issues.

This fiscal year, the state has allocated approximately \$640 million through the foundation program. Almost all of this is from the state general fund, with \$5 million from the Public School Trust Fund, and \$35 million from the federal impact aid program (the so-called P.L. 81-874 funds).

In order to consider the impact aid when calculating the state's portion of school funding, the federal government requires the state to pass a "disparity test" which measures the variation in revenues between our richest and poorest school districts. The federal government recently lowered the maximum allowable disparity in revenues between the districts from 25 percent to 20 percent. The program will also be based on two-year prior data. Thus, in order to consider impact aid dollars in the state's FY 1998 school funding, we must have no more than a 20 percent disparity in FY 1996. Under our current formula, the state cannot meet this new disparity test.

This bill will fix the disparity test problem beginning with fiscal year 1997 by providing supplemental state aid of \$500 per instructional unit value for regional educational attendance areas (REAs), the districts that receive the least revenue because of their inability to levy taxes for a local contribution to their schools. This essentially "raises the floor" of our school district funding levels -- bringing it closer to the ceiling of the wealthier districts.

This supplemental funding will not mean a substantial cost to the state because we will also consider more of the federal funding to REAs as an offset to state funding. Currently, only 90 percent of federal aid to REAs is considered in determining the amount of state aid. This bill increases that to 95 percent -- for REAs only. This will not affect the school districts that make larger local contributions.

Unfortunately, this bill cannot help us achieve 20 percent disparity for FY 1996. To accomplish that, I will be requesting reallocating \$1.2 million in expected lapse money in this year's foundation formula program. That will provide additional funding to the REAs, mirroring what section 2 of this bill will accomplish through supplemental state aid in FY 1997. This bill, together with my reappropriation request, will ensure that Alaska meets the federal 20 percent disparity test this year and in future years, protecting the state's ability to consider federal impact aid when allocating state aid.

This bill also provides full funding for districts that have come to be known as "single site school districts." These districts have lobbied for years for a change in the foundation formula that would adequately fund their schools. While permanent funding changes have not been affected in statute, the legislature has annually included special grants in the budget for single site districts. It is time to fix this problem once and for all.

To that end, this bill increases the instructional units of a qualifying district by multiplying its units by a percentage between six and 12. The smaller the district, the higher the percentage multiplier. More instruction units translates into more state aid. This simple revision corrects a longstanding problem, and obviates the need for the annual battle for single site appropriations. It is time to let the single site districts go home and redirect their efforts to where they are needed most, to children in the classroom.

This bill is the result of many hours of work by the public, including those citizens who served on the Task Force on School Funding, and the State Board of Education. As my administration continues to explore better ways to fund our schools, this legislation represents a favorable step toward addressing two immediate concerns. I urge your prompt and favorable action on this bill.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tony Knowles".

Tony Knowles
Governor

Department of Education
Briefing Paper
PL81-874 Impact Aid: Disparity Requirement
January 30, 1996

Summary of Issue

Alaska's total receipt of federal Impact Aid is in excess of \$70,000,000 annually. The Alaska Public School Foundation Formula reduces the amount of state aid and limits local aid which a district can receive in accordance with a federally certified system of equalized support. The recognition of federal aid in the foundation formula reduced the FY95 state general fund requirement by over \$43,000,000. The estimated FY96 reduction in general fund obligation as result of recognition of Impact Aid received by districts is \$35,000,000.

Statement of Why the Issue is Timely or Important

The Impact Aid Program was reauthorized by Congress in 1994. The new statutes require calculation of current year disparity utilizing revenue data from two years prior. Because Alaska uses an instructional unit as the method of determining districts' foundation entitlements, disparity is a measure of relative value of each adjusted unit, ignoring the top and bottom 5%. In FY98 the maximum disparity allowed will be reduced from 25% to 20% and will rely on FY96 data. The Department's preliminary disparity test calculation for FY96 is over the maximum 20% allowed by federal law. Unless the federal statute required disparity test is met in FY98, it will take a general fund increment of about \$35,000,000 to replace the eligible Impact Aid recognized currently in the school foundation formula.

Alternative Ways of Addressing Issue

1. Seek Congressional relief from the FY98 disparity standard.
2. Prorate the instructional unit value in FY98 by \$2,850 under the existing statute due to state's failure to meet disparity test for FY96.
3. Devise method of increasing unit value of REAA districts to reduce disparity. The method recommended by the State Board of Education Task Force on School Funding and approved by the State Board is the proposed supplemental aid of \$500 per instructional unit to the REAAs for FY96 and the legislation proposed by Governor Knowles for subsequent fiscal years that changes the foundation formula by: (a) raising the Impact Aid deduct from present 90% to 95% for REAAs and (b) ensuring the state meets federal disparity requirements in the future by giving the Department of Education statutory authority to increase the amount of supplementary aid to these same districts *through the foundation formula*, an important federal criterion.

Alaska Department of Education Sectional Analysis for Foundation Formula Legislation

SB 244/HB 452: "An Act relating to state foundation aid and supplementary state aid for education; and providing for an effective date."

Sectional Analysis

Section 1. Section one of the bill would amend AS 14.17.021 by adding a new subsection applicable only to regional educational attendance areas (REAs). In calculating state foundation aid for REAs, 95% of eligible federal impact aid will be deducted from basic need. Calculation of foundation aid for city and borough school districts will remain unchanged, with only 90% of eligible impact aid deducted. The 95% deduction for REAs recognizes that no required local contribution is deducted from REAs' basic need. The savings to the state, which results from the increased impact aid deduction, will cover the majority of the cost to implement the supplementary aid to REAs set out in section 2 of this bill.

Section 2. Subsection (a) creates a new sections of statute to provide supplementary aid to REAs based on a flat rate per adjusted instructional unit. The flat rate is referred to as the unit allotment. Initially the unit allotment is set at \$500.00 per adjusted unit. This amount will increase the value of the adjusted units in REAs so that disparity of revenues between the 5% and 95% percentiles of districts will be 20%, the maximum allowable under the new federal impact aid statutes. Subsection (b) would allow the department to increase the unit allotment by regulation if necessary for the state to maintain a disparity of no more than 20%.

Section 3. This section amends AS 14.17.031(a)(1) by deleting the reference AS 14.17.041 (a) or (b) and restates the reference as AS 14.17.041. This change is necessary because the bill amends AS 14.17.041 to add a new subsection that provides additional instructional units for certain district.

Section 4. Section four amends AS 14.17.041 by creating a new subsection that would provide additional funding for single site school districts. The percentage increases in elementary and secondary units set out in the bill will generate approximately the same amounts that the various single site school districts have received in appropriation bills passed in recent fiscal years.

Section 5. Establishes a July 1, 1996 effective date.

	A	B	C	D
1	ALASKA DEPARTMENT OF EDUCATION			
2	PROJECTED FY97 FOUNDATION PROGRAM			
3	Attachment to Governor's proposed education legislation.			
4	"An Act relating to state foundation aid and supplementary state aid for education; and providing for an effective date."			
5		Section 1	Section 2	
6			\$500 per	Column C less
7		5% Impact Aid	Adj. Unit	Column B
8				
9	ADAK	\$0	\$0	\$0
10	ALASKA GATEWAY	19,027	44,245	25,218
11	ALEUTIAN REGION	2,850	4,670	1,820
12	ALEUTIANS EAST	0	0	0
13	ANCHORAGE	0	0	0
14	ANNETTE ISLANDS	50,816	22,525	(28,291)
15	BERING STRAIT	172,758	164,585	(8,171)
16	BRISTOL BAY	0	0	0
17	CHATHAM	32,579	27,360	(5,219)
18	CHUGACH	6,260	15,100	8,840
19	COPPER RIVER	4,029	44,615	40,586
20	CORDOVA	0	0	0
21	CRAIG	0	0	0
22	DELTA/GREELY	44,809	44,085	(724)
23	DENALI	0	0	0
24	DILLINGHAM	0	0	0
25	FAIRBANKS	0	0	0
26	GALENA	0	0	0
27	HAINES	0	0	0
28	HOONAH	0	0	0
29	HYDABURG	0	0	0
30	IDITAROD	29,036	49,335	20,299
31	JUNEAU	0	0	0
32	KAKE	0	0	0
33	KASHUNAMIUT	13,578	18,235	4,657
34	KENAI	0	0	0
35	KETCHIKAN	0	0	0
36	KLAWOCK	0	0	0
37	KODIAK	0	0	0
38	KUSPUK	27,784	48,580	20,796
39	LAKE AND PENN.	0	0	0
40	LOWER KUSKOKWIM	230,618	348,085	117,467
41	LOWER YUKON	163,867	137,715	(26,152)
42	MAT-SU	0	0	0
43	NENANA	0	0	0
44	NOME	0	0	0
45	NORTH SLOPE	0	0	0
46	NORTHWEST ARCTIC	0	0	0
47	PELICAN	0	0	0
48	PETERSBURG	0	0	0
49	PRIBILOF	18,621	19,235	614
50	SITKA	0	0	0
51	SKAGWAY	0	0	0
52	SOUTHEAST	23,047	34,035	10,988
53	SOUTHWEST	53,822	63,340	9,518
54	ST. MARY'S	0	0	0
55	TANAHA	0	0	0
56	UNALASKA	0	0	0
57	VALDEZ	0	0	0
58	WRANGELL	0	0	0
59	YAKUTAT	0	0	0
60	YUKON FLATS	31,599	49,875	18,276
61	YUKON/KOYUKUK	50,001	65,200	15,199
62	YUPIIT	43,249	41,355	(1,894)
63				
64	TOTALS	\$1,016,348	\$1,242,175	\$223,827

SINGLE SITE SCHOOL DISTRICT CONSORTIUM

985 K.SD WAY
CHEVAK, ALASKA 99563

(907) 858-7713
FAX 858-7328

POSITION PAPER

The Single Site School District Consortium consists of twenty-one single-funding-community school districts with 800 or fewer students in average daily membership (ADM). The Consortium seeks an amendment to the Foundation Formula that adjusts for what we believe to be an inherent inequity.

When the current Foundation Formula was adopted in 1987, the Legislature recognized that certain unintended adverse impacts may result. Almost every year since that time, adjustments have been made to accommodate for these impacts. Most commonly, and almost exclusively for the past five years, these adjustments have taken the form of supplemental noncategorical funds in specific Legislative appropriations directed to single site districts. For the past three years, the following formula (proposed by the Consortium) has been used to generate these supplemental appropriations:

ADM	FACTOR
1 - 250	1.12
251 - 525	1.08
526 - 800	1.06.

Although this formula has been used to determine supplemental funding, it has not yet been enacted into law as an amendment to the Foundation Program. The Consortium supports such an amendment as has the State Board of Education, the Association of Alaska School Boards, the Alaska Association of School Administrators, and NEA-Alaska.

The problem with the present Foundation Formula, as it affects single site school districts, is what is referred to as the *front-end load*. Up to the first ten students in a funding community produce two K - 12 instructional units (\$122,000 exclusive of the area cost differential). As ADM increases, more and more students are required to produce a K - 12 instructional unit. Single site districts benefit from this *front-end load* only once, while multiple site districts take advantage of it for each funding community. Admittedly, there are incremental additional costs associated with the operation of multiple sites. However, the Consortium contends that the funding disparity between single and multiple site districts under the present Foundation Formula is unwarranted.

A graphic example of this disparity is seen in the table at right comparing two districts of almost identical projected FY '95 ADM— Chugach, a multiple site district, and Skagway, a single site district. Notably, the single site district accrues *substantially* less revenue from K - 12 instructional units than does the multiple site district of comparable ADM. (The area cost differential is not included, as it is intended to equalize dollars across the state.)

Chugach	133 ADM	\$1,381,040
Skagway	135 ADM	915,000
Difference		(\$ 466,040)
		(33.8%)

Small Single Site School District Funding

Issue

To revise Title 14, Chapter 17 Public School Foundation Program to include an increase for schools with one funding community (site) and 800 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 (Chapter 91 SLA 1987), 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 FY88 (2), 90, 91, 92 and 93 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.

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services
Department of Education
State of Alaska

SINGLE SITE SCHOOL DISTRICT CONSORTIUM

985 K.SD WAY
CHEVAK, ALASKA 99563

(907) 858-7713
FAX 858-7328

POSITION PAPER

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Chugach	133 ADM	\$1,381,040
Skagway	135 ADM	215,000
Difference		(\$ 486,040)
		(33.8%)

Even with the FY '95 single site supplemental of \$109,800 (exclusive of area cost differential), Skagway still receives \$356,240 (25.8%) less than Chugach. The Consortium believes that this difference is more than ample to accommodate for Chugach's additional costs necessitated by multiple site operations.

In conclusion, it is clear that for several years the Legislature has recognized an inequity in the Foundation Formula impacting small single site school districts. To address this inequity, supplemental funds have been appropriated for these districts. Given the years of supplemental funding, these additional noncategorical revenues have become institutionalized in the budgets of small single site districts. If the supplements are discontinued, the adverse impacts on these districts' operations and programs will be severe. As can be noted in the example discussed above, Skagway's FY '95 single site supplement amounts to 12% of that district's noncategorical State aid. Obviously, a revenue reduction of 12% would have a very serious impact on any school district.

The Single Site School District Consortium urges the Governor to support an amendment to the Foundation Formula, as shown on the previous page, so that small single site districts will have year-to-year assurance that they will have equitable funding under the Foundation Program. If you desire additional information on this issue, please feel free to contact me. Or, you may contact the Consortium consultant:

Wanda Cooksey
PO Box 240052
Douglas, Alaska 99824
Phone 586-9073 FAX 586-5772.

Enclosed is a document regarding the justification for the single site formula adjustment prepared by Dr. Nathaniel Cole, one of the foremost authorities on Alaska school finance. Dr. Cole was one of the chief architects of the current Foundation Formula, yet he readily acknowledges that the Formula had unintended adverse impacts on small single site school districts.

Signed:



B. A. Weinberg, Chairperson
SINGLE SITE SCHOOL DISTRICT CONSORTIUM

December 13, 1994

Small Single Site School District Funding

Issue

To revise Title 14, Chapter 17 Public School Foundation Program to include an increase for schools with one funding community (site) and 200 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 (Chapter 91 SLA 1987), 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 FY88 (2), 90, 91, 92 and 93 shows there is a continuing need for additional support to single site districts. The major questions concerning the issue are: what site 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 800 or fewer in ADM.

ADM	Percent of K-12 Units
1-250	12
251-525	8
526-800	6

Analysis and Findings prepared for the Single Site School District Consortium by Dr. Naz Cole, January 28, 1992. Background updated and recommendation modified by Single Site School District Consortium February 1993.

FISCAL NOTE

STATE OF ALASKA

BILL NO. SB 244/HB 452

1996 LEGISLATIVE SESSION

Revision Date: _____

Department Affected: Education

Title: An act relating to state foundation aid and supplementary state aid for education

BRU: K-12

Sponsor: Rules Committee

Component: Foundation Program

Requester: Governor

COMPONENT SERIAL NO. 141

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	223.8	223.8	223.8	223.8	223.8	223.8
MISCELLANEOUS						
TOTAL OPERATING	223.8	223.8	223.8	223.8	223.8	223.8

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

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

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	223.8	223.8	223.8	223.8	223.8	223.8
1005 GF/Program Receipts						
Other						
TOTAL	223.8	223.8	223.8	223.8	223.8	223.8

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ 0.0

ANALYSIS: (Attach a separate page if necessary.)

Refer to attached spreadsheet for fiscal impact of sections 1 and 2 of the legislation. Section 3 has no fiscal impact. Section 4 allocates funds to single-site school districts. An allocation equal to the cost to implement Section 4 is requested in DOE's FY97 budget and is identified as "additional district support."

Prepared by: Eddy Jeans

Phone: 465-8685

Division: School Finance

Date: January 19, 1996

Approved by Commissioner: *Shirley Holloway*

Shirley Holloway, Ph. D.

Agency: Education

Date: January 19, 1996

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December 15, 1995, Governor's FY97 Budget Request
 ALASKA DEPARTMENT OF EDUCATION
 PROJECTED FY97 FOUNDATION PROGRAM

12/15/95 File: Single

	PROJ. FY97 ADM	K-12 UNITS	Single Site	AREA DIFF.	Adj. Single Site Units	FY97 Projected Single Site Allocation
ADAK	-	-	-	1.27	-	0
ALASKA GATEWAY	546.00	63.88	-	1.19	-	0
ALEUTIAN REGION	21.00	4.13	0.50	1.31	0.66	40,250
ALEUTIANS EAST	363.00	46.89	-	1.31	-	0
ANCHORAGE	46,601.00	3,121.56	-	1.00	-	0
ANNETTE ISLANDS	441.00	35.40	2.83	1.03	2.91	177,510
BERING STRAIT	1,786.00	202.29	-	1.39	-	0
BRISTOL BAY	294.00	27.73	-	1.27	-	0
CHATHAM	345.00	46.48	-	1.03	-	0
CHUGACH	137.00	23.03	-	1.14	-	0
COPPER RIVER	635.00	68.43	-	1.14	-	0
CORDOVA	536.00	41.42	2.49	1.11	2.76	168,360
CRAIG	424.00	34.27	2.74	1.03	2.82	172,020
DELTA/GREELY	852.00	63.97	-	1.16	-	0
DENALI	383.00	40.50	-	1.23	-	0
DILLINGHAM	598.00	45.87	2.75	1.27	3.49	212,890
FAIRBANKS	16,091.00	1,100.46	-	1.04	-	0
GALENA	160.00	16.67	2.00	1.30	2.60	158,600
HAINES	443.00	36.87	-	1.05	-	0
HOONAH	270.00	24.00	1.92	1.08	2.07	126,270
HYDABURG	107.50	12.96	1.56	1.03	1.61	98,210
IDITAROD	443.00	64.10	-	1.33	-	0
JUNEAU	5,552.00	376.82	-	1.00	-	0
KAKE	182.00	18.13	2.18	1.03	2.25	137,250
KASHUNAMIUT	252.00	22.80	1.82	1.33	2.42	147,620
KENAI	10,401.00	816.98	-	1.00	-	0
KETCHIKAN	2,850.00	197.46	-	1.00	-	0
KLAWOCK	230.00	21.33	2.56	1.03	2.64	161,040
KODIAK	2,897.21	230.35	-	1.09	-	0
KUSPUK	498.00	65.52	-	1.33	-	0
LAKE AND PENN.	506.00	83.00	-	1.31	-	0
LOWER KUSKOKWIM	3,537.50	354.76	-	1.42	-	0
LOWER YUKON	1,761.39	181.37	-	1.35	-	0
MAT-SU	12,115.00	905.02	-	1.00	-	0
NENANA	170.00	17.33	2.08	1.20	2.50	152,500
NOME	701.75	52.45	3.15	1.34	4.22	257,420
NORTH SLOPE	1,889.68	167.99	-	1.45	-	0
NORTHWEST ARCTIC	1,998.00	193.16	-	1.45	-	0
PELICAN	40.00	6.50	0.78	1.08	0.84	51,240
PETERSBURG	774.00	57.43	3.45	1.00	3.45	210,450
PRIBILOF	207.00	24.22	-	1.30	-	0
SITKA	1,803.00	128.33	-	1.00	-	0
SKAGWAY	140.00	15.67	1.88	1.05	1.97	120,170
SOUTHEAST	364.00	58.44	-	1.04	-	0
SOUTHWEST	689.00	79.91	-	1.31	-	0
ST. MARY'S	140.00	15.33	1.84	1.30	2.39	145,790
TANANA	100.00	12.33	1.48	1.30	1.92	117,120
UNALASKA	360.00	30.00	2.40	1.27	3.05	186,050
VALDEZ	910.00	66.26	-	1.11	-	0
WRANGELL	565.00	43.58	2.61	1.00	2.61	159,210
YAKUTAT	173.00	18.91	2.27	1.08	2.45	149,450
YUKON FLATS	402.00	60.45	-	1.46	-	0
YUKON/KOYUKUK	624.00	83.49	-	1.34	-	0
YUPIIT	383.00	43.35	-	1.41	-	0
STATE CCS	1,624.86	98.82	-	1.00	-	0
Mt. EDGE CUMBE	275.00	23.76	-	1.00	-	0
TOTALS	126,591.89	9,692.16	45.29		51.63	\$3,149,430



Official Business

Alaska State Legislature

SENATE

State Capitol
Juneau, Alaska 99801-1182
(907) 465-3701

March 6, 1996

MEMO TO FILE

TO: Finance Committee

BILL/RES. NO.: SENATE BILL NO. 244

"An Act relating to state foundation aid and supplementary state aid for education; and providing for an effective date."

ATTENTION: Nancy, Rhonda, Heidi
Senate Secretary's Office

This bill/resolution has not yet received a do pass recommendation.

Leave this note in the file.

Thank you.



Official Business

Alaska State Legislature

SENATE

State Capitol
Juneau, Alaska 99801-1182
(907) 465-3701

March 6, 1996

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Senate Secretary's Office

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Thank you.

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 1/26/96

FURTHER: Finance

Date of 5-Day Notice: 2/29/96
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3/6/96

The HESS Committee considered SB 244

Relating to state foundation aid and supplementary state aid for education.

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill:

- same title
- new title
- House Bill:
- same title
- technical title
- new: SCR# _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Loren A. Huan</i>			✓
		<i>Mike Miller</i>	✓		
CHAIR:		<i>Lynn Green</i>	✓		

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Education	1/19/96		223.8

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

SB

247

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: May 4, 1996

FURTHER REFERRALS:

Date of Committee Action: _____

The FINANCE Committee considered:

CSSB 247(RLS) am(efd fld)(ct rule fld)

CS FOR SENATE BILL NO. 247(RLS) AM(EFD FLD)(CT RULE FLD)

USE OF FISH & GAME FUND/COMM'R'S POWERS

"An Act restricting the use of certain funds deposited in the fish and game fund; and relating to the powers and duties of the commissioner of fish and game, and providing for an effective date."

recommends it be replaced
with the following committee substitute _____

the same title
 a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): _____ (Dept)

APPROVES PREVIOUS: _____ (Dept/Date)

fiscal note(s) _____

fiscal note(s) _____

zero fiscal note(s) _____

zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
Died in committee				

CHAIR'S SIGNATURE _____

FISCAL NOTE

No. 8

Bill Version: CS SB 247 (RLS)

(S) Publish Date: 4/10/96

**STATE OF ALASKA
1996 LEGISLATIVE SESSION**

Revision Date: 4/9/96 Dept. Affected: Fish and Game
 Title: An Act relating to the fish and game fund BRLI: Administration and Support
 Component: Administrative Services
 Sponsor: Senators Taylor and Sharp
 Requester: Senate Rules COMPONENT SERIAL NO. 479

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES (1002)	(977.5)	(977.5)	(977.5)	(977.5)	(977.5)	(977.5)

FUND SOURCE (Thousands of Dollars)

	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
1002 Federal Receipts	(977.5)	(977.5)	(977.5)	(977.5)	(977.5)	(977.5)
1003 GF Match						
1004 GF	977.5	977.5	977.5	977.5	977.5	977.5
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (1024 Fish & Game Fund)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

To maintain department services and programs at existing levels, general funds will be necessary to offset the decrease in federal funding.

Federal receipts are currently collected as indirect overhead to fund such items as accounting services, personnel and payroll services, budgeting services, procurement and contracting services, and data processing services.

Prepared by: Kevin Brooks Kevin Brooks, Director Phone: 465-6091
 Division: Administration Date: 4/9/96
 Approved by Commissioner: Geena Bunn Date: 4/9/96
 Agency: _____

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STATE OF ALASKA

1996 LEGISLATIVE SESSION

Bill Version: CS 88247(FIN)

(S) Publish Date: 4-4-96

Revision Date: _____ Dept. Affected: Public Safety
 Title: An Act relating to the fish and game fund; BRU: Fish & Wildlife Protection
amending Rules 79(b) and 82(b)(2),... Component: Enforcement & ISU
 Sponsor: Senators Taylor and Sharp
 Requestor: S. Resources COMPONENT SERIAL NO. 0490

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-
CHANGE IN REVENUES ()	-0-	-0-	-0-	-0-	-0-	-0-
Code Revenue						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of current year (FY 96) impact: \$ 0.0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

No fiscal impact. The Division of Fish & Wildlife Protection receives no revenue from the Federal Aid To Fish and Wildlife Restoration Programs nor from the sale of licenses.

Prepared By: Captain Richard Graham, Operations Commander Phone: 269-5589
 Division: Fish & Wildlife Protection Date: 03/19/96
 Approved by Commissioner: *Ronald L. Otte* Date: 3/19/96
 Agency: Ronald L. Otte, Department of Public Safety

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FISCAL NOTE

No. 7

Bill Version: CS5B 247(RLS)

(S) Publish Date: 4/10/96

**STATE OF ALASKA
1996 LEGISLATIVE SESSION**

Revision Date: 4/9/96 Dept. Affected: Fish and Game
 Title: Restrict Use of Fish & Game Fund BRU: Wildlife Conservation
 Component: Wildlife Conservation
 Sponsor: Senator Taylor
 Requester: Senate Rules COMPONENT SERIAL NO. 473

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES (1002)	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match						
1004 GF	2,060.4	2,060.4	2,060.4	2,060.4	2,060.4	2,060.4
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (1024 Fish & Game Fund)	(2,060.4)	(2,060.4)	(2,060.4)	(2,060.4)	(2,060.4)	(2,060.4)
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ 0.0

POSITIONS

POSITIONS	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Assumptions: (1) To maintain department services and programs at existing levels, General Funds will be provided to offset funding cuts in Fish & Game Fund revenues. (2) Federal Aid apportionments and license/tag revenues will remain constant for foreseeable future. (3) The regulatory process (\$713.3) and data processing programs (\$1,042.9) are assumed to directly benefit consumptive users and will continue to be funded by federal aid and Fish & Game Fund revenues.

Secs. 2 and 4 of the bill restrict use of Fish & Game Fund and Federal Aid funding for such programs as education, nongame, marine mammals management, sanctuary management, endangered species, law enforcement, and public information (\$2,060.4). To continue to provide these services, general funds would have to compensate for the loss of current revenue sources.

Prepared by: Diana Ground, Admin. Officer
 Division: Wildlife Conservation
 Approved by Commissioner: Oliver Bruce
 Agency: Alaska Department of Fish and Game

Phone: 465-6194
 Date: 4/9/96

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FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB 247(RLS)
am(efd fld)(ct rule fld)

Revision Date: 5/4/96 Dept. Affected: Fish and Game
Title: Restrict use of fish & game fund BRU: Sport Fish
Component: Sport Fish
Sponsor: Senator Taylor
Requester: Senate Rules COMPONENT SERIAL NO. 464

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANECUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES (1002)	(500.8)	(500.8)	(500.8)	(500.8)	(500.8)	(500.8)
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	(500.8)	(500.8)	(500.8)	(500.8)	(500.8)	(500.8)
1003 GF Match						
1004 GF	500.8	500.8	500.8	500.8	500.8	500.8
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Fish and Game Fund 1024)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ 0.0

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

See attached pages for assumptions made in fund source calculations. Overhead costs are calculated based on the amount of Federal Funds expended by Division of Sport Fish.

With implementation of SB 247 the Division of Sport Fish will not be able to fully utilize available Federal funds and will be forced to revert \$500.8 of the estimated \$8,397.7 available. This is shown in CHANGE IN REVENUES above. Since the State of Alaska receives the maximum allowable DJ/WB funding, other states have already been suggesting that funding formulas be changed to lower our share of DJ/WB money. By not fully utilizing this money it will supply those states more ammunition for that battle.

Prepared by: Kevin Delaney TRB for
Division: Sport Fish

Phone: 465-4180
Date: 5/4/96

Approved by Commissioner: Debra Buerger
Agency: Fish and Game

Date: 5/4/96

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FISCAL NOTE Continuation

Bill Number HCS CSSB 247(RLS)am(efd fld)(ct rule fld) Revised (5/4/96)

Title: Restrict use of fish & game fund

Assumptions used in analyzing SB 247.

- Division of Sport Fish will operate all projects at proposed FY 97 levels
- Headquarters projects can receive funding from either the Fish and Game fund or Federal DJ/WB fund.
- Research and Technical Services (RTS) can receive funding from either the Fish and Game fund or Federal DJ/WB funds.
- All hatchery projects and access projects can be funded with moneys from the Fish and Game fund and/or the Federal DJ/WB fund.
- All regional projects can be funded with Fish and Game Funds and/or Federal DJ/WB funds.
- All projects which can no longer be funded with Fish and Game funds and/or Federal DJ/WB funds would have to receive General Fund moneys.
- Division of Administration (ADF&G) receives money to cover overhead costs on all federal money expended. Currently this is paid with federal money, but from this point forward, would have to be paid using General Fund money.

Current FY 97 Funding Sources and Funding Sources With Senate Bill 247

FY 97 Sport Fish Projects		Current Funding Sources				Funding Sources With SB 247				
Project # / Title	Total \$	F&G*	Fed*	Prog*	CIP*	F&G*	Fed*	Prog*	CIP*	GF*
54 Headquarters	1228.1	1113.3	99.9	15.0	0.0	1113.3	99.9	15.0	0.0	0.0
64 Boating Access	362.5	36.9	110.6	0.0	215.1	36.9	110.6	0.0	215.1	0.0
55 RTS	1865.1	1029.8	835.3	0.0	0.0	1029.8	835.3	0.0	0.0	0.0
56 SE Supervision	1379.8	1379.8	0.0	0.0	0.0	1379.8	0.0	0.0	0.0	0.0
57 SE Salmon	1604.1	401.0	1203.1	0.0	0.0	401.0	1203.1	0.0	0.0	0.0
58 SE Resident Sp	498.9	124.7	374.2	0.0	0.0	124.7	374.2	0.0	0.0	0.0
64 SE Access	50.0	12.5	37.5	0.0	0.0	12.5	37.5	0.0	0.0	0.0
91 SE Hatcheries	1150.8	442.7	487.8	220.4	0.0	442.7	487.8	220.4	0.0	0.0
59 SC Supervision	2088.3	2037.5	50.8	0.0	0.0	2037.5	50.8	0.0	0.0	0.0
60 SC Salmon	2676.4	841.0	1835.4	0.0	0.0	841.0	1835.4	0.0	0.0	0.0
61 SC Resident Sp	507.4	126.8	380.5	0.0	0.0	126.8	380.5	0.0	0.0	0.0
62 SC Shellfish &	267.3	124.2	143.2	0.0	0.0	124.2	143.2	0.0	0.0	0.0
64 SC Access	97.4	24.4	73.1	0.0	0.0	24.4	73.1	0.0	0.0	0.0
90 SC Hatcheries	1607.0	392.8	1178.3	36.0	0.0	392.8	1178.3	36.0	0.0	0.0
69 IN Supervision	942.7	942.7	0.0	0.0	0.0	942.7	0.0	0.0	0.0	0.0
70 IN Salmon	124.1	31.0	93.1	0.0	0.0	31.0	93.1	0.0	0.0	0.0
71 IN Resident Sp	831.4	207.8	623.5	0.0	0.0	207.8	623.5	0.0	0.0	0.0
64 IN Access	32.5	8.1	24.4	0.0	0.0	8.1	24.4	0.0	0.0	0.0
92 IN Hatcheries	461.6	115.4	346.2	0.0	0.0	115.4	346.2	0.0	0.0	0.0
Total	17775.8	9392.4	7896.9	271.4	215.1	9392.4	7896.9	271.4	215.1	0.0
Admin Ovrhead**			500.8							500.8
Grand Total	18276.6	9392.4	8397.7	271.4	215.1	9392.4	7896.9	271.4	215.1	500.8

*F&G is the Fish and Game Fund; Fed is Federal Funds; Prog is Program Receipts; CIP is Capital Improvement Project Funds; GF is General Funds.

**Fees paid to Department of Fish and Game, Division of Administration for overhead related to federal funding.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. HCS CSSB 247(RES)

Revision Date: 5/4/96 Dept. Affected: Fish and Game
 Title: An Act relating to the fish and game fund BRU: Wildlife Conservation
 Sponsor: Senators Taylor and Sharp Component: Wildlife Conservation
 Requester: House Finance COMPONENT SERIAL NO. 473

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES (1002)	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match						
1004 GF	240.0	240.0	240.0	240.0	240.0	240.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (1024 Fish & Game Fund)	(240.0)	(240.0)	(240.0)	(240.0)	(240.0)	(240.0)
TOTAL						

Estimate of any current year (FY96) cost: \$ 0.0

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

Assumptions: (1) To maintain department services and programs at existing levels, General Funds will be provided to offset funding cuts in Fish & Game Fund revenues. (2) Federal Aid apportionments and license/tag revenues will remain constant for foreseeable future. (3) The regulatory process (\$713.3) and data processing programs (\$1,042.9) are assumed to directly benefit consumptive users and will continue to be funded by federal aid and Fish & Game Fund revenues.

The bill restricts use of Fish & Game Fund and Federal Aid funding for conservation of nongame and endangered species (\$240.0). To continue to provide these services, general funds would have to compensate for the loss of current revenue sources.

Prepared by: Diana Ground, Admin. Officer
 Division: Wildlife Conservation
 Approved by Commissioner: Goran Bruner
 Agency: Alaska Department of Fish and Game

Phone: 465-6194
 Date: 5/5/96

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A M E N D M E N T

OFFERED IN THE HOUSE

TO: HCS CSSB 247(RES)

1 Page 2, lines 26 - 27:

2 Delete ", except under a general indirect recovery provision"

3 Page 4, line 11:

4 Delete "or"

5 Page 4, line 12:

6 Delete "and"

7 Insert "or

8 (F) costs allowed under an indirect cost recovery agreement
9 between the department and the federal government; and"

HCS for CS for Senate Bill 247(RES)
Sponsor Statement

This legislation was precipitated by the Department of Fish and Game's policy of using funds raised through consumptive uses of fish and game for non consumptive purposes. It will ensure that this abuse is curtailed in the future.

This legislation will direct, with a few exceptions, that the Department of Fish and Game is to expend Fish and Game funds for consumptive uses for both sport hunting and fishing. These funds are collected from sportsmen through the purchase of licenses, stamps and tags. It is only proper that the funds provided by these individuals be used to benefit these users of the resource. *The attached amendment is anticipated to zero out the negative fiscal note from Administrative Services. It also makes a technical correction in the House Resources version that clarifies and corrects an amendment that committee adopted.* The previous Senate fiscal notes should be reduced significantly as well with the adoption of the House Resources Committee substitute.

Here are the principle points of the bill:

1. Directs the commissioner to cooperate with sportsmen's organizations and other organizations to increase game populations and to expand indigenous populations into suitable habitat.
2. Limit to a large extent the use of fish and game funds to provide for intensive management of sport fish stocks and game populations for maximum sustained yield. It also provides for propagation, reintroduction, restocking, transplantation, manipulation of habitat, predator removal, hunter education, wildlife education, public access to sports fishing and hunting areas, and restoration of sport fish and game resources.
3. Direct benefits to the purchasers of licenses, stamps and tags that increase human harvests of sport fish and game. It also requires that proper credit be given for the source of these funds be given to the contributors when the funds are used for educational and non-consumptive uses allowed under the legislation. Examples of these uses are; credits on interpretive signs, public service, wildlife education events and hunting education days.
4. Allow funding to continue for facilities that would be used for the propagation of sport fish or game for restocking, enhancement, transplantation and educational uses. And also continue funding of shooting ranges and facilities to improve public access to areas where consumptive uses of sports fish and game may occur.
5. Directs that federal funds received by the state, under the federal aid to fish restoration program or the federal aid in wildlife restoration program, be used for consumptive use purposes except where federal law directs they be used otherwise. It does however permit costs allowed under the department's indirect cost allocation plan that is negotiated with the federal government.
6. The Department of Fish and Game must prepare an annual report on expenditures from the Fish and Game Fund to legislators.

MAR 27 1996



Alaska State Legislature

Please enter into the record my testimony to the Senate Resources
 committee name
 committee on SB 247, dated 3/20/96
 bill/subject

As a lifelong Alaskan and a consumptive user of Fish and Game resources for more years than I care to admit to, I wish to express the strongest possible support for S.B. #247.

I think it is vitally important to use funds generated by sportsmens' and sportswomens' license fees, tags, and permits to directly benefit consumptive users.

I don't claim to be a legal expert, but from what I see in the State Constitution, it appears that the Department of Fish and Wildlife is mandated to manage fish and wildlife resources in a manner that provides the highest possible sustained yield for consumptive users.

From the projects and programs generated by administrative positions within the Department over the last few years, it would appear that this mandate has been subverted and in some cases deliberately ignored.

The passage of S.B. #247 would go a long way toward squelching these departures from that mandate. Respectfully,
 Signed: _____

Testifier

Cheryl A. Stoner
(Cheryl A. Stoner)

Representing (Optional)

940 Serrano Dr., Wasilla, Alaska 99654

Address

(907) 376 9488

Phone No.



Alaska State Legislature

Please enter into the record my testimony to the Senate Resources
committee name

committee on S.B. #247, dated March 20, 1996.
bill/subject

I am a housewife and mother of two married to a lifelong Alaskan who has provided our family with fish and game for years. I and my children have grown to prefer wild fish and game over domestic. I buy a license each year and each fall we have a family hunt to further the heritage of hunters.

I feel it is important that S.B. #247 be passed so that I and my family will be able to hunt and fish on a continuing basis.

Signed: Andrea L. Steiner
Testifier

Representing (Optional)

940 Larsano Dr. Waiilla

Address

(907) 376-9488

Phone No.

To: Senator Taylor

Date: March 20, 1996

Subject: SB 247

From: Peter Shepherd, 1012 Galena St., Fairbanks, AK 99709

I support SB 247 and would like to commend Senators Taylor and Sharp for their efforts on this bill.

It is indeed unfortunate that it has become necessary to promulgate law mandating the dispensing of fish and game funds. However, I have witnessed over a number of years the mounting influence of changing public values on the attitudes of the ADF&G leadership towards those who provide the operational revenues. It is unconscionable that the fish and game funds are being used in ways that subvert the interests of the paying hunting and trapping public.

In general, a non-contributing public, many who embrace a philosophy that rejects human consumptive use, are those most vocally demanding the Department reframe from intensive management programs. In all due respect to these opposing public values, ADF&G and the State Board of Game should still act within the framework established by Alaska constitutional law. I suggest that any concessions made to these demands are patently unconstitutional on the part of ADF&G and the Board of Game.

In my opinion there is no moral or legal reason that fish and game funds be used to decrease opportunities, promotion, and enhancement of traditional consumptive uses of renewable wildlife resources on a sustained yield basis. Until such a time that other sources of funding are provided by the non-consumptive public, present uses of the fish and game fund are justifiably assignable to those outlined in SB247.

Thank You.

Peter Shepherd

Peter Shepherd

Post-It™ brand fax transmittal memo 7571 # of pages 1 /

To: SEN LORAL LEMAN	From: FBX L10
Co: SRES CMTF	Co:
Dept:	Phone #
Fax #	Fax #



ALASKA OUTDOOR COUNCIL

4506 Robbie Rd.
JUNEAU, AK. 99801
(907) 463-3830

Mar. 20, 1996

Senator Robin Taylor
Alaska State Legislature
Juneau, Ak. 99801

Dear Senator Taylor:

The Alaska Outdoor Council appreciates your continuing interest in promoting traditional wildlife management in Alaska. We support your efforts to create an impetus through legislation for the Alaska Department of Fish and Game to once again take up important management concerns for Alaska's consumptive users of fish and wildlife.

We believe SB 247, "An Act relating to the fish and game fund", is an important component in the effort to re-establish traditional management of fish and game here in Alaska. For the past fifteen years consumptive users have continually endured the onslaught of an uninformed vocal minority bent on eliminating hunting and trapping opportunities. Although the Alaska Outdoor Council has traditionally supported the Department's budget and has tried to maintain a working relationship with leadership and staff, our efforts were increasingly frustrated by an apparent shift within some levels to accommodate non-consumptive uses at the expense of consumptive uses. We realize that a significant portion of that policy shift has been, and continues to be at the direction of an unsympathetic Administration.

Although we recognize the use of our dollars for some projects which may not appear to readily benefit hunters, trappers, and fishermen do have some merit, the opposition who also benefits from those expenditures has never recognized the contribution outdoorsmen have made to their benefit, and for the most part continues to oppose projects and programs beneficial to wildlife and humans. It is for that reason we have become increasingly reluctant to have our money spent in those arenas.

The AOC is still more than willing to work with the Department and the Administration to resolve some of the areas of concern to consumptive users of our wildlife resources; however, we must see some movement toward those items which we feel are important. Traditional management of wildlife, including predator

management, an educational effort structured to enlighten a broader segment of the public about wildlife management and the role consumptive uses play therein, better efforts to communicate with the consumptive user public, and more judicious use of consumptive use dollars in arenas which may not appear to have a direct cost/benefit ratio.

At the moment the membership of the Alaska Outdoor Council is supporting the effort on the part of those legislators who wish to reduce the Department's budget. We would prefer to return to our traditional role of fully supporting their budget; however, until the Department and the Administration can produce tangible assurances that our concerns are being given serious consideration, backed up with appropriate action, we feel there aren't many alternatives for us right now. We remain hopeful continuing dialogs with Departmental leadership will prove productive and that we will once again be more closely involved in supporting their efforts. Recent discussions we have had with the Commissioner and Divisional heads leads us to believe they are genuinely interested in our concerns and would like to accommodate such to the best of their ability. Any movement in our direction would be welcomed, and would quite likely result in much improved relations.

The Alaska Outdoor Council believes legislation, such as SB 247, has become necessary to help define the ADF&G's primary role in wildlife management. More importantly, such legislation will provide the groundwork for moving Alaska back toward traditional wildlife management.

Once again, the members of the Alaska Outdoor Council would like you to know how appreciative we are for your efforts on our behalf. If there is anything we can do to further assist you in this important effort, please let us know.

Sincerely,



Eddie Grasser

cc: Sen. Loren Leman
Sen. Drue Pearce
Sen. Steve Frank
Sen. Rick Halford
Sen. Georgianna Lincoln
Sen. Lyman Hoffman
Sen. Bert Sharp
Sen. Mike Miller

November 2, 1995

Mr. Ralph C. Seekins
Alaska Wildlife Conservation Assn.
1625 Old Steese Highway
Fairbanks, AK 99701

Dear Mr. Seekins:

I received your correspondence of October 4. I believe it is important that the Department of Fish and Game attempt clear and effective communication with all user groups and interests. Certainly, I tried with your group.

I disagree with your summary of what was said at our meeting. The department does manage all of Alaska's wildlife resources on a sustained yield basis in accordance with our constitutional mandate. This administration will enact policies that are in compliance with the Alaska Constitution. Likewise, the department will implement management actions that are in compliance with the Alaska Constitution.

As provided in Alaska statute, the Board of Game and the department work together to authorize and implement predator control programs. The Board of Game adopts population and harvest objectives and determines where and when it will authorize the department to conduct predator control to meet these objectives. Within the authorities granted by the Board of Game in regulation, the Commissioner of Fish and Game may approve expenditure of funds for predator control programs.

This administration will not authorize expenditure of funds for predator control unless the program is scientifically sound, cost effective, and broadly acceptable to Alaska's public. Any management program that does not meet these criteria will not be politically or fiscally sustainable. I assume you would not want government to carry out programs that are not scientifically sound, not cost effective, and not broadly acceptable to Alaskans.

At your request, I have enclosed copies of recent species management reports prepared by the Division of Wildlife Conservation. These documents contain management objectives and data on

ALASKA WILDLIFE CONSERVATION ASSN.

1625 Old Steese Hwy. - Fairbanks, AK 99701 - (907) 456-1992

October 4, 1995

RECEIVED

OCT 9 1995

Mr. Frank Rue, Commissioner
DEPARTMENT OF FISH & GAME
P.O. Box 25526
Juneau, AK 99802-5526

DEPT. OF FISH & GAME
COMMISSIONER'S OFFICE

Re: August meeting with statewide user groups in Fairbanks at
Commissioners request

Dear Commissioner Rue:

Thank you for meeting with the representatives of Alaska's statewide user groups. In attendance were representatives of Alaska Bow Hunters, the Alaska Trapper's Association, the Fairbanks Hunting Club, the Alaska Wildlife Conservation Association and the Alaska Outdoor Council. Remarkably, in the first five minutes of our meeting you outraged those assembled with your statements concerning the administration's and your unwillingness to manage Alaska's resources on a sustained yield basis (as mandated in Alaska's Constitution), and your belief that consumptive uses are a privilege and not a right guaranteed in our State's Constitution. In reviewing notes taken during this meeting, it became clear to me that you have no intention to manage Alaska wildlife resources for increased productivity. My conclusion is based on your statements as a representative of the Knowles administration. You said:

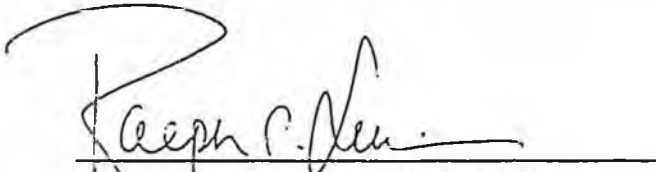
1. That there will be no predator control programs in 1995 or 1996.
2. That the Department completely opposes Human Harvest Legislation (SB77-HB170).
3. That the Department is incapable of managing Alaska's wildlife for 1/3 human harvest.

Mr. Frank Rue
October 4, 1995
Page 3

consumptive users. I will also repeat that you will be held accountable for your actions and that the department and its actions will be closely scrutinized. We will make every effort to require strict compliance with Alaska statutes which mandate intensive management of declining wildlife populations. If your personal philosophy will not allow you to abide by Alaska's Constitution and law, which you have sworn to uphold, then we suggest your resignation would be very appropriate.

Sincerely,

ALASKA WILDLIFE CONSERVATION ASSOCIATION



Ralph C. Seekins, President

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services
Department of Education
State of Alaska

November 2, 1995

Mr. Raiph C. Seekins
Alaska Wildlife Conservation Assn.
1625 Old Steese Highway
Fairbanks, AK 99701

Dear Mr. Seekins:

I received your correspondence of October 4. I believe it is important that the Department of Fish and Game attempt clear and effective communication with all user groups and interests. Certainly, I tried with your group.

I disagree with your summary of what was said at our meeting. The department does manage all of Alaska's wildlife resources on a sustained yield basis in accordance with our constitutional mandate. This administration will enact policies that are in compliance with the Alaska Constitution. Likewise, the department will implement management actions that are in compliance with the Alaska Constitution.

As provided in Alaska statute, the Board of Game and the department work together to authorize and implement predator control programs. The Board of Game adopts population and harvest objectives and determines where and when it will authorize the department to conduct predator control to meet these objectives. Within the authorities granted by the Board of Game in regulation, the Commissioner of Fish and Game may approve expenditure of funds for predator control programs.

This administration will not authorize expenditure of funds for predator control unless the program is scientifically sound, cost effective, and broadly acceptable to Alaska's public. Any management program that does not meet these criteria will not be politically or fiscally sustainable. I assume you would not want government to carry out programs that are not scientifically sound, not cost effective, and not broadly acceptable to Alaskans.

At your request, I have enclosed copies of recent species management reports prepared by the Division of Wildlife Conservation. These documents contain management objectives and data on

Mr. Ralph C. Seekins

2

November 2, 1995

status of populations on a unit, area, or herd basis as is appropriate for the species. I have instructed that your name be put on the mailing list for these documents as they are published.

Sincerely,



Frank Rue
Commissioner

Enclosures

FR/WR/KT/kt CO1022

ALASKA WILDLIFE CONSERVATION ASSN.

1625 Old Steese Hwy. - Fairbanks, AK 99701 - (907) 456-1992

October 4, 1995

RECEIVED

Mr. Frank Rue, Commissioner
DEPARTMENT OF FISH & GAME
P.O. Box 25526
Juneau, AK 99802-5526

OCT 9 1995
DEPT. OF FISH & GAME
COMMISSIONER'S OFFICE

Re: August meeting with statewide user groups in Fairbanks at
Commissioners request

Dear Commissioner Rue:

Thank you for meeting with the representatives of Alaska's statewide user groups. In attendance were representatives of Alaska Bow Hunters, the Alaska Trapper's Association, the Fairbanks Hunting Club, the Alaska Wildlife Conservation Association and the Alaska Outdoor Council. Remarkably, in the first five minutes of our meeting you outraged those assembled with your statements concerning the administration's and your unwillingness to manage Alaska's resources on a sustained yield basis (as mandated in Alaska's Constitution), and your belief that consumptive uses are a privilege and not a right guaranteed in our State's Constitution. In reviewing notes taken during this meeting, it became clear to me that you have no intention to manage Alaska wildlife resources for increased productivity. My conclusion is based on your statements as a representative of the Knowles administration. You said:

1. That there will be no predator control programs in 1995 or 1996.
2. That the Department completely opposes Human Harvest Legislation (SB77-HB170).
3. That the Department is incapable of managing Alaska's wildlife for 1/3 human harvest.