

HOUSE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY

Introduced:
Referred:

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to school funding, the base student allocation, district cost factors, and**
2 **the adjustments for intensive services and average daily membership calculations; and**
3 **providing for an effective date."**

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

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

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

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

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

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

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

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

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

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

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

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

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

1 size between the base fiscal year and the third fiscal year after the
 2 base fiscal year;

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

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

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

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

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

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

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

1 * **Sec. 3.** AS 14.17.420(a), as amended by sec. 2 of this Act, is amended to read:

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

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

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

13 * **Sec. 4.** AS 14.17.420(a), as amended by secs. 2 and 3 of this Act, is amended to read:

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

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

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

25 * **Sec. 5.** AS 14.17.460(a) is repealed and reenacted to read:

26 (a) For purposes of calculating a district's adjusted ADM under
27 AS 14.17.410(b)(1), the district cost factor for a school district is (1) for the fiscal year
28 ending June 30, 2009, the factor set out under column (A) of this subsection, (2) for
29 the fiscal year ending June 30, 2010, the factor set out under column (B) of this
30 subsection, (3) for the fiscal year ending June 30, 2011, the factor set out under
31 column (C) of this subsection, (4) for the fiscal year ending June 30, 2012, the factor

1 set out under column (D) of this subsection, and (5) for fiscal years ending on or after
 2 June 30, 2013, the factor set out under column (E) of this subsection:

DISTRICT COST FACTOR

3						
4	DISTRICT	(A)	(B)	(C)	(D)	(E)
5	Alaska Gateway	1.443	1.481	1.519	1.557	1.594
6	Aleutians East	1.707	1.778	1.849	1.920	1.991
7	Aleutians Region	1.838	1.864	1.890	1.916	1.939
8	Anchorage	1.000	1.000	1.000	1.000	1.000
9	Annette Island	1.175	1.216	1.257	1.298	1.338
10	Bering Strait	1.762	1.821	1.880	1.939	1.998
11	Bristol Bay	1.370	1.397	1.424	1.451	1.478
12	Chatham	1.348	1.405	1.462	1.519	1.576
13	Chugach	1.395	1.420	1.445	1.470	1.496
14	Copper River	1.246	1.264	1.282	1.300	1.316
15	Cordova	1.165	1.182	1.199	1.216	1.234
16	Craig	1.108	1.133	1.158	1.183	1.206
17	Delta/Greely	1.174	1.191	1.208	1.225	1.241
18	Denali	1.323	1.326	1.329	1.332	1.332
19	Dillingham	1.300	1.312	1.324	1.336	1.346
20	Fairbanks	1.055	1.059	1.063	1.067	1.070
21	Galena	1.370	1.376	1.382	1.388	1.391
22	Haines	1.104	1.128	1.152	1.176	1.200
23	Hoonah	1.227	1.270	1.313	1.356	1.399
24	Hydaburg	1.295	1.348	1.401	1.454	1.504
25	Iditarod	1.658	1.705	1.752	1.799	1.846
26	Juneau	1.075	1.093	1.111	1.129	1.145
27	Kake	1.242	1.296	1.350	1.404	1.459
28	Kashunamiut	1.504	1.533	1.562	1.591	1.619
29	Kenai Peninsula	1.088	1.109	1.130	1.151	1.171
30	Ketchikan	1.085	1.106	1.127	1.148	1.170
31	Klawock	1.160	1.196	1.232	1.268	1.302

1	Kodiak Island	1.191	1.216	1.241	1.266	1.289
2	Kuspuk	1.584	1.622	1.660	1.698	1.734
3	Lake and Peninsula	1.776	1.831	1.886	1.941	1.994
4	Lower Kuskokwim	1.577	1.599	1.621	1.643	1.663
5	Lower Yukon	1.650	1.703	1.756	1.809	1.861
6	Matanuska-Susitna	1.040	1.048	1.056	1.064	1.070
7	Mt. Edgecumbe	1.098	1.123	1.148	1.173	1.195
8	Nenana	1.304	1.313	1.322	1.331	1.338
9	Nome	1.385	1.402	1.419	1.436	1.450
10	North Slope	1.648	1.684	1.720	1.756	1.791
11	Northwest Arctic	1.686	1.720	1.754	1.788	1.823
12	Pelican	1.384	1.408	1.432	1.456	1.477
13	Petersburg	1.122	1.153	1.184	1.215	1.244
14	Pribilof	1.555	1.589	1.623	1.657	1.691
15	Sitka	1.098	1.123	1.148	1.173	1.195
16	Skagway	1.159	1.163	1.167	1.171	1.174
17	Southeast Island	1.264	1.299	1.334	1.369	1.403
18	Southwest Region	1.554	1.587	1.620	1.653	1.685
19	St. Mary's	1.488	1.522	1.556	1.590	1.624
20	Tanana	1.641	1.677	1.713	1.749	1.786
21	Unalaska	1.343	1.368	1.393	1.418	1.441
22	Valdez	1.133	1.143	1.153	1.163	1.170
23	Wrangell	1.080	1.100	1.120	1.140	1.159
24	Yakutat	1.229	1.275	1.321	1.367	1.412
25	Yukon Flats	1.892	1.948	2.004	2.060	2.116
26	Yukon/Koyukuk	1.669	1.711	1.753	1.795	1.835
27	Yupiit	1.596	1.628	1.660	1.692	1.723.

28 * **Sec. 6.** AS 14.17.470 is amended to read:

29 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$5,480
30 [\$5,380].

31 * **Sec. 7.** AS 14.17.470, as amended by sec. 6 of this Act, is amended to read:

1 **Sec. 14.17.470. Base student allocation.** The base student allocation is **\$5,580**
2 [\$5,480].

3 * **Sec. 8.** AS 14.17.470, as amended by secs. 6 and 7 of this Act, is amended to read:

4 **Sec. 14.17.470. Base student allocation.** The base student allocation is **\$5,680**
5 [\$5,580].

6 * **Sec. 9.** Sections 1, 2, 5, and 6 of this Act take effect July 1, 2008.

7 * **Sec. 10.** Sections 3 and 7 of this Act take effect July 1, 2009.

8 * **Sec. 11.** Sections 4 and 8 of this Act take effect July 1, 2010.