



MEMORANDUM

To: Superintendents and Business Managers

From: Heidi Teshner, Acting Commissioner

A handwritten signature in blue ink, appearing to read "Heidi Teshner".

Date: July 21, 2022

Subject: 2022 Regular Legislative Session

The purpose of this memorandum is to provide a summary of education related legislation passed during the regular and special sessions. The formula funding information is preliminary.

Appropriation Budget Bills:

FY2022 Supplemental and FY2023 Operating and Capital Budgets – Conference Committee Substitute for House Bill 281 – Signed by the Governor on June 28, 2022 (Chapter 11, SLA 22)

Conference Committee Substitute for House Bill 281 (CCS HB 281(BRF SUP MAJ FLD H)) contains the Department of Education and Early Development's (DEED) operating budget for FY2023. Enclosed is a schedule titled "FY2023 Projected State Program Allocations based on Enacted Budget," which includes FY2023 estimated funding levels, by district, for the following programs: Foundation (including \$57.0 million one-time funding outside the foundation formula), Permanent Fund Dividend Raffle Grant, Boarding Home Stipends, Residential Boarding Program (including a one-time increase of \$2.1 million), Youth in Detention, Special Schools, Pupil Transportation, and School Debt Reimbursement for a total funding level of approximately \$1.3 billion. The funding levels listed by district are projected allocations and are subject to change based on actual FY2023 average daily membership and/or individual program requirements.

CCS HB 281 also provides \$11.5 million for Pre-Kindergarten and Early Learning programs (\$6.8 million for Head Start, \$3.2 million for Pre-Kindergarten, \$0.5 million for Parents as Teachers, and \$0.3 million for Best Beginnings); and \$6.8 million for the School Broadband Assistance Grants.

CCS HB 281 also provides \$79.0 million for the School Debt Reimbursement Program and a deposit of \$32.8 million to the Regional Educational Attendance Area (REAA) and Small Municipal School District School Fund for FY2023. In addition, FY2022 Supplemental funding totaling \$220.8 million was appropriated for the School Debt Reimbursement Program and \$84.0 million deposited into the REAA Fund, bringing FY2017, FY2020, FY2021, and FY2022 up to the statutory calculation levels.

Lastly, the following capital projects were including in CCS HB 281:

- 1) \$37.5 million deposited into the Major Maintenance Grant Fund for School Major Maintenance; and,

- 2) \$54.9 million deposited into the School Construction Grant Fund for the William N. Miller K-12 Memorial School Replacement, Napakiak.

FY2023 Mental Health Budget – Conference Committee Substitute for House Bill 282 – Signed by the Governor on June 28, 2022 (Chapter 12, SLA 22)

Conference Committee Substitute for House Bill 282 (CCS HB 282) includes \$577.8 thousand for department student and school achievement efforts.

Additional Legislation:

Education: Schools; Funding; Programs – Senate Committee Substitute for House Bill 114 (FIN) AM S – Signed by the Governor on July 15, 2022 (Chapter 40, SLA 22)

House Bill 114 (SCS HB 114(FIN) AM S) amends AS 14.17.905(c) to exclude charter schools, which addresses a remedy on a technical problem in the public-school funding formula which affected the Hooper Bay School within the Lower Yukon School District.

This bill also contains the Alaska Reads Act, which establishes four new programs in DEED: an early education program, a comprehensive reading intervention program, a school improvement reading program, and a virtual education consortium.

Finally, this bill provides the Alaska Commission on Postsecondary Education (ACPE) with a number of authorities that will allow ACPE to better meet Alaskans' student loan needs, and thus is expected to increase the origination of loans funded by the Alaska Student Loan Corporation (ASLC); as well as amends the definition of a 'rural' community relating to the teacher education loan program.

Limited Teacher Certificates; Languages – Committee Substitute for House Bill 19 (EDC) – Awaiting Transmittal to the Governor

House Bill 19 (CSHB 19(EDC)) allows DEED to issue limited language immersion teacher certificates, valid only in the area of expertise for which it is issued, to teach students enrolled in a language immersion program.

Military Children School Residency Waiver – Committee Substitute for House Bill 53 (MLV) AM (EFD Add) – Signed by the Governor on June 16, 2022 (Chapter 7, SLA 22)

House Bill 53 (CSHB 53(MLV) AM(EFD ADD)) is in a response to a request from the U.S. Department of Defense which provides an expedited path for children of military families to be admitted to public school. The bill amends AS 14.03.080, Right to attend school, by adding a new subsection (g) that would require a school district to consider a student whose parent is a member of the armed forces as a resident when receiving their transfer or pending transfer under an official military order to a military installation in the state and admit the student to a public school. The parent would be required to provide to the school district written proof of residence on an official document within 30 days after the arrival date stated in the military orders. The bill also provides definitions of "guardian", "military installation", and "residence".

AK Marine Hwy Funds, Higher ED Inves Fund – Committee Substitute for House Bill 322 (TRA) AM – Signed by the Governor on June 29, 2022 (Chapter 15, SLA 22)

House Bill 322 (CSHB 322(TRA) AM) moves the Alaska Higher Education Investment Fund to the General Fund which results in the fund not being subject to the constitutional sweep under Article IX, section 17(d) of the Alaska Constitution. Funds subject to the sweep must be both available for appropriation

and reside in the General Fund. By establishing the System Fund, Vessel Replacement Fund, and Alaska Higher Education Investment Fund as separate funds in the state treasury rather than in the General Fund, they would not be subject to the sweep.

Domestic Violence/Sexual Offenses/Consent – House Bill 325 AM S (EFD ADD S) –Transmitted to the Governor

House Bill 325 (HB 325 AM S (EFD ADD S)) adds the citation for distribution or possession of child pornography to the list of causes requiring lifetime revocation of a teaching certificate upon conviction by the Professional Teaching Practices Commission or the Commissioner.

Out of State Teacher Reciprocity – House Committee Substitute for Committee Substitute for Senate Bill 20 (EDC) – Awaiting Transmittal to the Governor

Senate Bill 20 (HCS CSSB 20(EDC)) eliminates the preliminary teaching certificate and allows an educator with a valid out-of-state teaching certificate to qualify for a regular teaching certificate based on the valid out-of-state teaching certificate, at least a bachelor's degree, and a criminal history background check.

State-Tribal Education Compact Schools – House Committee Substitute for Committee Substitute for Senate Bill 34 (TRB) – Awaiting Transmittal to the Governor

Senate Bill 34 (HCS CSSB 34(TRB)) directs the State Board of Education and Early Development to negotiate with federally recognized tribes on establishing five demonstration state-tribal education compact schools that may operate for a five-year term. The negotiated outcome being a report to the legislature based on these negotiations.

Council on Arts: Plates & Manage Art – House Committee Substitute for Committee Substitute for Senate Bill 71 (STA) – Signed by the Governor on June 29, 2022 (Chapter 18, SLA 22)

Senate Bill 71 (HCS CSSB 71(STA)) allows the Department of Administration (DOA), Division of Motor Vehicles, to collect a minimal registration fee not to exceed \$50 for a vehicle registration plate celebrating the arts. This bill establishes the Alaska arts and cultural investment fund, created in the general fund. The fund consists of money appropriated by the legislature from other sources such as philanthropic funds and private non-profits. This bill provides the Alaska State Council on the Arts (ASCA) the opportunity to hold a license plate design competition celebrating the arts every four years and allows ASCA to consult with the DOA to recommend an amount, to be appropriated from the annual estimated account balance, to pay an artist for a winning design selected through the license plate design competition. Lastly, this bill allows ASCA to manage the relocation, disposition, and exchange of State of Alaska public art works according to a policy to be established by ASCA and its Visual Arts Advisory Committee.

Students: Allow Nat Hairstyle, Dress Code – House Committee Substitute for Committee Substitute for Senate Bill 174 (L&C) AM H – Awaiting Transmittal to the Governor

Senate Bill 174 (HCS CSSB 174(L&C) AM H) amends AS 14.03.135 by stating that governing bodies may not adopt a school dress code that prohibits students from wearing natural or historical hair styles or requiring students to alter their natural hair permanently or semi permanently; or prohibit a student from wearing traditional tribal regalia or objects of cultural significance at a graduation ceremony. Conversely, a dress code may restrict hairstyles to comply with health or safety law, regulation, or ordinance.

Superintendents: Please note this is a change in statute, not regulations. As you are working on your student handbooks in regards to dress codes and graduation guidelines, please make sure your district staff is aware of this new law.

Rampart School: Yukon-Koyukuk District – Senate Bill 198 –Signed by the Governor on June 20, 2022 (Chapter 9, SLA 22)

Senate Bill 198 provides the mechanism needed to redraw the boundary lines between two regional educational attendance areas to formally place Rampart School within the Yukon-Koyukuk School District and ensure the community of Rampart can fully participate in the Yukon-Koyukuk School District's school board elections. This has been a fix the administration has tried to make since FY2017 but required legislative action since the legislature is the governing body of the unorganized borough.

Enclosure: FY2023 Projected State Program Allocations based on Enacted Budget

cc: Lacey Sanders, Deputy Commissioner

Department of Education and Early Development
FY2023 Projected State Program Allocations based on Enacted Budget
Allocations are subject to adjustment based on individual program requirements
 Updated June 28, 2022

	FY2023 Projected ADM	Projected Total Foundation @ \$5,930	HB281 ~ \$57M Onetime Grant on AADM	Projected PFD Raffle Grant	Projected Boarding Home	Residential Boarding Program	Youth in Detention	Projected Special Schools	Projected Pupil Transportation	* Projected Municipal Debt Reimbursement	PROJECTED FY2023 TOTALS
ALASKA GATEWAY	371	\$ 8,751,667	\$ 339,066	\$ 2,536					\$ 721,886		\$ 9,815,155
ALEUTIAN REGION	23	1,332,912	50,246	376					0		1,383,534
ALEUTIANS EAST	186	3,981,065	193,143	1,445					63,798	628,587	4,868,038
ANCHORAGE	43,297	314,398,790	16,181,287	121,048			397,800	644,000	19,875,805	31,936,210	383,554,940
ANNETTE ISLANDS	301	3,628,343	227,622	1,703					60,501		3,918,169
BERING STRAIT	1,709	30,800,589	1,580,562	11,824		541,034			92,286		33,026,295
BRISTOL BAY	97	896,798	65,030	486					259,776		1,222,090
CHATHAM	138	3,337,723	132,268	989					40,920		3,511,900
CHUGACH	607	4,692,479	178,086	1,332		342,102			0		5,213,999
COPPER RIVER	423	6,823,276	267,038	1,998					511,876		7,604,188
CORDOVA	330	4,144,356	191,621	1,433					118,720	883,735	5,339,865
CRAIG	729	5,694,789	236,665	1,770					106,943		6,040,167
DELTA/GREELY	894	10,595,870	404,981	3,030					1,210,984		12,214,865
DENALI	1,029	7,133,060	306,386	2,292					357,463		7,799,201
DILLINGHAM	427	5,851,981	252,292	1,887	34,310				574,315	745,665	7,460,450
FAIRBANKS	12,191	99,522,369	5,285,142	39,537			150,900		10,418,100	7,771,474	123,187,522
GALENA	5,687	32,763,110	1,230,097	9,202		4,404,539			80,647		38,487,595
HAINES	253	2,530,508	136,691	1,023					165,388	896,473	3,730,083
HOONAH	123	2,484,391	100,943	755					40,590		2,626,679
HYDABURG	127	1,778,028	67,960	508					0		1,846,496
IDITAROD	299	5,763,697	234,035	1,751					39,546		6,039,029
JUNEAU	4,231	32,953,875	1,838,969	13,757			136,500		2,697,966	2,798,718	40,439,785
KAKE	103	2,233,134	94,477	707					30,900		2,359,218
KASHUNAMIUT	309	4,474,950	240,451	1,799					1,545		4,718,745
KENAI	8,429	73,868,158	3,842,154	28,742			124,400		7,404,564	2,442,114	87,710,132
KETCHIKAN	2,154	25,755,407	1,161,686	8,690					1,669,437	1,274,793	29,870,013
KLAWOCK	118	1,759,889	90,031	673					76,110		1,926,703
KODIAK	2,195	25,727,035	1,186,180	8,874					1,805,735	5,380,782	34,108,606
KUSPUK	378	6,976,761	346,749	2,594	6,060				272,916		7,605,080
LAKE AND PENINSULA	311	9,040,554	359,915	2,692					130,592	924,913	10,458,666
LOWER KUSKOKWIM	3,844	61,510,954	2,895,540	21,661		1,329,897	176,700		1,176,322		67,111,074
LOWER YUKON	1,994	33,985,358	1,642,427	11,984		997,856			1,994		36,639,619
MAT-SU	19,107	169,508,196	7,689,433	57,523			113,700		16,353,360	17,257,374	210,979,586
NENANA	1,613	10,436,818	393,262	2,942		1,728,059			105,787		12,666,868
NOME	685	8,673,328	371,365	2,778					456,190	162,484	9,666,145
NORTH SLOPE	1,845	19,073,095	1,397,180	10,452		416,173			2,282,265	75,033	23,254,198
NORTHWEST ARCTIC	1,878	37,478,114	1,491,487	11,157		832,376			49,437	2,141,676	42,004,247
PELICAN	10	459,461	18,726	142					0		478,329
PETERSBURG	425	5,596,923	262,250	1,962					175,950	461,287	6,498,372
PRIBILOF	58	973,694	55,023	412					0		1,029,129
SAINT MARY'S	200	3,863,824	147,512	1,104					42,600		4,055,040
SITKA	1,133	10,978,127	577,508	4,320					512,898	1,532,250	13,605,103
SKAGWAY	130	1,235,329	83,073	621					5,200		1,324,223
SOUTHEAST	180	4,689,669	175,320	1,312					191,400		5,057,701
SOUTHWEST	597	10,642,077	530,196	3,966	20,000				394,020		11,590,259
TANANA	24	752,892	29,591	221					12,648		795,352
UNALASKA	400	3,862,310	229,656	1,718					286,400		4,380,084
VALDEZ	675	4,856,667	333,436	2,494					508,125	1,662,104	7,362,826
WRANGELL	263	3,067,737	142,409	1,065					203,562		3,414,773
YAKUTAT	94	1,193,079	52,918	396					60,006		1,306,399
YUKON FLATS	204	4,881,576	230,646	1,725					59,568		5,173,515
YUKON/KOYUKUK	3,087	22,785,903	888,750	6,649	17,344				94,997		23,793,643
YUPIIT	458	6,786,477	379,007	2,835					916		7,169,235
Mt. EDGE CUMBE	430	3,419,941	161,512	1,208					0		3,582,661
OTHER	11	29,027,300							3,426,500		32,453,800
Sub Totals	126,804	\$ 1,199,434,413	\$ 57,000,000	\$ 426,100	\$ 77,714	\$ 10,592,036	\$ 1,100,000	\$ 4,070,500	\$ 71,802,954	\$ 78,975,672	\$ 1,344,503,717

11 OTHER INCLUDES SESA, HB114 EARLY EDUCATION PROGRAM FUNDING, AND OTHER ADJUSTMENTS.