

## Sponsor Statement for HB 203

# LBA Study of School Cost Factors

An Act making an appropriation to Legislative Budget and Audit for a study of school district cost factors; and providing for an effective date.

**Last Updated:** April 27, 2001

**Contact:** Representative Peggy Wilson at (907) 465-3824

Alaska has a constitutional obligation to provide a full education for all students. The challenge inherent in this mission is to account for diverse geographic, cultural and economic conditions.

The formula currently employed, while well-intentioned, has unintentional consequences. A design error, which tracked expenses as opposed to the actual cost of providing an education in each school district, has resulted in flawed district cost factors. Failure to precisely measure differential costs across the state has resulted in inequitable funding.

What is the cost of providing an education in each school district as it relates to Anchorage as a base? What are the exact costs of electronic communications in Yakutat? What is the specific cost of fuel in Dillingham? What are the property insurance rates in Tok? What does it cost to get a school fire code inspector to Angoon?

HB 203 will provide factual answers to these questions. HB 203 proposes an independent study of school cost differentials to be contracted by the Legislative Budget and Audit at the cost of \$350,000.