28-GS2716\N Mischel 3/13/14

CS FOR SENATE BILL NO. 139(EDC)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY THE SENATE EDUCATION COMMITTEE

Offered: Referred:

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

A BILL

FOR AN ACT ENTITLED

"An Act increasing the base student allocation used in the formula for state funding of 1 2 public education: repealing the secondary student competency examination and related 3 requirements; providing for public school funding for Internet services; relating to high school course credit earned through assessment; relating to charter schools; relating to 4 5 charter school student transportation; increasing the school construction debt 6 reimbursement percentage for certain municipalities; relating to residential school applications; increasing the stipend for boarding school students; relating to 7 8 unemployment contributions for the Alaska technical and vocational education 9 program; relating to earning high school credit for completion of vocational education 10 courses offered by institutions receiving technical and vocational education program 11 funding; relating to education tax credits; making conforming amendments; and 12 providing for an effective date."

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1	BE IT ENACTED BY TH	HE LEGISLATURE OF THE STATE O)F ALASKA:
2	* Section 1. AS 14.03 is	amended by adding a new section to read	:
3	Sec. 14.03.	073. Course credit earned through mas	stery of course content.
4	(a) A school distric	ct shall provide a high school student with	h the opportunity to earn
5	credit for a course	offered in the school in mathematics, lang	guage arts, science, social
6	studies, and world	languages, if the student proves master	ry of the course content
7	through a district-a	approved assessment. Course credit earne	ed under this subsection
8	shall meet district	and statewide requirements for graduation	on and the course credit
9	requirements of the	e Alaska performance scholarship progra	m under AS 14.43.810 -
10	14.43.849.		
11	(b) The boa	ard shall adopt regulations implementing th	nis section.
12	* Sec. 2. AS 14.03.078 is	amended to read:	
13	Sec. 14.03.	078. Report. The department shall prov	ide to the legislature by
14	February 15 of eac	h year an annual report regarding the pro	gress of each school and
15	school district towa	ard high academic performance by all stud	lents. The report required
16	under this section n	nust include	
17	(1)	information described under AS 14.03.120)(d);
18	(2)	[THE NUMBER AND PERCENTAC	BE OF STUDENTS IN
19	EACH SCHOOL	WHO PASS THE EXAMINATION	REQUIRED UNDER
20	AS 14.03.075, AN	ID THE NUMBER WHO PASS EAC	CH SECTION OF THE
21	EXAMINATION;		
22	(3)]	progress of the department	
23		(A) toward implementing the school	accountability provisions
24	of AS 14.03	5.123; and	
25		(B) in assisting high schools to become	e accredited;
26		[(4)] a description of the resources prov	
27		coordinated school improvement activities	and staff training in each
28	school and school o	listrict;	
29		[(5)] each school district's and each scho	ool's progress in aligning
30		te education performance standards;	
31	<u>(5)</u> [(6)] a description of the efforts by the dep	partment to assist a public
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school <u>or district</u> that receives a <u>low performance</u> designation <u>under AS 14.03.123</u> [OF DEFICIENT OR IN CRISIS]; (<u>6</u>) [(7)] a description of intervention efforts by each school district and school for students who are not meeting state performance standards; <u>and</u> (<u>7</u>) [(8)] the number and percentage of turnover in certificated personnel and superintendents [; (9) THE NUMBER OF TEACHERS BY DISTRICT AND BY SCHOOL WHO ARE TEACHING OUTSIDE THE TEACHER'S AREA OF ENDORSEMENT BUT IN AREAS TESTED BY THE HIGH SCHOOL

* Sec. 3. AS 14.03.120(d) is amended to read:

COMPETENCY EXAMINATION].

(d) Annually, before the date set by the district under (e) of this section, each public school shall deliver to the department for posting on the department's Internet website and provide, in a public meeting of parents, students, and community members, a report on the school's performance and the performance of the school's students. The report shall be prepared on a form prescribed by the department and must include

(1) information on accreditation;

(2) results of norm-referenced achievement tests;

(3) results of state standards-based assessments in <u>language arts</u> [READING, WRITING,] and mathematics;

(4) a description, including quantitative and qualitative measures, of student, parent, community, and business involvement in student learning;

(5) a description of the school's attendance, retention, dropout, and graduation rates [, INCLUDING THE NUMBER AND PERCENTAGE OF STUDENTS WHO RECEIVED A DIPLOMA UNDER A WAIVER FROM THE COMPETENCY EXAMINATION REQUIRED UNDER AS 14.03.075(a),] as specified by the state board;

(6) the annual percent of enrollment change, regardless of reason, and the annual percent of enrollment change due to student transfers into and out of the school district;

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(7) if Native language education is provided, a summary and evaluation of the curriculum described in AS 14.30.420;

[THE NUMBER AND PERCENTAGE OF STUDENTS IN (8)EACH SCHOOL WHO TAKE AND WHO SUCCESSFULLY COMPLETE AN ALTERNATIVE ASSESSMENT PROGRAM IN READING, ENGLISH, OR MATHEMATICS; AND THE NUMBER AND PERCENTAGE OF PUPILS IN EACH SCHOOL WHO SUCCESSFULLY COMPLETE THE ALTERNATIVE ASSESSMENT PROGRAM BUT WHO DO NOT REACH THE STATE PERFORMANCE STANDARDS AT THE COMPETENCY EXAM LEVEL IN READING, ENGLISH, OR MATHEMATICS; A SCHOOL MAY NOT REPORT RESULTS UNDER THIS PARAGRAPH UNLESS THE SCHOOL COMPLIES WITH THE FAMILY EDUCATIONAL RIGHTS AND PRIVACY **REQUIREMENTS OF 34 C.F.R. 99;**

(9)] the performance designation assigned the school under AS 14.03.123 and the methodology used to assign the performance designation, including the measures used and their relative weights; and

(9) [(10)] other information concerning school performance and the performance of the school's students as required by the state board in regulation.

* Sec. 4. AS 14.03.123(f) is amended to read:

(f) In the accountability system for schools and districts required by this section, the department shall

(1) implement 20 U.S.C. 6301 - 7941 (Elementary and Secondary Education Act of 1965), as amended;

(2) implement state criteria and priorities for accountability including the use of

(A) measures of student performance on standards-based assessments in <u>language arts</u> [READING, WRITING,] and mathematics [, AND INCLUDING COMPETENCY TESTS REQUIRED UNDER AS 14.03.075];

(B) measures of student improvement; and

(C) other measures identified that are indicators of student

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success and achievement; and

(3) to the extent practicable, minimize the administrative burden on districts.

* Sec. 5. AS 14.03 is amended by adding a new section to read:

Sec. 14.03.127. Funding for Internet services. (a) A district in which one or more schools qualify for a discounted rate for Internet services under the federal universal services program is eligible to receive a base amount that is equal to the applicant's share for each school of the Internet services for fiscal year 2015.

(b) Each fiscal year beginning in fiscal year 2016, in addition to the base amount paid under (a) of this section, a district is eligible to receive an adjustment to the base amount for each school that is equal to the amount needed to bring the base amount up to the applicant's share for 10 megabits a second of the Internet services.

(c) If insufficient funding is appropriated to provide funding authorized under(a) and (b) of this section, the state share shall be distributed pro rata to eligible school districts.

(d) In this section,

(1) "applicant's share" means the difference between the cost of Internet services that are eligible for the discount under the federal universal services program and the discount received for those services under the federal universal services program;

(2) "federal universal services program" means the program established in 47 U.S.C. 254 and regulations implementing that section.

* Sec. 6. AS 14.03.250 is repealed and reenacted to read:

Sec. 14.03.250. Application for charter school. (a) A local school board shall prescribe an application procedure for the establishment of a charter school in that school district. The application procedure must include provisions for an academic policy committee consisting of parents of students attending the school, teachers, and school employees and a proposed form for a contract between a charter school and the local school board, setting out the contract elements required under AS 14.03.255(c).

(b) The decision of a local school board approving or denying the application for a charter school must be in writing and must include all relevant findings of fact

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and conclusions of law.

(c) If a local school board approves an application for a charter school, the local school board shall forward the application to the state Board of Education and Early Development for review and approval.

(d) If a local school board denies an application for a charter school, the applicant may appeal the denial to the commissioner. The appeal to the commissioner shall be filed not later than 60 days after the local school board issues its written decision of denial. The commissioner shall review the local school board's decision to consider whether the findings of fact are supported by substantial evidence and whether the decision is contrary to law.

(e) The commissioner shall forward the application and the written recommendations of the commissioner to the state Board of Education and Early Development for review and approval. The application shall be forwarded not later than 30 days after the commissioner issues written recommendations. The state Board of Education and Early Development shall exercise independent judgment in evaluating the application.

* Sec. 7. AS 14.03 is amended by adding a new section to read:

Sec. 14.03.253. Charter school application appeal. In an appeal to the commissioner under AS 14.03.250, the commissioner shall review the record before the local school board. The commissioner may request written supplementation of the record from the applicant or the local school board. After receiving the commissioner's recommendations, the state Board of Education and Early Development may

(1) remand the appeal to the local school board for further review;

(2) approve the charter school application; or

(3) uphold the decision denying the charter school application.

* Sec. 8. AS 14.03.255(a) is amended to read:

(a) A charter school operates as a school in the local school district except that the charter school (1) is exempt from the local school district's textbook, program, curriculum, and scheduling requirements; (2) is exempt from AS 14.14.130(c); the principal of the charter school shall be selected by the academic policy committee and shall select, appoint, or otherwise supervise employees of the charter school; and (3)

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operates under the charter school's annual program budget as set out in the contract between the local school board and the charter school under (c) of this section. A local school board may exempt a charter school from other local school district requirements if the exemption is set out in the contract. A charter school is subject to [SECONDARY SCHOOL COMPETENCY TESTING AS PROVIDED IN AS 14.03.075 AND OTHER COMPETENCY] tests required by the department.

* Sec. 9. AS 14.03.260(a) is amended to read:

(a) A local school board shall provide an approved charter school with an annual program budget. The budget shall be not less than the amount generated by the students enrolled in the charter school less administrative costs retained by the local school district, determined by applying the indirect cost rate approved by the Department of Education and Early Development. The "amount generated by students enrolled in the charter school" is to be determined in the same manner as it would be for a student enrolled in another public school in that school district <u>and includes funds generated by special needs under AS 14.17.420(a)(1) and secondary school vocational and technical instruction under AS 14.17.420(a)(3). A school district shall direct state aid under AS 14.11 for the construction or major maintenance of a charter school facility to the charter school that generated the state aid, subject to the same terms and conditions that apply to state aid under AS 14.11 for construction or major maintenance of a school facility that is not a charter school.</u>

* Sec. 10. AS 14.07.020(a)(16) is amended to read:

(16) establish by regulation criteria, based on low student performance, under which the department may intervene in a school district to improve instructional practices, as described in AS 14.07.030(14) or (15); the regulations must include

(A) a notice provision that alerts the district to the deficiencies and the instructional practice changes proposed by the department;

(B) an end date for departmental intervention, as described in AS 14.07.030(14)(A) and (B) and (15), after the district demonstrates three consecutive years of improvement consisting of not less than two percent increases in student proficiency on standards-based assessments in

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1	mathemati	cs and language art	ts [, READING, AND W	RITING] as provided
2		03.123(f)(2)(A); and		
3		(C) a process	for districts to petition	the department for
4	continuing	or discontinuing the	department's intervention;	,
5	* Sec. 11. AS 14.07.020	(b) is amended to rea	ad:	
6	(b) In imp	elementing its duties u	under (a)(2) of this section	, the department shall
7	develop			
8	(1)	performance standa	rds in language arts [RE	ADING, WRITING,]
9	and mathematics	to be met at designate	ed age levels by each stud	dent in public schools
10	in the state; and			
11	(2)	a comprehensive	system of student assess	sments, composed of
12	multiple indicator	rs of proficiency in	language arts [READIN	NG, WRITING,] and
13	mathematics; this	comprehensive system	m must	
14		(A) be made av	vailable to all districts and	l regional educational
15	attendance	areas;		
16		(B) include a	developmental profile f	for students entering
17	kindergart	en or first grade; and		
18		(C) include	performance standards	in language arts
19	[READIN	G, WRITING,] and	mathematics for student	s in age groups five
20	through se	ven, eight through 10	, and 11 - 14.	
21	* Sec. 12. AS 14.09.010) is amended by addir	ng new subsections to read	1:
22	(e) A sch	ool district that prov	vides transportation servic	ces under this section
23	shall provide tran	sportation services to	students attending a chart	ter school operated by
24	the district under	a policy adopted by th	ne district. The policy mus	t
25	(1)	be developed with	input solicited from indiv	viduals involved with
26	the charter school	, including staff, stude	ents, and parents;	
27	(2)	at a minimum, prov	ide transportation services	s for students enrolled
28	in the charter sci	nool on a space ava	ilable basis along the re	egular routes that the
29	students attending	schools in an attenda	ance area in the district are	e transported; and
30	(3)	be approved by the o	department.	
31	(f) If a s	chool district fails to	o adopt a policy under (e	e) of this section, the

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1	school dist	rict shall allocate the amount received for each str	udent under (a) of this
2	section to e	ach charter school operated by the district based on	the number of students
3	enrolled in	the charter school.	
4	(g)	Nothing in (e) of this section requires a scho	ol district to establish
5	dedicated t	ransportation routes for the exclusive use of studen	ts enrolled in a charter
6	school or a	uthorizes a charter school to opt out of a policy adoption of a policy adoption of the school to opt out of a policy adoption of the school to opt out of the school to opt opt out of the school to	pted by a school district
7	for the purp	ose of acquiring transportation funding.	
8	* Sec. 13. AS 14	.11.100(a) is amended to read:	
9	(a)	During each fiscal year, the state shall allocate to	a municipality that is a
10	school distr	ict the following sums:	
11		(1) payments made by the municipality during t	he fiscal year two years
12	earlier for t	he retirement of principal and interest on outstandin	g bonds, notes, or other
13	indebtednes	ss incurred before July 1, 1977, to pay costs of school	ol construction;
14		(2) 90 percent of	
15		(A) payments made by the municipality	y during the fiscal year
16	two	years earlier for the retirement of principal and	interest on outstanding
17	bon	ds, notes, or other indebtedness incurred after Jun	e 30, 1977, and before
18	July	1, 1978, to pay costs of school construction;	
19		(B) cash payments made after June 30, 1	1976, and before July 1,
20	197	8, by the municipality during the fiscal year two ye	ears earlier to pay costs
21	of s	chool construction;	
22		(3) 90 percent of	
23		(A) payments made by the municipality	y during the fiscal year
24	two	years earlier for the retirement of principal and	interest on outstanding
25	bon	ds, notes, or other indebtedness incurred after Jun	e 30, 1978, and before
26	Janu	hary 1, 1982, to pay costs of school construction p	rojects approved under
27	AS	14.07.020(a)(11);	
28		(B) cash payments made after June 30, 1	1978, and before July 1,
29		2, by the municipality during the fiscal year two ye	
30	of s	chool construction projects approved under AS 14.0	
31		(4) subject to (h) and (i) of this section, up to 90	percent of
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		New Text Underlined [DELETED TEXT BRACKETE]	· · · · ·

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(A) payments made by the municipality during the current 1 2 fiscal year for the retirement of principal and interest on outstanding bonds, 3 notes, or other indebtedness incurred after December 31, 1981, and authorized by the qualified voters of the municipality before July 1, 1983, to pay costs of 4 5 school construction, additions to schools, and major rehabilitation projects that exceed \$25,000 and are approved under AS 14.07.020(a)(11); 6 7 (B) cash payments made after June 30, 1982, and before July 1, 8 1983, by the municipality during the fiscal year two years earlier to pay costs 9 of school construction, additions to schools, and major rehabilitation projects 10 that exceed \$25,000 and are approved under AS 14.07.020(a)(11); and 11 (C) payments made by the municipality during the current 12 fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness to pay costs of school construction, additions to 13 14 schools, and major rehabilitation projects that exceed \$25,000 and are 15 submitted to the department for approval under AS 14.07.020(a)(11) before July 1, 1983, and approved by the qualified voters of the municipality before 16 17 October 15, 1983, not to exceed a total project cost of (i) \$6,600,000 if the 18 annual growth rate of average daily membership of the municipality is more 19 than seven percent but less than 12 percent, or (ii) \$20,000,000 if the annual 20 growth rate of average daily membership of the municipality is 12 percent or 21 more; payments made by a municipality under this subparagraph on total 22 project costs that exceed the amounts set out in (i) and (ii) of this subparagraph 23 are subject to (5)(A) of this subsection; 24 (5) subject to (h) - (j) of this section, 80 percent of 25 (A) payments made by the municipality during the fiscal year 26 for the retirement of principal and interest on outstanding bonds, notes, or 27 other indebtedness authorized by the qualified voters of the municipality 28 (i) after June 30, 1983, but before March 31, 1990, to 29 pay costs of school construction, additions to schools, and major 30 rehabilitation projects that exceed \$25,000 and are approved under

AS 14.07.020(a)(11); or

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(ii) before July 1, 1989, and reauthorized before November 1, 1989, to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$25,000 and are approved under AS 14.07.020(a)(11); and

(B) cash payments made after June 30, 1983, by the municipality during the fiscal year two years earlier to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$25,000 and are approved by the department before July 1, 1990, under AS 14.07.020(a)(11);

(6) subject to (h) - (j) and (m) of this section, 70 percent of payments made by the municipality during the fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after April 30, 1993, but before July 1, 1996, to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$200,000 and are approved under AS 14.07.020(a)(11);

(7) subject to (h) - (j) and (m) of this section, 70 percent of payments made by the municipality during the fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness authorized by the qualified voters of the municipality after March 31, 1990, but before April 30, 1993, to pay costs of school construction, additions to schools, and major rehabilitation projects;

(8) subject to (h), (i), (j)(2) - (5), and (n) of this section and after projects funded by the bonds, notes, or other indebtedness have been approved by the commissioner, 70 percent of payments made by the municipality during the fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after July 1, 1995, but before July 1, 1998, to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$200,000 and are approved under AS 14.07.020(a)(11);

(9) subject to (h), (i), (j)(2) - (5), and (n) of this section and after projects funded by the bonds, notes, or other indebtedness have been approved by the commissioner, 70 percent of payments made by the municipality during the fiscal year

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for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after July 1, 1998, but before July 1, 2006, to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$200,000 and are approved under AS 14.07.020(a)(11);

(10) subject to (h), (i), (j)(2) - (5), and (o) of this section, and after projects funded by the bonds, notes, or other indebtedness have been approved by the commissioner, 70 percent of payments made by the municipality during the fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after June 30, 1998, to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n) of this section;

(11) subject to (h), (i), and (j)(2) - (5) of this section, and after projects funded by the bonds, notes, or other indebtedness have been approved by the commissioner, 70 percent of payments made by a municipality during the fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after June 30, 1999, but before January 1, 2005, to pay costs of school construction, additions to schools, and major rehabilitation projects and education-related facilities that exceed 200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this section;

(12) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent of payments made by a municipality during the fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after June 30, 1999, but before January 1, 2005, to pay costs of school construction, additions to schools, and major rehabilitation projects and education-related facilities that exceed \$200,000, are reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this section;

(13) subject to (h), (i), (j)(2) - (5), and (p) of this section, and after

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projects funded by the tax exempt bonds, notes, or other indebtedness have been approved by the commissioner, 70 percent of payments made by a municipality during the fiscal year for the retirement of principal and interest on outstanding tax exempt bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after June 30, 1999, but before October 31, 2006, to pay costs of school construction, additions to schools, and major rehabilitation projects and education-related facilities that exceed \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this section;

(14) subject to (h), (i), (j)(2), (3), and (5), and (p) of this section, 60 percent of payments made by a municipality during the fiscal year for the retirement of principal and interest on outstanding tax exempt bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after June 30, 1999, but before October 31, 2006, to pay costs of school construction, additions to schools, and major rehabilitation projects and education-related facilities that exceed \$200,000, are reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this section;

(15) subject to (h), (i), (j)(2) - (5), and (q) of this section, and after projects funded by the bonds, notes, or other indebtedness have been approved by the commissioner, 90 percent of payments made by a municipality during the fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after June 30, 1999, but before October 31, 2006, to pay costs of school construction, additions to schools, and major rehabilitation projects and education-related facilities that exceed 200,000, are approved under AS 14.07.020(a)(11), meet the 10 percent participating share requirement for a municipal school district under the former participating share amounts required under AS 14.11.008(b), and are not reimbursed under (n) or (o) of this section;

(16) subject to (h), (i), and (j)(2) - (5) of this section, and after projects funded by the tax exempt bonds, notes, or other indebtedness have been approved by the commissioner, 70 percent of payments made by a municipality during the fiscal year for the retirement of principal and interest on outstanding tax exempt bonds,

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notes, or other indebtedness authorized by the qualified voters of the municipality on or after October 1, 2006, to pay costs of school construction, additions to schools, and major rehabilitation projects and education-related facilities that exceed \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (o) of this section;

(17) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent of payments made by a municipality during the fiscal year for the retirement of principal and interest on outstanding tax exempt bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after October 1, 2006, to pay costs of school construction, additions to schools, and major rehabilitation projects and education-related facilities that exceed \$200,000, are reviewed under AS 14.07.020(a)(11), and are not reimbursed under (o) of this section;

(18) subject to (h), (i), and (j)(2) - (5) of this section, and after projects funded by the tax exempt bonds, notes, or other indebtedness have been approved by the commissioner, 80 percent of payments made by a municipality during the fiscal year for the retirement of principal and interest on outstanding tax exempt bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after June 30, 2014, to pay costs of school construction, additions to schools, and major rehabilitation projects and education-related facilities that exceed \$200,000, are approved under AS 14.07.020(a)(11), are less than the 20 percent participating share requirement for a municipal school district under AS 14.11.008(b), and are not reimbursed under (n) or (o) of this section.

* Sec. 14. AS 14.16 is amended by adding a new section to article 2 to read:

Sec. 14.16.100. Application for residential school. A school district shall apply to the department for approval to establish and operate a statewide or district-wide residential school. The department shall accept applications during an open application period conducted annually. A period of open application in itself does not indicate that the department will approve the establishment of a new residential school.

* Sec. 15. AS 14.16.200(b) is amended to read:

(b) Costs that may be claimed by a district for reimbursement under (a) of this

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section are 1 2 (1) one round trip on the least expensive means of transportation 3 between the student's community of residence and the school during the school year if 4 the district expends money for the trip; and 5 (2) a per-pupil monthly stipend to cover room and board expenses as determined by the department on a regional basis and not to exceed the following 6 7 amounts: 8 (A) for the Southeast Region (Region I), **\$1,230** [\$820]; 9 (B) for the Southcentral Region (Region II), **\$1,200** [\$800]; 10 (C) for the Interior Region (Region III), **\$1,452** [\$968]; 11 (D) for the Southwest Region (Region IV), **\$1,509** [\$1,006]; 12 (E) for the Northern Remote Region (Region V), \$1,776 13 [\$1,184]. * Sec. 16. AS 14.17.450(d) is amended to read: 14 15 (d) If a charter school has a student count of more than 74 [120] but less than 16 150 for the current year and is in the first three years [YEAR] of operation or had a 17 student count of at least 75 [150 OR MORE] in the previous year of operation, 18 (1) the adjusted student count for the school shall be calculated by 19 multiplying the student count by [95 PERCENT OF] the student rate for a school that 20 has a student count of 150; and 21 (2) not later than February 15, the charter school shall submit for 22 approval of the governing board of the district a plan for the following school year that 23 includes a statement about whether the school will continue to operate if the student 24 count remains the same that year and, if so, a projection of the funding anticipated 25 from the state and other sources, a proposed budget, and a description of anticipated 26 changes to the school staff, program, and curriculum; if the school intends to close if 27 the student count remains the same the following year, the plan must describe transfer 28 plans for students, staff, facilities, and materials. 29 * Sec. 17. AS 14.17.470 is amended to read: 30 Sec. 14.17.470. Base student allocation. The base student allocation is \$5,765 31 [\$5,680].

	WORK DRAFT	WORK DRAFT	28-GS2716\N	
1	* Sec. 18. AS 14.17.470, as amended by sec. 17 of this Act, is amended to read:			
2	Sec. 14.17.470. Base student allocation. The base student allocation is \$5,823			
3	[\$5,765].			
4	* Sec. 19. AS 14.17.470	, as amended by secs. 17 and 18 of this Act, is a	amended to read:	
5	Sec. 14.17.	470. Base student allocation. The base studen	t allocation is <u>\$5,881</u>	
6	[\$5,823].			
7	* Sec. 20. AS 23.15.835	(a) is amended to read:		
8	(a) In the r	nanner provided in AS 23.20 and for the benef	it of the program, the	
9	department shall c	ollect from each employee an amount equal to	• <u>.16</u> [.15] percent of	
10	the wages, as set	out in AS 23.20.175, on which the employee	is required to make	
11	contributions unde	r AS 23.20.290(d). The department shall remit	to the Department of	
12	Revenue, in accord	ance with AS 37.10.050, money collected under	er this subsection.	
13	* Sec. 21. AS 23.15.835	(d) is amended to read:		
14	(d) Notwithstanding AS 23.15.840(a), for the fiscal years ending June 30,			
15	2015 [2009], through June 30, 2017 [2014], the money collected under this section or			
16	otherwise appropriated to the Alaska Workforce Investment Board, formerly known as			
17	the Alaska Human Resource Investment Council, shall be allocated directly in the			
18	following percenta	ages to the following institutions for progra	ams consistent with	
19	AS 23.15.820 - 23.	15.850 and capital improvements:		
20	University	of Alaska	<u>46</u> [45] percent	
21	[UNIVERS	ITY OF ALASKA SOUTHEAST	5 PERCENT]	
22	Galena <u>Inte</u>	erior Learning Academy [PROJECT	4 percent	
23	EDUC	ATION VOCATIONAL TRAINING CENTER	R]	
24	<u>Alaska</u> [K0	DTZEBUE] Technical Center	9 percent	
25	Alaska Voc	ational Technical Center	17 percent	
26	Northweste	rn Alaska Career and Technical Center	3 percent	
27	Southwest A	Alaska Vocational and Education Center	3 percent	
28	Yuut Elitna	urviat, Inc. People's Learning Center	9 percent	
29	Partners fo	or Progress in Delta, Inc. [DELTA CAREER	3 percent	
30	ADVA	NCEMENT CENTER]		
31	<u>Amundsen</u>	Educational Center [NEW FRONTIER	2 percent	

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	WORK DRAFT	WORK DRAFT	28-GS2716\N
1		VOCATIONAL TECHNICAL CENTER]	
2	<u>S</u>	outhern Southeast Alaska Technical Education Center	<u>2 percent</u>
3	<u>s</u>	outheast Career Consortium	<u>2 percent</u>
4	* Sec. 22. AS	23.15.835(e) is amended to read:	
5	(6	e) The institutions receiving funding under (d) of this section	shall provide an
6	expendit	ure and performance report to the department by November	r 1 of each year
7	that inclu	ides [THE]	
8		(1) <u>the</u> percentage of former participants in the program	n who have jobs
9	one year	after leaving the program;	
10		(2) <u>the</u> median wage of former participants seven to	12 months after
11	leaving t	he program;	
12		(3) <u>the</u> percentage of former participants who were	employed after
13	leaving	the program who received training under the program that	was related or
14	somewhat	at related to the former participants' jobs seven to 12 months	after leaving the
15	program	;	
16		(4) <u>the</u> percentage of former participants who indicate	te some level of
17	satisfacti	on with the training received under the program; [AND]	
18		(5) <u>the</u> percentage of employers who indicate satisf	faction with the
19	services	provided through the program:	
20		(6) a description of each vocational education	course funded
21	<u>through</u>	the allocation set out in (d) of this section that perm	<u>its high school</u>
22	students	to earn dual credit upon course completion, and the n	umber of high
23	<u>school st</u>	tudents who earned dual credit in the past year;	
24		(7) a copy of any articulation agreement establish	<u>ed under (g) of</u>
25	<u>this sect</u>	ion that either was in effect for the preceding year or is in	process for the
26	<u>next yea</u>	ar of funding, and the number of high school students w	ho earned dual
27	<u>credit u</u>	nder each articulation agreement; and	
28		(8) other performance and financial information, as	determined by
29		rtment, to verify the performance of the program.	
30		23.15.835 is amended by adding new subsections to read:	
31		g) The institutions receiving funding under (d) of this sectio	n shall establish
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WORK DRAFT

and maintain at least one articulation agreement under which dual credit may be 1 2 earned by high school students upon completion of a vocational education course. 3 (h) An institution's failure to comply with (e) or (g) of this section shall result in a withholding penalty of 20 percent of the funding allocated under (d) of this 4 5 section in the following year. * Sec. 24. AS 23.15.850 is amended by adding new paragraphs to read: 6 7 (3) "articulation agreement" means a dual-credit partnership between a 8 school district and an institution receiving funding under AS 23.15.835(d) that 9 describes vocational education courses, student eligibility, course location, academic 10 policies, student support services, credit on a student's transcript, funding, and other 11 items required by the partnering institutions; 12 (4) "dual credit" means simultaneous high school credit and credit 13 toward a career or vocational certification. * Sec. 25. AS 43.20.014(a) is amended to read: 14 15 (a) A taxpayer is allowed a credit against the tax due under this chapter for 16 cash contributions accepted for 17 direct instruction, research, and educational support purposes, (1)18 including library and museum acquisitions and operations, and contributions to 19 endowment, by an Alaska university foundation or by a nonprofit, public or private, 20 Alaska two-year or four-year college accredited by a regional accreditation 21 association: 22 (2) secondary school level vocational education courses, programs, and 23 facilities by a school district in the state; 24 (3) vocational education courses, programs, and facilities by a state-25 operated vocational technical education and training school or a nonprofit tribal 26 organization; 27 (4) a facility [OR AN ANNUAL INTERCOLLEGIATE SPORTS 28 TOURNAMENT] by a nonprofit, public or private, Alaska two-year or four-year 29 college accredited by a regional accreditation association; 30 Alaska Native cultural or heritage programs and educational (5)31 support, including mentoring and tutoring, provided by a nonprofit agency for public

1	school staff and for students who are in grades kindergarten through 12 in the state;
2	(6) education, research, rehabilitation, and facilities by an institution
3	that is located in the state and that qualifies as a coastal ecosystem learning center
4	under the Coastal America Partnership established by the federal government; [AND]
5	(7) the Alaska higher education investment fund under AS 37.14.750;
6	(8) funding a scholarship awarded by a nonprofit organization to a
7	dual-credit student to defray the cost of a dual-credit course, including the cost of
8	(A) tuition and textbooks;
9	(B) registration, course, and programmatic student fees;
10	(C) on-campus room and board at the postsecondary
11	institution in the state that provides the dual-credit course;
12	(D) transportation costs to and from a residential school
13	approved by the Department of Education and Early Development under
14	AS 14.16.200 or the postsecondary school in the state that provides the
15	dual-credit course; and
16	(E) other related educational and programmatic costs;
17	(9) constructing, operating, or maintaining a residential housing
18	facility by a residential school approved by the Department of Education and
19	Early Development under AS 14.16.200;
20	(10) childhood early learning and development programs and
21	educational support to childhood early learning and development programs
22	provided by a nonprofit corporation organized under AS 10.20, a tribal entity, or
23	a school district in the state, by the Department of Education and Early
24	Development, or through a state grant; and
25	(11) the operations of a nonprofit organization dedicated to
26	providing educational opportunities that promote the legacy of public service
27	contributions to the state and perpetuate ongoing educational programs that
28	foster public service leadership for future generations of residents of the state.
29	* Sec. 26. AS 43.20.014(a), as amended by sec. 14, ch. 92, SLA 2010, sec. 14, ch. 7,
30	FSSLA 2011, and sec. 15, ch. 74, SLA 2012, is amended to read:
31	(a) A taxpayer is allowed a credit against the tax due under this chapter for

	WORK	DRAFT WORK DRAFT 28-GS2716\N
1		cash contributions accepted
2		(1) for direct instruction, research, and educational support purposes,
3		including library and museum acquisitions and operations, and contributions to
4		endowment, by an Alaska university foundation or by a nonprofit, public or private,
5		Alaska two-year or four-year college accredited by a regional accreditation
6		association;
7		(2) for secondary school level vocational education courses and
8		programs by a school district in the state;
9		(3) by a state-operated vocational technical education and training
10		school; [AND]
11		(4) for the Alaska higher education investment fund under
12		AS 37.14.750 <u>:</u>
13		(5) for funding a scholarship awarded by a nonprofit organization
14		to a dual-credit student to defray the cost of a dual-credit course, including the
15		<u>cost of</u>
16		(A) tuition and textbooks;
17		(B) registration, course, and programmatic student fees;
18		(C) on-campus room and board at the postsecondary
19		institution in the state that provides the dual-credit course;
20		(D) transportation costs to and from a residential school
21		approved by the Department of Education and Early Development under
22		AS 14.16.200 or the postsecondary school in the state that provides the
23		dual-credit course; and
24		(E) other related educational and programmatic costs;
25 26		(6) for constructing, operating, or maintaining a residential
26 27		housing facility by a residential school approved by the Department of Education
27 28		and Early Development under AS 14.16.200;
28 20		(7) for childhood early learning and development programs and
29 20		educational support to childhood early learning and development programs
30 31		provided by a nonprofit corporation organized under AS 10.20, a tribal entity, or a school district in the state by the Department of Education and Early
31		a school district in the state, by the Department of Education and Early

	WORK DRAFT	WORK DRAFT	28-GS2716\N
1	Development, o	r through a state grant; and	
2	<u>(8</u>) for the operations of a nonprofit organiz	zation dedicated to
3	providing educ	ational opportunities that promote the legac	y of public service
4	<u>contributions</u> to	o the state and perpetuate ongoing education	onal programs that
5	<u>foster public ser</u>	vice leadership for future generations of resid	<u>ents of the state</u> .
6	* Sec. 27. AS 43.20.01	4(f) is amended by adding new paragraphs to rea	ıd:
7	(3) "dual-credit student" means a secondary leve	l student in the state
8	who simultaneou	sly earns college and high school credit for a cou	rse;
9	(4) "nonprofit organization" means a charita	able or educational
10	organization in	the state that is exempt from taxation under	26 U.S.C. 501(c)(3)
11	(Internal Revenu	e Code).	
12	* Sec. 28. AS 43.65.01	8(a) is amended to read:	
13	(a) A per	rson engaged in the business of mining in the sta	te is allowed a credit
14	against the tax d	e under this chapter for cash contributions accep	ted for
15	(1) direct instruction, research, and educationa	al support purposes,
16	including library	and museum acquisitions and operations, a	and contributions to
17	endowment, by	an Alaska university foundation or by a nonprof	fit, public or private,
18	Alaska two-yea	r or four-year college accredited by a re-	gional accreditation
19	association;		
20	(2) secondary school level vocational education co	ourses, programs, and
21	facilities by a sch	nool district in the state;	
22	(3) vocational education courses, programs, and	facilities by a state-
23	operated vocation	nal technical education and training school or	<u>' a nonprofit tribal</u>
24	<u>organization;</u>		
25	(4) a facility [OR AN ANNUAL INTERCOL	LEGIATE SPORTS
26	TOURNAMENT] by a nonprofit, public or private, Alaska tv	vo-year or four-year
27	college accredite	d by a regional accreditation association;	
28	(5) Alaska Native cultural or heritage progra	ms and educational
29	support, includir	g mentoring and tutoring, provided by a nonpro	fit agency for public
30	school staff and	for students who are in grades kindergarten throug	gh 12 in the state;
31	(6) education, research, rehabilitation, and facilit	ties by an institution
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1	that is located in the state and that qualifies as a coastal ecosystem learning center
2	under the Coastal America Partnership established by the federal government; [AND]
3	(7) the Alaska higher education investment fund under AS 37.14.750 <u>;</u>
4	(8) funding a scholarship awarded by a nonprofit organization to a
5	dual-credit student to defray the cost of a dual-credit course, including the cost of
6	(A) tuition and textbooks;
7	(B) registration, course, and programmatic student fees;
8	(C) on-campus room and board at the postsecondary
9	institution in the state that provides the dual-credit course;
10	(D) transportation costs to and from a residential school
11	approved by the Department of Education and Early Development under
12	AS 14.16.200 or the postsecondary school in the state that provides the
13	dual-credit course; and
14	(E) other related educational and programmatic costs;
15	(9) constructing, operating, or maintaining a residential housing
16	facility by a residential school approved by the Department of Education and
17	Early Development under AS 14.16.200;
18	(10) childhood early learning and development programs and
19	educational support to childhood early learning and development programs
20	provided by a nonprofit corporation organized under AS 10.20, a tribal entity, or
21	a school district in the state, by the Department of Education and Early
22	Development, or through a state grant; and
23	(11) the operations of a nonprofit organization dedicated to
24	providing educational opportunities that promote the legacy of public service
25	contributions to the state and perpetuate ongoing educational programs that
26	foster public service leadership for future generations of residents of the state.
27	* Sec. 29. AS 43.65.018(a), as amended by sec. 35, ch. 92, SLA 2010, sec. 14, ch. 7,
28	FSSLA 2011, and sec. 21, ch. 74, SLA 2012, is amended to read:
29	(a) A person engaged in the business of mining in the state is allowed a credit
30	against the tax due under this chapter for cash contributions accepted
31	(1) for direct instruction, research, and educational support purposes,
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	WORK	DRAFT WORK DRAFT 28-GS2716\N
1		including library and museum acquisitions and operations, and contributions to
2		endowment, by an Alaska university foundation or by a nonprofit, public or private,
3		Alaska two-year or four-year college accredited by a regional accreditation
4		association;
5		(2) for secondary school level vocational education courses and
6		programs by a school district in the state;
7		(3) by a state-operated vocational technical education and training
8		school; [AND]
9		(4) for the Alaska higher education investment fund under
10		AS 37.14.750 <u>;</u>
11		(5) for funding a scholarship awarded by a nonprofit organization
12		to a dual-credit student to defray the cost of a dual-credit course, including the
13		<u>cost of</u>
14		(A) tuition and textbooks;
15		(B) registration, course, and programmatic student fees;
16		(C) on-campus room and board at the postsecondary
17		institution in the state that provides the dual-credit course;
17 18		<u>institution in the state that provides the dual-credit course;</u> (D) transportation costs to and from a residential school
18		(D) transportation costs to and from a residential school
18 19		(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under
18 19 20		(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the
18 19 20 21		(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and
18 19 20 21 22		(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and (E) other related educational and programmatic costs;
 18 19 20 21 22 23 		(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and (E) other related educational and programmatic costs; (6) for constructing, operating, or maintaining a residential
 18 19 20 21 22 23 24 		(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and (E) other related educational and programmatic costs; (6) for constructing, operating, or maintaining a residential housing facility by a residential school approved by the Department of Education
 18 19 20 21 22 23 24 25 		(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and (E) other related educational and programmatic costs; (6) for constructing, operating, or maintaining a residential housing facility by a residential school approved by the Department of Education and Early Development under AS 14.16.200;
 18 19 20 21 22 23 24 25 26 		(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and (E) other related educational and programmatic costs; (6) for constructing, operating, or maintaining a residential housing facility by a residential school approved by the Department of Education and Early Development under AS 14.16.200; (7) for childhood early learning and development programs and
 18 19 20 21 22 23 24 25 26 27 		(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and (E) other related educational and programmatic costs; (6) for constructing, operating, or maintaining a residential housing facility by a residential school approved by the Department of Education and Early Development under AS 14.16.200; (7) for childhood early learning and development programs and educational support to childhood early learning and development programs
 18 19 20 21 22 23 24 25 26 27 28 29 30 		(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and (E) other related educational and programmatic costs; (6) for constructing, operating, or maintaining a residential housing facility by a residential school approved by the Department of Education and Early Development under AS 14.16.200; (7) for childhood early learning and development programs and educational support to childhood early learning and development programs provided by a nonprofit corporation organized under AS 10.20, a tribal entity, or a school district in the state, by the Department of Education and Early Development, or through a state grant; and
 18 19 20 21 22 23 24 25 26 27 28 29 		(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and (E) other related educational and programmatic costs; (6) for constructing, operating, or maintaining a residential housing facility by a residential school approved by the Department of Education and Early Development under AS 14.16.200; (7) for childhood early learning and development programs and educational support to childhood early learning and development programs provided by a nonprofit corporation organized under AS 10.20, a tribal entity, or a school district in the state, by the Department of Education and Early
 18 19 20 21 22 23 24 25 26 27 28 29 30 		(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and (E) other related educational and programmatic costs; (6) for constructing, operating, or maintaining a residential housing facility by a residential school approved by the Department of Education and Early Development under AS 14.16.200; (7) for childhood early learning and development programs and educational support to childhood early learning and development programs provided by a nonprofit corporation organized under AS 10.20, a tribal entity, or a school district in the state, by the Department of Education and Early Development, or through a state grant; and

	WORK	DRAFT	WORK DRAFT	28-GS2716\N
1		providing education	onal opportunities that promote the legacy	<u>of public service</u>
2			he state and perpetuate ongoing educationa	
3		foster public servic	e leadership for future generations of residen	ts of the state.
4	* See	c. 30. AS 43.65.018(1) is amended by adding new paragraphs to read:	
5		(3)	"dual-credit student" means a secondary level s	tudent in the state
6		who simultaneously	earns college and high school credit for a course	· · · · · · · · · · · · · · · · · · ·
7		(4)	"nonprofit organization" means a charitabl	e or educational
8		organization in the	state that is exempt from taxation under 26	U.S.C. 501(c)(3)
9		(Internal Revenue C	lode).	
10	* See	c. 31. AS 43.75.018(a	a) is amended to read:	
11		(a) A person	n engaged in a fisheries business is allowed a cre	dit against the tax
12		due under this chapt	er for cash contributions accepted for	
13		(1)	direct instruction, research, and educational	support purposes,
14		including library a	nd museum acquisitions and operations, and	l contributions to
15		endowment, by an	Alaska university foundation or by a nonprofit,	public or private,
16		Alaska two-year	or four-year college accredited by a region	onal accreditation
17		association;		
18		(2) s	econdary school level vocational education cour	ses, programs, and
19		facilities by a schoo	l district in the state;	
20		(3)	vocational education courses, programs, and fa	cilities by a state-
21		operated vocational	technical education and training school or a	nonprofit tribal
22		<u>organization;</u>		
23		(4)	a facility [OR AN ANNUAL INTERCOLLE	GIATE SPORTS
24		TOURNAMENT]	by a nonprofit, public or private, Alaska two-	year or four-year
25		college accredited b	y a regional accreditation association;	
26		(5)	Alaska Native cultural or heritage programs	and educational
27		support, including r	nentoring and tutoring, provided by a nonprofit	agency for public
28		school staff and for	students who are in grades kindergarten through	12 in the state;
29		(6)	education, research, rehabilitation, and facilities	s by an institution
30		that is located in the	he state and that qualifies as a coastal ecosyste	m learning center
31		under the Coastal A	merica Partnership established by the federal gov	vernment; [AND]

	WORK DRAFT WORK DRAFT 28-GS2	2716\N
1	(7) the Alaska higher education investment fund under AS 37.14.	.750 <u>;</u>
2	(8) funding a scholarship awarded by a nonprofit organizatio	on to a
3	dual-credit student to defray the cost of a dual-credit course, including the c	cost of
4	(A) tuition and textbooks;	
5	(B) registration, course, and programmatic student fee	es;
6	(C) on-campus room and board at the postsecon	ndary
7	institution in the state that provides the dual-credit course;	
8	(D) transportation costs to and from a residential s	school
9	approved by the Department of Education and Early Development	under
10	AS 14.16.200 or the postsecondary school in the state that provide	es the
11	dual-credit course; and	
12	(E) other related educational and programmatic costs;	2
13	(9) constructing, operating, or maintaining a residential ho	ousing
14	facility by a residential school approved by the Department of Education	n and
15	Early Development under AS 14.16.200;	
16	(10) childhood early learning and development programs	s and
17	educational support to childhood early learning and development prog	grams
18	provided by a nonprofit corporation organized under AS 10.20, a tribal enti	<u>ity, or</u>
19	<u>a school district in the state, by the Department of Education and</u>	<u>Early</u>
20	Development, or through a state grant; and	
21	(11) the operations of a nonprofit organization dedicat	<u>ed to</u>
22	providing educational opportunities that promote the legacy of public set	ervice
23	contributions to the state and perpetuate ongoing educational programs	s that
24	foster public service leadership for future generations of residents of the stat	<u>te</u> .
25	* Sec. 32. AS 43.75.018(a), as amended by sec. 42, ch. 92, SLA 2010, sec. 14,	ch. 7,
26	FSSLA 2011, and sec. 23, ch. 74, SLA 2012, is amended to read:	
27	(a) A person engaged in a fisheries business is allowed a credit against t	the tax
28	due under this chapter for cash contributions accepted	
29	(1) for direct instruction, research, and educational support pur	poses,
30	including library and museum acquisitions and operations , and contribution	ons to
31	endowment, by an Alaska university foundation or by a nonprofit, public or pa	rivate,
	-25- CSSB 139 New Text Underlined [DELETED TEXT BRACKETED]	(EDC)

WORK DRAFT WORK DRAFT 28-GS2716\N Alaska two-year or four-year college accredited by a regional accreditation 1 2 association; for secondary school level vocational education courses and 3 (2)programs by a school district in the state; 4 (3) by a state-operated vocational technical education and training 5 school; [AND] 6 7 (4)for the Alaska higher education investment fund under 8 AS 37.14.750; 9 (5) for funding a scholarship awarded by a nonprofit organization 10 to a dual-credit student to defray the cost of a dual-credit course, including the 11 cost of 12 (A) tuition and textbooks; (B) registration, course, and programmatic student fees; 13 14 (C) on-campus room and board at the postsecondary 15 institution in the state that provides the dual-credit course; (D) transportation costs to and from a residential school 16 17 approved by the Department of Education and Early Development under 18 AS 14.16.200 or the postsecondary school in the state that provides the 19 dual-credit course; and 20 (E) other related educational and programmatic costs; (6) for constructing, operating, or maintaining a residential 21 22 housing facility by a residential school approved by the Department of Education 23 and Early Development under AS 14.16.200; 24 (7) for childhood early learning and development programs and educational support to childhood early learning and development programs 25 26 provided by a nonprofit corporation organized under AS 10.20, a tribal entity, or 27 a school district in the state, by the Department of Education and Early 28 **Development, or through a state grant; and** 29 (8) for the operations of a nonprofit organization dedicated to 30 providing educational opportunities that promote the legacy of public service 31 contributions to the state and perpetuate ongoing educational programs that

1	foster public service leadership for future generations of residents of the state.	
2	* Sec. 33. AS 43.75.018(f) is amended by adding new paragraphs to read:	
3	(3) "dual-credit student" means a secondary level student in the state	
4	who simultaneously earns college and high school credit for a course;	
5	(4) "nonprofit organization" means a charitable or educational	
6	organization in the state that is exempt from taxation under 26 U.S.C. 501(c)(3	
7	(Internal Revenue Code).	
8	* Sec. 34. AS 43.77.045(a) is amended to read:	
9	(a) In addition to the credit allowed under AS 43.77.040, a person engaged in	
10	a floating fisheries business is allowed a credit against the tax due under this chapter	
11	for cash contributions accepted for	
12	(1) direct instruction, research, and educational support purposes,	
13	including library and museum acquisitions and operations, and contributions to	
14	endowment, by an Alaska university foundation or by a nonprofit, public or private,	
15	Alaska two-year or four-year college accredited by a regional accreditation	
16	association;	
17	(2) secondary school level vocational education courses, programs, and	
18	facilities by a school district in the state;	
19	(3) vocational education courses, programs, and facilities by a state-	
20	operated vocational technical education and training school or a nonprofit tribal	
21	organization;	
22	(4) a facility [OR AN ANNUAL INTERCOLLEGIATE SPORTS	
23	TOURNAMENT] by a nonprofit, public or private, Alaska two-year or four-year	
24	college accredited by a regional accreditation association;	
25	(5) Alaska Native cultural or heritage programs and educational	
26	support, including mentoring and tutoring, provided by a nonprofit agency for public	
27	school staff and for students who are in grades kindergarten through 12 in the state;	
28	(6) education, research, rehabilitation, and facilities by an institution	
29	that is located in the state and that qualifies as a coastal ecosystem learning center	
30	under the Coastal America Partnership established by the federal government; [AND]	
31	(7) the Alaska higher education investment fund under AS 37.14.750 <u>:</u>	
	-27- CSSB 139(EDC) New Text Underlined [DELETED TEXT BRACKETED]	

1	(8) funding a scholarship awarded by a nonprofit organization to a	
2	dual-credit student to defray the cost of a dual-credit course, including the cost of	
3	(A) tuition and textbooks;	
4	(B) registration, course, and programmatic student fees;	
5	(C) on-campus room and board at the postsecondary	
6	institution in the state that provides the dual-credit course;	
7	(D) transportation costs to and from a residential school	
8	approved by the Department of Education and Early Development under	
9	AS 14.16.200 or the postsecondary school in the state that provides the	
10	dual-credit course; and	
11	(E) other related educational and programmatic costs;	
12	(9) constructing, operating, or maintaining a residential housing	
13	facility by a residential school approved by the Department of Education and	
14	Early Development under AS 14.16.200;	
15	(10) childhood early learning and development programs and	
16	educational support to childhood early learning and development programs	
17	provided by a nonprofit corporation organized under AS 10.20, a tribal entity, or	
18	<u>a school district in the state, by the Department of Education and Early</u>	
19	Development, or through a state grant; and	
20	(11) the operations of a nonprofit organization dedicated to	
21	providing educational opportunities that promote the legacy of public service	
22	contributions to the state and perpetuate ongoing educational programs that	
23	foster public service leadership for future generations of residents of the state.	
24	* Sec. 35. AS 43.77.045(a), as amended by sec. 49, ch. 92, SLA 2010, sec. 14, ch. 7,	
25	FSSLA 2011, and sec. 25, ch. 74, SLA 2012, is amended to read:	
26	(a) In addition to the credit allowed under AS 43.77.040, a person engaged in	
27	a floating fisheries business is allowed a credit against the tax due under this chapter	
28	for cash contributions accepted	
29	(1) for direct instruction, research, and educational support purposes,	
30	including library and museum acquisitions and operations, and contributions to	
31	endowment, by an Alaska university foundation or by a nonprofit, public or private,	
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WORK DRAFT WORK DRAFT 28-GS2716\N Alaska two-year or four-year college accredited by a regional accreditation 1 2 association; for secondary school level vocational education courses and 3 (2)programs by a school district in the state; 4 5 (3) by a state-operated vocational technical education and training school; [AND] 6 7 (4)for the Alaska higher education investment fund under AS 37.14.750; 8 9 (5) for funding a scholarship awarded by a nonprofit organization to a dual-credit student to defray the cost of a dual-credit course, including the 10 11 cost of 12 (A) tuition and textbooks; (B) registration, course, and programmatic student fees; 13 14 (C) on-campus room and board at the postsecondary 15 institution in the state that provides the dual-credit course; (D) transportation costs to and from a residential school 16 17 approved by the Department of Education and Early Development under 18 AS 14.16.200 or the postsecondary school in the state that provides the 19 dual-credit course; and 20 (E) other related educational and programmatic costs; (6) for constructing, operating, or maintaining a residential 21 22 housing facility by a residential school approved by the Department of Education 23 and Early Development under AS 14.16.200; 24 (7) for childhood early learning and development programs and educational support to childhood early learning and development programs 25 26 provided by a nonprofit corporation organized under AS 10.20, a tribal entity, or 27 a school district in the state, by the Department of Education and Early Development, or through a state grant; and 28 29 (8) for the operations of a nonprofit organization dedicated to 30 providing educational opportunities that promote the legacy of public service 31 contributions to the state and perpetuate ongoing educational programs that

foster public service leadership for future generations of residents of the state. 1 2 * Sec. 36. AS 43.77.045(f) is amended by adding new paragraphs to read: 3 (3) "dual-credit student" means a secondary level student in the state 4 who simultaneously earns college and high school credit for a course; 5 "nonprofit organization" means a charitable or educational (4) organization in the state that is exempt from taxation under 26 U.S.C. 501(c)(3)6 7 (Internal Revenue Code). 8 * Sec. 37. AS 14.03.075 and AS 14.07.165(5) are repealed. 9 * Sec. 38. The uncodified law of the State of Alaska is amended by adding a new section to 10 read: 11 RETROACTIVE ISSUANCE OF A HIGH SCHOOL DIPLOMA. (a) A school 12 district shall issue a high school diploma to a student who was issued a certificate of 13 achievement under AS 14.03.075, as it read on August 31, 2014. 14 (b) In this section, "school district" has the meaning given in AS 14.30.350. 15 * Sec. 39. The uncodified law of the State of Alaska is amended by adding a new section to 16 read: 17 TRANSITION: CHARTER SCHOOL APPLICATIONS. Sections 6 and 7 of this Act 18 apply to charter school applications filed with a local school board on or after September 1, 19 2014. 20 * Sec. 40. The uncodified law of the State of Alaska is amended by adding a new section to 21 read: 22 TRANSITION: REGULATIONS. The Department of Education and Early 23 Development, the Department of Labor and Workforce Development, and the Department of 24 Revenue may adopt regulations necessary to implement their respective changes made by this 25 Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not 26 before the effective date of the relevant provision of this Act implemented by the regulation. 27 * Sec. 41. The uncodified law of the State of Alaska is amended by adding a new section to 28 read: 29 LEGISLATIVE AUDIT OF ALASKA TECHNICAL AND VOCATIONAL 30 EDUCATION. By June 30, 2016, the legislative audit division shall conduct an audit of and 31 provide a report to the legislature on the funding and outcomes of technical and vocational

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education programs provided under AS 23.15.820 - 23.15.850.

* **Sec. 42.** The uncodified law of the State of Alaska is amended by adding a new section to read:

SCHOOL CONSTRUCTION DEBT REIMBURSEMENT; SPECIAL REIMBURSEMENT PROCEDURE. Notwithstanding the June 30, 2014, date for voter approval in AS 14.11.100(a)(18), added by sec. 13 of this Act, the commissioner of education and early development shall allocate to a municipality that is a school district 80 percent debt reimbursement for a school construction project that has been approved by the commissioner for 70 percent debt reimbursement using state funds under AS 14.11.100(a)(16), that is less than the 20 percent participating share requirement for a municipal school district under AS 14.11.008(b), and that has been authorized by voters of the municipality on or after January 1, 2013, to pay costs of school construction, additions to schools, and major rehabilitation projects and education-related facilities.

* Sec. 43. Sections 13, 40, and 42 of this Act take effect immediately under AS 01.10.070(c).

* Sec. 44. Sections 5, 17, and 20 - 24 of this Act take effect July 1, 2014.

* Sec. 45. Sections 1 and 18 of this Act take effect July 1, 2015.

* Sec. 46. Section 19 of this Act takes effect July 1, 2016.

* Sec. 47. Sections 26, 29, 32, and 35 of this Act take effect January 1, 2021.

* Sec. 48. Except as provided in secs. 43 - 47 of this Act, this Act takes effect September 1, 2014.