

AMENDMENT #1

BY REP. EDGEMON

OFFERED IN THE HOUSE

TO: CSSSSB 47(FIN)

1 Page 1, line 1, following "Act":

2 Insert "relating to school debt reimbursement;"

3

4 Page 1, following line 3:

5 Insert new bill sections to read:

6 ** Section 1. AS 14.11.100(a) is amended to read:

7 (a) During each fiscal year, the state shall allocate to a municipality that is a
8 school district the following sums:

9 (1) payments made by the municipality during the fiscal year two years
10 earlier for the retirement of principal and interest on outstanding bonds, notes, or other
11 indebtedness incurred before July 1, 1977, to pay costs of school construction;

12 (2) 90 percent of

13 (A) payments made by the municipality during the fiscal year
14 two years earlier for the retirement of principal and interest on outstanding
15 bonds, notes, or other indebtedness incurred after June 30, 1977, and before
16 July 1, 1978, to pay costs of school construction;

17 (B) cash payments made after June 30, 1976, and before July 1,
18 1978, by the municipality during the fiscal year two years earlier to pay costs
19 of school construction;

20 (3) 90 percent of

21 (A) payments made by the municipality during the fiscal year
22 two years earlier for the retirement of principal and interest on outstanding
23 bonds, notes, or other indebtedness incurred after June 30, 1978, and before

1 January 1, 1982, to pay costs of school construction projects approved under
2 AS 14.07.020(a)(11);

3 (B) cash payments made after June 30, 1978, and before July 1,
4 1982, by the municipality during the fiscal year two years earlier to pay costs
5 of school construction projects approved under AS 14.07.020(a)(11);

6 (4) subject to (h) and (i) of this section, up to 90 percent of

7 (A) payments made by the municipality during the current
8 fiscal year for the retirement of principal and interest on outstanding bonds,
9 notes, or other indebtedness incurred after December 31, 1981, and authorized
10 by the qualified voters of the municipality before July 1, 1983, to pay costs of
11 school construction, additions to schools, and major rehabilitation projects that
12 exceed \$25,000 and are approved under AS 14.07.020(a)(11);

13 (B) cash payments made after June 30, 1982, and before July 1,
14 1983, by the municipality during the fiscal year two years earlier to pay costs
15 of school construction, additions to schools, and major rehabilitation projects
16 that exceed \$25,000 and are approved under AS 14.07.020(a)(11); and

17 (C) payments made by the municipality during the current
18 fiscal year for the retirement of principal and interest on outstanding bonds,
19 notes, or other indebtedness to pay costs of school construction, additions to
20 schools, and major rehabilitation projects that exceed \$25,000 and are
21 submitted to the department for approval under AS 14.07.020(a)(11) before
22 July 1, 1983, and approved by the qualified voters of the municipality before
23 October 15, 1983, not to exceed a total project cost of (i) \$6,600,000 if the
24 annual growth rate of average daily membership of the municipality is more
25 than seven percent but less than 12 percent, or (ii) \$20,000,000 if the annual
26 growth rate of average daily membership of the municipality is 12 percent or
27 more; payments made by a municipality under this subparagraph on total
28 project costs that exceed the amounts set out in (i) and (ii) of this subparagraph
29 are subject to (5)(A) of this subsection;

30 (5) subject to (h) - (j) of this section, 80 percent of

31 (A) payments made by the municipality during the fiscal year

1 for the retirement of principal and interest on outstanding bonds, notes, or
2 other indebtedness authorized by the qualified voters of the municipality

3 (i) after June 30, 1983, but before March 31, 1990, to
4 pay costs of school construction, additions to schools, and major
5 rehabilitation projects that exceed \$25,000 and are approved under
6 AS 14.07.020(a)(11); or

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

11 (B) cash payments made after June 30, 1983, by the
12 municipality during the fiscal year two years earlier to pay costs of school
13 construction, additions to schools, and major rehabilitation projects that exceed
14 \$25,000 and are approved by the department before July 1, 1990, under
15 AS 14.07.020(a)(11);

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

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

27 (8) subject to (h), (i), (j)(2) - (5), and (n) of this section and after
28 projects funded by the bonds, notes, or other indebtedness have been approved by the
29 commissioner, 70 percent of payments made by the municipality during the fiscal year
30 for the retirement of principal and interest on outstanding bonds, notes, or other
31 indebtedness authorized by the qualified voters of the municipality on or after July 1,

1 1995, but before July 1, 1998, to pay costs of school construction, additions to
2 schools, and major rehabilitation projects that exceed \$200,000 and are approved
3 under AS 14.07.020(a)(11);

4 (9) subject to (h), (i), (j)(2) - (5), and (n) of this section and after
5 projects funded by the bonds, notes, or other indebtedness have been approved by the
6 commissioner, 70 percent of payments made by the municipality during the fiscal year
7 for the retirement of principal and interest on outstanding bonds, notes, or other
8 indebtedness authorized by the qualified voters of the municipality on or after July 1,
9 1998, but before July 1, 2006, to pay costs of school construction, additions to
10 schools, and major rehabilitation projects that exceed \$200,000 and are approved
11 under AS 14.07.020(a)(11);

12 (10) subject to (h), (i), (j)(2) - (5), and (o) of this section, and after
13 projects funded by the bonds, notes, or other indebtedness have been approved by the
14 commissioner, 70 percent of payments made by the municipality during the fiscal year
15 for the retirement of principal and interest on outstanding bonds, notes, or other
16 indebtedness authorized by the qualified voters of the municipality on or after June 30,
17 1998, to pay costs of school construction, additions to schools, and major
18 rehabilitation projects that exceed \$200,000, are approved under AS 14.07.020(a)(11),
19 and are not reimbursed under (n) of this section;

20 (11) subject to (h), (i), and (j)(2) - (5) of this section, and after projects
21 funded by the bonds, notes, or other indebtedness have been approved by the
22 commissioner, 70 percent of payments made by a municipality during the fiscal year
23 for the retirement of principal and interest on outstanding bonds, notes, or other
24 indebtedness authorized by the qualified voters of the municipality on or after June 30,
25 1999, but before January 1, 2005, to pay costs of school construction, additions to
26 schools, and major rehabilitation projects and education-related facilities that exceed
27 \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n)
28 or (o) of this section;

29 (12) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent
30 of payments made by a municipality during the fiscal year for the retirement of
31 principal and interest on outstanding bonds, notes, or other indebtedness authorized by

1 the qualified voters of the municipality on or after June 30, 1999, but before January 1,
2 2005, to pay costs of school construction, additions to schools, and major
3 rehabilitation projects and education-related facilities that exceed \$200,000, are
4 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this
5 section;

6 (13) subject to (h), (i), (j)(2) - (5), and (p) of this section, and after
7 projects funded by the tax exempt bonds, notes, or other indebtedness have been
8 approved by the commissioner, 70 percent of payments made by a municipality during
9 the fiscal year for the retirement of principal and interest on outstanding tax exempt
10 bonds, notes, or other indebtedness authorized by the qualified voters of the
11 municipality on or after June 30, 1999, but before October 31, 2006, to pay costs of
12 school construction, additions to schools, and major rehabilitation projects and
13 education-related facilities that exceed \$200,000, are approved under
14 AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this section;

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

23 (15) subject to (h), (i), (j)(2) - (5), and (q) of this section, and after
24 projects funded by the bonds, notes, or other indebtedness have been approved by the
25 commissioner, 90 percent of payments made by a municipality during the fiscal year
26 for the retirement of principal and interest on outstanding bonds, notes, or other
27 indebtedness authorized by the qualified voters of the municipality on or after June 30,
28 1999, but before October 31, 2006, to pay costs of school construction, additions to
29 schools, and major rehabilitation projects and education-related facilities that exceed
30 \$200,000, are approved under AS 14.07.020(a)(11), meet the 10 percent participating
31 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, 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 (i), and (j)(2), (3), and (5), and (s) 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, 2013, to pay costs of construction, additions, and major rehabilitation projects for not more than three projects in the state for residential facilities for students that

(A) are not less than \$200,000 and not more than \$20,000,000;

(B) have been approved under AS 14.16.200(a); and

(C) are not reimbursed under (n) or (o) of this section;

(19) subject to (h), (i), and (j)(2) - (5) of this section, 70 percent of cash payments made after June 30, 2013, by the municipality for not more than two projects during the fiscal year two years earlier to pay costs of major school

1 **rehabilitation projects that are not less than \$200,000 or more than \$2,000,000**
2 **and that are approved by the department under AS 14.07.020(a)(11).**

3 * **Sec. 2.** AS 14.11.100 is amended by adding a new subsection to read:

4 (s) An allocation under (a)(4), (5), (6), (7), (8), (9), or (10) of this section for
5 school construction begun after June 30, 2013, shall be reduced by the amount of
6 money used for the construction of hockey rinks, planetariums, saunas, and other
7 facilities for single purpose sporting or recreational uses that are not suitable for other
8 activities and by the money used for construction that exceeds the amount needed for
9 construction of a facility of efficient design as determined by the department."

10
11 Page 1, line 4:

12 Delete "Section 1"

13 Insert "Sec. 3"

14
15 Renumber the following bill sections accordingly.

AMENDMENT #2

OFFERED IN THE HOUSE
TO: CSSSSB 47(FIN)

BY REPRESENTATIVE EDGMON

1 Page 1, line 1, following "Act":

2 Insert "relating to the powers of the Department of Education and Early
3 Development;"

4
5 Page 1, following line 3:

6 Insert a new bill section to read:

7 "* Section 1. AS 14.07.030 is amended to read:

8 Sec. 14.07.030. Powers of the department. The department may

9 (1) establish, maintain, govern, operate, discontinue, and combine area,
10 regional, and special schools;

11 (2) enter into contractual agreements with [THE BUREAU OF
12 INDIAN AFFAIRS OR WITH] a school district to share boarding costs of
13 [SECONDARY SCHOOL] students;

14 (3) provide for citizenship night schools when and where expedient;

15 (4) provide for the sale or other disposition of abandoned or obsolete
16 buildings and other state-owned school property;

17 (5) prescribe a classification for items of expense of school districts;

18 (6) acquire and transfer personal property, acquire real property, and
19 transfer real property to federal agencies, state agencies, or to political subdivisions;

20 (7) enter into contractual agreements with school districts to provide
21 more efficient or economical education services; reasonable fees may be charged by
22 the department to cover the costs of providing services under an agreement, including
23 costs for professional services, reproduction or printing, and mailing and distribution

1 of educational materials;

2 (8) provide for the issuance of elementary and secondary diplomas to
3 persons not in school who have completed the equivalent of an 8th or 12th grade
4 education, respectively, in accordance with standards established by the department;

5 (9) apply for, accept, and spend endowments, grants, and other private
6 money available to the state for educational purposes in accordance with AS 37.07
7 (Executive Budget Act);

8 (10) set student tuition and fees for educational and extracurricular
9 programs and services provided and schools operated by the department under the
10 provisions of (1) of this section and AS 14.07.020(a)(9), (11), and (12);

11 (11) charge fees to cover the costs of care and handling with respect to
12 the acquisition, warehousing, distribution, or transfer of donated foods;

13 (12) establish and collect fees for the rental of school facilities and for
14 other programs and services provided by the schools;

15 (13) develop a model curriculum and provide technical assistance for
16 early childhood education programs;

17 (14) notwithstanding any other provision of this title, intervene in a
18 school district to improve instructional practices under standards established by the
19 department in regulation, including directing the

20 (A) employees identified by the department to exercise
21 supervisory authority for instructional practices in the district or in a specified
22 school;

23 (B) use of appropriations under this title for distribution to a
24 district;

25 (15) notwithstanding any other provision of this title, redirect public
26 school funding under AS 14.17 appropriated for distribution to a school district, after
27 providing notice to the district and an opportunity for the district to respond, when

28 (A) necessary to contract for services to improve instructional
29 practices in the district; or

30 (B) the district has failed to take an action required by the
31 department to improve instructional practices in the district; if funding is

1 redirected under this subparagraph, the department shall provide the redirected
2 funding to the district when the department has determined that the required
3 action is satisfactorily completed."
4

5 Page 1, line 4:

6 Delete "Section 1"

7 Insert "Sec. 2"

8

9 Renumber the following bill sections accordingly.