

Areas of Concern:

- 1) REAA Fund to cover school construction and major maintenance projects for the State-owned Mt. Edgecumbe High School (MEHS) facilities.
 - a. REAA Fund was established under Molly Hootch/Anna Tobeluk Consent Decree and Kasayulie Settlements. Adding State-owned facilities may impact equitable education in rural areas.
 - b. The Department of Education & Early Development (DEED) would need to modify the CIP process for ranking that includes MEHS facilities as well as Residential Housing statewide.
 - c. Adding MEHS facilities and Residential Housing as a use of the REAA Fund reduces available funding for school district education-related facilities and projects.
 - d. DEED will need a position to develop and submit the CIP application for MEHS' facilities – this includes evaluation of existing facilities, project management, and annual completion of the CIP application.
 - e. A position, separate from the statewide CIP process, is necessary to avoid the appearance of a conflict of interest (the State is submitting an application on behalf of MEHS, to be evaluated by the State Facilities staff).
- 2) Residential Housing
 - a. Teacher (statewide) and Student (at MEHS) Housing is not currently under DEED's purview for the CIP process. There is no knowledge or expertise in this area among the current staff and DEED would need to modify the CIP process for ranking that includes Residential Housing.
 - b. DEED will need a position to become the subject matter expert for the statewide CIP process and evaluate or monitor projects across the State.
- 3) Sporting/Recreational Facilities
 - a. MEHS Aquatic Center is a MEHS facility, currently aquatic centers are not eligible for the CIP process or REAA Fund.
- 4) Including MEHS in the statewide CIP process for REAA Funds may require an amendment to AS 14.16.080 which directs the Governor to report deferred maintenance needs of state boarding schools in the annual budget process.

Other Technical Suggestions:

- 5) Pg 1, In 10: amend paragraph (2) to “fund school construction and major maintenance projects..” to be consistent with other statutes.
- 6) Pg 1, In 12: amend paragraph (3) to “fund major maintenance projects for teacher housing that is” to be consistent with bill section 2.
- 7) A review is needed of AS 14.11.135 Definitions “costs of school construction,” “school construction,” and “major maintenance” to ensure alignment with the outcome of this legislation.