



HB 76 – Education: Schools; Grants; Funding; Debt
Sectional Analysis

Version 34-GH1082\A

“An Act relating to education; relating to public school attendance; relating to mobile communication devices in schools; relating to reading proficiency incentive grants; relating to authorization of charter schools; relating to transportation of students; relating to school bond debt reimbursement; relating to funding and reporting by Alaska technical and vocational education programs; authorizing lump sum payments for certain teachers as retention and recruitment incentives; and providing for an effective date.”

Section 1: Provides that a student can attend any school within the school district that the student is a resident or any school in a school district that the student is not a resident. The bill sets out certain conditions, including school capacity and placement preferences. It further sets out that the department shall adopt regulations to establish requirements for a district to accept student applications throughout the school year and to report enrollment data, school capacities by grade, and application acceptances and denials for students under this provision, and to establish processes for the department to compensate a district that has a larger an end of year average daily membership (ADM) count than established in the fall count under AS 14.17.600; to create a student transportation plan; and for appeals for school district denial of an enrollment application.

Section 2: Amends AS 14.03.080 by adding a new subsection noting that nothing in (a)(2) (all changes made by sec. 1) applies to correspondence study programs under AS 14.03.030.

Section 3: Amends AS 14.03 by adding a new section AS 14.03.103. Mobile communication devices in schools. School districts are directed to adopt a policy that prohibits the use of personal mobile communication devices by students except in the event of an emergency or perceived threat of danger, when a teacher or administrator grants permission for educational purposes or when the device is necessary for health or well-being of the student, or if the device is required as part of a student’s individualized educational plan. This section (b) does not authorize the monitoring of student use of a personal mobile communication device. A definition for mobile communication device is provided.

Section 4: Amends AS 14.03 by adding a new section to read AS 14.03.124. Reading proficiency incentive grants. School districts are eligible to receive a reading proficiency incentive grant in the amount of \$450 per student, subject to appropriation, enrolled in grades kindergarten through three who performs at or above grade level on the statewide screening tool or demonstrated improvement on the statewide screening tool, and each student in grades four through six who performs at grade-

level or demonstrates improvement on a standards-based assessment in language arts. Regulations for this section will be adopted by the state board of education.

Section 5: Amends AS 14.03.124(a) added by sec. 4 of this act by amending the eligibility requirement for receiving the reading proficiency incentive grants by removing the statewide screening tool for grades three and four, leaving the standards-based assessment in language arts as the main eligibility requirement for students in grades kindergarten through six after June 30, 2034.

Section 6: Amends AS 14.03 by adding a new section AS 14.03.254. Application for charter school to the board. This section directs the state board to adopt regulations and a procedure for the establishment of a charter school in any school district by an application to the state board. The state board shall issue a written decision on an application within 90 days after acceptance of the application. If a charter school is approved by the state board, the local school board shall operate the charter school as provided in AS 14.03.255-14.03.290.

Section 7: Amends AS 14.07.170(a) by adding a paragraph that authorizes the state board to delegate the authority to approve or deny an application for a charter school to a board committee, political subdivision of the state, or state agency, including the University of Alaska. The approval or denial decisions are subject to the review and appeal process applicable to a local school board.

Section 8: Repeals and reenacts AS 14.09.010 Transportation of students, to authorize district per student grant amounts to increase approximately 20 percent over the current statutory rate as adjusted based on a Consumer Price Index (CPI) through FY2016 (ref. SB57 (Chapter 69, SLA 2013)). The new language removes Tanana from the list, reflecting the dissolution of Tanana as a separate district.

Section 9: Amends AS 14.11.014 Bond reimbursement and grant review committee, to extend the prohibition on the committee making recommendations on applications for school bond debt reimbursement, conforming to the program moratorium extension in section 10.

Section 10: Amends AS 14.11.100 State aid for costs of school construction debt, subsection (a), to extend the moratorium of the program authorization in paragraphs (18) and (19) an additional five years, until July 1, 2030.

Section 11: Amends AS 14.11.100 State aid for costs of school construction debt, subsection (s) to conform the prohibition on commissioner approval of an application to the extension of the school bond debt reimbursement program moratorium in section 10.

Section 12: Amends AS 14.11.102 Allocation requests, subsection (c) to conform the prohibition on the commissioner's allocation of funds to a municipality for certain voter approved debt to the extension of the school bond debt reimbursement program moratorium in section 10.

Section 13: Amends AS 14.16.200 State funding for districts operating residential schools, to increase the regional per-pupil monthly stipends by 50 percent.

Section 14: Amends AS 14.17.410 Public school funding, so that the correspondence study average daily membership (ADM) be moved from the final step of the funding formula and

added to the formula after the district cost factor and prior to the special needs and vocational and technical instruction (CTE) funding factor. This results in correspondence ADM receiving two funding factor increases.

Section 15: Amends AS 14.17.420 Funding for special needs, secondary school vocational and technical instruction, and intensive services subsection (a) to increase the vocational and technical instruction factor by .025, up to 1.04.

Section 16: Amends AS 14.17.420 to require districts receiving funding for secondary school vocational and technical instruction under section (a)(3) of this statute to file with the department a program plan and annual expenditure report.

Section 17: Amends AS 14.17.430 State funding for correspondence study to remove the 0.9 factor for correspondence program ADM.

Section 18: Amends uncodified law to allow for a temporary three-year program to make lump sum payments as a retention and recruitment incentive to eligible certificated teachers teaching full-time in public schools of the state in the amounts of \$5,000, \$10,000, or \$15,000, depending on the school district.

The lump sum payments would be made on, or around July 1, 2026, July 1, 2027, and July 1, 2028, and would be based on the previous school year's work completion. The initial lump sum payment for eligible work completed during the 2025-2026 school year would be dispersed, on or around, July 1, 2026 (FY2026) payment.

The payment of the lump sum appropriation is contingent on appropriations made for this purpose in the applicable fiscal years of FY2026, FY2027, and FY2028.

The bill limits the payment to eligible full-time teachers assigned to classroom instruction and specifically excludes temporary, substitute, or assistant teachers.

To be eligible for payment, a teacher must occupy a teaching position for the entire school year immediately preceding the date of payment. In addition, to be eligible for payment, teachers would be required to submit an application and school districts would be responsible for certifying the applications.

The department is directed to develop the application that would be due no later than the last day of school of the eligible school year.

This section also considers all lump sum payments compensation for the purposes of the Teachers' Retirement System (TRS).

The department may adopt regulations necessary to carry out the purposes of this section.

Section 19: Amends the uncodified law of the State of Alaska by adding a new section REPORT TO THE LEGISLATURE that directs the house and senate education committees to create a report to be delivered before the first day of the First Regular Session of the 35th Legislature that provides recommendations for any changes to the foundation formula, a survey of each school district's curricula and services, a definition of "accountability" as it applies to

student performance, and recommended metrics for determining school and student performance other than the standardized testing currently used.

Section 20: Amends the uncodified law of the State of Alaska by adding a new section: TRANSITION: REGULATIONS. This section authorizes the State Board of Education and Early Development to adopt regulations to implement the laws prior to the effective date of the bill.

Section 21: Section 6, ch. 3, SLA 2015, as amended by sec. 5. ch. 6, SLA 2020, is amended to read: Section 6. AS 14.11.014(d), 14.11.100(s), and 14.11.102(c), restricting authorizations or approvals of school bond debt reimbursement, are repealed July 1, 2030.

Section 22: Provides an effective date for Section 5 as June 30, 2034.

Section 23: Provides an effective date for Sections 9-12 and 21 as June 30, 2025.

Section 24: Section 20, authorizing early adoption of regulations, takes effect immediately under AS 01.10.070(c).

Section 25: Section 4, 8, 13-19 take effect July 1, 2025.

Section 26: Except as provided in secs. 22-25, the effect date is July 1, 2026.