

AMENDMENT

OFFERED IN THE SENATE
TO: SB 64

BY SENATOR COSTELLO

1 Page 1, line 1:

2 Delete "**repealing**"

3 Insert "**relating to**"

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5 Page 2, line 29:

6 Delete "**former**"

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8 Page 3, lines 2 - 27:

9 Delete all material and insert:

10 "*** Sec. 4.** AS 14.11.100(a) is amended to read:

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

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

16 (2) 90 percent of

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

21 (B) cash payments made after June 30, 1976, and before July 1,
22 1978, by the municipality during the fiscal year two years earlier to pay costs
23 of school construction;

1 (3) 90 percent of

2 (A) payments made by the municipality during the fiscal year
3 two years earlier for the retirement of principal and interest on outstanding
4 bonds, notes, or other indebtedness incurred after June 30, 1978, and before
5 January 1, 1982, to pay costs of school construction projects approved under
6 AS 14.07.020(a)(11);

7 (B) cash payments made after June 30, 1978, and before July 1,
8 1982, by the municipality during the fiscal year two years earlier to pay costs
9 of school construction projects approved under AS 14.07.020(a)(11);

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

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

17 (B) cash payments made after June 30, 1982, and before July 1,
18 1983, by the municipality during the fiscal year two years earlier to pay costs
19 of school construction, additions to schools, and major rehabilitation projects
20 that exceed \$25,000 and are approved under AS 14.07.020(a)(11); and

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

1 project costs that exceed the amounts set out in (i) and (ii) of this subparagraph
2 are subject to (5)(A) of this subsection;

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

4 (A) payments made by the municipality during the fiscal year
5 for the retirement of principal and interest on outstanding bonds, notes, or
6 other indebtedness authorized by the qualified voters of the municipality

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

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

15 (B) cash payments made after June 30, 1983, by the
16 municipality during the fiscal year two years earlier to pay costs of school
17 construction, additions to schools, and major rehabilitation projects that exceed
18 \$25,000 and are approved by the department before July 1, 1990, under
19 AS 14.07.020(a)(11);

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

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

31 (8) subject to (h), (i), (j)(2) - (5), and (n) of this section and after

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

8 (9) subject to (h), (i), (j)(2) - (5), and (n) of this section and after
9 projects funded by the bonds, notes, or other indebtedness have been approved by the
10 commissioner, 70 percent of payments made by the municipality during the fiscal year
11 for the retirement of principal and interest on outstanding bonds, notes, or other
12 indebtedness authorized by the qualified voters of the municipality on or after July 1,
13 1998, but before July 1, 2006, to pay costs of school construction, additions to
14 schools, and major rehabilitation projects that exceed \$200,000 and are approved
15 under AS 14.07.020(a)(11);

16 (10) subject to (h), (i), **and** (j)(2) - (5) [, AND (o)] of this section, and
17 after projects funded by the bonds, notes, or other indebtedness have been approved by
18 the commissioner, 70 percent of payments made by the municipality during the fiscal
19 year for the retirement of principal and interest on outstanding bonds, notes, or other
20 indebtedness authorized by the qualified voters of the municipality on or after June 30,
21 1998, to pay costs of school construction, additions to schools, and major
22 rehabilitation projects that exceed \$200,000, are approved under AS 14.07.020(a)(11),
23 and are not reimbursed under (n) of this section;

24 (11) subject to (h), (i), and (j)(2) - (5) of this section, and after projects
25 funded by the bonds, notes, or other indebtedness have been approved by the
26 commissioner, 70 percent of payments made by a municipality during the fiscal year
27 for the retirement of principal and interest on outstanding bonds, notes, or other
28 indebtedness authorized by the qualified voters of the municipality on or after June 30,
29 1999, but before January 1, 2005, to pay costs of school construction, additions to
30 schools, and major rehabilitation projects and education-related facilities that exceed
31 \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n)

1 [OR (o)] of this section;

2 (12) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent
3 of payments made by a municipality during the fiscal year for the retirement of
4 principal and interest on outstanding bonds, notes, or other indebtedness authorized by
5 the qualified voters of the municipality on or after June 30, 1999, but before January 1,
6 2005, to pay costs of school construction, additions to schools, and major
7 rehabilitation projects and education-related facilities that exceed \$200,000, are
8 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) [OR (o)] of
9 this section;

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

19 (14) subject to (h), (i), **and** (j)(2), (3), and (5) [, AND (p)] of this
20 section, 60 percent of payments made by a municipality during the fiscal year for the
21 retirement of principal and interest on outstanding tax exempt bonds, notes, or other
22 indebtedness authorized by the qualified voters of the municipality on or after June 30,
23 1999, but before October 31, 2006, to pay costs of school construction, additions to
24 schools, and major rehabilitation projects and education-related facilities that exceed
25 \$200,000, are reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n)
26 [OR (o)] of this section;

27 (15) subject to (h), (i), **and** (j)(2) - (5) [, AND (q)] of this section, and
28 after projects funded by the bonds, notes, or other indebtedness have been approved by
29 the commissioner, 90 percent of payments made by a municipality during the fiscal
30 year 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 June 30,

1 1999, but before October 31, 2006, to pay costs of school construction, additions to
 2 schools, and major rehabilitation projects and education-related facilities that exceed
 3 \$200,000, are approved under AS 14.07.020(a)(11), meet the 10 percent participating
 4 share requirement for a municipal school district under the former participating share
 5 amounts required under AS 14.11.008(b), and are not reimbursed under (n) [OR (o)]
 6 of this section;

7 (16) subject to (h), (i), and (j)(2) - (5) of this section, and after projects
 8 funded by the tax exempt bonds, notes, or other indebtedness have been approved by
 9 the commissioner, 70 percent of payments made by a municipality during the fiscal
 10 year for the retirement of principal and interest on outstanding tax exempt bonds,
 11 notes, or other indebtedness authorized by the qualified voters of the municipality on
 12 or after October 1, 2006, but before January 1, 2015, to pay costs of school
 13 construction, additions to schools, and major rehabilitation projects and education-
 14 related facilities that exceed \$200,000 **and** [,] are approved under AS 14.07.020(a)(11)
 15 [, AND ARE NOT REIMBURSED UNDER (o) OF THIS SECTION];

16 (17) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent
 17 of payments made by a municipality during the fiscal year for the retirement of
 18 principal and interest on outstanding tax exempt bonds, notes, or other indebtedness
 19 authorized by the qualified voters of the municipality on or after October 1, 2006, but
 20 before January 1, 2015, to pay costs of school construction, additions to schools, and
 21 major rehabilitation projects and education-related facilities that exceed \$200,000 **and**
 22 [,] are reviewed under AS 14.07.020(a)(11) [, AND ARE NOT REIMBURSED
 23 UNDER (o) OF THIS SECTION.

24 (18) REPEALED

25 (19) SUBJECT TO (h), (i), AND (j)(2) - (5) OF THIS SECTION,
 26 AND AFTER PROJECTS FUNDED BY THE TAX EXEMPT BONDS, NOTES, OR
 27 OTHER INDEBTEDNESS HAVE BEEN APPROVED BY THE COMMISSIONER,
 28 50 PERCENT OF PAYMENTS MADE BY A MUNICIPALITY DURING THE
 29 FISCAL YEAR FOR THE RETIREMENT OF PRINCIPAL OF AND INTEREST
 30 ON OUTSTANDING TAX EXEMPT BONDS, NOTES, OR OTHER
 31 INDEBTEDNESS AUTHORIZED BY THE QUALIFIED VOTERS OF THE

1 MUNICIPALITY ON OR AFTER JULY 1, 2020, TO PAY COSTS OF SCHOOL
 2 CONSTRUCTION, ADDITIONS TO SCHOOLS, AND MAJOR
 3 REHABILITATION PROJECTS AND EDUCATION-RELATED FACILITIES
 4 THAT EXCEED \$200,000, ARE APPROVED UNDER AS 14.07.020(a)(11), AND
 5 ARE NOT REIMBURSED UNDER (o) OF THIS SECTION;

6 (20) SUBJECT TO (h), (i), AND (j)(2), (3), AND (5) OF THIS
 7 SECTION, 40 PERCENT OF PAYMENTS MADE BY A MUNICIPALITY
 8 DURING THE FISCAL YEAR FOR THE RETIREMENT OF PRINCIPAL OF AND
 9 INTEREST ON OUTSTANDING TAX EXEMPT BONDS, NOTES, OR OTHER
 10 INDEBTEDNESS AUTHORIZED BY THE QUALIFIED VOTERS OF THE
 11 MUNICIPALITY ON OR AFTER JULY 1, 2020, TO PAY COSTS OF SCHOOL
 12 CONSTRUCTION, ADDITIONS TO SCHOOLS, AND MAJOR
 13 REHABILITATION PROJECTS AND EDUCATION-RELATED FACILITIES
 14 THAT EXCEED \$200,000, ARE REVIEWED UNDER AS 14.07.020(a)(11), AND
 15 ARE NOT REIMBURSED UNDER (o) OF THIS SECTION].

16 * **Sec. 5.** AS 14.11.100(s) is amended to read:

17 (s) Notwithstanding any other provision of law, the commissioner may not
 18 approve an application for bond debt reimbursement made by a municipality for
 19 school construction or major maintenance for indebtedness authorized by the qualified
 20 voters of the municipality on or after January 1, 2015 [, BUT BEFORE JULY 1,
 21 2020].

22 * **Sec. 6.** AS 14.11.102(c) is amended to read:

23 (c) The commissioner may not allocate funds to a municipality under
 24 AS 14.11.100 for the retirement of the principal of and interest on outstanding tax-
 25 exempt bonds, notes, or other indebtedness authorized by the qualified voters of the
 26 municipality on or after January 1, 2015 [, BUT BEFORE JULY 1, 2020]."

27
 28 Renumber the following bill sections accordingly.

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 30 Page 6, lines 9 - 14:

31 Delete all material.

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Renumber the following bill sections accordingly.

Page 6, line 15:

Delete "14.11.100, 14.11.102, and AS 37.15.011(b)(2)"

Insert "14.11.100(o), 14.11.100(p), and 14.11.100(q)"

Page 6, following line 15:

Insert new bill sections to read:

*** Sec. 10.** Section 6, ch. 3, SLA 2015, is repealed.

*** Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY. This Act applies to bond debt reimbursement for school construction and major maintenance incurred by a municipality on or after the effective date of this Act."

Renumber the following bill sections accordingly.

Page 6, line 21:

Delete all material and insert:

*** Sec. 13.** This Act takes effect July 1, 2019."