

ch. 15, SLA 2014 in the 2014 Temporary and Special Acts.

For provision requiring the Legislative Budget and Audit Committee to procure a study to be completed no later than June 15, 2015 to evaluate current public school funding provisions under AS 14.11 — AS 14.17, see sec. 54, ch. 15, SLA 2014 in the 2014 Temporary and Special Acts.

**Administrative Code.** — For school facility planning and construction, see 4 AAC 31.

**Opinions of attorney general.** — Appropriations to retire municipal general obligation school bond indebtedness under this chapter are "required" and qualify as an exception to the spending limit of § 16, art. IX, of the state constitution. 1983 Alas. Op. Att'y Gen. No. 01.

## Article 1. Public School Facilities in General

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**Sec. 14.11.005. School construction grant fund.** There is created a school construction grant fund as an account in the general fund. The fund shall be used to make grants for the costs of school construction. Legislative appropriations for school construction shall be deposited in the fund, and the proceeds from the sale of general obligation bonds for school construction may be deposited in the fund. (§ 5 ch 5 SLA 1990)

**Sec. 14.11.007. Major maintenance grant fund.** There is created a major maintenance grant fund as an account in the general fund. The fund shall be used to make grants for the costs of school major maintenance. Legislative appropriations for school major maintenance shall be deposited in the fund. (§ 4 ch 78 SLA 1993)

**Sec. 14.11.008. School district participation in grant program.** (a) In order to receive a grant under this chapter or an appropriation under AS 37.05.560, a district must provide a percentage share of the project cost, as determined under (b) or (c) of this section. Except as provided in (d) or (g) of this section, a district shall provide the required participating share within three years after the date that the appropriation bill funding the grant is passed by the legislature.

(b) The required participating share for a municipal school district is based on the district's full value per average daily membership (ADM), which is calculated by dividing the full and true value of the taxable real and personal property in the district, calculated as described in AS 14.17.510, by the district ADM as defined in AS 14.17.990, for the same fiscal year for which the valuation was made. The municipal district's full value per ADM determines the district's required participating share, as follows:

Full Value Per ADM	District Participating Share
\$1 — \$150,000	5 percent
150,001 — 275,000	10 percent
275,001 — 500,000	20 percent
500,001 — 800,000	30 percent
over 800,000	35 percent.

(c) The required participating share for a regional educational attendance area is two percent. The participating share for any district may be satisfied by money from federal, local, or other sources, or with locally contributed labor, material, or equipment.

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(d) If a district with full value per ADM of \$200,000 or less can demonstrate in writing that it is unable to provide the required participating share or that the participating share required under this section will jeopardize receipt of federal assistance, the commissioner may waive all or a portion of the required participating share.

(e) State funds provided under this chapter may not be a source of the participating share required under (b) or (c) of this section.

(f) *[Repealed, § 11 ch 3 SSSLA 2002.]*

(g) The commissioner may extend the time allowed for a district to provide the required participating share for an additional period of not more than seven years if the district applies to the commissioner in writing to request an extension and demonstrates good cause for the requested extension. The commissioner may find good cause if

(1) a request for extension identifies a project constraint that requires a reasonable extension of time;

(2) the extension will not jeopardize the successful completion of the project as described in a grant agreement under AS 14.11.017;

(3) the extension will not result in an increase of state funding of the project cost; and

(4) the district demonstrates a good faith effort to secure funding for its participating share within the time required by (a) of this section and reasonably expects to secure the funding within the additional time requested by the extension. (§ 4 ch 78 SLA 1993; am § 17 ch 83 SLA 1998; am §§ 1 — 3, 11 ch 3 SSSLA 2002; am § 25 ch 35 SLA 2003; am § 1 ch 107 SLA 2008; am § 3 ch 93 SLA 2010; am §§ 1, 2 ch 78 SLA 2018)

**Cross references.** — For provision relating to the applicability of the 2018 amendment of subsection (a) and addition of subsection (g), see sec. 3, ch. 78, SLA 2018, in the 2018 Temporary and Special Acts.

**Effect of amendments.** — The 2010 amendment, effective June 22, 2010, and applicable retroactively to an appropriation made under AS 37.05.560 or a grant approved under AS 14.11.008(a) on or after April 1, 2008, in the table in (b), in the third line, substituted “275,001 — 500,000” and “20 percent” for “275,001 — 800,000” and “30 percent”, and added the fourth line.

The 2018 amendment, effective November 6, 2018, in (a), added “Except as provided in (d) or (g) of this section, a” at the beginning of the second sentence, and made a related change; added (g).

**Editor’s notes.** — Under § 9, ch. 93, SLA 2010, the 2010 amendments to (b) of this section apply “retroactively to an appropriation made under AS 37.05.560 or a grant approved under [(a) of this section] on or after April 1, 2008.”

#### NOTES TO DECISIONS

**Applied** in Matanuska-Susitna Borough Sch. Dist. v. State, 931 P.2d 391 (Alaska 1997).

*Sec. 14.11.010. Recommendations and evaluations of projects. [Repealed, § 15 ch 5 SLA 1990.]*

**Sec. 14.11.011. Grant applications.** (a) A municipality that is a school district or a regional educational attendance area may submit a request to the department for a grant under this chapter.

(b) For a municipality that is a school district or a regional educational attendance area to be eligible for a grant under this chapter, the district shall submit

(1) a six-year capital improvement plan that includes a description of the district’s fixed asset inventory system and preventive maintenance program no later than September 1 of the fiscal year before the fiscal year for which the request is made; the six-year plan must contain for each proposed project a detailed scope of work, a project budget, and documentation of conditions justifying the project;

(2) evidence that the district has secured and will maintain adequate property loss insurance for the replacement cost of all facilities for which state funds are available

under AS 14.11.005 or 14.11.007 or has a program of insurance acceptable to the department;

(3) evidence acceptable to the department that the proposed project should be a capital improvement project and not part of a preventive maintenance program or regular custodial care program; and

(4) evidence acceptable to the department that the district

(A) has a preventive maintenance plan that

(i) includes a computerized maintenance management program, cardex system, or other formal systematic means of tracking the timing and costs associated with planned and completed maintenance activities, including scheduled preventive maintenance;

(ii) addresses energy management for buildings owned or operated by the district;

(iii) includes a regular custodial care program for buildings owned or operated by the district;

(iv) includes preventive maintenance training for facility managers and maintenance employees;

(v) includes renewal and replacement schedules for electrical, mechanical, structural, and other components of facilities owned or operated by the district; and

(B) is adequately adhering to the preventive maintenance plan. (§ 6 ch 5 SLA 1990; am § 5 ch 78 SLA 1993; am § 1 ch 98 SLA 1998; am §§ 4, 5 ch 3 SSSLA 2002)

**Sec. 14.11.013. Department review of grant applications.** (a) With regard to projects for which grants are requested under AS 14.11.011, the department shall

(1) annually review the six-year plans submitted by each district under AS 14.11.011(b) and recommend to the board a revised and updated six-year capital improvement project grant schedule that serves the best interests of the state and each district; in recommending projects for this schedule, the department shall verify that each proposed project meets the criteria established under AS 14.11.014(b) and qualifies as a project required to

(A) avert imminent danger or correct life-threatening situations;

(B) house students who would otherwise be unhoused; for purposes of this subparagraph, students are considered unhoused if the students attend school in temporary facilities;

(C) protect the structure of existing school facilities;

(D) correct building code deficiencies that require major repair or rehabilitation in order for the facility to continue to be used for the educational program;

(E) achieve an operating cost savings;

(F) modify or rehabilitate facilities for the purpose of improving the instructional program;

(G) meet an educational need not specified in (A) — (F) of this paragraph, identified by the department;

(2) prepare an estimate of the amount of money needed to finance each project;

(3) provide to the governor, by November 1, and to the legislature within the first 10 days of each regular legislative session, a revised and updated six-year capital improvement project grant schedule, together with a proposed schedule of appropriations;

(4) encourage each school district to use previously approved school construction design plans and building systems if the use will result in cost savings for the project;

(5) consider the regionally based model school construction standards developed under AS 14.11.017(d).

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(b) In preparing the construction grant schedule, the department shall establish priorities among projects for which grants are requested and shall award school construction grants in the order of priority established. In establishing priorities, the department shall evaluate at least the following factors, without establishing an absolute priority for any one factor:

- (1) emergency requirements;
- (2) priorities assigned by the district to the projects requested;
- (3) new local elementary and secondary programs;
- (4) existing regional, community, and school facilities, and their condition; this paragraph does not include administrative facilities;
- (5) the amount of district operating funds expended for maintenance;
- (6) other options that would reduce or eliminate the need for the request;
- (7) the district's use of previously approved school construction design plans and building systems if the use will result in cost savings for the project; and
- (8) consideration of regionally based model school construction standards under AS 14.11.017(d).

(c) The department may

- (1) modify a project request when necessary to achieve cost-effective school construction;
- (2) require that a school construction project be phased for purposes of planning, design, and construction;
- (3) reject project requests and omit them from the six-year schedule due to
  - (A) incomplete information or documentation provided by the district;
  - (B) a determination by the department that existing facilities can adequately serve the program requirements, or that alternative projects are in the best interests of the state;
  - (C) a determination that the project is not in the best interest of the state; and
- (4) require that a school construction project include all or part of the regionally based model school construction standards developed under AS 14.11.017(d) or use previously approved design plans and building systems that would result in capital or operating cost savings for the project.

(d) The department shall reduce a project budget by the cost of those portions of a project design that the department determines (1) are for construction of student residential space, planetariums, hockey rinks, saunas, and other facilities for single purpose sporting or recreational uses that are not suitable for other activities; or (2) do not meet the criteria developed under AS 14.11.014(b) that are applicable to the project. This subsection does not apply to funding for swimming pools that meet criteria established by the department.

(e) By November 5, the department shall provide public notice of the grant applications submitted under (a) of this section and the priorities established under (b) of this section. After public notice has been given, the department shall, not later than December 1, hold a public hearing on the priorities established under (b) of this section. In this subsection, "public notice" means notice published in a newspaper of general circulation and notice to every person who has requested notice about the grant application program from the department. (§ 6 ch 5 SLA 1990; am §§ 6 — 8 ch 78 SLA 1993; am § 1 ch 60 SLA 1994; am § 2 ch 2 FSSLA 1996; am §§ 1 — 3 ch 79 SLA 2018)

**Effect of amendments.** — The 2018 amendment, effective August 11, 2018, added (a)(3) and (4); added (b)(7) and (8); added (c)(4), and made related changes.

**Sec. 14.11.014. Bond reimbursement and grant review committee.** (a) The commissioner shall establish a bond reimbursement and grant review committee for the



purpose described in (b) of this section. In making selections to the committee, the commissioner shall seek to maintain a regional statewide balance on the committee. The committee shall consist of the commissioner or the commissioner's designee, two members of the legislature selected by the presiding officers of the house and senate, and six other people selected by the commissioner as follows:

- (1) two persons shall have professional degrees and experience in school construction;
- (2) two persons shall have experience in urban or rural school facilities management;
- (3) two persons shall represent the public.

(b) The committee shall

- (1) review the department's priorities among projects for which school construction grants are requested;
  - (2) make recommendations to the board concerning school construction grants and make recommendations to the commissioner concerning projects for which bond reimbursement is requested;
  - (3) develop criteria for construction of schools in the state; criteria developed under this paragraph must include requirements intended to achieve cost-effective school construction;
  - (4) analyze existing prototypical designs for school construction projects;
  - (5) establish a form for grant applications;
  - (6) establish a method of ranking grant projects;
  - (7) recommend to the board necessary changes to the approval process for school construction grants and for projects for which bond reimbursement is requested;
  - (8) set standards for energy efficiency for school construction and major maintenance to provide energy efficiency benefits for all school locations in the state and that address energy efficiency in design and energy systems that minimize long-term energy and operating costs.
- (c) Members of the committee serve without compensation, but members who are not representing the department are entitled to per diem and travel expenses authorized for boards and commissions under AS 39.20.180.
- (d) Notwithstanding any other provision of law, the committee may not recommend for approval an application for bond debt reimbursement made by a municipality for school construction or major maintenance for indebtedness authorized by the qualified voters of the municipality on or after January 1, 2015, but before July 1, 2020. (§ 9 ch 78 SLA 1993; am § 4 ch 93 SLA 2010; am § 1 ch 3 SLA 2015)

**Delayed repeal.** — Under sec. 6, ch. 3, SLA 2015, subsection (d) of this section is repealed July 1, 2020.

**Effect of amendments.** — The 2010 amendment, effective September 19, 2010, added (b)(8) and made a related change.

The 2015 amendment, effective January 1, 2015, added (d).

**Editor's notes.** — Under sec. 7, ch. 3, SLA 2015, subsection (d) of this section is retroactive to January 1, 2015.

**Sec. 14.11.015. Approval of grant applications.** (a) The board shall review grant applications that have been recommended by the department under AS 14.11.013, and may approve a grant application if the board determines that the project meets the criteria specified in AS 14.11.013(a)(1) and 14.11.014. The department may not award a grant unless the grant application is approved by the board.

(b) To the extent that money is available in the appropriate fund, the department shall award grants approved under (a) of this section in the order of the projects' priority on the date the appropriation bill funding the appropriate grant fund is passed by the legislature, regardless of any appeal pending under AS 14.11.016. Appeals pending under AS 14.11.016 at the time that grants are awarded may not delay the funding of grants awarded under this section.

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(c) If a project is assigned a new priority ranking under AS 14.11.016 after the date of passage by the legislature of the appropriation bill for the appropriate grant fund, the project must be funded from the appropriate fund in accordance with the new priority ranking at the next time that grants are awarded. (§ 6 ch 5 SLA 1990; am § 10 ch 78 SLA 1993)

**Sec. 14.11.016. Administrative and judicial review.** (a) A district may request reconsideration of a decision of the department assigning a priority to the district's project, establishing the scope of the project, or establishing the budget for the project. The request must be in writing and must include a statement of the specific changes desired, and a summary of the evidence supporting the district's claim that the department has erred in its review of the district's grant application. A request for reconsideration must be received by the department by the day of the public hearing held under AS 14.11.013(e). The department shall review its decision on the basis of the request by the district and determine whether its decision should be changed. The department shall issue its determination in writing within 15 days after the last day of the public hearing held under AS 14.11.013(e).

(b) A district may appeal an adverse decision of the department under (a) of this section by filing a written notice of appeal with the commissioner within 15 days after the date of the department's decision. The notice of appeal must state the legal and factual basis for the appeal and the precise relief sought. The failure of the district to include an issue in a notice of appeal constitutes a waiver of the right to have the issue considered. Not later than 10 days after receipt by the commissioner of a notice of appeal, the chief administrative law judge of the office of administrative hearings (AS 44.64.010) shall appoint an administrative law judge who is qualified under AS 44.62.350(c) to serve as hearing officer and consider the appeal. If the hearing officer finds that the notice of appeal does not raise a reasonable issue of fact or law, the hearing officer shall issue a written decision denying the appeal. Denial of an appeal by hearing officer is a final decision that may be appealed under (d) of this section. If the hearing officer finds that the notice of appeal raises a reasonable issue of fact or law, the hearing officer shall conduct a hearing on those issues and recommend a decision to the board. The hearing officer shall issue a decision on the appeal not later than 60 days after being appointed. The board shall consider the recommended decision of the hearing officer at its next regularly scheduled meeting and may adopt all, part, or none of the recommended decision or may remand the issue to the hearing officer for further hearings. The board shall issue its decision in writing within 10 days after consideration of the hearing officer's decision.

(c) The hearing officer may consolidate appeals under (b) of this section, if the notices of appeal raise related issues of fact or law.

(d) A district may appeal an adverse decision of a hearing officer or the board under (b) of this section to the superior court in the manner provided by AS 44.62.560 — 44.62.570.

(e) The board shall adopt regulations governing procedures for the reconsideration and appeal of decisions under this section. The regulations adopted under this subsection are not required to conform to AS 44.62.330 — 44.62.630, but shall be consistent with minimum standards of due process.

(f) A district may not request reconsideration of or appeal a priority determination on the grounds that a revised priority assigned to another project, due to a reconsideration or appeal under this section, has resulted in a lower priority being accorded to the district's project. (§ 6 ch 5 SLA 1990; am § 28 ch 163 SLA 2004)

**Sec. 14.11.017. Grant conditions.** (a) The department shall require in the grant agreement that a municipality that is a school district or a regional educational attendance area

(1) agree to construction of a facility of appropriate size and use that meets criteria adopted by the department if the grant is for school construction;

(2) provide reasonable assurance by a means acceptable to the department, that the cost of the project will be uniform with the costs of the most current construction or major maintenance projects, as appropriate, in the area;

(3) agree to limit equipment purchases to that required for the approved project plan submitted under (5) of this subsection and account for all equipment purchased for the project under a fixed asset inventory system approved by the department;

(4) submit project budgets for department approval and agree that the grant amount may, at the discretion of the department, be reduced or increased by amounts equal to the amounts by which contracts vary from the budget amounts approved by the department; and

(5) submit to the department for approval, before award of the contract, a plan for the project that includes educational specifications, final drawings, and contract documents.

(b) The cost of any school construction or major maintenance activity encompassed by the definition of "costs of school construction" under AS 14.11.135 is payable under a grant awarded from the appropriate fund under AS 14.11.015 without regard to whether the costs were incurred before the

(1) award of the grant;

(2) approval of the grant application by the board; or

(3) effective date of an appropriation to the appropriate grant fund for the year in which the grant is funded.

(c) The department, by regulation, may establish the time period in which activities described in (b) of this section must have occurred in order to be paid under a grant.

(d) The department shall develop and periodically update regionally based model school construction standards that describe acceptable building systems and anticipated costs and establish school design ratios to achieve efficient and cost-effective school construction. In developing the standards, the department shall consider the standards and criteria developed under AS 14.11.014(b). (§ 6 ch 5 SLA 1990; am §§ 11, 12 ch 78 SLA 1993; am § 4 ch 79 SLA 2018)

**Effect of amendments.** — The 2018 amendment, effective August 11, 2018, added (d).

**Sec. 14.11.019. Grant appropriations.** Within the appropriation bill authorizing capital expenditures submitted to the legislature under AS 37.07.020(a)(3), the governor shall include an appropriation for grants in the succeeding fiscal year as determined by the six-year capital improvement project grant schedule prepared under AS 14.11.013. (§ 6 ch 5 SLA 1990; am § 13 ch 78 SLA 1993; am § 1 ch 30 SLA 1997; am § 1 ch 59 SLA 1997)

**Sec. 14.11.020. Assumption of responsibilities.** (a) The assembly or council of a municipality that is a school district or a regional school board may, by resolution or majority vote of the body, assume the responsibilities relating to the planning, design, and construction of a school or an education-related facility located within the boundaries or operating area of the municipality or regional educational attendance area. After receipt of a request by an assembly or council under this subsection, the department shall provide for the assumption of the responsibilities requested. After receipt of a request by a regional school board under this subsection, the department may provide for the assumption of the responsibilities requested.

(b) If a municipality that is a school district or a regional educational attendance area assumes the responsibilities under this section, the department shall grant to the

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municipality or regional educational attendance area money appropriated for the school or education-related facility. The department may transfer the appropriations to a special construction account in the state treasury. Under the fiscal control of the department, a municipality or regional educational attendance area that assumes responsibilities for the project as provided in this section may draw on the account for costs of the project.

(c) The construction management costs of a project assumed under this section may not exceed four percent of the amount of appropriations for the facility if the amount of appropriations is \$500,000 or less. The construction management costs of a project assumed under this section may not exceed three percent of the amount of appropriations for the facility if the amount of appropriations is over \$500,000 but less than \$5,000,000. The construction management costs of a project assumed under this section may not exceed two percent of the amount of appropriations for the facility if the amount of appropriations is \$5,000,000 or more. For purposes of this subsection "construction management" means management of the project's schedule, quality, and budget during any phase of the planning, design, and construction of the facility by a private contractor engaged by the municipality or regional educational attendance area.

(d) The commissioner shall adopt necessary regulations implementing this section, and setting out the requirements for agreements between the department and a municipality or regional educational attendance area relating to the assumption by the municipality or regional educational attendance area of responsibilities for the planning, design, and construction of a project. (§ 3 ch 92 SLA 1982)

**Revisor's notes.** — Enacted as AS 14.07.190. Renumbered in 1982.

**Sec. 14.11.025. State aid for school construction in regional educational attendance areas and small municipal school districts.** (a) In addition to other appropriations and funding sources, the department may provide grant funding from the fund established under AS 14.11.030 to a school district that is a regional educational attendance area or a small municipal school district.

(b) The amount of money available each fiscal year for expenditure under (a) of this section shall be the annual debt service on debt incurred under AS 14.11.100(a) divided by the percentage of all schools that are located in a city or borough school district that is not a small municipal school district, the quotient of which is to be multiplied by .244.

(c) In this section, "small municipal school district" means a city or borough school district in the state that has an ADM of not more than 300 and in which the district's full value per ADM is not more than \$500,000. In this subsection, the district's full value per ADM is determined by dividing the full and true value of the taxable real and personal property in the district, calculated as described in AS 14.17.510, by the district ADM, as defined in AS 14.17.990, for the same fiscal year for which the valuation was made. (§ 5 ch 93 SLA 2010; am §§ 1, 2 ch 49 SLA 2013)

**Effect of amendments.** — The 2013 amendment, effective September 16, 2013, in (a), added "or a small municipal school district" at the end; in (b), inserted

"that is not a small municipal school district" following "borough school district"; added (c).

**Sec. 14.11.030. Regional educational attendance area and small municipal school district school fund.** (a) The regional educational attendance area and small municipal school district school fund is created as an account in the general fund to be used, in addition to other funding sources, to fund projects approved under AS 14.11.025 for the costs of school construction and major maintenance in regional educational attendance areas and small municipal school districts. The primary function of the fund is to fund school construction projects.

(b) Legislative appropriations, including appropriations of interest earned on the fund,



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schools, and major rehabilitation projects that exceed \$25,000 and are approved under AS 14.07.020(a)(11);

(B) cash payments made after June 30, 1982, and before July 1, 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 under AS 14.07.020(a)(11); and

(C) payments made by the municipality during the current fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$25,000 and are 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 October 15, 1983, not to exceed a total project cost of (i) \$6,600,000 if the annual growth rate of average daily membership of the municipality is more than seven percent but less than 12 percent, or (ii) \$20,000,000 if the annual growth rate of average daily membership of the municipality is 12 percent or more; payments made by a municipality under this subparagraph on total project costs that exceed the amounts set out in (i) and (ii) of this subparagraph are subject to (5)(A) of this subsection;

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

(A) 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

(i) after June 30, 1983, but before March 31, 1990, 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); or

(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 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 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

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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, but before January 1, 2015, 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, but before January 1, 2015, 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) *[Repealed, § 2, ch. 3, SLA 2015]*

(19) 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, 50 percent of payments made by a municipality during the fiscal year for the retirement of principal of and interest on outstanding tax exempt bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after July 1, 2020, 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;

(20) subject to (h), (i), and (j)(2), (3), and (5) of this section, 40 percent of payments made by a municipality during the fiscal year for the retirement of principal of and interest on outstanding tax exempt bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after July 1, 2020, 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.

(b) The commissioner shall administer the program of reimbursement authorized under this section and shall provide by regulation for the filing of applications for reimbursement, the form of proof of costs for which application for reimbursement is made, and other regulations necessary to administer the program. An amount due a municipality for reimbursement under this section may not be reduced by the cost to the department to administer the reimbursement program. The commissioner shall exclude from the total school construction cost of the local district all state and federal funds included in these costs except funds provided under this section and AS 43.50.140.

(c) The school construction account is established. Funds to carry out the provisions of this section shall be included within the appropriation bill authorizing capital expenditures submitted to the legislature under AS 37.07.020(a)(3) and may be appropriated annually by the legislature to the account. If amounts in the account are insufficient for the purpose of providing the share to which a borough or city is entitled under this section, those funds that are available shall be distributed pro rata among the eligible municipalities, except that the legislature may direct that additional debt service on refunding bonds that exceeds the total debt service on the refunded bonds be disregarded in whole or in part.

(d) Money in the school construction account that at the end of the fiscal year for which



the money is appropriated, exceeds the amount required for the allocations authorized in this section reverts to the general fund.

(e) The commissioner shall annually prepare a report on allocations of state aid made under this section, including the amount of state aid paid on a per capita and per student basis and the resultant effect on the rate of levy of taxes by the municipality for educational purposes. The commissioner shall notify the legislature that the report is available.

(f) *[Repealed, § 17 ch 147 SLA 1978.]*

(g) *[Repealed, § 47 ch 6 SLA 1984.]*

(h) An allocation under (a)(4), (5), (6), (7), (8), (9), or (10) of this section for school construction begun after July 1, 1982, shall be reduced by the amount of money used for the construction of residential space, hockey rinks, planetariums, saunas, and other facilities for single purpose sporting or recreational uses that are not suitable for other activities and by the money used for construction that exceeds the amount needed for construction of a facility of efficient design as determined by the department. An allocation under (a)(4), (5), (6), (7), (8), (9), or (10) of this section may not be reduced by the amount of money used for construction of a small swimming pool, tank, or water storage facility used for water sports. However, an allocation shall be reduced by the difference between the amount of money used to construct a swimming pool that exceeds the standards adopted by the department and the amount of money that would have been used to construct a small swimming pool, tank, or water storage facility, as determined by the commissioner.

(i) For the purposes of (a)(4) — (10) of this section,

- (1) an indebtedness for bonds is incurred after the bonds are sold;
- (2) reimbursement for a cash payment may only be made after the payment is made to a vendor; and
- (3) payments may not be made for costs that are incurred under a contract after the contract has been released.

(j) Except as provided in (l) of this section, the state may not allocate money to a municipality for a school construction project under (a)(5), (6), or (7) of this section unless the municipality complies with the requirements of (1) — (5) of this subsection, the project is approved by the commissioner before the local vote on the bond issue for the project or for bonds authorized after March 31, 1990, but on or before April 30, 1993, the bonds are approved by the commissioner before reimbursement by the state, and the local vote occurs before July 1, 1987, or after June 30, 1988. In approving a project under this subsection, and to the extent required under (a)(8) — (17) of this section, the commissioner shall require

(1) the municipality to include on the ballot for the bond issue, for bonds authorized on or before March 31, 1990, or after April 30, 1993, the estimated total cost of each project including estimated total interest, estimated annual operation and maintenance costs, the estimated amounts that will be paid by the state and by the municipality, and the approximate amount that would be due in annual taxes on \$100,000 in assessed value to retire the debt;

(2) that the bonds may not be refunded unless the annual debt service on the refunding issue is not greater than the annual debt service on the original issue;

(3) that the bonds must be repaid in approximately equal annual principal payments or approximately equal debt service payments over a period of at least 10 years;

(4) the municipality to demonstrate need for the project by establishing that the school district has

(A) projected long-term student enrollment that indicates the district has inadequate facilities to meet present or projected enrollment;

(B) facilities that require repair or replacement in order to meet health and safety laws or regulations or building codes;

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(C) demonstrated that the project will result in a reduction in annual operating costs that economically justifies the cost of the project; or

(D) facilities that require modification or rehabilitation for the purpose of improving the instructional program;

(5) evidence acceptable to the department that the district

(A) has a preventive maintenance plan that

(i) includes a computerized maintenance management program, cardex system, or other formal systematic means of tracking the timing and costs associated with planned and completed maintenance activities, including scheduled preventive maintenance;

(ii) addresses energy management for buildings owned or operated by the district;

(iii) includes a regular custodial care program for buildings owned or operated by the district;

(iv) includes preventive maintenance training for facility managers and maintenance employees; and

(v) includes renewal and replacement schedules for electrical, mechanical, structural, and other components of facilities owned or operated by the district; and

(B) is adequately following the preventive maintenance plan.

(k) *[Repealed, § 7 ch 115 SLA 2002.]*

(l) Bonds may be refunded without compliance with (j)(2) and (3) of this section if the refunding bonds are issued after June 30, 1987, and before January 1, 1989, and the time remaining for repayment on the original bonds is more than five years. The repayment term on refunding bonds may not exceed 20 years. For the purposes of determining the level of reimbursement, refunding bonds are considered to be issued as of the date of the first issue of bonds, notes, or other indebtedness or of the bonds that refund the bonds, whichever is later.

(m) The total amount of school construction projects approved for reimbursement by the department under (a)(6) or (7) of this section

(1) may not exceed \$250,000,000; and

(2) until July 1, 1996, shall be allocated as follows:

(A) \$133,000,000 shall be allocated to projects in a municipality with a population of 200,000 or more people;

(B) \$67,000,000 shall be allocated to projects in a municipality with a population of at least 60,000, but less than 200,000 people;

(C) \$50,000,000 shall be allocated to projects in a municipality with less than 60,000 people.

(n) The total amount of school construction projects approved for reimbursement by the department under (a)(8) or (9) of this section

(1) may not exceed \$357,143,000; and

(2) after June 30, 1995, and until July 1, 2006, shall be allocated as follows:

(A) \$154,286,000 shall be allocated to projects in a municipality with a public school enrollment of 25,000 or more students in fiscal year 1998, as determined under former AS 14.17.160;

(B) \$57,143,000 shall be allocated to projects in a municipality with a public school enrollment of at least 15,000 but less than 25,000 students in fiscal year 1998, as determined under former AS 14.17.160;

(C) \$145,714,000 shall be allocated to projects in a municipality with a public school enrollment of less than 15,000 students in fiscal year 1998, as determined under former AS 14.17.160; allocations under this subparagraph

(i) shall first be made to projects described under (a)(8) of this section and then made to projects described under (a)(9) of this section; and

- (ii) may not exceed \$16,000,000 to projects in a municipality with a public school enrollment of less than 4,000 students in fiscal year 1998, as determined under former AS 14.17.160.
- (o) The total amount of school construction projects approved for reimbursement by the department under (a)(10) of this section
  - (1) may not exceed \$190,644,901; and
  - (2) after June 30, 1998, and until July 1, 2006, shall be allocated as follows:
    - (A) \$77,897,000 to projects in a municipality with a public school enrollment of 25,000 or more students in fiscal year 2000, as determined under AS 14.17.500;
    - (B) \$14,571,000 to projects in a municipality with a public school enrollment of at least 15,000 but less than 25,000 students in fiscal year 2000, as determined under AS 14.17.500;
    - (C) \$14,143,000 to projects in a municipality with a public school enrollment of at least 10,000 but less than 15,000 students in fiscal year 2000, as determined under AS 14.17.500;
    - (D) \$7,429,000 to projects in a municipality with a public school enrollment of at least 7,500 but less than 10,000 students in fiscal year 2000, as determined under AS 14.17.500;
    - (E) \$20,712,912 to projects in a municipality with a public school enrollment of at least 5,000 but less than 7,500 students in fiscal year 2000, as determined under AS 14.17.500;
    - (F) \$2,660,000 to projects in a municipality with a public school enrollment of at least 2,750 but less than 3,000 students in fiscal year 2000, as determined under AS 14.17.500;
    - (G) \$454,000 to projects in a municipality with a public school enrollment of at least 2,400 but less than 2,750 students in fiscal year 2000, as determined under AS 14.17.500;
    - (H) \$46,869,989 to projects in a municipality with a public school enrollment of at least 2,050 but less than 2,400 students in fiscal year 2000, as determined under AS 14.17.500;
    - (I) \$329,000 to projects in a municipality with a public school enrollment of at least 1,700 but less than 1,750 students in fiscal year 2000, as determined under AS 14.17.500;
    - (J) \$286,000 to projects in a municipality with a public school enrollment of at least 650 but less than 725 students in fiscal year 2000, as determined under AS 14.17.500;
    - (K) \$519,000 to projects in a municipality with a public school enrollment of at least 500 but less than 525 students in fiscal year 2000, as determined under AS 14.17.500;
    - (L) \$2,224,000 to projects in a municipality with a public school enrollment of at least 425 but less than 482 students in fiscal year 2000, as determined under AS 14.17.500;
    - (M) \$2,550,000 to projects in a municipality with a public school enrollment of at least 290 but less than 305 students in fiscal year 2000, as determined under AS 14.17.500.
- (p) The total amount of school construction projects approved for reimbursement by the department under (a)(13) and (a)(14) of this section
  - (1) may not exceed \$177,256,000;
  - (2) after June 30, 1999, and until October 31, 2006, shall be allocated as follows:
    - (A) \$61,925,000 to projects in a municipality with a public school enrollment of 45,000 or more students in fiscal year 2005, as determined under AS 14.17.500;
    - (B) \$40,570,000 to projects in a municipality with a public school enrollment of at

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least 14,600 but less than 20,000 students in fiscal year 2005, as determined under AS 14.17.500;

(C) \$20,000,000 to projects in a municipality with a public school enrollment of at least 10,000 but less than 14,600 students in fiscal year 2005, as determined under AS 14.17.500;

(D) \$2,588,000 to projects in a municipality with a public school enrollment of at least 7,500 but less than 10,000 students in fiscal year 2005, as determined under AS 14.17.500;

(E) \$5,995,000 to projects in a municipality with a public school enrollment of at least 4,000 but less than 6,000 students in fiscal year 2005, as determined under AS 14.17.500;

(F) \$1,237,000 to projects in a municipality with a public school enrollment of at least 2,400 but less than 2,800 students in fiscal year 2005, as determined under AS 14.17.500;

(G) \$1,100,000 to projects in a municipality with a public school enrollment of at least 2,200 but less than 2,400 students in fiscal year 2005, as determined under AS 14.17.500;

(H) \$7,164,000 to projects in a municipality with a public school enrollment of at least 1,300 but less than 1,500 students in fiscal year 2005, as determined under AS 14.17.500;

(I) \$1,260,000 to projects in a municipality with a public school enrollment of at least 740 but less than 757 students in fiscal year 2005, as determined under AS 14.17.500;

(J) \$608,000 to projects in a municipality with a public school enrollment of at least 650 but less than 700 students in fiscal year 2005, as determined under AS 14.17.500;

(K) \$32,000,000 to projects in a municipality with a public school enrollment of at least 500 but less than 600 students in fiscal year 2005, as determined under AS 14.17.500;

(L) \$2,809,000 to projects in a municipality with a public school enrollment of at least 370 but less than 390 students in fiscal year 2005, as determined under AS 14.17.500.

(q) The total amount of school construction projects approved for reimbursement by the department under (a)(15) of this section

(1) may not exceed \$14,644,000;

(2) after June 30, 1999, and until October 31, 2006, shall be allocated as follows:

(A) \$6,522,000 to projects in a municipality with a public school enrollment of at least 1,925 but less than 2,025 students in fiscal year 2005, as determined under AS 14.17.500;

(B) \$8,122,000 to projects in a municipality with a public school enrollment of at least 398 but less than 400 students in fiscal year 2005, as determined under AS 14.17.500.

(r) In this section, "outstanding bonds, notes, or other indebtedness" includes bonds issued to refund bonds, notes, or other indebtedness issued to pay costs of school construction or to refund bonds. Refunded bonds, notes, or other indebtedness are not considered outstanding.

(s) Notwithstanding any other provision of law, the commissioner may not approve an application for bond debt reimbursement made by a municipality for school construction or major maintenance for indebtedness authorized by the qualified voters of the municipality on or after January 1, 2015, but before July 1, 2020. (§ 1 ch 249 SLA 1970; am § 1 ch 93 SLA 1971; am § 2 ch 137 SLA 1972; am § 1 ch 28 SLA 1973; am § 47 ch 127 SLA 1974; am §§ 1 — 3 ch 120 SLA 1977; am §§ 12, 17 ch 147 SLA 1978; am § 25



ch 168 SLA 1978; am §§ 8 — 10 ch 92 SLA 1982; am §§ 1 — 3 ch 82 SLA 1983; am § 47 ch 6 SLA 1984; am §§ 1 — 5 ch 78 SLA 1985; am §§ 1 — 3 ch 73 SLA 1987; am §§ 7, 8 ch 5 SLA 1990; am §§ 14, 15 ch 78 SLA 1993; am § 9 ch 21 SLA 1995; am § 2 ch 30 SLA 1997; am § 2 ch 59 SLA 1997; am §§ 1 — 6 ch 77 SLA 1998; am §§ 2 — 6 ch 130 SLA 2000; am §§ 1 — 3 ch 93 SLA 2001; am §§ 6 — 8 ch 3 SSSLA 2002; am §§ 3, 7 ch 115 SLA 2002; am § 26 ch 35 SLA 2003; am §§ 2 — 4 ch 7 FSSLA 2005; am §§ 3, 4 ch 41 SLA 2006; am § 2 ch 107 SLA 2008; am § 6 ch 93 SLA 2010; am § 21 ch 15 SLA 2014; am §§ 2 — 4 ch 3 SLA 2015; am § 10 ch 3 SLA 2017)

**Delayed repeal.** — Under sec. 6, ch. 3, SLA 2015, subsection (s) of this section is repealed July 1, 2020.

**Revisor's notes.** — Formerly AS 43.18.100. Renumbered in 1983. Subsection (r) was enacted as a part of subsection (l), relettered as (m) in 1987, as (n) in 1996, as (o) in 1998, as (p) in 2000, and as (r) in 2005. Subsection (m) was formerly (n). Relettered in 1996, at which time "(m)" was substituted for "(n)" in paragraph (a)(6) and (7). A contingent amendment to this section made by Sec. 16, ch. 78, SLA 1993 did not take effect because the constitutional amendment on which it was contingent did not take effect. Subsection (n) was enacted as (o). Relettered in 1998, at which time former (n) was relettered as (o) [now (r)] and internal references in (a)(8) and (9) were conformed. Subsection (o) was enacted as (p); relettered in 2000, at which time internal references in (a)(10) were conformed. Subsections (p) and (q) were enacted as (q) and (r), respectively; relettered in 2005, at which time former (p) was relettered as (r) and internal references in (a)(13) — (15) were conformed.

Paragraphs (a)(19) and (20) were enacted as paragraphs (a)(18) and (19); renumbered in 2015.

**Effect of amendments.** — The 2010 amendment, effective June 22, 2010, in (a)(15), added "the former

participating share amounts required under" following "for a municipal school district under", in (a)(16) and (a)(17), deleted "but before November 30, 2010" following "on or after October 1, 2006".

The 2014 amendment, effective July 1, 2014, in (a)(17), inserted "but before May 1, 2015," following "on or after October 1, 2006," and added (a)(18).

The 2015 amendment, effective July 23, 2015, in (a)(16) inserted "but before January 1, 2015," in (a)(17) substituted "January 1, 2015" for "May 1, 2015", repealed (a)(18), added (a)(18) and (19) [now (a)(19) and (20)], added (s).

The 2017 amendment, effective July 1, 2017, in the first sentence of (e), substituted "including the amount of state aid" for "including but not limited to the amount of state aid" preceding "paid on a per capita".

**Editor's notes.** — Under sec. 7, ch. 3, SLA 2015, the amendments made to paragraphs (a)(16) and (17) and the repeal of paragraph (a)(18) of this section by sec. 2, ch. 3, SLA 2015, are retroactive to January 1, 2015.

Under sec. 7, ch. 3, SLA 2015, subsection (s) of this section is retroactive to January 1, 2015.

#### NOTES TO DECISIONS

**Section held constitutional.** — Plaintiffs failed to establish that provisions of subsections (a) and (d), which apply to boroughs but not regional educational attendance areas (REAA's), create an actual disparity

in state aid for school construction, so as to violate borough residents' equal protection rights. *Matanuska-Susitna Borough Sch. Dist. v. State*, 931 P.2d 391 (Alaska 1997).

**Sec. 14.11.102. Allocation requests.** (a) A request for an allocation of funds under AS 14.11.100 must be submitted to the department by the school district not later than October 15 of the fiscal year before the fiscal year for which the request is made.

(b) The department shall evaluate projects for which retirement of school construction debt is requested. In evaluating projects for bond reimbursement as required under this section, the department shall evaluate all of the following factors, without establishing an absolute priority for any one factor:

- (1) emergency requirements;
- (2) priorities assigned by the district to the projects requested;
- (3) new local elementary and secondary facilities;
- (4) existing regional, community, and school facilities, and their condition; this paragraph does not include administrative facilities;
- (5) the amount of district operating funds expended for maintenance; and
- (6) other program options for accomplishing the project's objectives.

(c) The commissioner may not allocate funds to a municipality under AS 14.11.100 for the retirement of the principal of and interest on outstanding tax-exempt bonds, notes, or other indebtedness authorized by the qualified voters of the municipality on or after

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2010.

**Editor's**

**Sec. 14.**  
ch 5 SLA

**Sec. 14**  
lease, an

January 1, 2015, but before July 1, 2020. (§ 6 ch 78 SLA 1985; am § 9 ch 5 SLA 1990; am § 17 ch 78 SLA 1993; am § 5 ch 3 SLA 2015)

**Delayed repeal.** — Under sec. 6, ch. 3, SLA 2015, subsection (c) of this section is repealed July 1, 2020.

**Effect of amendments.** — The 2015 amendment, effective July 23, 2015, added (c).

**Editor's notes.** — Under sec. 7, ch. 3, SLA 2015, subsection (c) of this section is retroactive to January 1, 2015.

*Secs. 14.11.105 — 14.11.120. Public school facilities construction advance account. [Repealed, § 15 ch 5 SLA 1990.]*

## Article 2. Charter School Facilities

### Section

121. Supplemental charter school facilities construction, lease, and major maintenance grant program

### Section

126. State aid for costs of charter school facilities construction, lease, and major maintenance

**Sec. 14.11.121. Supplemental charter school facilities construction, lease, and major maintenance grant program.** (a) The department shall establish a charter school facilities construction, lease, and major maintenance grant program that supplements grant aid otherwise available under this chapter and that is based on a per pupil funding formula.

(b) The department shall apply for available federal funding and award federal funding made available under the grant program established under (a) of this section for not more than five years for approved projects for charter school facilities construction, lease, or major maintenance as follows:

- (1) 90 percent of the allowable costs for the first fiscal year for the approved project;
- (2) 80 percent of the allowable costs for the second fiscal year for the approved project;
- (3) 60 percent of the allowable costs for the third fiscal year for the approved project;
- (4) 40 percent of the allowable costs for the fourth fiscal year for the approved project; and
- (5) 20 percent of the allowable costs for the fifth fiscal year for the approved project.

(c) The grant program established in this section is subject to legislative appropriation and available funding and must be consistent with applicable federal and state requirements.

(d) A school district or regional educational attendance area that submits an application for a proposed project under AS 14.11.011 for funding under this section that is approved for funding by the department shall provide a participating share that is equal to the difference between the allowable costs of a project and the combined available federal funding and the state aid provided under AS 14.11.126. Allowable costs for a project approved under this section shall be based on the adjusted student count for a charter school calculated under AS 14.17.450(a) and (c), as determined by the commissioner. (§ 2 ch 91 SLA 2010)

**Effective dates.** — Section 2, ch. 91, SLA 2010, which enacted this section, is effective September 19, 2010.

**Editor's notes.** — The delayed repeal of this sec-

tion by sec. 3, ch. 91, SLA 2010, which was to take effect July 1, 2015, was repealed by sec. 49, ch. 15, SLA 2014.

*Sec. 14.11.125. Public school facilities construction advance account. [Repealed, § 15 ch 5 SLA 1990.]*

**Sec. 14.11.126. State aid for costs of charter school facilities construction, lease, and major maintenance.** During each fiscal year, the state shall allocate to a