

**HOUSE CS FOR CS FOR SENATE BILL NO. 244(HES)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 4/30/96  
Referred: Finance

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to school construction grants; relating to state foundation aid**  
2 **and supplementary state aid for education; and providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **\* Section 1.** AS 14.11.013(a) is amended to read:

5 (a) With regard to projects for which grants are requested under AS 14.11.011,  
6 the department shall

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

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

14 (B) house students who would otherwise be unhoused; **for**

1 purposes of this subparagraph, students are considered unhoused if the  
2 students attend school in temporary facilities and the district has a  
3 population greater than 10,000;

4 (C) protect the structure of existing school facilities;

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

8 (E) achieve an operating cost savings;

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

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

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

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

19 \* **Sec. 2.** AS 14.17.021 is repealed and reenacted to read:

20 Sec. 14.17.021. STATE FOUNDATION AID. (a) Beginning July 1, 1995,  
21 the amount of state foundation aid for which a city or borough school district may  
22 qualify in a fiscal year is calculated by subtracting from the basic need defined in (c)  
23 of this section the required local contributions under AS 14.17.025(a) and 90 percent  
24 of eligible federal impact aid for that fiscal year.

25 (b) Beginning July 1, 1995, the amount of state foundation aid for which a  
26 regional educational attendance area may qualify in a fiscal year is calculated by  
27 subtracting from the basic need defined in (c) of this section 96 percent of eligible  
28 federal impact aid for that fiscal year.

29 (c) The basic need of a school district is determined by multiplying the area  
30 cost differential of the district under AS 14.17.051 by the number of instructional units  
31 in the district under AS 14.17.031 and then multiplying that product by the

1 instructional unit value in AS 14.17.056.

2 (d) The department may make adjustments to a district's state foundation aid  
3 for a fiscal year to correct underpayments made in previous fiscal years.

4 \* **Sec. 3.** AS 14.17 is amended by adding a new section to read:

5 Sec. 14.17.026. SUPPLEMENTARY STATE AID FOR REGIONAL  
6 EDUCATIONAL ATTENDANCE AREAS. Beginning July 1, 1995, in addition to the  
7 state foundation aid for which a regional educational attendance area may qualify  
8 under AS 14.17.021(b), a regional educational attendance area may qualify for  
9 supplementary state aid. The amount of supplementary state aid for which a regional  
10 educational attendance area may qualify in a fiscal year is calculated by multiplying  
11 the area cost differential of the regional educational attendance area under  
12 AS 14.17.051 by the number of instructional units in the regional educational  
13 attendance area determined under AS 14.17.031 and then multiplying that product by  
14 a unit allotment of \$500.

15 \* **Sec. 4.** TRANSITION. Notwithstanding the provisions of this Act, if, for fiscal year  
16 1996, a city or borough school district or a regional educational attendance area would receive  
17 less foundation aid under this Act than the city or borough school district or regional  
18 educational attendance area would have received under AS 14.17 without enactment of this  
19 Act, the school district or attendance area is eligible to receive foundation aid for fiscal year  
20 1996 equal to the amount that would have been received under AS 14.17 without the  
21 enactment of this Act.

22 \* **Sec. 5.** Notwithstanding any other provision of law, AS 14.17 shall not be applied for  
23 funding public education after June 30, 1997.

24 \* **Sec. 6.** Sections 2 - 4 of this Act are retroactive to July 1, 1995.

25 \* **Sec. 7.** This Act takes effect immediately under AS 01.10.070(c).