

SENATE BILL NO. 62

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY SENATORS DAVIS, Ellis

Introduced: 1/31/01

Referred: Health, Education and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to forward funding of state aid for education programs; and providing**
2 **for an effective date."**

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

4 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
5 to read:

6 POLICY. It is the policy of the state to fund state programs for the support of
7 kindergarten, primary, secondary, and community schools programs at least one year in
8 advance of the fiscal year in which the funds are to be expended in order to give school
9 districts, regional educational attendance areas, state boarding schools, and the state
10 centralized correspondence study program advance and reasonably certain knowledge of the
11 amount and nature of financial support that the state will provide.

12 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
13 read:

14 INTENT. (a) It is the intent of this Act to provide for forward funding of state

1 support of education programs by establishing a procedure under which the legislature
 2 appropriates funds for state support of education programs one fiscal year before the funds are
 3 to be expended. During the first fiscal year after the appropriation is made, the Department of
 4 Education and Early Development is to allocate the appropriated funds among the education
 5 programs identified for support by the legislature and to allot and commit those funds to
 6 school districts, regional educational attendance areas, state boarding schools, and the state
 7 centralized correspondence study program. During the second fiscal year after the
 8 appropriation is made, the school districts, regional educational attendance areas, state
 9 boarding schools, and the state centralized correspondence study program shall expend the
 10 funds for those education programs for which the funds were appropriated.

11 (b) It is the intent of the legislature that the process for forward funding of state
 12 support of education programs and the associated appropriation to fund state support of
 13 education programs in fiscal year 2003 be enacted during fiscal year 2001.

14 * **Sec. 3.** AS 14.07 is amended by adding a new section to read:

15 **Sec. 14.07.065. Forward funding of programs for support of education.**

16 (a) The forward funding account is established in the general fund to hold funds
 17 appropriated by the legislature for the purpose of forward funding state support of the
 18 following education programs: state aid to public schools program, tuition students
 19 program, boarding home grants program, youth in detention program, pupil
 20 transportation program, schools for the handicapped program, community schools
 21 program, child nutrition program, state boarding school program, and state centralized
 22 correspondence study program.

23 (b) Consistent, to the extent practicable, with the procedures set out in
 24 AS 37.07, the department shall prepare a budget to fund state support for education
 25 programs for the second fiscal year following the fiscal year in which the budget is
 26 prepared. The budget shall be based on the best information available to the
 27 department to project the amount of money needed to fund state support of education
 28 programs in the second fiscal year following the fiscal year in which the budget is
 29 prepared. The budget shall be submitted to the legislature by the governor as part of
 30 the general appropriation bill. If the legislature makes an appropriation to the forward
 31 funding account, the legislature shall indicate in the appropriation bill those education

1 programs and the fiscal year for which the appropriation is made.

2 (c) Funds appropriated to forward fund state support of education programs
3 shall be deposited in the forward funding account on the date that the appropriation
4 takes effect.

5 (d) By April 15 of the fiscal year following the fiscal year in which funds to
6 forward fund state support of education programs were appropriated by the legislature,
7 the department shall determine the amount of funds to be allocated among the
8 education programs for which the appropriation was made and shall transfer the funds
9 from the forward funding account to the department or the appropriate account for
10 allotment and distribution to school districts, regional educational attendance areas,
11 state boarding schools, and the state centralized correspondence study program for the
12 next fiscal year as provided by law. Unless otherwise provided by the legislature in
13 the appropriation to the forward funding account, the department shall give a priority
14 to allocating sufficient funds to fully fund the state aid to public schools program
15 under AS 14.17.

16 (e) Unless otherwise provided by law, the unexpended and unobligated
17 balance of funds transferred under (d) of this section from the forward funding account
18 to the department or an appropriate account that remains at the end of the fiscal year
19 for which the funds were appropriated lapses into the fund or account from which the
20 funds were appropriated.

21 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).