

**SENATE BILL NO. 174**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SECOND LEGISLATURE - FIRST SESSION

**BY THE SENATE FINANCE COMMITTEE**

**Introduced: 4/3/01**  
**Referred: Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to education funding; and providing for an effective date."**

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

3 **\* Section 1.** AS 14.17.410(b) is amended to read:

4 (b) Public school funding consists of state aid, a required local contribution,  
5 and eligible federal impact aid determined as follows:

6 (1) state aid equals basic need minus a required local contribution and  
7 90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum  
8 obtained under (D) of this paragraph, multiplied by the base student allocation set out  
9 in AS 14.17.470; district adjusted ADM is calculated as follows:

10 (A) the ADM of each school in the district is calculated by  
11 applying the school size factor to the student count as set out in AS 14.17.450;

12 (B) the number obtained under (A) of this paragraph is  
13 multiplied by the district cost factor described in AS 14.17.460;

14 (C) the ADMs of each school in a district, as adjusted  
15 according to (A) and (B) of this paragraph, are added; the sum is then

1 multiplied by the special needs factor set out in AS 14.17.420(a)(1);

2 (D) the number obtained for intensive services under  
3 AS 14.17.420(a)(2) and the number obtained for correspondence study under  
4 AS 14.17.430 are added to the number obtained under (C) of this paragraph;

5 (2) the required local contribution of a city or borough school district is  
6 **the lesser of**

7 (A) the equivalent of a four mill tax levy on the full and true  
8 value of the taxable real and personal property in the district as of January 1 of  
9 the second preceding fiscal year, as determined by the Department of  
10 Community and Economic Development under AS 14.17.510 and  
11 AS 29.45.110; **or**

12 (B) **100** [, NOT TO EXCEED 45] percent of a district's basic  
13 need for the **current** [PRECEDING] fiscal year as determined under (1) of this  
14 subsection.

15 \* **Sec. 2.** AS 14.17.470 is amended to read:

16 **Sec. 14.17.470. Base student allocation.** The base student allocation is  
17 **\$3,976** [\$3,940].

18 \* **Sec. 3.** AS 14.17.905 is amended to read:

19 **Sec. 14.17.905. Facilities constituting a school.** For purposes of this chapter,  
20 the determination of the number of schools in a district is subject to the following:

21 (1) a community with an ADM of at least 10, but not more than 100,  
22 shall be counted as one school;

23 (2) a community with an ADM of at least 101, but not more than **400**  
24 [750], shall be counted as

25 (A) one elementary school, which includes those students in  
26 grades kindergarten through **six** [6]; and

27 (B) one secondary school, which includes students in grades  
28 **seven** [7] through 12;

29 (3) in a community with an ADM of greater than **400** [750], each  
30 facility that is administered as a separate school shall be counted as one school, except  
31 that each alternative school with an ADM of less than 200 shall be counted as a part of

1 the school in the district with the highest ADM.

2 \* **Sec. 4.** This Act takes effect July 1, 2001.