

SENATE BILL NO. 335

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

BY SENATORS LINCOLN, Hoffman

Introduced: 2/19/02

Referred: Community and Regional Affairs, Health, Education and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to municipal bond reimbursement for school construction; and**
2 **providing 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 FINDINGS AND INTENT. (a) The legislature finds that

7 (1) art. VII, sec. 1, Constitution of the State of Alaska, provides that the
8 legislature shall establish and maintain a system of public schools open to all children of the
9 state;

10 (2) adequate public school facilities that provide a safe and effective
11 atmosphere for learning are integral to the success of the initiative for quality schools in this
12 state;

13 (3) every school-age child in this state deserves the opportunity to attend an
14 adequate public school facility;

1 (4) the current value of public school and school-related facilities statewide is
2 nearly \$4,000,000,000;

3 (5) the state must protect its investment in our public school facilities by
4 recognizing where new public school facilities are needed and repairing and maintaining
5 existing public school facilities that are deficient;

6 (6) the Department of Education and Early Development compiles a statewide
7 list of projects for which grant applications are submitted under AS 14.11.011 and ranks those
8 projects according to priority needs;

9 (7) the current statewide lists of public school construction, repair, and
10 maintenance needs include over 150 school projects at a total cost to the state of over
11 \$640,000,000;

12 (8) the superior court, Third Judicial District, State of Alaska, found, in
13 *Kasayulie, et al. v. State of Alaska*, No. 3AN-97-3782 CI, that the state had failed to provide
14 constitutionally adequate public school facilities to all children of the state;

15 (9) to correct the constitutional violations found in *Kasayulie, et al. v. State of*
16 *Alaska*, it is necessary to eliminate future debt-reimbursement funding under AS 14.11.100.

17 (b) It is the intent of the legislature that sufficient funding be appropriated to the
18 school construction grant fund (AS 14.11.005) and the major maintenance grant fund
19 (AS 14.11.007) so that every school-age child in Alaska will have the opportunity to attend an
20 adequate public school facility.

21 * **Sec. 2.** AS 14.11.100(a)(9) is amended to read:

22 (9) subject to (h), (i), (j), and (n) of this section and after projects
23 funded by the bonds, notes, or other indebtedness have been approved by the
24 commissioner, 70 percent of payments made by the municipality during the fiscal year
25 for the retirement of principal and interest on outstanding bonds, notes, or other
26 indebtedness authorized by the qualified voters of the municipality on or after July 1,
27 1998, but before **December 14, 2001** [JULY 1, 2004], to pay costs of school
28 construction, additions to schools, and major rehabilitation projects that exceed
29 \$200,000 and are approved under AS 14.07.020(a)(11);

30 * **Sec. 3.** AS 14.11.100(a)(10) is amended to read:

31 (10) subject to (h), (i), (j)(2) - (4), and (o) 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 June 30,
5 1998, but before December 14, 2001, to pay costs of school construction, additions to
6 schools, and major rehabilitation projects that exceed \$200,000, are approved under
7 AS 14.07.020(a)(11), and are not reimbursed under (n) of this section.

8 * **Sec. 4.** AS 14.11.100 is amended by adding a new subsection to read:

9 (q) The state may not allocate money to a school district to pay the costs of
10 school construction, additions to schools, or major rehabilitation projects authorized
11 by the qualified voters of the municipality on or after December 14, 2001. Except as
12 otherwise provided in this section, the legislature may not appropriate or allocate
13 money for the costs of school construction, additions to schools, or major
14 rehabilitation projects unless the project is approved under AS 14.11.015(a).

15 * **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to
16 read:

17 **RETROACTIVITY.** This Act is retroactive to December 14, 2001.

18 * **Sec. 6.** This Act takes effect immediately under AS 01.10.070(c).