

**CS FOR HOUSE BILL NO. 13(RLS) am**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE HOUSE RULES COMMITTEE

Amended: 5/3/06

Offered: 5/3/06

Sponsor(s): REPRESENTATIVES GATTO AND GRUENBERG, Thomas, Gara, Gardner, Lynn, Neuman, Kohring, Chenault, McGuire, Rokeberg, Seaton, LeDoux

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to reimbursement of municipal bonds for school construction;**  
2 **increasing the base student allocation used in the formula for state financing of public**  
3 **education; relating to the district cost factors for state funding of public education;**  
4 **relating to school improvement funding; and providing for an effective date."**

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

6 \* **Section 1.** AS 14.11.100(a) is amended to read:

7 (a) During each fiscal year, the state shall allocate to a municipality that is a  
8 school district the following sums:

9 (1) payments made by the municipality during the fiscal year two years  
10 earlier for the retirement of principal and interest on outstanding bonds, notes, or other  
11 indebtedness incurred before July 1, 1977, to pay costs of school construction;

12 (2) 90 percent of

13 (A) payments made by the municipality during the fiscal year  
14 two years earlier for the retirement of principal and interest on outstanding  
15 bonds, notes, or other indebtedness incurred after June 30, 1977, and before

1 July 1, 1978, to pay costs of school construction;

2 (B) cash payments made after June 30, 1976, and before July 1,  
3 1978, by the municipality during the fiscal year two years earlier to pay costs  
4 of school construction;

5 (3) 90 percent of

6 (A) payments made by the municipality during the fiscal year  
7 two years earlier for the retirement of principal and interest on outstanding  
8 bonds, notes, or other indebtedness incurred after June 30, 1978, and before  
9 January 1, 1982, to pay costs of school construction projects approved under  
10 AS 14.07.020(a)(11);

11 (B) cash payments made after June 30, 1978, and before July 1,  
12 1982, by the municipality during the fiscal year two years earlier to pay costs  
13 of school construction projects approved under AS 14.07.020(a)(11);

14 (4) subject to (h) and (i) of this section, up to 90 percent of

15 (A) payments made by the municipality during the current  
16 fiscal year for the retirement of principal and interest on outstanding bonds,  
17 notes, or other indebtedness incurred after December 31, 1981, and authorized  
18 by the qualified voters of the municipality before July 1, 1983, to pay costs of  
19 school construction, additions to schools, and major rehabilitation projects that  
20 exceed \$25,000 and are approved under AS 14.07.020(a)(11);

21 (B) cash payments made after June 30, 1982, and before July 1,  
22 1983, by the municipality during the fiscal year two years earlier to pay costs  
23 of school construction, additions to schools, and major rehabilitation projects  
24 that exceed \$25,000 and are approved under AS 14.07.020(a)(11); and

25 (C) payments made by the municipality during the current  
26 fiscal year for the retirement of principal and interest on outstanding bonds,  
27 notes, or other indebtedness to pay costs of school construction, additions to  
28 schools, and major rehabilitation projects that exceed \$25,000 and are  
29 submitted to the department for approval under AS 14.07.020(a)(11) before  
30 July 1, 1983, and approved by the qualified voters of the municipality before  
31 October 15, 1983, not to exceed a total project cost of (i) \$6,600,000 if the

1 annual growth rate of average daily membership of the municipality is more  
2 than seven percent but less than 12 percent, or (ii) \$20,000,000 if the annual  
3 growth rate of average daily membership of the municipality is 12 percent or  
4 more; payments made by a municipality under this subparagraph on total  
5 project costs that exceed the amounts set out in (i) and (ii) of this subparagraph  
6 are subject to (5)(A) of this subsection;

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

8 (A) payments made by the municipality during the fiscal year  
9 for the retirement of principal and interest on outstanding bonds, notes, or  
10 other indebtedness authorized by the qualified voters of the municipality

11 (i) after June 30, 1983, but before March 31, 1990, to  
12 pay costs of school construction, additions to schools, and major  
13 rehabilitation projects that exceed \$25,000 and are approved under  
14 AS 14.07.020(a)(11); or

15 (ii) before July 1, 1989, and reauthorized before  
16 November 1, 1989, to pay costs of school construction, additions to  
17 schools, and major rehabilitation projects that exceed \$25,000 and are  
18 approved under AS 14.07.020(a)(11); and

19 (B) cash payments made after June 30, 1983, by the  
20 municipality during the fiscal year two years earlier to pay costs of school  
21 construction, additions to schools, and major rehabilitation projects that exceed  
22 \$25,000 and are approved by the department before July 1, 1990, under  
23 AS 14.07.020(a)(11);

24 (6) subject to (h) - (j) and (m) of this section, 70 percent of payments  
25 made by the municipality during the fiscal year for the retirement of principal and  
26 interest on outstanding bonds, notes, or other indebtedness authorized by the qualified  
27 voters of the municipality on or after April 30, 1993, but before July 1, 1996, to pay  
28 costs of school construction, additions to schools, and major rehabilitation projects  
29 that exceed \$200,000 and are approved under AS 14.07.020(a)(11);

30 (7) subject to (h) - (j) and (m) of this section, 70 percent of payments  
31 made by the municipality during the fiscal year for the retirement of principal and

1 interest on outstanding bonds, notes, or other indebtedness authorized by the qualified  
2 voters of the municipality after March 31, 1990, but before April 30, 1993, to pay  
3 costs of school construction, additions to schools, and major rehabilitation projects;

4 (8) subject to (h), (i), (j)(2) - (5), and (n) of this section and after  
5 projects funded by the bonds, notes, or other indebtedness have been approved by the  
6 commissioner, 70 percent of payments made by the municipality during the fiscal year  
7 for the retirement of principal and interest on outstanding bonds, notes, or other  
8 indebtedness authorized by the qualified voters of the municipality on or after July 1,  
9 1995, but before July 1, 1998, to pay costs of school construction, additions to  
10 schools, and major rehabilitation projects that exceed \$200,000 and are approved  
11 under AS 14.07.020(a)(11);

12 (9) subject to (h), (i), (j)(2) - (5), and (n) of this section and after  
13 projects funded by the bonds, notes, or other indebtedness have been approved by the  
14 commissioner, 70 percent of payments made by the municipality during the fiscal year  
15 for the retirement of principal and interest on outstanding bonds, notes, or other  
16 indebtedness authorized by the qualified voters of the municipality on or after July 1,  
17 1998, but before July 1, 2006, to pay costs of school construction, additions to  
18 schools, and major rehabilitation projects that exceed \$200,000 and are approved  
19 under AS 14.07.020(a)(11);

20 (10) subject to (h), (i), (j)(2) - (5), and (o) of this section, and after  
21 projects funded by the bonds, notes, or other indebtedness have been approved by the  
22 commissioner, 70 percent of payments made by the municipality during the fiscal year  
23 for the retirement of principal and interest on outstanding bonds, notes, or other  
24 indebtedness authorized by the qualified voters of the municipality on or after June 30,  
25 1998, to pay costs of school construction, additions to schools, and major  
26 rehabilitation projects that exceed \$200,000, are approved under AS 14.07.020(a)(11),  
27 and are not reimbursed under (n) of this section;

28 (11) subject to (h), (i), and (j)(2) - (5) of this section, and after projects  
29 funded by the bonds, notes, or other indebtedness have been approved by the  
30 commissioner, 70 percent of payments made by a municipality during the fiscal year  
31 for the retirement of principal and interest on outstanding bonds, notes, or other

1 indebtedness authorized by the qualified voters of the municipality on or after June 30,  
2 1999, but before January 1, 2005, to pay costs of school construction, additions to  
3 schools, and major rehabilitation projects and education-related facilities that exceed  
4 \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n)  
5 or (o) of this section;

6 (12) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent  
7 of payments made by a municipality during the fiscal year for the retirement of  
8 principal and interest on outstanding bonds, notes, or other indebtedness authorized by  
9 the qualified voters of the municipality on or after June 30, 1999, but before January 1,  
10 2005, to pay costs of school construction, additions to schools, and major  
11 rehabilitation projects and education-related facilities that exceed \$200,000, are  
12 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this  
13 section;

14 (13) subject to (h), (i), (j)(2) - (5), and (p) of this section, and after  
15 projects funded by the tax exempt bonds, notes, or other indebtedness have been  
16 approved by the commissioner, 70 percent of payments made by a municipality during  
17 the fiscal year for the retirement of principal and interest on outstanding tax exempt  
18 bonds, notes, or other indebtedness authorized by the qualified voters of the  
19 municipality on or after June 30, 1999, but before October 31, 2006, to pay costs of  
20 school construction, additions to schools, and major rehabilitation projects and  
21 education-related facilities that exceed \$200,000, are approved under  
22 AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this section;

23 (14) subject to (h), (i), (j)(2), (3), and (5), and (p) of this section, 60  
24 percent of payments made by a municipality during the fiscal year for the retirement  
25 of principal and interest on outstanding tax exempt bonds, notes, or other indebtedness  
26 authorized by the qualified voters of the municipality on or after June 30, 1999, but  
27 before October 31, 2006, to pay costs of school construction, additions to schools, and  
28 major rehabilitation projects and education-related facilities that exceed \$200,000, are  
29 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this  
30 section;

31 (15) subject to (h), (i), (j)(2) - (5), and (q) of this section, and after

1 projects funded by the bonds, notes, or other indebtedness have been approved by the  
 2 commissioner, 90 percent of payments made by a 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 1999, but before October 31, 2006, to pay costs of school construction, additions to  
 6 schools, and major rehabilitation projects and education-related facilities that exceed  
 7 \$200,000, are approved under AS 14.07.020(a)(11), meet the 10 percent participating  
 8 share requirement for a municipal school district under AS 14.11.008(b), and are not  
 9 reimbursed under (n) or (o) of this section;

10 **(16) subject to (h), (i), and (j)(2) - (5) of this section, and after**  
 11 **projects funded by the tax exempt bonds, notes, or other indebtedness have been**  
 12 **approved by the commissioner, 70 percent of payments made by a municipality**  
 13 **during the fiscal year for the retirement of principal and interest on outstanding**  
 14 **tax exempt bonds, notes, or other indebtedness authorized by the qualified voters**  
 15 **of the municipality on or after October 1, 2006, but before November 30, 2008, to**  
 16 **pay costs of school construction, additions to schools, and major rehabilitation**  
 17 **projects and education-related facilities that exceed \$200,000, are approved**  
 18 **under AS 14.07.020(a)(11), and are not reimbursed under (o) of this section;**

19 **(17) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60**  
 20 **percent of payments made by a municipality during the fiscal year for the**  
 21 **retirement of principal and interest on outstanding tax exempt bonds, notes, or**  
 22 **other indebtedness authorized by the qualified voters of the municipality on or**  
 23 **after October 1, 2006, but before November 30, 2008, to pay costs of school**  
 24 **construction, additions to schools, and major rehabilitation projects and**  
 25 **education-related facilities that exceed \$200,000, are reviewed under**  
 26 **AS 14.07.020(a)(11), and are not reimbursed under (o) of this section.**

27 \* **Sec. 2.** AS 14.11.100(j) is amended to read:

28 (j) Except as provided in (l) of this section, the state may not allocate money  
 29 to a municipality for a school construction project under (a)(5), (6), or (7) of this  
 30 section unless the municipality complies with the requirements of (1) - (5) of this  
 31 subsection, the project is approved by the commissioner before the local vote on the

1 bond issue for the project or for bonds authorized after March 31, 1990, but on or  
 2 before April 30, 1993, the bonds are approved by the commissioner before  
 3 reimbursement by the state, and the local vote occurs before July 1, 1987, or after  
 4 June 30, 1988. In approving a project under this subsection, and to the extent required  
 5 under (a)(8) - (17) [(a)(8) - (15)] of this section, the commissioner shall require

6 (1) the municipality to include on the ballot for the bond issue, for  
 7 bonds authorized on or before March 31, 1990, or after April 30, 1993, the estimated  
 8 total cost of each project including estimated total interest, estimated annual operation  
 9 and maintenance costs, the estimated amounts that will be paid by the state and by the  
 10 municipality, and the approximate amount that would be due in annual taxes on  
 11 \$100,000 in assessed value to retire the debt;

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

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

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

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

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

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

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

27 (5) evidence acceptable to the department that the district

28 (A) has a preventive maintenance plan that

29 (i) includes a computerized maintenance management  
 30 program, cardex system, or other formal systematic means of tracking  
 31 the timing and costs associated with planned and completed

1 maintenance activities, including scheduled preventive maintenance;

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

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

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

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

11 (B) is adequately following the preventive maintenance plan.

12 \* **Sec. 3.** AS 14.11.100(p) is amended to read:

13 (p) The total amount of school construction projects approved for  
14 reimbursement by the department under (a)(13) and (a)(14) of this section

15 (1) may not exceed \$179,256,000 [\$177,256,000];

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

18 (A) \$61,925,000 to projects in a municipality with a public  
19 school enrollment of 45,000 or more students in fiscal year 2005, as  
20 determined under AS 14.17.500;

21 (B) \$40,570,000 to projects in a municipality with a public  
22 school enrollment of at least 14,600 but less than 20,000 students in fiscal year  
23 2005, as determined under AS 14.17.500;

24 (C) \$20,000,000 to projects in a municipality with a public  
25 school enrollment of at least 10,000 but less than 14,600 students in fiscal year  
26 2005, as determined under AS 14.17.500;

27 (D) \$2,588,000 to projects in a municipality with a public  
28 school enrollment of at least 7,500 but less than 10,000 students in fiscal year  
29 2005, as determined under AS 14.17.500;

30 (E) \$5,995,000 to projects in a municipality with a public  
31 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) **\$2,000,000 to projects in a municipality with a public school enrollment of at least 1,501 but less than 1,800 students in fiscal year 2005, as determined under AS 14.17.500;**

(I) [(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;

(J) [(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;

(K) [(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;

(L) [(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;

(M) [(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.

\* **Sec. 4.** AS 14.17.460(a) is amended to read:

(a) For purposes of calculating a district's adjusted ADM under AS 14.17.410(b)(1), the district cost factor for a school district is as follows:

DISTRICT	DISTRICT COST FACTOR
Alaska Gateway	<b><u>1.367</u></b> [1.291]
Aleutians East	<b><u>1.565</u></b> [1.423]

1	Aleutians Region	<b><u>1.787</u></b> [1.736]
2	ALYESKA CENTRAL SCHOOL	1.000]
3	Anchorage	1.000
4	Annette Island	<b><u>1.093</u></b> [1.011]
5	Bering Strait	<b><u>1.643</u></b> [1.525]
6	Bristol Bay	<b><u>1.316</u></b> [1.262]
7	Chatham	<b><u>1.234</u></b> [1.120]
8	Chugach	<b><u>1.345</u></b> [1.294]
9	Copper River	<b><u>1.211</u></b> [1.176]
10	Cordova	<b><u>1.131</u></b> [1.096]
11	Craig	<b><u>1.059</u></b> [1.010]
12	Delta/Greely	<b><u>1.140</u></b> [1.106]
13	Denali	<b><u>1.318</u></b> [1.313]
14	Dillingham	<b><u>1.277</u></b> [1.254]
15	Fairbanks	<b><u>1.047</u></b> [1.039]
16	Galena	<b><u>1.359</u></b> [1.348]
17	Haines	<b><u>1.056</u></b> [1.008]
18	Hoonah	<b><u>1.141</u></b> [1.055]
19	Hydaburg	<b><u>1.190</u></b> [1.085]
20	Iditarod	<b><u>1.564</u></b> [1.470]
21	Juneau	<b><u>1.040</u></b> [1.005]
22	Kake	<b><u>1.134</u></b> [1.025]
23	Kashunamiut	<b><u>1.447</u></b> [1.389]
24	Kenai Peninsula	<b><u>1.046</u></b> [1.004]
25	Ketchikan	<b><u>1.043</u></b> [1.000]
26	Klawock	<b><u>1.088</u></b> [1.017]
27	Kodiak Island	<b><u>1.142</u></b> [1.093]
28	Kuspuk	<b><u>1.509</u></b> [1.434]
29	Lake and Peninsula	<b><u>1.667</u></b> [1.558]
30	Lower Kuskokwim	<b><u>1.534</u></b> [1.491]
31	Lower Yukon	<b><u>1.544</u></b> [1.438]

1	Matanuska-Susitna	<b><u>1.025</u></b> [1.010]
2	Mt. Edgecumbe	<b><u>1.049</u></b> [1.000]
3	Nenana	<b><u>1.287</u></b> [1.270]
4	Nome	<b><u>1.352</u></b> [1.319]
5	North Slope	<b><u>1.576</u></b> [1.504]
6	Northwest Arctic	<b><u>1.618</u></b> [1.549]
7	Pelican	<b><u>1.337</u></b> [1.290]
8	Petersburg	<b><u>1.061</u></b> [1.000]
9	Pribilof	<b><u>1.487</u></b> [1.419]
10	Sitka	<b><u>1.049</u></b> [1.000]
11	Skagway	<b><u>1.151</u></b> [1.143]
12	Southeast Island	<b><u>1.194</u></b> [1.124]
13	Southwest Region	<b><u>1.489</u></b> [1.423]
14	St. Mary's	<b><u>1.419</u></b> [1.351]
15	Tanana	<b><u>1.569</u></b> [1.496]
16	Unalaska	<b><u>1.294</u></b> [1.245]
17	Valdez	<b><u>1.114</u></b> [1.095]
18	Wrangell	<b><u>1.040</u></b> [1.000]
19	Yakutat	<b><u>1.138</u></b> [1.046]
20	Yukon Flats	<b><u>1.780</u></b> [1.668]
21	Yukon/Koyukuk	<b><u>1.585</u></b> [1.502]
22	Yupiit	<b><u>1.533</u></b> [1.469].

\* **Sec. 5.** AS 14.17.460(a) is amended to read:

(a) For purposes of calculating a district's adjusted ADM under AS 14.17.410(b)(1), the district cost factor for a school district is as follows:

DISTRICT	DISTRICT COST FACTOR
Alaska Gateway	<b><u>1.291</u></b> [1.367]
Aleutians East	<b><u>1.423</u></b> [1.565]
Aleutians Region	<b><u>1.736</u></b> [1.787]
ALYESKA CENTRAL SCHOOL	1.000]
Anchorage	1.000

1	Annette Island	<b><u>1.011</u></b> [1.093]
2	Bering Strait	<b><u>1.525</u></b> [1.643]
3	Bristol Bay	<b><u>1.262</u></b> [1.316]
4	Chatham	<b><u>1.120</u></b> [1.234]
5	Chugach	<b><u>1.294</u></b> [1.345]
6	Copper River	<b><u>1.176</u></b> [1.211]
7	Cordova	<b><u>1.096</u></b> [1.131]
8	Craig	<b><u>1.010</u></b> [1.059]
9	Delta/Greely	<b><u>1.106</u></b> [1.140]
10	Denali	<b><u>1.313</u></b> [1.318]
11	Dillingham	<b><u>1.254</u></b> [1.277]
12	Fairbanks	<b><u>1.039</u></b> [1.047]
13	Galena	<b><u>1.348</u></b> [1.359]
14	Haines	<b><u>1.008</u></b> [1.056]
15	Hoonah	<b><u>1.055</u></b> [1.141]
16	Hydaburg	<b><u>1.085</u></b> [1.190]
17	Iditarod	<b><u>1.470</u></b> [1.564]
18	Juneau	<b><u>1.005</u></b> [1.040]
19	Kake	<b><u>1.025</u></b> [1.134]
20	Kashunamiut	<b><u>1.389</u></b> [1.447]
21	Kenai Peninsula	<b><u>1.004</u></b> [1.046]
22	Ketchikan	<b><u>1.000</u></b> [1.043]
23	Klawock	<b><u>1.017</u></b> [1.088]
24	Kodiak Island	<b><u>1.093</u></b> [1.142]
25	Kuspuk	<b><u>1.434</u></b> [1.509]
26	Lake and Peninsula	<b><u>1.558</u></b> [1.667]
27	Lower Kuskokwim	<b><u>1.491</u></b> [1.534]
28	Lower Yukon	<b><u>1.438</u></b> [1.544]
29	Matanuska-Susitna	<b><u>1.010</u></b> [1.025]
30	Mt. Edgecumbe	<b><u>1.000</u></b> [1.049]
31	Nenana	<b><u>1.270</u></b> [1.287]

1	Nome	<b><u>1.319</u></b> [1.352]
2	North Slope	<b><u>1.504</u></b> [1.576]
3	Northwest Arctic	<b><u>1.549</u></b> [1.618]
4	Pelican	<b><u>1.290</u></b> [1.337]
5	Petersburg	<b><u>1.000</u></b> [1.061]
6	Pribilof	<b><u>1.419</u></b> [1.487]
7	Sitka	<b><u>1.000</u></b> [1.049]
8	Skagway	<b><u>1.143</u></b> [1.151]
9	Southeast Island	<b><u>1.124</u></b> [1.194]
10	Southwest Region	<b><u>1.423</u></b> [1.489]
11	St. Mary's	<b><u>1.351</u></b> [1.419]
12	Tanana	<b><u>1.496</u></b> [1.569]
13	Unalaska	<b><u>1.245</u></b> [1.294]
14	Valdez	<b><u>1.095</u></b> [1.114]
15	Wrangell	<b><u>1.000</u></b> [1.040]
16	Yakutat	<b><u>1.046</u></b> [1.138]
17	Yukon Flats	<b><u>1.668</u></b> [1.780]
18	Yukon/Koyukuk	<b><u>1.502</u></b> [1.585]
19	Yupiit	<b><u>1.469</u></b> [1.533]

20 \* **Sec. 6.** AS 14.17.470 is amended to read:

21 **Sec. 14.17.470. Base student allocation.** The base student allocation is **\$5,380**  
 22 [\$4,919].

23 \* **Sec. 7.** The uncodified law of the State of Alaska is amended by adding a new section to  
 24 read:

25 SCHOOL IMPROVEMENT GRANT. (a) In fiscal year 2007, as a component of  
 26 public school funding under AS 14.17, a district is eligible to receive a school improvement  
 27 grant in the amount of the district's ADM for fiscal year 2007 multiplied by \$81.

28 (b) For purposes of the reduction required under AS 14.17.400(b), funding authorized  
 29 under (a) of this section is treated the same as the state share of public school funding under  
 30 AS 47.17.410.

31 (c) In this section, "ADM" and "district," have the meanings given in AS 14.17.990.

- 1 \* **Sec. 8.** AS 14.17.460(a), as amended by sec. 5 of this Act, takes effect July 1, 2007.
- 2 \* **Sec. 9.** Except as provided in sec. 8 of this Act, this Act takes effect July 1, 2006.