

**SENATE BILL NO. 290**

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

BY SENATORS HOFFMAN, Olson

Introduced: 2/19/08

Referred: Senate Special Committee on Education, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to school construction and major maintenance grant applications; and**  
2 **establishing a single set of priorities and a project funding schedule for school**  
3 **construction and major maintenance grants and bond debt reimbursement funding."**

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

5 \* **Section 1.** AS 14.11.011(a) is amended to read:

6 (a) A municipality that is a school district or a regional educational attendance  
7 area shall [MAY] submit a request to the department for a grant under this chapter **for**  
8 **capital expenditures for a school that are not otherwise fully funded and that**  
9 **meet the review standards under AS 14.11.013(a).**

10 \* **Sec. 2.** AS 14.11.013(a) is amended to read:

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

13 (1) annually review the six-year plans submitted by each district under  
14 AS 14.11.011(b) and recommend to the board a revised and updated six-year capital

1 improvement project **funding** [GRANT] schedule **that specifies all sources of**  
 2 **funding, including state grants and bond debt reimbursement, and** that serves the  
 3 best interests of the state and each district; in recommending projects for this schedule,  
 4 the department shall verify that each proposed project meets the criteria established  
 5 under AS 14.11.014(b) and qualifies as a project required to

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

8 (B) house students who would otherwise be unhoused; for  
 9 purposes of this subparagraph, students are considered unhoused if the students  
 10 attend school in temporary facilities;

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

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

15 (E) achieve an operating cost savings;

16 (F) modify or rehabilitate facilities for the purpose of  
 17 improving the instructional program;

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

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

22 (3) provide to the governor, by November 1, and to the legislature  
 23 within the first 10 days of each regular legislative session, a revised and updated six-  
 24 year capital improvement project **funding** [GRANT] schedule, together with a  
 25 proposed schedule of appropriations.

26 \* **Sec. 3.** AS 14.11.014(b) is amended to read:

27 (b) The committee shall

28 (1) review the department's priorities among projects for which school  
 29 construction **funding is** [GRANTS ARE] requested;

30 (2) make recommendations to the board concerning school  
 31 construction grants and make recommendations to the commissioner concerning

1 projects for which bond reimbursement is requested; **the recommendations may not**  
 2 **assign a higher priority based on the source or type of funding and must follow**  
 3 **the order of priority on the funding schedule until the projects with higher**  
 4 **priority have received full state funding;**

5 (3) develop criteria for construction of schools in the state; criteria  
 6 developed under this paragraph must include requirements intended to achieve cost  
 7 effective school construction;

8 (4) analyze existing prototypical designs for school construction  
 9 projects;

10 (5) establish a form for grant applications;

11 (6) establish a method of ranking grant projects;

12 (7) recommend to the board necessary changes to the approval process  
 13 for school construction grants and for projects for which bond reimbursement is  
 14 requested.

15 \* **Sec. 4.** AS 14.11.019 is amended to read:

16 **Sec. 14.11.019. Grant appropriations.** Within the appropriation bill  
 17 authorizing capital expenditures submitted to the legislature under AS 37.07.020(a)(3),  
 18 the governor shall include an appropriation for grants in the succeeding fiscal year as  
 19 determined by the six-year capital improvement project **funding** [GRANT] schedule  
 20 prepared under AS 14.11.013.

21 \* **Sec. 5.** AS 14.11.100 is amended by adding a new subsection to read:

22 (s) Notwithstanding any other provision of law and to the extent that money is  
 23 available in the appropriate fund, the commissioner may approve a project for bond  
 24 debt reimbursement under this section only in the order of the project's priority on the  
 25 capital improvement project funding schedule adopted by the board based on  
 26 recommendations made under AS 14.11.013 on the date the appropriation bill funding  
 27 the appropriate fund is passed by the legislature.

28 \* **Sec. 6.** AS 14.11.102 is amended by adding a new subsection to read:

29 (c) The department may not recommend a project for bond reimbursement  
 30 under this section if a project with a higher priority on the capital improvement project  
 31 funding schedule has not received needed state funding.