HOUSE BILL NO. 339

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE ALLARD

Introduced: 2/20/24
Referred: Education, Finance

A BILL

FOR AN ACT ENTITLED

"An Act relating to funding for school construction and major maintenance; relating to school bond debt reimbursement; and providing for an effective date."

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

*** Section 1.** AS 14.11.011(b) is amended to read:

(b) For a municipality that is a school district or a regional educational attendance area to be eligible for a grant under this chapter, the district shall submit

(1) a six-year capital improvement plan that includes a description of the district's fixed asset inventory system and preventive maintenance program **not** [NO] later than **July** [SEPTEMBER] 1 of the fiscal year before the fiscal year for which the request is made; the six-year plan must contain for each proposed project a detailed scope of work, a project budget, and documentation of conditions justifying the project;

(2) evidence that the district has secured and will maintain adequate property loss insurance for the replacement cost of all facilities for which state funds

are available under AS 14.11.005 or 14.11.007 or has a program of insurance acceptable to the department;

(3) evidence acceptable to the department that the proposed project should be a capital improvement project and not part of a preventive maintenance program or regular custodial care program; and

(4) evidence acceptable to the department that the district

(A) has a preventive maintenance plan that

(i) includes a computerized maintenance management program, cardex system, or other formal systematic means of tracking the timing and costs associated with planned and completed maintenance activities, including scheduled preventive maintenance;

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

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

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

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

(B) is adequately adhering to the preventive maintenance plan.

* **Sec. 2.** AS 14.11.014(d) is amended to read:

(d) Notwithstanding any other provision of law, the committee may not recommend for approval an application for bond debt reimbursement made by a municipality

<u>(1)</u> for **<u>more than one</u>** school construction **<u>project listed on the department's ranking of school construction project priorities under AS 14.11.013(b); or</u>**

<u>(2) for more than two major maintenance projects listed on the department's ranking of major maintenance project priorities under AS 14.11.013(b), except that the committee may recommend for approval an</u>

application for bond debt reimbursement made by a municipality for all the major maintenance projects of the municipality that are ranked within the top 20 projects on the department's list of major maintenance project priorities [OR MAJOR MAINTENANCE FOR INDEBTEDNESS AUTHORIZED BY THE QUALIFIED VOTERS OF THE MUNICIPALITY ON OR AFTER JANUARY 1, 2015, BUT BEFORE JULY 1, 2025].

* **Sec. 3.** AS 14.11.100(s) is amended to read:

(s) Notwithstanding any other provision of law, the commissioner may not approve an application for bond debt reimbursement made by a municipality

(1) for **more than one** school construction **project listed on the department's ranking of school construction project priorities under AS 14.11.013(b); or**

(2) for more than two major maintenance projects listed on the department's ranking of major maintenance project priorities under AS 14.11.013(b), except that the commissioner may approve an application for bond debt reimbursement made by a municipality for all the major maintenance projects of the municipality that are ranked within the top 20 projects on the department's list of major maintenance project priorities [OR MAJOR MAINTENANCE FOR INDEBTEDNESS AUTHORIZED BY THE QUALIFIED VOTERS OF THE MUNICIPALITY ON OR AFTER JANUARY 1, 2015, BUT BEFORE JULY 1, 2025].

* **Sec. 4.** AS 14.11.102(c) is amended to read:

(c) The commissioner may not allocate funds to a municipality under AS 14.11.100 for the retirement of the principal of and interest on outstanding tax-exempt bonds, notes, or other indebtedness

(1) for more than one school construction project listed on the department's ranking of school construction project priorities under AS 14.11.013(b); or

(2) for more than two major maintenance projects listed on the department's ranking of major maintenance project priorities under AS 14.11.013(b), except that the commissioner may allocate funds to a

municipality for the retirement of the principal of and interest on outstanding tax-exempt bonds, notes, or other indebtedness for all the major maintenance projects of the municipality that are ranked within the top 20 projects on the department's list of major maintenance project priorities [AUTHORIZED BY THE QUALIFIED VOTERS OF THE MUNICIPALITY ON OR AFTER JANUARY 1, 2015, BUT BEFORE JULY 1, 2025].

* **Sec. 5.** Section 6, ch. 3, SLA 2015, as amended by sec. 5, ch. 6, SLA 2020, is repealed.

* **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY. AS 14.11.011(b), as amended by sec. 1 of this Act, AS 14.11.014(d), as amended by sec. 2 of this Act, AS 14.11.100(s), as amended by sec. 3 of this Act, and AS 14.11.102(c), as amended by sec. 4 of this Act, apply to an application for bond debt reimbursement made by a municipality for school construction or major maintenance for indebtedness authorized by the qualified voters of the municipality on or after July 1, 2025.

* **Sec. 7.** This Act takes effect July 1, 2025.