

**HOUSE BILL NO. 42**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVE ALLARD**

**Introduced: 1/22/25**

**Referred: Education, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

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

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

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

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

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

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

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

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

6 (4) evidence acceptable to the department that the district

7 (A) has a preventive maintenance plan that

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

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

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

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

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

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

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

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

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

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

1 application for bond debt reimbursement made by a municipality for all the  
 2 major maintenance projects of the municipality that are ranked within the top 20  
 3 projects on the department's list of major maintenance project priorities [OR  
 4 MAJOR MAINTENANCE FOR INDEBTEDNESS AUTHORIZED BY THE  
 5 QUALIFIED VOTERS OF THE MUNICIPALITY ON OR AFTER JANUARY 1,  
 6 2015, BUT BEFORE JULY 1, 2025].

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

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

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

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

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

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

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

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

1        **municipality for the retirement of the principal of and interest on outstanding**  
2        **tax-exempt bonds, notes, or other indebtedness for all the major maintenance**  
3        **projects of the municipality that are ranked within the top 20 projects on the**  
4        **department's list of major maintenance project priorities** [AUTHORIZED BY  
5        THE QUALIFIED VOTERS OF THE MUNICIPALITY ON OR AFTER JANUARY  
6        1, 2015, BUT BEFORE JULY 1, 2025].

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

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

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

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