

Introduced: 3/17/65  
Referred: Local Government,  
Health, Welfare and Education  
and Finance

1 IN THE HOUSE

BY MR. JACKSON

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HOUSE BILL NO. 239

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act relating to the establishment of  
7 service areas for school purposes in the un-  
8 organized borough; and providing for an  
9 effective date."

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

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\* Section 1. AS 07.05 is amended by adding new sections to

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read:

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ARTICLE 2.

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Sec. 07.05.050. SCHOOL SERVICE AREAS ESTABLISHED.

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School service areas in the unorganized borough shall be  
16 established as provided in secs. 50 - 200 of this chapter.

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Sec. 07.05.060. COMMISSIONER TO REVIEW. The commis-

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sioner shall annually review the school programs in the un-  
19 organized borough to determine in which areas there is a  
20 large concentration of school population.

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Sec. 07.05.070. MANDATORY REPORT BY COMMISSIONER. If

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the commissioner determines that the average daily membership  
23 of a public school program serving a substantially homogeneous  
24 area is 100 or more, and that the taxable real and personal  
25 property within that area has a probable value of at least  
26 \$4,000,000, he shall make a report to the Local Boundary Com-  
27 mission containing a general description of the area, the  
28 figures relative to school enrollment and daily membership,  
29 and other information pertinent to the school program in the

1 area as may be required by the Local Boundary Commission.

2 Sec. 07.05.080. OPTIONAL REPORT BY COMMISSIONER. If  
3 the commissioner determines that the average daily membership  
4 of a public school program serving a substantially homoge-  
5 neous area is 200 or more, and that the taxable real and  
6 personal property within the area has a probable value of at  
7 least \$2,000,000, he may, at his option, report to the Local  
8 Boundary Commission the same information required to be re-  
9 ported under sec. 70 of this chapter.

10 Sec. 07.05.090. BOUNDARY COMMISSION SHALL DESIGNATE  
11 AREA. The Local Boundary Commission shall review the com-  
12 missioner's report and designate the most feasible location  
13 of boundaries for a service area to provide school services.  
14 The Local Affairs Agency shall determine the full and true  
15 value of taxable real and personal property within the  
16 boundaries. In making the determination the Local Affairs  
17 Agency shall be guided by AS 29.10.396.

18 Sec. 07.05.100. BOUNDARY COMMISSION SHALL ESTABLISH  
19 AREA. If the area enclosed by the designated boundaries has  
20 at least 100 pupils in average daily membership in the pub-  
21 lic schools and the full and true value of taxable real and  
22 personal property in the area is at least \$4,000,000, or  
23 that there are at least 200 pupils in average daily member-  
24 ship in the public schools and the full and true value of  
25 taxable real and personal property in the area is at least  
26 \$2,000,000, the Local Boundary Commission shall establish a  
27 service area.

28 Sec. 07.05.110. SCHOOL BOARD. Each service area has a  
29 school board which has the same composition and functions as

1 provided by law for a city school board. The members are  
2 elected and hold office in the manner provided by law for  
3 members of a city school board. Officers of the board are  
4 elected, hold office, and function in the manner provided by  
5 law for officers of a city school board, except that the  
6 treasurer shall file his bond with the secretary of state.

7 Sec. 07.05.120. / LEGISLATURE SHALL APPROPRIATE FOR  
8 OPERATING EXPENSES. The legislature shall annually apporpri-  
9 ate the money necessary for all operating expenses of the  
10 service area.

11 Sec. 07.05.130. / PROPERTY TAX LEVIED. There is levied  
12 in each service area established under secs. 50 - 200 of this  
13 chapter an annual property tax of three and one-half mills.  
14 The tax shall be based on the value, as determined by the  
15 Local Affairs Agency in an assessment of the individual  
16 parcels, of the taxable real and personal property within the  
17 service area. In determining the value of the property the  
18 Local Affairs Agency shall be guided by AS 29.10.396. The  
19 Department of Revenue shall collect the tax and, after  
20 deduction of the costs of collection, shall deposit the money  
21 in the general fund of the state.

22 Sec. 07.05.140. / ADDITIONAL LEVY. Upon the recommenda-  
23 tion of the board the legislature may levy an additional tax  
24 not to exceed two and one-half mills.

25 Sec. 07.05.150. / SALES TAX LEVIED IN LIEU OF PROPERTY  
26 TAX. Upon the recommendation of the board and with the con-  
27 sent of the qualified voters within the service area, obtained  
28 through a referendum vote at a general or special election,  
29 the legislature may levy, in lieu of a property tax, a sales

1 tax at a rate which will assure proceeds of not less than an  
2 amount which would be raised by a three and one-half-mill  
3 levy on the full and true value of the taxable real and  
4 personal property within the service area, and not more than  
5 an amount which would be raised by a six-mill levy on the  
6 full and true value of the taxable real and personal property  
7 within the service area.

8 Sec. 07.05.160. CONSTRUCTION OF FACILITIES. The legis-  
9 lature shall provide for school facilities for a service area  
10 without cost to the area.

11 Sec. 07.05.170. BONDED INDEBTEDNESS. The property  
12 within the service area may not be used to secure bonds  
13 issued solely for local school construction, except as may be  
14 required by sec. 190(b) of this chapter.

15 Sec. 07.05.180. CONVERSION OF A BOROUGH TO A SERVICE  
16 AREA. A borough assembly may by ordinance call for an  
17 election on the question of dissolution of the borough and  
18 conversion of the area into a school service area to provide  
19 school services in accordance with secs. 50 - 200 of this  
20 chapter. The election shall be conducted in the general  
21 manner provided by AS 15.05 - 15.60. For purposes of dis-  
22 solution under this section, an organized borough need not  
23 meet the standards for dissolution prescribed in AS 07.35.-  
24 430.

25 Sec. 07.05.190. FISCAL AFFAIRS OF DISSOLVED BOROUGH.

26 (a) If a borough is dissolved under sec. 180 of this  
27 chapter, all money in the borough treasury becomes a part of  
28 the state general fund.

29 (b) There is levied, and the Department of Revenue

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shall collect, within the boundaries of the dissolved borough, a tax sufficient to pay all principal and interest of any outstanding bonded indebtedness as it becomes due.

Sec. 07.05.200. DEFINITIONS. In secs. 50 - 190 of this chapter

(1) "board" means the board of education for the school service area;

(2) "commissioner" means the commissioner of the Department of Education.

\* Sec. 2. This Act takes effect July 1, 1965.