

Introduced: 2/20/68
Referred: Local Government
and Finance

1 IN THE HOUSE

BY SMITH AND GETMAN

2 HOUSE BILL NO. 593

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

10 * Section 1. AS 07.05 is amended by adding new sections to read:

11 ARTICLE 2. SCHOOL SERVICE AREAS.

12 Sec. 07.05.050. SCHOOL SERVICE AREAS ESTABLISHED. School service
13 areas in the unorganized borough shall be established as provided in
14 secs. 50 - 180 of this chapter.

15 Sec. 07.05.060. COMMISSIONER TO REVIEW. The commissioner
16 shall annually review the school programs in the unorganized borough
17 to determine in which areas there is a large concentration of school
18 population.

19 Sec. 07.05.070. MANDATORY REPORT BY COMMISSIONER. If the com-
20 missioner determines that the average daily membership of a public
21 school program serving a substantially homogeneous area is 100 or
22 more, and that the taxable real and personal property within that area
23 has a probable value of at least \$4,000,000, he shall make a report to
24 the Local Boundary Commission containing a general description of
25 the area, the figures relative to school enrollment and daily membership,
26 and other information pertinent to the school program in the area as
27 may be required by the Local Boundary Commission.

28 Sec. 07.05.080. OPTIONAL REPORT BY COMMISSIONER. If the commis-
29 sioner determines that the average daily membership of a public school

1 program serving a substantially homogeneous area is 200 or more, and
2 that the taxable real and personal property within the area has a
3 probable value of at least \$2,000,000, he may, at his option, report
4 to the Local Boundary Commission the same information required to be
5 reported under sec. 70 of this chapter.

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

13 Sec. 07.05.100. BOUNDARY COMMISSION SHALL ESTABLISH AREA. If the
14 area enclosed by the designated boundaries has at least 100 pupils
15 in average daily membership in the public schools and the full and true
16 value of taxable real and personal property in the area is at least
17 \$4,000,000, or that there are at least 200 pupils in average daily
18 membership in the public schools and the full and true value of taxable
19 real and personal property in the area is at least \$2,000,000, the
20 Local Boundary Commission shall establish a service area.

21 Sec. 07.05.110. SCHOOL BOARD. Each service area has a school
22 board which has the same composition and functions as provided by law
23 for a city school board. The members are elected and hold office in the
24 manner provided by law for members of a city school board. Officers
25 of the board are elected, hold office, and function in the manner pro-
26 vided by law for officers of a city school board, except that the
27 treasurer shall file his bond with the secretary of state.

28 Sec. 07.05.120. LEGISLATURE SHALL APPROPRIATE FOR OPERATING EX-
29 PENSES. The legislature shall annually appropriate the money necessary

1 for all operating expenses of the service area.

2 Sec. 07.05.130. PROPERTY TAX LEVIED. There is levied in each
3 service area established under secs. 50 - 180 of this chapter an
4 annual property tax of three and one-half mills. The tax shall be
5 based on the value, as determined by the Local Affairs Agency in an
6 assessment of the individual parcels, of the taxable real and personal
7 property within the service area. In determining the value of the
8 property the Local Affairs Agency shall be guided by AS 29.10.396.
9 The Department of Revenue shall collect the tax and, after deduction
10 of the costs of collection, shall deposit the money in the general
11 fund of the state. The Department of Revenue may adopt regulations
12 governing tax notices, due dates and other requirements it considers
13 necessary as well as assessing penalties and interest and enforcing
14 collection of taxes by foreclosure in the same manner as that
15 authorized by law for the council of a first class city in the un-
16 organized borough. Title to property acquired by foreclosure vests
17 in the state.

18 Sec. 07.05.140. ADDITIONAL LEVY. Upon the recommendation of the
19 board the legislature may levy an additional tax not to exceed six and
20 one-half mills.

21 Sec. 07.05.150. SALES TAX LEVIED IN LIEU OF PROPERTY TAX. Upon
22 the recommendation of the board and with the consent of the qualified
23 voters within the service area, obtained through a referendum vote at
24 a general or special election, the legislature may levy, in lieu of a
25 property tax, a sales tax at a rate which will assure proceeds of not
26 less than an amount which would be raised by a three and one-half mill
27 levy on the full and true value of the taxable real and personal
28 property within the service area, and not more than an amount which
29 would be raised by a 15-mill levy on the full and true value of the

1 taxable real and personal property within the service area.

2 Sec. 07.05.160. CONSTRUCTION OF FACILITIES. The legislature shall
3 provide for school facilities for a service area without cost to the
4 area.

5 Sec. 07.05.170. BONDED INDEBTEDNESS. The property within the
6 service area may not be used to secure bonds issues solely for local
7 school construction.

8 Sec. 07.05.180. DEFINITIONS. In secs. 50 - 170 of this chapter

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

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

13 * Sec. 2. This Act takes effect July 1, 1968.
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