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IN THE HOUSE

HOUSE BILL NO. 722

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act authorizing state aid for the retirement of school construction debts of organized boroughs and cities which meet certain educational standards; and providing for an effective date."

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

* Section 1. AS 43.18 is amended by adding new sections to read:

Sec. 43.18.100. STATE AID FOR RETIREMENT OF SCHOOL CONSTRUCTION DEBT. (a) During each fiscal year the state shall allocate to an organized borough or a city which is a school district, which is qualified under sec. 110 of this chapter, one-half the sum which the local government pays during that fiscal year for the retirement of principal and interest on bonds, notes, or other indebtedness issued or incurred to pay costs of school construction. The department shall provide by regulation for the filing of applications for payment, the form of proof of debt service costs and the time of payment. The department may provide additional regulations necessary to administer secs. 100 - 120 of this chapter.

(b) The school construction account is established. Funds to carry out the provisions of this section may be appropriated annually by the legislature to the account. If amounts in the account are insufficient for the purpose of providing the sum to which a qualified borough or city is entitled under this section, such funds as are available shall be distributed pro rata among the eligible local governments.

1 (c) Money in the school construction account which, at the end
2 of the fiscal year for which the money is appropriated, exceeds the
3 amount required for the allocations authorized in this section reverts
4 to the general fund.

5 (d) The commissioner shall annually provide a report to the
6 legislature on allocations of state aid made under this section.

7 Sec. 43.18.110. STANDARDS REQUIRED TO QUALIFY FOR SCHOOL CON-
8 STRUCTION DEBT RETIREMENT AID. (a) In order to qualify for state aid
9 for school construction debt retirement under sec. 100 of this chapter,
10 an organized borough or a city which is a school district shall meet
11 or agree to meet by January 1, 1975, the following student-teacher ratio
12 in its public schools:

13 (1) in a kindergarten there shall be at least one teacher
14 for every 15 pupils;

15 (2) in the elementary grades there shall be at least one
16 teacher for every 18 pupils;

17 (3) in all other grades there shall be at least one teacher
18 for every 24 pupils.

19 (b) An organized borough or a city which is a school district
20 shall provide the department with proof of compliance with (a) of this
21 section in the manner required by regulations of the department. The
22 department shall, by regulation, set standards by which it may be deter-
23 mined whether an organized borough or a city which is a school district
24 has met or is attempting to meet the standards under (a) of this
25 section. If the commissioner determines that the standards under (a)
26 of this section have not been met or that an organized borough or city
27 which is a school district is not satisfactorily attempting to meet
28 those standards, he may withhold or restrict payment of the state aid
29 provided for under sec. 100 of this chapter, pending compliance with

1 the standards or satisfactory attempt at compliance with the standards.
2 If state aid is restricted or withheld, the borough or city may appeal
3 the action of the commissioner to the State Board of Education. After
4 January 1, 1975, no state aid under sec. 100 of this chapter may be
5 paid to an organized borough or city which is a school district which
6 does not meet the standards under (a) of this section.

7 (c) If, before January 1, 1975, the commissioner determines that
8 it is impossible for an organized borough or city which is a school
9 district to comply or attempt to comply with the standards under (a)
10 of this section, he shall report that fact to the legislature with recom-
11 mendations for the aid necessary to insure compliance with the standards.

12 Sec. 43.18.120. DEFINITIONS. In secs. 100 - 120 of this chapter,

13 (1) "commissioner" means the commissioner of education;

14 (2) "costs of school construction" means the cost of acquir-
15 ing, constructing, enlarging, repairing, remodeling, equipping or
16 furnishing of public elementary and secondary school buildings and
17 includes but is not limited to the cost of acquisition of sites, legal,
18 engineering, fiscal, architectural and other fees of specialists or
19 consultants, costs of labor, materials, equipment and supplies, costs
20 of authorization, issuance and sale of bonds, notes or other evidences
21 of debt;

22 (3) "department" means the Department of Education.

23 * Sec. 2. This Act takes effect July 1, 1970.
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