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Finance

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1 IN THE SENATE

2 SENATE BILL NO. 359

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing state aid for school construction  
7 to organized boroughs and cities which are school  
8 districts; and providing for an effective date."

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

10 \* Section 1. AS 43.18 is amended by adding a new section to read:

11 ARTICLE 2. STATE AID FOR SCHOOL CONSTRUCTION.

12 Sec. 43.18.100. REIMBURSEMENT TO ORGANIZED BOROUGH AND CITIES  
13 FOR SCHOOL CONSTRUCTION COSTS. (a) During each fiscal year the state  
14 shall reimburse an organized borough or a city which is a school dis-  
15 trict for one-half the following costs of school construction:

16 (1) payments made by the borough or city in the fiscal year  
17 preceding reimbursement for costs of debt service on bonds, notes, or  
18 other indebtedness incurred to pay costs of school construction;

19 (2) money derived by the borough or city from taxes or other  
20 local sources and expended in the fiscal year preceding reimbursement  
21 for costs of school construction, excluding costs of debt service pro-  
22 vided for in (1) of this subsection.

23 (b) The commissioner shall administer the program of reimburse-  
24 ment authorized under this section and shall provide by regulation for  
25 the filing of applications for reimbursement, the form of proof of  
26 costs for which application for reimbursement is made, and other  
27 regulations necessary to administer the program. In approving appli-  
28 cations for reimbursement, the commissioner shall offset against the  
29 amount of reimbursement authorized the amount of any funds distributed

1 to the borough or city in the preceding fiscal year from the school  
2 fund provided for in AS 43.50.140. In addition, he shall allow for  
3 the reasonable value of in kind contributions made by a borough or city  
4 and used to meet costs of school construction. Determinations of value  
5 by the commissioner shall be final.

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

12 (d) Money in the school construction account which, at the end  
13 of the fiscal year for which the money is appropriated, exceeds the  
14 amount required for the allocations authorized in this section reverts  
15 to the general fund.

16 (e) The commissioner shall annually provide a report to the  
17 legislature on allocations of state aid made under this section.

18 (f) In this section, unless the context requires otherwise,

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

20 (2) "costs of school construction" means the cost of acquir-  
21 ing, constructing, enlarging, repairing, remodeling, equipping or  
22 furnishing of public elementary and secondary school buildings and  
23 includes but is not limited to the cost of acquisition of sites, legal,  
24 engineering, fiscal, architectural and other fees of specialists or  
25 consultants, costs of labor, materials, equipment and supplies, costs  
26 of authorization, issuance and sale of bonds, notes or other evidences  
27 of debt, and costs of debt service.

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