

Offered: 2/5/70
Referred: Local Govern-
ment and Finance

Original Sponsor: Hammond, B. Phillips,
Merdes, et al

1 IN THE SENATE

BY THE HEALTH, WELFARE
AND EDUCATION COMMITTEE

2 CS FOR 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 to organized boroughs
7 and cities for retirement of school construction debt;
8 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. STATE AID FOR RETIREMENT OF SCHOOL CONSTRUCTION
13 DEBT. (a) During each fiscal year the state shall allocate to an
14 organized borough or a city which is a school district one-half the
15 sum, exclusive of any funds from state or federal sources, which the
16 local government pays during the fiscal year two years prior for the
17 retirement of principal and interest on bonds, notes, or other indebted-
18 ness issued or incurred to pay costs of school construction.

19 (b) The commissioner shall administer the program of reimbursement
20 authorized under this section and shall provide by regulation for the
21 filing of applications for reimbursement, the form of proof of costs
22 for which application for reimbursement is made, and other regulations
23 necessary to administer the program. In approving applications for
24 reimbursement, the commissioner shall offset against the amount of
25 reimbursement authorized the amount of any funds distributed to the
26 borough or city in the preceding fiscal year from the school fund
27 provided for in AS 43.50.140.

28 (c) The school construction account is established. Funds to
29 carry out the provisions of this section may be appropriated annually

1 by the legislature to the account. If amounts in the account are
2 insufficient for the purpose of providing the share to which a borough
3 or city is entitled under this section, such funds as are available
4 shall be distributed pro rata among the eligible local governments.

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

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

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

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

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

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