

Introduced: 3/20/70
Referred: Health, Welfare
and Education

1 IN THE SENATE

BY THE HEALTH, WELFARE AND
EDUCATION COMMITTEE

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SENATE BILL NO. 546

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

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SIXTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act establishing a program of state aid for school

7

construction within borough and city school districts."

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

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* Section 1. PURPOSE. The legislature intends by this Act to insure
10 that every local school district can provide for at least minimum school con-
11 struction needs so as to insure adequate educational facilities for public
12 elementary and secondary students of the district. The legislature contem-
13 plates that districts, consistently with their resources, will expend funds
14 to augment the basic program of school construction aid authorized under
15 this Act.

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* Sec. 2. AS 14 is amended by adding a new chapter to read:

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CHAPTER 18. SCHOOL CONSTRUCTION.

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Sec. 14.18.010. STATE AID FOR SCHOOL CONSTRUCTION. (a) There
19 is in the department a school construction grant fund. Funds appropri-
20 ated by the legislature for school construction aid under this chapter
21 shall be deposited in the fund.

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(b) Within the limits of available appropriations, an organized
23 borough or a city which is a school district is entitled to state aid
24 to be used solely for costs of school construction in accordance with
25 the provisions of this chapter.

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Sec. 14.18.020. APPLICATION. (a) The governing body of an
27 organized borough or a city which is a school district may submit an
28 application to the department for a school construction project for
29 which aid is authorized under this chapter. The application shall be

1 submitted at a time, and shall include such supporting information, as
2 the department prescribes. Data submitted shall be subject to review
3 and revision by the department to insure the validity of the data.

4 (b) An application for aid under this chapter shall propose
5 school construction which will accommodate all unhoused pupils of the
6 district.

7 Sec. 14.18.030/ AID FORMULA. (a) The maximum entitlement of a
8 district eligible for aid under this chapter shall be determined by
9 multiplying the following allowable number of square feet by costs of
10 school construction per square foot:

11 (1) for each unhoused pupil at the elementary level, 100
12 square feet;

13 (2) for each unhoused pupil at the secondary level, 150
14 square feet.

15 (b) Costs of school construction per square foot shall be computed
16 by the department on the basis of cost estimates furnished to it by
17 the Department of Public Works.

18 (c) An eligible district shall qualify for 100 per cent of the
19 maximum entitlement for a school construction project if the outstand-
20 ing indebtedness for costs of school construction within the borough or
21 city making application equals at least 50 per cent of the applicant's
22 borrowing capacity. Otherwise, the district shall qualify for that
23 percentage of the maximum entitlement reflected by the proportion which
24 outstanding indebtedness for costs of school construction bears to
25 50 per cent of borrowing capacity, except that

26 (1) the percentage of maximum entitlement shall be at
27 least 50 per cent of the entitlement;

28 (2) the percentage of maximum entitlement may be increased
29 by the department if it determines that the borough or city making

1 application has little or no borrowing capacity.

2 Sec. 14.18.040. APPROPRIATIONS FOR PROJECTS. (a) The department
3 shall annually compile approved applications and establish an order of
4 priority of applications based on the largest relative percentages of un-
5 housed pupils to average daily membership provided for in respective
6 approved applications.

7 (b) The department shall annually, through the Office of the
8 Governor, submit the approved applications and related information to
9 the legislature for its approval and appropriation of funds for the
10 approved school construction projects. Appropriations shall be made
11 only in the order of priority required under this section.

12 (c) Unless the department determines otherwise in a particular
13 case, appropriations made under this chapter shall be disbursed accord-
14 ing to the following schedule:

- 15 (1) 10 per cent upon the effective date of the appropriation;
16 (2) 40 per cent upon award of a contract for construction
17 of the approved school project;
18 (3) 40 per cent upon acceptance by the organized borough or
19 city of the completed project;
20 (4) 10 per cent upon final audit and report of costs of the
21 project.

22 Sec. 14.18.050. LIMITATIONS. (a) State aid authorized under this
23 chapter shall not be allocated for replacement of an existing school
24 building unless

- 25 (1) the building is condemned for reasons of health or
26 safety by the state, or
27 (2) the department by regulation establishes other criteria
28 justifying the replacement of an existing school building.

29 (b) Costs of school construction which are funded by the state

1 under other provisions of law shall not be eligible for aid under this
2 chapter.

3 Sec. 14.18.060. CONSTRUCTION OF CHAPTER. (a) Nothing in this
4 chapter may be construed to create a debt of the state.

5 (b) Nothing in this chapter prevents a borough or city which is
6 a school district from providing for school construction in excess of
7 the standards for aid provided under this chapter.

8 Sec. 14.18.070. REGULATIONS. The department may promulgate
9 regulations to carry out the purpose of this chapter.

10 Sec. 14.18.080. DEFINITIONS. In this chapter unless the context
11 requires otherwise

12 (1) "borrowing capacity" means the capacity to incur debt
13 measured as 10 per cent of the total assessed valuation of taxable
14 property;

15 (2) "costs of school construction" means the cost of acquir-
16 ing, constructing, enlarging, remodeling, and equipping public elementary
17 and secondary school facilities for classroom and related purposes other
18 than athletic stadiums, spectator space and structures or other facili-
19 ties intended primarily for athletic exhibitions or contests or for
20 games or other events for which admission is to be charged the public;
21 the term includes, but is not limited to, the costs of acquisition of
22 sites and legal, engineering, and architectural services but does not
23 include costs of amortizing principal and interest of indebtedness
24 incurred for school construction;

25 (3) "existing school facilities" means publicly owned
26 facilities in use as school buildings and having continuous use for
27 classroom purposes; the term excludes basement rooms, hallways, or
28 other space the use of which for school purposes, in view of their
29 character, inaccessibility or other equally cogent reason, seriously

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prejudices the educational objective or impairs or will impair the health or safety of pupils;

(4) "outstanding indebtedness" means the amount of general obligation bonds or other indebtedness outstanding as of June 30 preceding the date an application for state aid is made under this chapter;

(5) "unhoused pupils" means the number of pupils estimated to be in average daily membership in excess of the total capacities of all existing school facilities, including but not limited to facilities held under a lease-purchase agreement and schools in design or construction which have been funded, as of January 1 two years following the cost of the fiscal year in which application for state aid is made under this chapter.