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1 IN THE HOUSE

BY KERTTULA

2 HOUSE BILL NO. 35

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing state grants for school construc-
7 tion within borough and city school districts; and
8 providing for an effective date."

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

10 * Section 1. AS 14 is amended by adding a new chapter to read:

11 CHAPTER 18. SCHOOL CONSTRUCTION.

12 Sec. 14.18.010. STATE AID FOR SCHOOL CONSTRUCTION. (a) There is
13 in the Department of Education a school construction grant fund. Funds
14 appropriated by the legislature for school construction grants under
15 this section shall be deposited in the fund.

16 (b) Within the limits of state appropriations available for the
17 purpose, an organized borough or a city which is a school district is
18 entitled to state grants to supplement local funds which are expended
19 after July 1, 1971 for costs of new school construction, in the ratio of
20 75 per cent state funds to 25 per cent local matching funds, as provided
21 in this chapter.

22 Sec. 14.18.020. LOCAL SHARE. To qualify for a school construction
23 grant, the governing body shall furnish to the commissioner proof in the
24 form required by him that it has deposited in a local municipal capital
25 project fund separate from other municipal funds and accounts an amount
26 to be utilized solely for costs of new school construction within the
27 district. The amount deposited as a local share may be derived from any
28 source other than the state. In accepting proof of deposit of the local
29 share, the commissioner shall allow as part of the share the reasonable

1 value of in kind contributions pledged and directly related to payment
2 of costs of construction. Determination of value by the commissioner
3 shall be final. If bonded or other indebtedness has been duly author-
4 ized as required by law and the proceeds of the indebtedness pledged
5 by the governing body for use as the local share, the commissioner
6 shall credit the amount of the authorized indebtedness towards the
7 local share. Upon receipt of satisfactory proof of deposit of the
8 local share in the municipal capital project fund, the commissioner
9 shall provide for transfer from the school construction grant fund and
10 deposit in the local fund an amount equal to four times the local share,
11 except that aid based on proceeds of authorized indebtedness shall not
12 be paid over until the proceeds have been deposited in the local fund.

13 Sec. 14.18.030. USE OF FUNDS. State and local money deposited in
14 a municipal capital project fund under this chapter shall be utilized
15 solely to pay costs of new school construction within the borough or
16 city maintaining the fund. The commissioner shall require accounting
17 of money in a municipal capital project fund in the uniform manner set
18 out in the manual of Governmental Accounting, Auditing and Financial
19 Reporting, 1968, as supplemented, issued by the National Committee on
20 Governmental Accounting.

21 Sec. 14.18.040. REPORTS. The department shall provide an annual
22 report to the legislature respecting grants made under this chapter.

23 Sec. 14.18.050. REGULATIONS. The department may promulgate regu-
24 lations to implement this chapter.

25 Sec. 14.18.060. DEFINITIONS. In this chapter

- 26 (1) "commissioner" means the commissioner of education;
27 (2) "department" means the Department of Education;
28 (3) "costs of new school construction" means the cost of
29 acquiring, constructing, equipping or furnishing newly-erected public

1 elementary and secondary school facilities for classroom and related
2 purposes other than athletic stadiums, spectator space and structures
3 or other facilities intended primarily for athletic exhibitions or
4 for games or other events for which admission is to be charged the
5 public; the term includes but is not limited to the cost of acquisition
6 of sites, legal, engineering, fiscal, architectural and other fees of
7 specialists or consultants, costs of labor, materials, equipment and
8 supplies, and costs of authorization, issuance and sale of bonds, notes
9 or other evidences of debt, exclusive of costs of debt amortization;

10 (4) "governing body" means the governing body of an organi-
11 zed borough or a city which is a school district.

12 * Sec. 2. This Act takes effect July 1, 1971.
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