

Original sponsors: Fink and Huber

Offered: 2/20/73  
Referred: Finance

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

2 CS FOR HOUSE BILL NO. 77

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state school building aid; and  
7 providing for an effective date."

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

9 \* Section 1. AS 43.18.100 is amended to read:

10 Sec. 43.18.100. STATE AID FOR RETIREMENT OF SCHOOL CONSTRUCTION  
11 DEBT. (a) During each fiscal year the state shall allocate to an  
12 organized borough or a city which is a school district one-half, or  
13 if school construction is for vocational education facilities as deter-  
14 mined by the commissioner, three-quarters of the following sums [, EX-  
15 CLUSIVE OF ANY FUNDS RECEIVED FROM STATE OR FEDERAL SOURCES FOR SCHOOL  
16 CONSTRUCTION COSTS]:

17 (1) payments made by the borough or city during the fiscal  
18 year two years prior for the retirement of principal and interest on  
19 bonds, notes, or other indebtedness incurred to pay costs of school  
20 construction;

21 (2) the amount of payments that would have been expended by  
22 a borough or city two years prior for the retirement of principal and  
23 interest on bonds, notes, or other indebtedness incurred to pay costs  
24 of school construction had the borough or city issued bonds, notes, or  
25 other indebtedness of 10 years duration bearing interest at the rate  
26 of six per cent a year to finance the costs rather than paying those  
27 costs through taxes or other local sources;

28 (3) cash payments made by the borough or city during the  
29 fiscal year two years earlier to pay costs of school construction.

1 (b) The commissioner shall administer the program of reimbursement  
2 authorized under this section and shall provide by regulation for the  
3 filing of applications for reimbursement, the form of proof of costs  
4 for which application for reimbursement is made, and other regulations  
5 necessary to administer the program. The commissioner shall exclude  
6 from the total school construction cost of the local district by all  
7 state and federal funds included in these costs except funds provided  
8 under this section and AS 43.50.140. In approving applications for  
9 reimbursement, the commissioner shall offset against the amount of  
10 reimbursement authorized the amount of any funds distributed to the  
11 borough or city in the second preceding fiscal year from the school  
12 fund provided for in AS 43.50.140.

13 (c) The school construction account is established. Funds to  
14 carry out the provisions of this section may be appropriated annually  
15 by the legislature to the account. If amounts in the account are insuf-  
16 ficient for the purpose of providing the share to which a borough or  
17 city is entitled under this section, those [SUCH] funds that [AS] are  
18 available shall be distributed pro rata among the eligible local govern-  
19 ments.

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

24 (e) The commissioner shall annually provide a report to the legis-  
25 lature on allocations of state aid made under this section.

26 (f) The provisions of (a)(2) of this section apply only to payments  
27 made before July 1, 1971. The provisions of (a)(3) of this section  
28 apply to payments made after June 30, 1971.

29 (g) In this section

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

(2) "costs of school construction" means the cost of acquiring, constructing, enlarging, repairing, remodeling, equipping, or furnishing, including but not limited to the cost of acquisition of sites, legal, engineering, fiscal, architectural and other fees of specialists or consultants, costs of labor, materials, equipment and supplies, costs of authorization, issuance and sale of bonds, notes, or other evidences of debt.

\* Sec. 2. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.