

1 IN THE SENATE

BY KERTTULA

2 SENATE BILL NO. 555

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state aid for retirement of school
7 construction debt."

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

9 * Section 1. AS 43.18.100(a) is amended to read:

10 (a) During each fiscal year the state shall allocate to an organ-
11 ized borough or a city which is a school district [ONE-HALF, OR IF
12 SCHOOL CONSTRUCTION IS FOR VOCATIONAL EDUCATION FACILITIES AS DETERMINED
13 BY THE COMMISSIONER] three-quarters [,] of the following sums:

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

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

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