

Introduced: 2/9/76
Referred: Health, Education
and Social Services and
Finance

1 IN THE SENATE

BY FERGUSON

2 SENATE BILL NO. 625

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 school construction."

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

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

9 (a) During each fiscal year the state shall allocate to an organ-
10 ized borough or a city which is a school district a fraction equal to
11 (cost of school construction minus one-half of base cost of school
12 construction) divided by (cost of school construction) [ONE-HALF], or if
13 school construction is for vocational education facilities as determined
14 by the commissioner, a fraction equal to (cost of school construction
15 minus one-fourth of base cost of school construction) divided by (cost
16 of school construction) [THREE-QUARTERS], of the following sums:

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

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

1 * Sec. 2. AS 43.18.110(g) is amended by adding a new paragraph to read:

2 (3) "base costs of school construction" is the costs of
3 school construction for each actual facility constructed if the facility
4 were constructed in the school district having the lowest cost of con-
5 struction in the state as determined by the commissioner.
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