

Original sponsors: Cotten and Parr

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1 IN THE HOUSE

BY THE FREE CONFERENCE COMMITTEE

2 FREE CONFERENCE CS FOR SENATE CS FOR CS FOR HOUSE BILL NO. 89

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

9 * Section 1. AS 43.18.100(a) is repealed and re-enacted to read:

10 (a) During each fiscal year, the state shall allocate to an
11 organized borough or a city which is a school district, the following
12 sums:

13 (1) payments made by the borough or city during the fiscal
14 year two years earlier for the retirement of principal and interest on
15 outstanding bonds, notes or other indebtedness incurred before July 1,
16 1977 to pay costs of school construction, and cash payments made by the
17 borough or city before July 1, 1976 to pay the cost of school construc-
18 tion;

19 (2) 50 per cent of

20 (A) payments made by the borough or city during the
21 fiscal year two years earlier for the retirement of principal and
22 interest on outstanding bonds, notes or other indebtedness incurred
23 after July 1, 1977 to pay costs of school construction;

24 (B) cash payments made after July 1, 1977 by the borough
25 or city during the fiscal year two years earlier to pay costs of
26 school construction.

27 * Sec. 2. AS 43.18.100(b) is amended to read:

28 (b) The commissioner shall administer the program of reimbursement
29 authorized under this section and shall provide by regulation for the

1 filing of applications for reimbursement, the form of proof of costs for
2 which application for reimbursement is made, and other regulations
3 necessary to administer the program. The commissioner shall exclude
4 from the total school construction cost of the local district all state
5 and federal funds included in these costs except funds provided under
6 this section and AS 43.50.140. In approving applications for reim-
7 bursement, the commissioner shall

8 (1) offset against the amount of reimbursement authorized the
9 amount of any funds distributed to the borough or city in the second
10 preceding fiscal year from the school fund provided for in AS 43.50.140;

11 (2) require the borough or city to provide, with its applica-
12 tion, a certified copy of the notice to taxpayers required by sec. 30 of
13 this chapter.

14 * Sec. 3. AS 43.18.100(e) is amended to read:

15 (e) The commissioner shall annually provide a report to the legis-
16 lature on allocations of state aid made under this section, including
17 but not limited to, the amount of state aid paid on a per capita and per
18 student basis and the resultant effect on the rate of levy of taxes by
19 the municipality for educational purposes.

20 * Sec. 4. AS 43.18.030 is amended to read:

21 Sec. 43.18.030. LOCAL TAX LEVY REDUCTION. (a) The intent of
22 secs. 10 - 100 of this chapter in authorizing state aid for educational
23 [MUNICIPAL] purposes and municipal services is that municipalities
24 [LOCAL GOVERNMENTS] which levy [PROPERTY] taxes reduce those levies in
25 reasonable proportion to the amount of state aid received by the
26 municipality [A LOCAL GOVERNMENT] for a given fiscal year.

27 (b) If the municipality levies and collects real or personal
28 property taxes, the [THE] governing body shall furnish the following
29 notice with tax statements mailed for the fiscal year for which aid is

1 received under AS 14.17 and secs. 10 - 100 of this chapter:

2 "NOTICE TO TAXPAYER

3 For the current fiscal year the (city) (borough) has been
4 allocated the following amount of state aid for school and
5 municipal purposes under the Public School Foundation Program
6 (Alaska Statutes 14.17), [AND] the Municipal Services Revenue
7 Sharing Program [REVENUE-SHARING PROVISIONS] of Alaska Statutes
8 43.18.010 - 43.18.050, and the program of state aid for
9 retirement of school construction debt (Alaska Statute 43.18.-
10 100) [43.18]:

11 PUBLIC SCHOOL FOUNDATION PROGRAM \$

12 ASSISTANCE [SCHOOL AID]

13 STATE AID FOR RETIREMENT OF SCHOOL \$

14 CONSTRUCTION DEBT

15 AID BASED ON MUNICIPAL SERVICES

16 FURNISHED (fire protection, \$

17 police protection, air or water

18 pollution control, land use

19 planning, road maintenance, parks

20 and recreation, transportation

21 facilities and services, hospital

22 operation)

23 Total Aid \$

24 The millage equivalent of this state aid, based on the
25 [PRESENT] dollar value of a mill in the municipality
26 during the current assessment year and for the preceding
27 assessment year, is: [... MILLS]

28 MILLAGE EQUIVALENT

29 PREVIOUS YEAR

THIS YEAR

1	<u>PUBLIC SCHOOL FOUNDATION</u>	<u>....MILLS</u>	<u>....MILLS</u>
2	<u>PROGRAM ASSISTANCE</u>		
3	<u>STATE AID FOR RETIREMENT</u>	<u>....MILLS</u>	<u>....MILLS</u>
4	<u>OF SCHOOL CONSTRUCTION</u>		
5	<u>DEBT</u>		
6	<u>AID BASED ON MUNICIPAL</u>	<u>....MILLS</u>	<u>....MILLS</u>
7	<u>SERVICES FURNISHED</u>		
8	<u>TOTAL MILLAGE EQUIVALENT</u>	<u>....MILLS</u>	<u>....MILLS."</u>

9 * Sec. 5. AS 43.18.030 is amended by adding a new subsection to read:

10 (c) If the municipality levies and collects only a sales tax, the
11 governing body shall provide a notice substantially in the form set out
12 in (b) of this section. In providing notice under this subsection, the
13 council or assembly shall substitute for the millage equivalency its
14 estimate of the equivalent sales tax rate for each of the categories of
15 financial assistance set out in (b) of this section. Notice shall be
16 provided

17 (1) by publishing in a newspaper of general circulation
18 within the municipality a copy of the notice once each week for a
19 period of three successive weeks, with first publication to occur not
20 earlier than 45 days before the first day of the municipality's fiscal
21 year; or

22 (2) if there is no newspaper of general circulation in the
23 municipality, by posting a copy of the notice for at least 20 days in at
24 least two public places within the municipality, with posting to occur
25 not earlier than 45 days before the first day of the municipality's
26 fiscal year.

27 * Sec. 6. This Act takes effect July 1, 1978.