

Introduced: 2/13/86
Referred: Health, Education and
Social Services and
Finance

1 IN THE SENATE

BY FERGUSON

2

SENATE BILL NO. 408

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

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

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

9 * Section 1. AS 14.17.021 is repealed and reenacted to read:

10 Sec. 14.17.021. STATE AID. (a) The amount of state aid for
11 which each school district may qualify is calculated by multiplying
12 the basic need as defined in (b) of this section by the equalized
13 percentage as defined in (c) of this section. To the maximum extent
14 permitted under subsection 5(d)(2) of P.L. 81-874, as amended, (20
15 U.S.C. 240(d)) and the regulations adopted under it (45 C.F.R.
16 115.60 - 115.66), the amount of state aid shall be reduced by the
17 amount of the school district's entitlement to federal financial
18 assistance under P.L. 81-874, as amended, (20 U.S.C. 236v - 244), for
19 the prior fiscal year.

20 (b) The basic need of each school district is determined by
21 multiplying the instructional unit allotment of the district as de-
22 fined in AS 14.17.051 by the number of instructional units in the
23 district.

24 (c) The equalized percentage for each school district is
25 computed according to formula $P_i = 1 - (1-k) V_i/V_s$ in which

26 (1) P_i (equalized percentage) = percent of need to be pro-
27 vided by the state;

28 (2) K (minimum level of state support of basic need) = 97
29 percent;

1 (3) Vi (valuation per pupil in average daily membership in
2 the district) = full and true value of taxable real and personal
3 property within the district divided by the average daily membership
4 of the district;

5 (4) Vs = average of the valuation per pupil in average
6 daily membership for all the districts of the state;

7 (5) state aid as computed under this section constitutes at
8 least 97 percent of the basic need, as defined by the department, of
9 each school district.

10 * Sec. 2. AS 14.17.031 is repealed and reenacted to read:

11 Sec. 14.17.031. INSTRUCTIONAL UNITS. (a) The total number of
12 instructional units within each school district is the sum of:

13 (1) the number of units for elementary schools and the
14 number of units for secondary schools as determined under
15 AS 14.17.041(a) or (b);

16 (2) the number of units for vocational education determined
17 under AS 14.17.041(c) as approved by the department;

18 (3) the number of units from special education determined
19 under AS 14.17.041(d) as approved by the department;

20 (4) if the district has five or more correspondence pupils
21 enrolled in an approved district correspondence study program, the
22 number of units for correspondence pupils to AS 14.17.041(a);

23 (5) the number of units for bilingual education determined
24 under AS 14.17.041(e) as approved by the department.

25 (b) A school district shall compute separately the number of
26 allowable instructional units for each of its secondary schools except
27 as provided in (c) of this section.

28 (c) The commissioner shall authorize any school in a remote
29 location to establish an associated secondary school when the sum of

1 the average daily membership in grades five through eight may conduct
2 a secondary program subject to approval of the commissioner and use
3 the following table to calculate the number of allowable instructional
4 units for the combined elementary and secondary program of the remote
5 school:

6	ADM	No. Instructional Units
7	under 12	3
8	12 - 20	4
9	21 - 32	5

10 (d) If the instructional units that a school district is entitled
11 to under (a) of this section decrease by 10 percent or more from one
12 year to the next, the school district may use the last year before the
13 reduction as a base year and offset its reduction according to the
14 following schedule:

15 (1) for the first year after the base year, the school
16 district is entitled to the instructional units determined under (a)
17 of this section plus 75 percent of the difference in instructional
18 units between the base year and the first year;

19 (2) for the second year after the base year, the school
20 district is entitled to the instructional units determined under (a)
21 of this section plus 50 percent of the difference in instructional
22 units between the base year and the second year;

23 (3) for the third year after the base year, the school
24 district is entitled to the instructional units determined under (a)
25 of this section plus 25 percent of the difference in instructional
26 units between the base year and the second year. The schedule estab-
27 lished in this section is available to a school district for the three
28 entitlement in the base year.

29 * Sec. 3. AS 14.17.041 is repealed and reenacted to read:

1 **Sec. 14.17.041. TABLE OF ALLOWABLE INSTRUCTIONAL UNITS. (a)**

2 **Elementary schools:**

3	ADM	No. Instructional Units
4	under 20	2
5	20 - 32	3
6	33 - 46	4
7	47 - 62	5
8	63 - 80	6
9	81 - 999	6 plus 1 for each 18 pupils or fraction of 18

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11 **(b) Secondary schools:**

12	ADM	No. Instructional Units
13	under 33	3
14	33 - 46	4
15	47 - 62	5
16	63 - 80	6
17	81 - 999	6 plus 1 for each 18 pupils or fraction of 18

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19 **(c) Vocational education schedule:**

20	ADM	No. Instructional Units
21	Full-Time Equivalent	
22	5 - 10	1
23	11 - 25	2
24	26 - 40	3
25	41 and over	3 plus 1 for each 20 pupils or fraction of 20 pupils in Full-Time Equivalent ADM

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28 **(d) Special education schedule:**

29	ADM	No. Instructional Units
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1	Full-Time Equivalent	
2	1 - 15	1
3	16 - 30	2
4	31 - 45	3
5	46 and over	4 plus 1 for each 11 pupils
6		or fraction of 11 pupils in
7		Full-Time Equivalent ADM

8 (e) Bilingual education schedule:

9	Weighted ADM	No. Instructional Units
10	1 - 12	1
11	13 - 18	2
12	19 - 42	3
13	43 and over	3 plus 1 for each 24
14		weighted ADM or fraction
15		of 24 weighted ADM

16 * Sec. 4. AS 14.17.051 is repealed and reenacted to read:

17 Sec. 14.17.051. INSTRUCTIONAL UNIT ALLOTMENT. The instructional
 18 unit allotment for each school district or regional educational atten-
 19 dance area is as follows:

20 (1) for Gateway Borough School District, City and Borough
 21 of Juneau School District, and Anchorage School District, the district
 22 is entitled to receive the base instructional unit allotment;

23 (2) for Annette Island School District, Petersburg City
 24 School District, Wrangell City School District, Sitka Borough School
 25 District and Matanuska-Susitna Borough School District, the district
 26 or area is entitled to receive 104 percent of the base instructional
 27 unit allotment;

28 (3) for Craig City School District, Hydaburg City School
 29 District, Klawock City School District, Kake City School District,

1 Chatham School District, Skagway City School District, Southeast
2 Island School District, and Kenai Peninsula Borough School District,
3 the district or area is entitled to receive 108 percent of the base
4 instructional unit allotment;

5 (4) for Pelican City School District, Hoonah City School
6 District, and North Star Borough School District, the district or area
7 is entitled to receive 112 percent of the base instructional unit
8 allotment;

9 (5) for Cordova City School District, Valdez City School
10 District, and Haines Borough School District, the district or area is
11 entitled to receive 115 percent of the base instructional unit allot-
12 ment.

13 (6) for Nenana City School District, Delta School District,
14 Alaska Gateway School District, Upper Railbelt Regional School Dis-
15 trict, Yakutat City School District, Chugach School District, and
16 Copper River School District, the district or area is entitled to
17 receive 120 percent of the base instructional unit allotment;

18 (7) for Adak Regional School District the area is entitled
19 to receive 140 percent of the base instructional unit allotment;

20 (8) for Pribilof Islands School District, Aleutian Chain
21 School District, King Cove City School District, Sand Point City
22 School District and Unalaska City School District, the district or
23 area is entitled to receive 150 percent of the base instructional unit
24 allotment;

25 (9) for Yukon Flats School District, Dillingham City School
26 District, Bristol Bay Borough School District, Southwest Regional
27 School District, Lake Peninsula School District, Lower Kuskokwim
28 School District, Galena City School District, Kuspuk School District,
29 Yukon-Koyukuk School District, Northwest Arctic School District, Nome

1 City School District, Bering Straits School District, Iditarod Area
2 School District, North Slope Borough School District, Lower Yukon
3 School District, St. Mary's City School District, Tanana School Dis-
4 trict, Yupiit School District, and Kashnamiut School District the
5 district or area is entitled to receive 155 percent of the base in-
6 structional unit allotment;

7 (10) for Kodiak Island School District, the district is
8 entitled to receive 116 percent of the base instructional unit allot-
9 ment.

10 * Sec. 5. AS 14.17.140 is repealed and reenacted to read:

11 Sec. 14.17.140. DETERMINATION OF FULL AND TRUE VALUE BY DEPART-
12 MENT OF COMMUNITY AND REGIONAL AFFAIRS. (a) To determine the equalized
13 percentage to be applied to basic need under AS 14.17.021 and the
14 matching ratio for required local effort under AS 14.17.071, the
15 Department of Community and Regional Affairs, in consultation with the
16 assessor for each district, shall determine the full value of the
17 taxable real and personal property in each district. Exemptions
18 granted under ch. 129, SLA 1957, known as the Alaska Industrial Incentive
19 Act (AS 43.25.010 - 43.25.170), shall be honored. If there is no
20 local assessor or current local assessment for a district, then the
21 Department of Community and Regional Affairs shall make the determina-
22 tion of full value from information available. In making the deter-
23 mination, the Department of Community and Regional Affairs shall be
24 guided by AS 29.45.110. The determination of full value shall be made
25 before October 1 and sent by certified mail, return receipt requested,
26 before that date to the president of the school board in each dis-
27 trict. Duplicate copies shall be sent to the commissioner. The
28 governing body of the borough or city which is the district may obtain
29 judicial review of the determination. The superior court may modify

1 the determination of the Department of Community and Regional Affairs
2 only upon a finding of abuse or discretion or upon a finding that
3 there is no substantial evidence to support the determination.

4 (b) Motor vehicles subject to the motor vehicle registration tax
5 under AS 28.10.255 shall be treated as taxable property for purposes
6 of (a) of this section.

7 * Sec. 6. This Act takes effect July 1, 1986.