

**HB**

**13**



# FISCAL NOTE

**STATE OF ALASKA**  
**2006 LEGISLATIVE SESSION**

Fiscal Note Number: 3  
 Bill Version: CS HB13(RLS)  
 ( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Education & Early Development  
 Title: An Act relating to reimbursement of municipal RDU: K-12 Support  
bonds for school construction; increasing the base student... Component: Foundation Program  
 Sponsor: Representative Gatto and Gruenberg  
 Requester: House Rules Component No.: 141

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	96,020.9	0.0	0.0	0.0	0.0	0.0
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>96,020.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	96,020.9	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>96,020.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2006) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)  
 This bill would increase the Base Student Allocation from \$4,919 to \$5,380 for FY07. This is a \$461 increase in the base student allocation.  
  
 The GF appropriation in this fiscal note capitalizes the Public Education Fund (PEF). Money in the PEF flows to K-12 Support with out further appropriation for distribution to school districts.

Prepared by: Eddy Jeans, Director Phone: 465-6679  
 Division: School Finance Date/Time: 5/3/06 10:22 AM  
 Approved by: Karen Rehfeld, Deputy Commissioner Date: 5/3/2006  
 Agency: Education & Early Development

School District	FY07 Projected Entitlement @ \$4,919	FY07 Projected Entitlement @ \$5,380	Difference
Alaska Gateway	4,978,445	5,444,316	465,871
Aleutian Region	1,121,420	1,194,845	73,425
Aleutians East Borough	3,325,972	3,700,599	374,627
Anchorage	244,050,660	275,043,349	30,992,689
Annette Island	1,675,995	1,943,330	267,334
Barling Strait	17,437,843	19,797,084	2,359,241
Bristol Bay Borough	1,421,610	1,616,908	195,298
Cnatham	2,201,201	2,430,492	229,288
Chugach	2,164,454	2,275,384	110,930
Copper River	6,281,510	6,889,910	608,400
Cordova	3,287,264	3,659,812	372,548
Craig	4,382,366	4,841,504	459,138
Delta/Gravelly	9,352,944	10,229,503	876,559
Denali Borough	4,577,977	5,058,643	480,666
Dillingham	4,539,483	5,047,169	507,686
Fairbanks N. Star Borough	79,210,194	89,237,853	10,027,659
Galena	16,338,781	17,318,318	979,537
Haines Borough	1,702,312	1,944,143	241,831
Hoonah	1,727,275	1,907,562	180,287
Hydaburg	759,317	804,408	45,091
Iditarod Area	4,332,241	4,660,042	327,701
Juneau Borough	26,043,291	29,000,063	3,556,772
Kake	994,106	1,103,165	109,059
Kashunamiut	2,511,616	2,881,407	369,791
Kenai Peninsula Borough	49,089,231	55,509,061	6,419,830
Ketchikan Gateway Borough	12,644,267	14,248,796	1,604,529
Klawock	1,182,829	1,260,769	77,940
Kodiak Island Borough	17,475,639	19,534,793	2,059,154
Kuspuk	5,309,727	5,910,114	608,387
Lake & Peninsula Borough	6,511,945	7,160,807	648,862
Lower Kuskokwim	43,562,282	48,564,676	5,002,394
Lower Yukon	19,400,947	21,869,809	2,468,862
Mat-Su Borough	94,129,068	104,608,991	10,479,923
Nenana	4,229,269	4,631,314	402,545
Nome	6,752,945	7,465,393	712,448
North Slope Borough	10,610,182	12,678,323	2,068,041
Northwest Arctic Borough	23,970,992	26,555,163	2,584,071
Pelican	381,855	398,810	16,955
Petersburg	3,834,767	4,294,974	460,207
Prbilof	1,116,853	1,269,845	152,992
Saint Mary's	2,008,361	2,197,726	189,365
Sitka Borough	8,425,674	9,482,673	1,056,999
Skagway	702,306	802,949	100,643
Southeast Island	3,071,481	3,232,662	161,181
Southwest Region	7,097,884	7,976,006	878,122
Tanana	701,901	771,512	69,611
Unalaska	2,528,614	3,020,602	391,988
Valdez	3,647,045	4,186,856	541,811
Wrangell	2,455,013	2,739,763	284,750
Yakutat	1,045,496	1,159,796	114,300
Yukon Flats	4,916,456	5,264,080	347,624
Yukon/Koyukuk	10,180,358	11,215,838	1,035,480
Yup'it	4,756,298	5,362,808	606,510
Mt. Edgecumbe High School	2,141,906	2,405,847	263,941
Other	26,027,300	26,027,300	
<b>Total</b>	<b>824,427,271</b>	<b>920,448,174</b>	<b>96,020,903</b>

NOTE: The above estimates were calculated using FY07 Projections.

# FISCAL NOTE

**STATE OF ALASKA**  
**2006 LEGISLATIVE SESSION**

Fiscal Note Number: 4  
 Bill Version: CS HB13(RLS)  
 ( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Education & Early Development  
 Title: An Act relating to reimbursement of municipal RDU: K-12 Support  
bonds for school construction; increasing the base student ... Component: Special Schools  
 Sponsor: Representative Gatto and Gruenberg  
 Requester: House Rules Component No.: 2735

**Expenditures/Revenues**

(Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	646.9	0.0	0.0	0.0	0.0	0.0
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>646.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	646.9	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>646.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This bill would increase the Base Student Allocation from \$4,919 to \$5,380 for FY07.

The funding for the Alaska Challenge Youth Academy is authorized under AS 14.30.740. The funding of this program is directly linked to the based student allocation set out in AS 14.17.470.

Prepared by: Eddy Jeans, Director  
 Division: School Finance  
 Approved by: Karen Rehfeld, Deputy Commissioner  
 Agency: Education & Early Development

Phone 465-8679  
 Date/Time 5/3/06 10:25 AM  
 Date 5/3/2006

## ALASKA MILITARY YOUTH ACADEMY

### FY07 PROJECTION for FY07

184 x \$5380 x 7 =	6,929,440
192 x \$5380 x .6 =	619,776
less \$2,100,000	(2,100,000)
	<b>5,449,216</b>
<i>FY07 Projected Entitlement at \$4919</i>	4,802,341
<b>FY07 INCREASE TO AMYA:</b>	<b>\$ 646,875</b>

# FISCAL NOTE

**STATE OF ALASKA**  
**2006 LEGISLATIVE SESSION**

Fiscal Note Number: 5  
 Bill Version: CS HB13(RLS)  
 () Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected Education & Early Development  
 Title An Act relating to reimbursement of municipal RDU School Debt Reimbursement  
bonds for school construction. Component School Debt Reimbursement  
 Sponsor Representative Gatto and Gruenberg  
 Requester House Rules Committee Component No. 153

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	.	.	.	.	.	.
Miscellaneous						
<b>TOTAL OPERATING</b>	.	.	.	.	.	.

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Debt Fund)	.	.	.	.	.	.
<b>TOTAL</b>	.	.	.	.	.	.

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

\* The department cannot determine the fiscal impact of this proposed legislation.

70% of school debt payments, made by a municipality, will be reimbursed by the state if they meet state approved space guidelines. 60% of school debt payments will be reimbursed by the state if the municipality exceeds state approved space guidelines.

This bill is for projects approved and authorized by voters on or after November 1, 2006 but before November 30, 2008.

Prepared by: Eddy Jeans, Director Phone 465-86  
 Division School Finance Date/Time \_\_\_\_\_  
 Approved by: Karen Rehfeld, Deputy Commissioner Date 5/3/2006  
 Agency Education & Early Development

AMENDMENT #1

Reps  
McGuire  
Rokeberg  
Berkowitz  
Guttenberg  
Harris  
Koheing

OFFERED IN (H) RULES  
TO: CSHB 13(RLS)

- 1 Page 6, line 11:
- 2 Following "approved by the commissioner,"
- 3 Delete "60"
- 4 Insert "70"
- 5
- 6
- 7
- 8 Page 6, line 18:
- 9 Following "of this section,"
- 10 Delete "40"
- 11 Insert "60"

moved by McGuire  
Rokeberg objected  
✓ removed by  
Adopted

24-LS0062N  
Mischel  
4/20/06

*ammd*

*4-24-06  
New moved  
as working  
document  
no objection  
5-3-06  
McAuliffe  
out as  
amended*

CS FOR HOUSE BILL NO. 13(RLS)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE HOUSE RULES COMMITTEE

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES GATTO AND GRUENBERG, Thomas, Gara, Gardner, Lynn, Neuman,  
Kohring, Chenault

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to reimburseme t of municipal bonds for school construction;  
2 increasing the base student allocation used in the formula for state financing of public  
3 education; and providing for an effective date."

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

5 \* Section 1. AS 14.11.100(a) is amended to read:

6 (a) During each fiscal year, the state shall allocate to a municipality that is a  
7 school district the following sums:

8 (1) payments made by the municipality during the fiscal year two years  
9 earlier for the retirement of principal and interest on outstanding bonds, notes, or other  
10 indebtedness incurred before July 1, 1977, to pay costs of school construction;

11 (2) 90 percent of

12 (A) payments made by the municipality during the fiscal year  
13 two years earlier for the retirement of principal and interest on outstanding  
14 bonds, notes, or other indebtedness incurred after June 30, 1977, and before  
15 July 1, 1978, to pay costs of school construction;

L

1 (B) cash payments made after June 30, 1976, and before July 1,  
2 1978, by the municipality during the fiscal year two years earlier to pay costs  
3 of school construction;

4 (3) 90 percent of

5 (A) payments made by the municipality during the fiscal year  
6 two years earlier for the retirement of principal and interest on outstanding  
7 bonds, notes, or other indebtedness incurred after June 30, 1978, and before  
8 January 1, 1982, to pay costs of school construction projects approved under  
9 AS 14.07.020(a)(11);

10 (B) cash payments made after June 30, 1978, and before July 1,  
11 1982, by the municipality during the fiscal year two years earlier to pay costs  
12 of school construction projects approved under AS 14.07.020(a)(11);

13 (4) subject to (h) and (i) of this section, up to 90 percent of

14 (A) payments made by the municipality during the current  
15 fiscal year for the retirement of principal and interest on outstanding bonds,  
16 notes, or other indebtedness incurred after December 31, 1981, and authorized  
17 by the qualified voters of the municipality before July 1, 1983, to pay costs of  
18 school construction, additions to schools, and major rehabilitation projects that  
19 exceed \$25,000 and are approved under AS 14.07.020(a)(11);

20 (B) cash payments made after June 30, 1982, and before July 1,  
21 1983, by the municipality during the fiscal year two years earlier to pay costs  
22 of school construction, additions to schools, and major rehabilitation projects  
23 that exceed \$25,000 and are approved under AS 14.07.020(a)(11); and

24 (C) payments made by the municipality during the current  
25 fiscal year for the retirement of principal and interest on outstanding bonds,  
26 notes, or other indebtedness to pay costs of school construction, additions to  
27 schools, and major rehabilitation projects that exceed \$25,000 and are  
28 submitted to the department for approval under AS 14.07.020(a)(11) before  
29 July 1, 1983, and approved by the qualified voters of the municipality before  
30 October 15, 1983, not to exceed a total project cost of (i) \$6,600,000 if the  
31 annual growth rate of average daily membership of the municipality is more

1 than seven percent but less than 12 percent, or (ii) \$20,000,000 if the annual  
2 growth rate of average daily membership of the municipality is 12 percent or  
3 more; payments made by a municipality under this subparagraph on total  
4 project costs that exceed the amounts set out in (i) and (ii) of this subparagraph  
5 are subject to (5)(A) of this subsection;

6 (5) subject to (a) - (j) of this section, 80 percent of

7 (A) payments made by the municipality during the fiscal year  
8 for the retirement of principal and interest on outstanding bonds, notes, or  
9 other indebtedness authorized by the qualified voters of the municipality

10 (i) after June 30, 1983, but before March 31, 1990, to  
11 pay costs of school construction, additions to schools, and major  
12 rehabilitation projects that exceed \$25,000 and are approved under  
13 AS 14.07.020(a)(11); or

14 (ii) before July 1, 1989, and reauthorized before  
15 November 1, 1989, to pay costs of school construction, additions to  
16 schools, and major rehabilitation projects that exceed \$25,000 and are  
17 approved under AS 14.07.020(a)(11); and

18 (B) cash payments made after June 30, 1983, by the  
19 municipality during the fiscal year two years earlier to pay costs of school  
20 construction, additions to schools, and major rehabilitation projects that exceed  
21 \$25,000 and are approved by the department before July 1, 1990, under  
22 AS 14.07.020(a)(11);

23 (6) subject to (h) - (j) and (m) of this section, 70 percent of payments  
24 made by the municipality during the fiscal year for the retirement of principal and  
25 interest on outstanding bonds, notes, or other indebtedness authorized by the qualified  
26 voters of the municipality on or after April 30, 1993, but before July 1, 1996, to pay  
27 costs of school construction, additions to schools, and major rehabilitation projects  
28 that exceed \$200,000 and are approved under AS 14.07.020(a)(11);

29 (7) subject to (h) - (j) and (m) of this section, 70 percent of payments  
30 made by the municipality during the fiscal year for the retirement of principal and  
31 interest on outstanding bonds, notes or other indebtedness authorized by the qualified

1 voters of the municipality after March 31, 1990, but before April 30, 1993, to pay  
2 costs of school construction, additions to schools, and major rehabilitation projects;

3 (8) subject to (h), (i), (j)(2) - (5), and (n) of this section and after  
4 projects funded by the bonds, notes, or other indebtedness have been approved by the  
5 commissioner, 70 percent of payments made by the municipality during the fiscal year  
6 for the retirement of principal and interest on outstanding bonds, notes, or other  
7 indebtedness authorized by the qualified voters of the municipality on or after July 1,  
8 1995, but before July 1, 1998, to pay costs of school construction, additions to  
9 schools, and major rehabilitation projects that exceed \$200,000 and are approved  
10 under AS 14.07.020(a)(11);

11 (9) subject to (h), (i), (j)(2) - (5), and (n) of this section and after  
12 projects funded by the bonds, notes, or other indebtedness have been approved by the  
13 commissioner, 70 percent of payments made by the municipality during the fiscal year  
14 for the retirement of principal and interest on outstanding bonds, notes, or other  
15 indebtedness authorized by the qualified voters of the municipality on or after July 1,  
16 1998, but before July 1, 2006, to pay costs of school construction, additions to  
17 schools, and major rehabilitation projects that exceed \$200,000 and are approved  
18 under AS 14.07.020(a)(11);

19 (10) subject to (h), (i), (j)(2) - (5), and (o) of this section, and after  
20 projects funded by the bonds, notes, or other indebtedness have been approved by the  
21 commissioner, 70 percent of payments made by the municipality during the fiscal year  
22 for the retirement of principal and interest on outstanding bonds, notes, or other  
23 indebtedness authorized by the qualified voters of the municipality on or after June 30,  
24 1998, to pay costs of school construction, additions to schools, and major  
25 rehabilitation projects that exceed \$200,000, are approved under AS 14.07.020(a)(11),  
26 and are not reimbursed under (n) of this section;

27 (11) subject to (h), (i), and (j)(2) - (5) of this section, and after projects  
28 funded by the bonds, notes, or other indebtedness have been approved by the  
29 commissioner, 70 percent of payments made by a municipality during the fiscal year  
30 for the retirement of principal and interest on outstanding bonds, notes, or other  
31 indebtedness authorized by the qualified voters of the municipality on or after June 30,

1 1999, but before January 1, 2005, to pay costs of school construction, additions to  
2 schools, and major rehabilitation projects and education-related facilities that exceed  
3 \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n)  
4 or (o) of this section;

5 (12) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent  
6 of payments made by a municipality during the fiscal year for the retirement of  
7 principal and interest on outstanding bonds, notes, or other indebtedness authorized by  
8 the qualified voters of the municipality on or after June 30, 1999, but before January 1,  
9 2005, to pay costs of school construction, additions to schools, and major  
10 rehabilitation projects and education-related facilities that exceed \$200,000, are  
11 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this  
12 section;

13 (13) subject to (h), (i), (j)(2) - (5), and (p) of this section, and after  
14 projects funded by the tax exempt bonds, notes, or other indebtedness have been  
15 approved by the commissioner, 70 percent of payments made by a municipality during  
16 the fiscal year for the retirement of principal and interest on outstanding tax exempt  
17 bonds, notes, or other indebtedness authorized by the qualified voters of the  
18 municipality on or after June 30, 1999, but before October 31, 2006, to pay costs of  
19 school construction, additions to schools, and major rehabilitation projects and  
20 education-related facilities that exceed \$200,000, are approved under  
21 AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this section;

22 (14) subject to (h), (i), (j)(2), (3), and (5), and (p) of this section, 60  
23 percent of payments made by a municipality during the fiscal year for the retirement  
24 of principal and interest on outstanding tax exempt bonds, notes, or other indebtedness  
25 authorized by the qualified voters of the municipality on or after June 30, 1999, but  
26 before October 31, 2006, to pay costs of school construction, additions to schools, and  
27 major rehabilitation projects and education-related facilities that exceed \$200,000, are  
28 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this  
29 section;

30 (15) subject to (h), (i), (j)(2) - (5), and (q) of this section, and after  
31 projects funded by the bonds, notes, or other indebtedness have been approved by the

1 commissioner, 90 percent of payments made by a municipality during the fiscal year  
 2 for the retirement of principal and interest on outstanding bonds, notes, or other  
 3 indebtedness authorized by the qualified voters of the municipality on or after June 30,  
 4 1999, but before October 31, 2006, to pay costs of school construction, additions to  
 5 schools, and major rehabilitation projects and education-related facilities that exceed  
 6 \$200,000, are approved under AS 14.07.020(a)(11), meet the 10 percent participating  
 7 share requirement for a municipal school district under AS 14.11.008(b), and are not  
 8 reimbursed under (n) or (o) of this section;

9 (16) subject to (h), (i), and (j)(2) - (5) of this section, and after  
 10 projects funded by the tax exempt bonds, notes, or other indebtedness have been  
 11 approved by the commissioner, (60) percent of payments made by a municipality  
 12 during the fiscal year for the retirement of principal and interest on outstanding  
 13 tax exempt bonds, notes, or other indebtedness authorized by the qualified voters  
 14 of the municipality on or after November 1, 2006, but before November 30, 2008,  
 15 to pay costs of school construction, additions to schools, and major rehabilitation  
 16 projects and education-related facilities that exceed \$200,000, are approved  
 17 under AS 14.07.020(a)(11), and are not reimbursed under (o) of this section;

18 (17) subject to (h), (i), and (j)(2), (3), and (5) of this section, (40)  
 19 percent of payments made by a municipality during the fiscal year for the  
 20 retirement of principal and interest on outstanding tax exempt bonds, notes, or  
 21 other indebtedness authorized by the qualified voters of the municipality on or  
 22 after November 1, 2006, but before November 30, 2008, to pay costs of school  
 23 construction, additions to schools, and major rehabilitation projects and  
 24 education-related facilities that exceed \$200,000, are reviewed under  
 25 AS 14.07.020(a)(11), and are not reimbursed under (o) of this section.

26 \* Sec. 2. AS 14.11.100(j) is amended to read:

27 (j) Except as provided in (l) of this section, the state may not allocate money  
 28 to a municipality for a school construction project under (a)(5), (6), or (7) of this  
 29 section unless the municipality complies with the requirements of (1) - (5) of this  
 30 subsection, the project is approved by the commissioner before the local vote on the  
 31 bond issue for the project or for bonds authorized after March 31, 1990, but on or

*Meet  
space  
guidelines*

*do not  
Meet  
space  
guidelines*

1 before April 30, 1993, the bonds are approved by the commissioner before  
2 reimbursement by the state, and the local vote occurs before July 1, 1987, or after  
3 June 30, 1988. In approving a project under this subsection, and to the extent required  
4 under (a)(8) - (17) [(a)(8) - (15)] of this section, the commissioner shall require

5 (1) the municipality to include on the ballot for the bond issue, for  
6 bonds authorized on or before March 31, 1990, or after April 30, 1993, the estimated  
7 total cost of each project including estimated total interest, estimated annual operation  
8 and maintenance costs, the estimated amounts that will be paid by the state and by the  
9 municipality, and the approximate amount that would be due in annual taxes on  
10 \$100,000 in assessed value to retire the debt;

11 (2) that the bonds may not be refunded unless the annual debt service  
12 on the refunding issue is not greater than the annual debt service on the original issue;

13 (3) that the bonds must be repaid in approximately equal annual  
14 principal payments or approximately equal debt service payments over a period of at  
15 least 10 years;

16 (4) the municipality to demonstrate need for the project by establishing  
17 that the school district has

18 (A) projected long-term student enrollment that indicates the  
19 district has inadequate facilities to meet present or projected enrollment;

20 (B) facilities that require repair or replacement in order to meet  
21 health and safety laws or regulations or building codes;

22 (C) demonstrated that the project will result in a reduction in  
23 annual operating costs that economically justifies the cost of the project; or

24 (D) facilities that require modification or rehabilitation for the  
25 purpose of improving the instructional program;

26 (5) evidence acceptable to the department that the district

27 (A) has a preventive maintenance plan that

28 (i) includes a computerized maintenance management  
29 program, cardex system, or other formal systematic means of tracking  
30 the timing and costs associated with planned and completed  
31 maintenance activities, including scheduled preventive maintenance;

1 (ii) addresses energy management for buildings owned  
2 or operated by the district;

3 (iii) includes a regular custodial care program for  
4 buildings owned or operated by the district;

5 (iv) includes preventive maintenance training for  
6 facility managers and maintenance employees; and

7 (v) includes renewal and replacement schedules for  
8 electrical, mechanical, structural, and other components of facilities  
9 owned or operated by the district; and

10 (B) is adequately following the preventive maintenance plan.

11 \* Sec. 3. AS 14.11.100(p) is amended to read:

12 (p) The total amount of school construction projects approved for  
13 reimbursement by the department under (a)(13) and (a)(14) of this section

14 (1) may not exceed \$179,256,000 [\$177,256,000];

15 (2) after June 30, 1999, and until October 31, 2006, shall be allocated  
16 as follows:

17 (A) \$61,925,000 to projects in a municipality with a public  
18 school enrollment of 45,000 or more students in fiscal year 2005, as  
19 determined under AS 14.17.500;

20 (B) \$40,570,000 to projects in a municipality with a public  
21 school enrollment of at least 14,600 but less than 20,000 students in fiscal year  
22 2005, as determined under AS 14.17.500;

23 (C) \$20,000,000 to projects in a municipality with a public  
24 school enrollment of at least 10,000 but less than 14,600 students in fiscal year  
25 2005, as determined under AS 14.17.500;

26 (D) \$2,588,000 to projects in a municipality with a public  
27 school enrollment of at least 7,500 but less than 10,000 students in fiscal year  
28 2005, as determined under AS 14.17.500;

29 (E) \$5,995,000 to projects in a municipality with a public  
30 school enrollment of at least 4,000 but less than 6,000 students in fiscal year  
31 2005, as determined under AS 14.17.500;

1 (F) \$1,237,000 to projects in a municipality with a public  
2 school enrollment of at least 2,400 but less than 2,800 students in fiscal year  
3 2005, as determined under AS 14.17.500;

4 (G) \$1,100,000 to projects in a municipality with a public  
5 school enrollment of at least 2,200 but less than 2,400 students in fiscal year  
6 2005, as determined under AS 14.17.500;

7 (H) \$2,000,000 to projects in a municipality with a public  
8 school enrollment of at least 1,501 but less than 1,800 students in fiscal  
9 year 2005, as determined under AS 14.17.500;

10 (I) [(H)] \$7,164,000 to projects in a municipality with a public  
11 school enrollment of at least 1,300 but less than 1,500 students in fiscal year  
12 2005, as determined under AS 14.17.500;

13 (J) [(I)] \$1,260,000 to projects in a municipality with a public  
14 school enrollment of at least 740 but less than 757 students in fiscal year 2005,  
15 as determined under AS 14.17.500;

16 (K) [(J)] \$608,000 to projects in a municipality with a public  
17 school enrollment of at least 650 but less than 700 students in fiscal year 2005,  
18 as determined under AS 14.17.500;

19 (L) [(K)] \$32,000,000 to projects in a municipality with a  
20 public school enrollment of at least 500 but less than 600 students in fiscal year  
21 2005, as determined under AS 14.17.500;

22 (M) [(L)] \$2,809,000 to projects in a municipality with a public  
23 school enrollment of at least 370 but less than 390 students in fiscal year 2005,  
24 as determined under AS 14.17.500.

25 \* Sec. 4. AS 14.17.470 is amended to read:

26 **Sec. 14.17.470. Base student allocation.** The base student allocation is \$5,380  
27 [\$4,919].

28 \* Sec. 5. This Act takes effect July 1, 2006.

*McGinnis  
out as amended  
w/ new to  
no of.*

24-LS0062R  
Mischel  
4/11/06

CS FOR HOUSE BILL NO. 13( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES GATTO AND GRUENBERG, Thomas, Gara, Gardner, Lynn, Neuman,  
Kohring, Chenault

*4-20-06  
Hans  
adopt as  
working doc  
Bakowitz  
Oliver  
Hans Mottson  
Amend  
McGinnis adopt  
R. Vasson  
no objection*

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to reimbursement of municipal bonds for school construction."

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

3 \* Section 1. AS 14.11.100(a) is amended to read:

4 (a) During each fiscal year, the state shall allocate to a municipality that is a  
5 school district the following sums:

6 (1) payments made by the municipality during the fiscal year two years  
7 earlier for the retirement of principal and interest on outstanding bonds, notes, or other  
8 indebtedness incurred before July 1, 1977, to pay costs of school construction;

9 (2) 90 percent of

10 (A) payments made by the municipality during the fiscal year  
11 two years earlier for the retirement of principal and interest on outstanding  
12 bonds, notes, or other indebtedness incurred after June 30, 1977, and before  
13 July 1, 1978, to pay costs of school construction;

14 (B) cash payments made after June 30, 1976, and before July 1,  
15 1978, by the municipality during the fiscal year two years earlier to pay costs  
16 of school construction;

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(3) 90 percent of

(A) payments made by the municipality during the fiscal year two years earlier for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness incurred after June 30, 1978, and before January 1, 1982, to pay costs of school construction projects approved under AS 14.07.020(a)(11);

(B) cash payments made after June 30, 1978, and before July 1, 1982, by the municipality during the fiscal year two years earlier to pay costs of school construction projects approved under AS 14.07.020(a)(11);

(4) subject to (h) and (i) of this section, up to 90 percent of

(A) payments made by the municipality during the current fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness incurred after December 31, 1981, and authorized by the qualified voters of the municipality before July 1, 1983, to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$25,000 and are approved under AS 14.07.020(a)(11);

(B) cash payments made after June 30, 1982, and before July 1, 1983, by the municipality during the fiscal year two years earlier to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$25,000 and are approved under AS 14.07.020(a)(11); and

(C) payments made by the municipality during the current fiscal year for the retirement of principal and interest on outstanding bonds, notes, or other indebtedness to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$25,000 and are submitted to the department for approval under AS 14.07.020(a)(11) before July 1, 1983, and approved by the qualified voters of the municipality before October 15, 1983, not to exceed a total project cost of (i) \$6,600,000 if the annual growth rate of average daily membership of the municipality is more than seven percent but less than 12 percent, or (ii) \$20,000,000 if the annual growth rate of average daily membership of the municipality is 12 percent or more; payments made by a municipality under this subparagraph on total

1 project costs that exceed the amounts set out in (i) and (ii) of this subparagraph  
2 are subject to (5)(A) of this subsection;

3 (5) subject to (h) - (j) of this section, 80 percent of

4 (A) payments made by the municipality during the fiscal year  
5 for the retirement of principal and interest on outstanding bonds, notes, or  
6 other indebtedness authorized by the qualified voters of the municipality

7 (i) after June 30, 1983, but before March 31, 1990, to  
8 pay costs of school construction, additions to schools, and major  
9 rehabilitation projects that exceed \$25,000 and are approved under  
10 AS 14.07.020(a)(11); or

11 (ii) before July 1, 1989, and reauthorized before  
12 November 1, 1989, to pay costs of school construction, additions to  
13 schools, and major rehabilitation projects that exceed \$25,000 and are  
14 approved under AS 14.07.020(a)(11); and

15 (B) cash payments made after June 30, 1983, by the  
16 municipality during the fiscal year two years earlier to pay costs of school  
17 construction, additions to schools, and major rehabilitation projects that exceed  
18 \$25,000 and are approved by the department before July 1, 1990, under  
19 AS 14.07.020(a)(11);

20 (6) subject to (h) - (j) and (m) of this section, 70 percent of payments  
21 made by the municipality during the fiscal year for the retirement of principal and  
22 interest on outstanding bonds, notes, or other indebtedness authorized by the qualified  
23 voters of the municipality on or after April 30, 1993, but before July 1, 1996, to pay  
24 costs of school construction, additions to schools, and major rehabilitation projects  
25 that exceed \$200,000 and are approved under AS 14.07.020(a)(11);

26 (7) subject to (h) - (j) and (m) of this section, 70 percent of payments  
27 made by the municipality during the fiscal year for the retirement of principal and  
28 interest on outstanding bonds, notes, or other indebtedness authorized by the qualified  
29 voters of the municipality after March 31, 1990, but before April 30, 1993, to pay  
30 costs of school construction, additions to schools, and major rehabilitation projects;

31 (8) subject to (h), (i), (j)(2) - (5), and (n) of this section and after

1 projects funded by the bonds, notes, or other indebtedness have been approved by the  
2 commissioner, 70 percent of payments made by the municipality during the fiscal year  
3 for the retirement of principal and interest on outstanding bonds, notes, or other  
4 indebtedness authorized by the qualified voters of the municipality on or after July 1,  
5 1995, but before July 1, 1998, to pay costs of school construction, additions to  
6 schools, and major rehabilitation projects that exceed \$200,000 and are approved  
7 under AS 14.07.020(a)(11);

8 (9) subject to (h), (i), (j)(2) - (5), and (n) of this section and after  
9 projects funded by the bonds, notes, or other indebtedness have been approved by the  
10 commissioner, 70 percent of payments made by the municipality during the fiscal year  
11 for the retirement of principal and interest on outstanding bonds, notes, or other  
12 indebtedness authorized by the qualified voters of the municipality on or after July 1,  
13 1998, but before July 1, 2006, to pay costs of school construction, additions to  
14 schools, and major rehabilitation projects that exceed \$200,000 and are approved  
15 under AS 14.07.020(a)(11);

16 (10) subject to (h), (i), (j)(2) - (5), and (o) of this section, and after  
17 projects funded by the bonds, notes, or other indebtedness have been approved by the  
18 commissioner, 70 percent of payments made by the municipality during the fiscal year  
19 for the retirement of principal and interest on outstanding bonds, notes, or other  
20 indebtedness authorized by the qualified voters of the municipality on or after June 30,  
21 1998, to pay costs of school construction, additions to schools, and major  
22 rehabilitation projects that exceed \$200,000, are approved under AS 14.07.020(a)(11),  
23 and are not reimbursed under (n) of this section;

24 (11) subject to (h), (i), and (j)(2) - (5) of this section, and after projects  
25 funded by the bonds, notes, or other indebtedness have been approved by the  
26 commissioner, 70 percent of payments made by a municipality during the fiscal year  
27 for the retirement of principal and interest on outstanding bonds, notes, or other  
28 indebtedness authorized by the qualified voters of the municipality on or after June 30,  
29 1999, but before January 1, 2005, to pay costs of school construction, additions to  
30 schools, and major rehabilitation projects and education-related facilities that exceed  
31 \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n)

1 or (o) of this section;

2 (12) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent  
3 of payments made by a municipality during the fiscal year for the retirement of  
4 principal and interest on outstanding bonds, notes, or other indebtedness authorized by  
5 the qualified voters of the municipality on or after June 30, 1999, but before January 1,  
6 2005, to pay costs of school construction, additions to schools, and major  
7 rehabilitation projects and education-related facilities that exceed \$200,000, are  
8 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this  
9 section;

10 (13) subject to (h), (i), (j)(2) - (5), and (p) of this section, and after  
11 projects funded by the tax exempt bonds, notes, or other indebtedness have been  
12 approved by the commissioner, 70 percent of payments made by a municipality during  
13 the fiscal year for the retirement of principal and interest on outstanding tax exempt  
14 bonds, notes, or other indebtedness authorized by the qualified voters of the  
15 municipality on or after June 30, 1999, but before October 31, 2006, to pay costs of  
16 school construction, additions to schools, and major rehabilitation projects and  
17 education-related facilities that exceed \$200,000, are approved under  
18 AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this section;

19 (14) subject to (h), (i), (j)(2), (3), and (5), and (p) of this section, 60  
20 percent of payments made by a municipality during the fiscal year for the retirement  
21 of principal and interest on outstanding tax exempt bonds, notes, or other indebtedness  
22 authorized by the qualified voters of the municipality on or after June 30, 1999, but  
23 before October 31, 2006, to pay costs of school construction, additions to schools, and  
24 major rehabilitation projects and education-related facilities that exceed \$200,000, are  
25 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this  
26 section;

27 (15) subject to (h), (i), (j)(2) - (5), and (q) of this section, and after  
28 projects funded by the bonds, notes, or other indebtedness have been approved by the  
29 commissioner, 90 percent of payments made by a municipality during the fiscal year  
30 for the retirement of principal and interest on outstanding bonds, notes, or other  
31 indebtedness authorized by the qualified voters of the municipality on or after June 30,

1 1999, but before October 31, 2006, to pay costs of school construction, additions to  
2 schools, and major rehabilitation projects and education-related facilities that exceed  
3 \$200,000, are approved under AS 14.07.020(a)(11), meet the 10 percent participating  
4 share requirement for a municipal school district under AS 14.11.008(b), and are not  
5 reimbursed under (n) or (o) of this section;

6 (16) subject to (h), (i), and (j)(2) - (5) of this section, and after  
7 projects funded by the tax exempt bonds, notes, or other indebtedness have been  
8 approved by the commissioner, 60 percent of payments made by a municipality  
9 during the fiscal year for the retirement of principal and interest on outstanding  
10 tax exempt bonds, notes, or other indebtedness authorized by the qualified voters  
11 of the municipality on or after November 1, 2006, but before November 30, 2008,  
12 to pay costs of school construction, additions to schools, and major rehabilitation  
13 projects and education-related facilities that exceed \$200,000, are approved  
14 under AS 14.07.020(a)(11), and are not reimbursed under (o) of this section;

15 (17) subject to (h), (i), and (j)(2), (3), and (5) of this section, 40  
16 percent of payments made by a municipality during the fiscal year for the  
17 retirement of principal and interest on outstanding tax exempt bonds, notes, or  
18 other indebtedness authorized by the qualified voters of the municipality on or  
19 after November 1, 2006, but before November 30, 2008, to pay costs of school  
20 construction, additions to schools, and major rehabilitation projects and  
21 education-related facilities that exceed \$200,000, are reviewed under  
22 AS 14.07.020(a)(11), and are not reimbursed under (o) of this section.

23 \* Sec. 2. AS 14.11.100(j) is amended to read:

24 (j) Except as provided in (l) of this section, the state may not allocate money  
25 to a municipality for a school construction project under (a)(5), (6), or (7) of this  
26 section unless the municipality complies with the requirements of (1) - (5) of this  
27 subsection, the project is approved by the commissioner before the local vote on the  
28 bond issue for the project or for bonds authorized after March 31, 1990, but on or  
29 before April 30, 1993, the bonds are approved by the commissioner before  
30 reimbursement by the state, and the local vote occurs before July 1, 1987, or after  
31 June 30, 1988. In approving a project under this subsection, and to the extent required

1 under (a)(8) - (17) [(a)(8) - (15)] of this section, the commissioner shall require

2 (1) the municipality to include on the ballot for the bond issue, for  
3 bonds authorized on or before March 31, 1990, or after April 30, 1993, the estimated  
4 total cost of each project including estimated total interest, estimated annual operation  
5 and maintenance costs, the estimated amounts that will be paid by the state and by the  
6 municipality, and the approximate amount that would be due in annual taxes on  
7 \$100,000 in assessed value to retire the debt;

8 (2) that the bonds may not be refunded unless the annual debt service  
9 on the refunding issue is not greater than the annual debt service on the original issue;

10 (3) that the bonds must be repaid in approximately equal annual  
11 principal payments or approximately equal debt service payments over a period of at  
12 least 10 years;

13 (4) the municipality to demonstrate need for the project by establishing  
14 that the school district has

15 (A) projected long-term student enrollment that indicates the  
16 district has inadequate facilities to meet present or projected enrollment;

17 (B) facilities that require repair or replacement in order to meet  
18 health and safety laws or regulations or building codes;

19 (C) demonstrated that the project will result in a reduction in  
20 annual operating costs that economically justifies the cost of the project; or

21 (D) facilities that require modification or rehabilitation for the  
22 purpose of improving the instructional program;

23 (5) evidence acceptable to the department that the district

24 (A) has a preventive maintenance plan that

25 (i) includes a computerized maintenance management  
26 program, cardex system, or other formal systematic means of tracking  
27 the timing and costs associated with planned and completed  
28 maintenance activities, including scheduled preventive maintenance;

29 (ii) addresses energy management for buildings owned  
30 or operated by the district;

31 (iii) includes a regular custodial care program for

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buildings owned or operated by the district;

(iv) includes preventive maintenance training for facility managers and maintenance employees; and

(v) includes renewal and replacement schedules for electrical, mechanical, structural, and other components of facilities owned or operated by the district; and

(B) is adequately following the preventive maintenance plan.

**FY 2006 Supplemental Budget Request  
Increased Energy Costs**

Type	School District	FY05	Energy Cost	Total \$ Request ADM-
		ADM - CORR	Relatives AVG 2000-03	CORR AVG 2000-03
REAA	Alaska Gateway	403	7.016	\$ 124,343
REAA	Aleutian Region	45	5.350	10,581
C/B	Aleutians East	269	10.325	121,863
C/B	Anchorage	48,434	1.000	2,128,685
REAA	Annette Island	298	2.966	38,891
REAA	Bering Strait	1,699	6.699	500,283
C/B	Bristol Bay	184	4.463	36,170
REAA	Chatham	195	5.010	42,959
REAA	Chugach	81	3.470	12,383
REAA	Copper River	547	2.490	59,855
C/B	Cordova	452	2.251	44,677
C/B	Craig	356	1.528	23,894
REAA	Delta/Greely	813	1.767	63,113
C/B	Denali	305	4.961	66,392
C/B	Dillingham	532	2.534	59,226
C/B	Fairbanks	14,335	1.251	788,157
C/B	Galena	206	1.783	16,131
C/B	Haines	276	2.773	33,584
C/B	Hoonah	172	5.174	39,044
C/B	Hydaburg	75	5.360	17,550
REAA	Iditarod Area	273	7.051	84,578
C/B	Juneau	5,252	0.946	218,362
C/B	Kake	142	5.097	31,754
REAA	Kashunamiut	355	3.415	53,229
C/B	Kenai Peninsula	8,861	1.579	614,955
C/B	Ketchikan Gateway	2,281	1.803	180,718
C/B	Klawock	160	3.132	21,969
C/B	Kodiak Island	2,624	2.466	284,433
REAA	Kuspuk	414	7.137	129,875
C/B	Lake & Peninsula	399	13.242	231,961
REAA	Lower Kuskokwim	3,832	4.512	759,917
REAA	Lower Yukon	2,017	4.437	393,413
C/B	Mat-Su	13,564	1.180	703,420
C/B	Nenana	200	1.286	11,318
C/B	Nome	767	3.356	113,188
C/B	North Slope	1,691	5.601	416,298
C/B	Northwest Arctic	1,999	7.027	617,299
C/B	Pelican	11	8.269	4,070
C/B	Petersburg	630	3.029	83,815
REAA	Pribilof	127	4.908	27,449
C/B	Saint Mary's	155	4.854	33,002
C/B	Sitka	1,443	1.332	84,455
C/B	Skagway	109	3.445	16,466
REAA	Southeast Island	207	3.814	34,749
REAA	Southwest Region	706	6.238	193,542
C/B	Tanana	62	8.974	24,374
C/B	Unalaska	377	3.146	55,127
C/B	Valdez	828	2.142	77,911
C/B	Wrangell	375	1.831	30,201
C/B	Yakutat	133	5.256	30,758
REAA	Yukon Flats	276	14.770	179,097
REAA	Yukon/Koyukuk	394	8.683	150,204
REAA	Yupit	445	4.754	93,008
<b>Statewide Totals</b>		<b>120,805</b>		<b>\$ 10,212,674</b>

Note: ADM - CORR: Average Daily Membership less Correspondence Students  
Note: Energy Cost Relatives computed by ISER

# Alaska State Legislature

House of Representatives



State Capitol, Rm. 214  
Juneau, Ak 99801-1182  
(907) 465-3764

Official Business

**COMMITTEE ON RULES**  
**Representative Norman Rokeberg, Chairman**

**HOUSE BILL 13 – April 25, 2005**

**Please add the attached to your HB 13 folder.**

**Thanks,**

**Janet**

**Anchorage School District**  
**Anchorage, Alaska**  
April 24, 2006  
As requested by Representative Norm Rokeberg

**UTILITIES FY 2005-2006**  
**Projections as of March 15**

	FY 2005-2006 Projected Year End Expenditures	Projected FY 2006-2007 % Increase over Projected Year End Expenditures
HEAT	\$ 3,410,098	20%
WATER	451,472	12%
ELECTRICITY	7,879,623	5%
TELEPHONE	2,263,113	12%
REFUSE	<u>613,668</u>	5%
TOTAL	\$ <u>14,617,974</u>	



# FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

520 Fifth Avenue Fairbanks, Alaska 99701-4756 (907) 452-2000  
www.northstar.k12.ak.us



April 24, 2006

Representative Norman Rokeberg's Office  
Attn: Janet Seitz

Dear Janet,

Per our conversation, below is a schedule of utility costs for the Fairbanks North Star Borough School District.

Utility	Actuals FY2004-05	Proposed 2005-06	Revised 2005-06	Proposed 2006-07
Heating Fuel	1,275,937	1,850,149	2,408,149	2,118,331
Water/Sewer	336,210	349,885	349,885	393,143
Garbage	194,235	250,000	250,000	300,000
Electric	2,436,568	2,525,083	2,525,083	2,832,864
	4,242,950	4,975,117	5,533,117	5,644,338

During the current year (2005-06), we went to our School Board when we knew we were in trouble and added \$558,000 to our revised heating oil budget.

Please let me know if I can provide any additional information.

Mike Fisher, Chief Financial Officer,  
Fairbanks North Star Borough School District



# JUNEAU SCHOOL DISTRICT SUPERINTENDENT

10014 Crazy Horse Drive • Juneau, Alaska 99801 • 907-463-1700 ext. 215 • Fax: 907-463-1768  
email: cowanp@jسد.k/2

## Facsimile Transmission

Date: 4/24/06 JSD Fax #: (907) 523-1708

To: Representative Norman Rokeberg  
Chair, Rules Committee No. of pages transmitted  
(including transmittal page) 1

Fax #: 465-2040  
From: Peggy Cowan *PC* Superintendent Juneau School District  
(907)-523-1702

Thank you for your interest in energy cost increases for school districts. I've attached information on the actual energy costs for the Juneau School District for 2005 and the anticipated costs for 2006 and 2007. The fuel oil costs are anticipated to increase by 40% of the 2005 cost for 2007.

I am providing this information for your consideration in Rules Committee today. Please let me know if I can provide additional information.

**If this is not received correctly  
please call Shelley Jenkins  
in the Superintendent's Office  
(907) 523-1703**

**Juneau School District  
Energy Costs  
FY 2005, FY 2006 and budgeted FY 2007**

	<b>Fuel Oil</b>	<b>Electricity</b>
Actual Expenditures FY 2005	327,081	593,148
Original FY 2006 Budget	340,000	640,000
Revised FY 2006 Budget	400,000	640,000
FY 2007 Budget	460,000	640,000

**Copper River School District**  
**Loreen Kramer, Business Manager**  
**P.O. BOX 108**  
**Glennallen, AK 99588**  
**(907) 822-3234, ext. 225**  
**FAX NO. (907) 822-3949**  
**email: lkramer@crsd.k12.ak.us**

**DATE:** 4/24/06

**TO:** Alaska State Legislature

**FAX NUMBER:** 907-465-2040

**NUMBER OF PAGES TO FOLLOW:** 0

**DELIVER TO:** Representative Rokeberg

**SENT BY:** Loreen Kramer, Business Manager

**MESSAGE/COMMENTS**

Our board chair, Beth Betts asked me to fax this information concerning fuel and electricity costs for our school district.

The increase to our budget for this school year (2005/06) is: \$90,003.20 for electricity and \$77,822.02 for fuel oil. This totals: \$167,825.22. Our electric costs include a fuel surcharge.

The anticipated increase to our budget for school year 2006/07 is: \$25,274.25 for electricity and \$44,370.64 for fuel oil. This totals: \$69,644.89.

I spoke with our fuel provider and he thought that using a 15% increase of our existing cost would be a good number for next school year.

Thanks.

If you do not receive the total number of pages following this cover letter, please telephone our office. Otherwise, we will assume you have received this transmittal satisfactorily.

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

April 24, 2006

**SUBJECT:** Single Subject (CSHB 13(RLS) and  
Work Order No. 24-LS0062\U.3)

**TO:** Representative Carl Moses  
Attn: Adam Berg

**FROM:** Jean M. Mischel  
Legislative Counsel



You have asked whether a proposed amendment fits within the single subject of CSHB 13(RLS). The amendment, Work Order Number 24-LS0062\U.3, pertains to reimbursement for certain costs of municipal projects. The bill pertains to reimbursement for municipal bonds for school construction. Under art. II, sec. 13 of the Alaska Constitution, "every bill shall be confined to one subject unless it is an appropriation bill or one codifying, revising, or rearranging existing laws."

Given the court's permissive view of the single subject constraint up until now, the amendment does not appear to present a single subject problem under the general subject of municipal assistance or state aid for municipalities. The court has previously held that bills relating to such broad themes as "taxation," "transportation," and "land" are acceptable. North Slope Borough v. Sohio Petroleum, 585 P.2d 534, 545 (Alaska 1978); Yute Air Alaska, Inc. v. McAlpine, 698 P.2d 1173, 1181 (Alaska 1985); State v. First Nat'l Bank of Anchorage, 660 P.2d 406 (Alaska 1982).

If I may be of further assistance, please advise.

JMM:med  
06-335.med

*Not taken up*

24 LS0062U.3  
Mischel  
4/20/06

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE MOSES

TO: CSHB 13(RLS)

1 Page 1, line 1, following "**construction**":

2 Insert "**and to state reimbursement for certain municipal capital projects**"

3

4 Page 9, following line 21:

5 Insert a new bill section to read:

6 **\*\* Sec. 4.** AS 29.60.700 is amended to read:

7 **Sec. 29.60.700. Reimbursement for costs of municipal capital projects.** (a)

8 Subject to appropriations for the purpose, during each fiscal year, the Department of  
9 Transportation and Public Facilities shall allocate to each municipality an amount to  
10 reimburse the costs paid by the municipality during the immediately preceding fiscal  
11 year for the principal and interest on outstanding debt for projects listed in (b) of this  
12 section. An allocation may be made to a municipality only if

13 (1) the debt was incurred by the municipality before July 1, 2010  
14 [2007]; and

15 (2) the project or facility financed with the debt proceeds is located in  
16 the municipality and the project or facility is operated or controlled by the  
17 municipality.

18 (b) The Department of Transportation and Public Facilities may make an  
19 allocation to a municipality under (a) of this section only for reimbursement of costs  
20 incurred for the following construction and renovation projects and only for  
21 reimbursement of total project costs incurred up to the following amounts:

22 PROJECT

23 Valdez

\$ 3,013,500

1	Nome	1,000,000
2	[ANCHORAGE (PORT OF ANCHORAGE EXPANSION)	15,000,000]
3	Matanuska-Susitna Borough (deep water port	10,000,000
4	and road upgrade)	
5	Unalaska (LSA small boat harbor)	5,000,000
6	Aleutians East Borough/Akutan	4,000,000
7	(small boat harbor)	
8	Lake and Peninsula Borough/Chignik (dock project)	1,000,000
9	Aleutians East Borough/False Pass (small boat harbor)	2,000,000
10	Fairbanks North Star Borough (Eielson AFB schools,	4,500,000
11	major maintenance and upgrades)	
12	City of Fairbanks (fire headquarters station replacement)	7,500,000
13	Saxman (public safety building)	1,500,000"

During Session:  
Alaska State Capitol  
Juneau, Alaska 99801-1182  
(907) 465-4833  
Fax (907) 465-4586  
1-800-782-4833

Representative\_Reggie\_Joule@legis.state.ak.us



During Interim:  
P.O. Box 673  
Kotzebue, Alaska 99752  
(907) 442-3880  
Fax (907) 442-3022

Alaska State Legislature  
REPRESENTATIVE REGGIE JOULE

Memorandum

April 19, 2006

To: Representative Norm Rokeberg, Chair  
House Rules Committee  
Alaska State Legislature

From: Representative Reggie Joule

Re: amendment to HB13

Attached please find the amendment to HB13 that I spoke to you about earlier today. This amendment is necessary to allow the North Slope Borough to claim reimbursement from the state under the school debt reimbursement program for \$2,000,000 in school improvement bonds that were approved in November, 2005.

At the time the school debt reimbursement program extension was drafted last spring, an effort was made to identify the potential liability to the state by including in the bill a designation by district size of school bonds. The North Slope Borough was not included in that list because no general funds had been included in the proposed capital budget for the school district. The proposed capital budget was one of the primary source documents for SB73, which ultimately included the debt program extension. I have been assured that were the needs of the district known, the opportunity to participate in the statewide debt reimbursement program would have been extended to the North Slope Borough as it was for every other school district. This amendment will correct that oversight and allow the Borough to participate in the debt reimbursement program.

Thanks for your consideration.

Amendment to HB13

*Am # 1*

*adopted*

Offered by: *Berkowitz*

Add a new section:

Sec. \_\_\_\_\_ AS14.11.100 (q) is amended to read:

(q)The total amount of school construction projects approved for reimbursement by the department under (a)(13) and (a)(14) of this section

(1) may not exceed \$179,256,000 (\$177,256,000)

(2) after June 30, 1999, and until October 31, 2006, shall be allocated as follows:

- (A) \$61,925,000 to projects in a municipality with a public school enrollment of 45,000 or more students in fiscal year 2005, as determined under AS 14.17.500;
- (B) \$40,570,000 to projects in a municipality with a public school enrollment of at least 14,500 but less than 20,000 students in fiscal year 2005, as determined under AS 14.17.500;
- (C) \$20,000,000 to projects in a municipality with a public school enrollment of at least 10,000 but less than 14,600 students in fiscal year 2005, as determined under AS 14.17.500;
- (D) \$2,588,000 to projects in a municipality with a public school enrollment of at least 7,500 but less than 10,000 students in fiscal year 2005, as determined under AS 14.17.500;
- (E) \$5,995,000 to projects in a municipality with a public school enrollment of at least 4,000 but less than 6,000 students in fiscal year 2005, as determined under AS 14.17.500;
- (F) \$1,237,000 to projects in a municipality with a public school enrollment of at least 2,400 but less than 2,800 students in fiscal year 2005, as determined under AS 14.17.500;
- (G) \$1,100,000 to projects in a municipality with a public school enrollment of at least 2,200 but less than 2,400 students in fiscal year 2005, as determined under AS 14.17.500;
- (H) \$2,000,000 to projects in a municipality with a public school enrollment of at least 1,501 but less than 1,800 students in fiscal year 2005, as determined under AS 14.17.500;**
- (I) (H) \$7,164,000 to projects in a municipality with a public school enrollment of at least 1,300 but less than 1,500 students in fiscal year 2005, as determined under AS 14.17.500;**
- (J) (I) \$1,260,000 to projects in a municipality with a public school enrollment of at least 740 but less than 757 students in fiscal year 2005, as determined under AS 14.17.500;**

**(K)** (J) \$608,000 to projects in a municipality with a public school enrollment of at least 650 but less than 757 students in fiscal year 2005, as determined under AS 14.17.500;

**(L)** (K) \$32,000,000 to projects in a municipality with a public school enrollment of at least 500 but less than 600 students in fiscal year 2005, as determined under AS 14.17.500;

**(M)** (L) \$2,809,000 to projects in a municipality with a public school enrollment of at least 370 but less than 390 students in fiscal year 2005, as determined under AS 14.17.500;

# FISCAL NOTE

**STATE OF ALASKA**  
**2005 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: CSHB13(FIN)  
 () Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Education & Early Development  
 Title "An Act relating to reimbursement of municipal RDU ESS  
bonds for school construction; and provide for an effective ..." Component School Debt Reimbursement  
 Sponsor Rep. Gatto & Rep. Gruenberg  
 Requester \_\_\_\_\_ Component No. 153

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	0.0	*	*	*	*	*
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	*	*	*	*	*
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

The Act will extend the Debt Reimbursement program for another year and a half. This program will sunset July 1, 2006. Since there is no limit on the principal amount that can be approved for reimbursement it is not possible to project the increase to the Debt Reimbursement program for fiscal years 2007 and beyond.

Prepared by: Eddy Jeans, Director  
 Division: School Finance  
 Approved by: Karen Rehfeld, Deputy Director  
 Agency: Education & Early Development

Phone 465-8679  
 Date/Time 4/12/06 1:38 PM  
 Date 04/12/2006

# Alaska State Legislature

## House of Representatives



Official Business

State Capitol  
Juneau, AK 99801-1182

  
Representative Max Gruenberg

  
Representative Carl Gatto

### Sponsor Statement and Bill Analysis

#### HB 13 – Reimbursement of Municipal Bonds for School Construction

This bill extends until July 1, 2006 the statutory date for municipalities to receive reimbursement from the state for school construction and renovation bonds. The previous law expired January 1, 2005.

The two changes to the existing statute are on the last page of the bill.

# FISCAL NOTE

**STATE OF ALASKA**  
**2005 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: HB013-EED-ESS-01-24-05  
 () Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Education & Early Development  
 Title "An Act relating to reimbursement of municipal RDU ESS  
bonds for school construction; and provide for an effective ..." Component School Debt Reimbursement  
 Sponsor Rep. Gatto & Rep. Gruenberg  
 Requester \_\_\_\_\_ Component No. 153

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	0.0	*	*	*	*	*
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	*	*	*	*	*

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	*	*	*	*	*
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type—Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	*	*	*	*	*

Estimate of any current year (FY2005) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

The Act will extend the Debt Reimbursement program for another year and a half. Since there is no limit on the principal amount that can be approved for reimbursement it is not possible to project the increase to the Debt Reimbursement program for fiscal years 2007 and beyond.

Prepared by: Eddy Jeans, Director Phone 465-8679  
 Division: School Finance Date/Time 1/24/05 3:52 PM  
 Approved by: Karen Rehfeld, Deputy Director Date 1/24/2005  
 Agency: Education & Early Development

# FISCAL NOTE

**STATE OF ALASKA**  
**2005 LEGISLATIVE SESSION**

Fiscal Note Number: 2  
 Bill Version: CSHB 13(FIN)  
 (H) Publish Date: 5/2/05

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Education & Early Development  
 Title An Act relating to reimbursement of municipal RDU K-12 Support  
bonds for school funding and adjusting the district cost factors; Component Foundation Program  
 Sponsor Rep. Gatto & Gruenberg  
 Requester Rep. Gatto & Gruenberg Component No. 141

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	20,181.8	20,660.7	20,767.6	20,951.8	0.0	0.0
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>20,181.8</b>	<b>20,660.7</b>	<b>20,767.6</b>	<b>20,951.8</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	20,181.8	20,660.7	20,767.6	20,951.8	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>20,181.8</b>	<b>20,660.7</b>	<b>20,767.6</b>	<b>20,951.8</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

Section 3 of CSHB13 would replace the existing District Cost Factors listed in AS 14.17.460(a) by implementing the proposed Institute of Social and Economic Research (ISER) cost factors over the next four fiscal years.

Prepared by: Eddy Jeans, Director  
 Division: School Finance  
 Approved by: Karen Rehfeld, Deputy Commissioner  
 Agency: Education & Early Development

Phone 465-8679  
 Date/Time 4/26/05 3:29 PM  
 Date 04/26/2005

School District	1st year	FY06	2nd year	FY07	3rd year	FY08	4th year	FY09
		Projected Cost		Projected Cost		Projected Cost		Projected Cost
Alaska Gateway	1.367	215,926	1.443	250,019	1.518	282,454	1.594	282,500
Aleutian Region	1.787	19,967	1.838	19,993	1.888	19,939	1.939	19,994
Aleutians East Borough	1.565	415,209	1.707	415,162	1.849	415,209	1.991	415,116
Anchorage	1.000	-	1.000	-	1.000	-	1.000	-
Annette Island	1.093	202,415	1.175	202,462	1.256	202,506	1.338	202,462
Bering Strait	1.643	1,840,152	1.762	1,840,061	1.880	1,840,151	1.998	1,840,107
Bristol Bay Borough	1.316	82,518	1.370	82,610	1.424	82,564	1.478	82,518
Chatham	1.234	183,955	1.348	184,047	1.462	184,048	1.576	184,048
Chugach	1.345	25,765	1.395	25,794	1.446	25,793	1.496	25,766
Copper River	1.211	171,327	1.246	171,282	1.281	171,282	1.316	171,326
Cordova	1.131	114,708	1.165	114,754	1.200	114,754	1.234	114,755
Craig	1.059	134,041	1.108	134,040	1.157	134,041	1.206	134,086
Delta/Greely	1.140	227,074	1.174	227,167	1.207	227,074	1.241	227,120
Denali Borough	1.318	12,628	1.323	12,628	1.327	12,628	1.332	12,674
Dillingham	1.277	88,396	1.300	88,442	1.323	88,442	1.346	88,442
Fairbanks N. Star Borough	1.047	692,014	1.055	692,060	1.062	692,061	1.070	692,060
Galena	1.359	19,056	1.370	19,058	1.380	16,290	1.391	11,461
Haines Borough	1.056	108,049	1.104	108,004	1.152	108,096	1.200	108,049
Hoonah	1.141	133,902	1.227	133,857	1.313	133,902	1.399	133,904
Hydaburg	1.190	44,847	1.295	44,849	1.399	44,848	1.504	69,462
Iditarod Area	1.564	159,096	1.658	159,096	1.752	159,151	1.846	159,096
Juneau Borough	1.040	1,094,411	1.075	1,094,365	1.110	1,094,412	1.145	1,094,457
Kake	1.134	138,219	1.242	138,265	1.351	138,174	1.459	138,265
Kashunamiut	1.447	156,909	1.504	156,817	1.562	156,817	1.619	156,816
Kenai Peninsula Borough	1.046	2,548,652	1.088	2,548,606	1.129	2,548,606	1.171	2,548,698
Ketchikan Gateway Borough	1.043	655,417	1.085	655,415	1.128	655,417	1.170	655,370
Klawock	1.088	61,335	1.160	61,308	1.231	99,336	1.302	101,942
Kodiak Island Borough	1.142	872,159	1.191	872,157	1.240	872,159	1.289	872,205
Kuspuk	1.509	307,205	1.584	307,205	1.659	307,251	1.734	307,204
Lake & Peninsula Borough	1.667	449,373	1.776	449,327	1.885	449,328	1.994	449,326
Lower Kuskokwim	1.534	816,053	1.577	1,280,765	1.620	1,356,936	1.663	1,356,982
Lower Yukon	1.544	1,786,288	1.650	1,786,335	1.755	1,786,288	1.861	1,786,288
Mat-Su Borough	1.025	1,320,109	1.040	1,320,107	1.055	1,320,155	1.070	1,320,108
Nenana	1.287	28,608	1.304	28,608	1.321	28,517	1.338	28,607
Nome	1.352	176,838	1.385	176,839	1.417	176,837	1.450	176,884
North Slope Borough	1.576	915,278	1.648	915,277	1.719	915,232	1.791	915,277
Northwest Arctic Borough	1.618	1,121,412	1.686	1,121,367	1.755	1,121,412	1.823	1,121,366
Pelican	1.337	6,157	1.384	6,132	1.430	6,131	1.477	6,130
Petersburg	1.061	275,796	1.122	275,750	1.183	275,795	1.244	275,796
Pribilof	1.487	86,513	1.555	86,514	1.623	86,421	1.691	86,513
Saint Mary's	1.419	100,473	1.488	100,427	1.556	100,426	1.624	100,427
Sitka Borough	1.049	460,439	1.098	460,440	1.146	460,395	1.195	460,485
Skagway	1.151	7,485	1.159	7,485	1.166	7,577	1.174	7,485
Southeast Island	1.194	108,547	1.264	106,487	1.333	106,515	1.403	156,671
Southwest Region	1.489	418,560	1.554	418,560	1.620	418,562	1.685	418,606
Tanana	1.569	41,328	1.641	41,328	1.714	41,328	1.786	41,373
Unalaska	1.294	125,891	1.343	152,363	1.392	152,363	1.441	152,362
Valdez	1.114	105,800	1.133	71,270	1.151	63,655	1.170	63,626
Wrangell	1.040	113,285	1.080	113,284	1.119	113,331	1.159	113,238
Yakutat	1.138	98,360	1.229	88,649	1.321	59,154	1.412	77,005
Yukon Flats	1.780	211,401	1.892	211,428	2.004	211,401	2.116	304,891
Yukon/Koyukuk	1.585	306,379	1.669	306,425	1.752	306,377	1.835	306,425
Yup'it	1.533	249,392	1.596	249,345	1.660	249,392	1.723	249,346
Mt. Edgecumbe High School	1.049	126,693	1.098	126,694	1.146	126,647	1.195	126,693
Other								
<b>Total</b>		<b>20,181,810</b>		<b>20,660,728</b>		<b>20,767,580</b>		<b>20,951,813</b>



**WRANGELL  
PUBLIC SCHOOLS  
DISTRICT OFFICE**

GATEWAY TO THE STIKINE

P.O. BOX 2319  
WRANGELL, ALASKA 99929  
Telephone (907) 874-2347  
Fax # (907) 874-3137

February 2, 2005

Representative Carl Gatto  
Room 411  
State Capitol  
Juneau, AK 99801-1182

RE: HB13

Dear Honorable Representative Gatto:

I would like to provide you with my full support of House Bill No. 13, "An act relating to reimbursement of municipal bonds for school construction."

School districts across Alaska are working hard to meet multiple challenges, including increasing student performance in core academic subjects and implementing the goals of the State of Alaska Quality Schools Initiative and the No Child Left Behind Act of 2001. These districts are also struggling to maintain, replace, and modernize their local school buildings.

The passage of HB13 will trigger a school debt reimbursement program for school district bonds for capital and major maintenance projects. The school debt reimbursement program will reimburse school projects at 70 percent taking the burden off of municipalities. HB 13, if passed, will help many rural and urban school districts and communities catch up with unmet school construction and major maintenance needs.

Your continued support of public education and Alaska's youth is very much appreciated.

Sincerely,

Susan J. Sciabarrasi  
Superintendent

SJS: kp  
Cc: Alaska State House of Representatives

ALASKA COUNCIL



OF SCHOOL ADMINISTRATORS

326 Fourth Street, Suite 404 • Juneau, Alaska 99801  
Phone: (907) 586-9702 • Fax: 586-5879  
web site: [www.alaskaacsa.org](http://www.alaskaacsa.org)

## Alaska Council of School Administrators

January 31, 2005

Representative Mark Neuman, Chair  
House Special Committee on Education

Dear Chair Neuman and Committee members:

Enclosed is resolution 04-8, *Bond Debt Reimbursement*, adopted by the organizations that make up the Alaska Council of School Administrators. This resolution is presented in support of HB 13.

Respectfully submitted,

Mary A. Francis, Ph.D.  
Executive Director

**Resolution 04-8**

**BOND DEBT REIMBURSEMENT**

**WHEREAS**, the voters have supported several local and statewide bond initiatives for school construction and major maintenance; and

**WHEREAS**, the public was informed that local and statewide bond efforts would receive State support in the repayment of the bond effort; and

**WHEREAS**, the planning of construction projects and major maintenance efforts were carefully considered with anticipated budget information secured from a variety of sources, including information from the State of Alaska; and

**WHEREAS**, a significant reduction in the repayment schedule from the State of Alaska will adversely affect local budgets at an extremely challenging time; now

**THEREFORE IT IS RESOLVED** that the Alaska Council of School Administrators supports full funding of previously approved bonds as they were presented to the people of local communities and a continued debt reimbursement program that also allows participation by districts unable to bond.

Adopted by the Alaska Council of School Administrators (AASA, AAESP, AASSP and ALASBO) October and December 2004.



## **IDITAROD AREA SCHOOL DISTRICT**

**P.O. Box 90  
McGrath, Alaska 99627**

**(907) 524-3033x221**

**FAX (907) 524-3217**

April 7, 2006

To: House Rules Committee

Fm: Joe Banghart, Superintendent  
Iditarod Area School District

Ref: HB 13

It has been brought to my attention that the House Rules Committee will soon review HB 13. Part of this bill includes the School District Cost Study completed by the Institute of Social and Economic Research (ISER), of the University of Alaska. In 1998 DEED recommended to the Legislature that a new cost model be developed. This process has been ongoing for eight years.

If your committee removes the cost factors from HB13, I question if you will ever deal fairly with the issue of the Rural-Urban cost differential. I have several questions for your consideration.

1. Why have you spent so much money on this report yet you refuse to deal with the issue?
2. What are your objections to not dealing with the report?
3. Using Anchorage as the base, ISER proposes all other district cost differentials be adjusted upward.
4. If you are concerned about a measurement mechanism to determine how successful the school districts are at consistently recruiting and retaining qualified personnel, then give our children adequate money for education.

Thank You

Joe Banghart, Superintendent

% Comparison of Cost Factors to ISER

School District	% Comparison of Cost Factors to ISER			ISER	ISER	% of BN	% Change	Pct. Change
	Current Cost Factors	Current FY07 Basic Need	% of BN	Cost Factors	Proposed Basic Need			
Alaska Gateway	1.291	5,173,755	0.50%	1.594	6,302,124	0.56%	0.06%	12.08%
Aleutian Region	1.736	1,217,403	0.12%	1.939	1,359,710	0.12%	0.00%	2.75%
Aleutians East	1.423	3,997,376	0.39%	1.991	5,592,952	0.50%	0.11%	28.71%
Anchorage	1.000	330,700,730	31.89%	1.000	330,700,730	29.34%	-2.55%	-8.01%
Annette Island	1.011	2,852,626	0.28%	1.338	3,719,649	0.33%	0.05%	19.95%
Bering Strait	1.525	25,173,770	2.43%	1.998	32,859,707	2.91%	0.49%	20.08%
Bristol Bay	1.262	2,083,885	0.20%	1.478	2,427,871	0.22%	0.01%	7.8%
Chatham	1.120	2,446,563	0.24%	1.576	3,414,622	0.30%	0.07%	25.39%
Chugach	1.294	1,972,765	0.19%	1.496	2,188,860	0.19%	0.00%	2.06%
Copper River	1.176	6,491,801	0.63%	1.316	7,204,613	0.64%	0.01%	2.09%
Cordova	1.096	3,975,191	0.38%	1.234	4,460,254	0.40%	0.01%	3.22%
Craig	1.010	4,899,127	0.47%	1.206	5,490,686	0.49%	0.01%	3.10%
Delta/Greely	1.106	9,353,134	0.90%	1.241	10,248,589	0.91%	0.01%	0.80%
Denali	1.313	5,128,845	0.49%	1.332	5,178,526	0.46%	-0.04%	-7.12%
Dillingham	1.254	5,417,147	0.52%	1.346	5,800,091	0.51%	-0.01%	-1.50%
Fairbanks	1.039	106,997,940	10.32%	1.070	109,963,950	9.75%	-0.56%	-5.46%
Galena	1.348	15,834,655	1.53%	1.391	15,911,391	1.41%	-0.12%	-7.56%
Haines	1.008	2,580,409	0.25%	1.200	3,041,860	0.27%	0.02%	8.44%
Hoonah	1.055	1,923,723	0.19%	1.399	2,494,818	0.22%	0.04%	19.30%
Hydaburg	1.085	801,895	0.08%	1.504	1,102,053	0.10%	0.02%	26.43%
Iditarod Area	1.470	4,366,891	0.42%	1.846	5,373,171	0.48%	0.06%	13.19%
Juneau	1.005	37,951,757	3.66%	1.145	42,642,417	3.78%	0.12%	3.36%
Kenai Peninsula	1.025	1,163,688	0.11%	1.459	1,625,139	0.14%	0.03%	28.47%
Kashunamiut	1.389	3,945,776	0.38%	1.619	4,582,786	0.41%	0.03%	6.84%
Kenai Peninsula	1.004	68,501,404	6.61%	1.171	79,131,018	7.02%	0.41%	6.27%
Ketchikan Gateway	1.000	17,120,776	1.65%	1.170	19,899,667	1.77%	0.11%	6.92%
Klawock	1.017	1,386,076	0.13%	1.302	1,760,558	0.16%	0.02%	16.95%
Kodiak Island	1.093	21,971,746	2.12%	1.289	25,718,598	2.28%	0.16%	7.68%
Kuspuk	1.434	6,491,653	0.63%	1.734	7,834,295	0.69%	0.07%	11.02%
Lake & Peninsula	1.558	6,923,542	0.67%	1.994	8,847,313	0.78%	0.12%	17.55%
Lower Kuskokwim	1.491	53,376,954	5.15%	1.663	59,358,508	5.27%	0.12%	2.30%
Lower Yukon	1.438	26,343,459	2.54%	1.861	33,998,554	3.02%	0.48%	18.73%
Mat-Su	1.010	111,823,725	10.78%	1.070	117,738,528	10.44%	-0.34%	-3.14%
Nenana	1.270	4,295,271	0.41%	1.338	4,418,590	0.39%	-0.02%	-5.37%
Nome	1.319	7,602,019	0.73%	1.450	8,344,936	0.74%	0.01%	0.98%
North Slope	1.504	22,066,585	2.13%	1.791	26,225,747	2.33%	0.20%	9.33%
Northwest Arctic	1.549	27,572,766	2.66%	1.823	32,358,658	2.87%	0.21%	7.96%
Pelican	1.290	301,535	0.03%	1.477	345,265	0.03%	0.00%	5.33%
Petersburg	1.000	4,910,539	0.47%	1.244	6,042,696	0.54%	0.06%	13.20%
Pribilof	1.419	1,632,469	0.16%	1.691	1,945,465	0.17%	0.02%	9.63%
Saint Mary's	1.351	2,020,578	0.19%	1.624	2,423,886	0.22%	0.02%	10.36%
Sitka	1.000	11,278,480	1.09%	1.195	13,267,724	1.18%	0.09%	8.22%
Skagway	1.143	1,175,198	0.11%	1.174	1,207,073	0.11%	-0.01%	-5.51%
Southeast Island	1.124	2,866,400	0.28%	1.403	3,572,030	0.32%	0.04%	14.64%
Southwest Region	1.423	9,369,810	0.90%	1.685	11,081,376	0.98%	0.08%	8.80%
Tanana	1.496	742,769	0.07%	1.786	886,699	0.08%	0.01%	9.82%
Unalaska	1.245	4,182,626	0.40%	1.441	4,837,246	0.43%	0.03%	6.39%
Valdez	1.095	6,620,285	0.64%	1.170	7,055,223	0.63%	-0.01%	-1.96%
Wrangell	1.000	3,038,368	0.29%	1.159	3,513,642	0.31%	0.02%	6.38%
Yakutat	1.046	1,219,617	0.12%	1.412	1,637,781	0.15%	0.03%	23.53%
Yukon Flats	1.668	5,400,472	0.52%	2.116	6,811,290	0.60%	0.08%	16.03%
Yukon/Koyukuk	1.502	11,048,861	1.07%	1.835	12,391,551	1.10%	0.03%	3.17%
Yupit	1.469	6,471,633	0.62%	1.723	7,573,637	0.67%	0.05%	7.66%
Mt. Edgecumbe	1.000	2,816,324	0.27%	1.195	3,365,531	0.30%	0.03%	9.93%
<b>TOTAL</b>		<b>1,037,022,792</b>	<b>100.00%</b>		<b>1,127,279,554</b>	<b>100.00%</b>	<b>0.00%</b>	