

SCOMM

151:5

EED Capital Improvement Project
Funded Grant/Debt Projects by Fiscal Year (FY80 - FY08)
 Corrected 2/26/2008

YEAR	Borough Bond	Borough Grant	City Bond	City Grant	Multiple	Organized Total	Annual Organized Percent	REAA Bond	REAA GRANT	Unorganized Total	Annual Unorganized Percent
1980	0	0	2,730,100	0	0	2,730,100	100%	0	0	0	0%
1981	61,000,000	0	251,400	0	0	61,251,400	100%	0	125,000	125,000	0%
1982	3,111,900	2,700,000	550,000	3,858,000	0	10,219,900	27%	0	27,981,800	27,981,800	73%
1983	40,595,510	500,000	6,248,000	1,828,000	0	49,171,510	78%	0	13,590,700	13,590,700	22%
1984	2,630,000	23,672,900	8,671,000	10,090,000	0	45,063,900	61%	0	29,193,600	29,193,600	39%
1985	0	2,314,000	270,000	30,466,000	3,000,000	36,050,000	40%	0	54,590,000	54,590,000	60%
1986	205,298,603	545,000	150,000	2,056,000	0	208,049,603	93%	0	15,708,545	15,708,545	7%
1987	47,332,851	0	7,448,000	6,303,000	0	61,083,851	73%	0	22,735,000	22,735,000	27%
1988	15,614,000	500,000	63,665	900,000	0	17,077,665	73%	0	6,159,600	6,159,600	27%
1989	8,350,737	5,650,000	450,000	500,000	2,000,000	16,950,737	81%	0	3,984,600	3,984,600	19%
1990	70,974,500	2,200,000	10,053,327	2,044,100	0	85,271,927	94%	872,000	4,115,500	4,987,500	6%
1991	4,054,624	8,900,000	1,276,530	3,698,000	0	17,929,154	50%	0	17,590,300	17,590,300	50%
1992	268,000	11,507,400	0	4,376,100	0	16,151,500	48%	0	17,594,700	17,594,700	52%
1993	43,857,300	6,299,200	0	2,659,200	0	52,815,700	78%	0	14,770,400	14,770,400	22%
1994	23,949,658	123,994,100	0	7,123,900	0	155,067,658	80%	0	38,829,471	38,829,471	20%
1995	158,935,000	0	0	0	0	158,935,000	100%	0	0	0	0%
1996	0	0	1,991,550	0	8,650,000	10,641,550	96%	0	400,000	400,000	4%
1997	63,251,400	1,673,722	1,369,863	0	0	66,294,985	93%	0	5,322,300	5,322,300	7%
1998	0	4,335,864	0	0	0	4,335,864	93%	0	336,720	336,720	7%
1999	292,144,291	27,150,682	5,000,000	27,711,452	0	352,006,425	93%	0	28,359,075	28,359,075	7%
2000	10,250,000	0	0	0	0	10,250,000	100%	0	0	0	0%
2001	87,152,218	0	519,000	2,237,000	0	89,908,218	50%	0	90,674,000	90,674,000	50%
2002	108,580,900	1,181,885	0	2,544,804	0	112,307,589	61%	0	72,338,508	72,338,508	39%
2003	312,963,989	14,585,336	0	15,808,112	0	343,357,437	71%	0	141,471,808	141,471,808	29%
2004	224,012,164	0	24,428,183	0	0	248,440,347	100%	0	814,738	814,738	0%
2005	176,110,371	0	7,022,600	1,165,132	0	184,298,103	98%	0	4,674,655	4,674,655	2%
2006	61,439,000	5,054,700	4,069,000	1,964,984	0	72,527,684	52%	0	66,484,046	66,484,046	48%
2007	117,876,000	26,987,559	0	215,809	0	145,079,368	64%	0	81,485,894	81,485,894	36%
2008	15,300,000	7,109,000	15,101,248	12,969,277	0	50,479,525	30%	0	118,420,784	118,420,784	70%
Total	2,155,053,016	276,861,348	97,663,466	140,518,870	13,650,000	2,683,746,700	75%	872,000	877,751,744	878,623,744	25%
Grand Total										3,562,370,444	

DOLLARS

DOLLARS

TRANSLATE INTO % STUDENTS

Feb. 01, 2006 → HB 2003

UNORG'S SHOULD RECEIVE 30-40%
IN LAST 10 YRS. REC'D 35%

(GRANT FUNDING vs. DEBT FUNDING)

ALASKA STATE LEGISLATURE

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Co-Chair Finance Committee
Vice-Chair Legislative Budget & Audit

Committee Member:
Labor & Commerce
Legislative Council
World Trade & State/Federal Relations

SENATOR LYMAN F. HOFFMAN

SPONSOR STATEMENT

Senate Bill 290 School Construction Funding

Schools are located in organized and unorganized areas in the state, and there are two corresponding funding methods for construction and major maintenance, namely a grant or a debt program. Municipalities are able to seek voter-approved bonds for school construction under a debt program, while unorganized areas with no taxing authority must apply to the state for a grant program. Because the state delegates taxing power to organized boroughs and cities only, schools that are located in municipalities are primarily funded under the debt program.

The Department of Education and Early Development has developed guidelines for school construction and criteria for ranking projects based upon need, including life, safety and health factors. Schools in unorganized areas apply to the grant program, and are placed on a priority schedule with the neediest projects listed first. Schools on the grant list must follow the state guidelines and await legislative appropriation.

School projects in organized areas receive state funding for construction following a successful voter-approved bond election, and are automatically scheduled to receive sixty to seventy percent reimbursement from the state. Schools funded through the debt program can waive the requirement to follow state guidelines by requesting sixty percent reimbursement instead of the maximum seventy percent.

When the funding for constructing schools comes from property taxes, wealthier districts are able to take on the debt to build and renovate their schools. The neediest schools in the unorganized areas must rely on the grant program, where they may not receive state funding for several years while less needy schools on the debt program are funded.

SB 290 requires all school construction and major maintenance grant requests be placed on one list and funded in priority order established by the Department of Education and Early Development.

FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: **SB 290**
 () Publish Date: _____

Identifier (file name): SB 290 **SB290-EED-ESS-03-10-08**
 Title An Act relating to the school construction and major
maintenance grant applications; and establishing a single set of
 Sponsor Senators Hoffman & Olson
 Requester Senate Special Committee on Education, Finance

Dept. Affected: Education & Early Development
 RDU School Debt Reimbursement
School Debt Reimbursement
 Component Number 153

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
OPERATING EXPENDITURES							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	*	*	*	*	*	*	*

CAPITAL EXPENDITURES							
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CHANGE IN REVENUES ()							
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
TOTAL							
Other Interagency Receipts							
TOTAL	*	*	*	*	*	*	*

Estimate of any current year (FY2008) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

This Act modifies the procedure by which the department administers bond debt reimbursement funding by requiring all funded projects under AS 14.11 to be submitted and prioritized on the department's school construction and major maintenance priority lists. The legislation then appears to require that all projects be funded in priority order, thus restricting the department's ability to approve debt projects until the grant projects above them on the priority list are funded by the legislature. The Department of Education and Early Development is unable to anticipate how this change will affect the state's expenditures for school construction or major maintenance, therefore the fiscal note for SB 290 is indeterminate.

Prepared by: Sam Kito III, Technical Engineer I, Architect I
 Division: School Finance & Facilities
 Approved by: Barbara Thompson, Interim Commissioner

Phone 465-6906
 Date/Time 3/10/08 12:00 PM
 Date 3/10/2008

LEGAL SERVICES

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MEMORANDUM

February 20, 2008

SUBJECT: School construction and improvement funding; sectional summary
SB 290 (Work Order No. 25-LS1515\C)

TO: Senator Lyman Hoffman
Attn: John Weise

FROM: Jean M. Mischel
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Requires school districts and regional educational attendance areas to apply for a school construction grant when a project requires state funding and when the project meets specified needs based criteria.

Section 2. Provides for a combined public school capital improvement funding schedule to include both state grants and bond debt reimbursement.

Section 3. Prohibits the bond reimbursement and grant review committee from making recommendations for funding that do not follow an order of priority, regardless of whether the project qualifies for bond debt reimbursement or state grant funding.

Section 4. Makes a conforming amendment for grant appropriations to refer to the combined funding schedule.

Section 5. Adds a provision limiting the commissioner's approval of a project for bond debt reimbursement to the order of priority established in the combined funding schedule.

Section 6. Prohibits the Department of Education and Early Development from recommending a project for bond debt reimbursement out of order of the priority established on the combined funding schedule.

JMM:med
08-126.med

State of Alaska
Department of Education and Early Development
Summary Grant and Debt
Appropriations to EED

Fiscal Year	District Type	Funding *	Project Amount
1980			
	Borough	Bonds	0
	City	Bonds	2,730,100
			2,730,100
1981			
	Borough	Bonds	61,000,000
	City	Bonds	251,400
	REAA	Grants	125,000
			61,376,400
1982			
	Borough	Bonds	3,111,900
		Grants	2,700,000
	City	Bonds	550,000
		Grants	3,858,000
	REAA	Grants	27,981,800
			38,201,700
1983			
	Borough	Bonds	40,595,510
		Grants	500,000
	City	Bonds	6,248,000
		Grants	1,828,000
	REAA	Grants	13,590,700
			62,762,210
1984			
	Borough	Bonds	2,630,000
		Grants	23,672,900
	City	Bonds	8,671,000
		Grants	10,090,000
	REAA	Grants	29,193,600
			74,257,500

Fiscal Year	District Type	Funding *	Project Amount
1985			
	Borough	Bonds	0
		Grants	2,314,000
	City	Bonds	270,000
		Grants	30,466,000
	Multiple/Statewide	Grants	3,000,000
	REAA	Grants	54,590,000
			90,640,000
1986			
	Borough	Bonds	205,298,603
		Grants	545,000
	City	Bonds	150,000
		Grants	2,056,000
	REAA	Grants	15,708,545
			223,758,148
1987			
	Borough	Bonds	47,332,851
	City	Bonds	7,448,000
		Grants	6,303,000
	REAA	Grants	22,735,000
			83,818,851
1988			
	Borough	Bonds	15,614,000
		Grants	500,000
	City	Bonds	63,665
		Grants	900,000
	REAA	Grants	6,159,600
			23,237,265
1989			
	Borough	Bonds	8,350,737
		Grants	5,650,000
	City	Bonds	450,000
		Grants	500,000
	Multiple/Statewide	Grants	2,000,000
	REAA	Grants	3,984,600
			20,935,337

Fiscal Year	District Type	Funding *	Project Amount
1990			
	Borough	Bonds	70,974,500
		Grants	2,200,000
	City	Bonds	10,053,327
		Grants	2,044,100
	REAA	Bonds	872,000
		Grants	4,115,500
			90,259,427
1991			
	Borough	Bonds	4,054,624
		Grants	8,900,000
	City	Bonds	1,276,530
		Grants	3,698,000
	REAA	Grants	17,590,300
			35,519,454
1992			
	Borough	Bonds	268,000
		Grants	11,507,400
	City	Grants	4,376,100
	REAA	Grants	17,594,700
			33,746,200
1993			
	Borough	Bonds	43,857,300
		Grants	6,299,200
	City	Grants	2,659,200
	REAA	Grants	14,770,400
			67,586,100
1994			
	Borough	Bonds	23,949,658
		Grants	123,994,100
	City	Grants	7,123,900
	REAA	Grants	38,829,471
			193,897,129

Fiscal Year	District Type	Funding *	Project Amount
1995	Borough	Bonds	158,935,000
	REAA	Grants	0
			158,935,000
1996	City	Bonds	1,991,550
		Grants	0
	Multiple/Statewide	Grants	8,650,000
	REAA	Grants	400,000
			11,041,550
1997	Borough	Bonds	63,251,400
		Grants	1,673,722
	City	Bonds	1,369,863
	REAA	Grants	5,322,300
			71,617,285
1998	Borough	Grants	4,335,864
	REAA	Grants	336,720
			4,672,584
1999	Borough	Bonds	292,144,291
		Grants	27,150,682
	City	Bonds	5,000,000
		Grants	27,711,452
	REAA	Grants	28,359,075
			380,365,500
2000	Borough	Bonds	10,250,000
			10,250,000
2001	Borough	Bonds	87,152,218
	City	Bonds	519,000
		Grants	2,237,000
	REAA	Grants	90,674,000
			180,582,218

Fiscal Year	District Type	Funding *	Project Amount
2002			
	Borough	Bonds	108,580,900
		Grants	1,181,885
	City	Grants	2,544,804
	REAA	Grants	72,338,508
			184,646,097
2003			
	Borough	Bonds	312,963,989
		Grants	14,585,336
	City	Grants	15,808,112
	REAA	Grants	141,471,808
			484,829,245
2004			
	Borough	Bonds	224,012,164
	City	Bonds	24,428,183
	REAA	Grants	814,738
			249,255,085
2005			
	Borough	Bonds	176,110,371
	City	Bonds	7,022,600
		Grants	1,165,132
	REAA	Grants	4,674,655
			188,972,758
2006			
	Borough	Bonds	61,439,000
		Grants	5,054,700
	City	Bonds	4,069,000
		Grants	1,964,984
	REAA	Grants	66,484,046
			139,011,730
2007			
	Borough	Bonds	117,876,000
		Grants	26,987,559
	City	Grants	215,809
	REAA	Grants	81,485,894
			226,565,262

Fiscal Year	District Type	Funding *	Project Amount
2008			
	Borough	Bonds	15,300,000
		Grants	7,109,000
	City	Bonds	15,101,248
		Grants	12,969,277
	REAA	Grants	118,420,784
			168,900,309

Summary by District Type

Borough	\$2,431,914,364
City	\$238,182,336
Multiple/Statewide	\$13,650,000
REAA	\$878,623,744
	\$3,562,370,444

Summary by Funding

Bonds	\$2,253,588,482
Grants	\$1,308,781,962
	\$3,562,370,444

* Bond project amounts approved by EED for debt reimbursement.

Alaska Department of Education
Debt Retirement FY76 - FY2007 with estimates for FY2008
Eligible for Reimbursement vs. State Aid Provided
Updated 9/7/2007

Fiscal Year	Eligible For Reimbursement	Actual State Aid	State Aid % Aid Provided
FY-76	\$9,242,312	\$8,810,500	95.33%
FY-77	10,107,336	9,051,600	89.55%
FY-78	11,408,304	11,408,304	100.00%
FY-79	27,868,182	22,273,300	79.92%
FY-80	30,823,133	24,081,000	78.13%
FY-81	38,380,174	38,380,174	100.00%
FY-82	38,262,156	38,262,156	100.00%
FY-83	60,772,910	56,169,700	92.43%
FY-84	90,600,074	90,600,074	100.00%
FY-85	93,161,981	93,161,981	100.00%
FY-86	109,707,936	106,315,600	96.91%
FY-87	125,272,615	115,845,000	92.47%
FY-88	118,701,313	109,472,700	92.23%
FY-89	118,469,048	110,193,451	93.01%
FY-90	113,923,479	107,374,886	94.25%
FY-91	123,959,155	116,276,078	93.80%
FY-92	127,245,080	127,245,080	100.00%
FY-93	124,948,218	124,948,218	100.00%
FY-94	98,648,541	98,648,541	100.00%
FY-95	93,742,116	93,742,116	100.00%
FY-96	79,212,669	79,212,669	100.00%
FY-97	62,476,074	62,476,074	100.00%
FY-98	61,639,666	61,639,666	100.00%
FY-99	61,990,844	61,990,844	100.00%
FY2000	64,349,790	64,349,790	100.00%
FY2001	52,098,690	52,098,690	100.00%
FY2002	54,057,200	54,057,200	100.00%
FY2003	51,969,968	51,969,968	100.00%
FY2004	60,592,525	60,592,525	100.00%
FY2005	69,439,002	69,439,002	100.00%
FY2006	81,695,195	81,695,195	100.00%
FY2007	87,524,109	87,524,109	100.00%
Proj. FY2008	94,997,000 ¹	94,997,000	100.00%

¹ This estimate is based on the most current available data.