

SB

237

<target><bill>SB 237</bill><subject>SB
237</subject><comm>SF26</comm></target>

SENATE FINANCE COMMITTEE REPORT

DATE: 2/1/10

FURTHER: Rules/T.Cal

DATE TURNED
IN TO OFFICE: 4/1/10

Finance Committee considered

SENATE BILL NO. 237

SB 237 SCHOOL CONSTRUCTION DEBT REIMBURSEMENT

"An Act extending the deadline for authorizing school construction debt reimbursed by the state."

and recommends:

- be replaced with SCS or CS SB 237 (Fin)
- adopt previous SCS or CS _____
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:	
<input type="checkbox"/> Same Title	
<input checked="" type="checkbox"/> New Title	
HOUSE BILL:	
<input type="checkbox"/> Same Title	
<input type="checkbox"/> Technical Title Change	
<input type="checkbox"/> New Title w/ SCR # _____	


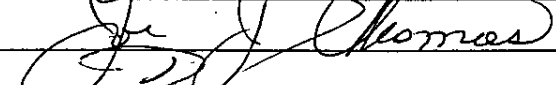
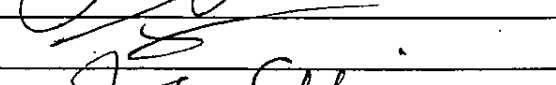
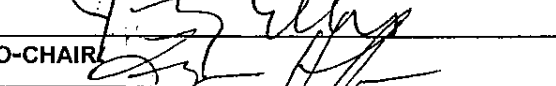
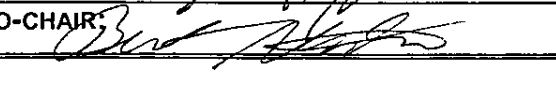

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet	Zero	FN#
EED	3/30	✓			2

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Huggins	X			
	Thomas	✓			
	EGAN	✓			
	ELLIS	✓			
CO-CHAIR: 	Hoffman	✓			
CO-CHAIR: 	Spelman	✓			

26-LS1342\C
Mischel
3/31/10

CS FOR SENATE BILL NO. 237(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

**Offered:
Referred:**

Sponsor(s): SENATE EDUCATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing a formula and a fund for school construction grant funding for**
2 **regional educational attendance areas; extending the deadline for authorizing school**
3 **construction debt reimbursed by the state; and requiring a report from the**
4 **commissioner of revenue."**

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 *** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
7 to read:

8 **LEGISLATIVE FINDINGS.** The legislature finds that

9 (1) the Alaska Superior Court, Third Judicial District, in *Kasayulie v. State of*
10 *Alaska*, Case No. 3AN-97-3782 (1999), determined that

11 (A) the method of funding capital projects for school construction and
12 major maintenance does not provide rural schools with adequate or equitable funding
13 opportunities; and

14 (B) while urban schools are adequately funded through existing

1 mechanisms including bond debt, taxes, and appropriations, a comparable mechanism
2 for funding rural schools does not exist;

3 (2) the mechanisms that currently exist in statute to provide construction
4 funding to regional educational attendance areas have not resulted in sufficient funding for
5 projects approved for those districts.

6 * **Sec. 2.** AS 14.11 is amended by adding new sections to read:

7 **Sec. 14.11.025. State aid for school construction in regional educational**
8 **attendance areas.** (a) In addition to other appropriations and funding sources, the
9 department shall annually provide grant funding from the fund established under
10 AS 14.11.030 to a school district that is a regional educational attendance area in an
11 amount determined under (b) of this section for a project approved under
12 AS 14.11.005 - 14.11.020.

13 (b) The amount of money available each fiscal year for expenditure under (a)
14 of this section shall be the outstanding debt amount required to be reimbursed by the
15 state under AS 14.11.100, multiplied by 0.28, the product of which is to be multiplied
16 by the percentage of students in the state enrolled in and attending a school located in
17 a regional educational attendance area.

18 **Sec. 14.11.030. Regional educational attendance area school fund.** (a) The
19 regional educational attendance area school fund is created as an account in the
20 general fund to be used, in addition to other funding sources, to fund projects
21 approved under AS 14.11.025 for the costs of school construction in regional
22 educational attendance areas.

23 (b) Legislative appropriations, including appropriations of interest earned on
24 the fund, shall be deposited in the fund established under this section. The fund
25 balance may not exceed \$100,000,000.

26 (c) Money appropriated to the fund does not lapse except to the extent money
27 in the fund exceed the maximum fund balance specified in (b) of this section.

28 * **Sec. 3.** AS 14.11.100(a) is amended to read:

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

31 (1) payments made by the municipality during the fiscal year two years

1 earlier for the retirement of principal and interest on outstanding bonds, notes, or other
2 indebtedness incurred before July 1, 1977, to pay costs of school construction;

3 (2) 90 percent of

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

8 (B) cash payments made after June 30, 1976, and before July 1,
9 1978, by the municipality during the fiscal year two years earlier to pay costs
10 of school construction;

11 (3) 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, 1978, and before
15 January 1, 1982, to pay costs of school construction projects approved under
16 AS 14.07.020(a)(11);

17 (B) cash payments made after June 30, 1978, and before July 1,
18 1982, by the municipality during the fiscal year two years earlier to pay costs
19 of school construction projects approved under AS 14.07.020(a)(11);

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

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

27 (B) cash payments made after June 30, 1982, and before July 1,
28 1983, by the municipality during the fiscal year two years earlier to pay costs
29 of school construction, additions to schools, and major rehabilitation projects
30 that exceed \$25,000 and are approved under AS 14.07.020(a)(11); and

31 (C) payments made by the municipality during the current

1 fiscal year for the retirement of principal and interest on outstanding bonds,
2 notes, or other indebtedness to pay costs of school construction, additions to
3 schools, and major rehabilitation projects that exceed \$25,000 and are
4 submitted to the department for approval under AS 14.07.020(a)(11) before
5 July 1, 1983, and approved by the qualified voters of the municipality before
6 October 15, 1983, not to exceed a total project cost of (i) \$6,600,000 if the
7 annual growth rate of average daily membership of the municipality is more
8 than seven percent but less than 12 percent, or (ii) \$20,000,000 if the annual
9 growth rate of average daily membership of the municipality is 12 percent or
10 more; payments made by a municipality under this subparagraph on total
11 project costs that exceed the amounts set out in (i) and (ii) of this subparagraph
12 are subject to (5)(A) of this subsection;

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

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

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

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

25 (B) cash payments made after June 30, 1983, by the
26 municipality during the fiscal year two years earlier to pay costs of school
27 construction, additions to schools, and major rehabilitation projects that exceed
28 \$25,000 and are approved by the department before July 1, 1990, under
29 AS 14.07.020(a)(11);

30 (6) subject to (h) - (j) and (m) of this section, 70 percent of payments
31 made by the municipality during the fiscal year for the retirement of principal and

1 interest on outstanding bonds, notes, or other indebtedness authorized by the qualified
2 voters of the municipality on or after April 30, 1993, but before July 1, 1996, to pay
3 costs of school construction, additions to schools, and major rehabilitation projects
4 that exceed \$200,000 and are approved under AS 14.07.020(a)(11);

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

10 (8) subject to (h), (i), (j)(2) - (5), and (n) of this section and after
11 projects funded by the bonds, notes, or other indebtedness have been approved by the
12 commissioner, 70 percent of payments made by the municipality during the fiscal year
13 for the retirement of principal and interest on outstanding bonds, notes, or other
14 indebtedness authorized by the qualified voters of the municipality on or after July 1,
15 1995, but before July 1, 1998, to pay costs of school construction, additions to
16 schools, and major rehabilitation projects that exceed \$200,000 and are approved
17 under AS 14.07.020(a)(11);

18 (9) subject to (h), (i), (j)(2) - (5), and (n) of this section and after
19 projects funded by the bonds, notes, or other indebtedness have been approved by the
20 commissioner, 70 percent of payments made by the municipality during the fiscal year
21 for the retirement of principal and interest on outstanding bonds, notes, or other
22 indebtedness authorized by the qualified voters of the municipality on or after July 1,
23 1998, but before July 1, 2006, to pay costs of school construction, additions to
24 schools, and major rehabilitation projects that exceed \$200,000 and are approved
25 under AS 14.07.020(a)(11);

26 (10) subject to (h), (i), (j)(2) - (5), and (o) of this section, and after
27 projects funded by the bonds, notes, or other indebtedness have been approved by the
28 commissioner, 70 percent of payments made by the municipality during the fiscal year
29 for the retirement of principal and interest on outstanding bonds, notes, or other
30 indebtedness authorized by the qualified voters of the municipality on or after June 30,
31 1998, to pay costs of school construction, additions to schools, and major

1 rehabilitation projects that exceed \$200,000, are approved under AS 14.07.020(a)(11),
2 and are not reimbursed under (n) of this section;

3 (11) subject to (h), (i), and (j)(2) - (5) of this section, and after projects
4 funded by the bonds, notes, or other indebtedness have been approved by the
5 commissioner, 70 percent of payments made by a 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 June 30,
8 1999, but before January 1, 2005, to pay costs of school construction, additions to
9 schools, and major rehabilitation projects and education-related facilities that exceed
10 \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n)
11 or (o) of this section;

12 (12) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent
13 of payments made by a municipality during the fiscal year for the retirement of
14 principal and interest on outstanding bonds, notes, or other indebtedness authorized by
15 the qualified voters of the municipality on or after June 30, 1999, but before January 1,
16 2005, to pay costs of school construction, additions to schools, and major
17 rehabilitation projects and education-related facilities that exceed \$200,000, are
18 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this
19 section;

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

29 (14) subject to (h), (i), (j)(2), (3), and (5), and (p) of this section, 60
30 percent of payments made by a municipality during the fiscal year for the retirement
31 of principal and interest on outstanding tax exempt bonds, notes, or other indebtedness

1 authorized by the qualified voters of the municipality on or after June 30, 1999, but
2 before October 31, 2006, to pay costs of school construction, additions to schools, and
3 major rehabilitation projects and education-related facilities that exceed \$200,000, are
4 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this
5 section;

6 (15) subject to (h), (i), (j)(2) - (5), and (q) of this section, and after
7 projects funded by the bonds, notes, or other indebtedness have been approved by the
8 commissioner, 90 percent of payments made by a municipality during the fiscal year
9 for the retirement of principal and interest on outstanding bonds, notes, or other
10 indebtedness authorized by the qualified voters of the municipality on or after June 30,
11 1999, but before October 31, 2006, to pay costs of school construction, additions to
12 schools, and major rehabilitation projects and education-related facilities that exceed
13 \$200,000, are approved under AS 14.07.020(a)(11), meet the 10 percent participating
14 share requirement for a municipal school district under AS 14.11.008(b), and are not
15 reimbursed under (n) or (o) of this section;

16 (16) subject to (h), (i), and (j)(2) - (5) of this section, and after projects
17 funded by the tax exempt bonds, notes, or other indebtedness have been approved by
18 the commissioner, 70 percent of payments made by a municipality during the fiscal
19 year for the retirement of principal and interest on outstanding tax exempt bonds,
20 notes, or other indebtedness authorized by the qualified voters of the municipality on
21 or after October 1, 2006, [BUT BEFORE NOVEMBER 30, 2010,] to pay costs of
22 school construction, additions to schools, and major rehabilitation projects and
23 education-related facilities that exceed \$200,000, are approved under
24 AS 14.07.020(a)(11), and are not reimbursed under (o) of this section;

25 (17) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent
26 of payments made by a municipality during the fiscal year for the retirement of
27 principal and interest on outstanding tax exempt bonds, notes, or other indebtedness
28 authorized by the qualified voters of the municipality on or after October 1, 2006,
29 [BUT BEFORE NOVEMBER 30, 2010,] to pay costs of school construction,
30 additions to schools, and major rehabilitation projects and education-related facilities
31 that exceed \$200,000, are reviewed under AS 14.07.020(a)(11), and are not

1 reimbursed under (o) of this section.

2 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to
3 read:

4 **REPORT ON STATE BOND RATING.** The commissioner of revenue shall review
5 the effect of AS 14.11.100(a), as amended by sec. 3 of this Act, on the state's bond rating and
6 provide a report to the legislature within 30 days of the date that is five years after the
7 effective date of this Act.

W/D

Amendment 1
by Hoffman

REPORT TO THE LEGISLATURE. By February 1, 2013, the Department of Education and Early Development shall provide to the governor and make available to the public and the legislature a report on the effectiveness including an analysis funding sources and the short and long term fiscal impacts to the state of both the school construction and major maintenance grants and school construction debt reimbursement program under AS 14.11.

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SENATE FINANCE COMMITTEE REPORT

DATE: 2/1/10

FURTHER:

DATE TURNED
IN TO OFFICE: _____

Finance Committee considered SENATE BILL NO. 237

SB 237 SCHOOL CONSTRUCTION DEBT REIMBURSEMENT

"An Act extending the deadline for authorizing school construction debt reimbursed by the state."

and recommends:

- be replaced with SCS or CS SB 237 (Fin)
- adopt previous SCS or CS _____
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:	
<input type="checkbox"/> Same Title	
<input checked="" type="checkbox"/> New Title	
<hr/>	
HOUSE BILL:	
<input type="checkbox"/> Same Title	
<input type="checkbox"/> Technical Title Change	
<input type="checkbox"/> New Title w/ SCR # _____	

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
EED					

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Huggins	<input checked="" type="checkbox"/>			
	Thomas	<input checked="" type="checkbox"/>			
	Egan	<input checked="" type="checkbox"/>			
	Ellis	<input checked="" type="checkbox"/>			
CO-CHAIR	Spelman	<input checked="" type="checkbox"/>			

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CS for SB237 (FIN)
 () Publish Date: _____

Identifier (file name): CSSB237-EED-ESS-1-29-10 Dept. Affected: Education & Early Develo
 Title "An act extending the deadline for authorizing school RDU School Debt Reimbursement
construction debt reimbursed by the state" Component School Debt Reimbursement
 Sponsor Senate Education Committee
 Requester Senate Finance Committee Component Number 153

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims		0.0	0.0	3,700.0	3,700.0	3,700.0	3,700.0	
Miscellaneous								
TOTAL OPERATING		0.0	0.0	0.0	3,700.0	3,700.0	3,700.0	3,700.0

CAPITAL EXPENDITURES			40,300.0	40,300.0	40,300.0	40,300.0	40,300.0
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CHANGE IN REVENUES ()							
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF			40,300.0	40,300.0	40,300.0	40,300.0	40,300.0
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts		0.0	0.0	3,700.0	3,700.0	3,700.0	3,700.0
TOTAL		0.0	0.0	40,300.0	44,000.0	44,000.0	44,000.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

SB 237 establishes a program to fund rural school construction by establishing an account in the General Fund to receive annual appropriations based on a formula defined in the legislation. The fiscal note anticipates full expenditure of all appropriated amounts for capital in the year appropriated, although the actual cash flow may vary based on the annual CIP priority list for school construction projects. The first year of fiscal expenditure as a result of this bill will be in FY2013.

SB 237 also removes the sunset date for the existin debt reimbursement program. Anticipated increases as a result of the extension of the debt program are based on increases averaged over the prior three fiscal years. FY08-09 increased by \$2,000,000; FY 09-10 increased by \$3,000,000; and FY10-11 increased by \$6,000,000. The average of the 3 year increases are $\$11,000,000 \div 3 = \$3,666,666$. 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

Prepared by: Eddy Jeans, Director
 Division: School Finance
 Approved by: Larry LeDoux
Commissioner

Phone 465-8679
 Date/Time 3/30/10 12:30 PM
 Date 3/30/2010

CS FOR SENATE BILL NO. 237(FIN)

**IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SIXTH LEGISLATURE - SECOND SESSION**

BY THE SENATE FINANCE COMMITTEE

**Offered:
Referred:**

Sponsor(s): SENATE EDUCATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing a formula and a fund for school construction grant funding for**
2 **regional educational attendance areas; extending the deadline for authorizing school**
3 **construction debt reimbursed by the state; and requiring a report from the**
4 **commissioner of revenue."**

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9 (1) the Alaska Superior Court, Third Judicial District, in *Kasayulie v. State of*
10 *Alaska*, Case No. 3AN-97-3782 (1999), determined that

11 (A) the method of funding capital projects for school construction and
12 major maintenance does not provide rural schools with adequate or equitable funding
13 opportunities; and

14 (B) while urban schools are adequately funded through existing

1 mechanisms including bond debt, taxes, and appropriations, a comparable mechanism
2 for funding rural schools does not exist;

3 (2) the mechanisms that currently exist in statute to provide construction
4 funding to regional educational attendance areas have not resulted in sufficient funding for
5 projects approved for those districts.

6 * **Sec. 2.** AS 14.11 is amended by adding new sections to read:

7 **Sec. 14.11.025. State aid for school construction in regional educational**
8 **attendance areas.** (a) In addition to other appropriations and funding sources, the
9 department shall annually provide grant funding from the fund established under
10 AS 14.11.030 to a school district that is a regional educational attendance area in an
11 amount determined under (b) of this section for a project approved under
12 AS 14.11.005 - 14.11.020.

13 (b) The amount of money available each fiscal year for expenditure under (a)
14 of this section shall be the outstanding debt amount required to be reimbursed by the
15 state under AS 14.11.100, multiplied by 0.28, the product of which is to be multiplied
16 by the percentage of students in the state enrolled in and attending a school located in
17 a regional educational attendance area.

18 **Sec. 14.11.030. Regional educational attendance area school fund.** (a) The
19 regional educational attendance area school fund is created as an account in the
20 general fund to be used, in addition to other funding sources, to fund projects
21 approved under AS 14.11.025 for the costs of school construction in regional
22 educational attendance areas.

23 (b) Legislative appropriations, including appropriations of interest earned on
24 the fund, shall be deposited in the fund established under this section. The fund
25 balance may not exceed \$100,000,000.

26 (c) Money appropriated to the fund does not lapse except to the extent money
27 in the fund exceed the maximum fund balance specified in (b) of this section.

28 * **Sec. 3.** AS 14.11.100(a) is amended to read:

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

31 (1) payments made by the municipality during the fiscal year two years

1 earlier for the retirement of principal and interest on outstanding bonds, notes, or other
2 indebtedness incurred before July 1, 1977, to pay costs of school construction;

3 (2) 90 percent of

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

8 (B) cash payments made after June 30, 1976, and before July 1,
9 1978, by the municipality during the fiscal year two years earlier to pay costs
10 of school construction;

11 (3) 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, 1978, and before
15 January 1, 1982, to pay costs of school construction projects approved under
16 AS 14.07.020(a)(11);

17 (B) cash payments made after June 30, 1978, and before July 1,
18 1982, by the municipality during the fiscal year two years earlier to pay costs
19 of school construction projects approved under AS 14.07.020(a)(11);

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

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

27 (B) cash payments made after June 30, 1982, and before July 1,
28 1983, by the municipality during the fiscal year two years earlier to pay costs
29 of school construction, additions to schools, and major rehabilitation projects
30 that exceed \$25,000 and are approved under AS 14.07.020(a)(11); and

31 (C) payments made by the municipality during the current

1 fiscal year for the retirement of principal and interest on outstanding bonds,
2 notes, or other indebtedness to pay costs of school construction, additions to
3 schools, and major rehabilitation projects that exceed \$25,000 and are
4 submitted to the department for approval under AS 14.07.020(a)(11) before
5 July 1, 1983, and approved by the qualified voters of the municipality before
6 October 15, 1983, not to exceed a total project cost of (i) \$6,600,000 if the
7 annual growth rate of average daily membership of the municipality is more
8 than seven percent but less than 12 percent, or (ii) \$20,000,000 if the annual
9 growth rate of average daily membership of the municipality is 12 percent or
10 more; payments made by a municipality under this subparagraph on total
11 project costs that exceed the amounts set out in (i) and (ii) of this subparagraph
12 are subject to (5)(A) of this subsection;

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

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

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

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

25 (B) cash payments made after June 30, 1983, by the
26 municipality during the fiscal year two years earlier to pay costs of school
27 construction, additions to schools, and major rehabilitation projects that exceed
28 \$25,000 and are approved by the department before July 1, 1990, under
29 AS 14.07.020(a)(11);

30 (6) subject to (h) - (j) and (m) of this section, 70 percent of payments
31 made by the municipality during the fiscal year for the retirement of principal and

1 interest on outstanding bonds, notes, or other indebtedness authorized by the qualified
2 voters of the municipality on or after April 30, 1993, but before July 1, 1996, to pay
3 costs of school construction, additions to schools, and major rehabilitation projects
4 that exceed \$200,000 and are approved under AS 14.07.020(a)(11);

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

10 (8) subject to (h), (i), (j)(2) - (5), and (n) of this section and after
11 projects funded by the bonds, notes, or other indebtedness have been approved by the
12 commissioner, 70 percent of payments made by the municipality during the fiscal year
13 for the retirement of principal and interest on outstanding bonds, notes, or other
14 indebtedness authorized by the qualified voters of the municipality on or after July 1,
15 1995, but before July 1, 1998, to pay costs of school construction, additions to
16 schools, and major rehabilitation projects that exceed \$200,000 and are approved
17 under AS 14.07.020(a)(11);

18 (9) subject to (h), (i), (j)(2) - (5), and (n) of this section and after
19 projects funded by the bonds, notes, or other indebtedness have been approved by the
20 commissioner, 70 percent of payments made by the municipality during the fiscal year
21 for the retirement of principal and interest on outstanding bonds, notes, or other
22 indebtedness authorized by the qualified voters of the municipality on or after July 1,
23 1998, but before July 1, 2006, to pay costs of school construction, additions to
24 schools, and major rehabilitation projects that exceed \$200,000 and are approved
25 under AS 14.07.020(a)(11);

26 (10) subject to (h), (i), (j)(2) - (5), and (o) of this section, and after
27 projects funded by the bonds, notes, or other indebtedness have been approved by the
28 commissioner, 70 percent of payments made by the municipality during the fiscal year
29 for the retirement of principal and interest on outstanding bonds, notes, or other
30 indebtedness authorized by the qualified voters of the municipality on or after June 30,
31 1998, to pay costs of school construction, additions to schools, and major

1 rehabilitation projects that exceed \$200,000, are approved under AS 14.07.020(a)(11),
2 and are not reimbursed under (n) of this section;

3 (11) subject to (h), (i), and (j)(2) - (5) of this section, and after projects
4 funded by the bonds, notes, or other indebtedness have been approved by the
5 commissioner, 70 percent of payments made by a 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 June 30,
8 1999, but before January 1, 2005, to pay costs of school construction, additions to
9 schools, and major rehabilitation projects and education-related facilities that exceed
10 \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n)
11 or (o) of this section;

12 (12) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent
13 of payments made by a municipality during the fiscal year for the retirement of
14 principal and interest on outstanding bonds, notes, or other indebtedness authorized by
15 the qualified voters of the municipality on or after June 30, 1999, but before January 1,
16 2005, to pay costs of school construction, additions to schools, and major
17 rehabilitation projects and education-related facilities that exceed \$200,000, are
18 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this
19 section;

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

29 (14) subject to (h), (i), (j)(2), (3), and (5), and (p) of this section, 60
30 percent of payments made by a municipality during the fiscal year for the retirement
31 of principal and interest on outstanding tax exempt bonds, notes, or other indebtedness

1 authorized by the qualified voters of the municipality on or after June 30, 1999, but
2 before October 31, 2006, to pay costs of school construction, additions to schools, and
3 major rehabilitation projects and education-related facilities that exceed \$200,000, are
4 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this
5 section;

6 (15) subject to (h), (i), (j)(2) - (5), and (q) of this section, and after
7 projects funded by the bonds, notes, or other indebtedness have been approved by the
8 commissioner, 90 percent of payments made by a municipality during the fiscal year
9 for the retirement of principal and interest on outstanding bonds, notes, or other
10 indebtedness authorized by the qualified voters of the municipality on or after June 30,
11 1999, but before October 31, 2006, to pay costs of school construction, additions to
12 schools, and major rehabilitation projects and education-related facilities that exceed
13 \$200,000, are approved under AS 14.07.020(a)(11), meet the 10 percent participating
14 share requirement for a municipal school district under AS 14.11.008(b), and are not
15 reimbursed under (n) or (o) of this section;

16 (16) subject to (h), (i), and (j)(2) - (5) of this section, and after projects
17 funded by the tax exempt bonds, notes, or other indebtedness have been approved by
18 the commissioner, 70 percent of payments made by a municipality during the fiscal
19 year for the retirement of principal and interest on outstanding tax exempt bonds,
20 notes, or other indebtedness authorized by the qualified voters of the municipality on
21 or after October 1, 2006, [BUT BEFORE NOVEMBER 30, 2010,] to pay costs of
22 school construction, additions to schools, and major rehabilitation projects and
23 education-related facilities that exceed \$200,000, are approved under
24 AS 14.07.020(a)(11), and are not reimbursed under (o) of this section;

25 (17) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent
26 of payments made by a municipality during the fiscal year for the retirement of
27 principal and interest on outstanding tax exempt bonds, notes, or other indebtedness
28 authorized by the qualified voters of the municipality on or after October 1, 2006,
29 [BUT BEFORE NOVEMBER 30, 2010,] to pay costs of school construction,
30 additions to schools, and major rehabilitation projects and education-related facilities
31 that exceed \$200,000, are reviewed under AS 14.07.020(a)(11), and are not

1 reimbursed under (o) of this section.

2 * Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to
3 read:

4 REPORT ON STATE BOND RATING. The commissioner of revenue shall review
5 the effect of AS 14.11.100(a), as amended by sec. 3 of this Act, on the state's bond rating and
6 provide a report to the legislature within 30 days of the date that is five years after the
7 effective date of this Act.

Adopted
4/1/10

26-LS1342C
Mischel
3/31/10

CS FOR SENATE BILL NO. 237(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATE EDUCATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing a formula and a fund for school construction grant funding for**
2 **regional educational attendance areas; extending the deadline for authorizing school**
3 **construction debt reimbursed by the state; and requiring a report from the**
4 **commissioner of revenue."**

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 *** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
7 to read:

8 **LEGISLATIVE FINDINGS.** The legislature finds that

9 (1) the Alaska Superior Court, Third Judicial District, in *Kasayulie v. State of*
10 *Alaska*, Case No. 3AN-97-3782 (1999), determined that

11 (A) the method of funding capital projects for school construction and
12 major maintenance does not provide rural schools with adequate or equitable funding
13 opportunities; and

14 (B) while urban schools are adequately funded through existing

1 mechanisms including bond debt, taxes, and appropriations, a comparable mechanism
2 for funding rural schools does not exist;

3 (2) the mechanisms that currently exist in statute to provide construction
4 funding to regional educational attendance areas have not resulted in sufficient funding for
5 projects approved for those districts.

6 * **Sec. 2.** AS 14.11 is amended by adding new sections to read:

7 **Sec. 14.11.025. State aid for school construction in regional educational**
8 **attendance areas.** (a) In addition to other appropriations and funding sources, the
9 department shall annually provide grant funding from the fund established under
10 AS 14.11.030 to a school district that is a regional educational attendance area in an
11 amount determined under (b) of this section for a project approved under
12 AS 14.11.005 - 14.11.020.

13 (b) The amount of money available each fiscal year for expenditure under (a)
14 of this section shall be the outstanding debt amount required to be reimbursed by the
15 state under AS 14.11.100, multiplied by 0.28, the product of which is to be multiplied
16 by the percentage of students in the state enrolled in and attending a school located in
17 a regional educational attendance area.

18 **Sec. 14.11.030. Regional educational attendance area school fund.** (a) The
19 regional educational attendance area school fund is created as an account in the
20 general fund to be used, in addition to other funding sources, to fund projects
21 approved under AS 14.11.025 for the costs of school construction in regional
22 educational attendance areas.

23 (b) Legislative appropriations, including appropriations of interest earned on
24 the fund, shall be deposited in the fund established under this section. The fund
25 balance may not exceed \$100,000,000.

26 (c) Money appropriated to the fund does not lapse except to the extent money
27 in the fund exceed the maximum fund balance specified in (b) of this section.

28 * **Sec. 3.** AS 14.11.100(a) is amended to read:

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

31 (1) payments made by the municipality during the fiscal year two years

1 earlier for the retirement of principal and interest on outstanding bonds, notes, or other
2 indebtedness incurred before July 1, 1977, to pay costs of school construction;

3 (2) 90 percent of

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

8 (B) cash payments made after June 30, 1976, and before July 1,
9 1978, by the municipality during the fiscal year two years earlier to pay costs
10 of school construction;

11 (3) 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, 1978, and before
15 January 1, 1982, to pay costs of school construction projects approved under
16 AS 14.07.020(a)(11);

17 (B) cash payments made after June 30, 1978, and before July 1,
18 1982, by the municipality during the fiscal year two years earlier to pay costs
19 of school construction projects approved under AS 14.07.020(a)(11);

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

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

27 (B) cash payments made after June 30, 1982, and before July 1,
28 1983, by the municipality during the fiscal year two years earlier to pay costs
29 of school construction, additions to schools, and major rehabilitation projects
30 that exceed \$25,000 and are approved under AS 14.07.020(a)(11); and

31 (C) payments made by the municipality during the current

1 fiscal year for the retirement of principal and interest on outstanding bonds,
2 notes, or other indebtedness to pay costs of school construction, additions to
3 schools, and major rehabilitation projects that exceed \$25,000 and are
4 submitted to the department for approval under AS 14.07.020(a)(11) before
5 July 1, 1983, and approved by the qualified voters of the municipality before
6 October 15, 1983, not to exceed a total project cost of (i) \$6,600,000 if the
7 annual growth rate of average daily membership of the municipality is more
8 than seven percent but less than 12 percent, or (ii) \$20,000,000 if the annual
9 growth rate of average daily membership of the municipality is 12 percent or
10 more; payments made by a municipality under this subparagraph on total
11 project costs that exceed the amounts set out in (i) and (ii) of this subparagraph
12 are subject to (5)(A) of this subsection;

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

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

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

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

25 (B) cash payments made after June 30, 1983, by the
26 municipality during the fiscal year two years earlier to pay costs of school
27 construction, additions to schools, and major rehabilitation projects that exceed
28 \$25,000 and are approved by the department before July 1, 1990, under
29 AS 14.07.020(a)(11);

30 (6) subject to (h) - (j) and (m) of this section, 70 percent of payments
31 made by the municipality during the fiscal year for the retirement of principal and

1 interest on outstanding bonds, notes, or other indebtedness authorized by the qualified
2 voters of the municipality on or after April 30, 1993, but before July 1, 1996, to pay
3 costs of school construction, additions to schools, and major rehabilitation projects
4 that exceed \$200,000 and are approved under AS 14.07.020(a)(11);

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

10 (8) subject to (h), (i), (j)(2) - (5), and (n) of this section and after
11 projects funded by the bonds, notes, or other indebtedness have been approved by the
12 commissioner, 70 percent of payments made by the municipality during the fiscal year
13 for the retirement of principal and interest on outstanding bonds, notes, or other
14 indebtedness authorized by the qualified voters of the municipality on or after July 1,
15 1995, but before July 1, 1998, to pay costs of school construction, additions to
16 schools, and major rehabilitation projects that exceed \$200,000 and are approved
17 under AS 14.07.020(a)(11);

18 (9) subject to (h), (i), (j)(2) - (5), and (n) of this section and after
19 projects funded by the bonds, notes, or other indebtedness have been approved by the
20 commissioner, 70 percent of payments made by the municipality during the fiscal year
21 for the retirement of principal and interest on outstanding bonds, notes, or other
22 indebtedness authorized by the qualified voters of the municipality on or after July 1,
23 1998, but before July 1, 2006, to pay costs of school construction, additions to
24 schools, and major rehabilitation projects that exceed \$200,000 and are approved
25 under AS 14.07.020(a)(11);

26 (10) subject to (h), (i), (j)(2) - (5), and (o) of this section, and after
27 projects funded by the bonds, notes, or other indebtedness have been approved by the
28 commissioner, 70 percent of payments made by the municipality during the fiscal year
29 for the retirement of principal and interest on outstanding bonds, notes, or other
30 indebtedness authorized by the qualified voters of the municipality on or after June 30,
31 1998, to pay costs of school construction, additions to schools, and major

1 rehabilitation projects that exceed \$200,000, are approved under AS 14.07.020(a)(11),
2 and are not reimbursed under (n) of this section;

3 (11) subject to (h), (i), and (j)(2) - (5) of this section, and after projects
4 funded by the bonds, notes, or other indebtedness have been approved by the
5 commissioner, 70 percent of payments made by a 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 June 30,
8 1999, but before January 1, 2005, to pay costs of school construction, additions to
9 schools, and major rehabilitation projects and education-related facilities that exceed
10 \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n)
11 or (o) of this section;

12 (12) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent
13 of payments made by a municipality during the fiscal year for the retirement of
14 principal and interest on outstanding bonds, notes, or other indebtedness authorized by
15 the qualified voters of the municipality on or after June 30, 1999, but before January 1,
16 2005, to pay costs of school construction, additions to schools, and major
17 rehabilitation projects and education-related facilities that exceed \$200,000, are
18 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this
19 section;

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

29 (14) subject to (h), (i), (j)(2), (3), and (5), and (p) of this section, 60
30 percent of payments made by a municipality during the fiscal year for the retirement
31 of principal and interest on outstanding tax exempt bonds, notes, or other indebtedness

1 authorized by the qualified voters of the municipality on or after June 30, 1999, but
2 before October 31, 2006, to pay costs of school construction, additions to schools, and
3 major rehabilitation projects and education-related facilities that exceed \$200,000, are
4 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this
5 section;

6 (15) subject to (h), (i), (j)(2) - (5), and (q) of this section, and after
7 projects funded by the bonds, notes, or other indebtedness have been approved by the
8 commissioner, 90 percent of payments made by a municipality during the fiscal year
9 for the retirement of principal and interest on outstanding bonds, notes, or other
10 indebtedness authorized by the qualified voters of the municipality on or after June 30,
11 1999, but before October 31, 2006, to pay costs of school construction, additions to
12 schools, and major rehabilitation projects and education-related facilities that exceed
13 \$200,000, are approved under AS 14.07.020(a)(11), meet the 10 percent participating
14 share requirement for a municipal school district under AS 14.11.008(b), and are not
15 reimbursed under (n) or (o) of this section;

16 (16) subject to (h), (i), and (j)(2) - (5) of this section, and after projects
17 funded by the tax exempt bonds, notes, or other indebtedness have been approved by
18 the commissioner, 70 percent of payments made by a municipality during the fiscal
19 year for the retirement of principal and interest on outstanding tax exempt bonds,
20 notes, or other indebtedness authorized by the qualified voters of the municipality on
21 or after October 1, 2006, [BUT BEFORE NOVEMBER 30, 2010,] to pay costs of
22 school construction, additions to schools, and major rehabilitation projects and
23 education-related facilities that exceed \$200,000, are approved under
24 AS 14.07.020(a)(11), and are not reimbursed under (o) of this section;

25 (17) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent
26 of payments made by a municipality during the fiscal year for the retirement of
27 principal and interest on outstanding tax exempt bonds, notes, or other indebtedness
28 authorized by the qualified voters of the municipality on or after October 1, 2006,
29 [BUT BEFORE NOVEMBER 30, 2010,] to pay costs of school construction,
30 additions to schools, and major rehabilitation projects and education-related facilities
31 that exceed \$200,000, are reviewed under AS 14.07.020(a)(11), and are not

1 reimbursed under (o) of this section.

2 * Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to
3 read:

4 REPORT ON STATE BOND RATING. The commissioner of revenue shall review
5 the effect of AS 14.11.100(a), as amended by sec. 3 of this Act, on the state's bond rating and
6 provide a report to the legislature within 30 days of the date that is five years after the
7 effective date of this Act.

*adopted
3/22/10 N/O*

26-LS1342'S
Mischel
3/17/10

CS FOR SENATE BILL NO. 237(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

**Offered:
Referred:**

Sponsor(s): SENATE EDUCATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing a formula and a fund for school construction grant funding for**
2 **regional educational attendance areas; and extending the deadline for authorizing**
3 **school construction debt reimbursed by the state."**

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

5 *** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 **LEGISLATIVE FINDINGS.** The legislature finds that

8 (1) the Alaska Superior Court, Third Judicial District, in *Kasayulie v. State of*
9 *Alaska*, Case No. 3AN-97-3782 (1999), determined that

10 (A) the method of funding capital projects for school construction and
11 major maintenance is unconstitutional because the state does not provide rural schools
12 with adequate or equitable funding opportunities; and

13 (B) while urban schools are adequately funded through existing
14 mechanisms including bond debt, taxes, and appropriations, rural school funding

1 mechanisms are subject to political, arbitrary, and racially discriminatory motives;

2 (2) no mechanism exists in the grant funding provided under AS 14.11.008 to
3 make future funding available to rural schools;

4 (3) the Department of Education and Early Development estimates that

5 (A) the annual outstanding debt amount owed by the state under
6 AS 14.11.100 is approximately \$1,200,000,000 and is expected to remain at that
7 amount for the foreseeable future;

8 (B) \$515,000,000 has been spent on rural school construction over the
9 past 10 years;

10 (C) 11 rural schools are in need of approximately \$344,000,000 for
11 approved construction and maintenance projects;

12 (D) the amount of money spent on schools located in regional
13 educational attendance areas as described in (B) and (C) of this paragraph represents
14 72 percent of the outstanding debt amount owed by the state for municipal district
15 schools;

16 (4) approximately 12 percent of the student population in the state attends
17 public school in a regional educational attendance area where the grant funding for school
18 construction and maintenance is needed;

19 (5) an amount equal to approximately 28 percent of the outstanding debt
20 amount owed by the state would help to equalize the construction funding for regional
21 educational attendance areas.

22 * **Sec. 2.** AS 14.11 is amended by adding new sections to read:

23 **Sec. 14.11.025. State aid for school construction in regional educational**
24 **attendance areas.** (a) In addition to other appropriations and funding sources, the
25 department shall annually provide grant funding from the fund established under
26 AS 14.11.030 to a school district that is a regional educational attendance area in an
27 amount determined under (b) of this section for a project approved under
28 AS 14.11.005 - 14.11.020.

29 (b) The amount of money available each fiscal year for expenditure under (a)
30 of this section shall be the outstanding debt amount required to be reimbursed by the
31 state under AS 14.11.100, multiplied by 0.28, the product of which is to be multiplied

1 by the percentage of students in the state enrolled in and attending a school located in
2 a regional educational attendance area.

3 **Sec. 14.11.030. Rural school construction debt fund.** (a) The rural school
4 construction debt fund is created as an account in the general fund to be used, in
5 addition to other funding sources, to fund projects approved under AS 14.11.025 for
6 the costs of school construction in regional educational attendance areas.

7 (b) Legislative appropriations, including appropriations of interest earned on
8 the fund, shall be deposited in the fund established under this section. The fund
9 balance may not exceed \$100,000,000.

10 (c) Money appropriated to the fund does not lapse except to the extent money
11 in the fund exceed the maximum fund balance specified in (b) of this section.

12 * **Sec. 3.** AS 14.11.100(a) is amended to read:

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

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

18 (2) 90 percent of

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

23 (B) cash payments made after June 30, 1976, and before July 1,
24 1978, by the municipality during the fiscal year two years earlier to pay costs
25 of school construction;

26 (3) 90 percent of

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

1 (B) cash payments made after June 30, 1978, and before July 1,
2 1982, by the municipality during the fiscal year two years earlier to pay costs
3 of school construction projects approved under AS 14.07.020(a)(11);

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

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

11 (B) cash payments made after June 30, 1982, and before July 1,
12 1983, by the municipality during the fiscal year two years earlier to pay costs
13 of school construction, additions to schools, and major rehabilitation projects
14 that exceed \$25,000 and are approved under AS 14.07.020(a)(11); and

15 (C) payments made by the municipality during the current
16 fiscal year for the retirement of principal and interest on outstanding bonds,
17 notes, or other indebtedness to pay costs of school construction, additions to
18 schools, and major rehabilitation projects that exceed \$25,000 and are
19 submitted to the department for approval under AS 14.07.020(a)(11) before
20 July 1, 1983, and approved by the qualified voters of the municipality before
21 October 15, 1983, not to exceed a total project cost of (i) \$6,600,000 if the
22 annual growth rate of average daily membership of the municipality is more
23 than seven percent but less than 12 percent, or (ii) \$20,000,000 if the annual
24 growth rate of average daily membership of the municipality is 12 percent or
25 more; payments made by a municipality under this subparagraph on total
26 project costs that exceed the amounts set out in (i) and (ii) of this subparagraph
27 are subject to (5)(A) of this subsection;

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

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

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

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

9 (B) cash payments made after June 30, 1983, by the
10 municipality during the fiscal year two years earlier to pay costs of school
11 construction, additions to schools, and major rehabilitation projects that exceed
12 \$25,000 and are approved by the department before July 1, 1990, under
13 AS 14.07.020(a)(11);

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

20 (7) 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 after March 31, 1990, but before April 30, 1993, to pay
24 costs of school construction, additions to schools, and major rehabilitation projects;

25 (8) subject to (h), (i), (j)(2) - (5), and (n) of this section and after
26 projects funded by the bonds, notes, or other indebtedness have been approved by the
27 commissioner, 70 percent of payments made by the municipality during the fiscal year
28 for the retirement of principal and interest on outstanding bonds, notes, or other
29 indebtedness authorized by the qualified voters of the municipality on or after July 1,
30 1995, but before July 1, 1998, to pay costs of school construction, additions to
31 schools, and major rehabilitation projects that exceed \$200,000 and are approved

1 under AS 14.07.020(a)(11);

2 (9) subject to (h), (i), (j)(2) - (5), and (n) of this section and after
3 projects funded by the bonds, notes, or other indebtedness have been approved by the
4 commissioner, 70 percent of payments made by the municipality during the fiscal year
5 for the retirement of principal and interest on outstanding bonds, notes, or other
6 indebtedness authorized by the qualified voters of the municipality on or after July 1,
7 1998, but before July 1, 2006, to pay costs of school construction, additions to
8 schools, and major rehabilitation projects that exceed \$200,000 and are approved
9 under AS 14.07.020(a)(11);

10 (10) subject to (h), (i), (j)(2) - (5), and (o) of this section, and after
11 projects funded by the bonds, notes, or other indebtedness have been approved by the
12 commissioner, 70 percent of payments made by the municipality during the fiscal year
13 for the retirement of principal and interest on outstanding bonds, notes, or other
14 indebtedness authorized by the qualified voters of the municipality on or after June 30,
15 1998, to pay costs of school construction, additions to schools, and major
16 rehabilitation projects that exceed \$200,000, are approved under AS 14.07.020(a)(11),
17 and are not reimbursed under (n) of this section;

18 (11) subject to (h), (i), and (j)(2) - (5) of this section, and after projects
19 funded by the bonds, notes, or other indebtedness have been approved by the
20 commissioner, 70 percent of payments made by a municipality during the fiscal year
21 for the retirement of principal and interest on outstanding bonds, notes, or other
22 indebtedness authorized by the qualified voters of the municipality on or after June 30,
23 1999, but before January 1, 2005, to pay costs of school construction, additions to
24 schools, and major rehabilitation projects and education-related facilities that exceed
25 \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n)
26 or (o) of this section;

27 (12) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent
28 of payments made by a municipality during the fiscal year for the retirement of
29 principal and interest on outstanding bonds, notes, or other indebtedness authorized by
30 the qualified voters of the municipality on or after June 30, 1999, but before January 1,
31 2005, to pay costs of school construction, additions to schools, and major

1 rehabilitation projects and education-related facilities that exceed \$200,000, are
2 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this
3 section;

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

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

21 (15) subject to (h), (i), (j)(2) - (5), and (q) of this section, and after
22 projects funded by the bonds, notes, or other indebtedness have been approved by the
23 commissioner, 90 percent of payments made by a municipality during the fiscal year
24 for the retirement of principal and interest on outstanding bonds, notes, or other
25 indebtedness authorized by the qualified voters of the municipality on or after June 30,
26 1999, but before October 31, 2006, to pay costs of school construction, additions to
27 schools, and major rehabilitation projects and education-related facilities that exceed
28 \$200,000, are approved under AS 14.07.020(a)(11), meet the 10 percent participating
29 share requirement for a municipal school district under AS 14.11.008(b), and are not
30 reimbursed under (n) or (o) of this section;

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

1 funded by the tax exempt bonds, notes, or other indebtedness have been approved by
2 the commissioner, 70 percent of payments made by a municipality during the fiscal
3 year for the retirement of principal and interest on outstanding tax exempt bonds,
4 notes, or other indebtedness authorized by the qualified voters of the municipality on
5 or after October 1, 2006, [BUT BEFORE NOVEMBER 30, 2010,] to pay costs of
6 school construction, additions to schools, and major rehabilitation projects and
7 education-related facilities that exceed \$200,000, are approved under
8 AS 14.07.020(a)(11), and are not reimbursed under (o) of this section;

9 (17) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent
10 of payments made by a municipality during the fiscal year for the retirement of
11 principal and interest on outstanding tax exempt bonds, notes, or other indebtedness
12 authorized by the qualified voters of the municipality on or after October 1, 2006,
13 [BUT BEFORE NOVEMBER 30, 2010,] to pay costs of school construction,
14 additions to schools, and major rehabilitation projects and education-related facilities
15 that exceed \$200,000, are reviewed under AS 14.07.020(a)(11), and are not
16 reimbursed under (o) of this section.

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 237
(S) Publish Date: 2/1/10

Identifier (file name): SB237-EED-ESS-1-29-10 Dept. Affected: Education & Early Develo
Title "An act extending the deadline for authorizing school RDU School Debt Reimbursement
construction debt reimbursed by the state" Component School Debt Reimbursement
Sponsor Senate Education Committee
Requester Senate Education Committee Component Number 153

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims			0.0	0.0	3,700.0	3,700.0	3,700.0	3,700.0
Miscellaneous								
TOTAL OPERATING	0.0	0.0	0.0	0.0	3,700.0	3,700.0	3,700.0	3,700.0

CAPITAL EXPENDITURES								
-----------------------------	--	--	--	--	--	--	--	--

CHANGE IN REVENUES ()								
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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 Interagency Receipts		0.0	0.0	3,700.0	3,700.0	3,700.0	3,700.0	3,700.0
TOTAL	0.0	0.0	0.0	3,700.0	3,700.0	3,700.0	3,700.0	3,700.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

This bill is for projects approved and authorized by voters on or after November 1, 2006 but before November 30, 2013. This bill extends the current deadline to November 30, 2013 for authorizing debt reimbursements by the state. The first year of fiscal impact of this bill will be in FY2013.

Anticipated increases are based on increases averaged over the prior three fiscal years. FY08-09 increased by \$2,000,000; FY 09-10 increased by \$3,000,000; and FY10-11 increased by \$6,000,000. The average of the 3 year increases are $\$11,000,000 \div 3 = \$3,666,666$.

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

Prepared by: Eddy Jeans, Director Phone 465-8679
Division School Finance Date/Time 1/29/10 12:00 AM
Approved by: Larry LeDoux Date 1/29/2010
Commissioner

Position Statement 09-5

**Funding Bond Debt Reimbursement and the
Capital Improvement Program**

The Alaska Council of School Administrators supports the continuation of the current level of 60% and 70% debt reimbursement of voter-approved bonds, and supports the development of a process to equitably address the need of school districts unable to bond locally.

- A reduction in the payment schedule from the State of Alaska will adversely affect budgets and promises made to taxpayers at an extremely challenging economic time.
- The planning of construction projects and major maintenance efforts were carefully considered with anticipated budget information secured from a variety of sources, including the State of Alaska.
- The public was informed that local and statewide bond efforts would receive state repayment support.

Adopted by the Alaska Council of School Administrators
October and December 2009

Position Statement 09-14

DEED Audit of All Alaskan School Buildings

The Alaska Council of School Administrators urges the Legislature to fund a statewide audit of all school facilities to accurately assess which school buildings must be replaced or renovated in three, five and ten years.

- A building audit would provide the Legislature and Governor with accurate data on the state of school buildings throughout Alaska, including anticipated and immediate needs.
- The audit should focus on the expectation that all school facilities in Alaska are maximally energy-efficient and provide safe, healthy learning environments.

Adopted by the Alaska Council of School Administrators (AASA, AAESP and AASSP) October 2009

Alaska Department of Education and Early Development
 School Construction and Major Maintenance funding last 20 years
 Grants and Debt Reimbursement funded projects
 Prepared 3/29/10

REAA			City/Borough		
Year	Funding	# of projects	Funding	# of projects	
1990	\$4,115,500	16	\$5,331,154	22	
1991	\$17,590,300	13	\$268,000	1	
1992	\$17,594,700	17	\$16,151,500	7	
1993	\$14,770,400	7	\$52,815,700	8	
1994	\$38,829,471	35	\$154,832,003	65	
1995	\$0	0	\$158,935,000	17	
Subtotal 1990-1995	\$92,900,371	88	\$388,333,357	120	
1996	\$400,000	2	\$10,641,550	3	
1997	\$5,322,300	3	\$66,294,985	16	
1998	\$336,720	1	\$4,335,864	4	
1999	\$27,962,208	27	\$338,292,184	71	
2000	\$0	0	\$10,250,000	1	
Subtotal 1996-2000	\$34,021,228	33	\$429,814,583	95	
10yr Sub-total	\$126,921,599	13.43%	\$818,147,940	86.57%	
2001	\$88,725,178	5	\$86,599,657	33	
2002	\$75,824,359	28	\$114,686,707	36	
2003	\$140,182,852	32	\$427,372,247	49	
2004	\$814,738	3	\$117,978,054	46	
2005	\$5,839,787	11	\$162,541,971	18	
Subtotal 2000-2005	\$311,386,914	79	\$909,178,636	182	
2006	\$67,494,522	22	\$78,422,984	21	
2007	\$82,268,165	21	\$146,242,068	23	
2008	\$127,180,513	13	\$124,868,261	20	
2009	\$139,127,653	12	\$83,397,904	22	
2010	\$20,918,597	8	\$40,374,884	17	
Subtotal 2005-2010	\$436,989,450	76	\$473,306,101	103	
10yr Sub-total	\$748,376,364	35.12%	\$1,382,484,737	64.88%	
Total REAA	\$875,297,963	276	Total City/Borough	\$2,200,632,677	500

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

Alaska Council of School Administrators

March 22, 2010

Senate Finance Committee Members:

Due to conflicts with two other committees that were hearing education bills at the same time this morning, I was unable to be present to testify on the committee substitute to SB 237. Please accept this testimony in favor of the changes to SB 237.

Attached is an ACSA resolution in support of continuing the bond debt reimbursement program and in support of a process to equitably address the need of school districts unable to bond. I believe the changes in the committee substitute accomplish both concerns.

The ritual of extending the debt reimbursement program every other year and relying on annual special legislative action for REAA needs is an inefficient and unfair way of taking care of school construction projects for the entire state. SB 237 will once and for all put into statute a process to fairly deal with the statewide school projects.

My organization fully supports this approach and urges the swift passage of SB 237.

Respectfully,

Mary A. Francis, Ph.D.
Executive Director

ACSA shall provide leadership for and promotion of a collective professional voice in setting the educational agenda for Alaska.

Alaska Association of Elementary School Principals * Alaska Association of Secondary School Principals
Alaska Association of School Administrators * Alaska Association of School Business Officials

Position Statement 09-5**Funding Bond Debt Reimbursement and the
Capital Improvement Program**

The Alaska Council of School Administrators supports the continuation of the current level of 60% and 70% debt reimbursement of voter-approved bonds, and supports the development of a process to equitably address the need of school districts unable to bond locally.

- A reduction in the payment schedule from the State of Alaska will adversely affect budgets and promises made to taxpayers at an extremely challenging economic time.
- The planning of construction projects and major maintenance efforts were carefully considered with anticipated budget information secured from a variety of sources, including the State of Alaska.
- The public was informed that local and statewide bond efforts would receive state repayment support.

Adopted by the Alaska Council of School Administrators
October and December 2009

Senator Lyman Hoffman

Alaska State Legislature

new



Sponsor Statement for SB 237

This proposed legislation addresses the way in which Alaska funds school construction for both REAA's and Municipal districts.

In 2001, Alaska courts ruled in *Kasayulie vs. State of Alaska* that the process by which REAA schools are funded in Alaska is significantly different than the process used for funding schools in municipal districts. The court further said that, as a result of this difference, funding for REAA schools has been arbitrary and inadequate.

While municipal districts are able to access the debt service program which is described in statute, the funding for REAA school construction has not been clear. Because funding depends upon legislative appropriation, there is uncertainty from year to year as to how much money will be available. This uncertainty makes construction planning difficult for both the REAA school districts and the Department of Education.

This legislation proposes to remedy this situation by creating a stream of funding that can be used for REAA construction. This funding is based on the amount of debt outstanding for municipal schools, adjusted by the amount of money spent on REAA schools and by the percent of students who attend these schools. This methodology provides a reasonable, consistent level of funding to be used for REAA school construction and moves the State along the road to addressing concerns raised in the *Kasayulie* case.

Additionally, the legislation provides that a fund be established into which the proceeds from this mechanism can be deposited. However, to assure that excess dollars cannot accumulate in this account, the balance of the fund is limited to \$100,000,000. Also, the legislation assumes that a project must meet all current Department of Education approvals before becoming eligible to use money from this account.

This legislation also changes the State's debt reimbursement program for municipal school construction. Current law establishes the debt reimbursement to municipal districts for outstanding bonds at 70 percent and time limits for that reimbursement. Consequently, every few years, the statute needs amending to continue the program. This creates uncertainty among school district planners. The committee substitute lessens uncertainty by eliminating a date certain when the 70 percent reimbursement will sunset.

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

March 19, 2010

SUBJECT: Sectional Summary (CSSB 237(FIN))
(Work Order No. 26-LS1342\5)

TO: Senator Lyman Hoffman
Co-chair of the Senate Finance Committee
Attn: Jay Livey

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. Provides legislative findings pertaining to public school construction spending.

Section 2. Requires the Department of Education and Early Development to provide state grant funding for school construction in regional educational attendance areas that is in addition to current school construction and major maintenance grants. Provides a formula for the grant amounts that is linked to the state's bond reimbursement indebtedness for municipal school districts and the percentage of students in the state who are enrolled in and attending a school located in an REAA. Establishes a fund and fund balance limit for that purpose.

Section 3. Amends school construction bond debt reimbursement allowance for municipal school districts to eliminate the deadline for a vote on school construction indebtedness and the resultant state obligation of 60 - 70 percent reimbursement.

JMM:plm
10-159.plm

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
THIRD JUDICIAL DISTRICT

Office of the Clerk of the Superior Court
300 North Steese Blvd
Anchorage, Alaska 99501
Phone: (907) 261-2000

WILLIE & SOPHIE KASAYULIE,
et al.,)
)
Plaintiff,)
)
vs.)
)
STATE OF ALASKA,)
)
Defendant.)

FILED
In chambers of
Superior Court
Judge John Reese

MAR 27 2001

State of Alaska
Third Judicial District
at ANCHORAGE

Case No. 3AN-97-03782 CIV

ORDER

The state has moved to reopen the rural school facilities funding order of this court, citing a "mistake of law" made in its prior briefing. Specifically, the state argues that its prior briefing did not present the court with information about prior appropriations made for rural school construction and maintenance.

The court has carefully reviewed the supplemental briefing and the exhibits. They show that the State of Alaska has failed to fund the C.I.P. program, to follow the legally established funding priorities in the projects it did fund, or to allocate available school facility construction and maintenance funds in a non discriminatory way. The prior findings of this court are well supported in the record, and reinforced by the new filings.

Procedure.

The States motion is a Civil R. 60(b) motion premised on a "mistake of law". The State's failure to present a more detailed funding history certainly is not a mistake of law, nor in the final analysis was it a mistake in tactics.

However, the gravity of the issues involved requires that the litigants have every opportunity to fully air their claims and defenses, even if it appears superficially to excuse tactical decisions or legal mistakes. The rules of procedure are designed to do justice, and justice requires the State to be allowed a reasonable opportunity to test a new defense, to use

different counsel, and perhaps even to craft its litigation strategy in a way to satisfy political pressures. Civ R.94 will be applied to relax the application of Rule 60(b) and Civ.R. 77 (1), and to allow the State its second bite at the apple.

Analysis:

The fundamental facts presented in the new briefing are how much money the State spent over the last 20 years or so on rural school facility funding. The State argues that since it spent hundreds of millions of dollars on rural school facilities, this courts findings of equal protection and civil rights violations was incorrect.

What this court found was that the systems for school facility funding, the C.I.P. for rural schools and the bond reimbursement program for districts with a tax base, have not been applied in a sufficiently even handed way to avoid constitutional and federal civil rights condemnation.

The C.I.P. program was established in 1990. Rural school per capita capital expenditures for FY 91, 92, 93 and 94, were roughly equal to the bond reimbursed urban expenditures, even though rural construction and maintenance costs exceed urban by a very large factor. In the six fiscal years prior to this court's order, the legislature chose to fund rural school construction at \$30 or less per student four times, and at zero twice:

Fiscal Yr.	C.I.P.	Urban
95	-0-	869
96	30	724
97	389	627
98	24	581
99	1998	1009
00	-0-	556

After this court's order, the 2000-2001 fiscal year per capita funding for rural schools jumped to \$6,200 versus \$476 for urban schools. The State's brief claims this change was a result of the court's order, pressure from the governor, and the good faith of the legislature.

The court has no reason to doubt this, but there remains the flawed dual funding system that allowed the prior problems. The urban districts get 70% of their funding for schools reimbursed by the State. The rural districts get whatever the legislature chooses to give them.

The bond reimbursement program is automatic. The rural funding is political, and has been arbitrary, inadequate and racially discriminatory. Education health and safety of our youth have suffered. The dignity of our fellow citizens has suffered. The respect for public officials has suffered. The racial divisions in our state are further aggravated.

The media has reported legislators' comments on this issue: "It is cheaper to build a school in Homer than the bush", "There is only so much money to go around." These are absolutely true statements, of course - but they illustrate the fundamental legislative mistakes: We are constitutionally required to provide education on a substantially equal basis to all children, including rural mostly Native children, even if it costs more in the rural areas. As we spend the money available, we cannot spend it on urban, mostly non Native children first, and then say there is not enough to go around.

The present dual funding system is constitutionally flawed in form, and application:

Civ.R. 54(b).


Plaintiffs ask the court to enter a final order, and to require specific funding to correct the prior errors of the legislature. This court does have the power to require remedial action, within the limitations of separation of power, but would do so only with great reluctance.

The spending of the wealth of Alaska is for the legislature to manage, within the constitutional and federal limits. Legislation takes time, and school funding is expensive and complex. This court is not prepared to say the legislature will not, within a reasonable time, create a constitutionally proper system of funding, nor is this court prepared at this time to say the legislature will not, in the mean time, provide adequate remedial and ongoing capital funding for rural schools, in light of the FY 01 appropriation.¹

¹ This court is, however, concerned that the priorities established through the legislatively mandated process have not been followed even in the FY 01 funding. Urban school districts choose their capital plans, and the reimbursement law carries it out. The priority setting by the Department of Education is a surrogate for the rural districts choices. There is no inherent problem with this representative arrangement, but if the priorities are ignored, it leaves the rural districts, and the parents and children they represent, "out of the loop," effectively

What the legislature creates, and what is developed in the other parts of this litigation, will result in a comprehensive resolution. It should be done together, and therefore a Civ- R. 54 (b) partial final judgment will not be entered at this time. However, should progress be thwarted, or the good faith efforts of the players be successfully challenged, specific orders will be issued.

DATED this 27th day of March, 2001, at Anchorage, Alaska.



John Reese
Superior Court Judge

I certify that on 03-27-01
a copy of the above was mailed to
each of the following at their
addresses of record:

H. Trickey, C, Middleton.
B. Bjorkquist, AGO

Marie Suazo *mo.*
Secretary

disenfranchised. Considering the impermissible racial impact of the prior funding choices made by the legislature, to deprive the rural children of even the indirect voice of the priority list seems to be treading on pretty thin legal ice. Endorsement of the priorities would seem to be a much better policy.

State of Alaska
 Department of Education and Early Development
 Capital Improvement Projects (FY 2011)
 School Construction Grant Fund (Top 11 Projects)

Reconsideration List
 Summary with Student Capacity Data

Reconsideration Priority	Initial Priority	District	Project Name	Year Constructed	School Student Capacity	Current ADM	Number of Students*	District Request	Eligible Amount	Department Recommended	District Share	State Share
1	1	Lower Yukon	Atlatuk K-12 School Replacement	1974/2003	111	239	300	\$47,394,170	\$47,394,170	\$47,394,170	\$94,683	\$46,446,787
2	2	Lower Kuskokwim	Kipnuk K-12 School Renovation / Addition	1990	70	209	241	\$56,344,082	\$50,641,480	\$50,641,480	\$1,016,630	\$49,824,650
3	3	Lower Kuskokwim	Kwigillingok K-12 School Renovation / Addition	1979/1987	55	114	124	\$39,128,740	\$32,750,467	\$32,750,467	\$655,009	\$32,095,458
4	4	Lower Kuskokwim	Napastuk K-12 School Replacement	1973/1978/1984	77	161	206	\$40,921,255	\$33,585,431	\$33,585,431	\$671,729	\$32,914,702
5	5	Lower Yukon	Emmesak K-12 School Renovation/Addition	1993/1975	143	231	231	\$28,898,799	\$39,990,445	\$39,990,445	\$799,809	\$39,190,636
6	6	Lower Kuskokwim	Kuineramut Ellinaurviat K-12 School Renovation/Addition, Quinhegak	1981/1986	90	212	259	\$31,160,414	\$31,160,414	\$31,160,414	\$623,208	\$30,537,206
7	7	Northwest Arctic	Kivalina K-12 Renovation/Addition #	1976/1984	75	107	109	\$15,414,491	\$15,414,491	\$15,414,491	\$4,624,347	\$10,790,144
8	8	Lower Kuskokwim	Kwethluk K-12 School Replacement	1981/1988	143	250	263	\$60,489,919	\$45,445,163	\$45,445,163	\$908,903	\$44,536,260
9	9	Southwest Region	Koiganek K-12 School Replacement * #	1959/1979/1981	75	51	51	\$26,311,134	\$22,902,662	\$22,902,662	\$458,053	\$22,444,609
10	10	Lower Kuskokwim	Nighmua K-12 School Renovation / Addition	1960/1984	53	92	132	\$33,913,215	\$23,770,075	\$23,770,075	\$475,401	\$23,294,674
11	11	Kuspuik	Auntie Mary Nicol Elementary School Replacement, Aniak * #	1930/1955/ 1979/1979/1993	111	63	64	\$12,363,060	\$12,363,060	\$12,363,060	\$247,261	\$12,115,799

Totals for top 11 projects on the FY2011 School Construction CIP List: \$392,399,278 \$355,618,958 \$355,618,958 \$11,428,433 \$344,190,425
 * Projected at 5 year Post Occupancy
 # Reused FY2010 data
 * Eligible Space Reduced

Totals for all 35 projects on the FY2011 School Construction CIP List: \$475,961,552 \$437,939,547 \$437,939,547 \$26,296,398 \$411,643,149

Kivalina K-12 Renovation/Addition adds 9,100 square feet of new space in order to address moderate overcrowding. The school has also demonstrated significant life/safety and health issues including no fire protection, no sewage lagoon for waste discharge (waste is discharged directly into the surf adjacent to the school), a leaking roof with suspected structural damage and/or rot. All plumbing and mechanical systems have exceeded their useful life and are in need of replacement, and the interior finishes are significantly aged and worn and in need of replacement. The Corps of Engineers is currently working on a shoreline protection project that is designed to protect the school property from additional erosion for the next 15-20 years. The district considered relocation, but due to land constraints in the village, there are no other locations available that could reasonably accommodate a new school facility.

Koiganek K-12 School Replacement does not add space due to overcrowding, but has demonstrated significant life/safety and health issues including no fire protection, moisture infiltration, a leaking roof that continues to leak despite repeated repairs, differential foundation movements due to several different years of construction, mechanical and electrical systems that no longer meet functional or code requirements, and environmental health issues including lead and asbestos.

Auntie Mary Nicholi Elementary School Replacement, Aniak does not add space due to overcrowding, but has demonstrated significant life/safety and health issues including a deteriorating foundation and differential settling, moisture and mold infiltration, a sewage lift station in the basement beneath the food preparation area and which floods often and contains no

Alaska Department of Education Debt Reimbursement FY1976 – FY2009

With Estimates for FY2010 and FY 2011

Eligible for Reimbursement vs. State Aid Provided

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	71,274,983	71,274,983	100.00%
FY2006	81,695,195	81,695,195	100.00%
FY2007	87,524,109	87,524,109	100.00%
FY2008	91,764,563	91,764,563	100.00%
FY2009	94,017,490	94,017,490	100.00%
Proj. FY2010	100,045,201 *	100,045,201	100.00%
Proj. FY2011	106,258,541 *	106,258,541	100.00%

*This estimate is based on the most current available data and includes EED overhead.

1/29/10

State of Alaska
 Department of Education and Early Development
 Capital Improvement Projects
 HB13/HB373 Debt Reimbursement Program - Effective 10/1/2006 - 11/30/2010

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
Anchorage										
		Bartlett High School Synthetic Field Surface Installation	1/26/2009	\$2,380,000	\$0	\$2,380,000	70% <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2009 projects did not pass voter approval on 4/7/09 .
		Bleacher Replacement, 2 Schools	1/26/2009	\$725,000	\$0	\$725,000	70% <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Eagle River High School, Connect to Public Water/Sewer Service	1/26/2009	\$2,500,000	\$0	\$2,500,000	70% <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Electrical Projects, 9 Sites	1/26/2009	\$3,520,000	\$0	\$3,520,000	70% <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Girdwood School Upgrade and Addition Design	1/26/2009	\$680,000	\$0	\$680,000	60% <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Mechanical Upgrades, 2 Schools	1/26/2009	\$3,320,000	\$0	\$3,320,000	70% <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Parking and Site Circulation Upgrades, 2 Schools	1/26/2009	\$6,550,000	\$0	\$6,550,000	70% <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
		Roof Replacement, 2 Schools	1/26/2009	\$2,155,000	\$0	\$2,155,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Security System Upgrades, 5 Schools	1/26/2009	\$1,165,000	\$0	\$1,165,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Service High School Addition and Renewal	1/26/2009	\$66,700,000	\$0	66,700,000	60%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Aquarian Charter School Sprinkler System	1/26/2009	\$1,165,000	\$0	\$1,165,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
DR-07-110		Clark Middle School Replacement	2/6/2007	\$65,000,000	\$65,000,000	65,000,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2007 Anchorage projects voter approved April 3, 2007
DR-07-111		Districtwide Code/Hazardous Materials/ADA Projects	2/6/2007	\$1,265,000	\$1,265,000	\$1,265,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
DR-07-112		Districtwide Roof Replacement and Repairs	2/6/2007	\$1,950,000	\$1,950,000	\$1,950,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
DR-07-113		Districtwide Security System Upgrades	2/6/2007	\$890,000	\$890,000	\$890,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
DR-07-114		Emergency Communication Systems-2 High Schools	2/6/2007	\$650,000	\$650,000	\$650,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
DR-07-115		Districtwide Building Renewal Projects	2/6/2007	\$4,110,000	\$4,110,000	\$4,110,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
	DR-07-116	Districtwide Electrical Projects	2/6/2007	\$2,190,000	\$2,190,000	\$2,190,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-07-117	Districtwide Mechanical Projects	2/6/2007	\$5,845,000	\$5,845,000	\$5,845,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-07-118	Traffic Safety Upgrades, 3 Elementary Schools	2/6/2007	\$3,100,000	\$3,100,000	\$3,100,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-103	Chester Valley Addition and Renewal	1/17/2008	\$16,500,000	\$16,500,000	16,500,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2008 Anchorage projects voter approved April 1, 2008
	DR-08-104	Sand Lake Addition and Renewal	1/17/2008	\$17,500,000	\$17,500,000	17,500,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-105	Girdwood K-8 School Design	1/17/2008	\$300,000	\$300,000	\$300,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-106	Code Hazmat, 2 Schools	1/17/2008	\$465,000	\$465,000	\$465,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-107	Roof Replacement, 2 Schools	1/17/2008	\$950,000	\$950,000	\$950,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-108	Traffic Safety Upgrades, 2 Schools	1/17/2008	\$600,000	\$600,000	\$600,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-109	Electrical Upgrades, 8 Schools	1/17/2008	\$1,475,000	\$1,475,000	\$1,475,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
	DR-08-110	Mechanical Upgrades, 5 Schools	1/17/2008	\$1,950,000	\$1,950,000	\$1,950,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-111	Building Renewal, 7 Schools	1/17/2008	\$1,240,000	\$1,240,000	\$1,240,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-112	Track Improvements, 3 Schools	1/17/2008	\$2,250,000	\$2,250,000	\$2,250,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-113	Emergency Communications Systems, 3 Schools	1/17/2008	\$480,000	\$480,000	\$480,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Anchorage Totals:				\$219,570,000	\$128,710,000	\$219,570,000				
Cordova										
	DR-09-101	Mt. Eccles Elementary School Renovation	9/9/2008	\$10,699,415	\$10,670,111	10,699,415	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-09-102	Mt. Eccles Elementary School Addition	9/9/2008	\$5,944,889	\$5,944,889	\$5,944,889	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Cordova Totals:				\$16,644,304	\$16,615,000	\$16,644,304				
Dillingham City										
	DR-08-101	Dillingham Elementary/Middle/High School Addition/Upgrade	8/28/2007	\$1,257,551	\$1,257,551	\$1,257,551	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
	DR-08-101	Dillingham Elementary/Middle/High School Upgrade	8/28/2007	\$14,433,697	\$13,843,697	13,843,697	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	One project agreement
Dillingham City Totals:				\$15,691,248	\$15,101,248	\$15,101,248				
Fairbanks										
	DR-07-104	Barnette Elementary Renovation, Phase 2	11/17/2006	\$6,591,000	\$6,591,000	\$6,591,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-07-105	Ryan Middle School Renovation, Phase 1	11/17/2006	\$1,800,000	\$1,800,000	\$1,800,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Fairbanks Totals:				\$8,391,000	\$8,391,000	\$8,391,000				
Juneau City Borough										
	DR-03-125	New Juneau High School, Amendment #2	3/30/2007	\$17,100,000	\$17,100,000	17,100,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Amendment #2
	DR-06-111	Glacier Valley Elementary Renovation	9/14/2007	\$7,100,000	\$7,100,000	\$7,100,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Amends DR-06-111 (DR-00-009)
	DR-08-100	Harborview Elementary Renovation	9/14/2007	\$15,300,000	\$15,300,000	15,300,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-102	Thunder Mountain High School Pool	6/26/2007	\$19,800,000	\$19,800,000	\$8,650,853	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
	DR-09-103	Dzantik'i Heeni Middle School Covered Play Area	7/24/2008	\$1,680,000	\$1,680,000	\$1,680,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-10-101	Gastineau Elementary School Renovation	11/24/2009	\$11,800,000	\$11,800,000	11,800,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Juneau City Borough				\$72,780,000	\$72,780,000	\$61,630,853				
Totals:										
Ketchikan										
		Mike Smithers Pool Replacement	5/29/2009	\$24,576,591	\$0	\$5,865,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
		Schoenbar Middle School Repair/Remediation	8/18/2006	\$8,706,000	\$0	\$8,706,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Did not receive voter approval.
Totals:				\$33,282,591	\$0	\$14,571,000				
Kodiak Island										
	DR-05-110	New Kodiak MS/HS Pool	1/22/2007	\$8,000,000	\$8,000,000	\$8,000,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Amends previous amount for a total project of \$14,210,000
Totals:				\$8,000,000	\$8,000,000	\$8,000,000				
Mat-Su Borough										

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
	DR-08-115	Districtwide Safety & Security Upgrade	6/10/2008	\$19,520,957	\$14,236,720	14,236,720	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-116	Cottonwood Creek Site Circulation & Parking/Safety Improvements	6/10/2008	\$1,500,000	\$1,500,000	\$1,500,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-116	Wasilla HS Fire Hydrant Installation	6/10/2008	\$500,000	\$500,000	\$500,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-116	Wasilla HS Site Circulation & Parking/Safety Improvements	6/10/2008	\$1,000,000	\$1,000,000	\$1,000,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-117	Palmer HS Original Building Roof Replacement	6/10/2008	\$1,791,163	\$1,791,163	\$1,791,163	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Mat-Su Borough										
Totals:				\$24,312,120	\$19,027,883	\$19,027,883				
Unalaska City										
	DR-08-114	Unalaska Jr./Sr. High School Roof Replacement	8/24/2007	\$2,400,000	\$2,900,000	\$3,198,515	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-114	Unalaska Jr./Sr. High School Carpet/Flooring Replacement	8/24/2007	\$600,000	\$600,000	\$766,704	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-114	Unalaska Jr./Sr. High School Kitchen/Energy/Technology Upgrades	8/24/2007	\$1,000,000	\$1,000,000	\$1,182,714	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
<hr/>										
Unalaska City Totals:				\$4,000,000	\$4,500,000	\$5,147,933				
<hr/>										
Grand Totals:				\$402,671,263	\$273,125,131	\$368,084,221				

Total of Projects Both Voter and EED Approved: \$268,618,221
 (This is a total of the EED Approved Amount.)

State of Alaska
 Department of Education and Early Development
 Capital Improvement Projects
 HB13/HB373 Debt Reimbursement Program - Effective 10/1/2006 - 11/30/2010

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
Anchorage										
		Bartlett High School Synthetic Field Surface Installation	1/26/2009	\$2,380,000	\$0	\$2,380,000	70% <input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2009 projects did not pass voter approval on 4/7/09
		Bleacher Replacement, 2 Schools	1/26/2009	\$725,000	\$0	\$725,000	70% <input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
		Eagle River High School, Connect to Public Water/Sewer Service	1/26/2009	\$2,500,000	\$0	\$2,500,000	70% <input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
		Electrical Projects, 9 Sites	1/26/2009	\$3,520,000	\$0	\$3,520,000	70% <input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
		Girdwood School Upgrade and Addition Design	1/26/2009	\$680,000	\$0	\$680,000	60% <input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
		Mechanical Upgrades, 2 Schools	1/26/2009	\$3,320,000	\$0	\$3,320,000	70% <input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
		Parking and Site Circulation Upgrades, 2 Schools	1/26/2009	\$6,550,000	\$0	\$6,550,000	70% <input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
		Roof Replacement, 2 Schools	1/26/2009	\$2,155,000	\$0	\$2,155,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Security System Upgrades, 5 Schools	1/26/2009	\$1,165,000	\$0	\$1,165,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Service High School Addition and Renewal	1/26/2009	\$66,700,000	\$0	\$66,700,000	60%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
		Aquarian Charter School Sprinkler System	1/26/2009	\$1,165,000	\$0	\$1,165,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	DR-07-110	Clark Middle School Replacement	2/6/2007	\$65,000,000	\$65,000,000	\$65,000,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2007 Anchorage projects voter approved April 3, 2007
	DR-07-111	Districtwide Code/Hazardous Materials/ADA Projects	2/6/2007	\$1,265,000	\$1,265,000	\$1,265,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-07-112	Districtwide Roof Replacement and Repairs	2/6/2007	\$1,950,000	\$1,950,000	\$1,950,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-07-113	Districtwide Security System Upgrades	2/6/2007	\$890,000	\$890,000	\$890,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-07-114	Emergency Communication Systems-2 High Schools	2/6/2007	\$650,000	\$650,000	\$650,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-07-115	Districtwide Building Renewal Projects	2/6/2007	\$4,110,000	\$4,110,000	\$4,110,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
	DR-07-116	Districtwide Electrical Projects	2/6/2007	\$2,190,000	\$2,190,000	\$2,190,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-07-117	Districtwide Mechanical Projects	2/6/2007	\$5,845,000	\$5,845,000	\$5,845,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-07-118	Traffic Safety Upgrades, 3 Elementary Schools	2/6/2007	\$3,100,000	\$3,100,000	\$3,100,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-103	Chester Valley Addition and Renewal	1/17/2008	\$16,500,000	\$16,500,000	16,500,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2008 Anchorage projects voter approved April 1, 2008
	DR-08-104	Sand Lake Addition and Renewal	1/17/2008	\$17,500,000	\$17,500,000	17,500,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-105	Girdwood K-8 School Design	1/17/2008	\$300,000	\$300,000	\$300,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-106	Code Hazmat, 2 Schools	1/17/2008	\$465,000	\$465,000	\$465,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-107	Roof Replacement, 2 Schools	1/17/2008	\$950,000	\$950,000	\$950,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-108	Traffic Safety Upgrades, 2 Schools	1/17/2008	\$600,000	\$600,000	\$600,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-109	Electrical Upgrades, 8 Schools	1/17/2008	\$1,475,000	\$1,475,000	\$1,475,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
	DR-08-110	Mechanical Upgrades, 5 Schools	1/17/2008	\$1,950,000	\$1,950,000	\$1,950,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-111	Building Renewal, 7 Schools	1/17/2008	\$1,240,000	\$1,240,000	\$1,240,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-112	Track Improvements, 3 Schools	1/17/2008	\$2,250,000	\$2,250,000	\$2,250,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-113	Emergency Communications Systems, 3 Schools	1/17/2008	\$480,000	\$480,000	\$480,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Anchorage Totals:				\$219,570,000	\$128,710,000	\$219,570,000				
Cordova										
	DR-09-101	Mt. Eccles Elementary School Renovation	9/9/2008	\$10,699,415	\$10,670,111	10,699,415	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-09-102	Mt. Eccles Elementary School Addition	9/9/2008	\$5,944,889	\$5,944,889	\$5,944,889	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Cordova Totals:				\$16,644,304	\$16,615,000	\$16,644,304				
Dillingham City										
	DR-08-101	Dillingham Elementary/Middle/High School Addition/Upgrade	8/28/2007	\$1,257,551	\$1,257,551	\$1,257,551	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
	DR-08-101	Dillingham Elementary/Middle/High School Upgrade	8/28/2007	\$14,433,697	\$13,843,697	13,843,697	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	One project agreement
Dillingham City				\$15,691,248	\$15,101,248	\$15,101,248				
Totals:										
Fairbanks										
	DR-07-104	Barnette Elementary Renovation, Phase 2	11/17/2006	\$6,591,000	\$6,591,000	\$6,591,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-07-105	Ryan Middle School Renovation, Phase 1	11/17/2006	\$1,800,000	\$1,800,000	\$1,800,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Fairbanks				\$8,391,000	\$8,391,000	\$8,391,000				
Totals:										
Juneau City Borough										
	DR-03-125	New Juneau High School, Amendment #2	3/30/2007	\$17,100,000	\$17,100,000	17,100,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Amendment #2
	DR-06-111	Glacier Valley Elementary Renovation	9/14/2007	\$7,100,000	\$7,100,000	\$7,100,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Amends DR-06-111 (DR-00-009)
	DR-08-100	Harborview Elementary Renovation	9/14/2007	\$15,300,000	\$15,300,000	15,300,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-102	Thunder Mountain High School Pool	6/26/2007	\$19,800,000	\$19,800,000	\$8,650,853	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
	DR-09-103	Dzanlik'i Heeni Middle School Covered Play Area	7/24/2008	\$1,680,000	\$1,680,000	\$1,680,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-10-101	Gastineau Elementary School Renovation	11/24/2009	\$11,800,000	\$11,800,000	11,800,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Juneau City Borough Totals:				\$72,780,000	\$72,780,000	\$61,630,853				
Ketchikan										
		Mike Smithers Pool Replacement	5/29/2009	\$24,576,591	\$0	\$5,865,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
		Schoenbar Middle School Repair/Remediation	8/18/2006	\$8,706,000	\$0	\$8,706,000	70%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Did not receive voter approval.
Ketchikan Totals:				\$33,282,591	\$0	\$14,571,000				
Kodiak Island										
	DR-05-110	New Kodiak MS/HS Pool	1/22/2007	\$8,000,000	\$8,000,000	\$8,000,000	60%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Amends previous amount for a total project of \$14,210,000
Kodiak Island Totals:				\$8,000,000	\$8,000,000	\$8,000,000				
Mat-Su Borough										

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
	DR-08-115	Districtwide Safety & Security Upgrade	6/10/2008	\$19,520,957	\$14,236,720	14,236,720	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-116	Cottonwood Creek Site Circulation & Parking/Safety Improvements	6/10/2008	\$1,500,000	\$1,500,000	\$1,500,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-116	Wasilla HS Fire Hydrant Installation	6/10/2008	\$500,000	\$500,000	\$500,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-116	Wasilla HS Site Circulation & Parking/Safety Improvements	6/10/2008	\$1,000,000	\$1,000,000	\$1,000,000	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-117	Palmer HS Original Building Roof Replacement	6/10/2008	\$1,791,163	\$1,791,163	\$1,791,163	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Mat-Su Borough				\$24,312,120	\$19,027,883	\$19,027,883				
Totals:										
Unalaska City										
	DR-08-114	Unalaska Jr./Sr. High School Roof Replacement	8/24/2007	\$2,400,000	\$2,900,000	\$3,198,515	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-114	Unalaska Jr./Sr. High School Carpet/Flooring Replacement	8/24/2007	\$600,000	\$600,000	\$766,704	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	DR-08-114	Unalaska Jr./Sr. High School Kitchen/Energy/Technology Upgrades	8/24/2007	\$1,000,000	\$1,000,000	\$1,182,714	70%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

District	Project Number	Project Title	Dept Approval	Req Amt	Voter Amt	EED Approved Amt	Rate	EED Approved	Voter Approved	Comments
Unalaska City				\$4,000,000	\$4,500,000	\$5,147,933				
Totals:										
Grand Totals:				\$402,671,263	\$273,125,131	\$368,084,221				
Total of Projects Both Voter and EED Approved: \$268,518,221										
(This is a total of the EED Approved Amount.)										