LEG. FINANCE - BILLS 1975 - 1976 498

SB 32am thru SB 35

498

RECORDS CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

2/8/90
Date

02-519 (REV 8/78)

"An Act relating to refunds for disaster loss under the motor fuel oil tax; and providing for an effective date."

COMMITTEE REPORT

HOUSE

3/12/75

Mr. Speaker: Date _____

The Committee on FINANCE has had SB 22 am under consideration. A Majority of the members of the Committee

( ) recommends it DO PASS

( ) recommends it DO NOT PASS

( ) recommends it DO PASS WITH ATTACHED AMENDMENT(S)

( ) recommends it BE REPLACED WITH CS FOR _____ AND THAT CS FOR _____ DO PASS

( ) "and" recommends it BE REFERRED TO THE _____ COMMITTEE

( ) reports it back WITHOUT RECOMMENDATION

( ) "other"

Members signing the Majority report:

_____ _____ _____

_____ _____ _____

_____ _____ _____

_____ _____ _____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ Chairman

IN THE SENATE BY FERGUSON

SENATE BILL NO. 32

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to refunds for disaster loss under the motor fuel oil tax; and providing for an effective date."

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

* Section 1. AS 43.40.030(b) is amended to read:

(b) The entire tax levied by secs. 10 - 100 of this chapter shall be refunded to the purchaser on that part of the motor fuel <u>which is (1)</u> used in a foreign country on which duty is paid when the fuel is sold and delivered in the state for non-highway use in a foreign country<u>, or (2) lost or destroyed as the result of natural disaster</u>.

* Sec. 2. This Act applies retroactively to losses accuring after September 1, 1974.

* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-070(c).

Introduced: 1/20/75
Referred: State Affairs and Finance

IN THE SENATE BY FERGUSON

SENATE BILL NO. 32 am

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to refunds for disaster loss under the motor fuel oil tax; and providing for an effective date."

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

* Section 1. AS 43.40.030(b) is amended to read:

(b) The entire tax levied by secs. 10 - 100 of this chapter shall be refunded to the purchaser on that part of the motor fuel which is (1) used in a foreign country on which duty is paid when the fuel is sold and delivered in the state for non-highway use in a foreign country, or (2) lost or destroyed as the result of natural disaster unless the purchaser is otherwise indemnified by the tax.

* Sec. 2. This Act applies retroactively to losses accuring after September 1, 1974.

* Sec. 3. This Act takes effect immediately in accordance with AS 01.10-.070(c).

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST
Bill No. SB 32 am
Title: Relating to refunds for disaster loss under motor fuel oil tax
Requested by: _____ Date: _____
Return Date Requested: _____
Agency: Department of Revenue Program: _____

II. FISCAL DETAIL
Budget Request Unit(s) Affected: _____
A. EXPENDITURES: (Thousands of dollars)

	OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100	PERSONAL SERVICES						
200	TRAVEL						
300	CONTRACTUAL						
400	COMMODITIES						
500	EQUIPMENT						
600	LAND & STRUCTURES						
700	GRANTS, CLAIMS, ETC.						
	TOTAL		$2,000 (12.0)				

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

This is an estimated amount of refunds for disaster loss during the Nome Disaster due to contaminated gasoline.

IV. ATTACHMENTS

V. DATE: June 2, 1975 PREPARED BY: Jim Rhode

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

RECORDS CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. [illegible]
Signature of Camera Operator

2/8/90
Date

!-519 (REV 8/78)

3/27/75

COMMITTEE REPORT

SENATE

Mr. President: Date _____

The Committee on _____ has had _____
refunds for diesel fuel under the motor fuel oil tax
under consideration. A Majority of the members of the Committee

( ) recommends it DO PASS

( ) recommends it DO NOT PASS

( ) recommends it DO PASS WITH ATTACHED AMENDMENT(S)

( ) recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

( ) "and" recommends it BE REFERRED TO THE _____

COMMITTEE

( ) reports it back WITHOUT RECOMMENDATION

( ) "other"

Members signing the Majority report:

_____ _____ _____

_____ _____ _____

_____ _____ _____

_____ _____ _____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ Chairman

A M E N D M E N T

Offered in the SENATE By _____

To: _____ SENATE BILL NO. _____

_____ HOUSE BILL NO. _____

AMENDMENT: Page _____ Line _____

STATE OF ALASKA

JAY S. HAMMOND, Governor

-FILE-

DEPARTMENT OF REVENUE

POUCH SA — JUNEAU 99301

February 26, 1975

Mr. William K. Parker, Chairman
House State Affairs Committee
Alaska State Legislature
State Capitol Building
Juneau, Alaska 99811

Dear Mr. Parker:

re Senate Bill No. 32 amended

Senate Bill No. 32 amended, an Act relating to refunds for disaster loss under the motor fuel oil tax, passed the Senate on February 24, 1975 and was read the first time in the House of Representatives on February 25, 1975 and was referred to the Committees on State Affairs and Finance.

The Department of Revenue on January 28, 1975 furnished a fiscal note on Senate Bill No. 32 to Jay Hogan, Director, Legislative Finance, along with memorandum detail under the dates of January 28, 1975. A copy of the fiscal note and memorandum is attached.

The second paragraph of the memorandum dated January 28, 1975 from Gary L. Jenkins, Director, Audit Division of the Department of Revenue states:

> "If this bill is enacted by the Legislature, it is recommended that the proposed Alaska Statute 43.30.030(b)(2) be modified to read:
>
> > 'lost or destroyed as the result of natural disaster unless the purchaser is otherwise indemnified <u>for</u> the tax' (UNDERLINING EMSIZED)"

This phraseology was taken from the Special Session Laws of 1967 covering disaster tax refunds at the time of Fairbanks Flood Disaster. In some cases taxpayers had been indemnified by insurance companies. The Senate Finance Committee considered the proposed modification by the Department of Revenue but the language of the amendment reads:

"lost or destroyed as the result of natural disaster unless otherwise indemnified by the tax." (UNDERLINING EMPHASIZED).

It is respectfully requested that your committee delete the word by on line 1 of Senate Bill No. 32 amended and insert the word for in its place. While there may be little possibility of those persons seeking a refund of the state motor fuel tax being indemnified by insurance claims for flood losses, the protection clause is necessary to avoid reimbursement by both insurance companies and the state.

Thanking you for your consideration in this matter, I remain,

Very respectfully yours,

R. D. Stevenson
Special Assistant

RDS:lw

Enclosure

cc Honorable Frank Ferguson
Sponsor, Senate Bill No. 32
Alaska State Legislature

Honorable Bill Ray
Chairman, Senate Finance Committee
Alaska State Legislature

Honorable Hugh Malone
Chairman, House Finance Committee
Alaska State Legislature

Jay Hogan, Director
Legislative Finance

Gary L. Jenkins, Director
Audit Division
Department of Revenue

Introduced: 1/20/75
Referred: State Affairs and Finance

IN THE SENATE BY FERGUSON

SENATE BILL NO. 32 am

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to refunds for disaster loss under the motor fuel oil tax; and providing for an effective date."

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

* Section 1. AS 43.40.030(b) is amended to read:

(b) The entire tax levied by secs. 10 - 100 of this chapter shall be refunded to the purchaser on that part of the motor fuel which is (1) used in a foreign country on which duty is paid when the fuel is sold and delivered in the state for non-highway use in a foreign country, or (2) lost or destroyed as the result of natural disaster unless the purchaser is otherwise indemnified by the tax.

* Sec. 2. This Act applies retroactively to losses accuring after September 1, 1974.

* Sec. 3. This Act takes effect immediately in accordance with AS 01.10-070(c).

MEMORANDUM

State of Alaska

DEPT. OF FINANCE
RECEIVED

TO: Jay Hogan
Legislative Finance

DATE: January 28, 1975

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins
Director
Audit Division

SUBJECT: Fiscal Note Senate Bill 32

The Motor Fuel Tax provided for in Alaska Statute, Title 43, Chapter 40 is $.08 per gallon on all motor fuel sold or used in the State with the exception of aviation gas, which is .04 a gallon; fuel used in watercrafts, which is .04 a gallon and fuel oil on which there is no tax. To ascertain the potential effect on the treasury of this bill, we have contacted the sponsor, as well as the Internal Revenue Service staff who were in the disaster office in Nome and Standard Oil of California, Marketing Department in Anchorage, who have the only distributorship in that area. At this point, the only known losses of fuel on which a tax was paid was approximately 3,000 gallons of gasoline. Assuming there could be a maximum fuel loss of 25,000 gallons and it was fuel on which .08 per gallon had been paid, there would be a maximum refund of $2,000. There is no possible way to forecast the future effect of this bill, however, major losses in certain areas could have a very high dollar impact on the refunding program.

If this bill is enacted by the Legislature, it is recommended that the proposed Alaska Statute 43.40.030(b)(2) be modified to read:

> "lost or destroyed as the result of natural disaster unless the purchaser is otherwise indemnified <u>for</u> the tax."

It is further recommended that strong consideration be given to a modification of Section 43.40.090 in which the current statute would be repealed in full and replaced by the following:

> Section 43.40.090. Criminal Violation. A person who uses motor fuel with knowledge that the tax has not been paid or who makes and subscribes a claim for tax refund authorized by this Act, and who willfully falsifies any material matter set out in a claim or return is guilty of a felony, and upon conviction is subject to the penalties prescribed for perjury under the laws of this State. In this section, "person" includes an officer, agent or employee of a corporation.

GLJ/bjm

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST
Bill No. Senate Bill 32 Title: "An Act relating to refunds for disaster loss
Title: under the motor fuel oil tax; & providing for an effective date."
Requested by: Legislative Finance Date: 1/28/75
Return Date Requested: January 29, 1975
Agency: Revenue Program: Audit

II. FISCAL DETAIL
Budget Request Unit(s) Affected:
A. EXPENDITURES: (Thousands of dollars)

	OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100	PERSONAL SERVICES						
200	TRAVEL						
300	CONTRACTUAL						
400	COMMODITIES						
500	EQUIPMENT						
600	LAND & STRUCTURES						
700	GRANTS, CLAIMS, ETC.						
	TOTAL	-0-	Unknown	Unknown	Unknown	Unknown	Unknow

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	Unknown	Unknown	Unknown	Unknown	Unknow
FEDERAL FUNDS						
OTHER						

CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. Senate Bill 32 Title: "An Act relating to refunds for disaster loss
Title: under the motor fuel oil tax; & providing for an effective date."
Requested by: Legislative Finance Date: 1/28/75
Return Date Requested: January 29, 1975
Agency: Revenue Program: Audit

II. FISCAL DETAIL

Budget Request Unit(s) Affected:

A. EXPENDITURES: (Thousands of dollars)

	OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100	PERSONAL SERVICES						
200	TRAVEL						
300	CONTRACTUAL						
400	COMMODITIES						
500	EQUIPMENT						
600	LAND & STRUCTURES						
700	GRANTS, CLAIMS, ETC.						
	TOTAL	-0-	Unknown	Unknown	Unknown	Unknown	Unknow

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	Unknown	Unknown	Unknown	Unknown	Unknow
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	-0- /	Unknown /	Unknown /	Unknown /	Unknown /	Unknow /
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See memorandum attached.

IV. ATTACHMENTS

V. DATE: January 28, 1975 PREPARED BY: Gary L. Jenkins, Director

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislative Day)

02-001B (REV. 08-73)

MEMORANDUM State of Alaska

TO: Jay Hogan
Legislative Finance

DATE: January 28, 1975

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins
Director
Audit Division

SUBJECT: Fiscal Note Senate Bill 32
H.B. 108

The Motor Fuel Tax provided for in Alaska Statute, Title 43, Chapter 40 is $.08 per gallon on all motor fuel sold or used in the State with the exception of aviation gas, which is .04 a gallon; fuel used in watercrafts, which is .04 a gallon and fuel oil on which there is no tax. To ascertain the potential effect on the treasury of this bill, we have contacted the sponsor, as well as the Internal Revenue Service staff who were in the disaster office in Nome and Standard Oil of California, Marketing Department in Anchorage, who have the only distributorship in that area. At this point, the only known losses of fuel on which a tax was paid was approximately 3,000 gallons of gasoline. Assuming there could be a maximum fuel loss of 25,000 gallons and it was fuel on which .08 per gallon had been paid, there would be a maximum refund of $2,000. There is no possible way to forecast the future effect of this bill, however, major losses in certain areas could have a very high dollar impact on the refunding program.

If this bill is enacted by the Legislature, it is recommended that the proposed Alaska Statute 43.40.030(b)(2) be modified to read:

> "lost or destroyed as the result of natural disaster unless the purchaser is otherwise indemnified for the tax."

It is further recommended that strong consideration be given to a modification of Section 43.40.090 in which the current statute would be repealed in full and replaced by the following:

> ~~Section 43.40.090. Criminal Violation. A person who uses motor fuel with knowledge that the tax has not been paid or who makes and subscribes a claim for tax refund authorized by this Act, and who willfully falsifies any material matter set out in a claim or return is guilty of a felony, and upon conviction is subject to the penalties prescribed for perjury under the laws of this State. In this section, "person" includes an officer, agent or employee of a corporation.~~

[SEE ATTACHED MEMO OF JAN. 29, 1975]

GLJ/bjm

02-001B (REV. 08-73)

MEMORANDUM State of Alaska

TO: Jay Hogan
Legislative Finance

DATE: January 29, 1975

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins
Director
Audit Division

SUBJECT: Penalty Provisions of Chapter 40 of the Alaska Statutes

I've met with Mr. John Messenger of the Attorney General's office and discussed the penalty provisions provided for in the motor fuel statutes. It is his feeling, as it is mine, that the current penalty provisions are not clear. It is my recommendation that in lieu of the modification of Section 43.40.090 that I recommended in my earlier memo, that Section 43.40.020 and 43.40.090 be repealed in full and replaced by the following:

Section 43.20.090. "Penalties. (a) A person who wilfully attempts to evade the tax imposed by this chapter is, in addition to other penalties provided by this chapter, guilty of a felony and, upon conviction, shall be fined not more than $5,000, or imprisoned for not more than five years, or both.

(b) A person required under this chapter to pay a tax, make a return, keep records, or supply information, who wilfully fails to pay the tax, make the return, keep the records, or supply the information is, in addition to other penalties provided by this chapter, guilty of a misdemeanor and, upon conviction, shall be fined not more than $50,000, or imprisoned for not more than one year, or both.

(c) A person who wilfully makes and subscribes a return, statement, or other document required under this chapter which contains or is verified by a written declaration that it is made under the penalties of perjury which he does not believe to be true and correct as to every material matter is, in addition to other penalties provided by this chapter, guilty of a felony and, upon conviction, shall be fined not more than $5,000, or imprisoned for not more than three years, or by both.

(d) A person who wilfully and knowingly aids or assists in, or procures, or counsels the preparation or presentation in connection with any matter arising under this chapter of a return, affidavit, claim, or other document, which is fraudulent or is false as to any material matter is guilty of a felony whether or not the falsity or fraud is with the knowledge or consent of the person required to present the return, affidavit, claim, or document, and, upon conviction, shall be fined not more than $5,000, or imprisoned for not more than three years, or both.

(e) A person who wilfully delivers or discloses to the commissioner or the department under this chapter any list, return, account, statement, or other document, known by him to be fraudulent or to be false as to any material matter shall be fined not more than $1,000, or imprisoned for not more than one year, or both.

(f) In this section "person" includes, but is not limited to, an officer or employee of a corporation or a member or employee of a partnership, who as officer, employee, or member is under a duty to perform the act in respect to which the violation occurs."

GLJ/bjm

cc: John Messenger
Attorney General's Office

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. Senate Bill 32 Title: "An Act relating to refunds for disaster loss under the motor fuel oil tax; & providing for an effective date."

Requested by: Legislative Finance Date: 1/28/75

Return Date Requested: January 29, 1975

Agency: Revenue Program: Audit

II. FISCAL DETAIL

Budget Request Unit(s) Affected:

A. EXPENDITURES: (Thousands of dollars)

	OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100	PERSONAL SERVICES						
200	TRAVEL						
300	CONTRACTUAL						
400	COMMODITIES						
500	EQUIPMENT						
600	LAND & STRUCTURES						
700	GRANTS, CLAIMS, ETC.						
	TOTAL	-0-	Unknown	Unknown	Unknown	Unknown	Unknown

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	Unknown	Unknown	Unknown	Unknown	Unknown
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	-0-	Unknown	Unknown	Unknown	Unknown	Unknown
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See memorandum attached.

IV. ATTACHMENTS

V. DATE: January 28, 1975 PREPARED BY: Gary L. Jenkins, Director

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

IN THE SENATE BY FERGUSON

SENATE BILL NO. 32

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to refunds for disaster loss under the motor fuel oil tax; and providing for an effective date."

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

* Section 1. AS 43.40.030(b) is amended to read:

(b) The entire tax levied by secs. 10 - 100 of this chapter shall be refunded to the purchaser on that part of the motor fuel which is (1) used in a foreign country on which duty is paid when the fuel is sold and delivered in the state for non-highway use in a foreign country, or (2) lost or destroyed as the result of natural disaster.

* Sec. 2. This Act applies retroactively to losses accuring after September 1, 1974.

* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-070(c).

RECORDS CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

2/8/90
Date

02-519 (REV 8/78)

Introduced: 3/24/75
Referred: State Affairs

IN THE SENATE BY THE STATE AFFAIRS COMMITTEE

SENATE CONCURRENT RESOLUTION NO. 34 am

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - FIRST SESSION

Relating to construction of a road between Noatak and Navyoaruk and Holy Cross and Ghost Creek.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

WHEREAS during much of the year the water level at Noatak is insufficient to allow the landing of barges carrying needed supplies and necessities of life for Alaskans living in the area; and

WHEREAS it would be entirely feasible for a road to be built connecting Noatak and Navyoaruk approximately 10 miles downriver from Noatak; and

WHEREAS construction of this proposed road would assure landing access of barges at Navyoaruk from which vital supplies, food, fuel, and other necessities could be transported to Noatak; and

WHEREAS, in addition to the above, the proposed road would provide many villages in the area access to Noatak which has the only airport in the immediate area;

BE IT RESOLVED by the Alaska State Legislature that the Governor is respectfully requested to direct the Department of Highways to construct the proposed road between Noatak and Navyoaruk and Holy Cross and Ghost Creek, utilizing local service road money; and be it

FURTHER RESOLVED that this project be of high priority during the 1975 construction season.

Introduced: 3/24/75
Referred: State Affairs

IN THE SENATE BY THE STATE AFFAIRS COMMITTEE

SENATE CONCURRENT RESOLUTION NO. 34

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - FIRST SESSION

Relating to construction of a road between Noatak and Navyoaruk.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

WHEREAS during much of the year the water level at Noatak is insufficient to allow the landing of barges carrying needed supplies and necessities of life for Alaskans living in the area; and

WHEREAS it would be entirely feasible for a road to be built connecting Noatak and Navyoaruk approximately 10 miles downriver from Noatak; and

WHEREAS construction of this proposed road would assure landing access of barges at Navyoaruk from which vital supplies, food, fuel, and other necessities could be transported to Noatak; and

WHEREAS, in addition to the above, the proposed road would provide many villages in the area access to Noatak which has the only airport in the immediate area;

BE IT RESOLVED by the Alaska State Legislature that the Governor is respectfully requested to direct the Department of Highways to construct the proposed road between Noatak and Navyoaruk, utilizing local service road money; and be it

FURTHER RESOLVED that this project be of the highest priority during the 1975 construction season.

#

RECORDS CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

2/8/90
Date

02-519 (REV 8/78)

COMMITTEE REPORT

3/25/75

SENATE

Mr. President: Date _____

The Committee on FINANCE has had SB 35
relating to public education in the unorganized borough
under consideration. A Majority of the members of the Committee

( ) recommends it DO PASS

( ) recommends it DO NOT PASS

( ) recommends it DO PASS WITH ATTACHED AMENDMENT(S)

(✓) recommends it BE REPLACED WITH CS FOR SB 35 (8655) AND THAT

CS FOR _____ DO PASS

( ) "and" recommends it BE REFERRED TO THE _____

COMMITTEE

( ) reports it back WITHOUT RECOMMENDATION

( ) "other"

Members signing the Majority report:

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Members NOT concurring in the Majority report:

[illegible] recommends: [illegible]

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[illegible] Chairman

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. SB #35

Title: Relating to Public Education in the Unorganized Borough

Requested by: Senate HESS Committee Date: 1-31-75

Return Date Requested: ASAP

Agency: Program:

II. FISCAL DETAIL

Budget Request Unit(s) Affected:

A. EXPENDITURES: (Thousands of dollars)

	OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100	PERSONAL SERVICES						
200	TRAVEL						
300	CONTRACTUAL						
400	COMMODITIES						
500	EQUIPMENT						
600	LAND & STRUCTURES						
700	GRANTS, CLAIMS, ETC.						
	TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See Attached.

IV. ATTACHMENTS

V. DATE: 2/6/75 PREPARED BY:

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

ATTACHMENT IA

Rural ASOSS Schools	FY 75 (1st Quarter)	FY 76 (Projected)
Enrollment	7522	8304
Regular Instructional Units	715	785
Special Ed. Instructional Units (Est.)	75	100
Vocational Ed. Instructional Units (Est.)	40	50
Total Instructional Units	830	935

Formula:

For FY 75:
Instructional Unit Value of $21,750 x Weighted Instructional Unit allotment of 1.32 (as defined in Sec. 14.17.051 in SB #35)* x Total Instructional Units, or $21,750 x 1.32 x 830 = $23,800.0

For FY 76:

$21,750 x 1.32 x 935 = $26,800.0

Assume increase in Instructional Unit Value of $23,500, or
$23,500 x 1.32 935 = $29,000.0

* Weighted Instructional Unit allotment (IUA) is established by applying appropriate percentages of base instructional unit allotments x Instructional units generated in the applicable election districts, and averaging.

ASOSS FY 75 authorization and revised from ASOSS Budget Submission

Instruction K - 12	$11,936.6
Food Service	2,593.2
Building Maintenance	1,658.6
Building Operation	6,235.1
Administration & Support	647.6
Exceptional Children (General Fund)	380.9
Total FY 75 ASOSS Revised Authorization	$23,452.0

ATTACHMENT IAA

ASOSS On-Base Schools	FY 75 (1st Quarter)	FY 76 (Projected)
Enrollment	7,000	6,869
Total Instructional Units (Includes Special Ed. & Vocational Ed.)	398	398
Weighted Instructional Unit Allotment*	1.08	1.08

Formula:

For FY 75:
Instructional Unit Value of $21,750 x Weighted Instructional Unit allotment of 1.08 (as defined in Sec. 14.17.051 in SB #35)* x Total Instructional Units, or $21,750 x 1.08 x 398 = $9,349.0 Total

For FY 76:
$21,750 x 1.08 x 398 = $9,349.0

Assume ISU increase of $23,500, or
$23,500 x 1.08 x 398 = $10,101.2

* Weighted Instructional Unit allotment (IUA) is established by applying appropriate percentages of base instructional unit allotments x Instructional Units generated in the applicable election districts, and averaging.

ASOSS FY 75 authorization and revised from ASOSS Budget Submission

Instruction K - 12	$7,955.4
Food Service (General Fund)	194.8
Building Maintenance	479.7
Building Operation	7,420.2
Administration & Support	298.7
Exceptional Children (General Fund)	380.9
Total ASOSS On-Base FY 75 Revised Authorization	$9,720.7

REGIONAL SERVICES

SB #35 also provides for certain obligations of the Department of Education, the Department of Regional and Community Affairs, and the Lieutenant Governor's office to perform. Furthermore, the bill provides for a Bilingual Education Fund which is applicable to all districts throughout the State. In addition, certain services performed by ASOSS require further analysis, before a specific dollar amount can be established. The DOE will provide the appropriate fiscal information as it becomes available.

Service	Military	Rural	City & Borough
Regionalization*	TBD	TBD	NA
Bilingual Fund	TBD	TBD	TBD
Tuition**	1,321.3	1,198.8	NA
Pupil transportation	426.7	547.8	NA
Elections	TBD	TBD	NA
Contingency	TBD	TBD	NA
Total Regional Services	TBD	TBD	TBD

*Regionalization is defined as:

1.	Establishing regional school attendance areas.	(Sec. 14.08.031)	SB #35 reference
2.	" " " boards.	(Sec. 14.08.041)	"
3.	" " " administration.	(Sec. 14.08.061)	"
4.	Coordinated Employee Negotiations.	(Sec. 14.08.101)	"
5.	Division of Assets and Liabilities of ASOSS	(Sec. 15)	"
6.	Instructional Media Services (PERCY)		

**ASOSS Revised Authorization FY 75

Abbreviations:
TBD = To Be Determined
NA = Not Applicable

Original sponsor: Chance

Offered: 3/25/75
Referred: Finance

IN THE SENATE

BY THE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

CS FOR SENATE BILL NO. 35

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to public education in the unorganized borough; and providing for an effective date."

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

* Section 1. AS 14.08.010 - 14.08.170 are repealed.

* Sec. 2. AS 14.93 is amended by adding new sections to read:

CHAPTER 8. EDUCATION IN THE UNORGANIZED BORCUGH [ALASKA STATE-OPERATED SCHOOL SYSTEM]

Sec. 14.08.011. PURPOSE. (a) It is the purpose of this chapter to provide for public education in the unorganized borough and the military reservations in the state.

(b) Nothing in this chapter prohibits an organized borough, city, village, community or settlement in an unorganized area of the state from becoming part of or being formed into an organized political subdivision authorized under AS 29.

Sec. 14.08.021. AUTHORITY. The legislature delegates to school boards for each regional educational attendance area the authority to operate the public schools in those areas in accordance with the provisions of this chapter, subject to the provisions of this title and the regulations promulgated under it that apply to all school districts in the state.

Sec. 14.08.031. REGIONAL EDUCATIONAL ATTENDANCE AREAS. (a) The Department of Education in consultation with the Department of Community and Regional Affairs and local communities shall divide the unorganized borough into educational service areas.

(b) An educational service area established in the unorganized borough under (a) of this section constitutes a regional educational attendance area. These areas shall consist of compact, contiguous territory and, insofar as practicable, each regional educational attendance area shall contain a relatively integrated socio-economic, linguistically and culturally homogeneous area. In the formation of the regional school attendance areas, consideration shall be given to the transportation and communication network to facilitate the administration of education and communication between communities that comprise the area. Whenever possible, municipalities, other governmental or regional corporate entities, drainage basins and other identifiable geographic features shall be used in describing the boundaries of the regional school attendance areas.

(c) Military reservation schools shall be included in a regional educational attendance area. However, operation of military reservation schools by a city or borough school district may be required by the department under AS 14.12.020(a) and AS 14.14.110.

(d) U. S. Bureau of Indian Affairs schools may be included in a regional educational attendance area.

(e) School boards for the regional educational attendance areas established under sec. 41 of this chapter shall begin operation of the schools in the region under their control on a date mutually agreed upon by the board and the commissioner, but not later than July 1, 1976.

Sec. 14.08.041. REGIONAL SCHOOL BOARDS. (a) A regional educational attendance area shall be operated on an areawide basis under the management and control of a regional school board.

(b) The qualified voters in each regional educational attendance area shall elect a regional school board of not less than five nor more than eleven members to be elected for the same term, in the same manner

and with the same qualifications as a city or borough school district board under ch. 12 of this title. The initial number of regional school board members shall be determined by the department in consultation with the local communities in the regional educational attendance areas. However, the qualified voters in a regional educational attendance area may increase or decrease the number of regional school board members established under this section by placing the question on the ballot at a regular school board election in the manner prescribed by law. A change in the number of school board members shall not be effective until the next following regular school board election.

(c) A regional school board shall consist of five, seven, nine or 11 members.

(d) Regional school board members shall be elected at large by the qualified voters of the entire regional educational attendance area. However, each seat on the school board shall be designated by letter or number, and a candidate for regional school board must indicate the seat for which he is a candidate on his declaration of candidacy or other nomination papers when he files for office.

(e) A vancancy on a regional school board shall be filled in accordance with AS 14.12.070.

Sec. 14.08.051. SCHOOL BOARD SECTIONS. (a) The commissioner in consultation with the Department of Community and Regional Affairs and the local communities may divide a regional educational attendance area into sections for the purpose of nominating and electing regional school board members. If a regional educational attendance area is divided into sections each school board member shall represent, as nearly as practicable, an equal number of persons. The basis for the division of a regional educational attendance area into sections shall be the total population of the area as reported in the most recent de-

cennial federal census. If the census is five years old or older, then other reliable population date ncluding but not limited to population estimates based on public school enrollments, public utility connections, registered voters or certified employment payrolls, shall be used as the basis for the division of the area into sections. Each section within a regional educational attendance area shall consist of compact, contiguous territory and, insofar as practicable, each section shall contain a relatively integrated socio-economic, linguistically and culturally homogeoneous area. In the division of the regional school attendance area into sections, consideration shall be given to the transportation and communication network to facilitate the administration of education and communication between communities that comprise the area. Whenever possible, municipalities, other governmental or regional corporate entities, drainage basins and other identifiable geographic features shall be used in describing the boundaries of the sections.

(b) The division of a regional educational attendance area into sections, or subsequent recasting of the section boundaries, may be proposed by the regional school board or by a petition containing signatures of qualified voters in the area equal to 15 per cent of the total vote cast in the most recent regional school board election. The division of the area into sections, or subsequent recasting of section boundaries, is subject to approval by a majority of the qualified voters voting on the questions in the regional educational attendance area at the next regular school board election or a special election called for that purpose.

(c) If a regional school attendance area has been divided into sections, the commissioner shall recast the boundaries of the sections within 90 days following the official reporting of the decennial federal census.

(d) Multi-member sections may be created. However

(1) the commissioner shall designate each seat within a multi-member section by letter or number, and a candidate for regional school board within that section must indicate the seat for which he is a candidate on his declaration of candidacy or other nomination papers when he files for office; and

(2) no section may be represented by more than

(A) three members, if a board consists of five members;

(B) four members, if a board consists of seven members;

(C) five members, if a board consists of nine members; or

(D) six members, if a board consists of 11 members.

(e) If a regional educational attendance area has been divided into sections, board members shall be residents of the section from which they are elected, but they shall be elected by the qualified voters of the entire regional educational attendance area.

Sec. 14.08.061. TERM OF OFFICE. (a) Members elected to a regional school board shall serve staggered three-year terms. However,

(1) the term of office of all of the members of a regional school board elected from the same multi-member section may not expire at the same time; and

(2) for the first board elected, the term of office of each member shall be determined by lot, according to the following schedule:

(A) the members of the first five-member school board shall hold office for terms as follows: one member for a one-year term; two for a two-year term and two for a three-year term;

(B) the members of the first seven-member school board hold office for terms as follows: two members for a one-year term, two for a two-year term and three for a three-year term;

(C) the members of the first nine-member school board hold office for terms as follows: three for a one-year term; three for a two-year term and three for a three-year term;

(D) the members of the first 11-member school board hold office for terms as follows: three for a one-year term, four for a two-year term and four for a three-year term.

(b) If a regional educational attendance area is divided into sections under sec. 51 of this chapter where the school board formerly was elected at large, or if the number of regional school board members is increased or decreased by the qualified voters in the regional educational attendance area under sec. 41(b) of this chapter, then the term of office of all members of the existing board shall terminate on the date on which the new board members take office, and the provisions of (a) of this section are applicable to the determination of the terms of office of the new members of the regional school boards.

Sec. 14.08.071. ELECTIONS. (a) In each regional educational attendance area in the unorganized borough, the lieutenant governor, within 60 days of the effective date of this section, shall provide for the election of a regional school board.

(b) Except for the first election of regional school board members under (a) of this section, election shall be held annually on the first Tuesday in October ~~at the time of regular municipal elections under AS 29.28.020.~~ Elections shall be supervised by the director of elections in the office of the lieutenant governor, but shall be administered within second class cities as part of the regular municipal election. The lieutenant governor shall promulgate regulations for the conduct of the election of regional school board members comparable, insofar as practicable, to those prescribed for election of school board members under ch. 12 of this title and AS 29.28.

(c) The cost of each regional school board election, or recall election under sec. 81 of this chapter, shall be borne by the state.

Sec. 14.08.081. RECALL. The members of a regional school board are subject to recall in accordance with AS 29.28.130 - 29.28.250, except that the commissioner of education shall perform the functions of a municipal clerk, and the state Board of Education shall perform the functions of the assembly or council under those sections.

Sec. 14.08.091. TRANSITION. The state Board of Education shall act as the regional school board for those schools in the unorganized borough and or military reservation that are not within a regional educational attendance area which has been established and become operational under sec. 31 of this chapter. While acting as the regional school board for those schools, the state board may exercise the powers of a regional school board under sec. 111 of this chapter and is subject to the same duties as a regional school board under sec. 121 of this chapter.

Sec. 14.08.101. ADMINISTRATION. (a) The regional school boards shall be organized in accordance with AS 14.14.070, and, before taking office, each school board member shall take and sign the oath or affirmation prescribed by AS 14.12.090.

(b) The officer of the board responsible for the custody of regional educational attendance area funds shall execute a bond of $50,000 with the commissioner.

Sec. 14.08.111. POWERS. A regional school board may;

(1) sue and be sued;

(2) contract and be contracted with, including contracting with the department, the Bureau of Indian Affairs, or any other school district, agency, or regional board for the provision of services, facilities, supplies or utilities;

(3) determine its own fiscal procedures including but not

limited to policies and procedures for the purchase of supplies and equipment; the regional school boards are exempt from the Fiscal Procedures Act (AS 37.05);

(4) appoint, compensate and otherwise control all school employees in accordance with this title; these employees are not subject to the State Personnel Act (AS 39.25);

(5) adopt regulations governing organization, policies and procedures for the operation of the schools;

(6) establish maintain, operate, discontinue and combine schools subject to the approval of the commissioner;

(7) recommend to the commissioner a school construction and rehabilitation program based on an evaluation of the condition of existing school facilities and a determination of the requirements for new school construction, rehabilitation or other upgrading of school facilities; and

(8) exercise those other functions that may be necessary for the proper performance of its responsibilities.

Sec. 14.08.121. DUTIES. A regional school board shall:

(1) provide, during the school term of each year, an educational program for each school age child who is a resident of the district;

(2) develop a philosophy of education, principles and goals for its schools;

(3) employ a chief school administrator and approve the employment of the professional administrators, teachers and non-certificated personnel necessary to operate its schools;

(4) establish the salaries to be paid its employees;

(5) designate the employees authorized to direct disbursements from the school funds of the board;

(6) submit the reports prescribed for all school districts;

(7) provide for an annual audit in accordance with AS 14.14.-050; and,

(8) provide custodial services and routine maintenance of school buildings and facilities.

Sec. 14.08.131. FUNDING. (a) The legislature shall fund the operational costs of the regional educational attendance area schools in the following manner:

(1) the amount of basic need as defined in AS 14.17.021(b); and

(2) an additional amount equal to the average locally produced revenues per pupil in average daily membership (ADM) in the city and borough school districts in the prior fiscal year.

(b) Funds for the operation of the regional educational attendance area schools shall be appropriated annually to the Department of Education for distribution to the regional school boards in the manner prescribed in AS 14.17.160 - 14.17.180.

Sec. 14.08.141. CONFLICT OF INTEREST; DISQUALIFICATION FROM VOTING. A board member having a direct or indirect pecuniary interest in a contract for erection of buildings, heating, ventilation, furnishing or repairing the buildings or in a contract for the furnishing of supplies for a regional school is disqualified from voting on any question involving his pecuniary interest unless the member has disclosed that interest to the board and the remaining members have approved the member's participation in the voting.

Sec. 14.08.151. REGIONAL RESOURCE CENTERS. A regional educational attendance area or any other school district in the state may participate in regional or statewide resource centers which may be established by the department. Services provided by a resource center include, but are not limited to accounting and fiscal services, media services, instructional

support services, inservice and staff development services, student services, diagnostic services, school management and training services and school board member training.

* Sec. 3. AS 14.12.010 is amended to read:

Sec. 14.12.010. DISTRICTS OF STATE PUBLIC SCHOOL SYSTEM. The districts of the state public school system are as follows:

(1) each first [, SECOND, AND THIRD] class city in the unorganized borough is a city school district;

(2) each organized borough is a borough school district;

(3) the area outside organized boroughs and outside first [, SECOND AND THIRD] class cities is divided into regional educational attendance areas [THE STATE-OPERATED SCHOOL DISTRICT].

* Sec. 4. AS 14.12.020(a) is repealed and re-enacted to read:

(a) Each regional educational attendance area shall be operated on a districtwide basis under the management and control of a regional school board. The regional school board manages and controls schools on military reservations within its regional educational attendance area until the military mission is terminated or so long as management and control by the regional educational attendance area is approved by the department. However, operation of the military reservation schools by a city or borough school district may be required by the department under AS 14.14.110. If the military mission of a military reservation terminates or continued management and control by the regional educational attendance area is disapproved by the department, operation, management and control of schools on the military reservation transfers to the city or borough school district in which the military reservation is located.

* Sec. 5. AS 14.12.020(c) is amended to read:

(c) The legislature shall provide the state money necessary to maintain and operate the regional educational attendance areas [STATE-

OPERATED SCHOOL DISTRICT]. The borough assembly for a borough school district, and the city council for a city school district, shall provide the money which must be raised from local sources to maintain and operate the district.

* Sec. 6. AS 14.14.170 is amended to read:

Sec. 14.14.170. COMMUNITY [ADVISORY] SCHOOL COMMITTEES [BOARDS]. (a) There is established a community [AN ADVISORY] school committee [BOARD] in each community or military reservation served by a school operated by a regional educational attendance area [THE STATE OR BY A CITY OR BOROUGH SCHOOL DISTRICT BY CONTRACT WITH THE STATE]. If the regional educational attendance area [STATE-OPERATED] school has an average daily membership of less than 251 pupils, the community [ADVISORY] school committee [BOARD] consists of three members. If the average daily membership is more than 250 pupils, the community [ADVISORY] school committee [BOARD] consists of five members.

[(b) VOTERS QUALIFIED UNDER SEC. 180 OF THIS CHAPTER, AT AN ELECTION, MAY CREATE AN ON-BASE ADVISORY SCHOOL BOARD WHICH SHALL BE ADVISORY TO THE GOVERNING BODY OF THE SCHOOL DISTRICT THAT OPERATES THE ON-BASE SCHOOLS. THE DATE OF ELECTION FOR ON-BASE ADVISORY SCHOOL BOARD MEMBERS, WHERE THE SCHOOLS ARE OPERATED BY A CITY OR BOROUGH SCHOOL DISTRICT BY CONTRACT, SHALL BE THE SAME AS THAT FOR THE REGULAR MUNICIPAL ELECTION IN THE CONTRACTING CITY OR BOROUGH.]

(c) In communities qualifying for three-member community [ADVISORY] school committees [BOARDS] under (a) of this section, voters qualified under sec. 180 of this chapter may increase the committee [BOARD] to five members by referendum conducted at an election coinciding with an election for community [ADVISORY] school committee [BOARD] members. In communities qualifying for five-member community [ADVISORY] school committees [BOARDS] under (a) of this section, voters qualified under

sec. 180 of this chapter may increase the committee [BOARD] to seven members by referendum conducted at an election coinciding with an election for community [ADVISORY] school committee [BOARD] members.

(d) The date of election for community [ADVISORY] school committee [BOARD] members is the same as that for regular municipal elections in the second class city having the largest population in the area served by the committee [BOARD] or, if there is no second class city within the area, on an annual election date for such elections fixed by regulations [REGULATION] of the department [BOARD OF DIRECTORS FOR STATE-OPERATED SCHOOLS].

(e) Elections under (c) and (d) of this section shall be conducted upon such notice and otherwise substantially in the same manner as regular municipal elections which are held within the largest second class city in the area served by the committee [BOARD]. If there is no second class city within the area, elections shall be conducted upon at least 10 days published or posted public notice of the election and of the question or nominees to be voted on and under general rules for the elections as may be promulgated by regulation of the department [BOARD OF DIRECTORS FOR STATE-OPERATED SCHOOLS]. Elections relating to community [ADVISORY] school committees [BOARDS] shall be supervised by the regional school board [DIRECTOR OF STATE-OPERATED SCHOOLS] but shall be administered within second class cities as part of the regular municipal election.

(f) Elected members of community [ADVISORY] school committees [BOARDS] are subject to recall in accordance with the provisions of AS 29.28.130 - 29.28.250, except that the chief school administrator of a regional educational attendance area [DIRECTOR OF STATE-OPERATED SCHOOLS] shall perform the functions of the municipal clerk, and the regional school board [BOARD OF DIRECTORS FOR STATE-OPERATED SCHOOLS]

shall perform the functions of the assembly or council under those sections.

* Sec. 7. AS 14.14.180 is amended to read:

Sec. 14.14.180. QUALIFICATIONS OF COMMUNITY [ADVISORY] SCHOOL COMMITTEE [BOARD] MEMBERS AND VOTERS. (a) A person may vote at an election for community [ADVISORY] school committee [BOARD] members and may be elected to membership on a community [AN ADVISORY] school committee [BOARD] who

(1) is a citizen of the United States;

(2) has passed his 18th birthday;

(3) is an inhabitant of the area served by the school for at least 30 days preceding the election.

(b) Election to a community [AN ADVISORY] school committee [BOARD] is not an election to a civil office of this state.

* Sec. 8. AS 14.14.190 is amended to read:

Sec. 14.14.190. TERMS OF OFFICE AND VACANCY. (a) The terms of the initial members of a three-member community [ADVISORY] school committee [BOARD] are one, two, and three years, respectively, and [EACH] until a successor takes office. Thereafter, members shall be elected to terms of three years and until a successor takes office.

(b) Of the initial members of a community [AN ADVISORY] school committee [BOARD] which consists of five members, one member is elected for a one-year term, two members for a two-year term, and two members for a three-year term, and [EACH] until a successor takes office. Thereafter, all members are elected to terms of three years and until a successor takes office.

(c) If a three-member community [ADVISORY] school committee [BOARD] is increased to a five-member committee [ADVISORY SCHOOL BOARD], the two additional members are elected for terms of two years and three years

respectively. Thereafter, all members are elected to three-year terms. If a five-member committee [ADVISORY SCHOOL BOARD] is increased to a seven-member committee [ADVISORY SCHOOL BOARD], the two additional members are elected for terms of two years and three years respectively. Thereafter, all members are elected to three-year terms and until a successor takes office.

(d) Vacancies on community [ADVISORY] school committees [BOARDS] will be filled by the remaining members until the next regular election. At that time an election will be held for the remaining portion of the term.

* Sec. 9. AS 14.14.200 is repealed and re-enacted to read:

Sec. 14.14.200. DUTIES. A community school committee shall review and make recommendations to the board of the regional educational attendance area concerning the curriculum, program and general operation of the local school and shall exercise additional responsibilities and functions as may be delegated by the regional school board.

* Sec. 10. AS 14.14.310 is amended to read:

Sec. 14.14.310. DEFINITIONS. In secs. 250 - 310 of this chapter

(1) "board" means the governing body of a borough or city school district, or the board of a regional educational attendance area [DIRECTORS FOR THE STATE-OPERATED SCHOOLS];

(2) "district" means a borough or city school district or a regional educational attendance area [THE STATE-OPERATED SCHOOL SYSTEM].

* Sec. 11. AS 14.17.051 is repealed and re-enacted to read:

Sec. 14.17.051. INSTRUCTIONAL UNIT ALLOTMENT. (a) The instructional unit allotment for each school district is as follows:

(1) if the school district is in that part of the state lying within the boundaries of election district 1, 4 or 8, the district shall

receive the base instructional allotment;

(2) if the school district is in that part of the state lying within the boundaries of election district 2, 3 or 7, the district shall receive 104 per cent of the base instructional unit allotment;

(3) if the school district is in that part of the state lying within the boundaries of election district 5, 9, 10 or 11, the district shall receive 108 per cent of the base instructional unit allotment;

(4) if the school district is in that part of the state lying within the boundaries of election district 16, south of the Arctic Circle, the district shall receive 112 per cent of the base instructional unit allotment;

(5) if the school district is in that part of the state lying within the boundaries of election district 6, the district shall receive 116 per cent of the base instructional unit allotment;

(6) if the school district is in that part of the state lying within the boundaries of election district 12, 13 or 18, the district shall receive 128 per cent of the base instructional unit allotment;

(7) if the school district is in that part of the state lying within the boundaries of election district 14 or 19, the district shall receive 132 per cent of the base instructional unit allotment;

(8) if the school district is in that part of the state lying within the boundaries of election district 15, 16 (north of the Arctic Circle), or 17, the district shall receive 136 per cent of the base instructional unit allotment.

(b) The instructional unit allotment established in (a) of this section for any school district which does not have access to Anchorage, Ketchikan or Fairbanks by road, railroad or ferry shall be increased an additional five per cent above its instructional unit allotment under (a)(1) - (8) of this section.

(c) For the purposes of this section, a school district is considered to be located in the election district in which its administrative offices are located. However, if a school district operating a school in a remote area is authorized by the commissioner to calculate the number of units to which that school is entitled under sec. 31(c) of this chapter the commissioner may consider that school to lie in the election district in which it is actually located.

(d) For the purposes of this section,

(1) "election district" means an election district designated in the governor's proclamation of reapportionment and redistricting of December 7, 1961, and retained as to the House of Representatives by the governor's proclamation of September 3, 1965;

(2) "school district" means a city or borough school district or a regional educational attendance area.

* Sec. 12. AS 14.17.210 is amended to read:

Sec. 14.17.210. STATE AID TO NEWLY ESTABLISHED DISTRICT SCHOOLS. (a) A <u>regional educational attendance area</u> [STATE] school which becomes a <u>city or borough</u> district school is considered a <u>regional educational attendance area</u> [STATE] school for purposes of financial support until the expiration of a complete fiscal year after the date on which the school becomes a <u>city or borough</u> district school. This subsection does not prevent a local government from spending money to contribute to the financial support of a <u>regional educational attendance area</u> [STATE] school which becomes a <u>city or borough</u> district school.

(b) For each subsequent fiscal year, the state shall disburse to the <u>city or borough school</u> district only the money to which the district is entitled under the public school foundation program.

[(c) IN THIS SECTION

(1) "STATE SCHOOL" MEANS A SCHOOL OPERATED BY THE DEPARTMENT

OF EDUCATION OR STATE-OPERATED SCHOOL SYSTEM AND ENTIRELY FINANCED BY STATE MONEY; AND

(2) "DISTRICT SCHOOL" MEANS A SCHOOL WHICH COMES UNDER THE JURISDICTION OF A DISTRICT.]

* Sec. 13. AS 14.17.250(3) is amended to read:

(3) "district" means any city or borough school district [, BUT DOES NOT INCLUDE SCHOOLS IN THE STATE-OPERATED SCHOOL DISTRICT];

* Sec. 14. AS 14.20.175(a) is amended to read:

(a) A teacher who has not acquired tenure rights is subject to nonretention for the school year following the expiration of his contract for any cause which the employer determines to be adequate. However, at his request, the teacher is entitled to a written statement of the cause for his nonretention. The boards of city and borough school districts and regional educational attendance areas [BOARD OF DIRECTORS FOR STATE SCHOOLS, AND THE DISTRICTS FOR DISTRICT SCHOOLS,] shall provide by regulation or bylaw a procedure under which a nonretained teacher may, at his request, be heard informally by [A PANEL CONSISTING OF THE COMMISSIONER AND TWO OR MORE BOARD MEMBERS IN THE CASE OF STATE SCHOOLS, AND BY] the [LOCAL SCHOOL] board [IN THE CASE OF A DISTRICT SCHOOL].

* Sec. 15. AS 14.20.180(b) is amended to read:

(b) The tenure teacher may, within 15 days immediately following receipt of the notification, notify the employer in writing that he requests a hearing before the school board [, OR IF THE TENURE TEACHER IS EMPLOYED BY THE STATE, BEFORE AN APPEAL PANEL CONSISTING OF THE DIRECTOR AND TWO MEMBERS OF THE BOARD]. The tenure teacher may require in the notification that

(1) the hearing be either public or private,

(2) the hearing be under oath or affirmation,

(3) he have the right of cross-examination,

(4) he be represented by counsel,

(5) he have the right to subpoena a person who has made allegations which are used as a basis for the decision of the employer.

* Sec. 16. AS 14.20.180(c) is amended to read:

(c) Upon receipt of the notification requesting a hearing, the employer shall immediately arrange for a hearing, and shall notify the tenure teacher or administrator in writing of the date, time, and place of the hearing. A written transcript, tape, or similar recording of the proceedings shall be kept. Transcribed copies shall be furnished to the tenure teacher for cost upon his request. A final decision of the school board [OR THE APPEAL PANEL] requires a majority vote of the membership. The vote shall be by roll call. The final decision shall be written and contain specific findings of fact and conclusions of law. A written notification of the decision shall be furnished to the tenure teacher within 10 days of the date of the decision.

* Sec. 17. AS 14.20.205 is amended to read:

Sec. 14.20.205. JUDICIAL REVIEW. If a school board [OR APPEAL PANEL] reaches a decision unfavorable to a teacher, the teacher is entitled to a de novo trial in the superior court. However, a teacher who has not attained tenure rights is not entitled to judicial review according to this section.

* Sec. 18. AS 14.20.207(2) is amended to read:

(2) "employer" means the school board or superintendent which appoints the teacher [OR, IN THE CASE OF A TEACHER IN THE STATE-OPERATED SCHOOLS, THE BOARD OF DIRECTORS FOR THE STATE-OPERATED SCHOOLS];

* Sec. 19. AS 14.20.230 is amended to read:

Sec. 14.20.230. ADMINISTRATORS' SALARIES. School boards of <u>city and borough school districts and regional educational attendance areas</u> [DISTRICT SCHOOLS AND THE BOARD OF THE STATE-OPERATED SCHOOLS] shall pay

a qualified school administrator a salary not less than the allowable amount for his position on the teachers' scale provided in sec. 220(a) - (c) of this chapter, plus

(1) 25 per cent for the chief school administrator of a district with an average daily membership of 500 or more;

(2) 20 per cent for the chief school administrator of a district with an ADM of less than 500;

(3) 15 per cent for a principal or other administrator;

(4) 10 per cent for an assistant principal.

* Sec. 20. AS 14.20.550 is amended to read:

Sec. 14.20.550. NEGOTIATION WITH CERTIFICATED EMPLOYEES. Each <u>city, borough and regional</u> school board [, AND THE BOARD OF DIRECTORS FOR THE STATE-OPERATED SCHOOLS,] shall negotiate with its certificated employees in good faith on matters pertaining to their employment and the fulfillment of their professional duties.

* Sec. 21. AS 14.20 is amended by adding a new section to read:

Sec. 14.20.555. OPTIONAL COORDINATED EMPLOYEE NEGOTIATIONS. (a) Negotiations between the employees of any or all city, borough or regional school districts and the respective district boards may, by mutual agreement of the boards and the employee groups involved, be conducted by one team representing all the certificated employees, one team representing all the certificated administrative personnel if they have joined together to negotiate independently as provided in AS 14.20.560(f), and one team representing all the participating school boards.

(b) Each team shall consist of as many members as there are participating school districts. However, each negotiating team shall consist of not less than five members.

(c) Once negotiations have begun no district or employee group may withdraw from the negotiations, and the contract resulting from the

coordinated negotiations shall be binding upon all participating boards and employees.

* Sec. 22. AS 14.30.186(b) is amended to read:

(b) The board of a regional educational attendance area [STATE-OPERATED SCHOOLS] shall provide for special services in a school in the area [STATE-OPERATED SCHOOL DISTRICT] for exceptional children represented by not less than five children residing in the area served by the school.

* Sec. 23. AS 14.30.186(d) is amended to read:

(d) A school district or a regional educational attendance area [STATE-OPERATED SCHOOL] required by secs. 10 - 305 of this chapter to provide special services for exceptional children may cooperate with one or more school districts or regional educational attendance areas [STATE-OPERATED SCHOOLS] in providing special classes. If, under the cooperative agreement, there are no special classes offered within a school district or regional educational attendance area [STATE-OPERATED SCHOOL], exceptional children may attend special classes in the cooperating school district or regional educational attendance area [STATE-OPERATED SCHOOL] providing the special classes.

* Sec. 24. AS 14.30.260 is amended to read:

Sec. 14.30.260. EXCEPTION TO QUALIFICATIONS. The school board for a district or a regional educational attendance area [, OR THE BOARD OF DIRECTORS FOR A SCHOOL IN THE STATE-OPERATED SCHOOL DISTRICT IN WHICH SPECIAL SERVICES ARE PROVIDED FOR,] may waive part of the qualifications for teachers as set out in sec. 250 of this chapter, if necessary, during the first school year special services are offered in the district or area [OR IN THE SCHOOL IN THE STATE-OPERATED SCHOOL DISTRICT].

* Sec. 25. AS 14.30 is amended by adding new sections to read:

ARTICLE 4. BILINGUAL-BICULTURAL EDUCATION.

Sec. 14.30.400. BILINGUAL-BICULTURAL EDUCATION. City and borough district school boards and regional educational attendance area boards shall provide a bilingual-bicultural education program for each school in a city or borough school district and regional educational attendance area which is attended by at least 10 pupils of limited English-speaking ability and whose primary language is other than English. A bilingual-bicultural education program shall be provided under a plan of service which has been developed in accordance with regulations adopted by the department. Nothing in this section precludes a bilingual-bicultural education program from being provided for less than 10 pupils in a school.

Sec. 14.30.410. BILINGUAL-BICULTURAL EDUCATION FUND. (a) There is in the Department of Education a bilingual-bicultural education fund which is an account in the general fund to receive money appropriated by the legislature for bilingual-bicultural education and to be used for bilingual-bicultural education program implementation and operation.

(b) The department shall adopt regulations for the determination of entitlement and the distribution of bilingual-bicultural funds to city and borough and regional educational attendance areas.

* Sec. 26. AS 14.33.010 is amended to read:

Sec. 14.33.010. REQUIREMENTS FOR SCHOOL SAFETY PATROLS. The [BOARD OF THE STATE-OPERATED SCHOOLS, FOR THE BENEFIT OF SCHOOLS IN THE STATE-OPERATED SCHOOL DISTRICT, OR THE] school board of a borough or city school district <u>or regional educational attendance area</u>, or a private or denominational school may require that school safety patrols be established to assist pupils to cross streets and highways adjacent to schools in safety.

* Sec. 27. AS 14.33.020(a) is amended to read:

(a) If [THE STATE DIRECTOR,] a school board, or a private or de-

nominational school determines that a safety patrol should be established for a school, the principal of the school shall appoint pupils in the school to serve as members of the patrol.

* Sec. 28. AS 14.60.010(5) is amended to read:

(5) "governing body" means the school board of a borough or city school district or the board of a regional educational attendance area [DIRECTORS FOR THE STATE-OPERATED SCHOOL DISTRICT];

* Sec. 29. AS 14.60.010(6) is amended to read:

(6) "school board" means the school board of a borough or city school district or the board of a regional educational attendance area [DIRECTORS OF THE STATE-OPERATED SCHOOL DISTRICT];

* Sec. 30. AS 14.60.010(7) and (8) are repealed.

* Sec. 31. AS 14.60.010 is amended by adding a new paragraph to read:

(10) "regional educational attendance area" means an educational service area in the unorganized borough, that may or may not include a military reservation, and which contains one or more public schools of grade levels K-12 or any portion of those grade levels which are to be operated under the management and control of a single regional school board.

* Sec. 32. AS 29.33.050 is repealed and re-enacted to read:

Sec. 29.33.050. EDUCATION. Each borough constitutes a borough school district and establishes, maintains, and operates a system of public schools on an areawide basis as provided in AS 14.14.060. A military reservation within an organized borough is not part of the borough school district until the military mission is terminated or until inclusion in the borough school district is approved by the Department of Education. However, operation of the military reservation schools by the borough school district may be required by the Department of Education under AS 14.14.110. If the military mission of a military reserva-

tion terminates or continued management and control by a regional educational attendance area is disapproved by the Department of Education, operation, management and control of schools on military reservations transfers to the borough school district in which the military reservation is located.

* Sec. 33. AS 29.41.010(a) is repealed and re-enacted to read:

(a) A third class borough shall exercise the areawide powers of education and tax assessment and collection in the manner provided for second class boroughs. Provisions of law relative to first and second class organized boroughs apply with respect to third class boroughs only to the extent they are consistent with this chapter. A military reservation within an organized borough is not part of the borough school district until the military mission is terminated or until inclusion in the borough school district is approved by the Department of Education. However, operation of the military reservation schools by the borough school district may be required by the partment of Education under AS 14.14.110. If the military mission of a military reservation terminates or continued management and control by a regional educational attendance area is disapproved by the Department of Education, operation, management and control of schools on military reservations transfers to the borough school district in which the military reservation is located.

* Sec. 34. AS 39.05.060(a)(8) is repealed.

* Sec. 35. AS 39.25.110(8) is amended to read:

(8) certificated teachers <u>and noncertificated employees</u> employed by the state <u>or a regional educational attendance area</u> to teach in<u>, administer or operate</u> schools operated by the state <u>or by a regional educational attendance area</u>;

* Sec. 36. (a) The property and assets of the state-operated schools are transferred to the Department of Education for redistribution to the regional

educational attendance areas in the manner the department determines. The debts of the state-operated schools shall be assumed by the general fund of the state. All litigation, hearings, investigations and other proceedings pending under a law amended for functions which may be transferred by this Act, continue in effect and may be continued and completed notwithstanding a transfer or amendment provided for in this Act. Certificates, orders, rules or regulations issued or filed under authority of a law amended by this Act or functions which may be transferred by this Act, remain in effect for the term issued, unless revoked, vacated, or otherwise modified under the provisions of this Act. All contracts or other obligations created by a law amended by this Act or by virtue of functions which may be transferred by this Act, and in effect on the effective date of this Act, remain in effect unless revoked or modified under the provisions of this Act. All contracts for the provision of utilities services to the schools of the State-Operated School System shall be assumed and continued by the respective regional educational attendance areas.

(b) All state and federal funds appropriated to the state-operated school system are transferred to the department for distribution to the regional educational attendance areas.

* Sec. 37. (a) All teachers, as defined in AS 14.20.207(1), in the communities or regional offices served by the State-Operated School System on the effective date of this Act and who have been retained for the 1975-76 school year are subject to the provisions of AS 14.20.147.

(b) All permanent non-certificated employees of the State-Operated School System in the communities and regional offices who are state employees on the effective date of this Act and who have been retained for the 1975-76 school year are entitled to continued employment in their current positions.

(c) The Department of Education shall assist the certificated and permanent non-certificated employees in the central office of the State-

Operated School System on the effective date of this Act in finding positions for which they are qualified.

* Sec. 38. AS 14.08.031, 14.08.051 and 14.08.071, as enacted by sec. 2 of this Act take effect immediately in accordance with AS 01.10.070(c). AS 14.-08.011 - 14.08.021, 14.08.041, 14.08.06_, and 14.08.081 - 14.08.151, as enacted by sec. 2 of this Act and secs. 1 and 3 - 37 of this Act take effect July 1, 1975.

02-001B

STATE
of ALASKA

MEMORANDUM

ANSWER - FILE WITH BILL

TO:

The Honorable Bill Ray
Chairman
Senate Finance Committee

DATE: April 28, 1975

FROM: Lowell Thomas, Jr.
Lieutenant Governor
Office of the Lieutenant Governor

SUBJECT: CS for Senate Bill 35

The CS for Senate Bill 35 provides for the election of regional school boards by the Lieutenant Governor.

Sec. 14.08.071 (a) provides that within 60 days of the effective date of this section, elections for regional school boards shall be held. The regional educational attendance area should be established prior to the elections. If CS for Senate Bill 35 is enacted, all the elections must be held within 60 days. In some of the regional attendance area, we anticipate a mail problem in sending and receiving petitions for the filings of school board candidates. Language similar to that in AS. 29.-28.120 would allow sufficient time for candidates to file and for ballots and supplies to be printed and returned for the election.

SUGGESTED LANGUAGE: Page 6, line 15: after "within" add "not less than" and after "60" add "nor more than 90". Delete "of the effective date of this section", after "days" insert "after the establishment of the regional educational attendance area".

Sec. 14.08.071 (a) would read: "In each regional educational attendance area in the unorganized borough, the Lieutenant Governor, within not less than 60 nor more than 90 days after the establishment of the regional educational attendance area, shall provide for the election of a regional school board".

Sec. 14.08.071 (b) requires the annual election of school board members "on the first Tuesday in October at the time of regular municipal election under AS. 29.28.020". AS. 29.28.020 provides that the regular municipal election will occur on "the first Tuesday of October annually, or on a date of election or at an interval of years provided by ordinance." The Directory of Borough & City Officials published by the Department of Community & Regional Affairs, lists 39 second class cities with municipal elections held at times other than the first Tuesday in October. The Division of Elections recommends that all regional school board elections occur at the same time.

SUGGESTED LANGUAGE: Page 6, lines 27 and 28, delete the following: "at the time of regular municipal elections under AS. 29.28.020".

FILE WITH BILL

TELEGRAM

RCA ALASKA COMMUNICATIONS, INC
PHONE: 586-6440
JUNEAU, ALASKA 99801

1975 APR 23 PM 1 45

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02022 ANCHORAGE AK 113 04-23 1033A ADT

PMS SENATE FINANCE COMMITTEE MEMBERS

2348

RM 423 CAPITOL BLDG

JUN

FOLLOWING IS TEXT OF TWO TELEGRAMS RECEIVED IN OUR OFFICE THIS MORNING FROM FT YUKON SCHOOL BOARD AND FROM GWITCHA GWITCHIN GINHKYE REGARDING SB 35, RELATING TO EDUCATION IN THE UNORGANIZED BOROUGH:

"THIS IS IN SUPPORT OF SB 35 WHICH WILL GREATLY BENEFIT THE RURAL EDUCATION AREA. SINCE EDUCATION IS THE ROOT OF ALL RURAL RESIDENTS, THIS IS IN SUPPORT OF HOUSE AND SENATE FINANCE COMMITTEES TO CONSIDER SB 35 AS FIRST PRIORITY AND PASS IT THIS YEAR."

HB 24 AND SB 35 RECEIVED HIGH PRIORITY ENDORSEMENT FROM STATEWIDE CONFERENCE ON RURAL LEGISLATIVE PRIORITIES HELD IN JUNEAU LAST MONTH. REQUEST COMMITTEE ACTION TO MOVE BILLS TO A FLOOR VOTE. THANK YOU.

PHIL SMITH EXECUTIVE DIRECTOR RURA CAP

FILE WITH BILL

TELEGRAM

RCA ALASKA COMMUNICATIONS, INC.
PHONE: 586-6440
JUNEAU, ALASKA 99801

1975 APR 22 PM 6 33

Ø2Ø27 ANCHORAGE AK 169 Ø4-22 215P ADT

PMS SEN BILL RAY

2235

JUN

FOR YOUR INFORMATION AND USE THE ALASKA FEDERATION OF NATIVES INC. HUMAN RESOURCES COMMITTEE MET IN ANCHORAGE ALASKA ON APRIL 15 1975 TO DISCUSS A NUMBER OF IMPORTANT ISSUES, DURING THE MEETING THEY STRONGLY ENDORSED SEVERAL PIECES OF PENDING STATE LEGISLATION. ONE OF THE MORE IMPORTANT ONES STRONGLY ENDORSED INCLUDED SB35 AS AMENDED REGARDING EDUCATION IN THE UNORGANIZED BOROUGH. WE UNDERSTAND THIS BILL IS LODGED IN THE FINANCE COMMITTEE AND WOULD STRONGLY RECCOMMEND SOME ACTION. THE LONGER YOU WAIT THE MORE CONFUSION WILL RESULT WITH VALUABLE TIME LOST IN TRANSITIONAL ACTIVITIES.

THE AFN HUMAN RESOURCES COMMITTEE IS COMPOSED OF A REPRESENTATIVE FROM EACH ALASKA NATIVE NON PROFIT REGIONAL CORPORATION AND CHARGED BY THE AFN CONVENTION AND BOARD WITHTHE HUGE RESPONSIBILITY OF SEEKING SOLUTIONS TO STATEWIDE PROBLEMS IN THE AREAS OF HEALTH, EDUCATION, SOCIAL SERVICES, MANPOWER, AND OTHERS. PASSAGE OF SB35 IS INCLUDED IN OUR ACTIVITIES TOWARD THE OVERALL GOAL TO ADVOCATE A MORE RESPONSIVE AND EFFECTIVE STATE EDUCATION DELIVERY SYSTEM IN ALASKA.

GORDON JACKSON EXECUTIVE VICE PRESIDENT HUMAN RESOURCES ADMINISTRATION ALASKA FEDERATION OF NATIVES INC

SOUTHEASTERN ALASKA COMMUNITY ACTION PROGRAM

FILE WITH BILLS

JUNEAU CENTER
P.O. BOX 449
JUNEAU, ALASKA 99801
PHONE: 907 586-1990

April 22, 1975

Senator Bill Ray
Pouch V
Juneau, Alaska 99811

Dear Senator,

We urge your active support for bills S.B. 35 and S.B. 136 and S.B. 239. These bills are very essential to the future welfare of our villages. They will help assure better education for our rural schools which is one of our goals in the war on poverty.

Respectfully Yours,

William A. Marsh

William A. Marsh
South East Alaska Community Action

Introduced: 1/20/75
Referred: Health, Education and Social Services and Finance

IN THE SENATE BY CHANCE

SENATE BILL NO. 35

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to public education in the unorganized borough; and providing for an effective date."

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

* Section 1. AS 14.08.010 - 14.08.170 are repealed.

* Sec. 2. AS 14.08 is amended by adding new sections to read:

CHAPTER 8. ALASKA STATE-OPERATED SCHOOLS [SCHOOL SYSTEM].

Sec. 14.08.011. PURPOSE. (a) It is the purpose of this chapter to provide for public education in the unorganized borough.

(b) Nothing in this chapter prohibits an organized borough, city, village, community or settlement in an unorganized area of the state from becoming part of or being formed into an organized political subdivision authorized under AS 29.

Sec. 14.08.021. AUTHORITY. Acting in its capacity as the assembly for the unorganized borough under art. X, sec. 6 of the Constitution of the State of Alaska and AS 29.03.020, the legislature delegates to school boards for each regional school attendance area the authority to operate the public schools in those areas in accordance with the provisions of this chapter, subject to the provisions of this title and the regulations promulgated under it that apply to all school districts in the state.

Sec. 14.08.031. REGIONAL SCHOOL ATTENDANCE AREAS. (a) The Department of Education in consultation with the Department of Community and Regional Affairs shall divide the unorganized borough into

educational service areas. Insofar as practicable the boundaries of the educational service areas shall be coterminous with the boundaries of the administrative regions of the state-operated schools as they existed on the effective date of this chapter.

(b) An educational service area established in the unorganized borough under (a) of this section constitutes regional school attendance area.

Sec. 14.08.041. REGIONAL SCHOOL ATTENDANCE AREA BOARDS. (a) A regional school attendance area shall be operated on an areawide basis under the management and control of a regional school board.

(b) The qualified voters in each regional school attendance area shall elect a regional school board of not less than five nor more than nine members to be elected for the same term, in the same manner and with the same qualifications as a city or borough school district board under ch. 12 of this title. The initial number of regional school board members shall be determined by the department. However, the qualified voters in a regional school attendance area may increase or decrease the number of regional school board members, within the minimum and maximum number of members established by this section, by placing the question on the ballot at a regular school board election in the manner prescribed by law. A regional school attendance area board shall always consist of five, seven or nine members.

(c) A vacancy on a regional school attendance area board shall be filled in accordance with AS 14.12.070.

Sec. 14.08.051. ELECTIONS. (a) In each regional school attendance area in the unorganized borough, the lieutenant governor, within 60 days of the effective date of this chapter, shall provide for election of a regional school board.

(b) Members elected shall serve three-year terms, except that,

for the first board elected, the term of office of each member shall be determined by lot. The members of the first five-member school board hold office for terms as follows: one for a one-year term, two for a two-year term and two for a three-year term. The members of the first seven-member school board hold office for terms as follows: two for a one-year term, three for a two-year term and three for a three-year term. The members of the first nine-member school board hold office for terms as follows: three for a one-year term, three for a two-year term and three for a three-year term.

(c) Except for the first election of regional school board members, elections shall be held annually on the first Tuesday in October at the time of regular municipal elections under AS 29.28.020.

(d) The cost of each regional school board election shall be borne by the state.

Sec. 14.08.061. ADMINISTRATION. (a) The regional school board shall be organized in accordance with AS 14.14.070.

(b) The officer of the board responsible for the custody of regional school attendance area funds shall execute a bond of $50,000 with the commissioner of education.

(c) Each regional school board shall provide for an annual audit in accordance with AS 14.14.050.

(d) By May 1 of each year, a regional school board shall prepare and forward a budget to the commissioner of education for his review and comment. Within 30 days after receiving the comments of the commissioner, the board shall approve a final budget for the operation of the area during the ensuing fiscal year.

(e) The regional school board shall provide custodial services and routine maintenance of school buildings and shall employ, compensate and otherwise provide personnel for these purposes.

Sec. 18.08.071. DUTIES. Regional school attendance area boards shall:

(1) develop a philosophy of education, principles, and goals for the regional area schools;

(2) approve the employment of the professional administrators, teachers and noncertificated personnel necessary to operate the schools;

(3) establish the salaries to be paid its regularly employed certificated staff members;

(4) promulgate regulations governing organization, policies, and procedures for the operation of the schools;

(5) designate the administrative employees authorized to direct disbursements from the school funds of the board;

(6) submit the reports prescribed for all school districts;

(7) establish, maintain, operate, discontinue and combine schools on the recommendation of the commissioner of education;

(8) pay tuition and boarding or transportation costs of secondary school students in cases in which the establishment of secondary schools in the regional school attendance area is unsound for economic or educational reasons.

Sec. 14.08.081. CONFLICT OF INTEREST; DISQUALIFICATION FROM VOTING. A board member having direct or indirect pecuniary interest in a contract for erection of buildings, heating, ventilation, furnishing or repairing the buildings, or in a contract for the furnishing of supplies, for a regional school is disqualified from voting on any question involving his pecuniary interest.

Sec. 14.08.091. CONTRACTUAL SERVICES. A regional school attendance area board may contract with the department, the Bureau of Indian Affairs, or any other school district to provide services, facilities or supplies for the regional area schools.

Sec. 14.08.101. COORDINATED EMPLOYEE NEGOTIATIONS. (a) Negotiations between the employees of the regional school attendance areas and the respective regional school attendance area boards shall be conducted by one team representing all the certificated employees, one team representing all noncertificated employees and one team representing all the regional school boards in the state.

(b) The boards' team and the team representing the certificated employees in the regional school attendance areas shall conduct negotiations in accordance with AS 14.20.550 - 14.20.610.

(c) The boards' team and the team representing the noncertificated employees in the regional school attendance areas shall conduct negotiations in accordance with the Public Employment Regulations Act (AS 23.40.070 - 23.40.260).

(d) Each team may consist of as many members as there are regional school attendance areas.

(e) The contract resulting from the coordinated statewide negotiations shall be binding upon all the boards and all employees in the regional school attendance areas in the state.

Sec. 14.08.106. OTHER SCHOOL DISTRICTS AND COORDINATED EMPLOYEE NEGOTIATIONS. (a) Any other school district board in the state may join and participate in the coordinated employee negotiations with a representative on the team of the regional school attendance area boards, and the employees of the school district may have a representative on the appropriate employee team.

(b) However, once negotiations have begun, no district or employee may withdraw from the negotiations, and the provisions of sec. 101(e) of this chapter apply.

Sec. 14.08.111. BILINGUAL EDUCATION. (a) A regional school attendance area school which is attended by at least 15 pupils whose

primary language is other than English shall have at least one teacher who is fluent in the native language of the area where the school is located. Written and other educational materials, when language is a factor, shall be presented in the language native to the area.

(b) The regional school boards shall promulgate regulations to carry out the purposes of this section.

Sec. 14.08.121. BILINGUAL EDUCATION FUND. (a) There is in the Department of Education a bilingual education fund which is an account in the general fund to receive money appropriated by the legislature for bilingual education and to be used for bilingual education program implementation.

(b) The Department of Education shall establish procedures for the distribution of bilingual education funds to eligible regional school attendance areas, eligible school districts and any other eligible agencies.

Sec. 14.08.131. REGIONAL RESOURCE CENTERS. A regional school attendance area and any other school district in the state may participate in regional and statewide resource centers to be established by the Department of Education under AS 14.17.061.

Sec. 14.08.141. DEFINITIONS. In this chapter

(1) "board" means a regional school attendance area board;

(2) "commissioner" means the commissioner of education;

(3) "department" means the Department of Education.

* Sec. 3. AS 14.12.010 is amended to read:

Sec. 14.12.010. DISTRICTS OF STATE PUBLIC SCHOOL SYSTEM. The districts of the state public school system are as follows:

(1) each first [, SECOND, AND THIRD] class city in the unorganized borough is a city school district;

(2) each organized borough is a borough school district;

(3) the area outside organized boroughs and outside first [, SECOND, AND THIRD] class cities are [IS] the regional [STATE-OPERATED] school attendance areas [DISTRICT].

* Sec. 4. AS 14.12.020(a) is amended to read:

(a) Operation of the state-operated schools [SCHOOL DISTRICT] is under the management and control of the board in each regional school attendance area [OF THE STATE-OPERATED SCHOOLS]. The regional school board [OF THE STATE-OPERATED SCHOOLS] manages and controls schools on military reservations located within a city or an organized borough until the military mission is terminated or [AND] so long as management and control by the state-operated schools is approved by the Department of Education. However, operation of the military reservation schools by a city or borough school district may be required by the Department of Education under AS 14.14.110, with the consent of the city or borough school district board. If the military mission of a military reservation terminates or [AND] continued management and control by the state-operated schools is disapproved by the Department of Education, operation, management and control of schools on military reservations transfers to the city or borough school district in which the military reservation is located.

* Sec. 5. AS 14.12.020(c) is amended to read:

(c) The legislature shall provide the state money to the regional school attendance area boards necessary to maintain and operate the state-operated schools under the Public School Foundation Act (AS 14.17). However, AS 14.17.071 is inapplicable to the computation of state aid distributed to a state-operated school under that Act [SCHOOL DISTRICT]. The borough assembly for a borough school district, and the city council for a city school district, shall provide the money which must be raised from local sources to maintain and operate the district.

* Sec. 6. AS 14.14.170(a) is amended to read:

(a) There is established an advisory school board in each community or military reservation served by a school operated by the state, by a regional school attendance area or by a city or borough school district by contract with the state. If the state-operated school has an average daily membership of less than 251 pupils, the advisory school board consists of three members. If the average daily membership is more than 250 pupils, the advisory school board consists of five members.

* Sec. 7. AS 14.14.170(d) is amended to read:

(d) The date of election for advisory school board members is the same as that for regular municipal elections in the second class city having the largest population in the area served by the board or, if there is no second class city within the area, on an annual election date for such elections fixed by regulation of the lieutenant governor [BOARD OF DIRECTORS FOR STATE-OPERATED SCHOOLS].

* Sec. 8. AS 14.14.170(e) is amended to read:

(e) Elections under (c) and (d) of this section shall be conducted upon such notice and otherwise substantially in the same manner as regular municipal elections which are held within the largest second class city in the area served by the board. If there is no second class city within the area, elections shall be conducted upon at least 10 days published or posted public notice of the election and of the question or nominees to be voted on and under general rules for the elections as may be promulgated by regulation of the lieutenant governor [BOARD OF DIRECTORS FOR STATE-OPERATED SCHOOLS]. Elections relating to advisory school boards shall be supervised by the director of elections [STATE-OPERATED SCHOOLS] but shall be administered within second class cities as part of the regular municipal election.

* Sec. 9. AS 14.14.170(f) is amended to read:

(f) Elected members of advisory school boards are subject to recall in accordance with the provisions of AS 29.28.130 - 29.28.250, except that the chief school administrator of the regional school attendance area [DIRECTOR OF STATE-OPERATED SCHOOLS] shall perform the functions of the municipal clerk, and the regional school attendance area board [BOARD OF DIRECTORS FOR STATE-OPERATED SCHOOLS] shall perform the functions of the assembly or council under those sections.

* Sec. 10. AS 14.14.200 is repealed and re-enacted to read:

Sec. 14.14.200. DUTIES. An advisory school board shall advise and make recommendations to the board of the regional school attendance area concerning the curriculum, program and general operation of the local school in the community served by the advisory board.

* Sec. 11. AS 14.14.310 is amended to read:

Sec. 14.14.310. DEFINITIONS. In secs. 250 - 310 of this chapter

(1) "board" means the governing body of a borough or city school district or regional school attendance area [, OR THE BOARD OF DIRECTORS FOR THE STATE-OPERATED SCHOOLS];

(2) "district" means a borough or city school district or a regional school attendance area [THE STATE-OPERATED SCHOOL SYSTEM].

* Sec. 12. AS 14.17.051 is repealed and re-enacted to read:

Sec. 14.17.051. INSTRUCTIONAL UNIT ALLOTMENT. (a) The instructional unit allotment for each school district or regional school attendance area is as follows:

(1) If the school district or regional school attendance area is in that part of the state lying within the boundaries of election district 1, 4 or 8, the district or area shall receive the base instructional unit allotment.

(2) If the school district or regional school attendance

area is in that part of the state lying within the boundaries of election district 2, 3 or 7, the district or area shall receive 104 per cent of the base instructional unit allotment.

(3) If the school district or regional school attendance area is in that part of the state lying within the boundaries of election district 5, 9, 10 or 11, the district or area shall receive 108 per cent of the base instructional unit allotment.

(4) If the school district or regional school attendance area is in that part of the state lying within the boundaries of elec- district 16, south of the Arctic Circle, the district or area shall receive 112 per cent of the base instructional unit allotment.

(5) If the school district or regional school attendance area is in that part of the state lying within the boundaries of election district 6, the district or area shall receive 116 per cent of the base instructional unit allotment.

(6) If the school district or regional school attendance area is in that part of the state lying within the boundaries of election district 12, 13 or 18, the district or area shall receive 128 per cent of the base instructional unit allotment.

(7) If the school district or regional school attendance area is in that part of the state lying within the boundaries of election district 14 or 19, the district or area shall receive 132 per cent of the base instructional unit allotment.

(8) If the school district or regional school attendance area is in that part of the state lying within the boundaries of election district 15, 16 (north of the Arctic Circle), or 17, the district or area shall receive 116 per cent of the base instructional unit allotment.

(b) For the purposes of (a) of this section "election district"

means an election district designated in the governor's proclamation of reapportionment and redistricting of December 7, 1961 and retained as to the House of Representatives by the governor's proclamation of September 3, 1965.

(c) Regional school attendance areas shall be funded by the Public School Foundation Program on the basis of the full instructional unit allotment in accordance with the election district differentials established in (a)(1) - (8) of this section.

(d) The commissioner of education shall transmit public school foundation program funds to the regional school attendance areas in the same manner as to borough and city school districts.

(e) The instructional unit allotment established in (a)(1) - (8) of this section for any school district or regional school attendance area which does not have access to Anchorage, Ketchikan or Fairbanks by road, railroad or ferry shall be increased an additional five per cent.

* Sec. 13. AS 14.17.210(c)(1) is amended to read:

(1) "state school" means a school operated by <u>a regional school attendance area or by</u> the Department of Education [OR STATE-OPERATED SCHOOL SYSTEM] and entirely financed by state money; and

* Sec. 14. AS 14.20.550 is amended to read:

Sec. 14.20.550. NEGOTIATION WITH CERTIFICATED EMPLOYEES. Each <u>borough or city school district or regional</u> school <u>attendance area</u> board [, AND THE BOARD OF DIRECTORS FOR THE STATE-OPERATED SCHOOLS,] shall negotiate with its certificated employees in good faith on matters pertaining to their employment and the fulfillment of their professional duties.

* Sec. 15. The property and assets of the state-operated schools are transferred to the Department of Education for redistribution to the regional

school attendance areas in the manner the department determines. The liabilities of the state-operated schools shall be assumed by the general fund of the state. All litigation, hearings, investigations and other proceedings pending under a law amended or functions which may be transferred by this Act, continue in effect and may be continued and completed notwithstanding a transfer or amendment provided for in this Act. Certificates, orders, rules or regulations issued or filed under authority of a law amended by this Act or functions which may be transferred by this Act, remain in effect for the term issued, unless revoked, vacated, or otherwise modified under the provisions of this Act. All contracts or other obligations created by a law amended by this Act or by virtue of functions which may be transferred by this Act, and in effect on the effective date of this Act, remain in effect unless revoked or modified under the provisions of this Act.

* Sec. 16. (a) All certificated employees in the rural communities served by, or in the regional or central offices of, the State-Operated School System on the effective date of this Act are subject to the provisions of AS 14.20.147.

(b) All noncertificated employees of the State-Operated School System who are state employees on the effective date of this Act are entitled to full employment and transfer rights and privileges accorded all other state employees under state law.

* Sec. 17. AS 14.08.051, as enacted by sec. 2 of this Act, takes effect immediately in accordance with AS 01.10.070(c). AS 14.08.011 - 14.08.041 and 14.08.061 - 14.08.141, as enacted by sec. 2 and secs. 2 and 3 - 16 of this Act take effect July 1, 1975.

JIM
ANSWER - N.C.

TELEGRAM

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JUN

WE WOULD APPRECIATE YOUR INFORMING US OF HEARINGS

AND PROBLEMS YOU MIGHT ENCOUTER WITH SENATE BILL 35

WE STRONGLY SUPPORT THE SUBSTANCE OF THIS BILL AND WOULD

LIKE TO SEE ITS ENACTMENT AS SOON AS POSSIBLE

GORDON JACKSON EXECUTIVE VICE PRESIDENT HUMAN RESOURCES

ADMINISTRATION ALASKA FEDERATION OF NATIVES INCORPORATED

Change agreed (prepared by DOE)

2) An additional amount not to exceed one and one half percent of basic need for all regional attendance area schools may be appropriated by the Legislature to the Department of Education for distribution to the regional attendance areas. In distributing these funds, the Commissioner shall take into account the following: a) the amount of funds that would be available to the regional educational attendance areas under a(1) of this section; b) identification of the categorical non-supplementary federal funds available to the regional educational attendance areas; c) the amount of funds that would be necessary to fund special programs or activities that either are not under the general scope of programs that are provided by school districts utilizing foundation funds or that have unique cost factors which do not lend themselves to formula. Such cost factors ~~are~~ include but are not limited to electrical rates, water & sewer rates and food service expenditures. The Department of Education shall adopt regulations for the determination and distribution of funds under this provision.