


11609 HOUSE RULES

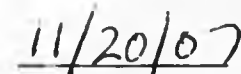


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**ADMINIS-
TRATIVE
POLICY**



**ALASKA STATE LEGISLATURE
JOINT RULES COMMITTEE**

MEMORANDUM

To: Pam Varni, Executive Director
Legislative Affairs Agency

Skiff Lobaugh, Human Resources Manager
Legislative Affairs Agency

From: Senator John Cowdery,
Senate Rules Chairman

Representative Norman Rokeberg
House Rules Chairman

Date: May 8, 2005

Subject: Implementation of New Employment Policy Effective July 1, 2005

Attached is a copy of the new Legislative Employee Employment Policy. This policy amends the policy adopted in 1988. The key amendments are:

- ✓ Two new professional level job classes were created. Their titles are Professional Assistant and Finance Assistant.
- ✓ There is a new job class grouping will be ranges 24, 23, and 22. The job classes in this grouping will be the Professional Assistant, Finance Assistant, Senate Secretary, and Chief Clerk.
- ✓ The Lounge Supervisor has had a title change to Legislative Chef, and the ranges will be increased to 17, 18, and 19. Time served as a Lounge Supervisor will count together for step placement. However, when counting time for other job classes in the job class grouping the time at a range 17 will not count for the range 18 and 19 range grouping.
- ✓ The Lounge Attendant job class has been increased to 12, 13, and 14. Time served as a Lounge Attendant will count together for step placement. However, when counting time for other job classes in the job class grouping the time at a range 12 will not count for the range 13, 14 and 15 range grouping.
- ✓ A new job class of Lounge Assistant has been added with the ranges 14, 15, and 16. Time served as a Lounge Assistant will count together for step placement. However, when counting time for other job classes in the job class grouping the time at a range 14 and 15 will not count for the range 16 and 17 range grouping.
- ✓ The Page job class has been increased to ranges 10, 11, and 12.

There are special instructions regarding implementation of this policy. These special instructions are to safeguard the intentions of the Joint Rules Committees and are as follows:

Employees active on the payroll on June 30, 2005, if placed at a higher range by this policy, will retain their step in the higher range as if the step were earned. (Example: Employee at a range 19 step E promoted by this policy on July 1, 2005 to a range 21 will be granted E step as if it were earned. They would only need two more legislative sessions of at least 100 days each, or one full year with the Legislator at a comparable level or higher to advance to F step). On July 1, 2005, it is the intention of the Rules

Chairmen and the Presiding Officers to allow two additional ranges to existing staffing allotment to all legislators. In addition, legislators in leadership positions will be allowed an additional one range for a total of three ranges to their existing staffing allotment. The additional ranges will be authorized by either the Presiding Officer or the appropriate Finance Co-Chairmen. (Example: A legislator has a staffing allotment on June 30, 2005 of one range 15 and one range 19 for a total of 34 ranges staffing allotment or July 1, 2005 that legislator will have a total starting allotment of 36 ranges). If at any other time after July 1, 2005 an employee is hired or promoted their step placement will follow the normal step placement procedures. They will be given at least a one step increase and, if that places the employee above A step, they will be at that step until they earn it.

To implement these instructions here are some guidelines on situations that may occur.

- ✓ For an employee to qualify for these special implementation instructions they must be active on the payroll on Thursday, June 30, 2005, AND be moved to the new position on Friday, July 1, 2005.
- ✓ An employee is promoted from a range 19 C to the range 22 they will be placed in the range 22 at a step C. This means that they will have earned C step in the range 22, 23, and 24 range grouping. If this employee is later dropped to the range 21/20 job class grouping, even if they have not served any time there, their lowest step placement will be C.
- ✓ An employee in the above scenario leaves the payroll (either separation or layoff) after July 1, 2005 and returns any time in the future that this employment policy is in affect will be placed back at the C step.
- ✓ When an employee receives promotion and one time step placement on July 1, 2005, their merit anniversary date will not change. Meaning if an employee at range 21, step C, with a merit anniversary date of 12/16/2005, is promoted to a range 23, they will be placed at step C with the merit anniversary date of 12/16/2005.
- ✓ If at any other time after July 1, 2005 an employee is hired or promoted their step placement will follow the normal step placement procedures. They will be given at least a one step increase and, if that places the employee above A step, they will be at that step until they earn it.
- ✓ An employee on layoff status, separated, or on leave with out pay on June 30, 2005 will not qualify for these implementation instructions.
- ✓ Each legislator's office will be given two ranges for him or her to distribute amongst their staffing allotment how they see fit. In addition to the two ranges, legislators in leadership offices will be given one more range for a total of three ranges.
- ✓ All legislators will need to forward their request for increased staffing allotment to the appropriate Presiding Officer or Finance Committee Co-Chairmen for approval before the Personnel Office can process the necessary payroll actions.

If you have any questions regarding implementation of this policy please feel free to contact either Rules Committee Office.

cc: Senator Ben Stevens, Senate President
Representative John Harris, Speaker of the House

EMPLOYMENT POLICY
SENATE/HOUSE LEGISLATIVE EMPLOYEES
Effective Date: [JULY 1, 1988] July 1, 2005
Amends Employment Policy adopted by
Senate-House Joint Journal Supplement, 3/22/88, No. 17

This Policy governs the employment of those legislative employees under the authority of the Senate or House Rules Committees during the legislative session and under the authority of the Senate President or Speaker of the House during the interim. These employees include staff to individual Legislators, staff to standing and special committees, the staffs of the Senate Secretary's and Chief Clerk's Offices and those employees under the direct supervision of the Rules Committees, i.e. employees in the Legislative Lounge and the staffs of the Sergeant at Arms.

This policy does not apply to employees hired under AS 24.10.210.

These Senate/House legislative employees are to be hired under the following provisions:

Within the budget constraints, the Rules Committee Chairmen [CHAIRMEN] during session and the President and Speaker during interim will determine the number of employees and at what pay ranges each of the individual Legislators and Committee Chairmen will be authorized to hire and for what period of time.

Within the budget constraints, the House and Senate Finance Committee Co-Chairmen will determine the number of pay ranges each of the individual Legislator on the Finance Committee will be authorized to hire from the Finance Committee budget, and for what period of time.

Employees will be selected by and serve at the pleasure of the individual Legislator.

No employees will be put on the payroll above a range 24.

Each chamber is allowed a maximum of nine (9) leadership staff, which includes the leadership staff of the Finance Co-Chairs.

The individual Legislator will submit a request for the authorization to hire to their respective Rules Chairman during session and to the Senate President or Speaker of the House as appropriate during interim or the Finance Committee Co-Chairmen as appropriate. The authorization to hire will be forwarded to the LAA Personnel Office. At that time, the employee will be able to complete the necessary paperwork and be put on the payroll.

SALARY SCHEDULE

<u>Position</u>	<u>Range</u>
<u>Professional Assistant</u>	<u>24, 23, 22</u>
<u>Finance Assistant</u>	
Senate Secretary/Chief Clerk	[22, 21]
Legislative Assistant	21, 20
Administrative Assistant	19, 18
Assistant Senate Secretary	
Assistant Chief Clerk	
Sergeant-at-Arms	

[ENROLLING CLERK [ENGROSSING CLERK]	18, 17]
<u>Legislative Chef</u>	<u>17, 18, 19</u>
Assistant Sergeant-at-Arms Researcher [LOUNGE SUPERVISOR]	17, 16
<u>Lounge Assistant</u>	<u>14, 15, 16</u>
[MACHINE OPERATOR] Legislative Secretary	15, 14, 13
<u>Lounge Attendant</u>	<u>12, 13, 14</u>
Clerk [LOUNGE ATTENDANT] <u>Page</u>	12, 11, 10
[PAGE] Messenger	10, 9

Benefits

Except as provided for hourly employees, all employees will be paid on a monthly basis on the salary schedule in effect for classified and partially exempt State employees. (Sec AS 39.27.011(a).)

NOTE: No commitment for the continuation of employment is to be assumed. Employees serve at the pleasure of their respective supervisor and upon the authorization of the appropriate authority.

Employees do not receive a geographic pay differential, either during session or interim.

All monthly paid employees receive full medical, retirement and leave benefits. Monthly paid employees do not receive compensatory time or overtime and are on call 7 days per week.

[EMPLOYEES ARE NOT COMPENSATED FOR TRANSPORTATION OR MOVING EXPENSES TO OR FROM A REGULAR SESSION OF THE LEGISLATURE.]

Hourly pay based on the current salary schedule will also be available for short-term employment. Hourly employees may receive retirement benefits.

LONGEVITY

Longevity is awarded on the 16th of the month following an employee's eligibility. Longevity increases are determined according to the following:

- Step A - no prior legislative experience
- Step B - Two legislative sessions of at least 100 days each, or one full year with the Legislator at a comparable level or higher.
- Step C - Four legislative sessions of at least 100 days each, or one full year with the Legislator at a comparable level or higher.

- Step D - Six legislative sessions of at least 100 days each, or one full year with the Legislator at a comparable level or higher.
- Step E - Eight legislative sessions of at least 100 days each, or one full year with the Legislator at a comparable level or higher.
- Step F - Ten legislative sessions of at least 100 days each, or one full year with the Legislator at a comparable level or higher.

[STEPS J - M WILL BE GRANTED IN ACCORDANCE WITH AS 39.27.022]

- Step J - Fourteen legislative sessions of at least 100 days each, or two full years with the legislature at a comparable or higher level.
- Step K - Eighteen legislative sessions of at least 100 days each, or two full years with the legislature at a comparable or higher level.
- Step L - Twenty-eight legislative sessions of at least 100 days each, or five full years with the legislature at a comparable or higher level.
- Step M - Thirty-six legislative sessions of at least 100 days each, or four full years with the legislature at a comparable or higher level.

comparable level of service is defined as work performed in a position with similar duties and responsibilities under the following guideline:

- Range 24, 23, 22
 Ranges 21, 20
 Ranges 19, 18
 Ranges 17, 16
 Ranges 15, 14, 13
 Ranges 12, 11, 10, 9

When promoted to a position with a higher range that is not comparable, step placement above Step A may be granted in order that the employee receive, in effect, a one-step increase. Subsequent longevity steps may be granted upon completion of additional qualifying experience.

Those employees who would not be eligible under the revised Policy for the step, which they are currently being paid, will retain that step until they would be eligible for the next step under the revised Policy.

Leave

Legislative employees are subject to the statutes regarding the accrual and use of personal leave. All employees who receive leave benefits accrue leave at a rate based on their prior service in the positions with leave benefits. The Legislative Affairs Agency Personnel Office should be notified by the supervisor when an employee is absent either in a memorandum or with submission of a leave slip. Leave slips should be completed by the employee, signed by the employee's supervisor and submitted to LAA Personnel immediately upon the employee's return to work.

Employees accrue leave time on the following basis:

- | | |
|--------------------------|--|
| 2 days (15 hours) | for each full monthly pay period for employees with 0-2 years of service in a leave accruing position. |
| 2.25 days (16.875 hours) | for each full monthly pay period for employees with 2-5 years of service in a leave accruing position. |

- 2.5 days (18.75 hours) for each full monthly pay period for employees with 5-10 years of service in a leave accruing positions.
- 3 days (22.5 hours) for each full monthly pay period for employees with 10 or more years of service in a leave accruing position.

This Policy is effective [JULY 1, 1988] July 1, 2005.

In order for an employee to qualify for the below one-time exception they must:

- (a) be active on the payroll on Thursday, June 30, 2005, AND
- (b) be moved to the new position on Friday, July 1, 2005.

ONE TIME EXCEPTION: [THOSE CURRENT EMPLOYEES WHO WOULD QUALIFY UNDER THE REVISED EMPLOYMENT POLICY FOR A LONGEVITY STEP INCREASE JANUARY 16, 1988 ARE AUTHORIZED TO RECEIVE THE INCREASE RETROACTIVE TO THAT DATE.]
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ALASKA STATE LEGISLATURE JOINT RULES COMMITTEE

MEMORANDUM

To: Pam Varni, Executive Director
Legislative Affairs Agency

Skiff Lobaugh, Human Resources Manager
Legislative Affairs Agency

From: Senator John Cowdery,
Senate Rules Chairman

Representative Norman Rokeberg
House Rules Chairman

Date: May 4, 2005

Subject: Implementation of New Employment Policy Effective July 1, 2005

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cc: Senator Ben Stevens, Senate President
Representative John Harris, Speaker of the House

REASONABLE PAY INCREASES FOR LEGISLATIVE STAFF

PAY INCREASE ACROSS THE BOARD IS LONG OVERDUE

- Cost of Living Index shows that the annual cost of living in Alaska has risen over 42% between 1988 and 2004
- Yet 1988 is the last time a pay increase was authorized for staff—that's 17 years ago
- "Step" increases amount to around 1 ½ percent increases either each year or every two years, which works out to roughly one-half the general inflation rate
- Many years ago, we actually reduced the annual "step" increases to less than half what they are for the rest of State employees. A typical annual increase will result in 1 to 2 percent increases in pay, giving legislative employees the lowest of all state employee pay increases
- Thus, rather than reward staff for staying on the job, they do not even break even; they are actually penalized for each year they remain on the job
- There are dedicated people coming back to Juneau this session who in real dollars, actually earn a lot less than they did when they started working for us over ten or more years ago; of course, there aren't many, but they demonstrate the basic inequity that currently exists
- Historically, the Legislature has unfairly stagnated or reduced staff compensation levels to balance its own internal budget; in an effort to keep political pressure at bay, we have essentially balanced our budgets on the backs of our own staff people, who have no champion to fight for anything more
- Legislative staff are fully exempt and have no organized labor bargaining power; they are purely "at-will" employees, meaning they can be terminated at any time for no reason at all
- According to the Legislative Employee Handbook, staff are also required to be available for work 24 hours a day, seven days a week—which often occurs during a busy legislative session. Other state employees are specifically obligated only until 4:30 p.m. five days a week
- Unlike legislators, who are free to pursue businesses and professions most of the year, staff are required to work full-time for the State, and thus have little or no opportunity for additional work opportunities
- In addition, staff are in the unique position of not knowing every two or four years whether they will have a job after the next election cycle

- Many are also pressured into a tremendous amount of unpaid, "volunteer" campaign work for their employers, unlike other state employees
- Few people would believe that we actually require our staff to leave family and friends behind annually; secure second homes and bills; travel to and from a capital city a thousand miles away—all with their own money, without a penny of reimbursement from the State—despite the individual legislators receiving daily tax-free per diem payments and full moving and frequent back-and-forth travel reimbursement. Staff share the identical expenses as legislators and yet receive nothing to offset the costs. In fact, the State is currently defending a class action lawsuit on this very point of inequity.
- Thus, when travel to and from Juneau—together with additional housing and living expenditures—is factored in, our staff people actually make a lot less than their salaries would indicate—that's all real money, out of families' pockets that is never repaid by us
- Governor's office has staff members (who came from the ranks of legislative staff) making over \$90,000 annually

INABILITY TO KEEP QUALIFIED PROFESSIONALS ON THE JOB

- The Legislature has become a temporary stopping ground for transient, 20-something staffers who cannot afford to work there for long
- As a result, very few educated, experienced professionals remain working for the Legislature, and instead take their experience and look for work in other government offices
- The turnover rate is substantial, and a disproportionate number of inexperienced staff people come to Juneau every year
- This despite the fact that the Legislature makes all state policy and passes all state laws, a tremendous and weighty responsibility
- The quality of work in the Legislative branch has suffered accordingly
- It is imperative that we retain a core group of experienced, professional staff people by becoming competitive with our compensation structure
- At a minimum, we should make pay for our core professional staff competitive enough to keep them from looking for work in the Governor's office or in other state agencies, where pay rates can be much higher

HB

13

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

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

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

Expenditures/Ravenues (Thousands of Dollars)

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

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

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

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

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 This bill would increase the Base Student Allocation from \$4,919 to \$5,380 for FY07. This is a \$461 increase in the base student allocation.

 The GF appropriation in this fiscal note capitalizes the Public Education Fund (PEF). Money in the PEF flows to K-12 Support with out further appropriation for distribution to school districts.

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

School District	FY07 Projected Entitlement @ \$4,919	FY07 Projected Entitlement @ \$5,380	Difference
Alaska Gateway	4,978,445	5,444,316	465,871
Aleutian Region	1,121,420	1,194,845	73,425
Aleutians East Borough	3,325,972	3,700,599	374,627
Anchorage	244,050,660	275,043,349	30,992,689
Annette Island	1,675,995	1,943,330	267,334
Barling Strait	17,437,843	19,797,084	2,359,241
Bristol Bay Borough	1,421,610	1,616,908	195,298
Cnatham	2,201,201	2,430,492	229,288
Chugach	2,164,454	2,275,384	110,930
Copper River	6,281,510	6,889,910	608,400
Cordova	3,287,264	3,659,812	372,548
Craig	4,382,366	4,841,504	459,138
Delta/Gravelly	9,352,944	10,229,503	876,559
Denali Borough	4,577,977	5,058,643	480,666
Dillingham	4,539,483	5,047,169	507,686
Fairbanks N. Star Borough	79,210,194	89,237,853	10,027,659
Galena	16,338,781	17,318,318	979,537
Haines Borough	1,702,312	1,944,143	241,831
Hoonah	1,727,275	1,907,562	180,287
Hydaburg	759,317	804,408	45,091
Iditarod Area	4,332,241	4,660,042	327,701
Juneau Borough	26,043,291	29,000,063	3,556,772
Kenai	994,106	1,103,165	109,059
Kashunamiut	2,511,616	2,881,407	369,791
Kenai Peninsula Borough	49,089,231	55,509,061	6,419,830
Ketchikan Gateway Borough	12,644,267	14,248,796	1,604,529
Klawock	1,182,829	1,260,769	77,940
Kodiak Island Borough	17,475,639	19,534,793	2,059,154
Kuspuk	5,309,727	5,910,114	600,387
Lake & Peninsula Borough	6,511,945	7,160,807	648,862
Lower Kuskokwim	43,562,282	48,564,676	5,002,394
Lower Yukon	19,400,947	21,869,809	2,468,862
Mat-Su Borough	94,129,068	104,608,991	10,479,923
Nenana	4,229,269	4,631,314	402,545
Nome	6,752,945	7,465,393	712,448
North Slope Borough	10,610,182	12,678,323	2,068,041
Northwest Arctic Borough	23,970,992	26,555,163	2,584,071
Pelican	381,855	398,810	16,955
Petersburg	3,834,767	4,294,974	460,207
Prbilof	1,116,853	1,269,845	152,992
Saint Mary's	2,008,361	2,197,726	189,365
Sitka Borough	8,425,674	9,482,673	1,056,999
Skagway	702,306	802,949	100,643
Southeast Island	3,071,481	3,232,662	161,181
Southwest Region	7,097,884	7,976,006	878,122
Tanana	701,901	771,512	69,611
Unalaska	2,528,614	3,020,602	491,988
Valdez	3,647,045	4,186,856	539,811
Wrangell	2,455,013	2,739,763	284,750
Yakutat	1,045,496	1,159,796	114,300
Yukon Flats	4,916,456	5,264,080	347,624
Yukon/Koyukuk	10,180,358	11,215,838	1,035,480
Yup'it	4,756,298	5,362,808	606,510
Mt. Edgecumbe High School	2,141,906	2,405,847	263,941
Other	26,027,300	26,027,300	
Total	824,427,271	920,448,174	96,020,903

NOTE: The above estimates were calculated using FY07 Projections.

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

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

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

Expenditures/Revenues

(Thousands of Dollars)

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

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

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

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

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

Estimate of any current year (FY2006) cost: 0.0

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

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

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

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

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

ALASKA MILITARY YOUTH ACADEMY

FY07 PROJECTION for FY07

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

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

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

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

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	*	*	*	*	*	*
Miscellaneous						
TOTAL OPERATING	*	*	*	*	*	*

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

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

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Debt Fund)	*	*	*	*	*	*
TOTAL	*	*	*	*	*	*

Estimate of any current year (FY2006) cost: 0.0

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

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

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

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

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

AMENDMENT #1

Reps
McGuire
Rokeberg
Berkowitz
Guttenberg
Harris
Koheing

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

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

moved by McGuire
Rokeberg objected
✓ removed by
Adopted

24-LS0062\N
Mischel
4/20/06

ammd

*4-24-06
New moved
as working
document
no objection
5.3.06
McGraw
Bill as
amended*

CS FOR HOUSE BILL NO. 13(RLS)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE HOUSE RULES COMMITTEE

Offered:
Referred:

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

A BILL

FOR AN ACT ENTITLED

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

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

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

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

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

11 (2) 90 percent of

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

L

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

4 (3) 90 percent of

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

*Meet
space
guidelines*

*do not
Meet
space
guidelines*

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

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

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

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

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

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

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

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

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

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

27 (A) has a preventive maintenance plan that

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24-LS0062R
Mischel
4/11/06

CS FOR HOUSE BILL NO. 13()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

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

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

A BILL

FOR AN ACT ENTITLED

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

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

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

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

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

9 (2) 90 percent of

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

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

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(3) 90 percent of

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 or (o) of this section;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24 (A) has a preventive maintenance plan that

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

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

31 (iii) includes a regular custodial care program for

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buildings owned or operated by the district;

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

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

(B) is adequately following the preventive maintenance plan.

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

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

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

Alaska State Legislature

House of Representatives



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

Official Business

COMMITTEE ON RULES
Representative Norman Rokeberg, Chairman

HOUSE BILL 13 – April 25, 2005

Please add the attached to your HB 13 folder.

Thanks,

Janet

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

UTILITIES FY 2005-2006
Projections as of March 15

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



FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

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



April 24, 2006

Representative Norman Rokeberg's Office
Attn: Janet Seitz

Dear Janet,

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

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

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

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

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



JUNEAU SCHOOL DISTRICT SUPERINTENDENT

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

Facsimile Transmission

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

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

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

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

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

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

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

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

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

DATE: 4/24/06

TO: Alaska State Legislature

FAX NUMBER: 907-465-2040

NUMBER OF PAGES TO FOLLOW: 0

DELIVER TO: Representative Rokeberg

SENT BY: Loreen Kramer, Business Manager

MESSAGE/COMMENTS

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

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

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

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

Thanks.

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

LEGAL SERVICES

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

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

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

MEMORANDUM

April 24, 2006

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

TO: Representative Carl Moses
Attn: Adam Berg

FROM: Jean M. Mischel
Legislative Counsel



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

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

If I may be of further assistance, please advise.

JMM:med
06-335.med

Not taken up

24 LS0062U.3
Mischel
4/20/06

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE MOSES

TO: CSHB 13(RLS)

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

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

3

4 Page 9, following line 21:

5 Insert a new bill section to read:

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

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

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

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

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

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

22 PROJECT

23 Valdez

\$ 3,013,500

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

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

Representative_Reggie_Joule@legis.state.ak.us



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

Alaska State Legislature
REPRESENTATIVE REGGIE JOULE

Memorandum

April 19, 2006

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

From: Representative Reggie Joule

Re: amendment to HB13

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

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

Thanks for your consideration.

Amendment to HB13

Am # 1

adopted

Offered by: *Berkowitz*

Add a new section:

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

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

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

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

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

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

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

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

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

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

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

Expenditures/Revenues (Thousands of Dollars)

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

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

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

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2005) cost: 0.0

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

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

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

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

Alaska State Legislature

House of Representatives



Official Business

State Capitol
Juneau, AK 99801-1182


Representative Max Gruenberg

Representative Carl Gatto 

Sponsor Statement and Bill Analysis

HB 13 – Reimbursement of Municipal Bonds for School Construction

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

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

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

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

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

Expenditures/Revenues (Thousands of Dollars)

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

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

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

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

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

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

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

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

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

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

Expenditures/Revenues (Thousands of Dollars)

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

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

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

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

Estimate of any current year (FY2005) cost: 0.0

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

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

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

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

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



**WRANGELL
PUBLIC SCHOOLS
DISTRICT OFFICE**

GATEWAY TO THE STIKINE

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

February 2, 2005

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

RE: HB13

Dear Honorable Representative Gatto:

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

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

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

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

Sincerely,

Susan J. Sciabarrasi
Superintendent

SJS: kp
Cc: Alaska State House of Representatives

ALASKA COUNCIL



OF SCHOOL ADMINISTRATORS

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

Alaska Council of School Administrators

January 31, 2005

Representative Mark Neuman, Chair
House Special Committee on Education

Dear Chair Neuman and Committee members:

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

Respectfully submitted,

Mary A. Francis, Ph.D.
Executive Director

Resolution 04-8

BOND DEBT REIMBURSEMENT

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

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

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

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

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

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



IDITAROD AREA SCHOOL DISTRICT

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

(907) 524-3033x221

FAX (907) 524-3217

April 7, 2006

To: House Rules Committee

Fm: Joe Banghart, Superintendent
Iditarod Area School District

Ref: HB 13

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

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

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

Thank You

Joe Banghart, Superintendent

% Comparison of Cost Factors to ISER

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

HB

16

A M E N D M E N T

OFFERED IN THE HOUSE
TO: HB 16

BY REPRESENTATIVE COGHILL

1 Page 1, line 2:

2 Following "programs":

3 Delete "and"

4 Insert ","

5 Following "come;"

6 Insert "and to the effectiveness of district secondary school
7 boarding programs;"

8

9 Page 2, following line 17:

10 Insert a new bill section to read:

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

13 REPORT ON SECONDARY SCHOOL BOARDING PROGRAMS. Not later than
14 February 1, 2010, the department shall provide to the governor a report on the effectiveness of
15 the district secondary school boarding programs operated by school districts. The department
16 shall include draft legislation to extend the cost reimbursement under AS 14.16.200 and the
17 student counting method under AS 14.17.905(c) for boarding school programs if the
18 department finds that continuation of the programs is in the best interest of the state. The
19 department shall make the report available to the public and to the legislature."

ALASKA STATE HOUSE OF REPRESENTATIVES



Contact:

Interim Address:

3340 Badger Road
North Pole, AK 99705
(907)-488-5725
Fax# (907)-488-4271

Session

(907)-465-3719
FAX# (907)-465-3258
State Capitol
Room 204

REPRESENTATIVE JOHN COGHILL

MEMORANDUM

Date: April 6, 2005
To: Jean Mischel, Legal Counsel
From: Rynniva Moss, Legislative Aide *RNMoss*
Re: HB 16

Could you please draft an amendment for HB 16 with the following language.

"By February 1, 2010, the Department of Education and Early Development provide to the governor and make available to the public and legislature a report on the effectiveness of the statewide regional boarding school programs offered by local school districts under the pilot program. If the department determines that the continuation of these programs is in the best interest of the state the department shall also include draft legislation in the report for legislative consideration."

Feel free to put it in the language you feel comfortable with.

Thanks

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 16
(H) Publish Date: 3/3/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
Title: *An Act relating to funding for school districts RDU: K-12 Support
operating secondary school boarding programs..... Component: Boarding Home Grants
Sponsor: Representative Coghill
Requester: (H) Special Committee on Education, HESS, Finance Component No. 148

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	1,227.0	1,227.0	1,227.0	1,227.0	1,227.0	0.0
Miscellaneous						
TOTAL OPERATING	1,227.0	1,227.0	1,227.0	1,227.0	1,227.0	0.0

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

1002 Federal Receipts						
1003 GF Match						
1004 GF	1,227.0	1,227.0	1,227.0	1,227.0	1,227.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type—Do not abbreviate)						
TOTAL	1,227.0	1,227.0	1,227.0	1,227.0	1,227.0	0.0

Estimate of any current year (FY2004) cost: 0.0

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

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This Act would create a pilot program, making available a monthly stipend to districts currently providing a residential boarding home program. This pilot program will be in place for five years, ending July 1, 2010. In addition to the monthly stipend, districts will be reimbursed for one round trip ticket per year for any boarding home student to travel within the state to attend the school in the district with the dormitory.

A community with an ADM of less than 10 will still be counted as a school if the decline is due to students enrolling in another district's secondary school boarding program.

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

Phone 465-8679
Date/Time 1/26/05 3:16 PM
Date 1/26/2005

Alaska Department of Education & Early Development
 Residential Programs
 Prepared by Elwin Blackwell

Fiscal Note No. 1 - HB 16

District	Community	Capacity	FY05 Monthly Stipend	Yearly Cost	Estimated Round trip	Annual Airfair	Estimated Grant	Comments
Galena	Galena	100	577	519,300	800	80,000	599,300	180 day program
Lower Kuskokwim	Bethel	35	490	154,350	500	17,500	171,850	180 day program
Nenana	Nenana	96	472	407,808	500	48,000	455,808	180 day program
Totals		231		1,081,458		145,500	1,226,958	

Iditarod	Takotna	40	490					Inactive program
Northwest Arctic	Kotzebue	40	577					Inactive program
Nome - Beltz HS.	Nome	40	577					2 week Voc-Ed program

NOTE: CPI not available to update rates for FY06 at time of preparation.

ALASKA STATE HOUSE OF REPRESENTATIVES

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State Capitol
Room 204

REPRESENTATIVE JOHN COGHILL

SPONSOR STATEMENT

HB 16 SECONDARY BOARDING SCHOOLS

HB 16 puts into statute DOE's current practice. This legislation expands existing programs for students who don't have access to grades 9 through 12 qualify for a stipend in boarding schools by changing the entrance requirements.

Students get a choice of going to a school that has something different to offer than may be available in their hometown. This legislation by statute reimburses some boarding schools costs incurred by the district operating the program.

The legislation limits the program to schools already operating boarding schools on January 1, 2005 and sunsets in 2010 (five years). Three schools would qualify for the reimbursement: Nenana, Galena, and Bethel.

A per-pupil stipend will help pay for the students' monthly residential care, which includes meals and supervision twenty-four hours a day, seven days a week. In addition a one round-trip between the student's community of residence and the school during the school year will be reimbursed if the district expends money for the trip.

The hold harmless section of this bill allows a student's district of residence to count a student for the ADM count even though the student is attending a secondary boarding school.

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Sectional For Committee Substitute for House Bill 16

Section 1.

(a) Provides that a school district that was operating a secondary boarding school prior to January 1, 2004 could be reimbursed for the cost of operating the boarding school providing they have a suitable student dormitory and provide daily access to a public school offering the grades 9-12 classes.

(b) The district can be reimbursed for a per-pupil stipend determined by the Department of Education and for one round trip per student that travels from their community.

(c) Defines district as "a city or borough school district or a regional educational attendance area.

Also defines district secondary school boarding program as " a public school operated for a full school year by a district in which the domiciliary services are provided for students in grades nine through 12. The full school year was added to the language in the Special Committee on Education and this resulted in a reduction in the fiscal note of \$227,700.

Section 2.

Provides a hold harmless clause for school districts that have children move out of the district to attend a secondary boarding school. The students moving from the district would be counted in the average daily membership of the home district.

Section 3.

This is a sunset clause that repeals the substance of this bill on July 1, 2010.

Section 4.

Puts into place an effective date of July 1, 2005.

Actual Cost of Boarding Schools

Galena Boarding School

Actual Costs

HB 16 Share

Daily rate	\$51.00	\$15.73
Monthly Rate	\$1,516.00	\$472.00
Annual Rate	\$18,362.00	\$4,248.00

Nenana Boarding School

Daily rate	\$33.00	\$15.73
Monthly Rate	\$1,000.00	\$472.00
Annual Rate	\$10,000.00 [1]	\$4,248.00

[1] Nenana Boarding School has a ten month school year



Nenana Student Living Center...

Developing Alaska's Most Valuable Resource

Sixty-six high school students from across the state of Alaska could be accepted to live in the state's most modern dormitory called Nenana Student Living Center (NSLC) and attend Nenana City School. In the past four years, over 250 students (with their parents support) have already made this choice. Of these students, about 80% have either returned this past year or have put in application to return next school year.

Why do students come to Nenana for an education? The reasons for coming are as diverse as the students living there. Students from larger areas seek more individualized attention; students from rural areas want more class offerings with certified teachers. A few students, coming from families currently experiencing some tough times, need the structure and stability dorm living offers. Most students come from stable families, but want to experience living more independently. In an application one parent spoke of the 'regression of funds for rural districts taking its toll'; many others expressed this same sentiment but in different words. Many parents of NSLC students feel that (for various reasons) their child's educational needs were not being met locally and thus they sought a quality education elsewhere. Why Nenana? What makes Nenana Student Living Center and Nenana City School unique?

In the state of Alaska there are three boarding schools: PERS in Galena, BABS in Bethel; and Mt. Edgecumbe in Sitka. They are just that—a school where students are also boarded; these schools are separate from the local public school at each site. The NSLC is unique in that it is a community wide project, planned and built to be used as a comfortable dormitory for students who want to attend the public school of Nenana. NSLC students attend school and freely interact with Nenana students. Another unique feature of NSLC is that four apartments were built within the facility enabling dorm parents to make the Living Center their home along with the students on a '24/7' basis, these dedicated dorm parents are able to provide nurturing support, guidance and consistency. There are many elements that make the NSLC a safe and secure environment: the security system with cameras that are in place, a night watchman hired throughout the week, as well as the dorm parents living on site.

NSLC is currently the only boarding home on the road system, only 50 miles from Fairbanks. This makes for easy access to medical facilities, college events, and cultural activities; many students also have extended families to visit there on weekends.

As well as adding diversity to the school, the addition of NSLC students has spurred implementation of many unique innovations (largely as a

result of Federal grants to education). These students perform better in our system than those of the schools that sent them. Why is that? We think it is due to innovations implemented in several key areas:

Academic

Transitional classes strengthen Math and English skills, meeting under-prepared students where they are and accelerating them to grade level. A study skills class further helps struggling students achieve academic standards. A computer based (Carnegie) math class is making a huge difference in students who have been unable to achieve "math success" in the past. Sunday through Thursday nights, students attend a mandatory study hall, operated by four skilled tutors. Those students who have completed all assignments have free choice of study activities, while those students who have been referred by teachers get additional tutoring to improve academic performance.

Cultural

Nenana students have many opportunities to learn from cultural instructors. They are offered training in how to mush a dog team and set up a winter camp using traditional and modern winter survival skills. Other projects include snow shoe and canoe building, beaver trapping and skinning, skin sewing, creating articles such as gloves, skin boots, beading dream-catchers, practicing Native singing and language, and putting on a potlatch. Our Inter-Tribal Dance Group has performed around the state and is in great demand.

Personal Development

Leadership such as Close Up, summer camps, student orientation leadership training and an active NSLC student government help students mature and gain real life skills. Vocational training in career pathways including culinary arts, entrepreneurship, computer skills, business education, and more pathways are being developed. Art classes teach seeing and painting the world we live in, building and painting rustic furniture, painting Native and wildlife subjects, and marketing art.

Personal Support

Grandparent mentors work in the schools and Living Center with students, providing a caring presence and guidance in traditional values and skills. Three counselors assist with personal, academic and vocational development. There is a full time drug and alcohol prevention counselor for all grade levels utilizing Project Success curriculum. A vocational counselor teaches school to work and grant support offers students opportunities to explore careers and work as interns. A personal counselor meets individually with students to prepare for college or vocational schools at every step from awareness to scholarship and admission applications. A College Prep. class for juniors and seniors further assists students realize their dreams. Our proximity to

University of Alaska Fairbanks affords students a well-used resource for job fairs, career and college exposure and enrichment.

Finally, students maintain strong ties to home while living here. Communication is encouraged and supported through newsletters and by grant-funded parent visits to the Living Center, encouraging parents to remain involved in the education of their young people.

As a regional educational center, the Nenana Living Center is proving both innovative and successful.

For Further Information, Contact:

Ralph Lindquist
Dean of Students
P.O. 442
Nenana, AK 99760

25 Returning Students

42 New Students

* No High School Available

No students withdrew the first semester

Two students were dismissed

One dismissed student stayed in Nenana and the other went to school in Fairbanks.

10	U. Marlls	Scammon Bay	Lower Yukon	
10	Stanley, Cody	Palmer	Mat-Su	33
10	Valka, Vanessa	Anchorage (Tyonek)	Anchorage - Kenai Penn.	34
11	Arrow, Tracy	Shageluk	Iditarod	35
11	Beaver, Ledwina	Kongiganak	Lower Kuskokwim	36
11	Dayton, Elizabeth *	Koyukuk	Yukon-Koyukuk	37
11	Dayton, Susan *	Koyukuk	Yukon-Koyukuk	38
11	Demientieff, Clinton	Holy Cross	Iditarod	39
11	Esbenshade, Hannah	Yakutat	Yakutat S.D.	40
11	Igkurak, Letha	Kongiganak	Lower Kuskokwim	41
11	Ignatin, Jonyssa	Old Harbor	Kodiak Island SD	42
11	Ivon, Isiah	Kongiganak	Lower Kuskokwim	43
11	Joe, Justin	Mtn. Village	Lower Yukon	44
11	Kookesh, Kristie	Angoon	Chatham	45
11	O'Brien, Matthew	Fairbanks	Fairbanks NSBSD	46
11	Otto, Chrissie	Kongiganak	Lower Kuskokwim	47
11	Redfox, Jerel	Mtn. Village	Lower Yukon	48
11	Romer, Albert	Kipnuk	Lower Kuskokwim	49
11	Sorensen, Daniel *	Alexander Creek	Mat-Su	50
11	Stephan, Robert	Tyonek	Kenai Peninsula	51
11	Tritt, Donetta	Lower Kalskag	Kuspuk S.D.	52
11	Waskey, Eusebuis	Mtn. Village	Lower Yukon	53
12	Agwiak, Lois	Mtn. Village	Lower Yukon	54
12	Alexie, Carolyn	Mtn. Village	Lower Yukon	55
12	Berg, Kelly	Anchorage	Anchorage	56
12	Brooks, Leah	Nenana	Nenana	57
12	Christiansen, Heidi	Old Harbor	Kodiak Island SD	58
12	Hamilton, Jorian	Shageluk	Iditarod	59
12	James, Kyle	Manley Hot Sprgs	Yukon-Koyukuk	60
12	Johns, Sophia	Copper Center	Copper River S.D.	61
12	Kookesh, Mona	Angoon	Chatham	62
12	Korth, Rhonda *	Ft. Yukon	Yukon-Flats	63
12	Shewfelt, Russell	Fairbanks	Fairbanks NSBSD	64
12	Solari, Roberta	Beaver	Yukon-Flats	65
12	Stamm, Timothy	Nikolski	Aleutian Region	66
12	Stanley, Bethany	Palmer	Mat-Su	67

No local school

No local school

No local school

No local school

NSLC 04-05 Students

Nenana Student Living Center - Through end of 1st Semester

2004-05 GRADE	NAME	VILLAGE	DISTRICT	Count	
9	Agwjak, Esther	Mtn. Village	Lower Yukon	1	
9	Agwjak, Theresa	Mtn. Village	Lower Yukon	2	
9	Beaver, Albert III	Kongiganak	Lower Kuskokwim	3	
9	DeLaRosa, Keith	Mtn. Village	Lower Yukon	4	
9	Moon, Amber	Anchorage	Anchorage	5	
9	Okpealuk, Marilyn	Kotzebue	NW Arctic BSD	6	
9	Peters, Margie	Holy Cross	Iditarod	7	
9	Semaken, Breanna	Kaltag	Yukon-Koyukuk	8	
9	Sorensen, Frederick *	Alexander Creek	Mat-Su	9	No local school
9	Winer, Nellie	Beaver	Yukon-Flats	10	
10	Agwjak, Arielle	Mtn. Village	Lower Yukon	11	
10	Alexie, Thomas	Kipnuk	Lower Kuskokwim	12	
10	Attie, Michael	Kipnuk	Lower Kuskokwim	13	
10	Behee, Derrick	Fairbanks	Fairbanks NSBSD	14	
10	Brooks, Molly	Nenana	Nenana	15	
10	Chase, Katrina	Tuntutuliak	Lower Kuskokwim	16	
10	David, Chris	Kongiganak	Lower Kuskokwim	17	
10	Esmailka, Danielle	Kaltag	Yukon-Koyukuk	18	
10	Esmailka, Megan	Kaltag	Yukon-Koyukuk	19	
10	Hamilton, Stephanie	Shageluk	Iditarod	20	
10	Handley, Michael	Kipnuk	Lower Kuskokwim	21	
10	Korth, Krin *	Ft. Yukon - Brooks Range	Yukon-Flats	22	No local school
10	Lojntz, Dax	Koyukuk	Yukon-Koyukuk	23	
10	McCord, Rayanne	Anchorage	Anchorage	24	
10	Moon, Amy	Anchorage (Tyonek)	Anchorage - Kenai Penn.	25	
10	O'Brien, Charlie	Fairbanks	Fairbanks NSBSD	26	
10	Okpealuk, Dawn	Kotzebue	NW Arctic BSD	27	
10	Panipchuk, Elizabeth	Unalakleet	Bering Strait S.D	28	
10	Peters, Kimberly	Holy Cross	Iditarod	29	
10	Romer, Kristen	Kipnuk	Lower Kuskokwim	30	
10	Standlifer, Marcy	Tyonek	Kenai Peninsula	31	