



# LAWS OF ALASKA

2020

**Source**  
HB 106

**Chapter No.**  
\_\_\_\_\_

## AN ACT

Relating to school bond debt reimbursement.

---

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

THE ACT FOLLOWS ON PAGE 1



**AN ACT**

1 Relating to school bond debt reimbursement.

2

3 \* **Section 1.** AS 14.11.014(d) is amended to read:

4 (d) Notwithstanding any other provision of law, the committee may not  
5 recommend for approval an application for bond debt reimbursement made by a  
6 municipality for school construction or major maintenance for indebtedness authorized  
7 by the qualified voters of the municipality on or after January 1, 2015, but before  
8 July 1, 2025 [2020].

9 \* **Sec. 2.** AS 14.11.100(a) is amended to read:

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

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

15 (2) 90 percent of

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

5 (B) cash payments made after June 30, 1976, and before July 1,  
6 1978, by the municipality during the fiscal year two years earlier to pay costs  
7 of school construction;

8 (3) 90 percent of

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

14 (B) cash payments made after June 30, 1978, and before July 1,  
15 1982, by the municipality during the fiscal year two years earlier to pay costs  
16 of school construction projects approved under AS 14.07.020(a)(11);

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

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

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

28 (C) payments made by the municipality during the current  
29 fiscal year for the retirement of principal and interest on outstanding bonds,  
30 notes, or other indebtedness to pay costs of school construction, additions to  
31 schools, and major rehabilitation projects that exceed \$25,000 and are

1 submitted to the department for approval under AS 14.07.020(a)(11) before  
2 July 1, 1983, and approved by the qualified voters of the municipality before  
3 October 15, 1983, not to exceed a total project cost of (i) \$6,600,000 if the  
4 annual growth rate of average daily membership of the municipality is more  
5 than seven percent but less than 12 percent, or (ii) \$20,000,000 if the annual  
6 growth rate of average daily membership of the municipality is 12 percent or  
7 more; payments made by a municipality under this subparagraph on total  
8 project costs that exceed the amounts set out in (i) and (ii) of this subparagraph  
9 are subject to (5)(A) of this subsection;

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

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

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

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

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

27 (6) subject to (h) - (j) and (m) of this section, 70 percent of payments  
28 made by the municipality during the fiscal year for the retirement of principal and  
29 interest on outstanding bonds, notes, or other indebtedness authorized by the qualified  
30 voters of the municipality on or after April 30, 1993, but before July 1, 1996, to pay  
31 costs of school construction, additions to schools, and major rehabilitation projects

1 that exceed \$200,000 and are approved under AS 14.07.020(a)(11);

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

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

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

23 (10) subject to (h), (i), (j)(2) - (5), and (o) of this section, and after  
24 projects funded by the bonds, notes, or other indebtedness have been approved by the  
25 commissioner, 70 percent of payments made by the municipality during the fiscal year  
26 for the retirement of principal and interest on outstanding bonds, notes, or other  
27 indebtedness authorized by the qualified voters of the municipality on or after June 30,  
28 1998, to pay costs of school construction, additions to schools, and major  
29 rehabilitation projects that exceed \$200,000, are approved under AS 14.07.020(a)(11),  
30 and are not reimbursed under (n) of this section;

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

1 funded by the bonds, notes, or other indebtedness have been approved by the  
2 commissioner, 70 percent of payments made by a 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 June 30,  
5 1999, but before January 1, 2005, to pay costs of school construction, additions to  
6 schools, and major rehabilitation projects and education-related facilities that exceed  
7 \$200,000, are approved under AS 14.07.020(a)(11), and are not reimbursed under (n)  
8 or (o) of this section;

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

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

26 (14) subject to (h), (i), (j)(2), (3), and (5), and (p) of this section, 60  
27 percent of payments made by a municipality during the fiscal year for the retirement  
28 of principal and interest on outstanding tax exempt bonds, notes, or other indebtedness  
29 authorized by the qualified voters of the municipality on or after June 30, 1999, but  
30 before October 31, 2006, to pay costs of school construction, additions to schools, and  
31 major rehabilitation projects and education-related facilities that exceed \$200,000, are

1 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (n) or (o) of this  
2 section;

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

14 (16) subject to (h), (i), and (j)(2) - (5) of this section, and after projects  
15 funded by the tax exempt bonds, notes, or other indebtedness have been approved by  
16 the commissioner, 70 percent of payments made by a municipality during the fiscal  
17 year for the retirement of principal and interest on outstanding tax exempt bonds,  
18 notes, or other indebtedness authorized by the qualified voters of the municipality on  
19 or after October 1, 2006, but before January 1, 2015, to pay costs of school  
20 construction, additions to schools, and major rehabilitation projects and education-  
21 related facilities that exceed \$200,000, are approved under AS 14.07.020(a)(11), and  
22 are not reimbursed under (o) of this section;

23 (17) subject to (h), (i), and (j)(2), (3), and (5) of this section, 60 percent  
24 of payments made by a municipality during the fiscal year for the retirement of  
25 principal and interest on outstanding tax exempt bonds, notes, or other indebtedness  
26 authorized by the qualified voters of the municipality on or after October 1, 2006, but  
27 before January 1, 2015, to pay costs of school construction, additions to schools, and  
28 major rehabilitation projects and education-related facilities that exceed \$200,000, are  
29 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (o) of this section;  
30 [.]

31 (18) [REPEALED]

1                   (19)] subject to (h), (i), and (j)(2) - (5) of this section, and after  
2 projects funded by the tax exempt bonds, notes, or other indebtedness have been  
3 approved by the commissioner, 50 percent of payments made by a municipality during  
4 the fiscal year for the retirement of principal of and interest on outstanding tax exempt  
5 bonds, notes, or other indebtedness authorized by the qualified voters of the  
6 municipality on or after July 1, 2025 [2020], to pay costs of school construction,  
7 additions to schools, and major rehabilitation projects and education-related facilities  
8 that exceed \$200,000, are approved under AS 14.07.020(a)(11), and are not  
9 reimbursed under (o) of this section;

10                   **(19)** [(20)] subject to (h), (i), and (j)(2), (3), and (5) of this section, 40  
11 percent of payments made by a municipality during the fiscal year for the retirement  
12 of principal of and interest on outstanding tax exempt bonds, notes, or other  
13 indebtedness authorized by the qualified voters of the municipality on or after July 1,  
14 2025 [2020], to pay costs of school construction, additions to schools, and major  
15 rehabilitation projects and education-related facilities that exceed \$200,000, are  
16 reviewed under AS 14.07.020(a)(11), and are not reimbursed under (o) of this section.

17 \* **Sec. 3.** AS 14.11.100(s) is amended to read:

18                   (s) Notwithstanding any other provision of law, the commissioner may not  
19 approve an application for bond debt reimbursement made by a municipality for  
20 school construction or major maintenance for indebtedness authorized by the qualified  
21 voters of the municipality on or after January 1, 2015, but before July 1, 2025 [2020].

22 \* **Sec. 4.** AS 14.11.102(c) is amended to read:

23                   (c) The commissioner may not allocate funds to a municipality under  
24 AS 14.11.100 for the retirement of the principal of and interest on outstanding tax-  
25 exempt bonds, notes, or other indebtedness authorized by the qualified voters of the  
26 municipality on or after January 1, 2015, but before July 1, 2025 [2020].

27 \* **Sec. 5.** Section 6, ch. 3, SLA 2015, is amended to read:

28                   Sec. 6. AS 14.11.014(d), 14.11.100(s), and 14.11.102(c) are repealed July 1,  
29 2025 [2020].