

HB 28 -- Redline

HB 28 to Enrolled -- An Act relating to education; relating to reimbursement of school district energy costs; relating to correspondence study program materials; relating to substitute teaching; relating to the qualifications of school board members; relating to school consolidation; relating to the required local contribution made by a city or borough school district for public school funding; relating to reemploying retired members of the teachers' retirement system at regional resource centers; establishing a teachers' student loan repayment pilot program; and providing for an effective date.

Deletions ~~struck~~ · Insertions underlined

~~34-LS0303\ALASKA HOUSE OF BILL ALASKA NO.~~Source Chapter No.

~~28SCS INC SHB THE 28(FIN) LEGISLATURE OF THE STATE OF ALASKA~~Relating ~~THIRTY-FOURTH~~to
~~LEGISLATURE~~education; ~~--- FIRST SESSION BY REPRESENTATIVES STORY, Fields, Hall, Himschoot, Galvin, Dibert, Josephson, Bynum Introduced:~~

~~1/22/25~~relating ~~Referred to~~ reimbursement of school district energy costs;

Education, relating ~~Finance~~to a correspondence ~~BILL~~study ~~FOR~~program ~~AN~~materials; ~~ACT ENTITLED "An Act~~
~~establishing a student loan repayment pilot program;~~

~~and relating providing to for substitute an teaching; effective date." BE IT ENACTED BY THE LEGISLATURE OF~~
~~THE STATE OF ALASKA:~~

~~*relating Section to 1~~the qualifications of school board members;

~~relating to school consolidation;~~

~~relating to the required local contribution made by a city or borough school district for public school~~
~~funding;~~

~~relating to reemploying retired members of the teachers' retirement system at regional resource centers;~~

~~establishing a teachers' student loan repayment pilot program;~~

~~and providing for an effective date.~~

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

~~THE ACT FOLLOWS ON PAGE 1 Enrolled HB 28 AN ACT Relating to education;~~

~~relating to reimbursement of school district energy costs;~~

~~relating to correspondence study program materials;~~

~~relating to substitute teaching;~~

~~relating to the qualifications of school board members;~~

~~relating to school consolidation;~~

~~relating to the required local contribution made by a city or borough school district for public school~~
~~funding;~~

~~relating to reemploying retired members of the teachers' retirement system at regional resource centers;~~

~~establishing a teachers' student loan repayment pilot program;~~

~~and providing for an effective date.~~

~~* Section 1.~~

~~AS 14.03.078(a) is amended to read:~~

~~(a) The department shall provide to the legislature and school districts by February 15 of each year by~~
~~electronic means an annual report regarding the progress of each school and school district toward high~~
~~academic performance by all students.~~

~~The report required under this section must include (1) information described under AS 14.03.120;~~

~~-1- Enrolled HB 28 (2) progress of the department (A) toward implementing the school accountability~~
~~provisions of AS 14.03.123;~~

~~and (B) in assisting high schools to become accredited;~~

~~(3) a description of the resources provided to each school and school district for coordinated school~~
~~improvement activities and staff training in each school and school district;~~

~~(4) each school district's and each school's progress in aligning curriculum with state education~~
~~performance standards;~~

~~(5) a description of the efforts by the department to assist a public school or district that receives a~~
~~low performance designation under AS 14.03.123;~~

~~(6) a description of intervention efforts by each school district and school for students who are not~~
~~meeting state performance standards;~~

~~(7) the number and percentage of turnover in certificated personnel and superintendents;~~

~~(8) a summary of the categories of certificated administrative employees employed by each school~~
~~district that includes the ratio of (A) the number of certificated administrative employees in each~~
~~category employed by each school district compared to the number of students enrolled in the school~~

district on October 1 of the previous year;

(B) the total number of certificated administrative employees employed by each school district compared to the total number of teachers employed by the school district on October 1 of the previous year;

and (C) the total number of teachers employed by each school district compared to the total number of students enrolled in the school district on October 1 of the previous year;

(9) the progress made to implement the reading intervention programs established under AS 14.30.760 - 14.30.780, including data on how school districts are using in-service days for culturally responsive professional development in reading instruction;

[AND] (10) the effectiveness and participation rates of the parents as teachers Enrolled HB 28 -2- program established under AS 14.03.420, including measures of efficiency and effectiveness that demonstrate the effects of the program on school readiness;

and (11) information relating to reimbursement of school district energy costs under AS 14.03.128, including (A) each school district's actual expenditures for and amount of heating fuel and electricity for facilities used by the district for each of the preceding four fiscal years;

and (B) the amount the department distributed to each school district under AS 14.03.128 for the previous fiscal year.

* Sec.

2.

AS 14.03 is amended by adding a new section to read:

Sec.

14.03.128.

Reimbursement of district energy costs.

(a) Subject to appropriation, the department shall annually reimburse each eligible district an amount equal to the district's three-year energy cost average.

The department shall calculate the amount of a district's three-year energy cost average for a fiscal year by combining the amount of the district's actual expenditures for heating fuel and electricity for facilities used by the district, as reported to the department under AS 14.14.050, for each of the first three of the preceding four fiscal years and dividing that sum by three.

(b) A district is eligible to receive reimbursement under (a) of this section for a fiscal year if the district makes reasonable efforts, as determined by the department, not to increase the amount of energy the district used during that fiscal year from the amount used in the preceding fiscal year.

The department may withhold reimbursement to a district under this section only after providing the district with notice and an opportunity to respond.

(c) If the amount appropriated for a fiscal year is insufficient to meet the amounts authorized in this section, the department shall reduce pro rata the amount reimbursed to districts by the necessary percentage as determined by the department.

(d) In this section, "district" has the meaning given in AS 14.17.990.

* Sec.

3.

AS 14.03.300 is amended by adding a new subsection to read:

(c) A student who ceases to be enrolled in a correspondence study program operated by a school district may retain textbooks, equipment, and other curriculum materials provided to the student through the program, including materials purchased -3- Enrolled HB 28 through an annual student allotment provided to a parent or guardian of the student under AS 14.03.310, if the textbook, equipment, or material is of the type that a student may retain when the student ceases to be enrolled in a physical school in the district.

* Sec.

4.

AS 14.08.041 is amended by adding a new subsection to read:

(g) Notwithstanding AS 14.14.140, a member of a regional school board may be employed as a substitute teacher at a school under emergency circumstances of a time-limited duration.

* Sec.

5.

AS 14.12.080 is amended to read:

Sec.

14.12.080.

Qualification of members.

To be eligible to be a member of a school board, a person must have the same qualifications as are necessary to be a municipal voter in the school district and may not have been convicted of a felony

involving moral turpitude unless the person has been unconditionally discharged for the felony and at least 10 years have passed since the date of unconditional discharge.

In this section, "unconditionally discharged" has the meaning given in AS 12.73.090.

* Sec.

6.

AS 14.14.050(b) is amended to read:

(b) The audit shall conform in form to requirements established by the commissioner and must include the information the department determines is necessary to calculate reimbursement of the school district's energy costs under AS 14.03.128.

The commissioner shall withhold all payments of state funds after November 15 to a school district that fails to file a certified copy of the audit with the department.

* Sec.

7.

AS 14.17.410(b) is amended to read:

(b) Public school funding consists of state aid, a required local contribution, and eligible federal impact aid determined as follows:

(1) state aid equals basic need minus a required local contribution and 90 percent of eligible federal impact aid for that fiscal year;

basic need equals the sum obtained under (D) of this paragraph, multiplied by the base student allocation set out in AS 14.17.470;

district adjusted ADM is calculated as follows:

(A) the ADM of each school in the district is calculated by Enrolled HB 28 -4- applying the school size factor to the student count as set out in AS 14.17.450;

(B) the number obtained under (A) of this paragraph is multiplied by the district cost factor described in AS 14.17.460;

(C) the ADMs of each school in a district, as adjusted according to (A) and (B) of this paragraph, are added;

the sum is then multiplied by the special needs factor set out in AS 14.17.420(a)(1) and the secondary school vocational and technical instruction funding factor set out in AS 14.17.420(a)(3);

(D) the number obtained for intensive services under AS 14.17.420(a)(2) and the number obtained for correspondence study under AS 14.17.430 are added to the number obtained under (C) of this paragraph or under (H) and (I) of this paragraph;

(E) notwithstanding (A) - (C) of this paragraph, if a school district's ADM adjusted for school size under (A) of this paragraph decreases by five percent or more from one fiscal year to the next fiscal year, the school district may use the last fiscal year before the decrease as a base fiscal year to offset the decrease, according to the following method:

(i) for the first fiscal year after the base fiscal year determined under this subparagraph, the school district's ADM adjusted for school size determined under (A) of this paragraph is calculated as the district's ADM adjusted for school size, plus 75 percent of the difference in the district's ADM adjusted for school size between the base fiscal year and the first fiscal year after the base fiscal year;

(ii) for the second fiscal year after the base fiscal year determined under this subparagraph, the school district's ADM adjusted for school size determined under (A) of this paragraph is calculated as the district's ADM adjusted for school size, plus 50 percent of the difference in the district's ADM adjusted for school size between the base fiscal year and the second fiscal year after the base fiscal year;

(iii) for the third fiscal year after the base fiscal year determined under this subparagraph, the school district's ADM adjusted -5- Enrolled HB 28 for school size determined under (A) of this paragraph is calculated as the district's ADM adjusted for school size, plus 25 percent of the difference in the district's ADM adjusted for school size between the base fiscal year and the third fiscal year after the base fiscal year;

(F) the method established in (E) of this paragraph is available to a school district for the three fiscal years following the base fiscal year determined under (E) of this paragraph only if the district's ADM adjusted for school size determined under (A) of this paragraph for each fiscal year is less than the district's ADM adjusted for school size in the base fiscal year;

(G) the method established in (E) of this paragraph does not apply to a decrease in the district's ADM adjusted for school size resulting from a loss of enrollment that occurs as a result of a boundary change under AS 29;

(H) notwithstanding (A) - (C) of this paragraph, if one or more schools close and consolidate with one or more other schools in the same community and district and, as a result of the consolidation, basic need generated by the district's ADM of the consolidated schools as adjusted under (A) - (C) of this

paragraph decreases, the district may use the last fiscal year before the consolidation as the base fiscal year to offset that decrease for the first four fiscal years following consolidation according to the following method:

(i) for the first two fiscal years after the base fiscal year, the district's ADM of the consolidated schools as adjusted under (A) - (C) of this paragraph is calculated by dividing the sum of the district's ADM of the consolidated schools as adjusted under (A) - (C) of this paragraph for the base fiscal year by the sum of the district's ADM of the consolidated schools for the base fiscal year without adjustment, and subtracting the quotient obtained by dividing the district's ADM of the consolidated schools for the current fiscal year as adjusted under (A) - (C) of this paragraph by the sum of the district's ADM of the consolidated schools for the current fiscal year without adjustment, Enrolled HB 28 -6- multiplying that number by the sum of the district's ADM of the consolidated schools for the current fiscal year without adjustment, and adding that number to the sum of the district's ADM of the consolidated schools for the current fiscal year as adjusted under (A) - (C) of this paragraph;

(ii) for the third fiscal year after the base fiscal year, the district's ADM of the consolidated schools as adjusted under (A) - (C) of this paragraph is calculated by dividing the sum of the district's ADM of the consolidated schools as adjusted under (A) - (C) of this paragraph for the base fiscal year by the sum of the district's ADM of the consolidated schools for the base fiscal year without adjustment, and subtracting the quotient obtained by dividing the sum of the district's ADM of the consolidated schools for the current fiscal year as adjusted under (A) - (C) of this paragraph by the sum of the district's ADM of the consolidated schools for the current fiscal year, multiplying that number by the sum of the district's ADM of the consolidated schools for the current fiscal year without adjustment, multiplying that number by 66 percent, and adding that number to the sum of the district's ADM of the consolidated schools for the current fiscal year as adjusted under (A) - (C) of this paragraph;

(iii) for the fourth fiscal year after the base fiscal year, the district's ADM of the consolidated schools as adjusted under (A) - (C) of this paragraph is calculated by dividing the sum of the district's ADM of the consolidated schools as adjusted under (A) - (C) of this paragraph for the base fiscal year by the sum of the district's ADM of the consolidated schools for the base fiscal year without adjustment, and subtracting the quotient obtained by dividing the sum of the district's ADM of the consolidated schools for the current fiscal year as adjusted under (A) - (C) of this paragraph by the sum of the district's ADM of the consolidated schools for the current fiscal year, multiplying that number by the sum of the district's ADM of the -7- Enrolled HB 28 consolidated schools for the current fiscal year without adjustment, multiplying that number by 33 percent, and adding that number to the sum of the district's ADM of the consolidated schools for the current fiscal year as adjusted under (A) - (C) of this paragraph;

(iv) to calculate the district's basic need for each fiscal year, the number obtained through the calculation in (i), (ii), or (iii) of this subparagraph is added to the number obtained under (C) of this paragraph for the remainder of the district;

(I) if the basic need calculated under (H)(i) - (iii) of this paragraph for one of the first four fiscal years after consolidation is less than the basic need calculated under (A) - (C) of this paragraph for that fiscal year, the basic need may not be adjusted under (H) of this paragraph for that fiscal year;

(J) a district may not offset a decrease under (H) of this paragraph if (i) a new facility is constructed in the district for the consolidation;

or (ii) the district offset a decrease under (E) of this paragraph in the same fiscal year;

(K) a district that offsets a decrease under (H) of this paragraph may not reopen a school that was closed for consolidation in the district until (i) four [SEVEN] or more years have passed since the school closure;

and (ii) the district provides evidence satisfactory to the department that the schools affected by the consolidation are over capacity;

(L) a district may not reopen and reconsolidate a school that was consolidated in the district more than once every four [SEVEN] years for purposes of the calculations made under (H) of this paragraph;

(M) a district offsetting a decrease under (H) of this paragraph shall provide the department with the list of schools participating in the Enrolled HB 28 -8- consolidation and the corresponding ADM;

(2) the required local contribution of a city or borough school district is the equivalent of a 2.65 mill tax levy on the full and true value of the taxable real and personal property in the district as of January 1 of the second preceding fiscal year, as determined by the Department of Commerce, Community, and Economic Development under AS 14.17.510 and AS 29.45.110;

the required local contribution may [,] not [TO] exceed (A) 45 percent of a district's basic need for the preceding fiscal year as determined under (1) of this subsection;

or (B) the amount of the district's required local contribution for the preceding fiscal year by more than four percent.

* Sec.

8.

AS 14.20.136(a) is amended to read:

(a) Subject to (b) - (d) of this section, a school district or regional resource center established under AS 14.12.150 may reemploy a member who is retired under a retirement plan established in AS 14.25.009 - 14.25.220, or a member who is retired under a retirement plan established in AS 14.25.310 - 14.25.590.

In this subsection, "school district" has the meaning given in AS 14.30.350.

* Sec.

9.

AS 14.20.136(b) is amended to read:

(b) A member who is retired under AS 14.25.110(a) may not be reemployed under (a) of this section unless the member (1) certifies that the member and the school district or regional resource center did not arrange before the member retired from the school district or regional resource center for the member to be reemployed by the school district or regional resource center after the member retired;

and (2) has been retired for at least (A) 60 days if the member is at least 62 years of age;

or (B) six months if the member is less than 62 years of age.

* Sec.

10.

AS 14.20.136(c) is amended to read:

(c) Before reemploying a retired member under (a) of this section to fill a position, a school district or regional resource center shall (1) by resolution, adopt a policy that describes the circumstances of a -9- Enrolled HB 28 shortage or anticipated shortage of applicants, other than retired members, who are qualified for particular positions and permits rehiring that complies with the requirements of this section;

and (2) publicly advertise the position for 10 business days and actively recruit to fill the position by hiring a person other than a member who is retired.

* Sec.

11.

AS 14.20.136(e) is amended to read:

(e) A school district or regional resource center that reemploys a member under this section who is retired under the defined benefit retirement plan established in AS 14.25.009 - 14.25.220 is required to (1) provide the administrator with (A) a copy of the resolution and policy adopted under (c) of this section;

and (B) for every retired member who is rehired, a report identifying the member by name and describing the (i) circumstances of the shortage that necessitated the rehire;

and (ii) actions taken by the school district or regional resource center to comply with [SCHOOL DISTRICT] policy adopted under (c) of this section and the requirements of this section;

and (2) make contributions under AS 14.25.070.

* Sec.

12.

AS 14.25.043(f) is amended to read:

(f) If a member who retired under AS 14.25.110(a) is reemployed by a school district or regional resource center under AS 14.20.136, (1) the member does not become an active member;

(2) the member shall continue to receive retirement benefits from the plan as though the member were not reemployed by the school district or regional resource center;

(3) deductions from the member's salary may not be made under AS 14.25.050;

and (4) the member may not receive credited service in the plan during the period of reemployment.

Enrolled HB 28 -10- * Sec.

13.

AS 14.25.043(g) is amended to read:

(g) Notwithstanding (f) of this section, a member who is retired under AS 14.25.110(a) and reemployed by a school district or regional resource center under AS 14.20.136 is eligible to receive the group health plan coverage provided to active members employed by that school district or regional resource center.

* Sec.

14.

(a) The Alaska Commission on Postsecondary Education shall develop and administer a teachers' student loan repayment pilot program.

A person applying for a grant must submit the application to the commission ~~not by later a than~~ deadline October established 31, by 2025, the commission, on a form provided by the commission.

Subject to appropriation, the commission may award a grant to a person who (1) is employed as a full-time certificated teacher in a public school or to a special full-time education employee English of as the a state second and language, (1) science, has technology, completed engineering, a postsecondary degree or certificate mathematics; program located outside the state, was a resident of the state for at least 12 months before attending the out-of-state institution, and has an outstanding student loan as described in 26 U.S.C.

108(f)(2)(2) HB0028a has -1-completed HBA 28 postsecondary New Text Underlined [DELETED TEXT BRACKETED] 34-LS0303\A incurred by the person for the degree or certificate program program; located outside the state; or (3) (2) has completed a postsecondary degree or certificate program from the University of Alaska, has resided outside the state for at least 12 months before beginning full-time employment as a certificated teacher in a public school or as a full-time employee of the state, and has an outstanding student loan loan, as described in 26 U.S.C.

108(f)(2) 108(f)(2), incurred by the person for the degree or certificate program program; from the University of Alaska.

and (4) has otherwise exhausted all other federal and state student loan repayment programs for which the person is eligible.

(2) implement policies to determine the efficacy of the program toward improving the recruitment and retention rates of teachers ~~and state employees~~ who receive a grant under this section;

215 of this Act.

(d) Grants awarded under this section are payable ~~(1) for a person employed as a full-time certificated teacher in a public school,~~ upon completion of the person's contract ~~term;~~ term.

~~or 11- (2) Enrolled for HB 28 (e) The commission may award a grant to a person employed each as year a in full-time an employee amount equal to one-third of the state, balance upon of the person's outstanding merit student anniversary loan date owed by the person.~~

~~(e) A person grant may awarded receive to a grant person under the this program section may not exceed \$5,000 each year for and a may maximum not of be awarded for more than three years.~~

~~A(f) person Grants with may outstanding be student awarded loans under used this to section pay for a degree or certificate program located outside the state or at the University of Alaska (1) totaling \$24,000 or more is eligible to receive a grant of \$8,000 in each year fiscal of year. participation in the program; or (2) totaling less than \$24,000 is eligible to receive a grant of one-third of the balance of the outstanding student loans in each year of participation in the program.~~

~~(f) Up to 125 grants may be awarded under this section each fiscal year.~~

If the amount appropriated in a fiscal year is insufficient to meet the amounts awarded under (a) of this section, the commission shall reduce pro rata the amounts awarded by the ~~HB 28 -2- HB0028a New Text Underlined [DELETED TEXT BRACKETED] 34-LS0303\A~~ necessary percentage as determined by the commission.

2-15.

On or before December 31, ~~2025, 2028, December 31, 2026, and December 31, 2027,~~ the Alaska Commission on Postsecondary Education shall submit a report to the senate secretary and the chief clerk of the house of representatives and notify the legislature that the report is available.

The ~~reports~~ report must include the effects of the student loan repayment pilot program developed under sec.

14 of this Act on teacher recruitment and state retention employee and recruitment an analysis of the overall success rate and retention effectiveness of the student loan repayment pilot program thus far. ~~The report submitted by December 31, 2027, must include an analysis of the overall success rate and effectiveness of the student loan repayment pilot program.~~

3-16.

~~Sections The 1 uncodified and law 2 of the State of this Alaska Act is are amended repealed by January adding 1, a 2028, new section to read:~~

APPLICABILITY.

Sections 8 - 13 of this Act apply to contracts made on or after the effective date of secs.

8 - 13 of this Act.

4-17.

~~This Section Act 14 takes of effect this immediately Act under is AS repealed 01.10.070(c). June 1, 2030.~~

~~HB0028a* -3 Sec. HB 28 New Text Underlined [DELETED TEXT BRACKETED]~~

18.

Section 15 of this Act is repealed January 1, 2029.

* Sec.

19.

Section 7 of this Act takes effect July 1, 2026.

* Sec.

20.

Sections 1, 2, and 6 of this Act take effect July 1, 2027.

* Sec.

21.

Except as provided in secs.

19 and 20 of this Act, this Act takes effect immediately under AS 01.10.070(c).

Enrolled HB 28 -12-