

SENATE BILL NO. 106

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY SENATORS DYSON, Giessel

Introduced: 3/18/11

Referred: Education, Judiciary, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing the parental choice scholarship program to be administered by
2 school districts for the purpose of paying the cost of attending grades kindergarten
3 through 12 at public and private schools; and providing for an effective date."

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

5 * **Section 1.** AS 14 is amended by adding a new chapter to read:

6 **Chapter 31. Parental Choice Scholarship Program.**

7 **Sec. 14.31.010. Parental choice scholarship program established.** The
8 parental choice scholarship program is established for the purpose of providing public
9 funding of the cost of attending grades kindergarten through 12 at a public or private
10 school selected by the student's parent or legal guardian. Each school district shall
11 administer the program under the provisions of this chapter. Participation of a school
12 in the program does not confer authority over a school to a school district that is not
13 expressly provided for in this title.

14 **Sec. 14.31.020. Scholarship amount and eligibility.** (a) A public school in

1 the state may receive a scholarship under the parental choice scholarship program on
2 behalf of a student who attends the school, regardless of the attendance area in the
3 school district in which the student resides.

4 (b) A private school qualifies to receive funding under the parental choice
5 scholarship program if the school

6 (1) submits notice of participation to the district in which the school is
7 located on a form approved by the district indicating that the school intends to
8 participate in the program;

9 (2) meets the accountability and enrollment standards under
10 AS 14.31.025; and

11 (3) complies with AS 14.45.030 or 14.45.110 - 14.45.130.

12 (c) Notwithstanding the calculations required under AS 14.17, the district shall
13 pay to a qualified school attended by the student under this section a parental choice
14 scholarship that is equal to the lesser of

15 (1) the amount the school district in which the student resides would
16 receive under AS 14.17 for a similarly situated student to attend a public school in the
17 district, except that the amount may not exceed 100 percent of the funding the school
18 receives and expends from all state and local sources for the student; or

19 (2) the actual annual cost to the school of educating the student,
20 including prorated facility and operating expenses.

21 (d) If a parent or legal guardian has selected a public school outside of the
22 attendance area in which the student resides for a scholarship under this section, the
23 school district in which the student resides may contribute to the reasonable costs of
24 transporting the student to the scholarship recipient school with state aid available
25 under AS 14.09.010 for transportation of the student.

26 (e) A scholarship received for the benefit of a student under this section must
27 be used for educational purposes. A scholarship is transferable among participating
28 schools.

29 (f) A participating school shall include students who are enrolled under this
30 section in the student count for purposes of calculating state aid under AS 14.17.610.

31 **Sec. 14.31.025. Accountability and enrollment standards for a**

1 **participating school.** (a) A district shall accept a school for participation in the
2 parental choice scholarship program if the school

3 (1) operates in compliance with all applicable federal and state laws
4 pertaining to health and safety;

5 (2) does not discriminate in its admission and hiring practices as
6 prohibited under AS 14.18.010 - 14.18.100;

7 (3) admits students in accordance with the published admissions policy
8 of the school;

9 (4) requires criminal history background checks as provided under
10 AS 12.62.400 for all individuals who are employed in or otherwise work in the school;

11 (5) if a private school, meets the following financial accountability
12 standards:

13 (A) demonstrates the school's financial ability to repay to the
14 district any overpaid scholarship funds; and

15 (B) certifies the actual annual costs to the school of educating a
16 student, including a prorated amount for facility and operating costs.

17 (b) A participating school is autonomous and may not be subject to additional
18 regulation by the state unless authorized under AS 14.31.010 - 14.31.090.

19 **Sec. 14.31.035. District duties.** (a) In implementing the parental choice
20 scholarship program, the district shall

21 (1) make scholarship payments directly to the school quarterly after
22 receiving proof satisfactory to the district that the student claimed under a scholarship
23 attends the school on a full-time basis;

24 (2) make available to students and students' parents or guardians a list
25 of schools that have been accepted to participate in the program; and

26 (3) provide a standard application for use by a school to enroll a
27 student under the program; a school may, however, supplement the application.

28 (b) If the district denies or revokes acceptance of a school to participate in the
29 program, the district shall, after administrative and judicial appeal periods have lapsed,
30 immediately notify the affected students and the students' parents or guardians.

31 **Sec. 14.31.040. Regulations.** The department shall adopt regulations necessary

1 to carry out the program in a manner that ensures the highest number of student and
2 school participation, including

- 3 (1) procedures for calculating for and distributing scholarships;
- 4 (2) timelines and procedures for application, renewal, and appeal for
5 participating schools and students; and
- 6 (3) standards for acceptance, revocation, and denial for participating
7 schools.

8 **Sec. 14.31.045. Appropriations for scholarships.** The legislature may
9 appropriate parental choice scholarship program funds to the department for
10 distribution to the districts. If the appropriation for the program is insufficient in a
11 given fiscal year, the department shall distribute the available funds to the districts
12 prorated by the number of participating students in the program.

13 **Sec. 14.31.090. Definitions.** In this chapter,

- 14 (1) "district" has the meaning given in AS 14.17.990;
- 15 (2) "private school" means a school located in the state that provides
16 education to students attending grades kindergarten through 12, or any combination of
17 those grades, and that does not receive state funding under AS 14.17;
- 18 (3) "program" means the parent choice scholarship program;
- 19 (4) "student" means a person residing in the state who is at least five
20 years of age but not more than 21 years of age.

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

23 CONTINGENCY. Section 1 of this Act takes effect only if an amendment to art. VII,
24 sec. 1, Constitution of the State of Alaska, deleting the prohibition on the payment of public
25 funds for the direct benefit of a private educational institution, is approved by the voters
26 before July 1, 2013.

27 * **Sec. 3.** If, under sec. 2 of this Act, sec. 1 of this Act takes effect, it takes effect on the
28 effective date of the constitutional amendment described in sec. 2 of this Act.