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Bill Analysis
Legislative Service Commission

H.B. 556

124th General Assembly
(As Introduced)

Reps. Carey, Stapleton, Wilson, Sulzer, Krupinski, Hollister, Aslanides

BILL SUMMARY

- Creates the Rural Accelerated School Building Assistance Program to provide early state assistance for classroom facilities acquisition for school districts with territories greater than 350 square miles.

CONTENT AND OPERATION

Background

The state provides assistance to school districts for the acquisition of classroom facilities under a number of programs administered by the Ohio School Facilities Commission.¹ The principal program is the Classroom Facilities Assistance Program (CFAP), which is a graduated cost-sharing program where the state and school district share in the cost of construction, renovation, or repair of the district's entire classroom facilities needs.² A district's share and its priority for

¹ *The School Facilities Commission consists of three voting members who are the Superintendent of Public Instruction, the Director of Budget and Management, and the Director of Administrative Services. In addition, there are four nonvoting legislative members who are appointed by the President of the Senate and the Speaker of the House of Representatives. The Commission employs its own staff to administer the programs under its oversight. (R.C. 3318.30 and 3318.31, neither section in the bill.)*

² *The Classroom Facilities Assistance Program is codified in R.C. 3318.01 to 3318.20 (none in the bill). For purposes of the state's school building assistance programs, "classroom facilities" means "rooms in which pupils regularly assemble in public school buildings to receive instruction and education and such facilities and building improvements for the operation and use of such rooms as may be needed in order to provide a complete educational program" Those facilities may by statute also include space within for a child day-care facility or a community resource center. In addition, the law prescribes that the term "classroom facilities" includes any space necessary for the operation of a vocational education program in a school district that operates such a program. (R.C. 3318.01(B).)*

funding under the program are based on its relative wealth compared to other school districts in the state. This wealth is measured by an annual comparison of each district's three-year average adjusted valuation per pupil. Eventually, all school districts are to be served under this program. At present, 114 school districts have received assistance under this program, most of them since 1997.

In addition to CFAP, the Commission oversees other programs designed to provide special benefits or priority for districts with unique or acute needs. For example, there is the Exceptional Needs School Facilities Assistance Program. Under that program, the Commission must set aside 25% of its capital appropriations for new construction of individual facilities in low-wealth districts that are not yet eligible for CFAP but that need new facilities to protect the health and safety of students.³ To date 22 school districts have received assistance under this program. As another example, there is the Accelerated Urban School Building Assistance Program. Under that program, beginning July 1, 2002, the six remaining "Big-Eight" school districts not yet served under CFAP are eligible for early assistance under the CFAP provisions. The districts affected are Akron, Cincinnati, Cleveland, Columbus, Dayton, and Toledo.⁴

The Commission conducts on-site visits of each district in line to be served and assesses the total classroom facilities needs of the district. Then, the district and the Commission negotiate the scope of the district's project in keeping with design specifications approved by the Commission. Generally, once the Commission conditionally approves a project, it is submitted to the Controlling Board for final approval and encumbrance of the state's share of the project cost. The school district usually funds its share of the project cost with a bond issue, but it may also apply moneys from other specified local resources, such as donations, cash on hand, and proceeds from certain previous bond or tax measures. No state moneys are to be released until the district has generated its share of the project cost and deposited it into a special account.⁵

³ *R.C. 3318.37, not in the bill. Districts eligible for this program are those below the statewide median three-year average adjusted valuation per pupil.*

⁴ *R.C. 3318.38, not in the bill.*

⁵ *In order to participate in the state's school building assistance programs, a district generally must levy an additional one-half mill property tax for 23 years to generate moneys for maintenance of the facilities acquired with state assistance. A district may generate part or all of these maintenance moneys exercising certain other options rather than levying the additional tax.*

The bill creates the Rural Accelerated School Building Assistance Program

(R.C. 3318.39)

The bill creates a new program to serve the needs of specified rural school districts. Under this program, a school district that has a territory larger than 350 square miles and that has not been served under CFAP prior to the effective date of the bill may apply for and be approved for assistance under the CFAP provisions. In each fiscal biennium, the Commission is required to select at least three school districts eligible to receive assistance under the program until all of the eligible districts have been served. Except for providing accelerated priority for funding, the bill requires eligible districts to comply with all other provisions of CFAP.

HISTORY

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