

Executive

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SFCCD12 Energy Conservation Measures Secured with Unvoted Bonds

R.C. 133.06, 3313.372

Requires school districts, when applying to SFC for authority to purchase energy conservation measures with unvoted bonds repaid with the estimated savings on energy costs, to report both (1) forgone residual value of materials or equipment replaced by the energy conservation measures and (2) a baseline analysis of actual energy consumption data for the preceding five years (along with other certified cost savings estimates required under current law). (Current law permits a school district to issue bonds to purchase energy conservation improvements without voter approval in an amount up to 9/10 of 1% of the district's tax valuation.)

Requires that a district's report on its monitoring of the approved cost saving measures be submitted annually to SFC, instead of "be made available to the Commission upon request" as under current law.

Fiscal effect: School districts may incur administrative costs in complying with the additional reporting requirements.

R.C. 133.06, 3313.372

Same as the Executive.

Same as the Executive.

Fiscal effect: Same as the Executive.

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SFCCD14 Debarment of Contractors on SFC Projects

R.C. *153.02, 3318.31*

Authorizes SFC to request the Director of Administrative Services to debar a contractor from contract awards for SFC projects in the same manner the Director debars contractors from contract awards for public improvements under current law. Authorizes the Director of Administrative Services, upon the Director's own initiative or SFC request, to debar a contractor from contract awards for SFC projects.

Fiscal effect: None.

R.C. *153.02, 3318.31*

Same as the Executive.

Fiscal effect: Same as the Executive.

SFCCD10 Lapse Period for SFC Projects

R.C. *3318.032, 3318.05, 3318.41*

Increases to 13 months (from one year under current law) the period after which the conditional approval of state funding for a school district's classroom facilities construction project lapses if the district voters do not approve within that period a bond issue and tax levy necessary to pay the district's share of the project cost.

Fiscal effect: Provides districts with the same number of levy opportunities as districts had before H.B. 48 of the 128th G.A. increased the filing deadline from 75 to 90 days.

R.C. *3318.032, 3318.05, 3318.41*

Same as the Executive.

Fiscal effect: Same as the Executive.

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SFCCD11 New Estimates for Renewal of Lapsed Projects

R.C. 3318.032, 3318.05, 3318.054, 3318.41

Requires, if the conditional approval of a school or joint vocational school district's (JVSD) classroom facilities project lapses because the district's voters do not approve a bond issue and tax levy to pay the district's portion of the project, that the district board request that SFC set a new scope, estimated cost, and estimated millage rate for the project, if the board wishes to renew the project.

Authorizes the district board to resubmit the project, based on the new estimates, to the district's voters and specifies that, if approved by the voters, the district's project receives first priority for funding as it becomes available, as provided under current law.

Fiscal effect: Current law does not expressly specify what project scope and costs a district board must resubmit to its voters after a project lapses, but in practice it is the original project scope and costs that are resubmitted, which may not reflect the district's current needs, tax valuation, and relative wealth.

R.C. 3318.032, 3318.05, 3318.054, 3318.41

Same as the Executive.

Same as the Executive.

Fiscal effect: Same as the Executive.

SFCCD13 Simultaneous Spending of Shares

R.C. 3318.08, 183.51, 3318.38, 3318.41

Requires that funds reserved to pay the state and school district shares of all classroom facilities projects be spent simultaneously, in proportion to their respective shares, instead of state funds being spent first as under current law for most district projects.

R.C. 3318.08, 183.51, 3318.38, 3318.41

Same as the Executive.

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Fiscal effect: Currently, simultaneous spending of state and district funds applies only to JVSs and the six districts participating in the Accelerated Urban Initiative.

Fiscal effect: Same as the Executive.

SFCCD15 Close-Out of SFC Projects

R.C. 3318.12, 3318.48

Requires SFC to issue a certificate of completion for a school district's state-assisted classroom facilities project when the following have occurred: (1) all facilities have been completed and the district has received certificates of occupancy, (2) SFC has issued certificates of contract completion on all prime construction contracts, (3) SFC has completed a final accounting of the district's project construction fund and determined that all payments were in compliance with SFC policies, (4) any litigation concerning the project has been resolved, and (5) all construction management services provided by SFC have been delivered.

R.C. 3318.12, 3318.48

Same as the Executive.

Permits SFC to issue a certificate of completion prior to satisfaction of these conditions, if SFC determines that the circumstances preventing their satisfaction are so minor that the project should be considered complete.

Same as the Executive.

Permits SFC to issue a certificate of completion when a school district does not voluntarily participate in the close-out process, if the construction manager verifies that all facilities have been completed and SFC determines those facilities have been occupied for at least a year. In that case, requires the Auditor of State to issue a finding for recovery against the district and request legal action by the Attorney General, if any funds remaining in the project construction fund that are owed to SFC have not been

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returned within 60 days after issuance of the certificate of completion.

Fiscal effect: The bill's procedure for close-out may provide SFC with funding flexibility to support other, on-going projects or to offer funding to districts not yet served by SFC.

Fiscal effect: Same as the Executive.

SFCCD17 Local Share for ELPP School Districts

No provision.

R.C. 3318.36

Specifies that the local share of a Classroom Facilities Assistance Program (CFAP) project for a school district that participated in the Expedited Local Partnership Program (ELPP) and whose general business tangible personal property (TPP) valuation made up 18% or more of its total taxable value for TY 2005 (before the TPP tax was phased out), be the lesser of (1) the percentage locked in when the district signed the ELPP agreement or (2) the percentage computed using its current wealth percentile rank.

Fiscal effect: The local share for an eligible school district may be lower and the state share higher.

SFCCD16 Exceptional Needs Program

No provision.

R.C. 3318.37

Removes the prohibition for a school district to participate in the Exceptional Needs Program (ENP) if SFC reasonably expects the district to be eligible for districtwide assistance under CFAP within three fiscal years.

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Fiscal effect: More school districts may be able to participate in ENP, which is designed to assist school districts in addressing the health and safety needs associated with a specific building instead of addressing the entire classroom facilities needs of the district as under CFAP.

SFCCD8 Extreme Environmental Contamination Program

R.C. 3318.371

Authorizes SFC to provide assistance under the Exceptional Needs Program to any school district for the purpose of the relocation or replacement of classroom facilities required as a result of any contamination of air, soil, or water that impacts the facility occupants. Specifies that the program is not limited to school districts in the first through 75th percentiles.

Requires SFC to make a determination in accordance with adopted guidelines regarding eligibility and funding for projects. Authorizes SFC to contract with an independent environmental consultant to conduct a study to assist SFC in making a determination.

Fiscal effect: The bill codifies the program, which is currently authorized under temporary law. River Valley Local (Marion), Gorham-Fayette Local (Fulton), and Three Rivers Local (Hamilton) have received assistance under the program.

R.C. 3318.371

Same as the Executive.

Same as the Executive.

Fiscal effect: Same as the Executive.

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SFCCD9

Corrective Action Program

R.C. 3318.49, Sections 620.20, 620.21

Codifies the corrective action program, which provides funding for the correction of work that is found to be defective or to have been omitted after occupancy of a state-assisted classroom facility.

No provision.

Authorizes SFC to provide corrective action funds only if the school district notifies the Executive Director of SFC of the defective or omitted work within three years after occupancy of the facility for which the school district seeks funding. (Current temporary law specifies that notification must take place five years after project close-out.)

No provision.

Requires SFC to establish procedures and deadlines for school districts to follow in applying for corrective action grants. Requires that procedures include definitions of "defective" and "omitted," and that remediation efforts focus first on engaging the respective contractors that designed and constructed the areas that have design or construction-related issues.

No provision.

Authorizes SFC to provide necessary funds to take corrective measures after evaluating the defective or omitted work and establishes procedures for funding corrective work for complete and incomplete projects.

No provision.

Requires SFC to assess responsibility for the defective or omitted work and seek cost recovery from responsible parties, if applicable. Requires that any recovery of the expense of remediation be applied first to the district portion of the cost of the corrective action and any remaining funds be applied to the state portion and

No provision.

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deposited into the School Building Program Assistance Fund (Fund 7032).

Amends Section 105.20 of H.B. 462 of the 128th G.A. to specify that appropriation item C23011, Corrective Action Grants, be used in FY 2011 for corrective action grants authorized under temporary law and that C23011 be used in FY 2012 for corrective action grants authorized under permanent law.

Fiscal effect: The bill codifies the program, which is currently authorized under temporary law. H.B. 462 appropriated \$23.3 million for corrective action grants in the FY 2011 - FY 2012 biennium.

No provision.

SFCCD1 Common Schools General Obligation Debt Service

Section: 387.20

Specifies that GRF appropriation item 230908, Common Schools General Obligation Debt Service, be used to pay all of SFC's required debt service and related financing costs during the FY 2012-FY 2013 biennium.

Section: 387.20

Same as the Executive.

SFCCD2 Operating Expenses

Section: 387.20

Specifies that SSR Fund 5E30 appropriation item 230644, Operating Expenses, be used by SFC to carry out its duties.

Requires the Executive Director of SFC to certify, on a quarterly basis in each fiscal year, to the Director of Budget and Management the amount of cash to be transferred from the School Buildings Assistance Fund (Fund 7032),

Section: 387.20

Same as the Executive.

Same as the Executive.

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the Public School Building Fund (Fund 7021), and the Educational Facilities Trust Fund (Fund N087) to the Ohio School Facilities Commission Fund (Fund 5E30). Specifies that the amount transferred from Fund 7032 may not exceed investment earnings credited to the fund, less any amount required to be paid for federal arbitrage rebate purposes.

Permits, with Controlling Board approval, the transfer of noninterest cash from Fund 7021 and Fund N087 to Fund 5E30 if the Executive Director of SFC determines the transfer of interest to be insufficient to support operations.

Fiscal effect: H.B. 1 of the 128th G.A. permitted the transfer of noninterest cash from Fund 7021 and Fund N087 to support SFC operations. The first transfer of noninterest cash occurred in November 2011.

Same as the Executive.

Fiscal effect: Same as the Executive.

SFCCD3

School Facilities Encumbrances and Reappropriation

Section: 387.20

Authorizes the Director of Budget and Management, at the request of SFC's Executive Director, to cancel encumbrances for school district projects from a previous biennium if the district has not raised its local share of project costs within 13 months of Controlling Board approval. Requires the Executive Director to certify the amounts of the canceled encumbrances on a quarterly basis. Appropriates the amounts of the canceled encumbrances to the Classroom Facilities Assistance Program.

Fiscal effect: The canceled encumbrances are made available to serve other school districts.

Section: 387.20

Same as the Executive.

Fiscal effect: Same as the Executive.

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SFCCD4 Amendment to Project Agreement for Maintenance Levy

Section: 387.30

Requires SFC to amend the project agreement between SFC and a school district that is participating in the Accelerated Urban Initiative (AUI) if SFC determines it is necessary to do so in order to comply with the change in maintenance levy requirements enacted by H.B. 1 of the 128th G.A.

Fiscal effect: H.B. 1 of the 128th General Assembly changed the maintenance levy requirements for the six AUI districts (Akron, Cincinnati, Cleveland, Columbus, Dayton, and Toledo) to run for 23 years from the date the initial segment is undertaken, instead of extending for 23 years after the district's last segment was undertaken (the six AUI projects are broken into individual segments). For the districts that have not changed their agreements yet, the H.B. 1 change would reduce the number of years for which the districts would have to levy the required 1/2 mill property tax for maintenance. Presumably, the AUI districts would use other funds to meet their building maintenance needs.

Section: 387.30

Same as the Executive.

Fiscal effect: Same as the Executive.

SFCCD5 Canton City School District Project

Section: 387.40

Authorizes SFC to commit up to \$35,000,000 to the Canton City School District for construction of a combined secondary and post-secondary facility in lieu of a high school that would otherwise be authorized under the Classroom Facilities Assistance Program.

Section: 387.40

Same as the Executive.

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Fiscal effect: None. It authorizes the continuation of the current program and does not change the state share of the school facilities project in the Canton City School District.

Fiscal effect: Same as the Executive.

SFCCD6 Disbursement Determination

Section: 387.50

Authorizes SFC to determine the amount of funding available for disbursement in a given fiscal year for any Classroom Facilities Assistance Program project in order to keep aggregate state capital spending within approved limits. Authorizes SFC to take actions including, but not limited to, determining the schedule for design or bidding of approved projects, to ensure appropriate and supportable cash flow.

Section: 387.50

Same as the Executive.

Fiscal effect: The provision may give SFC more flexibility in spending state funds on projects.

Fiscal effect: Same as the Executive.

SFCCD7 Joint Vocational School District Funding

Section: 387.60

Authorizes SFC to provide assistance to at least one JVSD each fiscal year for the acquisition of classroom facilities.

Section: 387.60

Same as the Executive.

Fiscal effect: SFC has the authority to spend up to 2% of its annual capital appropriations on JVSD projects. SFC is currently at that 2% limit and will be for the next couple of years. This provision would permit SFC to provide assistance to at least one joint vocational school district per year despite being at the 2% limit.

Fiscal effect: Same as the Executive.

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DASCD11 Construction Reform

R.C. 9.33, 9.331, 9.332, 9.333, 9.334, 9.335, 123.011, 126.141, 153.01, 153.03, 153.07, 153.08, 153.50, 153.501, 153.502, 153.51, 153.52, 153.53, 153.54, 153.55, 153.56, 153.57, 153.581, 153.65, 153.66, 153.67, 153.69, 153.692, 153.693, 153.694, 153.70, 153.71, 153.72, 153.73, 153.80, 3313.46, 3353.04, 3354.16, 3357.16, 4113.61, 5540.03, 6115.20, Section 701.10

Authorizes public authorities, other than the Ohio Turnpike Commission, to enter into public improvement contracts with construction managers at risk (CMARs) and design-build firms (D/B firms), and to enter into public improvement contracts with general contracting firms regardless of the size of the project.

Eliminates the requirement that the multiple-prime contracting method be used for public improvements, but does not prohibit its use.

Defines CMAR and prescribes the process that a public authority must use to select a CMAR. Requires a CMAR to provide a surety bond in an amount not less than the combined contract values of any work under contract prior to the establishment of the guaranteed maximum price or in the amount of the guaranteed maximum price. Subjects CMARs to the current drug-free workplace and prompt-pay laws.

Defines D/B services and prescribes the process that a public authority must use to select a D/B firm. Requires a D/B firm to provide a surety bond in an amount not less

R.C. 9.33, 9.331, 9.332, 9.333, 9.334, 9.335, 123.011, 126.141, 153.01, 153.03, 153.07, 153.08, 153.50, 153.501, 153.502, 153.51, 153.52, 153.53, 153.54, 153.55, 153.56, 153.57, 153.581, 153.65, 153.66, 153.67, 153.69, 153.692, 153.693, 153.694, 153.70, 153.71, 153.72, 153.73, 153.80, 3313.46, 3353.04, 3354.16, 3357.16, 4113.61, 5540.03, 6115.20, Section 701.10

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than the combined contract values of any work under contract prior to the establishment of the guaranteed maximum price or in the amount of the guaranteed maximum price. Authorizes the public authority to require the D/B firm to carry contractor's professional liability insurance and any other insurance the public authority considers appropriate. Subjects D/B firms to the current drug-free workplace and prompt-pay laws.

Permits public authorities to utilize design-assist firms on CMAR and D/B projects

Increases from \$50,000 to \$200,000 the minimum project cost threshold that requires the preparation of definite and complete specifications of the work to be performed prior to putting a state project out for bid; exempts contracts with CMARs and D/B firms from this requirement.

Permits certain public entities to advertise for bids on a public improvement project by electronic means, pursuant to rules adopted by DAS, rather than by newspaper.

Requires that capital funds released contain a contingency reserve.

Fiscal effect: Increased flexibility in construction delivery methods may enable state agencies and local governments to achieve savings on public improvements.

Same as the Executive.

Same as the Executive.

Same as the Executive.

Same as the Executive.

Fiscal effect: Same as the Executive.

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Other Education Provisions

EDUCD114 College-Preparatory Boarding Schools

R.C. 3328.01, 3318.60, 3328.02 - 3328.04,
 3328.11 - 3328.15, 3328.17
 - 3328.19, 3328.191, 3328.192, 3328.193,
 3328.20 - 3328.26,
 3328.41, 3328.45, 3328.50, 3328.99

No provision.

Authorizes the establishment of college-preparatory boarding schools, which are classified as public schools, operated by an approved private nonprofit corporation, and open to certain qualifying students.

No provision.

Provides that a student qualifies to attend a college-preparatory boarding school if the student resides in a participating school district, is at risk of academic failure, is from a family whose income is at or below 200% of the federal poverty guidelines, and meets at least two other criteria involving the student's academic performance, behavior history, disability status, or family status.

No provision.

Provides that a college-preparatory boarding school may only admit up to 80 students and offer grade 5 or 6 in its first year of operation. Permits a school to offer other grades in later years, but restricts the total amount of students attending the school to no more than 400.

No provision.

Requires the State Board to issue a request for proposals from private nonprofit corporations interested in operating a college-preparatory boarding school and to enter into a contract with each approved operator.

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No provision.	Requires that a college-preparatory boarding school be governed by a board of trustees consisting of up to 25 members, with five members appointed by the Governor, with the advice and consent of the Senate, and the rest appointed through the school's bylaws.
No provision.	Requires ODE to issue an annual report card for each college-preparatory boarding school that includes data regarding the academic performance of the school's students. Requires, for each student enrolled in the school, ODE to combine data regarding the academic performance of that student with comparable data from the student's resident school district for the purpose of calculating the performance of the district as a whole on the report card.
No provision.	Allows the State Board to close a college-preparatory boarding school if the school violates a provision of the authorizing law or a provision of the contract between the school and the State Board.
No provision.	Establishes a College-Preparatory Boarding School Facilities Program, through which SFC may assist a college-preparatory boarding school in the acquisition of classroom facilities. Requires the school to secure at least \$20.0 million in private funds toward the acquisition of the facilities to participate in the program.
	Fiscal effect: Although the bill specifies that these schools are to be public, it does not provide a funding mechanism for the operation of the schools, so it is unclear what the fiscal effect will be.

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LOCCD17

School District Transfers from Bond Retirement Fund

No provision.

R.C. 5705.14

Authorizes school districts to transfer money in a bond fund or bond retirement fund to a specific permanent improvement fund, if the county budget commission determines that the money transferred will not be required to meet the obligations payable from the bond fund or bond retirement fund. (Currently, surplus money in a bond fund must be transferred to the sinking fund or bond retirement fund, and surplus money in a bond retirement fund must be transferred to the sinking fund or, if there is no sinking fund, the surplus may be transferred to any other fund but only if the court of common pleas approves.)

Fiscal effect: Revenue gain to certain permanent improvement funds if any transfer is made.