
Detailed Fiscal Analysis

Bill's provisions: Current law (RC 3313.37 (C)) permits a board of education to acquire "the necessary office equipment, and computer hardware and software for instructional purposes, for the schools under its control by purchase, by lease, by installment payments, by entering into lease-purchase agreements, or by lease with an option to purchase".

The bill would include textbooks along with the office and computer items that the board may purchase by any of the several methods. Hence, the bill would specifically allow textbooks to be purchased by means other than cash. A textbook in this case would mean any book or book substitute that a pupil uses as a text or text substitute.

[Current law also permits a board of education to build schoolhouses, purchase or lease sites for schoolhouses, purchase or lease real estate for playgrounds, rent schoolrooms, and to "provide the necessary apparatus and make all other necessary provisions for the schools", although these last items are not specifically allowed to be purchased by other than cash. Further, a board may acquire land by gift, by appropriation, or by purchase. Those lands to be purchased may be purchased for cash, by installment payments, by lease-purchase agreements, or by lease with an option to purchase.]

Fiscal effect: The bill would have no direct fiscal effect on the **state** or on the **school districts**. The potential effect on the districts would depend on whether or not a given district were to utilize one or more of the other purchase methods and whether or not such methods were to provide savings. Generally, installment or lease-type purchases are used in lieu of cash as a means of reducing a district's expenditure cash flow. However, while this approach achieves that effect in the near term, the commensurate interest payments add to the overall cost of the items purchased.

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