



House of Representatives

General Assembly

File No. 367

January Session, 2003

Substitute House Bill No. 6537

House of Representatives, April 15, 2003

The Committee on Planning and Development reported through REP. WALLACE of the 109th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING LOCATION OF SCHOOL BUILDING PROJECTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2003*) (a) Each local school district
2 submitting an application on and after July 1, 2003, in accordance with
3 the provisions of section 10-283 of the general statutes, shall provide
4 sufficient documentation to enable the Commissioner of Education to
5 determine the density of each census tract located in the local school
6 district, based on the most recent United States census.

7 (b) Notwithstanding the provisions of section 10-285a of the general
8 statutes, the percentage points for school building projects, except
9 interdistrict magnet schools, determined pursuant to said section 10-
10 285a shall be increased in accordance with the provisions of this
11 section: (1) For a project located in a census tract that is at least one
12 standard deviation above the average mean density of census tracts in

13 the district, such percentage point shall be increased by two per cent;
14 and (2) for a project located in a census tract that is more than one-half
15 standard deviation above the average mean density of census tracts in
16 the district but less than one standard deviation above the average
17 mean density of census tracts in the district, such percentage points
18 shall be increased by one per cent. Notwithstanding the provisions of
19 this section, if the school building project is to be located in a census
20 tract the density of which is less than the average density of census
21 tracts in the municipality and the municipality submits documentation
22 that it is probable the density of such census tract will increase over the
23 next ten years so that it will be of average density, such school building
24 project may be eligible for an increase in percentage points under this
25 subsection, as determined by the commissioner based on a view of
26 such documentation.

This act shall take effect as follows:	
Section 1	<i>July 1, 2003</i>

PD *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Type	FY 04 \$	FY 05 \$
Education, Dept.	GF - Cost	Potential	Potential

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 04 \$	FY 05 \$
Local and Regional School Districts	Revenue Gain	None	Potential

Explanation

This bill results in a potential future cost to the state that in turn is a potential revenue gain to local and regional school districts. The impact is due to providing an increase in school construction reimbursement based on the population density of the census tract in which a project was being constructed. Based on an average construction cost of \$50,000,000 for new school buildings the bonuses set forth in the bill could result in increased costs of between \$500,000 to \$1,000,000 per new school on densely populated census tracts. There is no available data as to planned projects on densely populated census tracts therefore no exact fiscal impact can be determined.

OLR Bill Analysis

sHB 6537

AN ACT CONCERNING LOCATION OF SCHOOL BUILDING PROJECTS**SUMMARY:**

This bill increases state grants for certain school construction projects based on the population density of the census tract where the project is located. By law, the state ranks towns by their property wealth and reimburses them for a percentage of their eligible school construction costs. That percentage depends on how a town ranks compared to other towns. It ranges from 20% for wealthy towns to 80% for poorer ones.

The bill increases each town's reimbursement percentage if the population density of the census tract where the project is located is greater than that of other tracts in the district. It does this for all school construction projects, except interdistrict magnet schools. The increase depends on the extent to which the density exceeds the average density for all census tracts in the district.

The bill requires the education commissioner to determine each census tract's population density. School districts must help him do this, providing enough data to calculate the densities when they submit school construction grant applications, beginning July 1, 2003.

EFFECTIVE DATE: July 1, 2003

FORMULA FOR INCREASING GRANT PERCENTAGE

The bill bases the increase on the extent to which a census tract exceeds or will exceed the average density for all census tracts in the district. The commissioner must increase the state's share of the eligible construction costs by two percentage points if the density of the host tract is at least one standard deviation higher than the average density for all tracts in the district. He must increase the share by one percentage point if the tract's density falls between the average and one half standard deviation above it.

The bill makes projects in tracts where the density is below the average eligible for the extra points if the town can show the commissioner that the tract's density will likely increase over the next 10 years to the point where it will reach the average for all tracts.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 16 Nay 0