

House of Representatives, April 14, 1998. The Committee on Finance, Revenue and Bonding reported through REP. SCHIESSL, 60th DIST., Chairman of the Committee on the part of the House, that the bill ought to pass.

AN ACT LIMITING SCHOOL CONSTRUCTION GRANT MONEYS.

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

1 Section 10-283 of the general statutes, as
2 amended by section 76 of public act 97-265, is
3 repealed and the following is substituted in lieu
4 thereof:

5 (a) Each town or regional school district
6 shall be eligible to apply for and accept grants
7 for a school building project as provided in this
8 chapter. Any town desiring a grant for a public
9 school building project may, by vote of its
10 legislative body, authorize the board of education
11 of such town to apply to the Commissioner of
12 Education and to accept or reject such grant for
13 the town. Any regional school board may vote to
14 authorize the supervising agent of the regional
15 school district to apply to the Commissioner of
16 Education for and to accept or reject such grant
17 for the district. Applications for such grants
18 under this chapter shall be made by the
19 superintendent of schools of such town or regional
20 school district on the form provided and in the
21 manner prescribed by the Commissioner of
22 Education. Grant applications for school building
23 projects shall be reviewed by the Commissioner of

24 Education on the basis of categories for building
25 projects and standards for school construction
26 established by the State Board of Education in
27 accordance with this section, provided grant
28 applications submitted for purposes of subsection
29 (a) of section 10-65 or section 10-76e shall be
30 reviewed annually by the commissioner on the basis
31 of the educational needs of the applicant. Each
32 school building project shall be assigned to a
33 category on the basis of whether such project is
34 primarily required to: (1) Create new facilities
35 or alter existing facilities to provide for
36 mandatory instructional programs pursuant to this
37 chapter, for physical education facilities in
38 compliance with Title IX of the Elementary and
39 Secondary Education Act of 1972 where such
40 programs or such compliance cannot be provided
41 within existing facilities or for the correction
42 of code violations which cannot be reasonably
43 addressed within existing program space; (2)
44 create new facilities or alter existing facilities
45 to enhance mandatory instructional programs
46 pursuant to this chapter or provide comparable
47 facilities among schools to all students at the
48 same grade level or levels within the school
49 district unless such project is otherwise
50 explicitly included in another category pursuant
51 to this section; and (3) create new facilities or
52 alter existing facilities to provide supportive
53 services, provided in no event shall such
54 supportive services include swimming pools,
55 auditoriums, outdoor athletic facilities, tennis
56 courts, elementary school playgrounds, site
57 improvement or garages or storage, parking or
58 general recreation areas. All applications
59 submitted prior to the first day of July in any
60 year shall be reviewed promptly by the
61 commissioner and the amount of the grant for which
62 such project is eligible shall be estimated. The
63 commissioner shall annually prepare a listing of
64 all such eligible school building projects listed
65 by category together with the amount of the
66 estimated grants therefor and shall submit the
67 same to the Governor and the General Assembly on
68 or before the fifteenth day of December, except as
69 provided in section 10-283a, with a request for
70 authorization to enter into grant commitments.
71 Each such listing submitted after December 1995

72 shall include a separate schedule of authorized
73 projects which have changed in scope or cost to a
74 degree determined by the commissioner. The
75 percentage determined pursuant to section 10-285a
76 at the time a school building project on such
77 schedule was originally authorized shall be used
78 for purposes of the grant for such project. FOR
79 EACH SUCH LIST SUBMITTED AFTER DECEMBER 1997, THE
80 TOTAL AMOUNT REQUESTED BY THE COMMISSIONER FOR
81 GRANT COMMITMENTS SHALL NOT EXCEED ONE HUNDRED
82 FIFTY MILLION DOLLARS. The General Assembly shall
83 annually authorize the commissioner to enter into
84 grant commitments on behalf of the state in
85 accordance with the commissioner's categorized
86 listing for such projects as the General Assembly
87 shall determine. The commissioner may not enter
88 into any such grant commitments except pursuant to
89 such legislative authorization. Any regional
90 school district which assumes the responsibility
91 for completion of a public school building project
92 shall be eligible for a grant pursuant to
93 subdivision (5) or (6), as the case may be, of
94 subsection (a) of section 10-286, AS AMENDED, when
95 such project is completed and accepted by such
96 regional school district. For the purpose of any
97 final grant calculation completed during the
98 fiscal year ending June 30, 1984, and for each
99 fiscal year thereafter, in computing the amount of
100 a state grant for a school building project
101 involving the construction of a new school
102 facility or the purchase or lease of a facility
103 for which a grant application is submitted within
104 five years after any abandonment, sale, lease,
105 demolition or redirection of use of any school
106 facility constructed or renovated with state
107 assistance, the Commissioner of Education shall
108 deduct from the net eligible cost of such school
109 building project any grant amounts paid or due on
110 the abandoned, sold, leased, demolished or
111 redirected facility from the date such facility
112 was abandoned, sold, leased, demolished or
113 redirected. No such deduction shall be made for
114 any grant which was paid or is being paid pursuant
115 to subsection (b) of this section, subsection (a)
116 of section 10-65 or section 10-76e.

117 (b) Notwithstanding the application date
118 requirements of this section, the Commissioner of
119 Education may approve applications for grants to

120 assist school building projects to remedy damage
121 from fire and catastrophe or to correct safety,
122 health and other code violations at any time
123 within the limit of available grant authorization
124 and make payments thereon within the limit of
125 appropriated funds.

126 FIN COMMITTEE VOTE: YEA 44 NAY 0 JF

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"THE FOLLOWING FISCAL IMPACT STATEMENT AND BILL ANALYSIS ARE PREPARED FOR THE BENEFIT OF MEMBERS OF THE GENERAL ASSEMBLY, SOLELY FOR PURPOSES OF INFORMATION, SUMMARIZATION AND EXPLANATION AND DO NOT REPRESENT THE INTENT OF THE GENERAL ASSEMBLY OR EITHER HOUSE THEREOF FOR ANY PURPOSE."

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FISCAL IMPACT STATEMENT - BILL NUMBER HB 5633

STATE IMPACT	Potential Cost Reduction, see explanation below
MUNICIPAL IMPACT	Potential Cost, see explanation below
STATE AGENCY(S)	Department of Education, Office of the State Treasurer

EXPLANATION OF ESTIMATES:

STATE IMPACT: If the bill decreases the amount of General Obligation bond issued in future years, it will decrease future General Fund debt service expenditures.

If the bill results in towns choosing to build school construction projects without a state grant commitment, it will result in a cost saving to the state for the amount that would have been bonded to cover its share of the project cost.

MUNICIPAL IMPACT: If the bill results in towns choosing to build school construction projects without a state grant commitment, it will result in a cost to the town for the entire cost of the project. If the town is a relatively low wealth town that receives a higher level of state reimbursement for construction costs, building a construction project without a grant commitment could result in a significant cost to the town and a significant increase in the town's mil rate.

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OFA BILL ANALYSIS

HB 5633

AN ACT LIMITING SCHOOL CONSTRUCTION GRANT MONEYS

SUMMARY: The bill imposes an annual cap of \$150 million on the Commissioner of Education's request for grant commitments for school construction projects, for lists of projects submitted after December 1997.

EFFECTIVE DATE: October 1, 1998

FURTHER EXPLANATION: The state's share of school construction costs varies between 20% and 80% of the total, depending on the wealth of the town where the project is being located. The state obtains funding for its share by issuing General Obligation bonds.

Project proposals are reviewed by the Department of Education and the Commissioner of Education submits a list for approval by the General Assembly.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Report
Yea 44 Nay 0