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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

**H.B. 733**  
**134<sup>th</sup> General Assembly**

## Bill Analysis

**Version:** As Introduced

**Primary Sponsors:** Reps. Edwards and Wilkin

Holly Cantrell Gilman, Attorney

### SUMMARY

- Establishes the following three school building programs:
  - The Accelerated Appalachian School Building Assistance Program;
  - The Classroom Facilities Re-Entry Program;
  - The Capital Improvement and Replacement Program.
- Appropriates \$300 million per year in FYs 2023 and 2024 to the Facilities Construction Commission to fund the Accelerated Appalachian School Building Assistance Program and authorizes \$600 million in new debt.

### DETAILED ANALYSIS

#### Accelerated Appalachian School Building Assistance Program

The bill establishes the Accelerated Appalachian School Building Assistance Program.<sup>1</sup> Under the program, any school district with territory within the Appalachian region that has not been approved to receive assistance under the Classroom Facilities Assistance Program (CFAP) may apply for assistance under CFAP.<sup>2</sup> The Ohio Facilities Construction Commission must provide assistance as follows:

- Each fiscal biennium, select at least three eligible school districts, until all eligible districts have received assistance;

<sup>1</sup> R.C. 3318.33; conforming changes in 3318.024, 3318.051, 3318.055, 3318.084, and 3318.364.

<sup>2</sup> R.C. 3318.33(A).

- Conduct an on-site visit and assess the classroom facilities needs of each eligible school district that is selected for assistance.

### **Conditional approval of projects**

The bill permits any eligible school district to apply for conditional approval of its project based upon the on-site assessment. The Commission must conditionally approve the project and submit it to the Controlling Board for approval. If the Controlling Board approves the project, the Commission and the school district must enter into an agreement under the law governing CFAP projects.

### **Division of facilities needs**

A district receiving funds under the program may divide its entire classroom facilities needs, as determined by FCC and the district, into discrete segments.<sup>3</sup>

### **Reduction in basic project cost**

To incentivize a district's electors to vote favorably on the question of issuing bonds and of levying a tax for the project, the bill requires the Commission to reduce the district's portion of the basic project cost as follows:

1. If the electors approve the propositions in a first election – 20% reduction;
2. If the electors approve the propositions in a second election – 15% reduction;
3. If the electors approve the propositions in a third election – 12% reduction.<sup>4</sup>

### **Capital appropriations**

The bill appropriates \$300 million per year in FYs 2023 and 2024 to the Facilities Construction Commission for the Accelerated Appalachian School Building Assistance Program and authorizes new debt in that amount.<sup>5</sup>

### **Reduction in funds if appropriation inadequate**

If the amount appropriated for a fiscal year is not adequate, the bill requires the Commission to proportionately reduce the amount of state funds each eligible district with an approved project receives for that year. A district whose state funds are reduced remains eligible for continued assistance under the program until the project is complete.<sup>6</sup>

### **Other capital improvement programs**

The bill establishes two additional building programs for schools. Under each program, if a school district (1) has previously received CFAP assistance for projects and (2) the district's

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<sup>3</sup> R.C. 3318.33(B) and (C).

<sup>4</sup> R.C. 3318.33(D).

<sup>5</sup> Sections 3 through 6.

<sup>6</sup> R.C. 3318.33(E).

electors approved a levy within the last 20 years to qualify for that assistance, the district may apply for one or both of the following:

- The Classroom Facilities Re-entry Program, to assist with renovating existing or building new facilities due to changes in enrollment, programming, or condition;
- The Capital Improvement and Replacement Program, for the maintenance of facilities constructed or renovated under a prior CFAP program for which electors approved a levy within the last 20 years.

Under both programs, approved projects must comply with all other CFAP requirements. Likewise, the Commission must establish application procedures, deadlines, and priorities for funding projects under this program.<sup>7</sup>

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## HISTORY

Action	Date
Introduced	10-20-22

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<sup>7</sup> R.C. 3318.35(B) and (C).