

HB 215-FN – AS AMENDED BY THE HOUSE

18Feb2015... 0218h

2015 SESSION

15-0086
04/08

HOUSE BILL **215-FN**

AN ACT relative to school building aid grant payments.

SPONSORS: Rep. Ladd, Graf 4; Rep. Cloutier, Sull 10; Rep. Myler, Merr 10; Rep. Gile, Merr 27;
Rep. Boehm, Hills 20; Rep. Grenier, Sull 7; Rep. Shaw, Hills 16; Rep. Harris,
Rock 9; Rep. Richardson, Coos 4; Rep. Mullen, Straf 1

COMMITTEE: Education

AMENDED ANALYSIS

This bill provides that beginning July 1, 2015, the amount of school building aid grants shall be \$50,000,000 per fiscal year.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struck through~~].
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fifteen

AN ACT relative to school building aid grant payments.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 School Building Aid; Grant for School Construction. Amend RSA 198:15-a, IV to read as
2 follows:

3 IV. Beginning July 1, [~~2013~~] **2015**, and every fiscal year thereafter, school building aid
4 grants for construction or renovation projects approved by the department of education shall [~~not~~
5 exceed] **be established at** \$50,000,000 per fiscal year less any debt service payments owed in the
6 fiscal year, unless otherwise provided by an act of the general court. School building aid grants shall
7 be funded from appropriations in the state operating budget and no state bonds shall be authorized
8 or issued for the purpose of funding such school building aid grants.

9 2 Effective Date. This act shall take effect July 1, 2015.

HB 215-FN FISCAL NOTE

AN ACT relative to school building aid grant payments.

FISCAL IMPACT:

The Department of Education states this bill, as amended by the House (Amendment #2015-0218h), will increase state general fund expenditures and local revenues by an indeterminable amount in FY 2016 and each year thereafter. There will be no impact on state and county revenue, or county and local expenditures.

METHODOLOGY:

The Department of Education states this bill amends RSA 198:15-a, IV, by changing the current annual maximum expenditure of school building aid grants from \$50,000,000 per year to a fixed amount of \$50,000,000 per year, effective July 1, 2015 (FY 2016). Under current law there is a moratorium on state aid for new school construction projects in effect until June 30, 2015. In the FY 2014-15 budget, there are appropriations related to school building aid in both the Department of Education's budget ("tail" payments relative to projects approved prior to moratorium) and the Treasury Department's budget (debt service payments on bonds issued to pay school building aid between FY 2009 and FY 2011). While the Department of Education is unable to estimate the fiscal impact of this bill, as it would be dependent on the amount appropriated in FY 2016 and each year thereafter, it has provided the following information related to school building aid:

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
"Tail" Payments ¹	\$43,209,973	\$41,256,871	\$35,774,174	\$33,762,275	\$32,020,729
Debt Service Payments ²	\$13,576,401	\$13,152,341	\$12,728,361	\$12,311,441	\$11,902,560

¹ General Funds

² Restricted revenue from meals and rooms tax, pursuant to RSA 78-A:26, I(a)

In addition, the Department of Education states it is aware of a total 23 potential upcoming school construction projects with an estimated total cost of \$239,191,600, which could qualify for approximately \$93,080,000 in new school building aid grants.