

HB 332-FN-A-LOCAL - AS INTRODUCED

2023 SESSION

23-0174

10/04

HOUSE BILL ***332-FN-A-LOCAL***

AN ACT relative to school building aid for eligible projects.

SPONSORS: Rep. M. Cahill, Rock. 10; Rep. Merchant, Sull. 6; Rep. Cloutier, Sull. 6; Sen. Altschiller, Dist 24; Sen. Perkins Kwoka, Dist 21

COMMITTEE: Finance

ANALYSIS

This bill increases the amount to be appropriated by the legislature for school building aid construction and renovation projects of school districts. The bill also allocates a portion of funds to be paid for school building projects approved in prior years but which were not funded.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Three

AN ACT relative to school building aid for eligible projects.

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

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

3 IV.(a) Beginning July 1, [~~2013~~] **2023**, 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 \$50,000,000~~] **total less than \$60,000,000** per fiscal year [~~less any~~] **exclusive of**
6 **appropriations for** debt service payments owed [~~in the~~] **for previous** fiscal [~~year, unless otherwise~~
7 ~~provided by an act of the general court~~] **years.**

8 **(b) Provided, that at least \$5,000,000 per fiscal year of the total in**
9 **subparagraph (a) shall be awarded to fund one-half of the building aid amount for**
10 **projects that started construction between July 1, 2009 and June 30, 2019, which would**
11 **have been eligible for building aid had funding been available for new projects. These**
12 **projects shall submit a building aid application developed by the department of education**
13 **and shall be awarded in the ranked order developed pursuant to RSA 198:15-c, II(a) and**
14 **II(b).**

15 (c) School building aid grants shall be funded from appropriations in the state operating
16 budget and no state bonds shall be authorized or issued for the purpose of funding such school
17 building aid grants.

18 2 School Building Aid; Alternative School Building Aid Grants. Amend RSA 198:15-w to read as
19 follows:

20 198:15-w Alternative School Building Aid Grants; Procedures. The provisions of RSA 198:15-c
21 through 198:15-h shall apply to any grant made under this subdivision. **Provided that grants**
22 **under RSA 198:15-a, IV(b) for approved alternative school building aid grant applications**
23 **shall be calculated at 50 percent of the current applicable building aid grant amount**
24 **pursuant to RSA 198:15-u through RSA 198:15-w for the school district, city, cooperative**
25 **school district, joint maintenance agreement, or receiving district.**

26 3 Effective Date. This act shall take effect July 1, 2023.

**HB 332-FN-A-LOCAL- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to school building aid for eligible projects.

FISCAL IMPACT: State County Local None

STATE:	Estimated Increase / (Decrease)			
	FY 2023	FY 2024	FY 2025	FY 2026
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	\$39,605,000	\$42,913,000	\$45,420,000
Funding Source:	<input checked="" type="checkbox"/> General	<input checked="" type="checkbox"/> Education	<input type="checkbox"/> Highway	<input type="checkbox"/> Other

LOCAL:

Revenue	\$0	\$39,400,000	\$42,700,000	\$45,200,000
Expenditures	\$0	\$0	\$0	\$0

METHODOLOGY:

This bill increases the state level for school building aid construction and renovation projects to not less than \$60 million per fiscal year, exclusive of the appropriation for debt service payments, of which at least \$5 million per fiscal year shall be awarded to fund construction or renovation cost for projects that started construction between July 1, 2009 and June 30, 2019, that would have been eligible for school building aid if the program had not been in moratorium (for the purposes of estimating the fiscal impact of this legislation, it is assumed that each of the projects on record would qualify for school building aid upon submittal of a building aid application). Under current law, school building aid, less any appropriation for debt service payments is limited to \$50 million per fiscal year. Changing this current statutory cap to a floor would have the following estimated impact on state education trust fund expenditures and local school district revenue (amounts rounded):

	Minimum Building Aid Under This Bill	Current Minimum Building Aid (Obligated Payments on Previously Approved Projects)	Increase
FY24	\$60,000,000	\$20,600,000	\$39,400,000
FY25	\$60,000,000	\$17,300,000	\$42,700,000

FY26	\$60,000,000	\$14,800,000	\$45,200,000
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To complete the additional work required to address the past projects completed during the moratorium, the Department states it would need to add two new positions: One (1) civil engineer V (labor grade 30) and one (1) business administrator IV (labor grade 29). The estimated total general fund cost for both positions is \$205,000 in FY 2024, \$213,000 in FY 2025, and \$220,000 in FY 2026.

It should be noted that this bill provides no appropriation for school building aid, nor appropriation or authorization for new positions.

AGENCIES CONTACTED:

Department of Education