

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2016

Bill Number: H.529 Name of Bill: An act relating to State aid for school construction repayment obligations

Agency/ Dept: Education Author of Bill Review: Bill Talbott

Date of Bill Review: May 6, 2016 Related Bills and Key Players _____

Status of Bill: (check one): ☐ Upon Introduction ☐ As passed by 1st body ☒ As passed by both

Recommended Position:

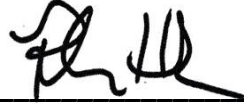
☒ Support ☐ Oppose ☐ Remain Neutral ☐ Support with modifications identified in #8 below

Analysis of Bill

1. **Summary of bill and issue it addresses.** *Suspends refund of school construction aid until FY 2020 when a district sells a building.*
2. **Is there a need for this bill?** *District mergers pursuant to Act 46 of 2015 were being hindered by districts with older buildings that were trying to sell them.*
3. **What are likely to be the fiscal and programmatic implications of this bill for this Department?** *None.*
4. **What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?** *None.*
5. **What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it?** *It makes it easier for districts to sell older buildings that are no longer in use where state construction aid might have been provided.*
6. **Other Stakeholders:**
 - 6.1 **Who else is likely to support the proposal and why?** *State Treasurer, School districts*
 - 6.2 **Who else is likely to oppose the proposal and why?**
7. **Rationale for recommendation:** *Districts trying to sell older buildings were hindered in those sales trying to ascertain the total amount of construction aid the district might have received. In almost all cases the construction aid was awarded more than 20 years before and the improvements or additions would have been depreciated. Also the State Treasurer was concerned there might be some technical problems with refunding money that might have come from state bonding.*

8. **Specific modifications that would be needed to recommend support of this bill:** *None. In 2020 when the statute is reinstated we recommend putting a 20 year limitation on refund requirements.*
9. **Will this bill create a new board or commission AND/OR add or remove appointees to an existing one? If so, which one and how many?** *No.*

Secretary/Commissioner has reviewed this document:



Date: 5/6/16