

Amendment to SB 342-FN

1 Amend the bill by replacing all after the enacting clause with the following:

2
3 1 Department of Education; Rulemaking. Amend RSA 21-N:9, II(c) to read as follows:

4 (c) Standards for school building construction, *including under the provisions of*
5 *RSA 198:15-a through RSA 198:15-z.*

6 2 New Section; School Construction Fund Established. Amend RSA 198 by inserting after
7 section 39 the following new section:

8 198:39-a School Construction Fund Established.

9 I. There is hereby established in the state treasury the school construction fund, which shall
10 be kept distinct and separate from all other funds and which shall be continually appropriated to the
11 department of education. Moneys in such fund shall be nonlapsing and shall not be used by the
12 department for any purpose other than to distribute funds to schools and approved chartered public
13 schools pursuant to RSA 198:15-f for new school construction projects.

14 II. Beginning July 1, 2025, the state treasurer shall transfer \$30,000,000 to the school
15 construction fund. Each year thereafter, this amount will be increased by \$5,000,000 until the
16 amount reaches \$80,000,000. Each year thereafter, the state treasurer shall transfer \$80,000,000
17 annually on July 1 to the school construction fund.

18 III. Any earnings on moneys within this fund shall be added to the school construction fund.

19 IV. For the fiscal year beginning July 1, 2025, and every fiscal year thereafter, the amount
20 necessary to fund the grants under RSA 198:15-f is hereby appropriated to the department of
21 education from the school construction fund created under this section. The governor is authorized
22 to draw a warrant from the school construction fund to satisfy the state's obligation under this
23 section. Such warrant for payment shall be limited to the balance of funds available in the school
24 construction fund.

25 V. The department of education may retain up to 3 percent of the total annual appropriation
26 of the school construction fund to be used to administer the program or for the department of
27 education to support the development, implementation, and maintenance of a facility condition
28 assessment for public elementary and secondary schools.

29 VI. This fund shall not be used for building projects approved by the department of
30 education prior to July 2025.

31 3 School Building Aid; School Construction Allocation Grants for School Construction. Amend
32 RSA 198:15-a to read as follows:

Amendment to SB 342-FN
- Page 2 -

1 198:15-a ***School Building Aid and School Construction Allocation*** ~~[Grant]~~ ***Grants*** for
2 School Construction.

3 I. To aid local ~~[school districts]~~ ***schools and chartered public schools*** in meeting the costs
4 of school buildings, the department of education shall~~[- from funds appropriated by the general court~~
5 ~~to carry out the provisions of this subdivision,]~~ pay to the school districts of the state, sums in
6 accordance with the provisions ~~[of this subdivision or the alternative school building aid provisions]~~
7 under ~~[RSA 198:15-u through RSA 198:15-w]~~ ***RSA 198:15-b and RSA 198:15-f.***

8 I-a. For purposes of this subdivision, "school ~~[district]~~" means any school district duly
9 organized, any city maintaining a school department within its corporate organization, any
10 cooperative school district as defined in RSA 195:1, any receiving district operating an area school as
11 defined in RSA 195-A:1, or any receiving district providing an education to pupils from one or more
12 sending districts under a contract entered into pursuant to RSA 194:21-a or RSA 194:22.

13 ***I-b. For the purposes of this subdivision, "chartered public school" means any***
14 ***chartered public school established in accordance with RSA 194-B.***

15 II. Beginning with construction authorized by a ~~[local]~~ school ~~[district]~~ on or after July 1,
16 2013, office facilities for school administrative units and the purchase or lease-purchase of
17 temporary space for any purpose, including but not limited to modulars, trailers, or other similar
18 structures to be used as classroom, office, or storage space shall not be eligible for school building aid
19 grants ***or for school construction allocation grants.***

20 III. Facilities constructed using school building aid grants ***or for school construction***
21 ***allocation grants*** shall be used as instructional facilities for kindergarten through grade 12 for at
22 least 20 years. A school ~~[district]~~ ***or chartered public school*** that discontinues the use of the
23 facilities within 20 years shall be required to repay the state 100 percent of the state grant received.
24 Upon a showing of good cause by the school ~~[district]~~ ***or chartered public school***, the commissioner
25 of the department of education may waive this penalty in whole or part on a case by case basis.

26 IV. ***Beginning July 1, 2025, the legislature shall make an appropriation from the***
27 ***education trust fund in the annual grant amount approved by the department of education***
28 ***for building aid projects approved prior to 2013.***

29 V. Beginning July 1, ~~[2013]~~ ***2025***, ~~[and every fiscal year thereafter,]~~ ***the annual***
30 ***appropriation for*** school building aid grants ~~[for construction or renovation projects approved by~~
31 ~~the department of education]~~ shall not exceed \$50,000,000 ~~[per fiscal year less any debt service~~
32 ~~payments owed in the fiscal year]~~ ***for new projects***, unless otherwise provided by an act of the
33 general court. School building aid grants shall be funded from appropriations in the state operating
34 budget and no state bonds shall be authorized or issued for the purpose of funding such school
35 building aid grants.

36 VI. ***The amount in paragraph V shall be decreased by \$5,000,000, each year***
37 ***thereafter, until the amount is reduced to zero.***

Amendment to SB 342-FN
- Page 3 -

[V-] **VII.** The department of education shall develop and maintain a 10-year school facilities plan of potential school building grant projects. Potential projects shall include, but not be limited to, criteria pursuant to RSA 198:15-c, II(b). The 10-year plan is intended to create a method to identify and enhance school facilities in a safe, healthy, and efficient manner while providing adequate learning environments for New Hampshire's students. The 10-year plan shall be updated every biennium to provide the department a summary of projects and school facility capital expenditures that are anticipated for the next 10 years. The plan shall identify new construction, renovation, and emergency projects, and describe the overall condition of projects contained in the plan. In support of the 10-year plan, it is recommended that each ~~[district]~~ **school or chartered public school** have in place and provide the department a long-range capital improvement program that identifies school facility goals, provides projected expenditures, and outlines procedures and guidelines to be followed to accomplish goals. Each ~~[district]~~ **school or chartered public school** is encouraged to review and update the ~~[district's]~~ **school's or chartered public school's** anticipated school facility capital improvement plan on a 2-year recurring basis or as needed. The department shall use this information to better plan, prioritize, and project new anticipated capital construction and renovation expenditures relative to the state building aid program. The state board of education shall adopt rules pursuant to RSA 541-A relative to this paragraph.

4 School Building Aid; Amount of Grant. Amend the heading of RSA 198:15-b, through paragraph I to read as follows:

198:15-b Amount of Grant **for School Building Aid.**

I.(a) For construction authorized by a school district on or before July 1, 2013, the amount of the annual grant to any school district shall be the grant amount approved by the department of education at the time of final approval of the project.

(b)(1) For construction authorized by a school district after July 1, 2013, the amount of **the school building aid** grant to the school district shall be calculated based on the criteria set forth in RSA 198:15-u through RSA 198:15-w.

(2) The state board of education shall approve the disbursement of 80 percent of the eligible **school building aid** grant amount upon approval of the application for school building aid grants by the state board of education, and shall disburse the balance of the grant amount upon completion of the construction and verification of the final cost of construction by the department of education.

(3) The amount of the **school building aid** grant to any chartered public school established in accordance with RSA 194-B:3-a shall be 30 percent of the eligible cost of construction.

(4) Funds received from federal grants or grants from other state programs shall be subtracted from total project costs when computing grants under this paragraph.

5 Approval of Plans; Specifications, and Costs of Construction or Purchase. Amend the heading of RSA 198:15-c, through paragraph I to read as follows:

Amendment to SB 342-FN
- Page 4 -

1 198:15-c **School Building Aid** Approval of Plans; Specifications, and Costs of Construction or
2 Purchase.

3 I.(a) A school [~~district~~] maintaining approved schools, desiring to avail itself of the ***school***
4 ***building aid*** grants herein provided shall submit schematic design plans, cost estimates, and other
5 items determined by the department of education for an eligible school construction project prior to
6 the start of the construction. Projects with approval from the school district's legislative body to
7 construct, not subject to receiving building aid, are not eligible.

8 (b) Beginning January 1, 2025 and each year thereafter, to be considered for a school
9 building aid grant, the complete building aid application shall be submitted no later than April 1 of
10 the fiscal year that immediately precedes the fiscal year in which the school desires to seek the
11 district's legislative body's approval for construction. The application shall include at a minimum,
12 schematic design plans, cost estimates, educational needs assessment, existing facility conditions
13 assessment including, but not limited to a review of the mechanical, electrical, plumbing, and
14 structural components of the building, proof of an annual school budget to support good
15 maintenance, and other documentation as required by the department and identified in the
16 department's school building construction rules.

17 (c) As deemed appropriate, emergency projects that are recommended by the
18 commissioner of education ***for school building aid grants*** shall be addressed on a case-by-case
19 basis by the state board of education at any time during the school year. A school construction
20 project requiring the replacement of all or a significant portion of a school facility which is declared
21 uninhabitable or is identified as an imminent danger or substantial risk by the state fire marshal or
22 a state or federal agency, and which results from an unanticipated and sudden natural or human
23 disaster, shall qualify as an emergency project.

24 6 School Building Aid; Time Computation. Amend RSA 198:15-d to read as follows:

25 198:15-d Time of Computation of Grant. As of January 1 in each year, the department of
26 education shall cause to be computed the amount of the annual grants for school building aid to be
27 paid to eligible [~~school-districts~~] ***schools or chartered public schools*** in the succeeding fiscal year.
28 The computation shall be based upon the total of eligible costs of construction of school buildings
29 approved by the ***school's or chartered public school's*** legislative body [~~of the school district~~] and
30 the department of education for which loans are outstanding in each school district for the fiscal year
31 in which the computations are made.

32 7 School Building Construction Allocation Program. RSA 198:15-f is repealed and reenacted to
33 read as follows:

34 198:15-f School Construction Allocation Program.

35 I. New moneys shall be deposited into this fund each fiscal year pursuant to RSA 198:39-a,
36 including appropriated amounts and interest earned. Funds shall be administered as follows:

Amendment to SB 342-FN
- Page 5 -

1 (a) The department of education may retain up to 3 percent of the total annual
2 appropriation of the school construction fund to be used to administer the program or for the
3 department of education to support the development, implementation, and maintenance of a facility
4 condition assessment for public elementary and secondary schools.

5 (b) The total annual appropriation of the school construction fund, less any amount
6 retained by the department of education allowed by subparagraph (a) above, shall be allocated
7 annually to each school and chartered public school based on per pupil average daily membership in
8 attendance, as defined in RSA 189:1-d, III for grades K-12 who are legal residents of the school
9 pursuant to RSA 193:12 or RSA 193:27, IV and attend a state-approved public or nonpublic school as
10 assigned by the school district in which the pupil resides, or by the state, or attend an approved
11 chartered public school; and

12 (c) The interest earned the previous year shall be prorated based on the fund balance
13 and allocated annually to each school and chartered public school.

14 II. A school maintaining approved schools, desiring to avail itself of the school construction
15 allocation grants herein provided shall submit schematic design plans, cost estimates, and other
16 items determined by the department of education no later than 120 days prior to the desired date of
17 construction. The commissioner shall review the applications to determine eligibility as determined
18 by the rules of the department of education.

19 III. School construction allocation grants may be expended for the following purposes:

20 (a) New building construction, including land acquisition and development of a site;

21 (b) Capital renovations of existing buildings, including land acquisition and development
22 of a site; or

23 (c) Security improvements.

24 IV. For construction authorized by the school's or chartered public school's legislative body,
25 for an approved school construction allocation grant, the amount of grant shall be the eligible
26 amount requested by the school or the assigned balance in the school's construction allocation fund,
27 whichever is less.

28 V. Annually by October 1 each year the department of education shall calculate the total
29 amount a school or chartered public school may apply for. This amount shall be any appropriations
30 and accumulated interest made through the life of this program less any payments previously
31 made under this program.

32 VI. All school construction plans and specifications shall comply with the rules of the
33 department of education in requesting a distribution from the fund for payment or reimbursement of
34 school construction approved under this section, notwithstanding any requirements for authorization
35 of bonds or notes or payment of debt service unless such project contains an authorization of bonds
36 as a component of funding.

Amendment to SB 342-FN

- Page 6 -

1 8 New Subparagraph; Application of Receipts. Amend RSA 6:12, I(b) by inserting after
2 subparagraph (394) the following new subparagraph:

3 (395) Moneys deposited in the school building construction allocation program fund
4 established under RSA 198:39-a.

5 9 Effective Date. This act shall take effect July 1, 2024.