

HB 515 - AS INTRODUCED

2025 SESSION

25-0656

02/06

HOUSE BILL **515**

AN ACT repealing the chartered public school eligibility for state school building aid.

SPONSORS: Rep. M. Cahill, Rock. 10

COMMITTEE: Education Funding

ANALYSIS

This bill removes chartered public schools from eligibility for school building aid grants.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 Five

AN ACT repealing the chartered public school eligibility for state school building aid.

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

1 1 School Building Aid; Grants for School Construction; Chartered Public Schools; Requirements
2 Added. Amend RSA 198:15-a, I through III to read as follows:

3 I. To aid local school districts ~~[and chartered public schools under RSA 194-B]~~ in meeting
4 the costs of school buildings, the department of education shall, from funds appropriated by the
5 general court to carry out the provisions of this subdivision, pay to the school districts ~~[and chartered~~
6 ~~public schools]~~ of the state, sums in accordance with the provisions of this subdivision~~[- RSA 198:15-~~
7 ~~b, I(b)]~~ or the alternative school building aid provisions under RSA 198:15-u through RSA 198:15-w.

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

18 ~~[II-a. Any chartered public school building to be improved or constructed using school~~
19 ~~building aid shall be owned by the chartered public school and in the event of a voluntary or~~
20 ~~involuntary dissolution shall be subject to a plan for the disposition of the chartered public school's~~
21 ~~assets, pursuant to RSA 194-B:3, II(z), as approved by the state board of education.]~~

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

28 2 School Building Aid; Amount of Grant; Chartered Public Schools. Amend RSA 198:15-b,
29 I(b)(3) to read as follows:

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

HB 515 - AS INTRODUCED

- Page 2 -

~~school construction projects, the amount of the annual grant to any chartered public school shall be a sum equal to 5 percent of the eligible grant amount each year for 20 years upon approval of the application for school building aid grants by the state board of education. Not more than 10 percent of the eligible grant amount shall be disbursed until the completion of the construction and verification of the final cost of construction have been made by the department of education.]~~

3 School Building Aid; Approvals; Chartered Public Schools. Amend RSA 198:15-c to read as follows:

198:15-c Approval of Plans; Specifications, and Costs of Construction or Purchase.

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

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

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

II.(a) The commissioner shall accept school building aid grant applications based upon completeness and submit a preliminary school building aid grant list, with applications ranked in accordance with subparagraph II(b) and rules of the department, to the school building authority established pursuant to RSA 195-C by August 1 each year. The school building authority shall verify the ranking submitted by the commissioner and submit a list in descending rank order to the state board of education for approval. If the ranking submitted to the school building authority differs from the preliminary school building aid grant list, the school building authority shall justify the new ranking using the same criteria in subparagraph II(b) and in rules of the department. The

HB 515 - AS INTRODUCED
- Page 3 -

1 school building authority shall submit the school building aid rank order listing with written report
2 of findings to the state board no later than October 15, each year. The state board of education shall
3 verify the ranking submitted by the school building authority. If the ranking submitted to the state
4 board of education differs from the preliminary school building aid grant list submitted by the
5 commissioner, the state board of education shall justify the new ranking using the same criteria in
6 subparagraph II(b) and rules of the department. The state board of education shall approve and
7 publish the descending rank order list of approved eligible school construction projects by November
8 15 each year. School districts [~~and chartered public schools~~] which have projects approved for
9 funding shall be notified by the department of education of the projected amount to be funded within
10 10 days of approval. The project rating system and criteria used to rate project applications which
11 shall include an administrative review process for appeal of a school district's [~~or chartered public~~
12 ~~schools~~] project point rating, shall be developed by the department of education and approved by the
13 state board of education.

14 (b) The commissioner of the department of education shall accept school building
15 construction proposals based upon completeness. The department of education shall consider and
16 score each proposal based on the following criteria:

- 17 (1) Unsafe conditions.
- 18 (2) Facilities not in compliance with the Americans With Disabilities Act, or
19 obsolete, inefficient, or unsuitable facilities or mechanical and building systems.
- 20 (3) Overcrowding and associated influences to instructional areas and programming.
- 21 (4) Enrollment projections and population shifts.
- 22 (5) A school district's [~~or chartered public schools~~] fiscal capacity based on
23 measurable criteria such as the percentage of pupils eligible for free and reduced price meals.
- 24 (6) School security design and integration of security systems.
- 25 (7) The project contributes to operational cost efficiencies, consolidation, or reduced
26 property taxes.
- 27 (8) High performance of design that provides environments that are energy and
28 resource efficient. Energy and resource efficient designs are those that improve indoor air quality,
29 air temperature, or water quality; reduce heating costs; provide better lighting; and increase average
30 attendance.

31 (9) Any other criteria that the state board of education may determine are necessary.

32 (c) Except as provided in subparagraph (d), applications on the approved ranked list the
33 previous fiscal year, including the school construction projects on the descending rank order list
34 approved by the state board of education on November 10, 2022, but did not receive a grant due to
35 insufficient funds in the previous fiscal year, shall be ranked ahead of any application that was not
36 on the list in the previous fiscal year provided that construction of the project has not started.

HB 515 - AS INTRODUCED

- Page 4 -

(d) Applications with critical needs pursuant to subparagraph II(b) and substantial deficiencies, as defined by the department of education's school construction rules, may be ranked ahead of applications received in the prior fiscal year.

(e) Projects that did not receive approval from the school district's legislative body [~~or chartered public school board of trustees~~] may resubmit those projects to the department for future consideration.

III. A school district [~~or chartered public school~~] that accepts school building aid for construction shall engage the services of [~~an owner's~~] **a** project manager for construction or reconstruction projects of \$1,000,000 or more, unless the commissioner waives such requirement as unnecessary. The [~~owner's~~] **school district's** project manager shall have his or her own comprehensive liability and auto insurance, worker's compensation coverage, and professional liability coverage. The state board of education shall adopt rules pursuant to RSA 541-A relative to the required services, responsibilities, and qualifications for the [~~owner's~~] **school district's** project manager.

4 Time of Computation of Grant. Amend RSA 198:15-d to read as follows:

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

5 Chartered Public Schools; Establishment. Amend RSA 194-B:3, II(z) to read as follows:

(z) Provisions for dissolution of the chartered public school including disposition of assets or amendment of its program plan. [~~A chartered public school may not be eligible for a state building aid grant until the state board of education has approved the school's asset disposition plan.~~]

6 New Paragraph; Chartered Public Schools; Funding. Amend RSA 194-B:11 by inserting after paragraph VI the following new paragraph:

VII. No school building aid under RSA 198:15-a through 15-h shall be awarded to a chartered public school for the purpose of acquiring land or buildings, or for constructing, reconstructing, or improving the chartered public school, unless the building is owned by the school district, under lease to the chartered public school, and such lease does not include an option to purchase the building. A charter conversion school shall be eligible for school building aid.

7 Repeal. RSA 194-B:16, IX, relative to charter revocation, is repealed.

8 Effective Date. This act shall take effect July 1, 2025.