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Committee**

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Sub. S. B. No. 273

Senator Niehaus

Cosponsors: Senators Mumper, Buehrer, Amstutz, Padgett, Faber

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A B I L L

To amend section 3318.032 and to enact section 1
3318.033 of the Revised Code to calculate an 2
alternate equity list for fiscal year 2008 for 3
purposes of determining school districts' 4
eligibility for assistance under the Classroom 5
Facilities Assistance Program and their local 6
shares in fiscal year 2009, to calculate an 7
alternative equity list for fiscal year 2009 8
funding under the Classroom Facilities Assistance 9
Program and the Exceptional Needs School 10
Facilities Assistance Program for certain school 11
districts with large one-year reductions in 12
valuation, to recalculate the local share of a 13
current classroom facilities project for certain 14
school districts that had a net gain in 15
interdistrict open enrollment students when they 16
became eligible for state facilities assistance, 17
to specify the local share of new projects for 18
certain school districts that previously received 19
assistance, and to increase the percentage of 20
classroom facilities appropriations that may be 21
used for joint vocational school districts in 22

fiscal year 2008. 23

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 3318.032 be amended and section 24
3318.033 of the Revised Code be enacted to read as follows: 25

Sec. 3318.032. (A) ~~The~~ Except as otherwise provided in 26
divisions (C) and (D) of this section, the portion of the basic 27
project cost supplied by the school district shall be the greater 28
of: 29

(1) The required percentage of the basic project costs; 30

(2) An amount necessary to raise the school district's net 31
bonded indebtedness, as of the date the controlling board approved 32
the project, to within five thousand dollars of the required level 33
of indebtedness. 34

(B) The amount of the district's share determined under this 35
section shall be calculated only as of the date the controlling 36
board approved the project, and that amount applies throughout the 37
one-year period permitted under section 3318.05 of the Revised 38
Code for the district's electors to approve the propositions 39
described in that section. If the amount reserved and encumbered 40
for a project is released because the electors do not approve 41
those propositions within that year, and the school district later 42
receives the controlling board's approval for the project, the 43
district's portion shall be recalculated in accordance with this 44
section as of the date of the controlling board's subsequent 45
approval. 46

(C) ~~Notwithstanding anything to the contrary in division (A)~~ 47
~~or (B) of this section, at~~ At no time shall a school district's 48
portion of the basic project cost be greater than ninety-five per 49
cent of the total basic project cost. 50

(D) If the controlling board approves a project under sections 3318.01 to 3318.20 of the Revised Code for a school district that previously received assistance under those sections or section 3318.37 of the Revised Code within the twenty-year period prior to the date on which the controlling board approves the new project, the district's portion of the basic project cost for the new project shall be the lesser of the following:

(1) The portion calculated under division (A) of this section;

(2) The greater of the following:

(a) The required percentage of the basic project costs for the new project;

(b) The percentage of the basic project cost paid by the district for the previous project.

Sec. 3318.033. (A) As used in this section:

(1) "Formula ADM" has the same meaning as in section 3317.02 of the Revised Code.

(2) "Open enrollment net gain" has the same meaning as in section 3318.011 of the Revised Code.

(B) This section applies to each school district that meets the following criteria:

(1) The Ohio school facilities commission certified its conditional approval of the district's project under sections 3318.01 to 3318.20 of the Revised Code after July 1, 2006, and prior to September 29, 2007, and the project had not been completed as of September 29, 2007.

(2) Within one year after the date of the commission's certification of its conditional approval, the district's electors approved a bond issue to pay the district's portion of the basic

project cost or the district board of education complied with 80
section 3318.052 of the Revised Code. 81

(3) In the fiscal year prior to the fiscal year in which the 82
district's project was conditionally approved, the district had an 83
open enrollment net gain that was ten per cent or more of its 84
formula ADM. 85

(C) For each school district to which this section applies, 86
the department of education shall recalculate the district's 87
percentile ranking under section 3318.011 of the Revised Code for 88
the fiscal year prior to the fiscal year in which the district's 89
project was conditionally approved and shall report the 90
recalculated percentile ranking to the commission. For this 91
purpose, the department shall recalculate every school district's 92
percentile ranking for that fiscal year using the district's 93
"valuation per pupil" as that term is defined in section 3318.011 94
of the Revised Code on and after September 29, 2007. 95

(D) For each school district to which this section applies, 96
the commission shall use the recalculated percentile ranking 97
reported under division (C) of this section to determine the 98
district's portion of the basic project cost under section 99
3318.032 of the Revised Code. The commission shall not use the 100
recalculated percentile ranking for any other purpose, and the 101
recalculated ranking shall not affect any other district's portion 102
of the basic project cost under section 3318.032 of the Revised 103
Code or any district's eligibility for assistance under sections 104
3318.01 to 3318.20 of the Revised Code. The commission shall 105
revise the agreement entered into under section 3318.08 of the 106
Revised Code to reflect the district's new portion of the basic 107
project cost as determined under this division. 108

Section 2. That existing section 3318.032 of the Revised Code 109
is hereby repealed. 110

Section 3. (A) As used in this section, "equity list" means 111
the school district percentile rankings calculated under section 112
3318.011 of the Revised Code. 113

(B) Not later than thirty days after the effective date of 114
this section, the Department of Education shall create an 115
alternate equity list for fiscal year 2008 by recalculating each 116
school district's percentile ranking under section 3318.011 of the 117
Revised Code and shall certify the alternate equity list to the 118
Ohio School Facilities Commission. For this purpose, the 119
Department shall recalculate every school district's percentile 120
ranking using the district's "valuation per pupil" as that term is 121
defined in the version of section 3318.011 of the Revised Code in 122
effect on and after September 29, 2007. When recalculating the 123
percentile rankings, the Department shall use the same values for 124
"average taxable value," "formula ADM," and "income factor," as 125
those terms are defined in section 3318.011 of the Revised Code, 126
that it used in calculating the original equity list for fiscal 127
year 2008 certified to the Commission on September 5, 2007, and 128
shall not use any updated values for those variables. 129

(C) The Commission shall use the alternate equity list 130
certified under division (B) of this section to determine the 131
priority for assistance under sections 3318.01 to 3318.20 of the 132
Revised Code in fiscal year 2009 for each school district that has 133
not previously been offered funding under those sections. The 134
alternate equity list shall not affect any school district's 135
eligibility for the Exceptional Needs School Facilities Assistance 136
Program under section 3318.37 of the Revised Code. 137

(D) Notwithstanding any provision of Chapter 3318. of the 138
Revised Code to the contrary, for each school district that 139
receives the Commission's conditional approval of the district's 140
project under sections 3318.01 to 3318.20 or section 3318.37 of 141

the Revised Code in fiscal year 2009, the district's portion of 142
the basic project cost shall be the lesser of the following: 143

(1) The amount required under section 3318.032 of the Revised 144
Code calculated using the percentile in which the district ranks 145
on the alternate equity list certified under division (B) of this 146
section; 147

(2) The amount required under section 3318.032 of the Revised 148
Code calculated using the percentile in which the district ranks 149
on the original equity list for fiscal year 2008. 150

Section 4. (A) As used in this section: 151

(1) "Alternative equity list" means a rank order of all city, 152
exempted village, and local school districts into percentiles 153
according to the one-year adjusted valuation per pupil of each 154
district from lowest to higher adjusted valuation per pupil, 155
computed as follows: 156

(The district's total taxable value for tax year 2006 / the 157
district's formula ADM for fiscal year 2007) - [\$30,000 x (1 -the 158
district's income factor for fiscal year 2007)] 159

(2) "Original equity list" means the school district 160
percentile ranking according to the three-year average adjusted 161
valuation per pupil of all city, exempted village, and local 162
school districts calculated under section 3318.011 of the Revised 163
Code and certified to the Ohio School Facilities Commission on 164
September 5, 2007. 165

(3) "Project" has the same meaning as in section 3318.01 of 166
the Revised Code. 167

(4) "School district's portion of the basic project cost" 168
means the portion of the basic project cost computed under section 169
3318.032 of the Revised Code. 170

(5) "Total taxable value," "formula ADM," and "income factor" 171

have the same meanings as in section 3317.02 of the Revised Code. 172

(B) Not later than thirty days after the effective date of 173
this section, the Department of Education shall create the 174
alternative equity list defined in this section and shall certify 175
that list to the Ohio School Facilities Commission for its use in 176
determining funding of school district projects for fiscal year 177
2009, in the manner prescribed in division (C) of this section. 178

(C) Notwithstanding any provision to the contrary in Chapter 179
3318. of the Revised Code, for fiscal year 2009 only, in the case 180
of any school district that has not received funding under 181
sections 3318.01 to 3318.20 of the Revised Code in any fiscal year 182
prior to fiscal year 2009 and for which the district's rank on the 183
alternative equity list is at least fifteen percentiles lower than 184
the district's rank on the original equity list: 185

(1) The Commission shall use the district's percentile on the 186
alternative equity list to determine the district's priority for 187
assistance and the school district's portion of the basic project 188
cost for a project under sections 3318.01 to 3318.20 of the 189
Revised Code, rather than the district's percentile on the 190
original equity list as otherwise provided under those sections; 191

(2) The Commission shall use the district's percentile on the 192
alternative equity list to determine the school district's portion 193
of the basic project cost for a project under section 3318.37 of 194
the Revised Code, rather than the district's percentile on the 195
original equity list as otherwise provided under that section. The 196
alternative equity list shall not affect any school district's 197
eligibility and priority for assistance under that section. 198

The Commission shall not use the alternative equity list to 199
determine the priority for funding or a school district's portion 200
of the basic project cost for any other school district or for any 201
other program administered by the Commission. 202

(D) If a school district is offered funding under sections 203
3318.01 to 3318.20 or section 3318.37 of the Revised Code for 204
fiscal year 2009 based on this section, the district's project 205
shall proceed as specified in those sections, except as otherwise 206
provided in this section. 207

Section 5. Notwithstanding division (B) of section 3318.40 of 208
the Revised Code, the Ohio School Facilities Commission may set 209
aside up to three per cent of the aggregate amount appropriated to 210
it in fiscal year 2008 for classroom facilities assistance 211
projects in the Education Facilities Trust Fund established under 212
section 183.26 of the Revised Code, the Public School Building 213
Fund established under section 3318.15 of the Revised Code, and 214
the School Building Program Assistance Fund established under 215
section 3318.25 of the Revised Code to provide assistance to joint 216
vocational school districts for the acquisition of classroom 217
facilities in accordance with sections 3318.40 to 3318.45 of the 218
Revised Code. 219