

As Reported by the House Education Committee

**130th General Assembly
Regular Session
2013-2014**

Sub. H. B. No. 447

Representative Lynch

**Cosponsors: Representatives Adams, J., Patterson, Roegner, Sprague,
Stebelton, Thompson**

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A B I L L

To enact sections 3318.75 and 3318.751 of the Revised 1
Code to permit a school district resulting from 2
the consolidation of two or more school districts 3
or from the voluntary transfer of the entire 4
territory of a school district to receive a loan 5
from the Ohio school facilities commission for the 6
construction of a new facility to support the 7
consolidated district if specified conditions are 8
satisfied, and to make an appropriation. 9

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

Section 1. That sections 3318.75 and 3318.751 of the Revised 10
Code be enacted to read as follows: 11

Sec. 3318.75. (A) For purposes of this section, an "eligible 12
school district" is a city, local, or exempted village school 13
district that results from the consolidation of two or more school 14
districts under section 3311.37 of the Revised Code or from a 15
voluntary transfer of the entire territory of a school district in 16
accordance with section 3311.38 or division (A)(1)(a) of section 17
3311.24 of the Revised Code, provided all of the following 18

conditions are satisfied: 19

(1) With respect to the districts as they exist prior to the consolidation or transfer: 20
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(a) The districts are located in the same county. 22

(b) The county in which the districts are located has a population of less than one hundred thousand as of the most recent federal decennial census. 23
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(c) Each of the districts has a student enrollment of less than one thousand seven hundred students on the effective date of the consolidation or transfer. 26
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(d) Neither of the districts has previously received state assistance under this chapter. 29
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(2) Prior to applying for a loan under this section, the department of education, in consultation with the Ohio school facilities commission and the auditor of state, determined in a study conducted under section 3318.751 of the Revised Code that the school district resulting from the consolidation or transfer would be able to repay a loan made under this section within fifteen years after receiving the loan by using up to eighty per cent of the savings from the consolidation or transfer. 31
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(B) In addition to receiving state assistance under any other section of this chapter, an eligible school district may apply for a loan of up to ten million dollars from the commission for the purpose of constructing a new classroom facility to meet the district's needs. The application shall be submitted in a form and manner specified by the commission. 39
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(C) The commission shall adopt rules regarding the making and repayment of loans under this section. 45
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Sec. 3318.751. (A) Upon the request of a city, local, or exempted village school district that may be eligible for a loan 47
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under section 3318.75 of the Revised Code, the department of 49
education, in consultation with the Ohio school facilities 50
commission and the auditor of state, shall conduct a study in 51
order to identify any savings that resulted from the consolidation 52
or transfer that led to the district's formation. The department 53
shall use the information provided by the district under division 54
(B) of this section when conducting the study. 55

(B) When making a request under division (A) of this section, 56
a city, local, or exempted village school district must submit all 57
of the following information to the department: 58

(1) The district's effective tax rate; 59

(2) A description of the district's buildings obtained 60
through the consolidation or transfer that led to the district's 61
formation that have been or will be closed; 62

(3) The district's teacher and staffing levels. 63

Section 2. All items in this section are hereby appropriated 64
 as designated out of any moneys in the state treasury to the 65
 credit of the designated fund. For all appropriations made in this 66
 act, those in the first column are for fiscal year 2014 and those 67
 in the second column are for fiscal year 2015. The appropriations 68
 made in this act are in addition to any other appropriations made 69
 for the FY 2014-FY 2015 biennium. 70

FCC Facilities Construction Commission 71

General Revenue Fund 72

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|-----|--------|-----------------------|----|---|----|------------|----|
| GRF | 230501 | Consolidated District | \$ | 0 | \$ | 10,000,000 | 73 |
|-----|--------|-----------------------|----|---|----|------------|----|

Loan Program

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|-----------|----------------------|----|---|----|------------|----|
| TOTAL GRF | General Revenue Fund | \$ | 0 | \$ | 10,000,000 | 74 |
|-----------|----------------------|----|---|----|------------|----|

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|------------------------------|----|---|----|------------|----|
| TOTAL ALL BUDGET FUND GROUPS | \$ | 0 | \$ | 10,000,000 | 75 |
|------------------------------|----|---|----|------------|----|

CONSOLIDATED DISTRICT LOAN PROGRAM 76

The foregoing appropriation item 230501, Consolidated 77
District Loan Program, shall be used to award loans to school 78
districts under section 3318.75 of the Revised Code. 79

Section 3. Within the limits set forth in this act, the 80
Director of Budget and Management shall establish accounts 81
indicating the source and amount of funds for each appropriation 82
made in this act, and shall determine the form and manner in which 83
appropriation accounts shall be maintained. Expenditures from 84
appropriations contained in this act shall be accounted for as 85
though made in Am. Sub. H.B. 59 of the 130th General Assembly. 86

The appropriations made in this act are subject to all 87
provisions of Am. Sub. H.B. 59 of the 130th General Assembly that 88
are generally applicable to such appropriations. 89