



# Ohio Legislative Service Commission

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## Fiscal Note & Local Impact Statement

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**Bill:** S.B. 231 of the 130th G.A.

**Date:** February 24, 2014

**Status:** As Passed by the Senate

**Sponsor:** Sen. Gardner

**Local Impact Statement Procedure Required:** No

**Contents:** Sale of school district real property – distribution of proceeds

### State Fiscal Highlights

- No direct fiscal effect on the state.

### Local Fiscal Highlights

- The bill gives school districts more flexibility in the use of revenue gained from the sale of real property.

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### Detailed Fiscal Analysis

Under current law, the board of education of a school district that disposes of real property must use the proceeds from the sale to retire any debt that was incurred by the district with respect to that real property. Proceeds in excess of that amount must be placed in a school district's capital and maintenance fund and used only to pay for the costs of nonoperating capital expenses related to technology infrastructure and equipment to be used for instruction and assessment. The bill permits a school district also to place the proceeds into a special fund for the construction or acquisition of permanent improvements, thus giving districts more flexibility in the use of this revenue.

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