

BILL ANALYSIS

Senate Research Center
79R6965 ESH-D

S.B. 962
By: Shapiro
Education
3/15/2005
As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Under current law, school districts use state funding to construct facilities for instructional and non-instructional purposes with limited restrictions on the type of facilities chosen. Since the state subsidizes all design types, some districts do not consider model facilities or replicable designs or ensure that energy-efficient designs are utilized. The cost to construct facilities is rising as districts experience a net annual increase of 80,000 students.

As proposed, S.B. 962 requires the Texas Education Agency to develop cost-effective model plans that promote energy efficiency and meet state standards. It requires bond support for only instructional facilities and limits state support to an amount predicted by the model plan and adjusted for regional building cost differences. S.B. 962 authorizes districts to build facilities beyond the model plans' projected costs, but requires such facilities to be funded entirely through local revenue.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 45.054, Education Code, to require bonds to be issued for the construction, acquisition, renovation, or improvement of an instructional facility as defined by Section 46.001 (Definition) in order to be eligible for approval by the commissioner of education (commissioner).

SECTION 2. Amends Subchapter C, Chapter 45, Education Code, by adding Section 45.0541, as follows:

Sec. 45.0541. **LIMITATION ON GUARANTEED AMOUNT.** Prohibits a school district from receiving a guarantee for the portion of the principal amount of bonds issued to construct an instructional facility that exceeds the amount for which the school district issuing the bonds would be entitled to state assistance under Section 46.0023 (Cost Limit on Aid for Instructional Facility).

SECTION 3. Amends Section 45.055, Education Code, by adding Subsection (b-1), to require an application [for the guarantee of bonds] to contain information sufficient for the commissioner to determine the extent to which the school district would be entitled to state assistance under Section 46.0023 for the facility, if any portion of the bonds to be guaranteed represents the cost of constructing an instructional facility.

SECTION 4. Amends Subchapter A, Chapter 46, Education Code, by adding Section 46.0021-46.0024, as follows:

Sec. 46.0021. **MODEL PLANS FOR SCHOOL FACILITIES.** (a) Requires the Texas Education Agency (agency) to develop model plans that districts are authorized to use in constructing school facilities. Sets forth the guidelines the agency is required to consider in making the plans.

(b) Sets forth requirements for the model plans regarding cost and design constraints.

(c) Requires the commissioner to establish a cost factor for the construction of school facilities using the model plans.

(d) Requires the agency to develop the model plans by September 1, 2006. Provides that this subsection expires September 1, 2006.

Sec. 46.0022. REGIONAL CONSTRUCTION COST INDEX. (a) Requires the agency to develop a regional index that accounts for differences in construction costs in various regions of the state. Requires each school district in the state to be assigned a region for purposes of this subsection.

(b) Requires the agency to develop the index no later than September 1, 2006. Provides that this subsection expires September 1, 2006.

Sec. 46.0023. COST LIMIT ON AID FOR INSTRUCTIONAL FACILITY. (a) Provides that a school district is not entitled to state assistance under this subchapter for any portion of the cost of constructing an instructional facility that exceeds the cost determined using the model plans developed and the appropriate regional construction cost index.

(b) Authorizes a school district to use local funds to pay the portion of the cost of constructing an additional facility that exceeds the amount a district is authorized to receive by the state.

(c) Authorizes the commissioner to exempt a school district from the application of Subsection (a) if the district demonstrates, to the commissioner's satisfaction, that certain circumstances justify spending a greater amount on an instructional facility than otherwise specified by the state in Subsection (a).

Sec. 46.0024. COST STANDARDS FOR MIXED-USE FACILITIES. Requires the commissioner to establish reasonable cost standards for sports-related facilities that are not predominantly used for teaching certain subjects.

SECTION 5. (a) Makes application of Section 45.054, Education Code, as amended by this Act, prospective to September 1, 2005.

(b) Makes application of Sections 45.0541 and 45.055(b-1), Education Code, as added by this Act, prospective to January 1, 2007.

(c) Makes application of Section 46.0023, Education Code, as added by this Act, prospective to January 1, 2007.

SECTION 6. Effective date: September 1, 2005.