

House Bill 269

By: Representatives Davis of the 109th, Jacobs of the 80th, Talton of the 145th, Lunsford of the 110th, and Watson of the 91st

A BILL TO BE ENTITLED

AN ACT

1 To amend Part 10 of Article 6 of Chapter 2 of Title 20 of the Official Code of Georgia
 2 Annotated, relating to capital outlay funds for public schools, so as to provide that
 3 educational facilities plans for local systems shall anticipate needs for seven years; to
 4 conform references to such plans; to increase the maximum appropriation for general capital
 5 outlay funds and capital outlay funds for school systems experiencing exceptional growth;
 6 to change the requirements for local school systems to qualify for capital outlay funds
 7 designated for school systems experiencing exceptional growth; to provide for an
 8 enhancement for systems experiencing extreme growth; to amend an uncodified provision
 9 of an Act approved April 22, 1999 (Ga. L. 1999, p. 400), as amended, particularly by an Act
 10 approved April 9, 2001 (Ga. L. 2001, p. 148), so as to change the automatic repeal date for
 11 certain provisions; to provide for related matters; to provide an effective date; to repeal
 12 conflicting laws; and for other purposes.

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

14 **SECTION 1.**

15 Part 10 of Article 6 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated,
 16 relating to capital outlay funds for public schools, is amended in Code Section 20-2-260,
 17 relating to capital outlay funds, by striking paragraphs (3) and (5) of subsection (c), relating
 18 to responsibilities of the State Board of Education relative to capital outlay funds, and
 19 inserting in lieu thereof the following:

20 "(3) To adopt policies, guidelines, and standards for educational facilities construction
 21 plans. Local school system facilities construction plans shall include, but not be limited
 22 to, a list of construction projects currently eligible for state capital outlay funds, if any;
 23 educational facilities projected for abandonment, if any; educational facilities projected
 24 as needed ~~five~~ seven years hence; proposed construction projects for modernization,
 25 renovation, and energy retrofitting; proposed construction projects for the purpose of

1 consolidating small, inefficient educational facilities which are less than the minimum
2 size specified in subsection (q) of this Code section; and other construction projects
3 needed to house the instructional programs authorized by provisions of this article;”

4 “(5) To develop a state-wide needs assessment for purposes of planning and developing
5 policies, anticipating state-wide needs for educational facilities, and providing assistance
6 to local school systems in developing educational facilities plans. The state-wide needs
7 assessment shall be developed from, among other sources, vital statistics published by the
8 Department of Human Resources, census data published by the Bureau of the Census,
9 local school system educational facilities and real property inventories, educational
10 facilities surveys, full-time equivalent student projection research, and educational
11 facilities construction plans; shall reflect circumstances where rapid population growth
12 is caused by factors not reflected in full-time equivalent student projection research; and
13 shall give priority to elementary school construction. In addition, the state board shall
14 develop a consistent, systematic research approach to full-time equivalent student
15 projections which will be used in the development of needs within each local unit.
16 Projections shall not be confined to full-time equivalent resident students but shall be
17 based on full-time equivalent student counts which include full-time equivalent
18 nonresident students, whether or not such full-time equivalent nonresident students attend
19 school pursuant to a contract between local school systems. The full-time equivalent
20 projection shall be calculated in accordance with subsection (m) of this Code section. The
21 survey team will use such projections in determining the improvements needed for the
22 ~~five-year~~ seven-year planning period. The state board shall also develop schedules for
23 allowable square footage and cost per square foot and review these schedules annually.
24 The cost estimate for each recommended improvement included in the plan shall be based
25 on these schedules. Any increase in cost or square footage for a project beyond that
26 allowed by state board schedules for such projects shall be the responsibility of the local
27 school system and shall not count toward present or future required local participation.
28 The schedules for allowable square footage and cost per square foot shall be specified in
29 regulations by the State Board of Education;”

30 SECTION 2.

31 Said part is further amended in said Code Section 20-2-260, relating to capital outlay funds,
32 by striking paragraphs (2) and (4) of subsection (d), relating to requirements for qualification
33 for and receipt of such funds by local school systems, and inserting in lieu thereof the
34 following:

1 funds to be appropriated, calculations shall be made for at least three levels below the
2 ~~\$200~~ \$210 million maximum authorization, adjusted as specified in this paragraph.

3 (2) In setting the annual authorization level under this subsection, the state board shall
4 consider any previously authorized but unfunded amounts together with the total estimate
5 of funds needed for school facilities in the state. Such total state facilities needs pursuant
6 to this subsection shall be computed by summing the following:

7 (A) The total facility improvement needs included in the most recent ~~five-year~~
8 educational facilities plan, excluding exceptional growth construction projects which
9 shall be requested under subsection (j) of this Code section, which has been reviewed
10 by a survey team and approved by the state board. Such needs shall annually be
11 adjusted downward for projects financed by either state or local funds and shall
12 annually be adjusted upward or downward to reflect changes in the full-time equivalent
13 student counts but shall not be otherwise adjusted upward except upon approval of a
14 new or revised ~~five-year~~ educational facilities plan pursuant to subsections (c) and (d)
15 of this Code section; and

16 (B) The sum of the annual debt service payments for the ~~five-year~~ period of the latest
17 survey (that used in subparagraph (A) of this paragraph), excluding payments for
18 postsecondary facilities, athletic facilities, administrative facilities, or other projects not
19 included in the approved ~~five-year~~ educational facilities plan pursuant to subsections
20 (c) and (d) of this Code section. Such payments shall annually be adjusted upward or
21 downward for the remaining portion of the ~~five-year~~ seven-year period for changes in
22 the annual debt service payments resulting from local financing of projects covered by
23 the state board approved plan."

24 SECTION 4.

25 Said part is further amended in said Code Section 20-2-260, relating to capital outlay funds,
26 by striking paragraphs (1) and (2) of subsection (j), relating to funding and authorization
27 levels for capital outlay for school systems experiencing exceptional growth, and inserting
28 in lieu thereof the following:

29 "(j)(1) In order to determine a reasonable funding level under this subsection and to
30 establish a fair and equitable distribution of funds to local school systems for construction
31 projects needed because of exceptional growth, the State Board of Education shall
32 annually determine a level of authorization. For a given fiscal year, the new authorization
33 may equal zero but shall not exceed ~~\$100~~ \$110 million. For purposes of deliberations
34 with the Governor and the General Assembly regarding the amount of state funds to be

1 appropriated, calculations shall be made for at least three levels below the ~~\$100~~ \$110
 2 million maximum authorization.

3 (2) In setting the annual authorization level for exceptional growth funding, the state
 4 board shall consider any previously authorized but unfunded amounts under this
 5 subsection together with the total estimate of funds needed for school facilities as a result
 6 of exceptional growth as computed under subparagraph (A) of this paragraph. The annual
 7 entitlement for each school system experiencing exceptional growth shall be computed
 8 as follows:

9 (A) The average of each school system's average full-time equivalent count for the
 10 three most recently completed school years ('most recent average') will be compared
 11 to the average of that system's average full-time equivalent count for the three most
 12 recently completed school years prior to the most recently completed school year
 13 ('earlier average'). If there is an increase in a school system's most recent average of at
 14 ~~least 1.5 percent and at least 65~~ 225 average full-time equivalent counts over that
 15 system's earlier average, that system will be an exceptional growth system. For each
 16 such exceptional growth system with an increased average count of at least ~~65~~ 225
 17 average full-time equivalent counts after the above calculation, the amount of such
 18 increase will be divided by the total such increase for all exceptional growth systems
 19 under this subsection to provide the ratio of each system's growth to the total growth
 20 of all systems with exceptional growth, also known as the system's ratio of need;
 21 provided, however, that any exceptional growth system that has an increase in the
 22 school system's most recent average of at least 6 percent will receive an extreme
 23 growth enhancement of 10 percent of the school system's average full time equivalent
 24 increase, added to such system's average full time equivalent increase; such sum will
 25 be divided by the total such increase for all exceptional growth systems, including the
 26 total of any extreme growth enhancements, to produce the system's ratio of need; and

27 (B) Each of the school systems identified as being an exceptional growth system under
 28 subparagraph (A) of this paragraph shall be entitled to a portion of the total entitlement
 29 authorization set by the General Assembly annually for exceptional growth based on
 30 each system's relative exceptional growth to the sum of exceptional growth for all
 31 systems as determined in subparagraph (A) of this paragraph. The entitlement for each
 32 school system shall be determined annually by multiplying each system's ratio of need
 33 to the total need for exceptional growth, including the total of any extreme growth
 34 enhancements, by each of the program authorization levels required in paragraph (1)
 35 of this subsection. In addition to the annual entitlement, the local school system is
 36 eligible to receive any entitlement accrued under this subsection from previous fiscal

1 years for which state funds have not been received. Any method of determining
 2 entitlements in subsequent years shall in no way affect the amount of previously
 3 accrued entitlements."

4 **SECTION 5.**

5 Said part is further amended in Code Section 20-2-262, relating to low-wealth capital outlay
 6 grants to local school systems, by striking subsection (c) and inserting in lieu thereof the
 7 following:

8 "(c) The State Board of Education shall provide eligible local school systems with
 9 low-wealth capital outlay grants as provided for in this Code section, subject to
 10 appropriation by the General Assembly. Such grants shall provide sufficient funds to cover
 11 92 percent of the state eligible cost of the local school system's first priority project in the
 12 ~~five-year~~ local facilities plan, as contained in the system's most recently approved local
 13 facilities plan. A local school system may qualify for a grant not to exceed 95 percent of
 14 the state eligible cost of the local school system's first priority project in the ~~five-year~~ local
 15 facilities plan if the system uses a Georgia State Financing and Investment Commission
 16 prototypical design with the project managed under the direction of the Georgia State
 17 Financing and Investment Commission."

18 **SECTION 6.**

19 An Act approved April 22, 1999 (Ga. L. 1999, p. 400), as amended, particularly by an Act
 20 approved April 9, 2001 (Ga. L. 2001, p. 148), is amended by striking Section 2 and inserting
 21 in lieu thereof the following:

22 "SECTION 2.

23 This Act shall become effective upon its approval by the Governor or upon its becoming law
 24 without such approval and shall be automatically repealed on June 30, ~~2009~~ 2019."

25 **SECTION 7.**

26 This Act shall become effective on July 1, 2005.

27 **SECTION 8.**

28 All laws and parts of laws in conflict with this Act are repealed.