

HOUSE RESEARCH

Bill Summary

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Overview

When a new school building is constructed or when an existing facility is substantially remodeled, a district incurs a substantial financial obligation that must be met immediately. School districts generally issue bonds to obtain the funds necessary to pay the contractors. Because of the importance and cost of major construction projects, the Department of Education provides a review and comment on each major project.

Any school district that intends to construct an educational facility costing more than \$500,000 must consult with the commissioner of education. The commissioner may require a review and comment on the project. Any project that requires an expenditure of more than \$1,400,000, except for certain deferred maintenance projects, must be submitted by the district to the commissioner for review and comment.

This bill eliminates the need for a district to consult on a project of more than \$500,000, raises the minimum qualifying expenditure necessary to trigger a review and comment from \$1.4 million to \$2 million, excludes certain maintenance projects from review and comment, and clarifies some of the ancillary information the district is required to submit to the commissioner for the review and comment.

Section

- 1** **Review and comment.** Increases the minimum qualifying amount needed to trigger a review and comment from \$1.4 million to \$2 million. Removes the need for a review and comment on most maintenance projects.

Section

- 2** **Information required.** Simplifies and clarifies the types of information that must be submitted by the district to the commissioner for the review and comment.

- 3** **Repealer.** Repeals a school district's obligation to consult with commissioner of education on building projects with a cost exceeding \$500,000.