FIRST REGULAR SESSION

HOUSE BILL NO. 391

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE AMATO.

0293H.01I

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 160, RSMo, by adding thereto one new section relating to school renovation projects.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 160, RSMo, is amended by adding thereto one new section, to be 2 known as section 160.670, to read as follows:

160.670. 1. This section shall be known and may be cited as the "Sullivan School 2 Renovation Grant".

3

2. As used in this section, the following terms mean:

4 (1) "Department", the Missouri department of elementary and secondary 5 education;

6

(2) "Eligible project", a construction project that:

7 (a) Does not exceed allowable total costs and expenditures directly associated 8 with the construction project, as determined by cost standards specified by the 9 department based on industry-standard costs for the particular kind of eligible project;

10 (b) Occurs at a school district's facility in which courses of instruction or other 11 school-related activities are offered that require the daily or regular attendance of 12 pupils; and

13 (c) Is undertaken to maintain school function or integrity for pupils in one or 14 more of the following methods:

a. Installation, repair, or renovation of existing roofing, heating, ventilation, air
 conditioning, windows, or similar school facilities; or

17

b. Other related school health or environmental improvements.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

HB 391

2

3. (1) There is hereby created in the state treasury the "School Renovation Projects Matching Grant Fund", which shall consist of moneys appropriated under subsection 4 of this section. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund and, upon appropriation, moneys in this fund shall be used solely for making matching grants for eligible projects as provided in this section.

(2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys
 remaining in the fund at the end of the biennium shall not revert to the credit of the
 general revenue fund.

(3) The state treasurer shall invest moneys in the fund in the same manner as
other funds are invested. Any interest and moneys earned on such investments shall be
credited to the fund.

31 4. There is hereby created the "School Renovation Projects Matching Grant" 32 program. The general assembly may appropriate amounts to the school renovation 33 projects matching grant fund created in subsection 3 of this section. The department 34 shall not be required to provide moneys for matching grants under this section if no 35 appropriation for such grants is made by the general assembly. The total amount 36 appropriated to such fund in a fiscal year shall not exceed the amount necessary to 37 provide matching grants to assist each school district in completing eligible projects 38 under this section in such fiscal year.

5. (1) For the 2025-26 school year and each subsequent school year and subject to the appropriation of moneys to the school renovation projects matching grant fund, each school district may apply to the department for a matching grant of moneys from the school renovation projects matching grant fund to assist such district in completing an eligible project under this section.

44 (2) Applications for such eligible projects shall be made as provided by the 45 department by rule. Each application submitted by a school district shall contain at least information about the eligible project's objectives and methods, the eligible 46 project's estimated total cost and expenditures, an indication that the school district has 47 48 allocated the necessary moneys to cover the remaining percentage of the eligible 49 project's estimated total cost and expenditures not covered by an approved matching 50 grant award calculated under subsection 6 of this section, and other information 51 required by the department. Such school district shall allocate such moneys from funds 52 distributed from the classroom trust fund to such school district under section 163.043. 53 (3) After reviewing the application, the department shall determine whether the

54 project and application satisfy the necessary requirements of this section and any rules

HB 391

3

55 promulgated under this section. If the department determines that the project and 56 application satisfy such necessary requirements, the department shall declare the 57 project to be an eligible project under this section, approve the application, approve a 58 matching grant award amount for the eligible project if moneys are available for a 59 matching grant for such school district, and notify the school district of such 60 determination and approvals.

61 (4) If the department determines that the project is not an eligible project or that 62 the application does not satisfy the necessary requirements, the department shall reject 63 the application, deny an approval of a matching grant award, and notify the school 64 district. The notice shall contain at least a description of the reasons for such 65 determination and rejection. A school district may reapply for a matching grant after 66 such rejection upon submitting an amended application addressing the elements of the 67 project or application resulting in the rejection of the initial application.

68 6. Moneys approved for a matching grant award for a school district shall be 69 sixty percent of the estimated total cost and expenditures of the eligible project in the 70 school district's application.

71 7. After an eligible project is completed, the school district shall submit the 72 eligible project's actual total cost and expenditures to the department as an addendum 73 to the school district's initial matching grant application. Upon receipt of such actual 74 total cost and expenditures, the department shall calculate the amount of the matching 75 grant moneys to be awarded to the school district using such eligible project's actual 76 total costs and expenditures and the matching percentage described in subsection 6 of this section and award the matching grant moneys to the school district. No matching 77 78 grant moneys awarded to a school district shall exceed the school district's applicable 79 percentage of the eligible project's actual total cost and expenditures.

80 8. School districts that have received a matching grant under this section may 81 apply for and be awarded additional matching grants under this section. The 82 department shall award matching grants to school districts that are first-time applicants 83 before awarding matching grants to school districts that have already been awarded a 84 matching grant under this section.

9. (1) The department shall assign priority status to a school district that demonstrates the need for school renovation projects in such school district's application and shall award matching grants to school districts demonstrating such need before awarding matching grants to other applicants. An application's priority status shall be determined by each application's rank and priority score as provided in subdivisions (2) and (3) of this subsection. HB 391

91 (2) The department shall rank applications for offering matching grants under 92 this section in the following order:

93 (a) Districts with eligible project costs in excess of insurance proceeds because of
 94 facility destruction caused by fire or natural disaster;

95 (b) Districts with a cumulative percentage growth in fall membership for the 96 first through the third preceding years in excess of six percent; and

97 (c) Districts with an equalized assessed valuation per pupil that is less than the 98 statewide average equalized assessed valuation per pupil.

(3) Within each ranking as described in paragraphs (a) to (c) of subdivision (2)
of this subsection and for providing moneys to applicants under each such paragraph,
the department shall establish a priority score based on the school district's percentile
rank for highest total school levy for all purposes.

103 **10.** If all eligible projects granted priority status under subsection 9 of this 104 section are funded, additional applications shall be funded, as moneys allow, for other 105 applications in the order that the applications are received by the department.

106 11. The department may promulgate all necessary rules and regulations for the 107 administration of this section. Any rule or portion of a rule, as that term is defined in 108 section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 109 110 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable 111 and if any of the powers vested with the general assembly pursuant to chapter 536 to 112 review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or 113 114 adopted after the effective date of this section shall be invalid and void.

115

12. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall
automatically sunset six years after the effective date of this section unless reauthorized
by an act of the general assembly;

(2) If such program is reauthorized, the program authorized under this section
 shall automatically sunset twelve years after the effective date of the reauthorization of
 this section; and

(3) This section shall terminate on September first of the calendar year
immediately following the calendar year in which the program authorized under this
section is sunset.

√