SECOND REGULAR SESSION

HOUSE BILL NO. 1776

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE AMATO.

3923H.02I JOSEPH ENGLER, 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 known as section 160.670, to read as follows:

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

- 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:

3

10

12

- (a) Does not exceed allowable total costs and expenditures directly associated with the construction project, as determined by cost standards specified by the department based on industry-standard costs for the particular kind of eligible project;
 - (b) Occurs at a school district's facility in which courses of instruction or other school-related activities are offered that require the daily or regular attendance of 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
- 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 1776 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.
 - 4. There is hereby created the "School Renovation Projects Matching Grant" program. The general assembly may appropriate amounts to the school renovation projects matching grant fund created in subsection 3 of this section. The department shall not be required to provide moneys for matching grants under this section if no appropriation for such grants is made by the general assembly. The total amount appropriated to such fund in a fiscal year shall not exceed the amount necessary to provide matching grants to assist each school district in completing eligible projects under this section in such fiscal year.
 - 5. (1) For the 2026-27 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.
 - (2) Applications for such eligible projects shall be made as provided by the 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 project's estimated total cost and expenditures, an indication that the school district has allocated the necessary moneys to cover the remaining percentage of the eligible project's estimated total cost and expenditures not covered by an approved matching grant award calculated under subsection 6 of this section, and other information required by the department. Such school district shall allocate such moneys from funds distributed from the classroom trust fund to such school district under section 163.043.
 - (3) After reviewing the application, the department shall determine whether the project and application satisfy the necessary requirements of this section and any rules

HB 1776 3

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

- (4) If the department determines that the project is not an eligible project or that the application does not satisfy the necessary requirements, the department shall reject the application, deny an approval of a matching grant award, and notify the school district. The notice shall contain at least a description of the reasons for such determination and rejection. A school district may reapply for a matching grant after such rejection upon submitting an amended application addressing the elements of the project or application resulting in the rejection of the initial application.
- 6. Moneys approved for a matching grant award for a school district shall be sixty percent of the estimated total cost and expenditures of the eligible project in the school district's application.
- 7. After an eligible project is completed, the school district shall submit the eligible project's actual total cost and expenditures to the department as an addendum to the school district's initial matching grant application. Upon receipt of such actual total cost and expenditures, the department shall calculate the amount of the matching grant moneys to be awarded to the school district using such eligible project's actual 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 grant moneys awarded to a school district shall exceed the school district's applicable percentage of the eligible project's actual total cost and expenditures.
- 8. School districts that have received a matching grant under this section may apply for and be awarded additional matching grants under this section. The department shall award matching grants to school districts that are first-time applicants before awarding matching grants to school districts that have already been awarded a 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 1776 4

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

- (a) Districts with eligible project costs in excess of insurance proceeds because of facility destruction caused by fire or natural disaster;
- (b) Districts with a cumulative percentage growth in fall membership for the first through the third preceding years in excess of six percent; and
- (c) Districts with an equalized assessed valuation per pupil that is less than the 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.
- 10. If all eligible projects granted priority status under subsection 9 of this section are funded, additional applications shall be funded, as moneys allow, for other applications in the order that the applications are received by the department.
- 11. The department may promulgate all necessary rules and regulations for the administration of this section. Any rule or portion of a rule, as that term is defined in 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 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to 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 adopted after the effective date of this section shall be invalid and void.
 - 12. Under section 23.253 of the Missouri sunset act:
- (1) The provisions of the new program authorized under this section shall sunset six years after the effective date of this section unless reauthorized by an act of the general assembly; and
- (2) 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.

✓