



SPONSOR: Sen. Hansen & Rep. Heffernan & Rep. K. Williams  
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DELAWARE STATE SENATE  
151st GENERAL ASSEMBLY

SENATE BILL NO. 293

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO MINOR CAPITAL IMPROVEMENT FUNDS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1           Section 1. Amend Chapter 75, Title 29 of the Delaware Code by making deletions as shown by strike through and  
2     insertions as shown by underline as follows:

3           § 7503. Matching funds.

4           (b) The local share for each school construction project, ~~excluding minor capital improvement projects~~, which is  
5     contained in a school construction bond authorization act, ~~shall be~~ is computed as specified in this subsection. A local share  
6     ratio ~~shall~~ must first be computed for each school district, including vocational districts, and 1 for each county, for each  
7     fiscal year and ~~shall~~ must be used in computing the local share of funding for that school district for each school  
8     construction project contained in the school construction bond act for that fiscal year. In the event that the funding of a  
9     project is spread over more than 1 school construction bond authorization act, the local share ratio which applies to that  
10    project in the school construction bond authorization act in which it first appears ~~shall~~ must apply to all subsequent school  
11    construction bond authorization act allocations for that project. The local share ratio ~~shall be~~ is computed by multiplying  
12    the school district ability index for the school district, or in the case of vocational schools or special schools, the county  
13    wide ability index, as defined in § 1707 of Title 14, by .40, providing, however, that the product ~~shall~~ may not exceed .40  
14    or be less than .20 for any school district. The local share ratio ~~shall~~ must be rounded to the nearest one-hundredth and the  
15    result multiplied by the total cost of the school construction project in order to determine the local share.

16           The local share for each school construction project may include an additional amount, not to exceed 15% of the  
17     local cost as calculated in the preceding paragraph, to match additional state funds that may be appropriated to address  
18     increases in the cost of school construction projects. Provided the district receives referendum approval for this additional  
19     amount and the State appropriates additional funds subsequent to referendum passage, the district may increase its local  
20     share in accordance with the local share ratio for the project and the approved referendum subject to local school board  
21     approval.

Inclusion of a project and designation of a local share for a vocational school in a school construction bond authorization act ~~shall be~~ is considered authorization for the vocational district to establish a tax rate sufficient to pay the principal and interest on the bonds for the local share of the project.

For the statewide autistic program, the Delaware School for the Deaf, the John G. Leach School, the Kent County Community School, the John S. Charlton School, the Sussex Consortium, Sussex County Orthopedic School, the Charles W. Bush Early Education Center, and the Howard T. Ennis School, construction ~~shall~~ must be 100% state-funded. State funding for these schools ~~shall include, but not be limited to,~~ includes school construction projects serving students, ages three and older, who meet the criteria established in ~~14 Del. C. c. 31.~~ Chapter 31 of Title 14.

Inclusion of a project and designation of a local share for a special school ~~shall be~~ is considered authorization for the school district administering the special school to obligate itself for the required bonds and for the school district to collect the revenues required to pay the principal and interest on those bonds through tuition payments authorized in § 602 of Title 14. The school district collecting the tuition for payment of bonds and interest ~~shall~~ must maintain such debt service receipts in a separate account for the special school.

§ 7528. Minor capital improvements.

(a) The proceeds of bonds and notes may be applied to the cost of minor capital improvements. Minor Capital Improvements ~~shall mean,~~ means, but ~~shall not be~~ is not limited to, capital expenditures for rebuilding or major repairs of roofs, floors, heating systems or facilities, painting, electrical systems or facilities, plumbing or water systems or facilities, asbestos abatement, the removal of architectural barriers to the handicapped, stand-alone storage ~~buildings~~ buildings, and purchase or lease of portable classrooms. These funds may also be applied to the preparation and securing of a public school district building that is being vacated but preserved for an unspecified period of time or for the return of such a building from a closed condition to use by a public school district. The State Department of Education, with the approval of the State Board of ~~Education~~ Education, shall establish rules, consistent with this section, for defining minor capital expenditures.

(b) ~~The State Department of Education, or any other department or agency of the State, shall, in no case, pay more than 60 percent of the cost of minor capital improvements nor more than the total amount designated in an authorization act as "maximum state share," for any minor capital improvements nor less than 60 percent rounded to the nearest \$100 of the final actual total costs therefor.~~ The local share for minor capital improvements is computed as specified in this subsection. The local share ratio is computed by multiplying the school district ability index for the school district, or in the case of vocational schools or special schools, the county-wide ability index, as defined in § 1707 of Title 14, by .40, providing, however, that the product may not exceed .40 or be less than .20 for any school district. The local share ratio must be

52 rounded to the nearest one-hundredth and the result multiplied by the total cost of the school construction project in order to  
53 determine the local share. Any funds transferred to a school district from any source for the purpose of removing  
54 architectural barriers for the handicapped or asbestos ~~shall~~ must constitute the ~~60-percent~~ State's portion of a minor capital  
55 improvement. No expenditure of such funds may be made by a school district unless and until it has provided its ~~40-percent~~  
56 share of such minor capital improvement. Notwithstanding the foregoing, the State may provide for the entire costs of  
57 minor capital improvements for schools entirely supported by the State.

#### SYNOPSIS

This Act is companion legislation to Senate Bill 270. Currently, state code requires all school districts to match state- appropriated minor improvement funds with 40% local funds, regardless of a district's ability to do so. This bill changes the requirements for the school district match for minor capital improvement funds to use the more equitable formula in place for major school construction projects.

Author: Senator Hansen