



ARIZONA STATE SENATE
Fiftieth Legislature, Second Regular Session

FACT SHEET FOR H.B. 2578

school facilities board; revisions

Purpose

Makes changes to School Facilities Board (SFB) statutes.

Background

Students FIRST (Fair and Immediate Resources for Students Today) established the School Facilities Board (SFB) to administer the state's K-12 capital finance program for school districts. Currently, the SFB manages the New School Construction and Building Renewal programs.

The SFB provides monies to construct new schools to meet the minimum adequacy guidelines (A.R.S. §15-2041). School districts receive awards based on an annual evaluation and approval of school district enrollment projections and the additional square footage required by the district to maintain adequacy standards indicating the need for a new school or additional space within the next four years. Awards for land purchases are based on the need for land within ten years. The SFB distributes monies to school districts based on a formula with additional monies provided for land purchases. Awards may be modified based on changes in enrollment projections. If a school district sells a land parcel purchased with funds provided by the SFB, the sale proceeds must be returned to the state. If the land was only partially funded by the SFB, the proceeds are divided proportionally.

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Requires SFB to include the net square footage of space funded in whole or in part by SFB instead of the gross square footage when measuring the square footage per pupil requirements.
2. Deletes the requirement that the Executive Director of SFB report monthly to the Joint Committee on Capital Review (JCCR) on the progress of the development of proposed rules establishing minimum school adequacy guidelines.
3. Requires school districts to report to SFB by October 15 of each year on the nature and cost of any renovations instead of only the nature and cost of completed renovations.

FACT SHEET

H.B. 2578

Page 2

4. States that the proceeds derived through the sale of any land purchased or partially purchased, or the sale of buildings funded or partially funded, with monies provided by SFB be returned to the state fund from that it was appropriated from. Currently, only proceeds from the sale of land must be returned.
5. Repeals Arizona Revised Statutes sections 15-2063 and 15-2092, which require an audit of SFB's revenue bond receipts and debt service fund and the School Improvement Revenue Bond Proceeds Fund.
6. Makes technical and conforming changes.
7. Becomes effective on the general effective date.

House Action

ED	1/23/12	DPA	10-0-0-0-0
APPROP	2/1/12	DP	12-0-0-1-0
3 rd Read	2/28/12		56-0-3-0-1

Prepared by Senate Research

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