By:ShapiroS.B. No. 962Substitute the following for S.B. No. 962:Substitute the following for S.B. No. 962By:GrusendorfC.S.S.B. No. 962

## A BILL TO BE ENTITLED

AN ACT
relating to state assistance for school district instructional
facilities.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. Subchapter A, Chapter 46, Education Code, is
amended by adding Sections 46.0021-46.0023 to read as follows:
Sec. 46.0021. SQUARE FOOTAGE ALLOWANCES FOR NEW
INSTRUCTIONAL FACILITIES. (a) The agency by rule shall establish
square footage per student allowances for the planning and
construction of new instructional facilities. In establishing a
square footage allowance, the agency shall determine:
(1) the spaces or rooms to be included in an
instructional facility and the allowable square footage per student
of each space or room;
(2) the allowable square footage per student required
for walls and hallways and other spaces needed for circulation of
students and employees; and
(3) the allowable square footage for spaces for
mechanical and electrical equipment and similar support
facilities.
(b) In determining the allowable square footage per student
of a new instructional facility, the agency shall consider:
(1) the intended use of the facility as a primary or
secondary school;

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1	(2) the intended student capacity of the facility
2	being planned; and
3	(3) the requirements for providing the curriculum to
4	be offered at the planned facility.
5	(c) Using the allowable square footage per student
6	determined under this section, the commissioner by rule shall
7	establish a cost factor for the construction of new instructional
8	facilities.
9	(d) In developing square footage allowances and cost
10	factors for new instructional facilities under this section, the
11	agency shall consult with persons who:
12	(1) have significant experience in designing and
13	constructing school facilities; and
14	(2) represent a diverse spectrum of this state's
15	school districts and regions.
16	(e) This section does not apply to the renovation or
17	improvement of an existing instructional facility.
18	(f) The agency by rule shall develop the square footage per
19	student allowances and cost factors not later than September 1,
20	2006. This subsection expires September 1, 2006.
21	Sec. 46.0022. REGIONAL COST INDEX. (a) The agency by rule
22	shall develop a regional cost index for new instructional
23	facilities that accounts for differences in construction costs,
24	materials, building systems, and environmental and climatic
25	conditions in various regions of the state.
26	(b) The agency shall update the regional cost index each
27	calendar quarter.

1	(c) The regional cost index may not include site acquisition
2	and development costs.
3	(d) The commissioner by rule shall assign each school
4	district in this state to a region for purposes of this section. The
5	commissioner's determination under this subsection is final and may
6	not be appealed.
7	Sec. 46.0023. COST LIMIT ON AID FOR NEW INSTRUCTIONAL
8	FACILITY. (a) A school district is not entitled to state
9	assistance under this subchapter for any portion of the cost of
10	constructing a new instructional facility that exceeds the cost
11	allowance determined using the student capacity of the facility,
12	the cost factor for the facility established under Section 46.0021,
13	and the appropriate regional cost index under Section 46.0022.
14	(b) A school district may use local funds to pay the portion
15	of the cost of constructing a new instructional facility that
16	exceeds the amount for which the district may receive state
17	assistance under this subchapter.
18	(c) The commissioner may exempt a school district from the
19	application of Subsection (a) if the district demonstrates to the
20	commissioner's satisfaction that extraordinary circumstances
21	justify spending a greater amount on a new instructional facility
22	than the amount for which the district may receive state assistance
23	under Subsection (a). The commissioner's determination under this
24	subsection is final and may not be appealed.
25	SECTION 2. Section 46.008, Education Code, is amended to
26	read as follows:
27	Sec. 46.008. STANDARDS <u>AND BEST PRACTICES</u> . <u>(a)</u> The

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1	commissioner by rule shall establish standards for adequacy of
2	school facilities. The standards must include requirements related
3	to [space,] educational adequacy[,] and construction quality. The
4	standards may not include requirements related to space or square
5	footage for a facility or any part of a facility. All new
6	facilities constructed after September 1, 1998, must meet or exceed
7	the standards to be eligible to be financed with state or local tax
8	funds.
9	(b) The commissioner by rule shall establish a program of
10	best practices for the construction, replacement, renovation, or
11	improvement of school facilities. The program must:
12	(1) include solicitation of information from school
13	districts on best practices;
14	(2) recognize school districts that have achieved
15	cost-effectiveness in construction and long-term maintenance;
16	(3) emphasize cost-effectiveness, energy efficiency,
17	functionality, and replicability;
18	(4) be designed to encourage, without imposing
19	requirements relating to specific criteria, school district
20	consideration of:
21	(A) best practices, including evaluation of the
22	school district's financial status, total amount of outstanding
23	debt, maturity of outstanding debt, and preventive maintenance of
24	facilities;
25	(B) cost-effectiveness;
26	(C) projected enrollment in the portion of the
27	school district to be served by a facility for which state financial

1	assistance is sought; and
2	(D) if applicable, the condition of a facility
3	that is to be replaced, renovated, or improved with state financial
4	assistance; and
5	(5) include a process for local evaluation of the need
6	for construction, acquisition, renovation, or improvement of a
7	facility.
8	(c) This section may not be construed in a manner that
9	impairs or eliminates a guarantee of an eligible bond under
10	Subchapter C, Chapter 45.
11	SECTION 3. (a) Section 46.0023, Education Code, as added by
12	this Act, applies only to the payment of state assistance under
13	Subchapter A, Chapter 46, Education Code, for which an application
14	is submitted to the commissioner of education on or after January 1,
15	2007.
16	(b) Section 46.008(a), Education Code, as amended by this
17	Act, applies to a school facility for which construction begins on
18	or after September 1, 2005, and such a facility is not required to
10	meet any requirements related to space established by the

19 meet any requirements related to space established by the 20 commissioner of education under that section as it existed before 21 amendment by this Act.

(c) Except as otherwise provided by this section,
Subchapter A, Chapter 46, Education Code, as amended by this Act,
applies only to the payment of state assistance under Subchapter A,
Chapter 46, Education Code, for which a school district applies on
or after September 1, 2005. Payment of state assistance under
Subchapter A, Chapter 46, Education Code, for which a school

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district applies before September 1, 2005, is governed by the law in
 effect on the date the district applies for the state assistance,
 and the former law is continued in effect for that purpose.
 SECTION 4. This Act takes effect September 1, 2005.