# 2023 PROPOSED ISBA RESOLUTION NO. 7

#### **REVITALIZING A REVOLVING LOAN GRANT FUND FOR SCHOOL FACILITIES**

**WHEREAS,** school districts around the State of Idaho struggle to raise funding to address critical capital improvement projects; and

**WHEREAS,** the Idaho State Lottery Fund only provides a small percentage of facilities funding needed to address mandated expenditure; and

**WHEREAS**, the majority of the school districts in the state already run supplemental levies to pay for basic school district operations and unfunded mandates, making it difficult to simultaneously run a facilities levy; and

**WHEREAS,** passage of a bond requires 2/3 majority of the voters in the school district making it difficult to pass a bond to address such capital improvement's needs; and

**WHEREAS,** Idaho Code <u>33-1017</u> (School Safety and Health Revolving Loan and Grant Fund) was a grant program that became law in 2000 and the original intent allowed a district to apply for funding to repair facilities if they had exhausted their levy capacity and declared a financial emergency;

WHEREAS, 33-1017 does not appear to be a fund that is receiving appropriation; and

**WHEREAS,** according to an Idaho Office of Performance Evaluation, school facilities are in dire need of upkeep and are nearly \$1 billion behind in infrastructure and maintenance support, and the State of Idaho is currently expecting a surplus of \$1.2 billion for FY22.

**NOW, THEREFORE BE IT RESOLVED**, that the Idaho School Boards Association work with the Idaho State Legislature to revise and expand what used to be known as the "School Safety and Health Revolving Loan and Grant Fund" to allow school districts and charter schools to competitively apply for capital improvement projects that include both maintenance and new construction. Using its historic surplus, the legislature could allocate significant funds to it and continue to allocate funds on a yearly basis. Criteria for allocation of such funds shall weigh such measures as safety and security, preventive maintenance, environmental impact, energy savings, and return on investment (ROI). Representatives from State agencies and school districts shall develop such criteria.

# STATEMENT OF PURPOSE

Obtaining funding for capital improvements is a hardship on local districts and charter schools. Lottery dollars are not sufficient, and bond elections are controversial and are difficult to pass with 2/3rds majority. The fiscal impact of this resolution shall be determined on an annual basis dependent on excess funding received for the year.

# Submitted by West Bonner School District No. 83

#### **ISBA Executive Board Recommendation: Do Pass**

Brian Pyper, Region 6 Chair, will present the ISBA recommendation during the annual business session.