H.B. 43  
133rd General Assembly

Fiscal Note & Local Impact Statement

Version: As Introduced
Primary Sponsor: Rep. Ingram
Local Impact Statement Procedure Required: No

Alexandra Vitale, Budget Analyst

Highlights

- The bill may decrease school district costs to maintain unused buildings and facilities, but may increase district costs to advertise and carry out public auctions in more circumstances when selling unused facilities.

Detailed Analysis

Under current law, a school district board of education must first offer unused school facilities for sale or lease to the governing authorities of community schools, STEM schools, and college-preparatory boarding schools located within the district, giving priority to high-performing community schools located within the district. School districts must offer the unused school facilities for sale or lease to those entities for at least 60 days. The bill removes the requirement that school districts first offer the entities the right of first refusal when selling unused school facilities, which may reduce the cost for school districts to maintain unused properties and buildings, as districts do not have to wait at least 60 days before carrying out a public auction for property valued at more than $10,000 or otherwise disposing of the property as permitted under continuing law. However, school districts may experience increased costs associated with advertising and carrying out public auctions under more circumstances.

Under current law, a public auction is generally carried out if the aforementioned entities refuse the property, though there is still an auction if two or more of the entities granted rights of first refusal declare their intention to purchase the property. A school district may also get a higher return on the property if sold at public auction, as under current law, a school district is required to sell the property at market value to entities granted rights of first refusal when one makes an offer.