1 EH7BC2-3
2 By Senator Orr
3 RFD: Finance and Taxation Education
4 First Read: 02-May-23
5 2023 Regular Session
Enrolled, An Act,

Relating to education; to establish the K-12 Capital Grant Program within the Office of the Lieutenant Governor to provide grants to local schools to assist with capital project, deferred maintenance, or technology needs; to provide the purposes for which grant funds can be used; to establish the process for grant applications and approvals; to establish the K-12 Capital Grant Program Fund in the State Treasury; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. The following words and phrases, whenever used in this act, shall have the following meanings:

(1) ELIGIBLE K-12 ENTITY. Any public school in operation in the current fiscal year, the Alabama School of Math and Science, the Alabama School of Fine Arts, the Alabama School for Cyber Technology and Engineering, the portion of the Alabama Institute for Deaf and Blind providing appropriate elementary/secondary instruction, and may include the Department of Youth Services School District.

(2) GRANT. The award by the Office of the Lieutenant Governor of funds appropriated by the Legislature to an eligible K-12 entity.

(3) GRANT PROPOSAL. A written plan for the expenditure of funds by an eligible K-12 entity, which meets one or more of the purposes outlined in Section 3, subject to the approval by the Office of the Lieutenant Governor and expended under
Section 2. There is hereby created the Alabama K-12 Capital Grant Program within the Office of the Lieutenant Governor to award grants to local school systems to assist with capital project, deferred maintenance, or technology needs of the school systems. The Legislature may from time to time appropriate funds into the K-12 Capital Grant Program Fund hereby established within the State Treasury to facilitate the grant program. An amount determined necessary by the Office of the Lieutenant Governor, but not to exceed one-quarter of one percent of the available fund monies, may be used for the administrative costs of implementing the grant program. Provided, however, that no funds shall be withdrawn or expended except as budgeted and allocated in accordance with Article 4 of Chapter 4 of Title 41, Code of Alabama 1975, and only in the amounts provided by the Legislature in an appropriation bill. Any unencumbered and unexpended balance of this fund remaining at the end of any fiscal year shall not lapse or revert, but shall be carried forward for the purposes of this act until expended.

Section 3. K-12 Capital Grants shall be made for only the following purposes: 1) To assist with the total cost of capital projects that will enhance the educational environment of students, including the construction, reconstruction, or renovation of permanent buildings containing classrooms, offices, libraries, laboratories, teaching facilities, training facilities, cafeterias, alternative schools, physical education facilities, including athletic facilities,
facilities for the performing arts and arts education, together with tangible personal property that becomes a part of such facilities; 2) to provide funds to assist with the payment of existing debt service related to capital projects; 3) to assist with the total cost of necessary deferred maintenance for existing facilities; 4) to assist with the total cost of projects that will improve school security and safety; and 5) for technology and equipment for schools or students that will provide access expanded educational opportunities.

Section 4. (a) The Office of the Lieutenant Governor shall evaluate grant proposals based upon the following criteria:

1) The total amount of state funds available for grants, with the maximum grant amount from state funds not to exceed $5 million for any grant proposal;

2) The purposes for which the grant funds are intended;

3) The availability of local matching funds, so long as there is not a required match of more than 35% of the total cost of the project; and

4) The extent to which the grant proposals benefit eligible K-12 entities in each geographic area of the state, understanding the number of students and school systems located within each geographic area vary throughout the state.

(b) All applications for grants shall be endorsed by a member of the Senate and House of Representatives from the affected delegation in order to be considered.
(c) The Office of the Lieutenant Governor shall utilize a sliding scale of matching requirements for grant proposals, taking into consideration the financial capacity of the eligible K-12 entity to provide matching funds. The office shall ensure that grant proposals from eligible K-12 entities with considerable populations of at-risk students receive priority consideration for review.

(c) Any eligible K-12 entity receiving grant funds pursuant to this act shall file a report with the Office of the Lieutenant Governor within one-year following the receipt of the funds. The report shall indicate that expenditures are in accordance with the associated grant proposal and other state laws. Upon a finding that grant expenditures are not in accordance with these conditions, the Office of the Lieutenant Governor shall suspend the release of further grant funds to the entity.

(d) The Department of the Examiners of Public Accounts shall examine compliance of the recipient K-12 entities with the grant program.

(e) The Office of the Lieutenant Governor shall design and distribute a grant proposal instrument to the State Department of Education to make available to eligible K-12 entities. The Office shall maintain electronic records of all grant proposals for all grants currently in effect and all completed grants and may promulgate reasonable rules necessary to implement the provisions of this act.

Section 5. This act shall become effective immediately following its passage and approval by the Governor, or its
otherwise becoming law.
President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB269
Senate 04-May-23
I hereby certify that the within Act originated in and passed the Senate, as amended.

Patrick Harris,
Secretary.

House of Representatives
Amended and passed: 25-May-23

Senate concurred in House amendment 25-May-23

By: Senator Orr