

HCS HB 1894 -- VACANT PUBLIC SCHOOL BUILDINGS

SPONSOR: Frederick

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Elementary and Secondary Education by a vote of 15 to 5.

This bill requires a school district that is declared provisionally accredited or unaccredited to report any unused or vacant buildings each year on or before July 1. Beginning in 2014, a district must report any building that was vacant or unused for instruction for the last three school years. If the building is listed for two consecutive years, it must remain on the list for at least 24 months or until it is sold or leased, whichever occurs first. The building must be made available for lease or sale to a charter school and not exceed the fair market price as determined by the Department of Elementary and Secondary Education based on a professional appraisal or evaluation services. The district must make the building available to other public educational entities if it does not receive a bid from or enter into an agreement with a charter school within 24 months after the building is listed with the department. If the school district does not receive a bid from or enter into an agreement with a public educational entity within 30 months, it may sell the building to the highest bidder. If the building is leased or sold to a charter school, ingress to and egress from the building and the right to access common areas must be provided. The charter school may mortgage the building, and the school district must subordinate its interest to the debt. The charter school is responsible for utilities, insurance, maintenance, taxes, and repairs.

A school district or any entity owning a school building must publicly identify the amount of debt on the building within seven days after inquiry from a potential buyer. If an offer is made by a charter school, the transaction must be completed within one year from the date of the written offer. A charter school cannot resell a building within five years at a price greater than the purchase price plus debt, real estate commissions, and closing costs unless the school's charter was revoked by its sponsor. A school district cannot lease an unused or vacant building back to itself or to an entity affiliated with that district. A school district may sell used equipment to a charter school before attempting to sell or dispose of the equipment by other means.

A district that fails to report unused or vacant buildings as required is subject to a fine of \$1,000 per day for each day the report is late. The department must provide a current list of vacant buildings to the Joint Committee on Education and the House and Senate budget committee chairs. The department may exempt a

district from the requirements if the school district requests it and demonstrates the need for the exemption.

The bill contains an emergency clause.

PROPOSERS: Supporters say that school districts have had deed restrictions in the past, which are now no longer being used, but even with local support for purchase or lease by charter schools, sometimes buildings stand vacant for years.

Testifying for the bill were Representative Frederick; Missouri Charter Public School Association; Children's Education Council of Missouri; and Students First.

OPPOSERS: Those who oppose the bill say that the bill places strict limits on what a district that is already struggling can do to provide the best use for its resources.

Testifying against the bill were the Cooperating School Districts of Greater Kansas City; St. Louis Public Schools; Mike Lodewegen, Missouri School Administrators Coalition; and Missouri National Education Association.

OTHERS: Others testifying on the bill say that it could lead to unintended consequences, especially in outstate Missouri where there likely would not be a charter school that would need a building.

Testifying for informational purposes was Missouri School Boards Association.