

SJR 31 -- BONDED INDEBTEDNESS OF SCHOOL DISTRICTS

SPONSOR: Ridgeway (Flook)

COMMITTEE ACTION: Voted "do pass" by the Special Committee on Student Achievement and Finance by a vote of 8 to 0.

This proposed constitutional amendment raises, upon voter approval, the allowable level of bonded indebtedness for school districts from 15% to 20% of the value of taxable tangible property.

FISCAL NOTE: Estimated Cost on General Revenue Fund of \$52,560 in FY 2007, \$0 in FY 2008, and \$0 in FY 2009. No impact on Other State Funds in FY 2007, FY 2008, and FY 2009.

PROPOSERS: Supporters say that two different types of districts are reaching their debt limit: rural districts, where the assessed value of the property is too low to allow new buildings to be built; and rapidly growing districts that are undergoing a residential building boom. The bill does not raise taxes; but it makes it possible for school districts to undertake projects in a more cost effective way, instead of building in stages, which is more costly in the long run.

Testifying for the bill were Senator Ridgeway; A. G. Edwards; Dick Davis, Harrisburg R-VIII and Small Schools Committee of Missouri Association of School Administrators; David McGehee, Raymore-Peculiar Board of Education; Missouri School Administrators Coalition; Terry Morrow, Lincoln County R-III; Jason Hoffman; Missouri Association of School Business Officials; Cooperating School Districts of Greater St. Louis; George K. Baum Company; Missouri School Boards' Association; Cooperating School Districts of Greater Kansas City; Missouri State Teachers Association; and Missouri National Education Association.

OPPOSERS: There was no opposition voiced to the committee.

Becky DeNeve, Senior Legislative Analyst