

SB 839 -- USE OF SCHOOL FUNDS FOR PURCHASE OF LEASE-PURCHASE
PROPERTIES

SPONSOR: Engler (Harris, 110)

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on
Elementary and Secondary Education by a vote of 12 to 0.

Currently, when a school district buys a building that was
constructed under a lease-purchase agreement, it must use moneys
from its capital projects fund or undergo a reduction in its
state aid payment. This bill exempts the Kingston K-14 School
District from the aid reduction for buying its currently leased
modular buildings with moneys from its operating fund.

FISCAL NOTE: No impact on state funds in FY 2009, FY 2010, and
FY 2011.

PROPOSERS: Supporters say that after a change in
administration, the new superintendent of the Kingston K-14
School District discovered that there were not sufficient funds
to purchase the modular buildings that had been leased, but to
allow the buildings to revert to the builder could also cost a
significant amount. The bill is specifically written to apply to
this one situation.

Testifying for the bill were Senator Engler; and Missouri Council
of School Administrators.

OPPOSERS: There was no opposition voiced to the committee.