

HCS HB 937 -- SCHOOL DISTRICT CAPITAL PROJECT FUND TRANSFERS

SPONSOR: Icet

COMMITTEE ACTION: Voted "do pass" by the Committee on Budget by a vote of 24 to 0.

This substitute waives the limitations on the transfer of moneys from a school district's incidental fund to its capital projects fund for the 2009-2010 and 2010-2011 school years under certain circumstances. If a school district receives federal economic stimulus funds from the American Recovery and Reinvestment Act of 2009 and the school board approves a resolution identifying the capital projects and the expenditure dates on which the funds will be spent, the district may exceed the transfer limit that is based on 7% of the state adequacy target for the funds received by the act.

FISCAL NOTE: No impact on state funds in FY 2010, FY 2011, and FY 2012.

PROPOSERS: Supporters say that schools have four funds: teacher fund, debt fund, incidental fund, and capital fund. The federal stimulus money will be deposited into the incidental fund. The bill will allow a district flexibility to move money from the incidental fund to the capital fund if there are requirements from the federal government to make capital expenditures.

Testifying for the bill were Representative Dieckhaus; Department of Elementary and Secondary Education; Missouri State Teachers Association; and Cooperating School Districts of Greater Kansas City.

OPPOSERS: There was no opposition voiced to the committee.