

HOUSE RESEARCH

Bill Summary

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Subject: Bus Purchase Levy; School Districts in Statutory Operating Debt

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Overview

Prior to fiscal year 1997, school districts annually transferred a portion of their transportation revenue into a reserved account for bus purchases. When the school district bought new school buses, if the balance in the reserved account was not sufficient to cover the full cost of the new buses, the district could levy for the difference. This levy was commonly called the bus purchase levy. In fiscal year 1997, this levy authority was eliminated. Since that time, school districts have purchased school buses from any remaining balance in the Reserved for School Bus Purchase Account, from the Total Operating Capital Account, or from unreserved, undesignated General Fund monies.

This bill authorizes a school district that is in statutory operating debt to levy for the amount paid for any new school buses purchased by the district between May 1, 2004, and September 1, 2004, and allows the school district to recognize the levy in the year in which it is certified.

Section

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