

HOUSE RESEARCH

Bill Summary

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Overview

Operating capital revenue is a part of each district's general education revenue and must be reserved and used for equipment and facility needs that are listed in statute. A school board may spend other general fund money for operating capital expenses, but general fund money provided by the operating capital revenue component must be reserved and spent only for eligible equipment and facilities needs.

A district's operating capital revenue equals the sum of \$73 per pupil unit and \$100 per pupil unit times an index that provides more revenue for district's with older buildings. Statewide, operating capital revenue amounts to about \$195 million in revenue, about 60 percent of which is raised through an equalized levy.

This bill includes the lease of vehicles in the list of eligible uses of operating capital. The term "vehicles" is broadly construed and includes vehicles such as school buses.

Section

- 1 Uses of total operating capital revenue.** Clarifies that operating capital revenue may be used to lease, as well as purchase vehicles.