

HOUSE RESEARCH

Bill Summary

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Authors: Newton and others

Subject: Increasing funding for school district deferred maintenance needs; eliminating health and safety revenue

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Overview

Under current law, a school district that does not qualify for alternative facilities revenue is eligible for deferred maintenance revenue of up to \$60 per pupil unit (the revenue is scaled by the age of the district's facilities—a district with facilities with an average age of 35 years or more receives the full amount of deferred maintenance revenue). A school district's health and safety revenue is project-based, and the approved amounts vary greatly among districts. School districts must compile each health and safety project and submit that project to the Department of Education for approval.

The bill eliminates project-based funding for health and safety, and rolls the existing deferred maintenance program into a new program with revenue equal to the greater of \$230 per pupil or the district's average health and safety revenue for the past five years. The bill also creates a formula for deferred maintenance needs at intermediate school districts.

Section

- 1 Health and safety policy.** Requires a district to adopt a health and safety policy in order to qualify for the new facilities maintenance revenue.
- 2 Uses of health and safety revenue.** Makes clear that new facilities maintenance revenue may be used for any health and safety revenue purpose.
- 3 To qualify for alternative facilities revenue.** Adjusts the language of the alternative facilities program to reflect the elimination of health and safety revenue.

Section

- 4 Levy prohibited for capital projects.** Clarifies that a district that participates in the alternative facilities program is not also eligible for revenue under the new facilities maintenance program.
- 5 Facilities maintenance revenue.** Converts the deferred maintenance program into the facilities maintenance revenue program. Raises the allowance for the program from \$60 to \$230 per pupil unit. Allows a district with a qualifying project cost in excess of \$500,000 to continue issuing bonds for that project under the alternative facilities program. Authorizes additional revenue of \$75 per pupil unit for school districts that are members of intermediate school districts. Continues to require the aid and levy to be provided through an equalized formula based on tax capacity and requires revenue raised under the program to be reserved for deferred maintenance and health and safety projects.
- 6 Repealer.** Repeals the health and safety revenue program.