STATEMENT OF PURPOSE

RS19826

School districts are being asked to operate with less money in FY 2011. In order to improve districts' ability to manage with less, this legislation provides school districts with additional flexibility on the use of certain funds in four different areas. The four areas include: Plant Facilities Levy – Whenever the State Department of Education certifies that the statewide conditions have been met for declaring a financial emergency, school districts with a previously-approved plant facilities levy may convert the levy to a supplemental levy with a majority vote of the patrons. Plant Facilities Reserve Fund – School districts may transfer any plant facilities reserve funds to their general fund in FY 2011, to be used for one-time nonpersonnel costs, if the monies were not raised by a plant facilities levy, and are not needed to fix unsafe school buildings. Local Maintenance Match Dollars – School districts may use monies from their FY 2011 local maintenance match requirement for any one-time, nonpersonnel costs, if they are not needed to fix unsafe school buildings. Use It Or Lose It - Increases the percentage of state-funded instructional positions that can be shifted to federal funds from 2.63% to 5.00% for FY 2011.

FISCAL NOTE

There is no additional fiscal impact to the state general fund. The funds impacted by this legislation are already in school district budgets.



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