

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 636

BY EDUCATION COMMITTEE

AN ACT

1 RELATING TO EDUCATION; AMENDING SECTION 33-911, IDAHO CODE, TO REVISE PRO-
2 VISIONS REGARDING THE SCHOOL DISTRICT FACILITIES FUND; AND DECLARING AN
3 EMERGENCY AND PROVIDING AN EFFECTIVE DATE.
4

5 Be It Enacted by the Legislature of the State of Idaho:

6 SECTION 1. That Section 33-911, Idaho Code, be, and the same is hereby
7 amended to read as follows:

8 33-911. SCHOOL DISTRICT FACILITIES FUND. (1) There is hereby cre-
9 ated in the state treasury the school district facilities fund. The fund
10 shall consist of moneys provided pursuant to sections 57-811, 63-3638, and
11 67-7434, Idaho Code, and any legislative transfers or appropriations. In-
12 terest earned from the investment of moneys in the fund shall be returned to
13 the fund. Moneys in the fund are hereby continuously appropriated for the
14 purposes stated in this section.

15 (2) The moneys in the fund shall be distributed by the state controller
16 to the state department of education by August 1 each year for the purpose of
17 construction or renovation of school facilities. The moneys shall be dis-
18 tributed by the state department of education to each school district, as
19 defined in section 33-1001(21), Idaho Code, first as provided in subsection
20 (7) of this section and then on a per-pupil basis using the average daily at-
21 tendance calculation provided in section 33-1003A, Idaho Code, for each stu-
22 dent in kindergarten through grade 12 at physical facilities that are part
23 of and on school grounds of the school district in which the student is en-
24 rolled with verification, as needed, by the office of the state board of edu-
25 cation. Upon formal approval by the state board of education, a school dis-
26 trict may receive an exemption to the physical facility requirement pursuant
27 to this subsection if the student would have attended a physical facility in
28 the school district if not for a stated emergency. The state department of
29 education shall transfer the moneys by no later than August 31 each year to
30 each school district. Such moneys shall be used in place of property tax levy
31 moneys and shall be expended by a school district for one (1) or more of the
32 purposes set forth in paragraphs (a) through (f) of this subsection. Moneys
33 in the fund must be used by a school district in the following order of prior-
34 ity:

35 (a) Payment of existing school bonds authorized pursuant to chapter 11,
36 title 33, Idaho Code, and issued prior to July 1, 2025;

37 (b) Payments required pursuant to section 33-909, Idaho Code;

38 (c) Payment of existing school bonds authorized pursuant to chapter 11,
39 title 33, Idaho Code, and issued on or after July 1, 2025;

40 (d) Payment of supplemental school levies authorized pursuant to sec-
41 tion 33-802, Idaho Code, excluding indefinite term supplemental levies
42 described in section 33-802(5), Idaho Code;

1 (e) Payment of school plant facility levies authorized pursuant to sec-
2 tions 33-804 and 33-804A, Idaho Code; and

3 (f) Any moneys that remain following the payments provided in para-
4 graphs (a) through (e) of this subsection may be: used for construction
5 of a new school facility, renovation, or maintenance needs; used to
6 secure and make payments on a new school facilities bond; used to make
7 additional payments on existing school facilities bonds; used to make
8 payments on lease-purchase agreements for school facilities; or saved
9 in a reserve account by the school district for future school facil-
10 ity needs. Uses of funds shall include regular and routine facilities
11 maintenance, including preventive maintenance, building repairs, and
12 building security, and periodic major facilities projects that involve
13 planning, design, construction, renovation, retrofitting, and replac-
14 ing of buildings and building systems, components, and features, as
15 well as site acquisition, site improvements, and new construction.

16 (3) The amount of moneys received by a school district pursuant to ~~this~~
17 ~~section~~ subsection (2) (a), (c), (d), and (e) of this section must be deducted
18 from a school levy that would otherwise have been paid by property taxpayers.
19 Such moneys may not be duplicated by the collection of property tax, and no
20 property taxes may be collected in order to make extra payments on expenses
21 described in subsection (2) of this section in excess of required amounts.

22 (4) Each school district shall identify the amount received in the cur-
23 rent year pursuant to this section in the certification of its budget in ac-
24 cordance with section 63-803, Idaho Code. Said amount must be subtracted
25 from the amount to be levied. The amount of moneys thereby saved from being
26 collected by a property tax levy shall be reported on each property tax no-
27 tice pursuant to section 63-902, Idaho Code.

28 (5) Each school district shall report annually to the state department
29 of education, in a manner prescribed by it, on the expenditure of moneys it
30 has received pursuant to this section. The state department of education
31 shall present the reports to the legislature each January.

32 (6) For the purposes of this section, the Idaho school for the deaf and
33 the blind shall be considered a school district and shall receive a distribu-
34 tion based on the average daily attendance of the school.

35 (7) (a) For state fiscal year 2025 only, any school district that would
36 have received support from the bond levy equalization support program
37 for a qualified bond passed prior to January 1, 2024, and for which prop-
38 erty taxes were levied in property tax year 2023 pursuant to the amount
39 intended by the bond shall receive a distribution of funds from the dis-
40 tribution provided under subsection (2) of this section of at least as
41 much as would have been provided through bond levy equalization support
42 on July 1, 2024.

43 (b) For state fiscal year 2026 only, any school district that would have
44 received support from the bond levy equalization support program for a
45 qualified bond passed prior to January 1, 2024, and for which property
46 taxes were levied in property tax year 2024 pursuant to the amount in-
47 tended by the bond shall receive a distribution of funds from the dis-
48 tribution provided under subsection (2) of this section of at least as
49 much as would have been provided through bond levy equalization support
50 on July 1, 2025.

1 (c) The state department of education may adjust distributions for re-
2 remaining districts proportionally as necessary pursuant to this para-
3 graph. On and after July 1, 2024, school districts may use funds pro-
4 vided in this section and section 33-913, Idaho Code, to offset the bond
5 levy equalization support.

6 SECTION 2. An emergency existing therefor, which emergency is hereby
7 declared to exist, this act shall be in full force and effect on and after
8 July 1, 2026.