



Summary – School Finance Bill –SB15-267

Introduced - April 13, 2015

Unamended Senate Education – April 16, 2015

Amended Senate Appropriations – April 17 2015

Amended Senate – Second Reading – April 23, 2015

Unamended Senate – Third Reading – April 24, 2015

Amended – House Education – April 27, 2015

Amended – House Appropriations – April 29, 2015

Amended House – Second Reading – April 29, 2015

Amended House – Third Reading – April 30, 2015

Concur & Repass – Senate – May 1, 2015

CONCERNING THE FINANCING OF PUBLIC SCHOOLS

(By summarizing the language in the bill, this does not alter the statutory language nor should it be considered legal advice in any way. For detailed language, please see the applicable section within the bill.)

ISSUE—FINANCE FORMULA

Section 1

Calculates statewide base per pupil funding for 2015-16 to add inflation of 2.8%

Base per pupil funding – 2014-15	\$6,121.00
Add 2.8% inflation	171.39
Base per pupil funding – 2015-16	\$6,292.39

The bill proposes Total Program Funding after application of the negative factor is not less than \$6,233,955,737. The bill reduces the negative factor by \$25 million from current law. The bill also states that the negative factor amount would not increase between 2015-16 and 2016-17.

Section 2 & 3

This section permanently removes the requirement that a district receive minimum state aid. Minimum state aid applies to districts identified as “Categorical Buyout”. The minimum state aid requirement was removed in FY2010-11 when the Negative Factor was implemented and was scheduled to be reinstated in FY2015-16.

Section 4

The bill states that the first \$21 million in interest earned in the Public School Fund (Permanent Fund) is deposited to the State Public School Fund – up from the current \$16 million. The additional \$5.0 million will be used to fund the additional at-risk per pupil funding – see section 6 below.



Section 5

Legislative declaration (intention) that if the December 2015 estimates for local share of property taxes for total program exceeds the estimate for local share of property taxes prepared for the long bill and the School Finance Act in December 2014, that the state’s share of total program does not decrease.

Section 6

At-risk per pupil additional funding – this section creates a \$5 million source for additional at-risk funding. The allocation would be divided by the number of at-risk students and distributed to each district including the Charter School Institute. The estimate of additional per pupil funding for at-risk students is approximately \$16.00 for 2015-16. The bill states that this appropriation would be for 2015-16 and each budget year thereafter.

~~Section 7~~

~~School finance review committee created to study and recommend legislation regarding tax policy and school finance. The committee would be made up of 10 nonlegislative members appointed by the legislature. The committee may recommend up to five bills, joint resolutions and concurrent resolution in each of the 2016 and 2017 legislative sessions.~~

~~Sections 4–5 8–10 7 - 9–~~ Appropriation Clauses