

1 SB43
2 126116-1
3 By Senator Brewbaker
4 RFD: Education
5 First Read: 01-MAR-11
6 PFD: 02/22/2011

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8 SYNOPSIS: Under existing law, certain monies in the
9 Public School Fund may be used by local boards of
10 education for obtaining or improving public school
11 facilities and obtaining education technology and
12 equipment.

13 This bill would include debt payments
14 related to public school facilities and the
15 purchase of insurance on public school facilities
16 as approved expenditures of money received by local
17 boards of education from the Public School Fund.

18
19 A BILL
20 TO BE ENTITLED
21 AN ACT

22
23 Relating to the Public School Fund; to amend Section
24 16-13-234, Code of Alabama 1975, to allow certain monies
25 received by local boards of education from the fund to be used
26 for debt payments related to public school facilities and for
27 insuring public school facilities.

1 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

2 Section 1. Section 16-13-234 of the Code of Alabama
3 1975, is amended to read as follows:

4 "§16-13-234.

5 "(a) In making apportionment of the Public School
6 Fund held by the state, to the local boards of education, the
7 State Superintendent of Education shall first set apart and
8 distribute to the schools of each township the amount due from
9 the state thereto as interest on its sixteenth section fund,
10 or other trust fund held by the state.

11 "(b) It is the intent of the Legislature to insure
12 that no local board of education receive less state funds per
13 pupil than it received in fiscal year 1994-95. For this reason
14 the Foundation Program for each local board of education shall
15 be supplemented, if necessary, by a hold harmless allowance.
16 The base amount of each local board's hold harmless allowance
17 calculation is the 1994-95 program cost as defined herein. The
18 1994-95 program cost of each local board of education was
19 determined by using the first forty scholastic days of average
20 daily membership from 1993-94. Beginning with the fiscal year
21 1995-96, the hold harmless allowance calculation shall be the
22 current year Foundation Program state allocation, including
23 allocated Public Education Employees' Health Insurance Plan
24 reserves, less the fiscal year 1994-95 program cost as defined
25 herein. The fiscal year 1994-95 program cost is defined as
26 including the local boards of education allocations for
27 kindergarten through grade twelve plus fringe benefits

1 including Public Education Employees' Health Insurance Plan
2 reserves and the Public School Fund less the transportation
3 allowance.

4 "(c) Beginning with the fiscal year 1995-96, the
5 first cost to the Public School Fund, after complying with the
6 provisions of subsection (a), shall be the hold harmless
7 allowance. The hold harmless calculation shall continue until
8 no local board of education receives less funds per pupil than
9 it received in fiscal year 1994-95. However, this hold
10 harmless allowance shall terminate not later than September
11 30, 2002.

12 "(d) It is the intent of the Legislature that funds
13 shall be provided to local boards of education in addition to
14 Foundation Program funds to provide continuing funding to
15 provide for soundness and adequacy of public school facilities
16 in Alabama. To that end the remainder of the Public School
17 Fund after deducting the costs pursuant to ~~subsections~~
18 subsection (a) and (c) shall be available to the local boards
19 of education for capital outlay ~~projects~~, including the
20 planning, construction, reconstruction, enlargement,
21 improvement, repair or renovation of public school facilities,
22 for the purchase of land for public school facilities, for
23 debt payments related to public school facilities, for
24 insuring public school facilities, and for the acquisition
25 and/or purchase of education technology and equipment.

26 "(e) It is the intent of the Legislature that the
27 distribution of capital funds for the purpose of capital

1 purchases from the Public School Fund be made to all school
2 systems, require a variable matching with local funds based on
3 yield per mill per average daily membership of district
4 property tax, and guarantee the same amount per student in
5 each system for capital purchases from the total of state and
6 matching local funds. The State Superintendent of Education
7 shall allocate the available funds pursuant to the rules
8 adopted by the State Board of Education. Also, to receive
9 funds from this appropriation, the local board of education
10 must develop a comprehensive, long range capital plan
11 addressing the facility, educational technology and equipment
12 needs of the local board of education, pursuant to the rules
13 adopted by the State Board of Education. The goal of this
14 program is to have each local board of education complete its
15 comprehensive, long range capital plan and begin making
16 satisfactory progress in implementing the plan for providing
17 adequate public school facilities for all students.

18 "(f) In addition to rules adopted by the State Board
19 of Education and used by the State Superintendent of Education
20 in the distribution of said funds, it is the intent of the
21 Legislature to impose the following. For fiscal year 1996 a
22 school system may elect to use up to 100 percent of its
23 matched capital purchase funds for serving at-risk students as
24 defined by the State Board of Education or a legislative
25 approved definition. For fiscal year 1997 a school system may
26 elect to use up to 75 percent, in fiscal year 1998 up to 50
27 percent, and in fiscal year 1999 up to 25 percent. It is the

1 intent of the Legislature that beginning in fiscal year 2000,
2 all public school funds must be used for capital purchases as
3 specified in subsection (e) above. School systems electing to
4 expend their allocations of capital purchase funds on at-risk
5 student programs pursuant to this subsection shall expend
6 those funds for effective programs and tutorial assistance
7 programs that include but shall not be limited to after
8 school, Saturday, and/or summer school; provided, that such
9 programs shall be outside of the normal day school."

10 Section 2. This act shall become effective
11 immediately following its passage and approval by the
12 Governor, or its otherwise becoming law.