

HB 95 -- Classroom Trust Fund

Sponsor: Portwood

As of July 1, 2003, this bill creates the Classroom Trust Fund. Moneys in the fund will be distributed to each district on a per-eligible-pupil basis, may be used for whatever purposes the school district finds appropriate, and are exempt from certificated salary compliance. Currently, excursion gambling boat proceeds beyond the amount transferred to the School District Bond Fund are directed to the State School Moneys Fund to be distributed through the foundation formula for school funding. Pursuant to the bill, these moneys will instead be transferred to the Classroom Trust Fund.

Beginning with Fiscal Year 2004, 80% of the moneys in the Classroom Trust Fund will be transferred to the State School Moneys Fund for distribution through the foundation formula, and 20% will remain in the Classroom Trust Fund. For the next three fiscal years, a descending amount, in increments of 20%, will be transferred to the State School Moneys Fund, so that in Fiscal Year 2008 and subsequent years, no funds will be transferred and 100% of the moneys will remain in the Classroom Trust Fund. The amounts that had been earmarked for the State School Moneys Fund must be replaced by general revenue to ensure full funding of the foundation formula.

The bill clarifies that moneys from the Gaming Proceeds for Education Fund and, after that fund's abolition, the moneys from adjusted gross receipts taxes on excursion boat gambling that remain after moneys are distributed to the boat's home dock city or county are state funds pursuant to the constitution. The bill also raises the admission fee for gambling boats from \$2 to \$5 and directs that the additional \$3 be deposited in the State School Moneys Fund. All previously unallocated moneys from the State Lottery Fund, currently transferred to the General Revenue Fund, and unclaimed lottery prize money will go to the State School Moneys Fund.

The bill contains an emergency clause.