

SCS SB 456 -- PAYMENTS TO SCHOOL DISTRICTS

SPONSOR: Gross (Dempsey)

COMMITTEE ACTION: Voted "do pass" by the Special Committee on General Laws by a vote of 7 to 0.

This substitute requires the Department of Elementary and Secondary Education to pay a supplemental amount of revenue to any school district located in a county that establishes a county municipal court which causes a decrease in the amount of revenue generated from fines in the county's circuit court that is distributed to the local school districts.

FISCAL NOTE: Estimated Cost on General Revenue Fund of \$152,897 in FY 2008, \$2,601 in FY 2009, and \$0 in FY 2010. No impact on Other State Funds in FY 2008, FY 2009, and FY 2010.

PROPOSERS: Supporters say that the bill corrects a statutory problem created by legislation in 2006. Language was adopted in 2006 to allow some counties to set up county municipal courts. The legislation impacted "hold harmless" districts negatively and decreased the amount of funding that the state provided to St. Charles County school districts. The districts were held harmless on any increases of local effort revenue, but weren't against any decrease in local effort revenue.

Testifying for the bill were Representative Dempsey; and St. Charles County.

OPPOSERS: There was no opposition voiced to the committee.