

HB 1758 -- EDUCATION STABILIZATION FUND

SPONSOR: Pollitt

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Elementary and Secondary Education by a vote of 15 to 0. Voted "Do Pass" by the Standing Committee on Rules- Regulatory Oversight by a vote of 9 to 0.

This bill creates the "Education Stabilization Fund" to which the Governor may transfer appropriated money. In any fiscal year in which actual revenues are less than revenue estimates upon which appropriations are based, the Governor, subject to appropriations may transfer from the Education Stabilization Fund to the foundation formula administered by the Department of Elementary and Secondary Education an amount necessary to provide public schools full funding. The bill limits the Fund to 10% of the previous fiscal year appropriation to the foundation formula, and any excess over 10% shall be transferred by appropriation to the General Revenue Fund.

This bill is the same as HB 901, HB 821, and HB 843 (2023).

PROPOSERS: Supporters say that school funding takes a big chunk of the general revenue and if there is a withholding that can be cushioned with a "rainy day" fund this bill would help offer protections to school districts. The drafting of the budget is difficult and there must be considerations for constructive and long-term investment. Several other states have created similar fund language provisions to allow for an opportunity to mitigate a downturn in the economy.

Testifying in person for the bill were Representative Pollitt; Missouri School Boards Association; and Missouri NEA.

OPPOSERS: There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.