

HB 3275 -- MONEYS IN SCHOOL FUNDS

SPONSOR: Riggs

This bill makes changes to existing restrictions on school district accounting funds. Currently, unexpended balances in the debt service fund can transfer to the capital projects fund. This bill changes that transfer to the teachers' fund. Similarly, interest earned in the capital project fund can be transferred to the teachers' fund instead of the incidental fund.

Beginning in the 2027-28 school year, all interest earned from balances in the teachers', incidental, capital projects, and debt service funds must be used to supplement, not supplant, moneys used for teacher salaries. The bill also caps the capital projects fund to a maximum of 10% over obligations within a fiscal year and requires any additional money in the fund to be transferred to the teacher's fund for teacher salaries.

The bill has a delayed effective date of July 1, 2027.