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FISCAL IMPACT REPORT

SPONSOR: Nava DATE TYPED: 3/13/03 HB _____

SHORT TITLE: School Library Material Act SB 627/aSFL#1

ANALYST: Segura

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			See Narrative		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

State Department of Education (SDE)

SUMMARY

Synopsis of SFI Amendment

Senate Floor Amendment #1 amends Senate Bill 627. The amendment strikes the appropriation on page 1, and appropriation language on page 8.

Synopsis of Bill

Senate Bill 627 appropriates \$2,000.0 to SDE and creates the School Library Material Fund. The SDE will make distributions from this fund to school districts and state institutions to make purchases for school library materials.

Significant Issues

Senate Bill 627 includes language that would have the secretary of finance and administration will approve allocations to the funded entities. Any unexpended or unencumbered funds would not revert.

The Instructional Material Bureau of SDE will administer this fund and the provisions of the School Library Material Act, a new section of the Public School Code and be responsible for

safe handling of materials and funds, inventory and accounting and compliance by funded entities of the act.

Upon approval of the Instructional Material Bureau, funded entities may sell materials purchased through the Library Material Fund at a price not to exceed the cost of the materials to the state, and may hold responsible parents, guardians or students for the cost of replacing lost or damaged materials.

The SDE will submit to the Department of Finance and Administration an annual budget for the Next fiscal year, to include anticipated library materials expenditures.

FISCAL IMPLICATIONS

Senate Bill 627 would appropriated \$2,000.0 from the general fund and is recurring. The SDE will allocate 90% of the funds to funded entities on or before July 1 based on an estimated membership for the next school year. On or before January 15 of each year, the SDE will make a second allocation to funded entities to balance the allocation according to actual membership based on the official 40th day student count. Funded entities may retain unused funds for expenditure in subsequent years.

ADMINISTRATIVE IMPLICATIONS

According to SDE, the enactment of the provisions of this bill by the Instructional Material Bureau staff will result in significantly increased administrative responsibilities. The current staff may not be sufficient to administer the provisions of this bill.

SUBSTANTIVE ISSUES

According to SDE, “inasmuch as passage of this bill would require the Instructional Material Bureau to administer the fund, and inasmuch as this creates a funding mechanism for library material purchase similar to that of the Instructional Material Fund, the department suggests that the bill be incorporated into the existing Instructional Material Act.

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