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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/6/06

SPONSOR Rodriguez LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Cost of School District Capital Improvements SB 736

ANALYST Aguilar

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	None		
	See Fiscal Implications		

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to SB 211, SB 450 and HB 432

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Education Department (PED)

### SUMMARY

#### Synopsis of Bill

Senate Bill 736 provides a portion of tax revenues to be expended for administering public school capital improvements and for facility maintenance software, project management software and project oversight, provided that the expenditures do not exceed 5% of the total project costs.

### FISCAL IMPLICATIONS

The provisions of SB-736 apply to those districts that assess levies authorized under the Capital School Buildings Act, otherwise known as the HB-33 local levy. This levy is in place in 10 school districts and generates approximately \$121.8 million. This bill allows up to 5 percent of a total project cost to be used for administering capital improvement projects which if all 5 percent were utilized would total \$6.1 million.

**SIGNIFICANT ISSUES**

Revenues generated by the HB-33 levy are restricted to use only for erecting, remodeling, making additions to, providing equipment for or furnishing public school buildings, purchasing or improving public school grounds and lease payments to fulfill lease purchase agreements for education technology equipment. Removing \$6.1 million for administrative costs would reduce the funds available for improvements.

PA/yr