

HOUSE RESEARCH

Bill Summary

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Overview

School districts may submit a plan to the commissioner of education to remove health and safety hazards from school buildings. The commissioner approves revenue for qualifying projects. Health and safety revenue must be used only to remediate health and safety hazards. The revenue cannot be used for new construction. Nearly all health and safety revenue comes from the local levy because the program's equalizing factor is set at a very low level.

A school district with a health and safety project cost of over \$500,000 is required to use the alternative facilities bonding procedures to obtain health and safety revenue. If a project comes in under its estimated cost, current law does not allow the school district to switch the remaining bond proceeds to an otherwise qualifying health and safety project.

This bill authorizes the Belle Plaine school district to use its remaining health and safety bond revenue for some of the district's other approved health and safety projects. If the special authority is not granted, current law would allow the district to levy this fall for the added health and safety projects, and would require the remaining revenue from the bond sale to remain in a reserved account to repay the bonds. The net effect of this bill is to lower the school district's levy for taxes payable in 2007.

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- 1** **Belle Plaine health and safety revenue.** Authorizes independent school district No. 716, Belle Plaine, to use up to \$125,000 of its alternative facilities bond revenue for otherwise qualifying health and safety projects.