



Bill Number: S.B. 1320

Jackson Floor Amendment

Reference to: ED amendment

Amendment drafted by: Leg Council

FLOOR AMENDMENT EXPLANATION

The Jackson Floor Amendment:

- **Moves language relating to terms of an extended repayment plan to 15-905, paragraph M and changes the terms by specifying that districts that have over expended their budget limit by 14% in their current year budget are eligible for extended repayment terms up to seven years, subject to the approval of the Superintendent of Public Instruction and approval by the State Board of Education.**
- **Stipulates that districts on an extended repayment plan must reduce their budget capacity by at least 5% per year to qualify for the extended repayment plan.**

Amendment explanation prepared by Jeff Winkler

3/13/2013

JACKSON FLOOR AMENDMENT
SENATE AMENDMENTS TO S.B. 1320
(Reference to ED amendment)

1 Page 1, line 27, after "WITH" insert "SECTION 15-905, SUBSECTION M AND"

2 Page 2, line 38, strike the quotation mark insert:

3 "Sec. 2. Section 15-905, Arizona Revised Statutes, is amended to read:
4 15-905. School district budgets; notice; adoption; aggregate
5 budget limit; summary; adjustments; impact aid fund;
6 definition

7 A. Not later than July 5 of each year or no later than the publication
8 of notice of the public hearing and board meeting as required by this
9 section, the governing board of each school district shall prepare and
10 furnish to the superintendent of public instruction and the county school
11 superintendent, unless waived by the county school superintendent, a proposed
12 budget in electronic format for the budget year, which shall contain the
13 information and be in the form as provided by the department of education.
14 The proposed budget shall include the following:

15 1. The total amount of revenues from all sources that was necessary to
16 meet the school district's budget for the current year.

17 2. The total amount of revenues by source that will be necessary to
18 meet the proposed budget of the school district, excluding property taxes.
19 The governing board shall prepare the proposed budget and a summary of the
20 proposed budget. Both documents shall be kept on file at the school district
21 office and shall be made available to the public ~~upon~~ ON request. Not later
22 than July 5 of each year or not later than the publication of notice of the
23 public hearing and board meeting required by this subsection, the governing
24 board shall submit the proposed budget to the department of education, which
25 shall prominently display this information about that school district on the
26 website maintained by the department. If the school district maintains a
27 website, the school district shall post a link to the website of the

1 department of education where this information about the school district is
2 posted. The auditor general in conjunction with the department of education
3 shall prescribe the form of the summary of the proposed budget for use by
4 governing boards. School district governing boards may include in the
5 proposed budget any items or amounts ~~which~~ THAT are authorized by legislation
6 filed with the secretary of state and which will become effective during the
7 budget year. If subsequent events prevent the legislation from becoming
8 effective, school district governing boards must reduce their budgets by the
9 amounts budgeted pursuant to the legislation ~~which~~ THAT did not become
10 effective.

11 B. The governing board of each school district shall prepare a notice
12 fixing a time not later than July 15 and designating a public place within
13 each school district at which a public hearing and board meeting shall be
14 held. The governing board shall present the proposed budget for
15 consideration of the residents and the taxpayers of the school district at
16 ~~such~~ THAT hearing and meeting.

17 C. The governing board of each school district shall publish or mail,
18 ~~prior to~~ BEFORE the hearing and meeting, a copy of the proposed budget or the
19 summary of the proposed budget and, ~~in addition,~~ a notice of the public
20 hearing and board meeting no later than ten days ~~prior to~~ BEFORE the meeting.
21 The proposed budget and the summary of the proposed budget shall contain the
22 percentage of increase or decrease in each budget category of the proposed
23 budget as compared to each category of the budget for the current year.
24 Notification shall be either by publication in a newspaper of general
25 circulation within the school district in which the size of the newspaper
26 print shall be at least eight-point type, by electronic transmission of the
27 information to the department of education for posting on the department's
28 website or by mailing the information to each household in the school
29 district. The cost of publication, website posting or mailing shall be a
30 charge against the school district. The publisher's affidavit of publication
31 shall be filed by the governing board with the superintendent of public
32 instruction within thirty days after publication. If the budget or proposed

1 budget and notice are posted on a website maintained by the department of
2 education or mailed, the board shall file an affidavit with the
3 superintendent of public instruction within thirty days after the mailing or
4 the date that the information is posted on the website. If a truth in
5 taxation notice and hearing is required under section 15-905.01, the
6 governing board may combine the notice and hearing under this section with
7 the truth in taxation notice and hearing.

8 D. At the time and place fixed in the notice, the governing board
9 shall hold the public hearing and present the proposed budget to the persons
10 attending the hearing. ~~Upon~~ ON request of any person, the governing board
11 shall explain the budget, and any resident or taxpayer of the school district
12 may protest the inclusion of any item. A governing board member who has a
13 substantial interest, as defined in section 38-502, in a specific item in the
14 school district budget shall refrain from voting on the specific item. A
15 governing board member may participate without creating a conflict of
16 interest in adoption of a final budget even though the member may have
17 substantial interest in specific items included in the budget.

18 E. Immediately following the public hearing the president shall call
19 to order the governing board meeting for the purpose of adopting the budget.
20 The governing board shall adopt the budget, which shall not exceed the
21 general budget limit, the unrestricted capital budget limit or the soft
22 capital allocation limit, making such deductions as it sees fit but making no
23 additions to the proposed budget total for maintenance and operations or
24 capital outlay, and shall enter the budget as adopted in its minutes. Not
25 later than July 18, the budget as finally adopted shall be filed by the
26 governing board with the county school superintendent who shall immediately
27 transmit a copy to the board of supervisors. Not later than July 18, the
28 budget as finally adopted shall be submitted electronically to the
29 superintendent of public instruction. Not later than July 18, the governing
30 board shall submit the budget as finally adopted to the department of
31 education, which shall prominently display this information about that school
32 district on the website maintained by the department. If the school district

1 maintains a website, the school district shall post a link to the website of
2 the department of education where this information about the school district
3 is posted. On or before October 30, the superintendent of public instruction
4 shall review the budget and notify the governing board if the budget is in
5 excess of the general budget limit, the unrestricted capital budget limit or
6 the soft capital allocation limit. The governing board shall revise the
7 budget as follows:

8 1. If the governing board receives notification that the budget
9 exceeds the general budget limit, the unrestricted capital budget limit or
10 the soft capital allocation limit by one per cent of the general budget limit
11 or one hundred thousand dollars, whichever is less, it shall adopt on or
12 before December 15, after it gives notice and holds a public meeting in a
13 similar manner as provided in subsections C and D of this section, a revised
14 budget for the current year, which shall not exceed the general budget limit,
15 the unrestricted capital budget limit or the soft capital allocation limit.

16 2. If the governing board receives notification that the budget
17 exceeds the general budget limit, the unrestricted capital budget limit or
18 the soft capital allocation limit by less than the amount prescribed in
19 paragraph 1 of this subsection, the governing board shall adjust the budget
20 and expenditures so as not to exceed the general budget limit, the
21 unrestricted capital budget limit or the soft capital allocation limit for
22 the current year.

23 3. On or before December 18, the governing board shall file the
24 revised budget it adopts with the county school superintendent who shall
25 immediately transmit a copy to the board of supervisors. Not later than
26 December 18, the budget as revised shall be submitted electronically to the
27 superintendent of public instruction. School districts that are subject to
28 section 15-914.01 are not required to send a copy of revised budgets to the
29 county school superintendent. Procedures for adjusting expenditures or
30 revising the budget shall be as prescribed in the uniform system of financial
31 records.

1 F. The governing board of each school district may budget for
2 expenditures within the school district budget as follows:

3 1. Amounts within the general budget limit, as provided in section
4 15-947, subsection C, may only be budgeted in the following sections of the
5 budget:

6 (a) The maintenance and operation section.

7 (b) The capital outlay section.

8 2. Amounts within the unrestricted capital budget limit, as provided
9 in section 15-947, subsection D, may only be budgeted in the unrestricted
10 capital outlay subsection of the budget. Monies received pursuant to the
11 unrestricted capital budget limit shall be placed in the unrestricted capital
12 outlay fund. The monies in the fund are not subject to reversion.

13 3. The soft capital allocation limit, as provided in section 15-947,
14 subsection E, may only be budgeted in the soft capital allocation subsection
15 of the budget.

16 G. The governing board may authorize the expenditure of monies
17 budgeted within the maintenance and operation section of the budget for any
18 subsection within the section in excess of amounts specified in the adopted
19 budget only by action taken at a public meeting of the governing board and if
20 the expenditures for all subsections of the section do not exceed the amount
21 budgeted as provided in this section.

22 H. The aggregate budget limit is the sum of the following:

23 1. The general budget limit as determined in section 15-947 for the
24 budget year.

25 2. The unrestricted capital budget limit as determined in section
26 15-947 for the budget year.

27 3. The soft capital allocation limit for the budget year as determined
28 in section 15-947.

29 4. Federal assistance, excluding title VIII of the elementary and
30 secondary education act of 1965 monies.

31 I. School districts ~~which~~ THAT overestimated tuition revenues as
32 provided in section 15-947, subsection C, paragraph 2 shall adjust the

1 general budget limit and expenditures based ~~upon~~ ON tuition revenues for
2 attendance of nonresident pupils during the current fiscal year. School
3 districts ~~which~~ THAT underestimated tuition revenues may adjust their budgets
4 ~~prior to~~ BEFORE May 15 based ~~upon~~ ON tuition revenues for attendance of
5 nonresident pupils during the current fiscal year. School districts ~~which~~
6 THAT overestimated revenues as provided in section 15-947, subsection C,
7 paragraph 2, subdivision (a), items (iii), (iv) and (v) and subdivision (d)
8 shall adjust the general budget limit and expenditures based on actual
9 revenues during the current fiscal year. School districts ~~which~~ THAT
10 underestimated such revenues may adjust their budgets before May 15 based on
11 actual revenues during the current fiscal year. Procedures for completing
12 adjustments shall be as prescribed in the uniform system of financial
13 records. Not later than May 18, the budget as adjusted shall be submitted
14 electronically to the superintendent of public instruction.

15 J. A common school district not within a high school district whose
16 estimated tuition charge for high school pupils exceeds the actual tuition
17 charge for high school pupils shall adjust the general budget limit and
18 expenditures based on the actual tuition charge. Not later than May 18, the
19 budget as adjusted shall be submitted electronically to the superintendent of
20 public instruction. A common school district not within a high school
21 district whose estimated tuition charge for high school pupils is less than
22 the actual tuition charge for high school pupils may adjust its budget before
23 May 15 based on the actual tuition charge. Procedures for completing
24 adjustments shall be as prescribed in the uniform system of financial
25 records. If the adjusted general budget limit requires an adjustment of
26 state aid and if the adjustment to state aid is not made in the current year,
27 the superintendent of public instruction shall adjust by August 15 of the
28 succeeding fiscal year the apportionment of state aid to the school district
29 to correct any overpayment or underpayment of state aid received during the
30 current year.

31 K. The governing board may include title VIII of the elementary and
32 secondary education act of 1965 assistance allocated for children with

1 disabilities, children with specific learning disabilities, children residing
2 on Indian lands and children residing within the boundaries of an
3 accommodation school that is located on a military reservation and that is
4 classified as a heavily impacted local educational agency pursuant to 20
5 United States Code section 7703 ~~which~~ THAT is in addition to basic assistance
6 when determining the general budget limit as prescribed in section 15-947,
7 subsection C. The increase in the general budget limit for children residing
8 within the boundaries of an accommodation school that is located on a
9 military reservation and that is classified as a heavily impacted local
10 education agency shall equal the dollar amount calculated pursuant to 20
11 United States Code section 7703(b)(2). The governing board may adjust before
12 May 15 the budget for the current year based on any adjustments ~~which~~ THAT
13 result in increases over the amount estimated by the superintendent of public
14 instruction for title VIII of the elementary and secondary education act of
15 1965 assistance for such pupils for the fiscal year preceding the current
16 year. The governing board shall adjust before May 15 the budget for the
17 current year based on any adjustments ~~which~~ THAT result in decreases in the
18 amount estimated by the superintendent of public instruction for title VIII
19 of the elementary and secondary education act of 1965 assistance for such
20 pupils for the fiscal year preceding the current year. Not later than May
21 18, the budget as adjusted shall be submitted electronically to the
22 superintendent of public instruction. Procedures for complying with this
23 subsection shall be as prescribed in the uniform system of financial records.

24 L. The department of education shall notify the state board of
25 education if expenditures by any school district exceed the general budget
26 limit prescribed in section 15-947, subsection C, the unrestricted capital
27 budget limit, the soft capital allocation limit prescribed in section 15-947,
28 subsection E, the school plant fund limits prescribed in section 15-1102,
29 subsection B, the maintenance and operation section of the budget or the
30 capital outlay section of the budget. If the expenditures of any school
31 district exceed these limits or sections of the budget without authorization
32 as provided in section 15-907, and if the state board of education determines

1 that the equalization assistance for education received by the school
2 district as provided in section 15-971 does not conform with statutory
3 requirements, the state board of education shall reduce the state aid for
4 equalization assistance for education for the school district computed as
5 provided in section 15-971 during the fiscal year subsequent to the fiscal
6 year in which the excess equalization assistance for education was received
7 by an amount equal to the excess equalization assistance for education,
8 except that in case of hardship to the school district, the superintendent of
9 public instruction may approve reductions partly in the first subsequent year
10 and partly in the second subsequent year. If the state board of education
11 determines that the equalization assistance for education received by the
12 school district conforms with statutory requirements, the state board of
13 education shall not reduce the district's equalization assistance for
14 education pursuant to this subsection but the district shall reduce the
15 budget limits as required in subsection M of this section. A school district
16 that disagrees with the department of education's determination regarding an
17 excess expenditure under this subsection may request a hearing before the
18 state board of education.

19 M. The governing board of a school district shall reduce the general
20 budget limit, the unrestricted capital budget limit or the soft capital
21 allocation limit for the year subsequent to the year in which the
22 expenditures were in excess of the applicable limit or section of the budget
23 by the amount determined in subsection L of this section, except that in case
24 of hardship to the school district, the superintendent of public instruction
25 may approve reductions partly in the first subsequent year and partly in the
26 second subsequent year. The reduction in the limit is applicable to each
27 school district ~~which~~ THAT has exceeded the general budget limit, the
28 unrestricted capital budget limit, the soft capital allocation limit or a
29 section of the budget even if the reduction exceeds the state aid for
30 equalization assistance for education for the school district. IN CASE OF A
31 HARDSHIP TO THE SCHOOL DISTRICT FOR WHICH THE REQUIRED CORRECTION IS GREATER
32 THAN FOURTEEN PER CENT OF THE SCHOOL DISTRICT'S CURRENT YEAR AGGREGATE BUDGET

1 LIMIT PURSUANT TO SUBSECTION H, PARAGRAPHS 1, 2 AND 3 OF THIS SECTION, THE
2 FOLLOWING APPLY:

3 1. THE SUPERINTENDENT OF PUBLIC INSTRUCTION MAY AUTHORIZE, SUBJECT TO
4 APPROVAL BY THE STATE BOARD OF EDUCATION, THE CORRECTION TO BE MADE IN EQUAL
5 INSTALLMENTS OVER A PERIOD OF UP TO SEVEN YEARS.

6 2. EACH INSTALLMENT SHALL BE EQUAL TO AT LEAST FIVE PER CENT OF THE
7 SCHOOL DISTRICT'S CURRENT AGGREGATE BUDGET LIMIT.

8 3. THE DEPARTMENT OF EDUCATION SHALL NOTIFY THE JOINT LEGISLATIVE
9 BUDGET COMMITTEE IN WRITING EACH TIME THE SUPERINTENDENT OF PUBLIC
10 INSTRUCTION AUTHORIZES IN THE CASE OF HARDSHIP TO A SCHOOL DISTRICT, SUBJECT
11 TO APPROVAL BY THE STATE BOARD OF EDUCATION, A BUDGET CORRECTION THAT EXCEEDS
12 TWO BUDGET YEARS.

13 N. Except as provided in section 15-916, no expenditure shall be made
14 by any school district for a purpose not included in the budget or in excess
15 of the aggregate budget limit prescribed in this section, except that if no
16 budget has been adopted, from July 1 to July 15 the governing board may make
17 expenditures if the total of the expenditures does not exceed ten per cent of
18 the prior year's aggregate budget limit. Any expenditures made from July 1
19 to July 15 and ~~prior to~~ BEFORE the adoption of the budget shall be included
20 in the total expenditures for the current year. No expenditure shall be made
21 and no debt, obligation or liability shall be incurred or created in any year
22 for any purpose itemized in the budget in excess of the amount specified for
23 the item irrespective of whether the school district at any time has received
24 or has on hand funds in excess of those required to meet the expenditures,
25 debts, obligations and liabilities provided for under the budget except
26 expenditures from cash controlled funds as defined by the uniform system of
27 financial records and except as provided in section 15-907 and subsection G
28 of this section. This subsection does not prohibit any school district from
29 prepaying insurance premiums or magazine subscriptions, or from prepaying any
30 item ~~which~~ THAT is normally prepaid in order to procure the service or to
31 receive a discounted price for the service, as prescribed by the uniform
32 system of financial records.

1 0. The governing board of a school district ~~which~~ THAT is classified
2 as a heavily impacted school district having twenty per cent or more pupils
3 pursuant to 20 United States Code section 238(d)1(A) may determine its
4 eligibility to increase the amount that may be included in determining the
5 general budget limit as provided in subsection K of this section and may
6 increase the amount as follows:

7 1. For fiscal year 1988-1989:

8 (a) Multiply one thousand ninety-four dollars by the number of
9 children with disabilities or children with specific learning disabilities,
10 excluding children who also reside on Indian lands, reported to the division
11 of impact aid, United States department of education in the district's
12 application for fiscal year 1987-1988.

13 (b) Multiply five hundred forty-seven dollars by the number of
14 children residing on Indian lands, excluding children who have disabilities
15 or also have specific learning disabilities, reported to the division of
16 impact aid, United States department of education in the district's
17 application for fiscal year 1987-1988.

18 (c) Multiply one thousand nine hundred fourteen dollars by the number
19 of children residing on Indian lands who have disabilities or also have
20 specific learning disabilities reported to the division of impact aid, United
21 States department of education in the district's application for fiscal year
22 1987-1988.

23 (d) Add the amounts determined in subdivisions (a) through (c) OF THIS
24 PARAGRAPH.

25 (e) If the amount of title VIII of the elementary and secondary
26 education act of 1965 assistance as provided in subsection K of this section
27 is less than the sum determined in subdivision (d) of this paragraph, the
28 district is eligible to use the provisions of this subsection.

29 2. For budget years after 1988-1989, use the provisions of paragraph 1
30 of this subsection, but increase each dollar amount by the growth rate for
31 that year as prescribed by law, subject to appropriation and use the number
32 of children reported in the appropriate category for the current fiscal year.

1 3. If the district is eligible to use the provisions of this
2 subsection, subtract the amount of title VIII of the elementary and secondary
3 education act of 1965 assistance determined in subsection K of this section
4 from the sum determined in paragraph 1, subdivision (d) of this subsection.
5 The difference is the increase in the amount that may be included in
6 determining the general budget limit as provided in subsection K of this
7 section, if including this amount does not increase the district's primary
8 tax rate for the budget year. If the amount of title VIII of the elementary
9 and secondary education act of 1965 assistance determined in subsection K of
10 this section is adjusted for the current year, the increase determined in
11 this paragraph shall be recomputed using the adjusted amount and the
12 recomputed increase shall be reported to the department of education by May
13 15 on a form prescribed by the department of education.

14 4. If a district uses the provisions of this subsection, the district
15 is not required to adjust its budget for the current year based on
16 adjustments in the estimated amount of title VIII of the elementary and
17 secondary education act of 1965 assistance as provided in subsection K of
18 this section.

19 P. A school district, except for an accommodation school, ~~which~~ THAT
20 applies for title VIII of the elementary and secondary education act of 1965
21 assistance during the current year may budget an amount for title VIII of the
22 elementary and secondary education act of 1965 administrative costs for the
23 budget year. The amount budgeted for title VIII of the elementary and
24 secondary education act of 1965 administrative costs is exempt from the
25 revenue control limit and may not exceed an amount determined for the
26 budgeted year as follows:

27 1. Determine the minimum cost. The minimum cost for fiscal year
28 1990-1991 is two thousand three hundred forty-three dollars. For fiscal year
29 1991-1992 and thereafter, the minimum cost is the minimum cost for the prior
30 year increased by the growth rate as prescribed by law, subject to
31 appropriation.

1 2. Determine the hourly rate. The hourly rate for fiscal year
2 1990-1991 is nine dollars thirty-eight cents. For fiscal year 1991-1992 and
3 thereafter, the hourly rate is the hourly rate for the prior year increased
4 by the growth rate as prescribed by law, subject to appropriation.

5 3. Determine the title VIII of the elementary and secondary education
6 act of 1965 revenues available by subtracting the amount of title VIII of the
7 elementary and secondary education act of 1965 assistance used to increase
8 the general budget limit as provided in subsections K and O of this section
9 for the current fiscal year from the total amount of title VIII of the
10 elementary and secondary education act of 1965 revenues received in the
11 current fiscal year.

12 4. Determine the total number of administrative hours as follows:

13 (a) Determine the sum of the following:

14 (i) 1.00 hours for each high impact pupil who is not disabled or does
15 not have specific learning disabilities.

16 (ii) 1.25 hours for each high impact pupil who is disabled or has
17 specific learning disabilities.

18 (iii) 0.25 hours for each low impact pupil who is not disabled or does
19 not have specific learning disabilities.

20 (iv) 0.31 hours for each low impact pupil who is disabled or has
21 specific learning disabilities.

22 (b) For the purposes of this paragraph:

23 (i) "High impact pupil" means a pupil who resides on Indian lands or a
24 pupil who resides on federal property or in low rent housing and whose parent
25 is employed on federal property or low rent housing property or is on active
26 duty in uniformed service, as provided in title VIII of the elementary and
27 secondary education act of 1965, section 8003(a) (20 United States Code
28 section 7703) and as reported in the application for title VIII of the
29 elementary and secondary education act of 1965 assistance in the current
30 year.

31 (ii) "Low impact pupil" means a pupil who resides on nonfederal
32 property and has a parent who is employed on federal property or low rent

1 housing property or is on active duty in a uniformed service or a pupil who
2 resides on federal property or in low rent housing and who does not have a
3 parent who is employed on federal property or low rent housing property or is
4 on active duty in uniformed service, as provided in title VIII of the
5 elementary and secondary education act of 1965, section 8003(a) (20 United
6 States Code section 7703) and as reported in the application for title VIII
7 of the elementary and secondary education act of 1965 assistance in the
8 current year.

9 5. Multiply the total number of administrative hours determined in
10 paragraph 4 of this subsection by the hourly rate determined in paragraph 2
11 of this subsection.

12 6. Determine the greater of the minimum cost determined in paragraph 1
13 of this subsection or the product determined in paragraph 5 of this
14 subsection.

15 7. Add to the amount determined in paragraph 6 of this subsection the
16 amount, if any, to be expended by the school district in the budget year
17 through an intergovernmental agreement with other school districts or the
18 department of education to provide title VIII of the elementary and secondary
19 education act of 1965 technical assistance to participating districts.

20 8. Determine the lesser of the amount determined in paragraph 7 of
21 this subsection or the revenues available as determined in paragraph 3 of
22 this subsection.

23 9. The amount determined in paragraph 8 of this subsection is the
24 maximum amount ~~which~~ THAT may be budgeted for title VIII of the elementary
25 and secondary education act of 1965 administrative costs for the budget year
26 as provided in this subsection.

27 10. If the governing board underestimated the amount that may be
28 budgeted for title VIII of the elementary and secondary education act of
29 1965, section 8007 administrative costs for the current year, the board may
30 adjust the general budget limit and the budget before May 15. If the
31 governing board overestimated the amount that may be budgeted for title VIII
32 of the elementary and secondary education act of 1965 administrative costs

1 for the current year, the board shall adjust the general budget limit and the
2 budget before May 15.

3 Q. If a school district governing board has adopted a budget for a
4 fiscal year based on forms and instructions provided by the auditor general
5 and the department of education for that fiscal year and if, as a result of
6 the enactment or nonenactment of proposed legislation after May 1 of the
7 previous fiscal year, the budget is based on incorrect limits, does not
8 include items authorized by law or does not otherwise conform with law, the
9 governing board may revise its budget at a public hearing on or before
10 September 15 to conform with the law. Not later than September 18, the
11 budget as adjusted shall be submitted electronically to the superintendent of
12 public instruction. If the governing board does not revise the budget on or
13 before September 15 and if the budget includes any items not authorized by
14 law or if the budget exceeds any limits, the governing board shall adjust or
15 revise the budget as provided in subsection E of this section.

16 R. Notwithstanding any other law, if a school district receives
17 assistance pursuant to title VIII of the elementary and secondary education
18 act of 1965, the school district shall establish a local level fund
19 designated as the impact aid fund and deposit the impact aid monies received
20 in the fund. The school district shall separately account for monies in the
21 fund and shall not combine monies in the fund with any other source of local,
22 state or federal assistance. Monies in the fund shall be expended pursuant
23 to federal law only for the purposes allowed by this title. The school
24 district shall account for monies in the fund according to the uniform system
25 of financial records as prescribed by the auditor general. The
26 superintendent of public instruction shall separately account for monies in
27 each school district's impact aid fund, if an impact aid fund is established,
28 in the annual report required by section 15-255. Monies in the fund are
29 considered federal monies and are not subject to legislative appropriation.

30 S. For the purposes of this section, "title VIII of the elementary and
31 secondary education act of 1965 assistance" means, for the current year, an
32 amount equal to the final determination of title VIII of the elementary and

1 secondary education act of 1965 assistance for the fiscal year preceding the
2 current year as confirmed by the division of impact aid, United States
3 department of education or, if a final determination has not been made, the
4 amount estimated by the superintendent of public instruction as confirmed by
5 the division of impact aid, United States department of education and, for
6 the budget year, an amount equal to the determination of title VIII of the
7 elementary and secondary education act of 1965 assistance for the fiscal year
8 preceding the budget year as estimated by the superintendent of public
9 instruction."

10 Page 3, strike lines 4 through 16 and insert:

11 *Strike lines 12, 13 and 14, insert "~~except that~~ BUT in case of hardship*
12 *to the school district, the superintendent may approve*
13 *corrections partly in one year and partly in the year after that*
14 *year, EXCEPT AS PROVIDED IN SECTION 15-905, SUBSECTION M."*

15 Amend title to conform

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03/12/2013
4:38 PM
C: tdb

03/13/13
12:25 p.m.
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