

**BILL SUMMARY**  
1<sup>st</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 229</b>
<b>Version:</b>	<b>FA1</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Rep. Baker</b>
<b>Date:</b>	<b>4/21/2021</b>
<b>Impact:</b>	<b>Under Review</b>

**Research Analysis**

The floor substitute for SB229 creates the “Redbud School Funding Act” which requires the State Board of Education to annually distribute grants to public schools and eligible charter schools from the State Public Common School Building Equalization Fund. “Eligible charter school” means a charter school not sponsored by the Statewide Virtual Charter School Board.

The grants shall be used to aid public schools and eligible charter schools in acquiring or improving school sites, constructing, repairing, remodeling or equipping buildings, or acquiring school furniture, fixtures, or equipment.

The amount of grant money a school will receive shall be calculated by the State Department of Education (SDE) as follows:

1. Divide each district’s county four-mill levy revenue by four to determine each district’s nonchargeable county four-mill revenue
2. Determine the amount of money each district generated through its five-mill building fund
3. Add these two numbers together for each school district to determine the nonchargeable millage for each district
4. Add all the districts’ nonchargeable millages together statewide, then divide that number by the previous year’s statewide public school average daily membership. This determines the statewide nonchargeable millage per student, known as the baseline local funding per student.

Any school district that is below the baseline shall be considered as having a shortfall and shall be eligible for a grant.

5. Determine a district’s per-student shortfall amount by: subtracting the baseline local funding per student from the district’s average nonchargeable millage per student
6. Determine the Redbud grant amount by: multiplying the district’s per-student shortfall by the district’s preceding year average daily membership

The SDE shall consider each eligible charter school as separate from the school district that sponsors it when making these calculations.

The money for the Redbud grants comes from medical marijuana tax revenue. If there’s not enough from medical marijuana tax revenue to cover the grants, the measure requires an additional apportionment to be made to the Fund from sales tax revenue.

Lastly, the measure clarifies that charter schools are ineligible to receive state-dedicated, local, and county revenue. Charter schools shall be considered a local education agency for the purposes of funding. A charter school shall no longer be considered a site within the school district in which the charter is located. The student attendance of the charter school shall be separate from the attendance of the district for the purpose of calculating enrollment and funding. The attendance or weighted average daily membership of the charter school shall no longer be used to determine the total state aid allocation for the district in which the charter is located.

Prepared By: Emily Wendler

### **Fiscal Analysis**

As written, the measure adjusts how certain revenue sources are allocated. As such, consultation with stakeholders is currently ongoing.

Prepared By: Cole Stout

### **Other Considerations**

None.