

HB 264 -- STATE PUBLIC SCHOOL FUND

SPONSOR: Cunningham (86)

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Elementary and Secondary Education by a vote of 12 to 0.

Currently, the State Board of Education must invest funds accruing to the State Public School Fund in bonds of not less than par value. This bill removes the stipulation concerning par value and allows the board to invest in discounted bonds.

FISCAL NOTE: No impact on state funds in FY 2008, FY 2009, and FY 2010.

PROPOSERS: Supporters say that the state board could make more money on its investments if the prohibition on buying discounted bonds were lifted.

Testifying for the bill were Representative Cunningham (86); and Department of Elementary and Secondary Education.

OPPOSERS: There was no opposition voiced to the committee.