

## HB 679 -- School Reserve Funds

Sponsor: Rowland

Currently, a school district may transfer unrestricted funds from the capital projects fund to the incidental fund when the fiscal year end balance in the combined incidental and teachers' funds would be less than 10% without the transfer. This bill specifies that if the sum of the combined balances in a school's incidental fund and teachers' fund at the fiscal year end is less than 20% of the sum of the district's expenses from those funds for the fiscal year just ended, the school district may transfer to its incidental fund an amount up to and including the amount of the unrestricted balance in its capital projects fund on June 30. Any funds originating from a general obligation bond must be considered restricted funds and cannot be transferred to the school's incidental fund.