



HOUSE COMMITTEE ON APPROPRIATIONS  
2009-10 Legislative Session

**FISCAL NOTE**

**HOUSE BILL: 2733**

**PRINTER'S NO: 4275**

**PRIME SPONSOR: Harhai**

<b>FISCAL IMPACT SUMMARY</b>	<b>FY 2010/11</b>	<b>FY 2011/12</b>
General Fund	\$0	\$0

**OVERVIEW:**

House Bill 2733 amends the Public School Code of 1949 to further provide for temporary special aid to school districts suffering loss of tax revenue. Specifically, this bill adds subsection 2502.50 for temporary special aid to school districts experiencing at least a 25% loss in payment in lieu of taxes, in one year, due to relocation of one or more businesses outside of the boundaries of the school district. This special aid is provided for two years, for school year 2010-11 and each year thereafter, and paid from a restricted account from any funds not expended, enumerated or uncommitted from grants and subsidies made to the Department of Education. No funds available from appropriations from library-related activities may be used for these payments. A provision is added so that payment is made upon condition that the school district tax rates which were in effect at the time of the business relocation are not reduced.

This bill shall take effect immediately.

**ANALYSIS:**

Under House Bill 2733, School districts are eligible for 100% of the loss of total revenues during the school year in which the loss occurred, plus 50% of the loss payable during the succeeding school year. This aid is paid only once for each business relocation and a provision is made so that a school district that suffered such loss in 2010-11 or 2011-12 shall be eligible to receive the aid during the 2011-12 school year.

Because these temporary aid payments are made only if unexpended, enumerated, or uncommitted funds are available, enactment of this bill will have no adverse impact on Commonwealth funds.

**PREPARED BY:** Debbie Reeves, Budget Analyst  
House Appropriations Committee, (D)

**DATE:** September 27, 2010

**General Note and Disclaimer:** *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*