



ROSENSTEIN, FIST & RINGOLD

RED BANNER UPDATE

Date: June 9, 2017

Re: HB 1578

Signed: June 6, 2017

Effective: Immediately

Topic: School Finance Review Commission Act

Summary: HB 1578 creates the School Finance Review Commission Act. The Act establishes a task force to review and make recommendations regarding improving the state aid formula, including issues associated with ad valorem rates, grade weights, student category weights, and the transportation factor. The law also states that the task force must review district efficiencies and cost-saving measures as a part of the study.

The task force must contain 16 appointed members, including 3 superintendents or financial officers. The initial meeting must be held by August 31, 2017. The task force may submit its recommendations before December 31, 2017 but must submit recommendations by December 31, 2018. All meetings of this task force are subject to the Open Meeting Act.

The Act also creates the School Finance Review Commission. The Commission is set to begin its work no later than March 1, 2021 and will have 7 appointed members who will serve 4 year terms. The Commission will review all school finance related matters, including teacher pay, benefits, and administrative costs, and submit reports every 4 years starting December 31, 2023.

No changes are anticipated for any district policy or procedure.