

**FISCAL NOTE**

	FY 2021	FY 2022	FY 2023
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Revenue			
increase/(decrease)			
SCHOOL CAP CON ACCOUNT	\$86,700,000	\$87,800,000	\$43,000,000
SCHOOL MAJOR MAINT. SUBACCOUNT	(\$43,700,000)	(\$44,800,000)	
SCHOOL LANDS MINERAL ROYALTY ACCOUNT	(\$43,000,000)	(\$43,000,000)	(\$43,000,000)

Source of revenue increase and (decrease):

This bill would decrease revenue to the School Major Maintenance Subaccount within the Strategic Investments and Projects Account (SIPA) generated through the SIPA's spending policy and would also decrease revenue to the School Lands Mineral Royalties Account by repealing the account. The School Capital Construction Account (SCCA) would experience a corresponding revenue increase in funds from the SIPA's spending policy and up to one-third of state mineral royalties generated on school lands from amounts that would have been otherwise distributed to the School Major Maintenance Subaccount and School Lands Mineral Royalties Account.

Assumptions:

The estimated revenue impact for each account uses the Consensus Revenue Estimating Group's October 2019 revenue estimates.

This bill will allow for interfund borrowing for the SCCA from the Legislative Stabilization Reserve Account or Common School Account within the Permanent Land Fund to assist in cash flow timing with major maintenance payments. Exact needs for interfund borrowing are not known at this time. The interest rate charged on interfund borrowing will be the interest rate earned on pooled fund investments for the preceding fiscal year. The State Treasurer's Office, State Construction Department, and State Auditor's Office will need to monitor fund balances to ensure cash is available for major maintenance payment needs.

While this bill will require additional staff time to change account flows, deposits and account for cash flow needs of the SCCA, these additional duties will be absorbed by the State Treasurer's Office.

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