A bill for an act

relating to education; authorizing a transfer from the reserved for operating capital account to the undesignated general fund; proposing coding for new law in Minnesota Statutes, chapter 123B.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[123B.795] CAPITAL ACCOUNT TRANSFERS.**

Notwithstanding sections 123B.79 and 123B.80, on June 30 of each year, a school district may transfer money from its reserved for operating capital account to its undesignated balance in the general fund. The amount transferred by any school district must not exceed the product of one percent of the current year's formula allowance under section 126C.10, subdivision 2, times the district's adjusted marginal cost pupil units for the second preceding fiscal year. This transfer may occur only after the school board has adopted a written resolution stating the amount of the transfer and declaring that the school district's operating capital needs are being met.

EFFECTIVE DATE. This section is effective the day following final enactment.