

HOUSE BILL NO. 30

INTRODUCED BY PECK, VAN VALKENBURG, DEVLIN, G. BECK, SWIFT,
SQUIRES, JERGESON, KADAS, L. NELSON, QUILICI, T. NELSON,
HARRINGTON, PHILLIPS, WYATT, BRADLEY, BIANCHI,
WATERMAN, GERVAIS, BACHINI, J. BROWN, MERCER, DAILY,
SCHYE, O'KEEFE, COCCHIARELLA, DAVIS, DARKO, HARPER,
KILPATRICK, STICKNEY, WHALEN, KIMBERLEY, DOLEZAL,
NISBET, D. BROWN
BY REQUEST OF THE LEGISLATIVE OVERSIGHT COMMITTEE
ON SCHOOL FUNDING IMPLEMENTATION

IN THE HOUSE

DECEMBER 27, 1990	INTRODUCED AND REFERRED TO COMMITTEE ON EDUCATION & CULTURAL RESOURCES.
JANUARY 7, 1991	FIRST READING.
JANUARY 18, 1991	ON MOTION, ADDITIONAL SPONSORS ADDED.
JANUARY 31, 1991	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 1, 1991	PRINTING REPORT.
FEBRUARY 2, 1991	ON MOTION, PLACED ON SECOND READING 2/4/91.
FEBRUARY 4, 1991	SECOND READING, DO PASS. ON MOTION, REREFERRED TO COMMITTEE ON APPROPRIATIONS.
MARCH 23, 1991	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
MARCH 25, 1991	PRINTING REPORT.
APRIL 1, 1991	SECOND READING, DO PASS.
APRIL 2, 1991	ENGROSSING REPORT.
APRIL 3, 1991	THIRD READING, PASSED. AYES, 81; NOES, 18. TRANSMITTED TO SENATE.

IN THE SENATE

APRIL 4, 1991	INTRODUCED AND REFERRED TO COMMITTEE
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ON FINANCE & CLAIMS.

FIRST READING.

APRIL 12, 1991

COMMITTEE RECOMMEND BILL BE
CONCURRED IN AS AMENDED. REPORT
ADOPTED.

APRIL 13, 1991

SECOND READING, CONCURRED IN.

APRIL 15, 1991

THIRD READING, CONCURRED IN.
AYES, 48; NOES, 0.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 17, 1991

RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 18, 1991

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 HOUSE BILL NO. 30

2 INTRODUCED BY PECK

3 BY REQUEST OF THE LEGISLATIVE OVERSIGHT COMMITTEE

4 ON SCHOOL FUNDING IMPLEMENTATION

5
6 A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH A MONTANA
7 EDUCATIONAL TELECOMMUNICATIONS NETWORK TO SUPPORT EDUCATION,
8 ECONOMIC DEVELOPMENT, AND GOVERNMENT SERVICES IN THE STATE;
9 TO DESIGNATE DUTIES AND RESPONSIBILITIES FOR THE NETWORK TO
10 THE DEPARTMENT OF ADMINISTRATION, THE SUPERINTENDENT OF
11 PUBLIC INSTRUCTION, AND THE COMMISSIONER OF HIGHER
12 EDUCATION; TO PROVIDE AN APPROPRIATION AND OTHER FUNDING
13 MECHANISMS FOR THE PROGRAM; REPEALING SECTION 20-7-1001,
14 MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

15
16 WHEREAS, the school funding reform legislation in House
17 Bill No. 28 (Chapter 11), Special Laws of June 1989,
18 promotes the use of telecommunications technology for the
19 purpose of enhancing the equal educational opportunities
20 provided to students in the Montana public school system;
21 and

22 WHEREAS, the Department of Administration, the
23 Superintendent of Public Instruction, and the Montana
24 University System, with the assistance of private consulting
25 services and other private and public entities, have

1 followed the directive in House Bill No. 28 and have
2 completed the needs assessment and network design for
3 improvements in the Montana education system through
4 telecommunications technology; and

5 WHEREAS, Montana's future depends on the ability to
6 provide quality educational opportunities and on the ability
7 to train and retrain the state's work force, regardless of
8 location in the state; and

9 WHEREAS, telecommunications can contribute to equal
10 educational opportunity for all Montanans through improved
11 access to a wide range of educational needs, such as
12 specialized coursework in languages, mathematics, and the
13 sciences, college credit coursework, adult education,
14 teacher inservice training, and preparation for professional
15 recertification; and

16 WHEREAS, by both past actions and future commitments,
17 the private sector has demonstrated its willingness to share
18 in the funding for development and enhancement of an
19 educational telecommunications network in Montana.

20
21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

22 NEW SECTION. **Section 1.** Purpose -- definition. (1) The
23 purpose of [sections 1 through 3] is to establish a Montana
24 educational telecommunications network.

25 (2) For the purposes of [sections 1 through 3],

1 "network" means the Montana educational telecommunications
2 network (METNET).

3 (3) The aims of the network are to provide:

4 (a) instructional and educational coursework and
5 materials through telecommunications delivery to students in
6 kindergarten through 12th grade in the Montana public school
7 system;

8 (b) instructional and educational coursework and
9 materials through telecommunications delivery to students
10 enrolled in units of the Montana university system, the
11 vocational-technical centers, and the community colleges;

12 (c) instructional and professional development or other
13 appropriate inservice training for teachers in the schools
14 of the state; and

15 (d) telecommunications capabilities to agencies and
16 subdivisions of state government in order to improve their
17 ability to perform their responsibilities and duties.

18 NEW SECTION. Section 2. Agency cooperation --
19 responsibilities. (1) To meet the objectives of the network,
20 the following entities shall cooperate with one another:

21 (a) the department of administration, with its
22 responsibilities for telecommunications for agencies of
23 state government;

24 (b) the superintendent of public instruction, with a
25 supervisory role over the public system of elementary and

1 high schools; and

2 (c) the commissioner of higher education, with
3 responsibilities to the Montana university system, the
4 vocational-technical centers, and the community colleges.

5 (2) The responsibilities of the superintendent of
6 public instruction to the network include but are not
7 limited to:

8 (a) general supervision of delivery of educational
9 materials through telecommunications to elementary and high
10 school districts in the state;

11 (b) compilation, maintenance, and dissemination to
12 participating school districts of information that
13 identifies the educational programming available from within
14 and from outside the state;

15 (c) training of teachers and other school personnel in
16 the use of telecommunications technologies for instructional
17 purposes;

18 (d) assistance to school districts in identifying and
19 procuring the telecommunications technologies needed to
20 interface with the network;

21 (e) identification of production capability for
22 telecommunication of educational materials;

23 (f) assistance to participating school districts with
24 group purchases of instructional and educational materials;

25 (g) coordination with the commissioner of higher

1 education and the units of the Montana university system to
2 offer advanced placement courses, teacher inservice
3 training, and other instruction through the network;

4 (h) payment of the superintendent's share of the
5 network costs to the department of administration, as
6 provided in [section 4]; and

7 (i) coordinate with the department of administration to
8 ensure compatibility of network components, to minimize
9 duplication of efforts on behalf of the network, and to
10 maximize use of the network by school districts,

11 (3) The responsibilities of the department of
12 administration to the network include but are not limited
13 to:

14 (a) provision of technical support to the coordinating
15 agencies referred to in subsection (1);

16 (b) development of standards of compatibility for the
17 network;

18 (c) procurement and management of network equipment and
19 facilities that have shared use by multiple users or
20 agencies;

21 (d) assistance with procurement, installation,
22 maintenance, and operation of end-terminal equipment and
23 facilities of the network;

24 (e) minimizing any duplication of equipment and
25 facilities within the network and in conjunction with the

1 department of administration's other networking
2 capabilities;

3 (f) coordination of use of the network by state
4 agencies and subdivisions of the state in a manner that does
5 not interfere with the delivery of the primary network
6 function of providing educational services to school
7 districts and state units of higher education;

8 (g) studying the use of the network by Native American
9 tribal colleges and other nonpublic education institutions
10 in the state, with the long-range goal of coordinating the
11 use of the network with those entities; and

12 (h) maintenance of cost and usage records and a billing
13 system for user agencies for services rendered that incur
14 marginal costs for the network.

15 (4) The responsibilities of the commissioner of higher
16 education to the network include but are not limited to:

17 (a) coordination of the use of the network among the
18 units of higher education and with the superintendent of
19 public instruction and the department of administration;

20 (b) assistance to the units of the Montana university
21 system to provide college credit courses through the network
22 to students throughout the state;

23 (c) coordination with the superintendent of public
24 instruction to develop advance placement courses for high
25 school students in Montana, teacher inservice training, and

1 other services and instruction through the network;

2 (d) assistance to the units of the Montana university
3 system, the vocational-technical centers, and the community
4 colleges in defining their specific needs for interfacing
5 with the network; and

6 (e) assistance to participating units, centers, and
7 colleges with group purchases of instructional and
8 educational materials.

9 NEW SECTION. Section 3. Fee collection and disposition
10 for operational costs. For operational costs of the network,
11 each unit of the Montana university system,
12 vocational-technical center, and community college shall
13 collect from appropriate discretionary funds within each
14 entity in a manner approved by the board of regents an
15 amount equivalent to \$1 for each full-time equivalent
16 student enrolled in the unit, center, or college. The funds
17 collected must be deposited with the commissioner of higher
18 education by July 1 of the fiscal year, beginning with
19 fiscal year 1991. The commissioner of higher education shall
20 pay the department of administration the commissioner's
21 share of the network costs, as provided in [section 4].

22 NEW SECTION. Section 4. Apportionment of costs. The
23 superintendent of public instruction and the commissioner of
24 higher education shall share on a prorated basis according
25 to the related student counts any costs incurred by the

1 department of administration for the purposes of [section
2 2(3)].

3 NEW SECTION. Section 5. Appropriations. (1) There is
4 appropriated \$300,000 from the general fund to the
5 department of administration for each year of the biennium
6 ending June 30, 1993, to be used for the Montana educational
7 telecommunications network if at least half the appropriated
8 amount is available in cash or equipment value from federal
9 or other sources. If less than half the appropriated amount
10 is available, the allowable expenditures from the
11 appropriation are reduced proportionately and any remainder
12 of the appropriation must revert to the general fund.

13 (2) There is appropriated for each fiscal year of the
14 biennium ending June 30, 1993, from the state equalization
15 aid account in 20-9-343 to the superintendent of public
16 instruction an amount equal to \$1 for each average number
17 belonging calculated for the state for the previous school
18 fiscal year.

19 (3) There is appropriated each year of the biennium
20 ending June 30, 1993, to the department of administration
21 from the money collected under the provisions of [section 3]
22 and subsection (2) of this section the amount equal to any
23 costs incurred by the department of administration for the
24 purposes of [section 2(3)].

25 NEW SECTION. Section 6. Repealer. Section 20-7-1001,

HB 0030/01

- 1 MCA, is repealed.
- 2 NEW SECTION. **Section 7.** Effective date. [This act] is
- 3 effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0030, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to establish a Montana Educational Telecommunications Network to support education, economic development, and government services in the state; to designate duties and responsibilities for the network to the Department of Administration, the Superintendent of Public Instruction, and the Commissioner of Higher Education; to provide an appropriation and funding mechanisms for the program; repealing section 20-7-1001, MCA; and providing an immediate effective date.

ASSUMPTIONS:

1. The Department of Administration will receive the funds necessary to become eligible for the \$300,000 general fund appropriation each year of the 1993 biennium as stipulated in Section 5 of HB0030.
2. The Superintendent of Public Instruction and the Commissioner of Higher Education will share on a prorated basis relative to respective student enrollments any cost incurred by the Dept. of Administration.
3. Proportionate student enrollments are as follows:


	<u>FY92</u>	<u>%Total</u>	<u>FY93</u>	<u>%Total</u>
OPI:	151,636	83.48%	150,861	83.41%
Higher Ed:	30,000	16.52%	30,000	16.59%
Totals:	181,636	100.00%	180,861	100.00%

4. The Commissioner of Higher Education shall collect from appropriate discretionary funds of each higher-ed entity an amount equivalent to \$1 for each full-time equivalent student enrolled at the entity.
5. HB0030 may make an appropriation from the state equalization aid account to the Superintendent of Public Instruction for an amount equal to \$1 for each average number belonging during the previous school year.

FISCAL IMPACT:

DEPT OF ADMINISTRATION:

	<u>FY 92</u>			<u>FY 93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>Expenditures:</u>						
FTE	0.00	1.00	1.00	0.00	1.00	1.00
Personal Services	0	37,697	37,697	0	37,697	37,697
Operating Costs	0	10,000	10,000	0	10,000	10,000
Capital Outlay	0	450,000	450,000	0	450,000	450,000
Total	0	497,697	497,697	0	497,697	497,697
<u>Funding:</u>						
General Fund	0	300,000	300,000	0	300,000	300,000
State Special	0	150,000	150,000	0	150,000	150,000
Proprietary Fund	0	47,697	47,697	0	47,697	47,697
Total	0	497,697	497,697	0	497,697	497,697



 ROD SUNDSTED, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning



 RAY PECK, PRIMARY SPONSOR DATE

Fiscal Note for HB0030, as introduced

HB 30

Commissioner of Higher Ed:

	<u>FY 92</u>			<u>FY 93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>Expenditures:</u>						
FTE	0.00	.50	.50	0.00	.50	.50
Personal Services	0	22,122	22,122	0	22,088	22,088
Transfers	0	7,878	7,878	0	7,912	7,912
Total	0	30,000	30,000	0	30,000	30,000
<u>Funding:</u>						
State Special Revenue	0	30,000	30,000	0	30,000	30,000

Office of Public Instruction

	<u>FY 92</u>			<u>FY 93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>Expenditures:</u>						
FTE	0.00	2.00	2.00	0.00	2.00	2.00
Personal Services	0	64,900	64,900	0	67,900	67,900
Operating Costs	0	34,917	34,917	0	39,176	39,176
Capital Outlay	0	12,000	12,000	0	4,000	4,000
Transfers	0	39,819	39,819	0	39,785	39,785
Total	0	151,636	151,636	0	150,861	150,861
<u>Funding:</u>						
State Equalization Fund	0	151,636	151,636	0	150,861	150,861

TECHNICAL NOTES:

1. Page 7, line 19, ...fiscal year 1991 should probably be 1992.
2. The Office of the Superintendent of Public Instruction suggests it may not be possible under current statutes to use the state equalization fund, for an educational telecommunications network.

HB 30

APPROVED BY COMM. ON EDUCATION
AND CULTURAL RESOURCES

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13 EDUCATIONAL TELECOMMUNICATIONS NETWORK TO SUPPORT EDUCATION,
14 ECONOMIC DEVELOPMENT, AND GOVERNMENT SERVICES IN THE STATE;
15 TO DESIGNATE DUTIES AND RESPONSIBILITIES FOR THE NETWORK TO
16 THE DEPARTMENT OF ADMINISTRATION, THE SUPERINTENDENT OF
17 PUBLIC INSTRUCTION, AND THE COMMISSIONER OF HIGHER
18 EDUCATION; TO PROVIDE AN APPROPRIATION AND OTHER FUNDING
19 MECHANISMS FOR THE PROGRAM; AMENDING SECTIONS 20-9-343 AND
20 20-9-344, MCA; REPEALING SECTION 20-7-1001, MCA; AND
21 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

22
23 WHEREAS, the school funding reform legislation in House
24 Bill No. 28 (Chapter 11), Special Laws of June 1989,
25 promotes the use of telecommunications technology for the

1 purpose of enhancing the equal educational opportunities
2 provided to students in the Montana public school system;
3 and

4 WHEREAS, the Department of Administration, the
5 Superintendent of Public Instruction, and the Montana
6 University System, with the assistance of private consulting
7 services and other private and public entities, have
8 followed the directive in House Bill No. 28 and have
9 completed the needs assessment and network design for
10 improvements in the Montana education system through
11 telecommunications technology; and

12 WHEREAS, Montana's future depends on the ability to
13 provide quality educational opportunities and on the ability
14 to train and retrain the state's work force, regardless of
15 location in the state; and

16 WHEREAS, telecommunications can contribute to equal
17 educational opportunity for all Montanans through improved
18 access to a wide range of educational needs, such as
19 specialized coursework in languages, mathematics, and the
20 sciences, college credit coursework, adult education,
21 teacher inservice training, and preparation for professional
22 recertification; and

23 WHEREAS, by both past actions and future commitments,
24 the private sector has demonstrated its willingness to share
25 in the funding for development and enhancement of an

SECOND READING

1 educational telecommunications network in Montana.

2

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

4 NEW SECTION. Section 1. Purpose -- definition. (1) The
5 purpose of [sections 1 through 3] is to establish a Montana
6 educational telecommunications network.

7 (2) For the purposes of [sections 1 through 3],
8 "network" means the Montana educational telecommunications
9 network (METNET).

10 (3) The aims of the network are to provide:

11 (a) instructional and educational coursework and
12 materials through telecommunications delivery to students in
13 kindergarten through 12th grade in the Montana public school
14 system;

15 (b) instructional and educational coursework and
16 materials through telecommunications delivery to students
17 enrolled in units of the Montana university system, the
18 vocational-technical centers, and the community colleges;

19 (c) instructional and professional development or other
20 appropriate inservice training for teachers in the schools
21 of the state; and

22 (d) telecommunications capabilities to agencies and
23 subdivisions of state government in order to improve their
24 ability to perform their responsibilities and duties.

25 NEW SECTION. Section 2. Agency cooperation --

1 responsibilities. (1) To meet the objectives of the network,
2 the following entities shall cooperate with one another:

3 (a) the department of administration, with its
4 responsibilities for telecommunications for agencies of
5 state government;

6 (b) the superintendent of public instruction, with a
7 supervisory role over the public system of elementary and
8 high schools; and

9 (c) the commissioner of higher education, with
10 responsibilities to the Montana university system, the
11 vocational-technical centers, and the community colleges.

12 (2) The responsibilities of the superintendent of
13 public instruction to the network include but are not
14 limited to:

15 (a) general supervision of delivery of educational
16 materials through telecommunications to elementary and high
17 school districts in the state;

18 (b) compilation, maintenance, and dissemination to
19 participating school districts of information that
20 identifies the educational programming available from within
21 and from outside the state;

22 (c) training of teachers and other school personnel in
23 the use of telecommunications technologies for instructional
24 purposes;

25 (d) assistance to school districts in identifying and

1 procuring the telecommunications technologies needed to
2 interface with the network;

3 (e) identification of production capability for
4 telecommunication of educational materials;

5 (f) assistance to participating school districts with
6 group purchases of instructional and educational materials;

7 (g) coordination with the commissioner of higher
8 education and the units of the Montana university system to
9 offer advanced placement courses, teacher inservice
10 training, and other instruction through the network;

11 (h) payment of the superintendent's share of the
12 network costs to the department of administration, as
13 provided in [section 4]; and

14 (i) coordinate with the department of administration to
15 ensure compatibility of network components, to minimize
16 duplication of efforts on behalf of the network, and to
17 maximize use of the network by school districts.

18 (3) The responsibilities of the department of
19 administration to the network include but are not limited
20 to:

21 (a) provision of technical support to the coordinating
22 agencies referred to in subsection (1);

23 (b) development of standards of compatibility for the
24 network;

25 (c) procurement and management of network equipment and

1 facilities that have shared use by multiple users or
2 agencies;

3 (d) assistance with procurement, installation,
4 maintenance, and operation of end-terminal equipment and
5 facilities of the network;

6 (e) minimizing any duplication of equipment and
7 facilities within the network and in conjunction with the
8 department of administration's other networking
9 capabilities;

10 (f) coordination of use of the network by state
11 agencies and subdivisions of the state in a manner that does
12 not interfere with the delivery of the primary network
13 function of providing educational services to school
14 districts and state units of higher education;

15 (g) studying the use of the network by Native American
16 tribal colleges and other nonpublic education institutions
17 in the state, with the long-range goal of coordinating the
18 use of the network with those entities; and

19 (h) maintenance of cost and usage records and a billing
20 system for user agencies for services rendered that incur
21 marginal costs for the network.

22 (4) The responsibilities of the commissioner of higher
23 education to the network include but are not limited to:

24 (a) coordination of the use of the network among the
25 units of higher education and with the superintendent of

1 public instruction and the department of administration;

2 (b) assistance to the units of the Montana university
3 system to provide college credit courses through the network
4 to students throughout the state;

5 (c) coordination with the superintendent of public
6 instruction to develop advance placement courses for high
7 school students in Montana, teacher inservice training, and
8 other services and instruction through the network;

9 (d) assistance to the units of the Montana university
10 system, the vocational-technical centers, and the community
11 colleges in defining their specific needs for interfacing
12 with the network; and

13 (e) assistance to participating units, centers, and
14 colleges with group purchases of instructional and
15 educational materials.

16 NEW SECTION. Section 3. Fee collection and disposition
17 for operational costs. For operational costs of the network,
18 each unit of AS A CONDITION OF PARTICIPATION IN THE NETWORK,
19 the Montana university system, vocational-technical center
20 CENTERS, and community college COLLEGES shall collect from
21 appropriate discretionary funds within each entity in a
22 manner approved by the board of regents an amount equivalent
23 NOT to EXCEED \$1 for each full-time equivalent student
24 enrolled in the unit, center, or college UNITS, CENTERS, OR
25 COLLEGES. The funds collected must be deposited with the

1 commissioner of higher education by July 1 of the fiscal
2 year, beginning with fiscal year ~~1991~~ 1992 FOR THE PURPOSES
3 OF [SECTION 2(4)]. The commissioner of higher education
4 shall pay the department of administration the
5 commissioner's share of the network costs, as provided in
6 [section 4].

7 NEW SECTION. Section 4. Apportionment of costs. The
8 superintendent of public instruction and the commissioner of
9 higher education shall share on a prorated basis according
10 to the related student counts any costs incurred by the
11 department of administration for the purposes of [section
12 2(3)].

13 SECTION 5. SECTION 20-9-343, MCA, IS AMENDED TO READ:

14 "20-9-343. Definition of and revenue for state
15 equalization aid. (1) As used in this title, the term "state
16 equalization aid" means the money deposited in the state
17 special revenue fund as required in this section plus any
18 legislative appropriation of money from other sources for
19 distribution to the public schools for the purposes of
20 payment of guaranteed tax base aid and equalization of the
21 foundation program and for the Montana educational
22 telecommunications network as provided in [section 1].

23 (2) The superintendent of public instruction may spend
24 funds appropriated for state equalization aid as required
25 for the purposes of guaranteed tax base aid and, the

1 foundation program purposes, and the Montana educational
2 telecommunications network, throughout the biennium.

3 (3) The following must be paid into the state special
4 revenue fund for state equalization aid to public schools of
5 the state:

6 (a) money received from the collection of income taxes
7 under chapter 30 of Title 15, as provided by 15-1-501;

8 (b) except as provided in 15-31-702, money received
9 from the collection of corporation license and income taxes
10 under chapter 31 of Title 15, as provided by 15-1-501;

11 (c) money allocated to state equalization from the
12 collection of the severance tax on coal;

13 (d) money received from the treasurer of the United
14 States as the state's shares of oil, gas, and other mineral
15 royalties under the federal Mineral Lands Leasing Act, as
16 amended;

17 (e) interest and income money described in 20-9-341 and
18 20-9-342;

19 (f) money received from the state equalization aid levy
20 under 20-9-360;

21 (g) income from the lottery, as provided in 23-5-1027;

22 (h) the surplus revenues collected by the counties for
23 foundation program support according to 20-9-331 and
24 20-9-333;

25 (i) investment income earned by investing money in the

1 state equalization aid account in the state special revenue
2 fund; and

3 (j) 15% of the income and earnings of all coal
4 severance tax funds as provided in 17-5-704(2).

5 (4) The superintendent of public instruction shall
6 request the board of investments to invest the money in the
7 state equalization aid account to maximize investment
8 earnings to the account.

9 (5) Any surplus revenue in the state equalization aid
10 account in the second year of a biennium may be used to
11 reduce any appropriation required for the next succeeding
12 biennium."

13 **SECTION 6. SECTION 20-9-344, MCA, IS AMENDED TO READ:**

14 "20-9-344. Purpose of state equalization aid and duties
15 of the board of public education for distribution --
16 conditions of first payment. (1) The money available for
17 state equalization aid must be distributed and apportioned
18 to provide:

19 (a) an annual minimum operating revenue for the
20 elementary and high schools in each county, exclusive of
21 revenues required for debt service and for the payment of
22 any costs and expense incurred in connection with any adult
23 education program, recreation program, school food services
24 program, new buildings and grounds, and transportation; and

25 (b) the Montana educational telecommunications network

1 as provided in [section 1].

2 (2) The board of public education shall administer and
3 distribute the state equalization aid in the manner and with
4 the powers and duties provided by law. To this end, the
5 board of public education shall:

6 (a) adopt policies for regulating the distribution of
7 state equalization aid in accordance with the provisions of
8 law and in a manner that provides for monthly distribution
9 to each district of its foundation program amount and to
10 each county and district distribution of its guaranteed tax
11 base aid;

12 (b) have the power to require reports from the county
13 superintendents, budget boards, county treasurers, and
14 trustees as it considers necessary; and

15 (c) order the superintendent of public instruction to
16 distribute the state equalization aid on the basis of each
17 district's annual entitlement to the aid as established by
18 the superintendent of public instruction. In ordering the
19 distribution of state equalization aid, the board of public
20 education may not increase or decrease the state
21 equalization aid distribution to any district on account of
22 any difference that may occur during the school fiscal year
23 between budgeted and actual receipts from any other source
24 of school revenue.

25 (3) The board of public education may order the

1 superintendent of public instruction to withhold
2 distribution of state equalization aid or order the county
3 superintendent of schools to withhold county equalization
4 money from a district when the district fails to:

- 5 (a) submit reports or budgets as required by law or
- 6 rules adopted by the board of public education; or
- 7 (b) maintain accredited status.

8 (4) Prior to any proposed order by the board of public
9 education to withhold distribution of state equalization aid
10 or county equalization money, the district is entitled to a
11 contested case hearing before the board of public education,
12 as provided under the Montana Administrative Procedure Act.

13 (5) If a district or county receives more state
14 equalization aid than it is entitled to, the county
15 treasurer shall return the overpayment to the state upon the
16 request of the superintendent of public instruction in the
17 manner prescribed by the department of commerce.

18 (6) (a) The first foundation program payment and
19 guaranteed tax base aid payment must be based on an estimate
20 of 20% of the entitlement of each district or county and
21 distributed by July 15 of the school fiscal year.

22 (b) Each subsequent monthly payment must be at least 7%
23 of the entitlement of each district or county."

24 NEW SECTION. Section 7. Appropriations. (1) There is
25 appropriated \$300,000 from the general fund to the

1 department of administration for each year of the biennium
2 ending June 30, 1993, to be used for the Montana educational
3 telecommunications network if at least half the appropriated
4 amount is available in cash or equipment value from federal
5 or other sources. If less than half the appropriated amount
6 is available, the allowable expenditures from the
7 appropriation are reduced proportionately and any remainder
8 of the appropriation must revert to the general fund.

9 (2) There is appropriated for each fiscal year of the
10 biennium ending June 30, 1993, from the state equalization
11 aid account in 20-9-343 to the superintendent of public
12 instruction an amount equal to \$1 for each average number
13 belonging calculated for the state for the previous school
14 fiscal year FOR THE PURPOSES OF [SECTION 2(2)].

15 (3) There is appropriated each year of the biennium
16 ending June 30, 1993, to the department of administration
17 from the money collected under the provisions of [section 3]
18 and subsection (2) of this section the amount equal to any
19 costs incurred by the department of administration for the
20 purposes of [section 2(3)].

21 NEW SECTION. **Section 8.** Repealer. Section 20-7-1001,
22 MCA, is repealed.

23 NEW SECTION. **Section 9.** Effective date. [This act] is
24 effective on passage and approval.

-End-

RE-REFERRED AND
APPROVED BY COMMITTEE
ON APPROPRIATIONS

HOUSE BILL NO. 30

INTRODUCED BY PECK, VAN VALKENBURG, DEVLIN, G. BECK, SWIFT,
SQUIRES, JERGESON, KADAS, L. NELSON, QUILICI, T. NELSON,
HARRINGTON, PHILLIPS, WYATT, BRADLEY, BIANCHI,
WATERMAN, GERVAIS, BACHINI, J. BROWN, MERCER, DAILY,
SCHYE, O'KEEFE, COCCHIARELLA, DAVIS, DARKO, HARPER,
KILPATRICK, STICKNEY, WHALEN, KIMBERLEY, DOLEZAL,
NISBET, D. BROWN

BY REQUEST OF THE LEGISLATIVE OVERSIGHT COMMITTEE

ON SCHOOL FUNDING IMPLEMENTATION

A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH A MONTANA
EDUCATIONAL TELECOMMUNICATIONS NETWORK TO SUPPORT EDUCATION,
ECONOMIC DEVELOPMENT, AND GOVERNMENT SERVICES IN THE STATE;
TO DESIGNATE DUTIES AND RESPONSIBILITIES FOR THE NETWORK TO
THE DEPARTMENT OF ADMINISTRATION, THE SUPERINTENDENT OF
PUBLIC INSTRUCTION, AND THE COMMISSIONER OF HIGHER
EDUCATION; TO PROVIDE AN APPROPRIATION AND OTHER FUNDING
MECHANISMS FOR THE PROGRAM; AMENDING SECTIONS 20-9-343 AND
20-9-344, MCA; REPEALING SECTION 20-7-1001, MCA; AND
PROVIDING AN IMMEDIATE EFFECTIVE DATE."

WHEREAS, the school funding reform legislation in House
Bill No. 28 (Chapter 11), Special Laws of June 1989,
promotes the use of telecommunications technology for the

purpose of enhancing the equal educational opportunities
provided to students in the Montana public school system;
and

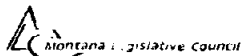
WHEREAS, the Department of Administration, the
Superintendent of Public Instruction, and the Montana
University System, with the assistance of private consulting
services and other private and public entities, have
followed the directive in House Bill No. 28 and have
completed the needs assessment and network design for
improvements in the Montana education system through
telecommunications technology; and

WHEREAS, Montana's future depends on the ability to
provide quality educational opportunities and on the ability
to train and retrain the state's work force, regardless of
location in the state; and

WHEREAS, telecommunications can contribute to equal
educational opportunity for all Montanans through improved
access to a wide range of educational needs, such as
specialized coursework in languages, mathematics, and the
sciences, college credit coursework, adult education,
teacher inservice training, and preparation for professional
recertification; and

WHEREAS, by both past actions and future commitments,
the private sector has demonstrated its willingness to share
in the funding for development and enhancement of an

SECOND READING



1 educational telecommunications network in Montana.

2
3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

4 NEW SECTION. **Section 1.** Purpose -- definition. (1) The
5 purpose of [sections 1 through 3] is to establish a Montana
6 educational telecommunications network.

7 (2) For the purposes of [sections 1 through 3],
8 "network" means the Montana educational telecommunications
9 network (METNET).

10 (3) The aims of the network are to provide:

11 (a) instructional and educational coursework and
12 materials through telecommunications delivery to students in
13 kindergarten through 12th grade in the Montana public school
14 system;

15 (b) instructional and educational coursework and
16 materials through telecommunications delivery to students
17 enrolled in units of the Montana university system, the
18 vocational-technical centers, and the community colleges;

19 (c) instructional and professional development or other
20 appropriate inservice training for teachers in the schools
21 of the state; and

22 (d) telecommunications capabilities to agencies and
23 subdivisions of state government in order to improve their
24 ability to perform their responsibilities and duties.

25 NEW SECTION. **Section 2.** Agency cooperation --

1 responsibilities. (1) To meet the objectives of the network,
2 the following entities shall cooperate with one another:

3 (a) the department of administration, with its
4 responsibilities for telecommunications for agencies of
5 state government;

6 (b) the superintendent of public instruction, with a
7 supervisory role over the public system of elementary and
8 high schools; and

9 (c) the commissioner of higher education, with
10 responsibilities to the Montana university system, the
11 vocational-technical centers, and the community colleges.

12 (2) The responsibilities of the superintendent of
13 public instruction to the network include but are not
14 limited to:

15 (a) general supervision of delivery of educational
16 materials through telecommunications to elementary and high
17 school districts in the state;

18 (b) compilation, maintenance, and dissemination to
19 participating school districts of information that
20 identifies the educational programming available from within
21 and from outside the state;

22 (c) training of teachers and other school personnel in
23 the use of telecommunications technologies for instructional
24 purposes;

25 (d) assistance to school districts in identifying and

1 procuring the telecommunications technologies needed to
2 interface with the network;

3 (e) identification of production capability for
4 telecommunication of educational materials;

5 (f) assistance to participating school districts with
6 group purchases of instructional and educational materials;

7 (g) coordination with the commissioner of higher
8 education and the units of the Montana university system to
9 offer advanced placement courses, teacher inservice
10 training, and other instruction through the network;

11 (h) payment of the superintendent's share of the
12 network costs to the department of administration, as
13 provided in [section 4]; and

14 (i) coordinate with the department of administration to
15 ensure compatibility of network components, to minimize
16 duplication of efforts on behalf of the network, and to
17 maximize use of the network by school districts.

18 (3) The responsibilities of the department of
19 administration to the network include but are not limited
20 to:

21 (a) provision of technical support to the coordinating
22 agencies referred to in subsection (1);

23 (b) development of standards of compatibility for the
24 network;

25 (c) procurement and management of network equipment and

1 facilities that have shared use by multiple users or
2 agencies;

3 (d) assistance with procurement, installation,
4 maintenance, and operation of end-terminal equipment and
5 facilities of the network;

6 (e) minimizing any duplication of equipment and
7 facilities within the network and in conjunction with the
8 department of administration's other networking
9 capabilities;

10 (f) coordination of use of the network by state
11 agencies and subdivisions of the state in a manner that does
12 not interfere with the delivery of the primary network
13 function of providing educational services to school
14 districts and state units of higher education;

15 (g) studying the use of the network by Native American
16 tribal colleges and other nonpublic education institutions
17 in the state, with the long-range goal of coordinating the
18 use of the network with those entities; and

19 (h) maintenance of cost and usage records and a billing
20 system for user agencies for services rendered that incur
21 marginal costs for the network.

22 (4) The responsibilities of the commissioner of higher
23 education to the network include but are not limited to:

24 (a) coordination of the use of the network among the
25 units of higher education and with the superintendent of

1 public instruction and the department of administration;

2 (b) assistance to the units of the Montana university
3 system to provide college credit courses through the network
4 to students throughout the state;

5 (c) coordination with the superintendent of public
6 instruction to develop advance placement courses for high
7 school students in Montana, teacher inservice training, and
8 other services and instruction through the network;

9 (d) assistance to the units of the Montana university
10 system, the vocational-technical centers, and the community
11 colleges in defining their specific needs for interfacing
12 with the network; and

13 (e) assistance to participating units, centers, and
14 colleges with group purchases of instructional and
15 educational materials.

16 NEW SECTION. Section 3. Fee collection and disposition
17 for operational costs. For operational costs of the network,
18 each unit of AS A CONDITION OF PARTICIPATION IN THE NETWORK,
19 the Montana university system, vocational-technical center
20 CENTERS, and community college COLLEGES shall collect from
21 appropriate discretionary funds within each entity in a
22 manner approved by the board of regents an amount equivalent
23 NOT to EXCEED \$1 for each full-time equivalent student
24 enrolled in the unit, center, or college UNITS, CENTERS, OR
25 COLLEGES. The funds collected must be deposited with the

1 commissioner of higher education by July 1 of the fiscal
2 year, beginning with fiscal year ~~1991~~ 1992 FOR THE PURPOSES
3 OF [SECTION 2(4)]. The commissioner of higher education
4 shall pay the department of administration the
5 commissioner's share of the network costs, as provided in
6 [section 4].

7 NEW SECTION. Section 4. Apportionment of costs. The
8 superintendent of public instruction and the commissioner of
9 higher education shall share on a prorated basis according
10 to the related student counts any costs incurred by the
11 department of administration for the purposes of [section
12 2(3)].

13 SECTION 5. SECTION 20-9-343, MCA, IS AMENDED TO READ:
14 "20-9-343. Definition of and revenue for state
15 equalization aid. (1) As used in this title, the term "state
16 equalization aid" means the money deposited in the state
17 special revenue fund as required in this section plus any
18 legislative appropriation of money from other sources for
19 distribution to the public schools for the purposes of
20 payment of guaranteed tax base aid and equalization of the
21 foundation program and for the Montana educational
22 telecommunications network as provided in [section 1].

23 (2) The superintendent of public instruction may spend
24 funds appropriated for state equalization aid as required
25 for the purposes of guaranteed tax base aid and, the

1 foundation program purposes, and the Montana educational
2 telecommunications network, throughout the biennium.

3 (3) The following must be paid into the state special
4 revenue fund for state equalization aid to public schools of
5 the state:

6 (a) money received from the collection of income taxes
7 under chapter 30 of Title 15, as provided by 15-1-501;

8 (b) except as provided in 15-31-702, money received
9 from the collection of corporation license and income taxes
10 under chapter 31 of Title 15, as provided by 15-1-501;

11 (c) money allocated to state equalization from the
12 collection of the severance tax on coal;

13 (d) money received from the treasurer of the United
14 States as the state's shares of oil, gas, and other mineral
15 royalties under the federal Mineral Lands Leasing Act, as
16 amended;

17 (e) interest and income money described in 20-9-341 and
18 20-9-342;

19 (f) money received from the state equalization aid levy
20 under 20-9-360;

21 (g) income from the lottery, as provided in 23-5-1027;

22 (h) the surplus revenues collected by the counties for
23 foundation program support according to 20-9-331 and
24 20-9-333;

25 (i) investment income earned by investing money in the

1 state equalization aid account in the state special revenue
2 fund; and

3 (j) 15% of the income and earnings of all coal
4 severance tax funds as provided in 17-5-704(2).

5 (4) The superintendent of public instruction shall
6 request the board of investments to invest the money in the
7 state equalization aid account to maximize investment
8 earnings to the account.

9 (5) Any surplus revenue in the state equalization aid
10 account in the second year of a biennium may be used to
11 reduce any appropriation required for the next succeeding
12 biennium."

13 **SECTION 6. SECTION 20-9-344, MCA, IS AMENDED TO READ:**

14 "20-9-344. Purpose of state equalization aid and duties
15 of the board of public education for distribution --
16 conditions of first payment. (1) The money available for
17 state equalization aid must be distributed and apportioned
18 to provide:

19 (a) an annual minimum operating revenue for the
20 elementary and high schools in each county, exclusive of
21 revenues required for debt service and for the payment of
22 any costs and expense incurred in connection with any adult
23 education program, recreation program, school food services
24 program, new buildings and grounds, and transportation; and

25 (b) the Montana educational telecommunications network

1 as provided in [section 1].

2 (2) The board of public education shall administer and
 3 distribute the state equalization aid in the manner and with
 4 the powers and duties provided by law. To this end, the
 5 board of public education shall:

6 (a) adopt policies for regulating the distribution of
 7 state equalization aid in accordance with the provisions of
 8 law and in a manner that provides for monthly distribution
 9 to each district of its foundation program amount and to
 10 each county and district distribution of its guaranteed tax
 11 base aid;

12 (b) have the power to require reports from the county
 13 superintendents, budget boards, county treasurers, and
 14 trustees as it considers necessary; and

15 (c) order the superintendent of public instruction to
 16 distribute the state equalization aid on the basis of each
 17 district's annual entitlement to the aid as established by
 18 the superintendent of public instruction. In ordering the
 19 distribution of state equalization aid, the board of public
 20 education may not increase or decrease the state
 21 equalization aid distribution to any district on account of
 22 any difference that may occur during the school fiscal year
 23 between budgeted and actual receipts from any other source
 24 of school revenue.

25 (3) The board of public education may order the

1 superintendent of public instruction to withhold
 2 distribution of state equalization aid or order the county
 3 superintendent of schools to withhold county equalization
 4 money from a district when the district fails to:

5 (a) submit reports or budgets as required by law or
 6 rules adopted by the board of public education; or

7 (b) maintain accredited status.

8 (4) Prior to any proposed order by the board of public
 9 education to withhold distribution of state equalization aid
 10 or county equalization money, the district is entitled to a
 11 contested case hearing before the board of public education,
 12 as provided under the Montana Administrative Procedure Act.

13 (5) If a district or county receives more state
 14 equalization aid than it is entitled to, the county
 15 treasurer shall return the overpayment to the state upon the
 16 request of the superintendent of public instruction in the
 17 manner prescribed by the department of commerce.

18 (6) (a) The first foundation program payment and
 19 guaranteed tax base aid payment must be based on an estimate
 20 of 20% of the entitlement of each district or county and
 21 distributed by July 15 of the school fiscal year.

22 (b) Each subsequent monthly payment must be at least 7%
 23 of the entitlement of each district or county."

24 NEW SECTION. Section 7. Appropriations. (1) There is
 25 appropriated \$300,000 from the general fund to the

1 department of administration for each year of the biennium
2 ending June 30, 1993, to be used for the Montana educational
3 telecommunications network if at least half the appropriated
4 amount is available in cash or equipment value from federal
5 or other sources. If less than half the appropriated amount
6 is available, the allowable expenditures from the
7 appropriation are reduced proportionately and any remainder
8 of the appropriation must revert to the general fund.

9 (2) There is appropriated for each fiscal year of the
10 biennium ending June 30, 1993, from the state equalization
11 aid account in 20-9-343 to the superintendent of public
12 instruction an amount equal to \$1 for each average number
13 belonging calculated for the state for the previous school
14 fiscal year FOR THE PURPOSES OF [SECTION 2(2)].

15 (3) There is appropriated each year of the biennium
16 ending June 30, 1993, to the department of administration
17 from the money collected under the provisions of [section 3]
18 and subsection (2) of this section the amount equal to any
19 costs incurred by the department of administration for the
20 purposes of [section 2(3)].

21 NEW SECTION. Section 8. Repealer. Section 20-7-1001,
22 MCA, is repealed.

23 NEW SECTION. Section 9. Effective date. [This act] is
24 effective on passage and approval.

-End-

HOUSE BILL NO. 30

INTRODUCED BY PECK, VAN VALKENBURG, DEVLIN, G. BECK, SWIFT, SQUIRES, JERGESON, KADAS, L. NELSON, QUILICI, T. NELSON, HARRINGTON, PHILLIPS, WYATT, BRADLEY, BIANCHI, WATERMAN, GERVAIS, BACHINI, J. BROWN, MERCER, DAILY, SCHYE, O'KEEFE, COCCHIARELLA, DAVIS, DARKO, HARPER, KILPATRICK, STICKNEY, WHALEN, KIMBERLEY, DOLEZAL, NISBET, D. BROWN

BY REQUEST OF THE LEGISLATIVE OVERSIGHT COMMITTEE ON SCHOOL FUNDING IMPLEMENTATION

A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH A MONTANA EDUCATIONAL TELECOMMUNICATIONS NETWORK TO SUPPORT EDUCATION, ECONOMIC DEVELOPMENT, AND GOVERNMENT SERVICES IN THE STATE; TO DESIGNATE DUTIES AND RESPONSIBILITIES FOR THE NETWORK TO THE DEPARTMENT OF ADMINISTRATION, THE SUPERINTENDENT OF PUBLIC INSTRUCTION, AND THE COMMISSIONER OF HIGHER EDUCATION; TO PROVIDE AN APPROPRIATION AND OTHER FUNDING MECHANISMS FOR THE PROGRAM; AMENDING SECTIONS 20-9-343 AND 20-9-344, MCA; REPEALING SECTION 20-7-1001, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

WHEREAS, the school funding reform legislation in House Bill No. 28 (Chapter 11), Special Laws of June 1989, promotes the use of telecommunications technology for the

purpose of enhancing the equal educational opportunities provided to students in the Montana public school system; and

WHEREAS, the Department of Administration, the Superintendent of Public Instruction, and the Montana University System, with the assistance of private consulting services and other private and public entities, have followed the directive in House Bill No. 28 and have completed the needs assessment and network design for improvements in the Montana education system through telecommunications technology; and

WHEREAS, Montana's future depends on the ability to provide quality educational opportunities and on the ability to train and retrain the state's work force, regardless of location in the state; and

WHEREAS, telecommunications can contribute to equal educational opportunity for all Montanans through improved access to a wide range of educational needs, such as specialized coursework in languages, mathematics, and the sciences, college credit coursework, adult education, teacher inservice training, and preparation for professional recertification; and

WHEREAS, by both past actions and future commitments, the private sector has demonstrated its willingness to share in the funding for development and enhancement of an

THIRD READING



1 educational telecommunications network in Montana.

2

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

4 NEW SECTION. Section 1. Purpose -- definition. (1) The
5 purpose of [sections 1 through 3] is to establish a Montana
6 educational telecommunications network.

7 (2) For the purposes of [sections 1 through 3],
8 "network" means the Montana educational telecommunications
9 network (METNET).

10 (3) The aims of the network are to provide:

11 (a) instructional and educational coursework and
12 materials through telecommunications delivery to students in
13 kindergarten through 12th grade in the Montana public school
14 system;

15 (b) instructional and educational coursework and
16 materials through telecommunications delivery to students
17 enrolled in units of the Montana university system, the
18 vocational-technical centers, and the community colleges;

19 (c) instructional and professional development or other
20 appropriate inservice training for teachers in the schools
21 of the state; and

22 (d) telecommunications capabilities to agencies and
23 subdivisions of state government in order to improve their
24 ability to perform their responsibilities and duties.

25 NEW SECTION. Section 2. Agency cooperation --

1 responsibilities. (1) To meet the objectives of the network,
2 the following entities shall cooperate with one another:

3 (a) the department of administration, with its
4 responsibilities for telecommunications for agencies of
5 state government;

6 (b) the superintendent of public instruction, with a
7 supervisory role over the public system of elementary and
8 high schools; and

9 (c) the commissioner of higher education, with
10 responsibilities to the Montana university system, the
11 vocational-technical centers, and the community colleges.

12 (2) The responsibilities of the superintendent of
13 public instruction to the network include but are not
14 limited to:

15 (a) general supervision of delivery of educational
16 materials through telecommunications to elementary and high
17 school districts in the state;

18 (b) compilation, maintenance, and dissemination to
19 participating school districts of information that
20 identifies the educational programming available from within
21 and from outside the state;

22 (c) training of teachers and other school personnel in
23 the use of telecommunications technologies for instructional
24 purposes;

25 (d) assistance to school districts in identifying and

1 procuring the telecommunications technologies needed to
2 interface with the network;

3 (e) identification of production capability for
4 telecommunication of educational materials;

5 (f) assistance to participating school districts with
6 group purchases of instructional and educational materials;

7 (g) coordination with the commissioner of higher
8 education and the units of the Montana university system to
9 offer advanced placement courses, teacher inservice
10 training, and other instruction through the network;

11 (h) payment of the superintendent's share of the
12 network costs to the department of administration, as
13 provided in [section 4]; and

14 (i) coordinate with the department of administration to
15 ensure compatibility of network components, to minimize
16 duplication of efforts on behalf of the network, and to
17 maximize use of the network by school districts.

18 (3) The responsibilities of the department of
19 administration to the network include but are not limited
20 to:

21 (a) provision of technical support to the coordinating
22 agencies referred to in subsection (1);

23 (b) development of standards of compatibility for the
24 network;

25 (c) procurement and management of network equipment and

1 facilities that have shared use by multiple users or
2 agencies;

3 (d) assistance with procurement, installation,
4 maintenance, and operation of end-terminal equipment and
5 facilities of the network;

6 (e) minimizing any duplication of equipment and
7 facilities within the network and in conjunction with the
8 department of administration's other networking
9 capabilities;

10 (f) coordination of use of the network by state
11 agencies and subdivisions of the state in a manner that does
12 not interfere with the delivery of the primary network
13 function of providing educational services to school
14 districts and state units of higher education;

15 (g) studying the use of the network by Native American
16 tribal colleges and other nonpublic education institutions
17 in the state, with the long-range goal of coordinating the
18 use of the network with those entities; and

19 (h) maintenance of cost and usage records and a billing
20 system for user agencies for services rendered that incur
21 marginal costs for the network.

22 (4) The responsibilities of the commissioner of higher
23 education to the network include but are not limited to:

24 (a) coordination of the use of the network among the
25 units of higher education and with the superintendent of

1 public instruction and the department of administration;

2 (b) assistance to the units of the Montana university

3 system to provide college credit courses through the network

4 to students throughout the state;

5 (c) coordination with the superintendent of public

6 instruction to develop advance placement courses for high

7 school students in Montana, teacher inservice training, and

8 other services and instruction through the network;

9 (d) assistance to the units of the Montana university

10 system, the vocational-technical centers, and the community

11 colleges in defining their specific needs for interfacing

12 with the network; and

13 (e) assistance to participating units, centers, and

14 colleges with group purchases of instructional and

15 educational materials.

16 NEW SECTION. Section 3. Fee collection and disposition

17 for operational costs. For-operational-costs-of-the-network,

18 each-unit-of AS A CONDITION OF PARTICIPATION IN THE NETWORK,

19 the Montana university system, vocational-technical center

20 CENTERS, and community college COLLEGES shall collect from

21 appropriate discretionary funds within--each--entity in a

22 manner approved by the board of regents an amount equivalent

23 NOT to EXCEED \$1 for each full-time equivalent student

24 enrolled in the unit,-center,-or-college UNITS, CENTERS, OR

25 COLLEGES. The funds collected must be deposited with the

1 commissioner of higher education by July 1 of the fiscal

2 year, beginning with fiscal year ~~1991~~ 1992 FOR THE PURPOSES

3 OF [SECTION 2(4)]. The commissioner of higher education

4 shall pay the department of administration the

5 commissioner's share of the network costs, as provided in

6 [section 4].

7 NEW SECTION. Section 4. Apportionment of costs. The

8 superintendent of public instruction and the commissioner of

9 higher education shall share on a prorated basis according

10 to the related student counts any costs incurred by the

11 department of administration for the purposes of [section

12 2(3)].

13 SECTION 5. SECTION 20-9-343, MCA, IS AMENDED TO READ:

14 "20-9-343. Definition of and revenue for state

15 equalization aid. (1) As used in this title, the term "state

16 equalization aid" means the money deposited in the state

17 special revenue fund as required in this section plus any

18 legislative appropriation of money from other sources for

19 distribution to the public schools for the purposes of

20 payment of guaranteed tax base aid and equalization of the

21 foundation program and for the Montana educational

22 telecommunications network as provided in [section 1].

23 (2) The superintendent of public instruction may spend

24 funds appropriated for state equalization aid as required

25 for the purposes of guaranteed tax base aid and, the

1 foundation program purposes, and the Montana educational
 2 telecommunications network, throughout the biennium.

3 (3) The following must be paid into the state special
 4 revenue fund for state equalization aid to public schools of
 5 the state:

6 (a) money received from the collection of income taxes
 7 under chapter 30 of Title 15, as provided by 15-1-501;

8 (b) except as provided in 15-31-702, money received
 9 from the collection of corporation license and income taxes
 10 under chapter 31 of Title 15, as provided by 15-1-501;

11 (c) money allocated to state equalization from the
 12 collection of the severance tax on coal;

13 (d) money received from the treasurer of the United
 14 States as the state's shares of oil, gas, and other mineral
 15 royalties under the federal Mineral Lands Leasing Act, as
 16 amended;

17 (e) interest and income money described in 20-9-341 and
 18 20-9-342;

19 (f) money received from the state equalization aid levy
 20 under 20-9-360;

21 (g) income from the lottery, as provided in 23-5-1027;

22 (h) the surplus revenues collected by the counties for
 23 foundation program support according to 20-9-331 and
 24 20-9-333;

25 (i) investment income earned by investing money in the

1 state equalization aid account in the state special revenue
 2 fund; and

3 (j) 15% of the income and earnings of all coal
 4 severance tax funds as provided in 17-5-704(2).

5 (4) The superintendent of public instruction shall
 6 request the board of investments to invest the money in the
 7 state equalization aid account to maximize investment
 8 earnings to the account.

9 (5) Any surplus revenue in the state equalization aid
 10 account in the second year of a biennium may be used to
 11 reduce any appropriation required for the next succeeding
 12 biennium."

13 **SECTION 6. SECTION 20-9-344, MCA, IS AMENDED TO READ:**

14 "20-9-344. Purpose of state equalization aid and duties
 15 of the board of public education for distribution --
 16 conditions of first payment. (1) The money available for
 17 state equalization aid must be distributed and apportioned
 18 to provide:

19 (a) an annual minimum operating revenue for the
 20 elementary and high schools in each county, exclusive of
 21 revenues required for debt service and for the payment of
 22 any costs and expense incurred in connection with any adult
 23 education program, recreation program, school food services
 24 program, new buildings and grounds, and transportation; and

25 (b) the Montana educational telecommunications network

1 as provided in [section 1].

2 (2) The board of public education shall administer and
3 distribute the state equalization aid in the manner and with
4 the powers and duties provided by law. To this end, the
5 board of public education shall:

6 (a) adopt policies for regulating the distribution of
7 state equalization aid in accordance with the provisions of
8 law and in a manner that provides for monthly distribution
9 to each district of its foundation program amount and to
10 each county and district distribution of its guaranteed tax
11 base aid;

12 (b) have the power to require reports from the county
13 superintendents, budget boards, county treasurers, and
14 trustees as it considers necessary; and

15 (c) order the superintendent of public instruction to
16 distribute the state equalization aid on the basis of each
17 district's annual entitlement to the aid as established by
18 the superintendent of public instruction. In ordering the
19 distribution of state equalization aid, the board of public
20 education may not increase or decrease the state
21 equalization aid distribution to any district on account of
22 any difference that may occur during the school fiscal year
23 between budgeted and actual receipts from any other source
24 of school revenue.

25 (3) The board of public education may order the

1 superintendent of public instruction to withhold
2 distribution of state equalization aid or order the county
3 superintendent of schools to withhold county equalization
4 money from a district when the district fails to:

5 (a) submit reports or budgets as required by law or
6 rules adopted by the board of public education; or

7 (b) maintain accredited status.

8 (4) Prior to any proposed order by the board of public
9 education to withhold distribution of state equalization aid
10 or county equalization money, the district is entitled to a
11 contested case hearing before the board of public education,
12 as provided under the Montana Administrative Procedure Act.

13 (5) If a district or county receives more state
14 equalization aid than it is entitled to, the county
15 treasurer shall return the overpayment to the state upon the
16 request of the superintendent of public instruction in the
17 manner prescribed by the department of commerce.

18 (6) (a) The first foundation program payment and
19 guaranteed tax base aid payment must be based on an estimate
20 of 20% of the entitlement of each district or county and
21 distributed by July 15 of the school fiscal year.

22 (b) Each subsequent monthly payment must be at least 7%
23 of the entitlement of each district or county."

24 NEW SECTION. Section 7. Appropriations. (1) There is
25 appropriated \$300,000 from the general fund to the

1 department of administration for each year of the biennium
2 ending June 30, 1993, to be used for the Montana educational
3 telecommunications network if at least half the appropriated
4 amount is available in cash or equipment value from federal
5 or other sources. If less than half the appropriated amount
6 is available, the allowable expenditures from the
7 appropriation are reduced proportionately and any remainder
8 of the appropriation must revert to the general fund.

9 (2) There is appropriated for each fiscal year of the
10 biennium ending June 30, 1993, from the state equalization
11 aid account in 20-9-343 to the superintendent of public
12 instruction an amount equal to \$1 for each average number
13 belonging calculated for the state for the previous school
14 fiscal year FOR THE PURPOSES OF [SECTION 2(2)].

15 (3) There is appropriated each year of the biennium
16 ending June 30, 1993, to the department of administration
17 from the money collected under the provisions of [section 3]
18 and subsection (2) of this section the amount equal to any
19 costs incurred by the department of administration for the
20 purposes of [section 2(3)].

21 NEW SECTION. Section 8. Repealer. Section 20-7-1001,
22 MCA, is repealed.

23 NEW SECTION. Section 9. Effective date. [This act] is
24 effective on passage and approval.

-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 2
April 12, 1991

Page 2 of 2
April 12, 1991

... PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 30 (third reading copy -- blue), respectfully report that House Bill No. 30 be amended and as so amended be concurred in:

1. Page 3, line 22.
Following: "agencies"
Strike: "and"
Insert: ", "
2. Page 3, line 23.
Following: "government"
Insert: ", and public libraries"
3. Page 5, line 13.
Following: ";"
Strike: "and"
4. Page 5, line 17.
Strike: "."
Insert: "; and (j) determine the kinds of equipment, inservice, and district accounting necessary to implement the provisions of [sections 1 through 3] for school districts."
5. Page 6, line 11.
Strike: "and"
Insert: ", "
Following: "state"
Insert: ", and public libraries"
6. Page 7, line 12.
Following: ";"
Strike: "and"
7. Page 7, line 15.
Strike: "."
Insert: "; and (f) determination of the kinds of equipment, inservice, and accounting necessary to implement the provisions of [sections 1 through 3] for the university system, community colleges, and vocational-technical centers."
8. Page 12, line 25.
Following: "appropriated"
Insert: "\$450,000,"
Following: "\$300,000"
Insert: "of which is"

9. Page 12, line 25.
Following: "fund"
Insert: ", "

10. Page 13, line 3.
Following: "if"
Strike: "at least half"
Insert: "\$150,000 of"

11. Page 13, line 5.
Following: "than"
Strike: "half"
Insert: "\$150,000 of"

12. Page 13, line 6.
Following: "available"
Insert: "from federal or other funds"

Signed: *Andy H. Jacobson*
Andy H. Jacobson, Chairman

4-12-91
Ad. Coord.
B 4-12-91 11:30
Sec. of Senate

1 HOUSE BILL NO. 30

2 INTRODUCED BY PECK, VAN VALKENBURG, DEVLIN, G. BECK, SWIFT,
 3 SQUIRES, JERGESON, KADAS, L. NELSON, QUILICI, T. NELSON,
 4 HARRINGTON, PHILLIPS, WYATT, BRADLEY, BIANCHI,
 5 WATERMAN, GERVAIS, BACHINI, J. BROWN, MERCER, DAILY,
 6 SCHYE, O'KEEFE, COCCHIARELLA, DAVIS, DARKO, HARPER,
 7 KILPATRICK, STICKNEY, WHALEN, KIMBERLEY, DOLEZAL,
 8 NISBET, D. BROWN

9 BY REQUEST OF THE LEGISLATIVE OVERSIGHT COMMITTEE

10 ON SCHOOL FUNDING IMPLEMENTATION

11
 12 A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH A MONTANA
 13 EDUCATIONAL TELECOMMUNICATIONS NETWORK TO SUPPORT EDUCATION,
 14 ECONOMIC DEVELOPMENT, AND GOVERNMENT SERVICES IN THE STATE;
 15 TO DESIGNATE DUTIES AND RESPONSIBILITIES FOR THE NETWORK TO
 16 THE DEPARTMENT OF ADMINISTRATION, THE SUPERINTENDENT OF
 17 PUBLIC INSTRUCTION, AND THE COMMISSIONER OF HIGHER
 18 EDUCATION; TO PROVIDE AN APPROPRIATION AND OTHER FUNDING
 19 MECHANISMS FOR THE PROGRAM; AMENDING SECTIONS 20-9-343 AND
 20 20-9-344, MCA; REPEALING SECTION 20-7-1001, MCA; AND
 21 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

22
 23 WHEREAS, the school funding reform legislation in House
 24 Bill No. 28 (Chapter 11), Special Laws of June 1989,
 25 promotes the use of telecommunications technology for the

1 purpose of enhancing the equal educational opportunities
 2 provided to students in the Montana public school system;
 3 and

4 WHEREAS, the Department of Administration, the
 5 Superintendent of Public Instruction, and the Montana
 6 University System, with the assistance of private consulting
 7 services and other private and public entities, have
 8 followed the directive in House Bill No. 28 and have
 9 completed the needs assessment and network design for
 10 improvements in the Montana education system through
 11 telecommunications technology; and

12 WHEREAS, Montana's future depends on the ability to
 13 provide quality educational opportunities and on the ability
 14 to train and retrain the state's work force, regardless of
 15 location in the state; and

16 WHEREAS, telecommunications can contribute to equal
 17 educational opportunity for all Montanans through improved
 18 access to a wide range of educational needs, such as
 19 specialized coursework in languages, mathematics, and the
 20 sciences, college credit coursework, adult education,
 21 teacher inservice training, and preparation for professional
 22 recertification; and

23 WHEREAS, by both past actions and future commitments,
 24 the private sector has demonstrated its willingness to share
 25 in the funding for development and enhancement of an



1 educational telecommunications network in Montana.
 2
 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 4 NEW SECTION. Section 1. Purpose -- definition. (1) The
 5 purpose of [sections 1 through 3] is to establish a Montana
 6 educational telecommunications network.
 7 (2) For the purposes of [sections 1 through 3],
 8 "network" means the Montana educational telecommunications
 9 network (METNET).
 10 (3) The aims of the network are to provide:
 11 (a) instructional and educational coursework and
 12 materials through telecommunications delivery to students in
 13 kindergarten through 12th grade in the Montana public school
 14 system;
 15 (b) instructional and educational coursework and
 16 materials through telecommunications delivery to students
 17 enrolled in units of the Montana university system, the
 18 vocational-technical centers, and the community colleges;
 19 (c) instructional and professional development or other
 20 appropriate inservice training for teachers in the schools
 21 of the state; and
 22 (d) telecommunications capabilities to agencies and,
 23 subdivisions of state government, AND PUBLIC LIBRARIES in
 24 order to improve their ability to perform their
 25 responsibilities and duties.

1 NEW SECTION. Section 2. Agency cooperation --
 2 responsibilities. (1) To meet the objectives of the network,
 3 the following entities shall cooperate with one another:
 4 (a) the department of administration, with its
 5 responsibilities for telecommunications for agencies of
 6 state government;
 7 (b) the superintendent of public instruction, with a
 8 supervisory role over the public system of elementary and
 9 high schools; and
 10 (c) the commissioner of higher education, with
 11 responsibilities to the Montana university system, the
 12 vocational-technical centers, and the community colleges.
 13 (2) The responsibilities of the superintendent of
 14 public instruction to the network include but are not
 15 limited to:
 16 (a) general supervision of delivery of educational
 17 materials through telecommunications to elementary and high
 18 school districts in the state;
 19 (b) compilation, maintenance, and dissemination to
 20 participating school districts of information that
 21 identifies the educational programming available from within
 22 and from outside the state;
 23 (c) training of teachers and other school personnel in
 24 the use of telecommunications technologies for instructional
 25 purposes;

1 (d) assistance to school districts in identifying and
2 procuring the telecommunications technologies needed to
3 interface with the network;

4 (e) identification of production capability for
5 telecommunication of educational materials;

6 (f) assistance to participating school districts with
7 group purchases of instructional and educational materials;

8 (g) coordination with the commissioner of higher
9 education and the units of the Montana university system to
10 offer advanced placement courses, teacher inservice
11 training, and other instruction through the network;

12 (h) payment of the superintendent's share of the
13 network costs to the department of administration, as
14 provided in [section 4]; and

15 (i) coordinate with the department of administration to
16 ensure compatibility of network components, to minimize
17 duplication of efforts on behalf of the network, and to
18 maximize use of the network by school districts; AND

19 (J) DETERMINE THE KINDS OF EQUIPMENT, INSERVICE, AND
20 DISTRICT ACCOUNTING NECESSARY TO IMPLEMENT THE PROVISIONS OF
21 [SECTIONS 1 THROUGH 3] FOR SCHOOL DISTRICTS.

22 (3) The responsibilities of the department of
23 administration to the network include but are not limited
24 to:

25 (a) provision of technical support to the coordinating

1 agencies referred to in subsection (1);

2 (b) development of standards of compatibility for the
3 network;

4 (c) procurement and management of network equipment and
5 facilities that have shared use by multiple users or
6 agencies;

7 (d) assistance with procurement, installation,
8 maintenance, and operation of end-terminal equipment and
9 facilities of the network;

10 (e) minimizing any duplication of equipment and
11 facilities within the network and in conjunction with the
12 department of administration's other networking
13 capabilities;

14 (f) coordination of use of the network by state
15 agencies and, subdivisions of the state, AND PUBLIC
16 LIBRARIES in a manner that does not interfere with the
17 delivery of the primary network function of providing
18 educational services to school districts and state units of
19 higher education;

20 (g) studying the use of the network by Native American
21 tribal colleges and other nonpublic education institutions
22 in the state, with the long-range goal of coordinating the
23 use of the network with those entities; and

24 (h) maintenance of cost and usage records and a billing
25 system for user agencies for services rendered that incur

1 marginal costs for the network.

2 (4) The responsibilities of the commissioner of higher
3 education to the network include but are not limited to:

4 (a) coordination of the use of the network among the
5 units of higher education and with the superintendent of
6 public instruction and the department of administration;

7 (b) assistance to the units of the Montana university
8 system to provide college credit courses through the network
9 to students throughout the state;

10 (c) coordination with the superintendent of public
11 instruction to develop advance placement courses for high
12 school students in Montana, teacher inservice training, and
13 other services and instruction through the network;

14 (d) assistance to the units of the Montana university
15 system, the vocational-technical centers, and the community
16 colleges in defining their specific needs for interfacing
17 with the network; and

18 (e) assistance to participating units, centers, and
19 colleges with group purchases of instructional and
20 educational materials; AND

21 (F) DETERMINATION OF THE KINDS OF EQUIPMENT, INSERVICE,
22 AND ACCOUNTING NECESSARY TO IMPLEMENT THE PROVISIONS OF
23 [SECTIONS 1 THROUGH 3] FOR THE UNIVERSITY SYSTEM, COMMUNITY
24 COLLEGES, AND VOCATIONAL-TECHNICAL CENTERS.

25 NEW SECTION. Section 3. Fee collection and disposition

1 for operational costs. ~~For operational costs of the network,~~
2 ~~each unit of~~ AS A CONDITION OF PARTICIPATION IN THE NETWORK,
3 the Montana university system, vocational-technical center
4 CENTERS, and community college COLLEGES shall collect from
5 appropriate discretionary funds ~~within each entity~~ in a
6 manner approved by the board of regents an amount equivalent
7 NOT to EXCEED \$1 for each full-time equivalent student
8 enrolled in the ~~unit, center, or college~~ UNITS, CENTERS, OR
9 COLLEGES. The funds collected must be deposited with the
10 commissioner of higher education by July 1 of the fiscal
11 year, beginning with fiscal year ~~1991~~ 1992 FOR THE PURPOSES
12 OF [SECTION 2(4)]. The commissioner of higher education
13 shall pay the department of administration the
14 commissioner's share of the network costs, as provided in
15 [section 4].

16 NEW SECTION. Section 4. Apportionment of costs. The
17 superintendent of public instruction and the commissioner of
18 higher education shall share on a prorated basis according
19 to the related student counts any costs incurred by the
20 department of administration for the purposes of [section
21 2(3)].

22 SECTION 5. SECTION 20-9-343, MCA, IS AMENDED TO READ:
23 "20-9-343. Definition of and revenue for state
24 equalization aid. (1) As used in this title, the term "state
25 equalization aid" means the money deposited in the state

1 special revenue fund as required in this section plus any
 2 legislative appropriation of money from other sources for
 3 distribution to the public schools for the purposes of
 4 payment of guaranteed tax base aid and equalization of the
 5 foundation program and for the Montana educational
 6 telecommunications network as provided in [section 1].

7 (2) The superintendent of public instruction may spend
 8 funds appropriated for state equalization aid as required
 9 for the purposes of guaranteed tax base aid and, the
 10 foundation program purposes, and the Montana educational
 11 telecommunications network, throughout the biennium.

12 (3) The following must be paid into the state special
 13 revenue fund for state equalization aid to public schools of
 14 the state:

15 (a) money received from the collection of income taxes
 16 under chapter 30 of Title 15, as provided by 15-1-501;

17 (b) except as provided in 15-31-702, money received
 18 from the collection of corporation license and income taxes
 19 under chapter 31 of Title 15, as provided by 15-1-501;

20 (c) money allocated to state equalization from the
 21 collection of the severance tax on coal;

22 (d) money received from the treasurer of the United
 23 States as the state's shares of oil, gas, and other mineral
 24 royalties under the federal Mineral Lands Leasing Act, as
 25 amended;

1 (e) interest and income money described in 20-9-341 and
 2 20-9-342;

3 (f) money received from the state equalization aid levy
 4 under 20-9-360;

5 (g) income from the lottery, as provided in 23-5-1027;

6 (h) the surplus revenues collected by the counties for
 7 foundation program support according to 20-9-331 and
 8 20-9-333;

9 (i) investment income earned by investing money in the
 10 state equalization aid account in the state special revenue
 11 fund; and

12 (j) 15% of the income and earnings of all coal
 13 severance tax funds as provided in 17-5-704(2).

14 (4) The superintendent of public instruction shall
 15 request the board of investments to invest the money in the
 16 state equalization aid account to maximize investment
 17 earnings to the account.

18 (5) Any surplus revenue in the state equalization aid
 19 account in the second year of a biennium may be used to
 20 reduce any appropriation required for the next succeeding
 21 biennium."

22 **SECTION 6. SECTION 20-9-344, MCA, IS AMENDED TO READ:**

23 "20-9-344. Purpose of state equalization aid and duties
 24 of the board of public education for distribution --
 25 conditions of first payment. (1) The money available for

1 state equalization aid must be distributed and apportioned
2 to provide:

3 (a) an annual minimum operating revenue for the
4 elementary and high schools in each county, exclusive of
5 revenues required for debt service and for the payment of
6 any costs and expense incurred in connection with any adult
7 education program, recreation program, school food services
8 program, new buildings and grounds, and transportation; and

9 (b) the Montana educational telecommunications network
10 as provided in [section 1].

11 (2) The board of public education shall administer and
12 distribute the state equalization aid in the manner and with
13 the powers and duties provided by law. To this end, the
14 board of public education shall:

15 (a) adopt policies for regulating the distribution of
16 state equalization aid in accordance with the provisions of
17 law and in a manner that provides for monthly distribution
18 to each district of its foundation program amount and to
19 each county and district distribution of its guaranteed tax
20 base aid;

21 (b) have the power to require reports from the county
22 superintendents, budget boards, county treasurers, and
23 trustees as it considers necessary; and

24 (c) order the superintendent of public instruction to
25 distribute the state equalization aid on the basis of each

1 district's annual entitlement to the aid as established by
2 the superintendent of public instruction. In ordering the
3 distribution of state equalization aid, the board of public
4 education may not increase or decrease the state
5 equalization aid distribution to any district on account of
6 any difference that may occur during the school fiscal year
7 between budgeted and actual receipts from any other source
8 of school revenue.

9 (3) The board of public education may order the
10 superintendent of public instruction to withhold
11 distribution of state equalization aid or order the county
12 superintendent of schools to withhold county equalization
13 money from a district when the district fails to:

14 (a) submit reports or budgets as required by law or
15 rules adopted by the board of public education; or

16 (b) maintain accredited status.

17 (4) Prior to any proposed order by the board of public
18 education to withhold distribution of state equalization aid
19 or county equalization money, the district is entitled to a
20 contested case hearing before the board of public education,
21 as provided under the Montana Administrative Procedure Act.

22 (5) If a district or county receives more state
23 equalization aid than it is entitled to, the county
24 treasurer shall return the overpayment to the state upon the
25 request of the superintendent of public instruction in the

1 manner prescribed by the department of commerce.

2 (6) (a) The first foundation program payment and
3 guaranteed tax base aid payment must be based on an estimate
4 of 20% of the entitlement of each district or county and
5 distributed by July 15 of the school fiscal year.

6 (b) Each subsequent monthly payment must be at least 7%
7 of the entitlement of each district or county."

8 NEW SECTION. Section 7. Appropriations. (1) There is
9 appropriated \$450,000, \$300,000 OF WHICH IS from the general
10 fund, to the department of administration for each year of
11 the biennium ending June 30, 1993, to be used for the
12 Montana educational telecommunications network if ~~at least~~
13 half \$150,000 OF the appropriated amount is available in
14 cash or equipment value from federal or other sources. If
15 less than half \$150,000 OF the appropriated amount is
16 available FROM FEDERAL OR OTHER FUNDS, the allowable
17 expenditures from the appropriation are reduced
18 proportionately and any remainder of the appropriation must
19 revert to the general fund.

20 (2) There is appropriated for each fiscal year of the
21 biennium ending June 30, 1993, from the state equalization
22 aid account in 20-9-343 to the superintendent of public
23 instruction an amount equal to \$1 for each average number
24 belonging calculated for the state for the previous school
25 fiscal year FOR THE PURPOSES OF [SECTION 2(2)].

1 (3) There is appropriated each year of the biennium
2 ending June 30, 1993, to the department of administration
3 from the money collected under the provisions of [section 3]
4 and subsection (2) of this section the amount equal to any
5 costs incurred by the department of administration for the
6 purposes of [section 2(3)].

7 NEW SECTION. Section 8. Repealer. Section 20-7-1001,
8 MCA, is repealed.

9 NEW SECTION. Section 9. Effective date. [This act] is
10 effective on passage and approval.

-End-