

HOUSE BILL 226

Introduced by O'Keefe

1/17	Introduced
1/17	Referred to Education & Cultural Resources
1/17	Fiscal Note Requested
1/24	Fiscal Note Received
1/24	Fiscal Note Printed
2/20	Hearing
2/20	Tabled in Committee

1 HOUSE BILL NO. 226  
 2 INTRODUCED BY Keefe  
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROHIBIT A UNIT OF  
 5 THE MONTANA UNIVERSITY SYSTEM FROM CHARGING INCIDENTAL FEES  
 6 TO PART-TIME STUDENTS WHO ARE TAKING OFF-CAMPUS COURSEWORK;  
 7 AND AMENDING SECTIONS 20-25-302 AND 20-25-401, MCA."  
 8

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

10 **Section 1.** Section 20-25-302, MCA, is amended to read:

11 "20-25-302. Revenue-producing facilities -- powers of  
 12 regents. The regents of the Montana university system may:

13 (1) purchase, construct, equip, or improve, at any unit  
 14 of the Montana university system, any of the following types  
 15 of revenue-producing facilities:

- 16 (a) land;
- 17 (b) residence halls, dormitories, houses, apartments,  
 18 and other housing facilities;
- 19 (c) dining rooms and halls, restaurants, cafeterias,  
 20 and other food service facilities;
- 21 (d) student union buildings and facilities; and
- 22 (e) those other facilities specifically authorized by  
 23 joint resolution of the legislature;

24 (2) rent housing facilities and provide food and other  
 25 services to the students, officers, guests, and employees of

1 the unit at rates that will ensure a reasonable net income  
 2 over operating expenses and will provide for debt service  
 3 and reserves and provide for the collection of charges,  
 4 admissions, and fees for the use of other facilities by  
 5 students and other persons, which charges, admissions, and  
 6 fees shall not be deemed to be tuition within the meaning of  
 7 20-25-421 and may be collected from any or all students  
 8 except as provided in [section 3]. Student building fees  
 9 established and in effect on January 1, 1965, which are  
 10 imposed uniformly upon all students or upon all of a  
 11 specified class of students in attendance at any unit of the  
 12 Montana university system shall not be increased without  
 13 authorization by law unless absolutely necessary and then  
 14 only to the extent necessary to pay principal or interest  
 15 due on obligations for which such fees have been or shall be  
 16 pledged or to maintain reserves securing the payment of such  
 17 obligations in accordance with the indentures, resolutions,  
 18 contracts, or other instruments authorizing the issuance of  
 19 such obligations; provided that at any unit of the Montana  
 20 university system where the aggregate amount of student  
 21 building fees in effect on January 1, 1965, was less than  
 22 \$50 per student per academic year, such fees may be  
 23 increased or additional student building fees may be  
 24 established to an aggregate amount not exceeding \$50 per  
 25 student per academic year and provided further that

1 additional student building fees may be established or  
 2 existing student building fees may be increased at the  
 3 university of Montana at Missoula to an aggregate amount not  
 4 to exceed \$90 per student per academic year. This limitation  
 5 shall not affect admission or use charges which are made to  
 6 individual students or others in proportion to their use or  
 7 occupancy of particular facilities or services and shall not  
 8 affect any student building fees or other charges which are  
 9 made pursuant to 20-25-421 for nonresident students.

10 (3) hold the net income derived from the operation of  
 11 such facilities and the charges, admissions, and fees so  
 12 collected and devote the revenues from these sources to debt  
 13 service and reserves, repairs, replacements, and betterments  
 14 of the facilities or, so far as such revenues have not been  
 15 previously obligated for these purposes, to the acquisition,  
 16 erection, equipping, enlarging, or improvement of additional  
 17 facilities of the types described in this section;

18 (4) exercise full control and complete management of  
 19 such facilities;

20 (5) rent the facilities to other public or private  
 21 persons, firms, and corporations for such uses, at such  
 22 times, for such periods, and at such rates as in the  
 23 regents' judgment will be consistent with the full use  
 24 thereof for academic purposes and will add to the revenues  
 25 available for capital costs and debt service;

1 (6) do all things necessary to plan for and propose  
 2 financing, including all necessary loan applications, for:

3 (a) classroom, laboratory, library, bookstore, and  
 4 other instructional facilities;

5 (b) office, recordkeeping, storage, equipment  
 6 maintenance, and other administrative and operational  
 7 facilities;

8 (c) stadiums, fieldhouses, armories, arenas,  
 9 gymnasiums, swimming pools, and other facilities for  
 10 athletic and military instruction, exhibitions, games, and  
 11 contests;

12 (d) auditoriums, theaters, music halls, and other  
 13 assembly, theatrical, musical, and entertainment facilities;

14 (e) hospital, nursing, and other health instruction and  
 15 service facilities;

16 (f) nurseries, barns, arenas, pavilions, and other  
 17 facilities for agricultural and livestock breeding,  
 18 development, and exhibition;

19 (g) parking lots and ramps and other parking  
 20 facilities; and

21 (h) land needed for such facilities."

22 **Section 2.** Section 20-25-401, MCA, is amended to read:

23 "20-25-401. Student building fees at Montana state  
 24 university. The Except as provided in [section 3], the board  
 25 of regents of the Montana university system is authorized to

1 establish and collect student building fees for all students  
 2 or for all of any specified class of students in attendance  
 3 at Montana state university, Bozeman, Montana, in the amount  
 4 of \$9.25 per student for each quarter of the academic year  
 5 and for each summer session and to pledge the receipts of  
 6 such fees for the payment of the cost of acquisition,  
 7 construction, and equipment of physical education, athletic,  
 8 and recreation facilities at the university or of the  
 9 principal and interest on revenue bonds to be issued to  
 10 finance such facilities, in accordance with the provisions  
 11 of parts 3 and 4 of this chapter. Of the fee so authorized,  
 12 \$3 is included in the student building fees established and  
 13 in effect at the university on January 1, 1965, and the  
 14 remainder is authorized as an increase in such fees pursuant  
 15 to 20-25-302."

16 NEW SECTION. Section 3. Prohibition against charging  
 17 incidental fees to part-time students taking off-campus  
 18 coursework. The board of regents of the Montana university  
 19 system may not charge and collect from a part-time student  
 20 who is taking off-campus coursework any fees that are not  
 21 directly related to the delivery of academic coursework,  
 22 including building fees, athletic fees, activity fees, or  
 23 recreation facility fees. A part-time student who is taking  
 24 off-campus coursework may choose to pay the fees if the  
 25 student desires to enjoy the benefits of the services that

1 are covered by the fees.

2 NEW SECTION. Section 4. Codification instruction.  
 3 [Section 3] is intended to be codified as an integral part  
 4 of Title 20, chapter 25, and the provisions of Title 20,  
 5 chapter 25, apply to [section 3].

-End-

STATE OF MONTANA - FISCAL NOTE  
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0226, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to prohibit a unit of the Montana University System from charging incidental fees to part-time students who are taking off-campus coursework.

ASSUMPTIONS:

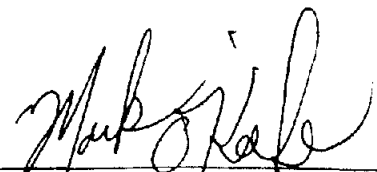
1. "Off-campus" is defined as occurring outside of the community in which the campus is located.
2. Off-campus fee collections are not deposited in the current unrestricted account. Therefore, amounts of fees collected are not appropriated by the legislature. The fee collections are deposited into auxiliary and plant funds and are utilized by the campuses to retire indebtedness or for other special or capital outlay purposes approved by the Board of Regents.
3. FY90 off-campus fee collections from part-time students are as follows:

University of Montana Building Fees	\$3,345
Montana State University Building Fees	75,000
Western Montana College of the UM Building Fees	1,649
Western Montana College of the UM "other fees"	1,021
Northern Montana College Building Fees	27,360
Eastern Montana College	0
Montana College of Mineral Science and Technology	0
<b>FY90 TOTAL BUILDING AND OTHER INCIDENTAL FEES</b>	<b>\$108,375</b>
4. FY92 and FY93 fee collections will be the same as FY90 fee collections.

FISCAL IMPACT:

While there is no impact on the amount or type of funds traditionally appropriated by the legislature, the six units of the university system will lose approximately \$108,375 per year or \$216,750 for the biennium in off-campus incidental fee revenues which are primarily used for retirement of indebtedness.

  
ROD SUNDSTED, BUDGET DIRECTOR  
Office of Budget and Program Planning  
DATE 1-23-91

  
MARK O'KEEFE, PRIMARY SPONSOR  
DATE 1/24/90  
Fiscal Note for HB0226, as introduced  
HB 226