

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - 1st SPECIAL SESSION

#### COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

Call to Order: By Chairman Schye, on June 23, 1989, at 1:00 p.m.

#### ROLL CALL

Members Present: ALL

Members Excused: None

Members Absent: None

Staff Present: Andrea Merrill, Legislative Researcher  
Claudia Johnson, Committee Secretary

Announcements/Discussion: None

#### DISPOSITION OF HOUSE BILL 45

Motion: Rep. Thomas made the motion that HB 45 do pass.

Discussion: Rep. Thomas stated that he realized this bill probably will not pass through, but felt it has good elements and should be dealt with bill by bill.

Rep. Darko spoke against the bill because it takes the poor districts and takes the limited resources that they have even if there are industries assuming they have no impact and redistributes what little wealth they have to the rest of the state and raises the mill levies in those low wealth districts. She stated that this bill does not consider poor counties and low wealth districts to make them wealthy.

Rep. Phillips stated that this is the only long range bill that addresses the moving around of wealth.

Rep. Kimberley felt that this bill has had more of a fair hearing and response than the other equalization bills.

Rep. Zook stated that this is the only bill that takes a little bit of the wealth from each county and distributes it equally throughout the State.

Rep. Glaser distributed a handout on the comparisons of the different equalization bills for public school equalization proposals. (See EXHIBIT 1).

Rep. Darko stated that her district has 95 percent federal land, 3 big industries which they draw their tax base from and the

rest is residential property. She stated that there is no agriculture property and no business property and that gives them a very narrow tax base.

Amendments, Discussion, and Votes: None

Recommendation and Vote: The question was called. Roll call vote was taken. (See EXHIBIT 2). The motion CARRIED 14/10 to DO PASS.

#### DISPOSITION OF HOUSE BILL 28

Motion: Rep. Harrington moved HB 28 a do pass.

Discussion: Rep. Harrington stated that HB 28 meets the equalization requirements to move forward and solve the problems.

Amendments, Discussion, and Votes: Rep. Cobb distributed a handout from the Kadas/Ramirez' bill. (See EXHIBIT 3). Rep. Cobb moved the amendment stating that this does not solve the problem, but he stated that it puts caps on the general fund reserves.

VOTE: A voice vote was taken on Rep. Cobb's amendment. The motion CARRIED unanimously.

Amendments, Discussion, and Votes: Rep. Daily distributed a handout for an amendment on severance pay. (See EXHIBIT 4). Rep. Fritz stated that this amendment adds to the list of why a district can have an additional voted levy. If a district has excessive severance costs, that district will be able to have an additional levy to pay for those costs.

VOTE: A voice vote was taken on Rep. Daily's amendment. The motion CARRIED with exception of Rep. Wallin, Rep. Spring, Rep. Grinde, Rep. Eudaily and Rep. Nelson voting no.

Amendments, Discussion, and Votes: Rep. Cobb referred to EXHIBIT 1, page 2, on the State/County equalization funding, under retirement on the Kadas/Ramirez' concept of the guaranteed mill which the State guarantees a certain percentage of the mill and the local districts pays the rest.

Motion: Rep. Cobb moved to adopt the Kadas/Ramirez' concept of the guaranteed mill for the retirement portion only.

Vote: The question was called. A voice vote was taken. The motion CARRIED unanimously. Rep. Glaser voted no.

Amendments, Discussion, and Votes: Rep. Harrington distributed a handout. (See EXHIBIT 5). This amendment allows the districts to go to 120 percent or 4 percent above the 1988 level. Rep. Harrington made the motion to adopt this amendment.

Rep. Thomas stated that the final bill that comes out will have to have final control. He felt that the 104 percent needed to be coupled with an equalizer, e.g., the Kadas/Ramirez' plan or the centrally assessed plan. If there is not a equalizer in the bill there will still be a 104 percent on the top, and being raised locally with no change in the local ability to raise that money. Rep. Thomas stated that there is no disparity eliminated in this bill to equalize the wealth.

Rep. Peck asked Rep. Harrington if this amendment removes the freeze? Rep. Harrington stated that he did not think so. He stated that all this amendment does is bring the schools into the program without causing major cutbacks. Rep. Peck stated that he was going to speak against this amendment, because he felt that it will removes any cap on higher spending schools.

Rep. Eudaily asked Rep. Harrington if HB 6 passes with the 4 percent for the first year of the biennium will this amendment add 4 percent to that? Rep. Harrington replied that it would, but every school will have the same overall amount that those schools reach as far as the 117 percent cap.

Vote: The question was called. Roll call vote was taken. (See EXHIBIT 6). The motion FAILED 12/12.

Amendments, Discussion, and Votes: Rep. Daily distributed a handout. (See EXHIBIT 6). Rep. Daily made the motion to move EXHIBIT 6. The amendment states "when a district's approved final budget for personnel costs exceeds 80 percent of the previous year's combined expenditures from its general fund, retirement fund, and comprehensive insurance fund adjusted for inflation, as provided in 15-30-101". Rep. Daily stated that he felt that the Governor of Montana is the only one that has presented a plan that does not destroy school districts in the State which is the 104 percent figure in his budget.

Rep. Glaser asked Rep. Daily about his amendment where it states "as provided in 15-30-101", he stated that was wrong and it should be "as defined in 15-30-101". Rep. Daily stated that he did not have any problem with that change. Rep. Daily rephrased his amendment. After the 80 percent need to insert "of the 1989 combined budget and 80 percent of the previous year's budget".

Motion: Rep. Daily made a motion on his substitute amendment. The question was called.

VOTE: Rep. Kilpatrick called the question. Roll call vote was taken. (See EXHIBIT 8). The motion CARRIED 14/9.

Amendments, Discussions, and Votes: Rep. Schye stated that he had several amendments to present that had come out of Sen. Nathe's bill (SB 203). Rep. Schye stated that they are the funding resources.

Chairman Schye called a recess at 3:30 for the Taxation Committee and informed the Committee Members to be back at 4:30 to continue executive action on HB 28.

When the Committee Members came back at 4:30 Chairman Schye informed them that the amendments for the funding resources were being made from Sen. Mazurek's bill and Sen. Gage's bill.

Amendments, Discussions, and Votes: Rep. Cobb made the motion to take the transportation out of the bill and place it into a study. Chairman Schye clarified the statement; To wave current law the way transportation is paid now and place it into a study and eliminate it from the equalization part of HB 28. The impact will be about \$1 million.

Vote: A voice vote was taken. The motion CARRIED unanimously.

Amendments, Discussions, and Votes: Rep. Cobb made the motion to take the 4 percent out so it is not built into the base. Rep. Cobb stated that the impact is about \$11 million. He stated that the 4 percent that was passed today is not to be included in the base, it still stays but is not in the overall base for FY 1991.

Vote: The motion is to take the 4 percent out of the base. Roll call vote was taken. (See EXHIBIT 9). The motion FAILED 11/13.

Amendments, Discussions, and Votes: Rep. Cobb made the motion to move the 100 percent funding of FY 1988 and amend that to pay only 90 percent of FY 1988 and adjust the caps.

Vote: Rep. Stang called the question. Roll call vote was taken. (See EXHIBIT 10). The motion FAILED 11/13.

Amendments, Discussions, and Votes: Rep. Glaser moved an amendment to take the schedules from Sen. Nathe's bill and convert them to 100 percent of the 1988 actuals and amend them to HB 28. Rep. Glaser stated that the percentages were not including retirement. He stated that this amendment would be moving the money from the larger school systems to the smaller schools systems.

Vote: The question was called. A voice vote was taken. The motion CARRIED. Rep. Cobb and Rep. Stang voted no.

Amendments, Discussions, and Votes: Chairman Schye offered an amendment. (See EXHIBIT 11). The motion is; "When a district had an average of combined expenditures for school

fiscal years 1989 and 1990 from its general fund, retirement fund, and comprehensive insurance fund in an amount greater than the maximum general fund budget allowed by this section, in which case the maximum general fund budget of the district is limited to the average of its combined expenditures for its school fiscal years 1989 and 1990 until that amount does not exceed 117 percent of the district's foundation program amount plus retirement fund reimbursement".

Vote: The question was called. A voice vote was taken. The motion CARRIED unanimously.

Amendments, Discussions, and Votes: Chairman Schye motioned to amend the 10 percent surcharge.

Rep. Cobb stated that he was concerned about the 10 percent surcharge because of taking \$36 million out from retirement and \$11 million from transportation.

Vote: The motion is to include the 10 percent surcharge into HB 28 for FY 1990/91. The question was called. Roll call vote was taken. (See EXHIBIT 12). The motion CARRIED 13/11.

Amendments, Discussions, and Votes: Chairman Schye offered another amendment; To take the Park acquisition flow, educational trust flow, 15 percent coal tax interest and the income tax allocation changes.

Motion: Rep. Zook made the motion to adopt the Park acquisition flow, educational flow, 15 percent coal tax interest and the income tax allocation changes in one vote and place them in HB 28.

Rep. Phillips stated that he had a problem including the Park Acquisition flow with that vote. Chairman Schye eliminated it from the rest.

Motion: Chairman Schye stated that the motion that is before the Committee now is to take the Park Acquisition flow of \$1.89 million.

Vote: The question was called. A voice vote was taken. The motion CARRIED with Rep. Grinde, Rep. Nelson, Rep. Phillips, Rep. Wallin, Rep. Zook, Rep. Simpkins, Rep. Cobb, Rep. Spring and Rep. Glaser voting no.

Motion: Chairman Schye's second motion is to take the Education Trust flow and the 15 percent coal tax interest and place it in HB 28.

Rep. Thomas asked Chairman Schye to identify the amounts of the Education trust flow and the 15 percent coal tax interest. Chairman Schye stated that the Coal Trust flow is around \$4 million, and the Education Trust flow is around \$7.2 million

Ms. Judy Rippengale commented that the Coal Trust is in the general fund. She stated that when HB 100 came over from the Senate that the Coal Trust was already included in the bill and it should be left as is.

Vote: The motion is to take the Education Trust flow of \$7.28 million for the biennium. A voice vote was taken. The motion CARRIED unanimously. Rep. Thomas voted no.

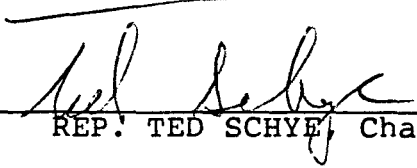
Amendments, Discussions, and Votes: Rep. Glaser moved to amend the bill to do away with the Education Trust fund and in the future to direct all of the money to be appropriated into the State Equalization Aid account.

Vote: The question was called. A voice vote was taken. The motion CARRIED unanimously.

Recommendation and Vote: Vice Chairman Daily moved that HB 28 do pass as amended. The question was called. The motion CARRIED to DO PASS AS AMENDED. Rep. Eudaily, Rep. Cobb, Rep. Simpkins, Rep. Wallin, Rep. Spring, Rep. Phillips and Rep. Grinde voted no.

ADJOURNMENT

Adjournment At: 5:35 p.m.

  
\_\_\_\_\_  
REP. TED SCHYE, Chairman

TS/cj

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DAILY ROLL  
CALL

EDUCATION AND CULTURAL RESOURCES

COMMITTEE

DATE 6/23/89

| NAME                      | PRESENT | ABSENT | EXCUSED |
|---------------------------|---------|--------|---------|
| REP. SCHYE, CHAIRMAN      | ✓       |        |         |
| REP. DAILY, VICE-CHAIRMAN | ✓       |        |         |
| REP. COBB                 | ✓       |        |         |
| REP. COCCHIARELLA         | ✓       |        |         |
| REP. DARKO                | ✓       |        |         |
| REP. DAVIS                | ✓       |        |         |
| REP. EUDAILY              | ✓       |        |         |
| REP. GERVAIS              | ✓       |        |         |
| REP. GLASER               | ✓       |        |         |
| REP. GRINDE               | ✓       |        |         |
| REP. HARRINGTON           | ✓       |        |         |
| REP. JOHNSON              | ✓       |        |         |
| REP. KIMBERLEY            | ✓       |        |         |
| REP. KILPATRICK           | ✓       |        |         |
| REP. NELSON               | ✓       |        |         |
| REP. PECK                 | ✓       |        |         |
| REP. PHILLIPS             | ✓       |        |         |
| REP. SIMPKINS             | ✓       |        |         |
| REP. SPRING, JR.          | ✓       |        |         |
| REP. STANG "SPOOK"        | ✓       |        |         |
| REP. THOMAS               | ✓       |        |         |
| REP. WALLIN               | ✓       |        |         |
| REP. WYATT                | ✓       |        |         |
| REP. ZOOK                 | ✓       |        |         |

STANDING COMMITTEE REPORT  
HOUSE BILL 45

"An Act to Generally Revise Public School Funding  
and to Create District Equalization Levies  
to Ensure Funding for the Foundation Program"

June 23, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Education and Cultural  
Resources report that HOUSE BILL 45 (first reading copy --  
white) do pass .

Signed: \_\_\_\_\_  
Ted Schye, Chairman



STANDING COMMITTEE REPORT

"An Act to Generally Revise Public School Funding,  
to Eliminate the Present Permissive Levy,  
to Eliminate the County Retirement Levy. . ."

June 26, 1989

Page 1 of 18

Mr. Speaker: We, the committee on Education and Cultural Resources report that HOUSE BILL 28 (first reading copy -- white) do pass as amended .

Signed: \_\_\_\_\_  
Ted Schye, Chairman

And, that such amendments read:

1. Title, page 1, lines 6 through 8.

Following: "LEVY;"

Strike: remainder of line 6 through "EXPENDITURES;" on line 8

Insert: "TO PROVIDE FOR A COUNTY WITH A BELOW-AVERAGE PROPERTY  
TAX MILL VALUE A GUARANTEED VALUE FOR MILLS LEVIED IN  
SUPPORT OF THE COUNTY RETIREMENT LEVY FOR DISTRICTS;"

2. Title, page 1, line 22.

Following: "MILLS;"

Insert: "TO ABOLISH THE EDUCATION TRUST FUND ACCOUNT; TO  
INSTITUTE A 10 PERCENT EDUCATION SURTAX ON INCOME;"

3. Title, page 2, lines 3 and 4.

Following: "PAYMENTS;"

Strike: remainder of line 3 through "AMOUNTS;" on line 4

4. Title, page 2, line 13.

Following: "2-7-504,"

Insert: "15-1-501,"

Following: "15-10-412,"

Insert: "15-35-108,"

5. Title, page 2, line 16.  
Strike: "20-7-442,"

6. Title, page 2, line 19.  
Strike: "20-9-334,"

7. Title, page 2, lines 20 and 21.  
Following: "20-9-501,"  
Strike: remainder of line 20 through "20-10-145," on line 21  
Following: "23-5-1027,"  
Strike: "AND"  
Insert: "90-1-108, 90-6-202, 90-6-212, AND"

8. Title, page 2, line 23.  
Following: line 22  
Insert: "20-9-513,"  
Following: "AND"  
Strike: "20-10-146,"  
Insert: "90-6-211,"

9. Page 3, line 21 through page 4, line 11.  
Strike: page 3, line 21, through page 4, line 11, in their  
entirety  
Insert: " The legislature also determines to equalize funding for  
retirement costs by providing a guaranteed property tax mill  
value for those counties with a mill value per ANB less than  
the statewide mill value per ANB. The superintendent of  
public instruction is required to adopt rules to implement  
distribution of guaranteed tax base aid as provided in  
[sections 60 through 63]. It is intended that the rules  
adopted ensure the eligibility of the requesting school  
districts and the accountability of the districts for the  
guaranteed tax base aid payments they receive."

10. Page 4, lines 23 and 24.  
Following: "[sections"  
Strike: "57 through 62"  
Insert: "53 through 59"

11. Page 5, lines 15 and 16.  
Strike: "combined"  
Following: "amount"  
Strike: remainder of line 15 through "reimbursement" on line 16

12. Page 15, line 20.  
Following: line 19  
Insert: "Section 4. Section 15-35-108, MCA, is amended to read:  
"15-35-108. Disposal of severance taxes. Severance taxes

collected under this chapter must be allocated according to the provisions in effect on the date the tax is due under 15-35-104. Severance taxes collected under the provisions of this chapter are allocated as follows:

(1) To the trust fund created by Article IX, section 5, of the Montana constitution, 50% of total coal severance tax collections. The trust fund moneys shall be deposited in the fund established under 17-6-203(5) and invested by the board of investments as provided by law.

(2) Starting July 1, 1987, and ending June 30, 1993, 12% of coal severance tax collections are allocated to the highway reconstruction trust fund account in the state special revenue fund.

(3) Coal severance tax collections remaining after the allocations provided by subsections (1) and (2) are allocated in the following percentages of the remaining balance:

(a) ~~20% to the state special revenue fund to the credit of the education trust fund account and~~ 17.5% to the credit of the local impact account. Unencumbered funds remaining in the local impact account at the end of each biennium are allocated to the education trust fund account state special revenue fund for state equalization aid to public schools of the state.

(b) ~~10%~~ 30% to the state special revenue fund for state equalization aid to public schools of the state;

(c) 1% to the state special revenue fund to the credit of the county land planning account;

(d) 1 % to the credit of the renewable resource development bond fund;

(e) after June 30, 1991, 5% to a nonexpendable trust fund for the purpose of parks acquisition or management, protection of works of art in the state capitol, and other cultural and aesthetic projects. Income from this trust fund shall be appropriated as follows:

(i) 1/3 for protection of works of art in the state capitol and other cultural and aesthetic projects; and

(ii) 2/3 for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102;

(f) 1% to the state special revenue fund to the credit of the state library commission for the purposes of providing basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking;

(g) 1/2 of 1% to the state special revenue fund for conservation districts;

(h) 1 % to the debt service fund type to the credit of the water development debt service fund;

(i) 2% to the state special revenue fund for the Montana Growth Through Agriculture Act;

(j) all other revenues from severance taxes collected under

the provisions of this chapter to the credit of the general fund of the state."

Renumber: subsequent sections

13. Page 16, line 8.

Following: "20-9-333;"

Insert: ";

14. Page 16, line 14.

Following: "~~20-9-501~~"

Insert: "(iii) the high school transportation fund provided for in 20-10-143; and

(iv) the elementary and high school district retirement fund obligations provided for in 20-9-501"

15. Page 18, line 4.

Strike: "55"

Insert: "51"

16. Page 23, lines 5 through 7.

Following: "of"

Strike: remainder of line 5 through "20-9-347" on line 7

Insert: "guaranteed tax base aid for county retirement levy obligations in accordance with [sections 60 through 63]"

17. Page 25, line 13.

Strike: "or"

Following: "~~20-10-146~~"

Insert: ", or 20-10-146"

18. Page 32, line 23.

Following: "schedules"

Insert: "and the per-ANB amount of guaranteed tax base aid as provided in [sections 60 through 63]"

19. Page 33, line 23.

Following: "schedules"

Insert: "and the per-ANB amount of guaranteed tax base aid as provided in [sections 60 through 63]"

20. Page 38, line 17.

Following: line 16

Insert: " (5) "Transportation bonus payment" is the provision of 66 2/3% state financing of the on-schedule transportation amount as provided by the transportation provisions of the school laws. When an eligible pupil is entitled to transportation, the enlarged district is entitled to the transportation bonus payment for the eligible pupil for a period of 3 years. The payment must be made from the state

transportation aid account. When the eligible pupil rides a bus providing transportation for ineligible pupils, the 66 2/3% state financing of the on-schedule amount for this payment must be prorated to provide financing for the eligible pupil."

21. Page 47, line 14.

Following: "~~do not~~"

Insert: "do not"

22. Page 47, line 17.

Strike: "and"

Insert: "or"

23. Page 48, lines 12 through 24.

Strike: section 19 in its entirety

Renumber: subsequent sections

24. Page 49, line 7.

Strike: "The"

Insert: "Except as provided in subsections (3) and (4), the"

25. Page 50, line 8.

Strike: "or"

26. Page 50, line 11.

Following: "section]"

Strike: "."

Insert: "; or

(c) any amount received as a general bonus payment under 20-6-401.

(4) The limitation of subsection (1) does not apply when the amount earmarked as cash reserve is \$10,000 or less."

27. Page 54, line 18.

Strike: "and"

28. Page 55, line 5.

Following: "(c)"

Insert: "the county tax in support of the county's high school transportation obligation;

(d) the county tax in support of the elementary and high school district retirement obligations; and

(e) "

29. Page 61, line 10.

Following: "~~manner~~"

Insert: "by an additional voted levy and other revenue,"

30. Page 67, lines 15 and 16.

Following: "amount"

Strike: remainder of line 15 through "20-9-347" on line 16

31. Page 67, lines 23 and 24.

Following: "fund"

Strike: remainder of line 23 through "fund," on line 24

32. Page 68, lines 4 and 5.

Following: "amount"

Strike: remainder of line 4 through "reimbursement" on line 5

Insert: ";

(c) when a district's final approved budget amounts within the general fund and retirement fund for personnel costs exceed 80% of the general fund and retirement fund expenditures for personnel costs adjusted for inflation, as defined in 15-30-101, for school fiscal year 1989 and the previous year; or

(d) when a district had an average of combined expenditures in school fiscal years 1988 and 1989 from its general fund and comprehensive insurance fund in an amount greater than the maximum general fund budget allowed by this section, in which case the maximum general fund budget of the district is limited to the average of the combined general fund and comprehensive insurance fund expenditures for school fiscal years 1988 and 1989 until that amount does not exceed 117% of the district's foundation program amount"

33. Page 68, line 14.

Strike: "\$30,439"

Insert: "\$29,455"

34. Page 68, line 17.

Strike: "\$30,439"

Insert: "\$29,455"

35. Page 68, line 18.

Strike: "\$1,272"

Insert: "\$1,231"

36. Page 68, line 23.

Strike: "\$49,893"

Insert: "\$48,281"

Strike: "\$1,272"

Insert: "\$1,231"

37. Page 69, line 1.

Strike: "\$41,888"

Insert: "\$40,535"

38. Page 69, line 2.

Strike: "\$1,272"

Insert: "\$1,231"

39. Page 69, line 6.

Strike: "\$66,878"

Insert: "\$64,717"

Strike: "\$796.70"

Insert: "\$770.93"

40. Page 69, line 14.

Strike: "\$2,956"

Insert: "\$2,859.58"

Strike: "\$2.87"

Insert: "\$2.78"

41. Page 69, line 18.

Strike: "\$2,783"

Insert: "\$2,693"

42. Page 69, line 19.

Strike: "\$2.62"

Insert: "\$1.52"

43. Page 69, line 22.

Strike: "\$2,259"

Insert: "\$2,382.70"

44. Page 70, line 13.

Strike: "\$183,751"

Insert: "\$178,113"

45. Page 70, line 15.

Strike: "\$7,656"

Insert: "\$7,421.04"

46. Page 70, line 16.

Strike: "\$41.76"

Insert: "\$40.48"

47. Page 70, line 20.

Strike: "\$6,988"

Insert: "\$6,774.32"

48. Page 70, line 21.

Strike: "\$41.76"

Insert: "\$40.48"

49. Page 70, line 24.

Strike: "\$4,483"

Insert: "\$4,345.61"

50. Page 70, line 25.

Strike: "\$6.99"

Insert: "\$6.78"

51. Page 71, line 3.

Strike: "\$3,784"

Insert: "\$3,667.87"

52. Page 71, line 4.

Strike: "\$3.84"

Insert: "\$3.72"

53. Page 71, line 7.

Strike: "\$3,400"

Insert: "\$3,295.66"

54. Page 71, line 8.

Strike: "71"

Insert: "68"

55. Page 71, line 11.

Strike: "\$3,188"

Insert: "\$3,090.94"

56. Page 82, line 22 through page 83, line 14.

Strike: section 37 in its entirety

Renumber: subsequent sections

57. Page 83, lines 22 and 23 .

Following: "purposes of"

Strike: remainder of line 22 through "districts" on line 23

Insert: "payment of guaranteed tax base aid"

58. Page 84, line 6.

Strike: "retirement fund reimbursement"

Insert: "guaranteed tax base aid"

59. Page 85, line 1.

Strike: subsection (f) in its entirety

Renumber: subsequent subsections

60. Page 85, line 3.

Strike: "54"

Insert: "50"



61. Page 86, lines 14 and 15.

Following: "its"

Strike: remainder of line 14 through "and" on line 15

Following: "amount" on line 15

Insert: "and to each county distribution of its guaranteed tax  
base aid"

62. Page 87, line 17.

Following: "receive"

Insert: "or county"

63. Page 87, line 23.

Following: "amount"

Insert: "and a county's guaranteed tax base aid"

64. Page 87, line 24.

Strike: "each district's"

Insert: "the"

65. Page 87, line 25.

Following: "entitlement"

Insert: "of each district or county"

66. Page 88, line 3.

Strike: "district's amount"

Insert: "entitlement of each district or county"

67. Page 88, line 9.

Strike: "each district's"

Insert: "the"

Following: "entitlement"

Insert: "of each district and county"

68. Page 88, lines 10 and 11.

Following: "aid"

Strike: remainder of line 10 through "program" on line 11

69. Page 88, line 19.

Following: "districts"

Insert: "and counties"

70. Page 88, line 23.

Following: "district"

Insert: "or county"

71. Page 88, line 24.

Following: "of the"

Insert: "respective county or"

72. Page 91, lines 7 through 9.

Strike: subsection (2) in its entirety

Renumber: subsequent subsection

73. Page 91, line 13.

Following: "aid"

Strike: "to"

Insert: "in support of the foundation program of"

74. Page 91, line 14.

Following: "aid"

Insert: "in support of the foundation program"

75. Page 91, lines 22 and 23.

Following: "and the"

Strike: remainder of line 22 through "20-9-347" on line 23

Insert: "guaranteed tax base aid required under [sections 60 through 63]"

76. Page 92, line 2.

Strike: "retirement"

Insert: "guaranteed tax base aid"

77. Page 92, line 19.

Following: "district"

Insert: ";

(e) severance pay for district employees"

78. Page 94, lines 16 and 17.

Following: "personnel"

Strike: remainder of line 16 through "personnel," on line 17

79. Page 98, line 12.

Following: line 11

Insert: " (3) When the final retirement fund budget has been adopted, the county superintendent shall establish the levy requirement by:

(a) determining the sum of the ~~moneys~~ money available to reduce the retirement fund levy requirement by adding:

(i) any anticipated ~~moneys~~ money that may be realized in the retirement fund during the ensuing school fiscal year, including anticipated revenue from ~~vehicle~~ property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-504(2), 61-3-521, and 61-3-537, and 67-3-204;

(ii) ~~net proceeds taxes for interim production and new production, as defined in 15-23-601~~; and

(iii) any cash available for reappropriation as determined by subtracting the amount of the end-of-the-year cash balance earmarked as the retirement fund cash reserve for the ensuing

school fiscal year by the trustees from the end-of-the-year cash balance in the retirement fund. The retirement fund cash reserve ~~shall~~ may not be more than 35% of the final retirement fund budget for the ensuing school fiscal year and ~~shall~~ must be used for the purpose of paying retirement fund warrants issued by the district under the final retirement fund budget.

(b) subtracting the ~~total of the moneys~~ money available for reduction of the levy requirement, as determined in subsection (3) (a), from the budgeted amount for expenditures in the final retirement fund budget.

(4) The county superintendent shall:

(a) total the net retirement fund levy requirements separately for all elementary school districts, all high school districts, and all community college districts of the county, including any prorated joint district or special education cooperative agreement levy requirements; and-

~~(b) reduce the total retirement fund levy requirements of elementary school districts and high school districts by the amount available in state retirement equalization aid as calculated and distributed under the provisions of 20-9-532; and~~

~~(c)~~ (b) report each ~~such~~ levy requirement to the county commissioners on the second Monday of August as the respective county levy requirements for elementary district, high school district, and community college district retirement funds.

(5) The county commissioners shall fix and set ~~such~~ the county levy in accordance with 20-9-142.

(6) The net retirement fund levy requirement for a joint elementary district or a joint high school district ~~shall~~ must be prorated to each county in which a part of ~~such~~ the district is located in the same proportion as the district ANB of the joint district is distributed by pupil residence in each ~~such~~ county. The county superintendents of the counties affected shall jointly determine the net retirement fund levy requirement for each county as provided in 20-9-151.

(7) The net retirement fund levy requirement for districts that are members of special education cooperative agreements ~~shall~~ must be prorated to each county in which ~~such~~ the district is located in the same proportion as the budget for the special education cooperative agreement of the district bears to the total budget of the cooperative. The county superintendents of the counties affected shall jointly determine the net retirement fund levy requirement for each county in the same manner as provided in 20-9-151 and fix and levy the net retirement fund levy for each county in the same manner as provided in 20-9-152."

80. Page 98, line 12 through page 115, line 1.  
Strike: sections 45 through 50 in their entirety  
Renumber: subsequent sections

81. Page 115, line 21.

Following: "20-9-343."

Insert: "The net revenue is statutorily appropriated, as provided in 17-7-502, to the superintendent of public instruction."

82. Page 115, line 25.

Following: line 24

Insert: "Section 45. Section 90-1-108, MCA, is amended to read:

"90-1-108. County land planning assistance. (1) The department of commerce shall annually distribute the funds appropriated to it from the county land planning account. Each county shall be allotted \$3,000. After this disbursement has been made, 40% of the balance in the account shall be apportioned to the counties according to the ratio of each county's land area to the total land area of the state and 60% of the balance shall be apportioned to the counties according to each county's portion of the total population of the state. If a multijurisdictional planning board has been established in the county, it may receive and expend part or all of the funds allocated to that county.

(2) Counties, cities, or joint planning boards receiving funds under this section shall use such funds for land planning purposes, which include but are not limited to comprehensive planning, economic development planning, and capital improvements planning.

(3) At the end of each fiscal year, every local governing body and planning agency receiving funds under this section shall provide an accounting of how the money was spent, in a form acceptable to the department of commerce. Surplus funds may be accumulated and rebudgeted for the purposes stated in subsection (2), except that funds rebudgeted by a local governing body or planning agency may not exceed the total revenue received under subsection (1) in the year immediately prior to the budget year. Any excess funds shall revert to the ~~education trust fund account~~ state special revenue fund for state equalization aid to public schools of the state at the end of each odd-numbered fiscal year, beginning in June 1987 1991."

Section 46. Section 90-6-202, MCA, is amended to read:

"90-6-202. Accounts established. (1) There is within the state special revenue fund a local impact account. Moneys are payable into this account under 15-35-108. The state treasurer shall draw warrants from this account upon order of the coal board.

(2) There is within the state special revenue fund a coal area highway improvement account.-

~~(3) There is within the nonexpendable trust fund an education trust fund account."~~

Section 47. Section 90-6-212, MCA, is amended to read:

"90-6-212. Local impact account -- disposition of loan

repayments, interest, and unexpended balances. (1) The money derived from loans made pursuant to this part, including interest thereon, must be deposited to the credit of the local impact account created in 90-6-202.

(2) The unexpended money in the local impact account must be invested by the board of investments as provided by statute. Interest and earnings must be deposited to the credit of the education trust fund account state special revenue fund for state equalization aid to public schools of the state.

(3) The unexpended balance in the local impact account at the end of each biennium must be deposited to the credit of the education trust fund account state special revenue fund for state equalization aid to public schools of the state."

83. Page 117, lines 14 through 16.

Strike: "Retirement" on line 14 through "balances" on line 16

Insert: "Comprehensive insurance fund balance"

84. Page 117, line 16.

Strike: "(1)"

85. Page 117, line 18.

Following: first "district"

Strike: remainder of line 18

86. Page 117, lines 21 through 24.

Strike: subsection (2) in its entirety

87. Page 118, line 18.

Following: line 17

Insert: "distance learning"

88. Page 118, line 20.

Following: line 19

Insert: "distance learning"

89. Page 119, line 25.

Strike: "57 through 62"

Insert: "53 through 59"

90. Page 120, line 2.

Strike: "58"

Insert: "54"

91. Page 120, line 22.

Strike: "63"

Insert: "59"

92. Page 123, lines 12 and 13.

Strike: "57 through 62"  
Insert: "53 through 59"

93. Page 123, line 14.  
Following: line 13

Insert: " NEW SECTION. Section 60. Definitions. As used in [sections 60 through 63], the following definitions apply:

(1) "County mill value per elementary ANB" or "county mill value per high school ANB" means the current taxable valuation of all property in the county divided by 1,000, with the quotient divided by the total county elementary ANB count or the total county high school ANB count used to calculate the elementary school districts' and high school districts' current year foundation program amounts.

(2) "Statewide mill value per elementary ANB" or "statewide mill value per high school ANB" means the current taxable valuation of all property in the state divided by 1,000, with the quotient divided by the total state elementary ANB count or the total state high school ANB count used to calculate the elementary school districts' and high school districts' current year foundation program amounts.

NEW SECTION. Section 61. Eligibility to receive guaranteed tax base aid. If the county mill value per elementary ANB or high school ANB is less than the corresponding statewide mill value per ANB, the county may receive guaranteed tax base aid based on the number of mills levied in the county in support of the retirement fund budgets of the respective elementary or high school districts in the county.

NEW SECTION. Section 62. Amount of guaranteed tax base aid -- reversion. (1) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the elementary school districts in the county is the difference between the county mill value per elementary ANB and the statewide mill value per elementary ANB, multiplied by the number of mills levied in support of the retirement fund budgets of the elementary districts in the county.

(2) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the high school districts in the county is the difference between the county mill value per high school ANB and the statewide mill value per high school ANB, multiplied by the number of mills levied in support of the retirement fund budgets of the high school districts in the county.

(3) Guaranteed tax base aid provided to any county under this section is earmarked to finance the fund or portion of the fund for which it is provided. If the actual expenditures from the fund or portion of the fund for which guaranteed tax base aid is earmarked are less than the amount budgeted, the guaranteed tax base aid reverts in proportion to the amount budgeted but not

expended. If a county receives more guaranteed tax base aid than it is entitled to, the excess must be returned to the state as required by 20-9-344.

**NEW SECTION.** Section 63. Duties of superintendent of public instruction. (1) The superintendent of public instruction shall administer the distribution of guaranteed tax base aid by:

(a) providing each county superintendent, by June 1 of each year, with the statewide and county mill values per ANB for use in calculating the guaranteed tax base aid available for the ensuing school fiscal year;

(b) requiring each county that qualifies and applies for guaranteed tax base aid to report to the county superintendent all budget and accounting information required to administer the guaranteed tax base aid;

(c) keeping a record of the complete data concerning appropriations available for guaranteed tax base aid and the entitlements for such aid of the counties that qualify;

(d) distributing the guaranteed tax base aid entitlement to each qualified county from the appropriations for that purpose.

(2) The superintendent shall adopt rules necessary to implement [sections 60 through 63].

Section 64. Section 15-1-501, MCA, is amended to read:

"15-1-501. Disposition of ~~moneys~~ money from certain designated license and other taxes. (1) The state treasurer shall deposit to the credit of the state general fund all ~~moneys~~ money received by him from the collection of:

(a) fees from driver's licenses, motorcycle endorsements, and duplicate driver's licenses as provided in 61-5-121;

(b) electrical energy producer's license taxes under chapter 51;

(c) severance taxes allocated to the general fund under chapter 36;

(d) liquor license taxes under Title 16;

(e) telephone {company} license taxes under chapter 53; and

(f) inheritance and estate taxes under Title 72, chapter 16.

(2) All ~~moneys~~ money received from the collection of income taxes under chapter 30 of this title, ~~shall not including the~~ education surtax under [section 65], must be deposited as follows:

(a) ~~58.2%~~ 56.4% to the credit of the state general fund;

(b) 10% to the credit of the debt service account for long-range building program bonds as described in 17-5-408; and

(c) ~~31.8%~~ 33.6% to the credit of the state special revenue fund for state equalization aid to the public schools of Montana as described in 20-9-343.

(3) All ~~moneys~~ money received from the collection of

corporation license and income taxes under chapter 31 of this title, except as provided in 15-31-702, ~~shall~~ must be deposited as follows:

- (a) 64% to the credit of the state general fund;
- (b) 11% to the credit of the debt service account for long-range building program bonds as described in 17-5-408; and
- (c) 25% to the credit of the state special revenue fund for state equalization aid to the public schools of Montana as described in 20-9-343.

(4) All money received from the collection of the education surtax under [section 65] must be deposited to the credit of the state special revenue fund for state equalization aid to the public schools of Montana as described in 20-9-343.

~~(4)~~ (5) The state treasurer shall also deposit to the credit of the state general fund all ~~moneys~~ money received by him from the collection of license taxes, fees, and all net revenues and receipts from all other sources under the operation of the Montana Alcoholic Beverage Code.

~~(5)~~ (6) After the distribution provided for in 15-36-112, the remainder of the oil severance tax collections ~~shall~~ must be deposited in the general fund."

NEW SECTION. Section 65. Education surtax. In addition to the amount of tax liability computed as required in 15-30-103, each person filing a Montana individual income tax return shall add as an education surtax 10% of the tax liability."

94. Page 123, line 15.  
Following: "20-9-352,"  
Insert: "20-9-513,"  
Strike: "20-10-146,"  
Insert: "90-6-211,"

95. Page 123, line 18.  
Strike: "\$56,807,000"  
Insert: "\$20 million"

96. Page 123, line 21.  
Strike: "55"  
Insert: "51"

97. Page 123, line 22.  
Strike: line 22 in its entirety

98. Page 123, line 25 through page 124, line 9.  
Strike: subsections (2) and (3) in their entirety  
Re-number: subsequent subsections

99. Page 124, line 18.  
Strike: "58"



Insert: "54"

100. Page 124, line 24.

Strike: "56"

Insert: "52"

101. Page 125, line 5.

Following: line 4

Insert: "(6) Any money remaining in the education trust fund account, established in 90-6-202(3), and the vocational-technical center and adult basic education account, as established in 20-9-513, as of June 30, 1989, is appropriated to the superintendent of public instruction for the fiscal year ending June 30, 1991, for state equalization aid to the public schools."

102. Page 125, line 6.

Following: line 5"

Insert: "(1)"

Strike: "54"

Insert: "50"

Strike: "55"

Insert: "51"

103. Page 125, line 8.

Strike: "54"

Insert: "50"

Strike: "55"

Insert: "51"

104. Page 125, line 9.

Following: line 8

Insert: "(2) [Sections 60 through 63] are intended to be codified as an integral part of Title 20, chapter 9, and the provisions of Title 20 apply to [sections 60 through 63].

(3) [Section 65] is intended to be codified as an integral part of Title 15, chapter 23, part 7, and the provisions of Title 15, chapter 23, part 7, apply to [section 65]."

105. Page 125, line 10.

Strike: "37, 38(1)"

Insert: "36, 37(1)"

106. Page 125, line 11.

Following: "(5),"

Strike: remainder of line 11 through "69"

Insert: "38 through 44, 49 through 51, 60 through 66, 68, 70, 71"

107. Page 125, line 16.

Following: "27,"  
Strike: "56, and 65"  
Insert: "45 through 48, 52, 67"

108. Page 125, line 18  
Following: "Sections"  
Strike: "38(2), 57 through 63"  
Insert: "37(2), 53 through 59"

109. Page 125, line 20.  
Following: "Applicability."  
Insert: "(1)"  
Strike: "54"  
Insert: "50"

110. Page 125, line 24.  
Following: line 23  
Insert: "(2) [Section 64] applies to all tax revenue recorded on  
or after July 1, 1989, without regard to the time the tax  
accrued."

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Office of the Legislative Fiscal Analyst  
COMPARISON OF PUBLIC SCHOOL EQUALIZATION PROPOSALS  
June 23, 1989  
1:00 p.m.

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This comparison sheet offers legislators with a comparison of public school equalization bills as introduced, including House Bill 39 (Kadas), House Bill 45 (Hannah), Senate Bill 7 (Mazurek), and Senate Bill 20 (Nathe). This analysis includes a discussion of the level of fiscal 1988 expenditures covered by each proposal, the degree of equalized and unequalized revenues provided to schools, and the revenue sources to fund each proposal. Table 1 compares fiscal 1988 expenditures for general fund, retirement, comprehensive insurance and transportation with the state funding available in these proposals. Fiscal 1988 expenditures include expenditures funded by federal impact aid (Public Law 874 funds) and special education expenditures. Therefore, the funding shown for each proposal includes special education in the general fund category.

Equalized revenues are those revenues that are guaranteed by the state and are available to all districts at an equal level of tax effort. Under the present system, equalized revenues include foundation and permissive program revenues, the state share of transportation payments, the county portion of elementary transportation costs, and that portion of each district's levies that would be generated if its mills were taken against the tax base per pupil available to the poorest district in the state. Unequalized revenues are all other revenues raised through local property tax levies or district non-tax revenue sources.

Table 2 compares the percent of the equalized funding for general fund, retirement, comprehensive insurance, and transportation in fiscal 1988 with the equalized funding provided in the equalization proposals. The analysis for House Bill 39 includes local equalized funding because it represents a significant portion of total equalized revenue under the guaranteed tax base proposal. The level of local equalized funding has not been calculated for the remaining proposals but is projected to be less than 1 percent of total school funding.

Table 3 shows the revenue sources used to fund each of the equalization proposals and the general fund appropriation required.

Table 1  
State and County Equalization Funding as a Percentage of Fiscal 1988 Expenditures  
Fiscal 1991  
(Millions)

| - - - State and County Equalization Funding - - - |                                |                             |                              |                               |                              |
|---|--------------------------------|-----------------------------|------------------------------|-------------------------------|------------------------------|
| Fund Category                                     | Fiscal<br>1988<br>Expenditures | House<br>Bill 39<br>(Kadas) | House<br>Bill 45<br>(Hannah) | Senate<br>Bill 7<br>(Mazurek) | Senate<br>Bill 20<br>(Nathe) |
| General Fund *                                    | \$446.887                      | \$366.392                   | \$432.547                    | \$462.454                     | \$456.770                    |
| Retirement  | 52.847                         | 16.332                      | 0.000                        | 52.847                        | 0.000                        |
| Comprehensive Insurance                           | 10.649                         | 0.000                       | 0.000                        | 0.000                         | 0.000                        |
| Transportation                                    | 28.559                         | 11.36048                    | 9.978                        | 17.911                        | 17.911                       |
| Total Expenditures                                | \$538.942                      | \$394.084                   | \$442.525                    | \$533.212                     | \$474.681                    |
| % of Fiscal 1988                                  | 100.0%                         | 73.1%                       | 82.1%                        | 98.9%                         | 88.1%                        |

\* General fund expenditures include special education

Table 2  
Equalization of Public School Revenue  
Comparison of Fiscal 1988 and Special Session Proposals

|                              | Fiscal<br>1988 | House<br>Bill 39<br>(Kadas) | House<br>Bill 45<br>(Hannah) | Senate<br>Bill 7<br>(Mazurek) | Senate<br>Bill 20<br>(Nathe) |
|------------------------------|----------------|-----------------------------|------------------------------|-------------------------------|------------------------------|
| Equalized Revenue            |                |                             |                              |                               |                              |
| Foundation                   | \$245.129      | \$352.929                   | \$432.547                    | \$462.454                     | \$456.770                    |
| Permissive *                 | 61.290         | 0.000                       | 0.000                        | 0.000                         | 0.000                        |
| General Fund Over-schedule   | 0.000          | 42.853                      | 0.000                        | 0.000                         | 0.000                        |
| Retirement                   | 0.000          | 47.438                      | 0.000                        | 52.847                        | 0.000                        |
| Transportation               | 9.944          | 15.930                      | 9.979                        | 17.911                        | 17.911                       |
| Total Equalized              | \$316.363      | \$459.150                   | \$442.526                    | \$533.212                     | \$474.681                    |
| Unequalized Revenue          |                |                             |                              |                               |                              |
| General Fund                 | \$140.469      | \$62.964                    | \$68.796                     | \$26.350                      | \$52.871                     |
| Retirement                   | 52.847         | 5.409                       | 12.406                       | 0.000                         | 11.407                       |
| Comprehensive Insurance      | 10.649         | 0.000                       | 0.000                        | 0.000                         | 0.000                        |
| Transportation               | 18.615         | 12.629                      | 19.214                       | 11.282                        | 11.282                       |
| Total Unequalized            | \$222.580      | \$81.002                    | \$100.416                    | \$37.632                      | \$75.560                     |
| Total Revenue                | \$538.943      | \$540.152                   | \$542.942                    | \$570.844                     | \$550.241                    |
| Percent from State           | 58.7%          | 85.0%                       | 81.5%                        | 93.4%                         | 86.3%                        |
| Percent from County/District | 41.3%          | 15.0%                       | 18.5%                        | 6.6%                          | 13.7%                        |

\* Permissive Funding in HB39 is included in General Fund Over-schedule.

EXHIBIT 2  
DATE 6/23/89  
HB 45

ROLL CALL VOTE

EDUCATION AND CULTURAL RESOURCES

COMMITTEE

DATE 6/23 BILL NO. 45 NUMBER \_\_\_\_\_

| NAME                | AYE | NAY |
|---------------------|-----|-----|
| Rep. COCCHIARELLA   |     | ✓   |
| Rep. COBB           | ✓   |     |
| Rep. DARKO          |     | ✓   |
| Rep. DAVIS          |     | ✓   |
| Rep. EUDAILY        |     | ✓   |
| Rep. GERVAIS        |     | ✓   |
| Rep. GLASER         | ✓   |     |
| Rep. GRINDE         | ✓   |     |
| Rep. HARRINGTON     |     | ✓   |
| Rep. JOHNSON        | ✓   |     |
| Rep. KILPATRICK     |     | ✓   |
| Rep. KIMBERLEY      |     | ✓   |
| Rep. NELSON         | ✓   |     |
| Rep. PECK           | ✓   |     |
| Rep. PHILLIPS       | ✓   |     |
| Rep. SIMPKINS       | ✓   |     |
| Rep. SPRING         | ✓   |     |
| Rep. STANG          | ✓   |     |
| Rep. THOMAS         | ✓   |     |
| Rep. WALLIN         | ✓   |     |
| Rep. WYATT          | ✓   |     |
| Rep. ZOOK           | ✓   |     |
| CHAIRMAN SCHVE      |     | ✓   |
| VICE CHAIRMAN DAILY |     | ✓   |

TALLY

14 10

Cecilia Johnson  
SECRETARY

CHAIRMAN

MOTION: Rep. Thomas made the  
motion for HB 45 To Pass.

The motion PASSED 14/10

EXHIBIT 3  
DATE 6/23/89  
HB 28

Amendments to House Bill No. 39-  
Introduced Copy

Requested by Rep. Cobb  
For the Committee on Taxation

Prepared by Dave Cogley  
June 22, 1989

1. Page 65, line 5.

Strike: "The"

Insert: "Except as provided in subsections (3) and (4), the"

2. Page 66, line 6.

Strike: "or"

3. Page 66, line 9.

Following: "section]"

Strike: ".\_"

Insert: "; or

(c) any amount received as a general bonus payment under  
20-6-401.

(4) The limitation of subsection (1) does not apply when  
the amount earmarked as cash reserve is \$10,000 or less."

EXHIBIT 4  
DATE 6/23/89  
HB 28

Amendments to House Bill No. 28  
First Reading Copy

Requested by Representative Daily  
For the Committee on Education

Prepared by Greg Petesch  
June 23, 1989

1. Page 92, line 19.  
Following: "district"  
Insert: "; (e) severance pay"

EXHIBIT 5  
DATE 6/23/89  
HB 28

Amendments to House Bill No. 28  
First Reading Copy

Requested by Representative Harrington  
For the House Committee on Education

Prepared by Connie Erickson  
June 23, 1989

1. Page 67, line 22 through page 68, line 5.

Strike: subsection (b) in its entirety

Insert: "(b) 104% of any budget amounts for the previous school  
fiscal year for the district general fund, including  
retirement fund and comprehensive insurance fund budget  
amounts."



EXHIBIT 6  
DATE 6/23/89  
HB 28

ROLL CALL VOTE

EDUCATION AND CULTURAL RESOURCES

COMMITTEE

DATE 6/23/89 BILL NO. 28 NUMBER \_\_\_\_\_

| NAME                | AYE | NAY |
|---------------------|-----|-----|
| Rep. COCCHIARELLA   | ✓   |     |
| Rep. COBB           | ✓   |     |
| Rep. DARKO          | ✓   |     |
| Rep. DAVIS          | ✓   |     |
| Rep. EUDAILY        |     | ✓   |
| Rep. GERVAIS        | ✓   |     |
| Rep. GLASER         |     | ✓   |
| Rep. GRINDE         |     | ✓   |
| Rep. HARRINGTON     | ✓   |     |
| Rep. JOHNSON        |     | ✓   |
| Rep. KILPATRICK     | ✓   |     |
| Rep. KIMBERLEY      | ✓   |     |
| Rep. NELSON         | ✓   |     |
| Rep. PECK           |     | ✓   |
| Rep. PHILLIPS       |     | ✓   |
| Rep. SIMPKINS       |     | ✓   |
| Rep. SPRING         |     | ✓   |
| Rep. STANG          | ✓   |     |
| Rep. THOMAS         |     | ✓   |
| Rep. WALLIN         |     | ✓   |
| Rep. WYATT          |     | ✓   |
| Rep. ZOOK           |     | ✓   |
| CHAIRMAN SCHYE      | ✓   |     |
| VICE CHAIRMAN DAILY | ✓   |     |

TALLY

12 12

Claudia Johnson  
SECRETARY

Hel Schye  
CHAIRMAN

MOTION: Rep. Harrington's motion for  
104% of any budget amounts. See  
Exhibit 5.  
The Motion FAILED 12/12

EXHIBIT 7  
DATE 6/23/89  
HB 28

Amendments to House Bill No. 28  
First Reading Copy

Requested by Representative Daily  
For the Committee on Education

Prepared by Greg Petesch  
June 23, 1989

1. Page 68, line 5.

Following: "reimbursement"

Insert: "; (c) when a district's approved final budget for personnel costs exceeds 80% of the previous year's combined expenditures from its general fund, retirement fund, and comprehensive insurance fund adjusted for inflation, as provided in 15-30-101"

EXHIBIT 8  
DATE 6/23/89  
HB 28

ROLL CALL VOTE

EDUCATION AND CULTURAL RESOURCES

COMMITTEE

DATE 6/23/89 BILL NO. 28 NUMBER \_\_\_\_\_

| NAME                | AYE     | NAY |
|---------------------|---------|-----|
| Rep. COCCHIARELLA   | ✓       |     |
| Rep. COBB           | ✓       |     |
| Rep. DARKO          | ✓       |     |
| Rep. DAVIS          |         | ✓   |
| Rep. EUDAILY        |         | ✓   |
| Rep. GERVAIS        | ✓       |     |
| Rep. GLASER         | ✓       |     |
| Rep. GRINDE         |         | ✓   |
| Rep. HARRINGTON     | ✓       |     |
| Rep. JOHNSON        | ✓       |     |
| Rep. KILPATRICK     | ✓       |     |
| Rep. KIMBERLEY      | ✓       |     |
| Rep. NELSON         |         | ✓   |
| Rep. PECK           |         | ✓   |
| Rep. PHILLIPS       |         | ✓   |
| Rep. SIMPKINS       |         | ✓   |
| Rep. SPRING         | Excused |     |
| Rep. STANG          | ✓       |     |
| Rep. THOMAS         | ✓       |     |
| Rep. WALLIN         |         | ✓   |
| Rep. WYATT          | ✓       |     |
| Rep. ZOOK           |         | ✓   |
| CHAIRMAN SCHYE      | ✓       |     |
| VICE CHAIRMAN DAILY | ✓       |     |

TALLY

Candice Hoffman  
SECRETARY

14 9  
Neil Schye  
CHAIRMAN

MOTION: Rep. Daley's Motion & Substitute  
Motion. See Exhibit 7  
The Motion PASSED 14/9

EXHIBIT 9  
DATE 6/23/89  
HB 28

ROLL CALL VOTE

EDUCATION AND CULTURAL RESOURCES

COMMITTEE

DATE 6/23/89 BILL NO. 28 NUMBER \_\_\_\_\_

| NAME                | AYE | NAY |
|---------------------|-----|-----|
| Rep. COCCHIARELLA   |     | ✓   |
| Rep. COBB           | ✓   |     |
| Rep. DARKO          |     | ✓   |
| Rep. DAVIS          |     | ✓   |
| Rep. EUDAILY        | ✓   |     |
| Rep. GERVAIS        |     | ✓   |
| Rep. GLASER         | ✓   |     |
| Rep. GRINDE         | ✓   |     |
| Rep. HARRINGTON     |     | ✓   |
| Rep. JOHNSON        |     | ✓   |
| Rep. KILPATRICK     |     | ✓   |
| Rep. KIMBERLEY      |     | ✓   |
| Rep. NELSON         | ✓   |     |
| Rep. PECK           |     | ✓   |
| Rep. PHILLIPS       | ✓   |     |
| Rep. SIMPKINS       | ✓   |     |
| Rep. SPRING         | ✓   |     |
| Rep. STANG          |     | ✓   |
| Rep. THOMAS         | ✓   |     |
| Rep. WALLIN         | ✓   |     |
| Rep. WYATT          |     | ✓   |
| Rep. ZOOK           | ✓   |     |
| CHAIRMAN SCHYE      |     | ✓   |
| VICE CHAIRMAN DAILY |     | ✓   |

TALLY

11 13

SECRETARY

CHAIRMAN

MOTION: Rep. Cobb's Motion to take the  
4% out of the total base. It will  
take \$ 11 Million out of the base.  
The Motion FAILED 11/13

EXHIBIT 10  
DATE 6/23/89  
HB 28

ROLL CALL VOTE

EDUCATION AND CULTURAL RESOURCES

COMMITTEE

DATE 6/23 BILL NO. 28 NUMBER \_\_\_\_\_

| NAME                | AYE | NAY |
|---------------------|-----|-----|
| Rep. COOCHIARELLA   |     | ✓   |
| Rep. COBB           | ✓   |     |
| Rep. DARKO          |     | ✓   |
| Rep. DAVIS          |     | ✓   |
| Rep. EUDAILY        | ✓   |     |
| Rep. GERVAIS        |     | ✓   |
| Rep. GLASER         | ✓   |     |
| Rep. GRINDE         | ✓   |     |
| Rep. HARRINGTON     |     | ✓   |
| Rep. JOHNSON        |     | ✓   |
| Rep. KILPATRICK     |     | ✓   |
| Rep. KIMBERLEY      |     | ✓   |
| Rep. NELSON         | ✓   |     |
| Rep. PECK           |     | ✓   |
| Rep. PHILLIPS       | ✓   |     |
| Rep. SIMPKINS       | ✓   |     |
| Rep. SPRING         | ✓   |     |
| Rep. STANG          |     | ✓   |
| Rep. THOMAS         | ✓   |     |
| Rep. WALLIN         | ✓   |     |
| Rep. WYATT          |     | ✓   |
| Rep. ZOOK           | ✓   |     |
| CHAIRMAN SCHYE      |     | ✓   |
| VICE CHAIRMAN DAILY |     | ✓   |

TALLY

Claudia Johnson  
SECRETARY

11 13  
Carl Schye  
CHAIRMAN

MOTION: Rep. Cobb's Motion to take the 100%  
74 1988 funding & reduce it to 90%.

The motion FAILED 11/13

EXHIBIT 11  
DATE 6/23/89  
HB 28

Amendments to House Bill No. 28  
First Reading Copy

Requested by Representative Schye  
For the House Committee on Education

Prepared by Connie Erickson  
June 23, 1989

1. Page 68, line 5.

Following: "reimbursement"

Insert: "; or (c) when a district had an average of combined expenditures for school fiscal years 1989 and 1990 from its general fund, retirement fund, and comprehensive insurance fund in an amount greater than the maximum general fund budget allowed by this section, in which case the maximum general fund budget of the district is limited to the average of its combined expenditures for its school fiscal years 1989 and 1990 until that amount does not exceed 117% of the district's foundation program amount plus retirement fund reimbursement"

EXHIBIT 12  
DATE 6/23/89  
HB 28

ROLL CALL VOTE

EDUCATION AND CULTURAL RESOURCES

COMMITTEE

DATE 6/23/89 BILL NO. 28 NUMBER \_\_\_\_\_

| NAME                | AYE | NAY |
|---------------------|-----|-----|
| Rep. COCCHIARELLA   | ✓   |     |
| Rep. COBB           |     | ✓   |
| Rep. DARKO          | ✓   |     |
| Rep. DAVIS          | ✓   |     |
| Rep. EUDAILY        |     | ✓   |
| Rep. GERVAIS        | ✓   |     |
| Rep. GLASER         |     | ✓   |
| Rep. GRINDE         |     | ✓   |
| Rep. HARRINGTON     | ✓   |     |
| Rep. JOHNSON        | ✓   |     |
| Rep. KILPATRICK     | ✓   |     |
| Rep. KIMBERLEY      | ✓   |     |
| Rep. NELSON         |     | ✓   |
| Rep. PECK           | ✓   |     |
| Rep. PHILLIPS       |     | ✓   |
| Rep. SIMPKINS       |     | ✓   |
| Rep. SPRING         |     | ✓   |
| Rep. STANG          | ✓   |     |
| Rep. THOMAS         |     | ✓   |
| Rep. WALLIN         |     | ✓   |
| Rep. WYATT          | ✓   |     |
| Rep. ZOOK           |     | ✓   |
| CHAIRMAN SCHYE      | ✓   |     |
| VICE CHAIRMAN DAILY | ✓   |     |

TALLY

Laurel Johnson  
SECRETARY

13 11  
Ted Schye  
CHAIRMAN

MOTION: Chairman Schye's motion to  
place the 10% income surcharge  
in HB 28.  
The motion PASSED 13/11