

MINUTES

MONTANA SENATE 51st LEGISLATURE - SPECIAL SESSION

COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

Call to Order: By Chairman H.W. Hammond, on July 11, 1989,
at 10:00 a.m.

ROLL CALL

Members Present: Senator Pat Regan, Senator Bill Farrell,
Senator John Anderson, Senator Joe Mazurek, Senator
Chet Blaylock, Senator Dennis Nathe, Senator Dick
Pinsoneault, Senator Bob Brown, and Senator H.W.
Hammond

Members Excused: None

Members Absent: None

Staff Present: Andrea Merrill, Legislative Researcher

Announcements/Discussion: None

DISCUSSION ON HOUSE BILL 28

Chairman Hammond stated that the Committee waited all day yesterday, for the Taxation Committee to come up with something on the sales tax, so the Committee could amend into HB 28. He said the sales tax didn't look like it was an option anymore. Chairman Hammond indicated that Senator Mazurek had a proposal to present to the Committee.

Senator Mazurek stated that his proposal included pieces from each plan that the Committee had before them. The proposal would do the following which were broken down by cost and revenue. Senator Mazurek stated that the Committee would take the bill before them (HB 28), and they would fund the schedules at 90% of the 1988 actual expenditures for general fund and comprehensive insurance. He said that would represent about 85% state funding. Then, they would use the guaranteed tax base for the following purposes: 1.) Use it to fund retirement. The low levy, in higher wealth districts, would not be penalized. They would stay where they are but we would subsidize the low wealth districts. 2.) Use the guaranteed tax base to allow a permissive levy up to 95% of 1988 expenditures statewide. Senator

Mazurek explained that beyond the 95%, you would be on your own tax base. Another words, you would use the guaranteed tax base to get to 95%. Senator Mazurek restated that this proposal would not penalize the rich districts. Senator Mazurek then went on to say the caps would be at 130% and the districts would be frozen above that amount. He said that he had concerns about this particular point, because it did not address equalization as much as the Committee should. Senator Mazurek explained that the proposal would be funded with a 6% surcharge on income. (They would continue to use 100 mills with flat tax incentive rates.) Then, they would take the Education Trust Flow for one year and the Coal Tax interest. They would have to increase the percentage of income tax allocated to schools to generate \$11 million.

Senator Mazurek stated that the cost for that proposal was \$144.6 million. He then gave a run down on the calculations he had, for each projection. The 100 mills with the flat tax represented \$110.9 million. The 6% surcharge represented \$16.4 million. The Education Trust Flow represented \$2.6 million. The 15% of the soft side of the Coal Tax interest, in 1991, would be \$4.5 million (the McLaughlin Center money had already been deducted). The income tax reallocation would be \$11 million and that would come to \$144 million. Senator Mazurek stated that as a technical matter, the last two items were taking \$14.5 million from the \$56 million ending fund balance, and it would reduce the ending fund balance to around \$31 million. Senator Mazurek thought that's where they wanted to be at the end of regular session.

Motion: Senator Mazurek moved the amendments.

Discussion: Chairman Hammond said the he could not accept the 100 mills. He explained that the 100 mills in eastern Montana would place an additional 23 to 40 mills on the people living there. He said the people are already in partnership with the banks. He stated, "You say this isn't...an increase tax bill. It all depends on who you are and where you are." Senator Hammond went on to explain that the people in eastern Montana would not only have pay for the additional mills but they would also have to do without much of the education which had created this problem because those small schools are going to be capped. He said they were not going to be capped because they have better educational programs than anyone else, (they are already inferior to many other school districts). Senator Hammond explained that eastern Montana school

districts won't be able to use one dime of the money, that they cough-up, in order to help their own children. He stated they would be forced to send the money elsewhere, to help school districts who already have enough, get even more. Senator Hammond expressed that he would not support anything above 85 mills because it would still be costly to his school districts.

Senator Mazurek explained that there may be a problem. The millage figures he had been using with the flat tax reduction were too low. He said he may be off \$12 million on the flat tax figure. Senator Mazurek said that it would be resolved by increasing the surcharge or reallocating the income tax money.

Senator Regan said she had asked a fiscal analyst to run some figures for her to show an analysis of the various districts. She wanted to know how many mills were currently being levied, and what the percentage of districts were levied at 100 mills or more? (SEE EXHIBIT 25) Senator Regan stated that the figures speak for themselves. She explained that there was only 15% (elementary) of the population that levied less than 100 mills and in high school the figure was 10%.

Chairman Hammond stated that wealth neutrality was not the intent of the Supreme Court decision. He said it seemed to be the area the Committee spent most of their time on. Chairman Hammond explained that as long as you use the average, as the guaranteed tax base does, of all the schools and categories, you would continue to dig a deeper hole for those smaller schools. Chairman Hammond said, "I am going to present the Cobb amendment which would use the average of each category, to keep that from becoming even more severe." He said that it was a consolidation move, if they chose not to use the Cobb amendment.

Senator Pinsoneault asked Chairman Hammond what was his counter proposal? Chairman Hammond replied that he would vote for the 85 mills and he did like certain parts of the guaranteed tax base. He said he was trying to keep from destroying a part of the population. He said that he didn't think that it was the intent of the courts to destroy people when they made the decision.

Chairman Hammond stated Senator Mazurek's motion was probably made prematurely.

The Committee requested a 15 minute recess.

Andrea Merrill suggested that the Committee use exhibit 15 and move the issues they thought would be the most beneficial. She said that the Committee could reconsider everything that conflicted with Senator Mazurek's proposal. (SEE EXHIBIT 15)

Senator Mazurek withdrew his motion.

Motion: Senator Mazurek moved to keep amendments 1, 7, 8, 9, 10, 11, 12, and 15 from exhibit 15.

Discussion: Senator Mazurek said that the motion he just made would remove (because of HB 6) 3% out of the base; it would remove the Daily amendment; remove one time Coal Tax parks maintenance diversion; it would keep Senator Pinsoneault's amendments regarding the sales tax; it would keep Senator Brown's bonus payments; it would keep Senator Farrell's motion to require use of cash reappropriated to reduce levies; it would not include all the decisions made on funding, the mandatory permissives, the flat tax, and the 100 mills. Senator Mazurek stated that the funding would be taken care of with his replacement amendments.

Amendment, Discussion, and Votes: The question was called for and a voice vote was taken. The motion carried unanimously.

Motion: Senator Mazurek moved to fund the schedules at 90% of '88 actuals for comprehensive insurance and general fund; use the guaranteed tax base to fund retirement (the cost of that would be \$137.5 million and it represents about 80% of the total spending for 1988); revenue would be at 100 mills, with a flat tax on oil, gas, and coal at 8.4% for oil, 5% for coal, and 15.25% for gas, He said there would be a 8% surcharge on individual income tax and on corporation income tax; the Education Trust Flow for year at \$3.6 million; 15% of the Coal Tax money for one year (the McLaughlin Center money had already been deducted from the figure); \$14.5 million reallocation on income tax.

Senator Mazurek presented the figures to the Committee. 100 mills (with flat tax) would generate \$88.6 million; an 8% surcharge would generate \$21.9 million; Education Trust Flow would generate \$3.6 million; 15% of the coal money would generate \$5.0 million; income tax surcharge on corporations would raise \$4.0; increase in income tax reallocation would raise \$14.5. The total of

\$137.6 million.

Discussion: Senator Brown stated that basically, the motion the Committee had now, was slightly scaled down from SB 26. Senator Brown stated his support of the motion.

Senator Farrell asked Senator Mazurek where the numbers were for the corporate surtax? Senator Mazurek said, "The corporation tax now, raises approximately \$50 million per year. That was \$500,000 per percentage would be what the surcharge would raise." He said there seemed to be a concern about taking too much money out of the general fund. He said they were taking close to \$20 million of the \$56 million ending fund balance. Senator Mazurek explained that the figure was still above where they wanted to be at the end of regular session. He stated that it seemed fair to put 8% on corporations as well. Particularly, since the Senate had already reduced the personal property tax to at least 6%.

Chairman Hammond said that the 6% may have passed the Senate, but it had not advanced anywhere. Chairman Hammond explained that the leadership, from both sides of the isle, wanted to get together and see if they could come up with something on the bill.

Senator Regan stated that she appreciated the leadership's interest to work on the bill, but the Senate Education Committee had been working on the bill since January 1, 1989. She suggested to the Committee, to present them with a proposal and they could go to caucuses and discuss it. Then, they could hammer it out on the floor or ask the Committee to make some changes.

Senator Mazurek expressed to the Committee that he was not pleased with the bill. He wanted to give the plaintiffs a proposal that would satisfy them and handle the lawsuit. Senator Mazurek explained that they still have problems with the equalization because of the caps but at least the bill was a step in the right direction.

Amendments, Discussion, and Votes: The question had been called for and roll call vote was taken. The motion carried with Senator Farrell, Senator Anderson, and Senator Hammond voting no.

Andrea Merrill explained what the technical amendments were. She stated much of the technical amendments would be geared towards cleaning up the guaranteed tax base. She said that some of the technical amendments were

suggested by OPI, such as the Gage clean-up amendment. Ms. Merrill did not have the technical amendments available to submit into the record.

Madalyn Quinlan asked if the Committee had addressed when the surtax would go into effect? Senator Mazurek stated that he was only counting one year worth of revenue. He said it would be January 1, 1990.

Motion: Senator Blaylock moved the technical amendments.

Discussion: None

Amendments, Discussion, and Votes: The question was called for and a voice vote was taken. The motion carried unanimously.

Chairman Hammond called for a recess subject to the call of the chair.

The Committee assembled at 3:34 p.m.

Chairman Hammond explained to the Committee that they needed to pass HB 28 out of Committee or to table it.

Senator Mazurek stated that Big Horn County Schools had a problem with the pay back of a flat tax. He said that districts may have voted a levy in 1988, but they did not actually use the money. Senator Mazurek wanted to make a technical correction to take care of that problem.

Senator Mazurek also wanted to make a technical amendment regarding the coal distribution. He wanted to fix the coal distribution so it was handled like oil. He wanted to make that distribution based on tonnage rather than a unit production value. He said that would force that money back to the taxing jurisdiction, on basis of tons produced in that district.

Senator Gage agreed to help Andrea Merrill with the technical amendment concerning coal distribution.

Motion: Senator Mazurek moved that the distribution formula of the flat tax rate on coal conform to what was used with oil so it was allocated back within the right taxing jurisdiction.

Discussion: None

Amendments, Discussion, and Votes: The question had been called for and a voice vote was taken. The motion carried unanimously.

Greg Groepper explained the problem in Big Horn County. He said the problem was that they had approved some mills, but they did not levy them, because they were able to use PL 874 monies. Mr. Groepper stated that Hardin School District might be a winner or they might be loser. He said they would like to try and give that school district credit for using PL 874 money. He suggested they could somehow convert PL 874 monies into mills and ask the county treasure to take that into consideration. He stated that way, they would not be penalized if they held down their mill levy by using the PL 874 funds.

Mr. Groepper stated that he would help Andrea Merrill with the technical amendment.

Senator Mazurek suggested that they wait and offer this amendment on the floor.

Motion: Senator Mazurek moved HB 28 to BE CONCURRED IN AS AMENDED.

Discussion: None

Amendments, Discussion, and Votes: None

Recommendation and Vote: The question was called for and a roll call vote was taken. The motion carried with Senator Farrell, Senator Anderson, and Senator Hammond voting no.

ADJOURNMENT

Adjournment At: 11:55 P.M.


SENATOR H.W. HAMMOND, Chairman

HH/jj

ROLL CALL

EDUCATION

COMMITTEE

DATE

7/11

51st LEGISLATIVE SESSION 1989

NAME	PRESENT	ABSENT	EXCUSED
SENATOR NATHE	✓		
SENATOR BLAYLOCK	✓		
SENATOR BROWN	✓		
SENATOR PINSONEAULT	✓		
SENATOR FARRELL	✓		
SENATOR REAGAN	✓		
SENATOR ANDERSON	✓		
SENATOR MAZUREK	✓		
SENATOR HAMMOND	✓		

Each day attach to minutes.

7/8/89

THERE WERE ONLY 4 EXHIBITS FOR THIS DAY. THEY ARE NUMBERED 15, 23, 25, AND 26.

EXECUTIVE ACTION ON HB 28, 3RD READING COPY
SENATE EDUCATION COMMITTEE

July 7, 1989

Prepared by Committee Staff

1. Motion by Sen. Blaylock to remove from HB 28 the coordination instruction in section 97 which would have added any approved foundation program schedule increase for FY 1990 into the schedules in HB 28. Motion passed, 6 - 2
2. Motion by Sen. Farrell to reduce the statewide mill levy from 45 mills to 30 mills (for total of 85 mills). Motion failed, 6 - 3
3. Motion by Sen. Farrell to reduce the statewide mill levy from 45 mills to 35 mills (for total of 90 mills). Motion failed, 5 - 4
4. Motion by Sen. Farrell to reduce the statewide mill levy from 45 mills to 40 mills (for total of 95 mills). Motion passed, 5 - 4
5. Motion by Sen. Farrell to reduce the overschedule permissive levy to a level that combined with the foundation program amount would bring districts to 90% of average FY 1988 expenditures without a voted levy, rather than 100%. Motion failed, 8 - 1
6. Motion by Sen. Mazurek to change the permissive levy to a phased-in mandatory obligation of districts. Districts would be required to finance a nonvoted amount equal to 10% of the district foundation program amount in FY 1991 and 20% of the foundation program amount thereafter. Motion passed, 5 - 4
7. Motion by Sen. Farrell to remove the "Daily" exemption from the expenditure cap. Motion passed, 8 - 1
8. Motion by Sen. Regan to remove the provision which would have temporarily diverted the coal severance tax parks acquisition fund (5%) to state equalization aid. Motion passed, 6 - 2
9. Motion by Sen. Pinsoneault to add to the bill title language that would indicate that the income tax surcharge was "in lieu of a general sales tax". Motion passed 8 - 1
10. Motion by Sen. Pinsoneault to add to the statement of intent language stating that the income tax surcharge is not intended to provide a long-term solution to the school equalization problems. Motion passed, 7 - 1
11. Motion by Sen. Pinsoneault to add as a duty for the legislative oversight committee in the bill the "assessment

Ex. #15
7/8/89
HB28

of administrative costs of public school services in Montana." Motion passed, unanimous

12. Motion by Sen. Brown to make effective for FY 1990 the increased bonus payments for districts which consolidated in FY 1989. Motion passed, unanimous
13. Motion by Sen. Nathe to reduce the local government severance tax rates on oil and gas to the levels in SB 26 (oil-8.4%; gas-15.25%; strippers 4.2%)
14. Substitute motion by Sen. Mazurek to lower the rates, but also restore the statewide levy to 45 mills (100 mills total). Motion passed, 5 - 4
15. Motion by Sen. Farrell to require districts to use any cash reappropriated from a previous fiscal year for first reducing the voted levy, then the mandatory overschedule amount, then any other district levies.
Motion passed, 8 - 1

JUNE 22, 1989

A SUMMARY OF
SCHOOL FUNDING EQUALIZATION PROPOSALS:

JUNE 19, 1989 - SPECIAL SESSION

Prepared for the

House Education and Cultural Resources Committee
Senate Education and Cultural Resources Committee

by

Andrea Merrill, Staff Researcher, Legislative Council
Dave Cogley, Staff Attorney, Legislative Council

Revised June 20, 1989

(BILL NUMBERS ADDED JUNE 22, 1989)

GLOSSARY OF ABBREVIATIONS USED IN CHART

ANB -- average number belonging

Bldg./debt -- district debt service, building fund, building reserve

CPI -- Consumer Price Index

Elem. -- elementary schools

FP -- Foundation Program

FY -- school fiscal year (i.e., FY 91 = school fiscal year beginning July 1, 1990)

GAAP -- Generally accepted accounting principles

GF -- school district general fund for operation and maintenance

G.T.B. -- Guaranteed tax base

H.S. -- high schools

I.T. -- income tax

M -- Million

PERS - Public Employees' Retirement System

SS -- Social Security

Spec. ed. -- special education

Transp. -- transportation

TRS -- Teachers' Retirement System

UI -- unemployment insurance

KADAS/
RAMIREZ
HB 39

No change from current law except mill value guaranteed for levy in low wealth counties. Spec. ed. retirement funded from retirement levy. Lottery diverted to state equalization aid

Eliminate levy.
Insurance in GF.

FP schedule increased by \$ shown in #11. Additional equalization aid provided for retirement, transp., and GF costs not supported by FP by subsidizing mill value per ANB in low wealth districts up to statewide mill value per ANB

CURRENT

Mandatory county retirement levy for TRS, PERS, SS, UI; using lottery for equalization (25- mill ave.)

Allowable district levy for comprehensive insurance (5- mill ave.)

FP schedule funding not based on actual costs of operating school. \$ increases by legislature (1% since FY 86)

HB 28, SCHYE
SB 7, MAZUREK

Separate fund. Eliminate levy. State aid to fund district's actual costs. Spec. ed. retirement as allowable cost

Eliminate levy.
Insurance in GF.
100% of 1988 costs in FP schedule base

FP schedules for FY 91 based on 100% of districts' 1988 GF and insurance, plus any \$ increase for FY 90. Include 70% of PL 874 in base

SB 20 NATHE

Retirement in GF, funded through FP schedule with deficiency levy for districts with retirement costs greater than 10% of FP schedule. Spec. ed. retirement as allowable cost

Eliminate levy.
Insurance in GF. 90% of '88 costs in FP schedule base

FP schedules for FY 91 based on: 90% of districts' 1988 GF (minus spec. ed. & PL 874) and insurance (minus PL 874) and 100% of retirement

HB 45 (GOVERNOR'S)
HANNAH

Retirement in GF, funded through FP schedule with deficiency levy for districts with retirement costs greater than 10% of FP schedule. Spec. ed. retirement not allowable cost

Insurance in GF.
Eliminate levy

FP schedules based on desire to equalize funding for 80% of FY 91 projected costs for GF, insurance, and retirement

203

203

1.

EX Oct 26
Pg 26

2. EX Oct 26
Pg 27

3. EX Oct 26
Pg 28
Pg 28

KADAS/
RAMIREZ
HB 39

No change in county
levy. Collect 50
state mills.
Effective FY 91.

HB 28, SCHYE
SB 7, MAZUREK

Collect 47 elem. &
28 h.s. mills at
county. Collect 45
state mills.
Effective FY 91

SB 20 NATHE

Collect 46.67 elem.
mills & 28.33 mills
at county. Effective
FY 91

HB 45 (GOVERNOR'S)
HANNAH

Collect 53 elem.
mills & 32 mills at
county. Effective FY
91

Replace current
permissive levy with
overschedule
permissive levy up
to 25% of schedule
amount (for total
schedule and
permissive amount of
approx. 90% of ave.
'88 expenditure)

Eliminate
permissive levy.
Effective FY 91

Eliminate permissive
levy. Effective FY
91

Eliminate permissive
levy. Effective FY
91

No GF budget limit,
but recapture of 2%
of budget over 166%
of FP schedule
amount for each 1%
by which budget
exceeds 166%

Maximum GF budget
limited to 117% of
schedules, spec.
ed, & retire-
ment. Districts
with FY 88 GF,
retirement, &
insurance over
117% of FY 91 FP
are frozen. PL 874
\$ excluded from
cap. Exempt from
I-105

Maximum GF budget
limited to 130% of
FP (schedule amount
plus spec. ed). Dis-
tricts with FY88 GF,
retirement, & insur-
ance budget over
130% of FY 91 FP
are frozen; PL 874 \$
excluded from cap.
Exempt from I-105

Maximum GF budget
limited to either
104% of previous
year budgets for GF,
retirement, &
insurance or 125% of
FP schedule amount.
PL 874 \$ excluded
from cap. Exempt
from I-105

5. ~~Permissive levies~~
for elem. (6 mills)
county (28 mills)
elem., 17 mills
h.s.)

6. ~~No statutory~~
expenditure
limitations (except
for I-105)

KADAS/
RAMIREZ
HB 39

Current sources plus
50-mill state levy,
lottery, increased
coal tax allocation,
5% income surtax,
increased individual
income tax
allocation

CURRENT

7. State revenue
sources earmarked
for state
equalization aid

HB 28, SCHYE
SB 7, MAZUREK

45-mill state levy
and lottery to
state equalization
aid. Effective FY
91

SB 20 NATHE

I.T. surtax con-
tinued, lottery
revenue, coal tax &
interest reallo-
cation. Effective FY
90

HB 45 (GOVERNOR'S)
HANNAH

Lottery to FP.
Revenue from minimum
district equaliza-
tion levy of 44
elem. mills and 26
H.S. mills on C.A.
property, in lieu of
C.A. taxes for voted
and retirement
deficiency levy

8. County equalization
revenues received
from basic levies,
federal forest
funds, Taylor
Grazing, motor
vehicle, misc.

No change from
current law except
state equalization
aid to offset tax
delinquencies

No change from
current law except
state equalization
aid to offset tax
delinquencies

No change from
current law except
state equalization
aid to offset tax
delinquencies

9. PL 874 not counted
as resource for
equalization

PL 874 not subject
to recapture

PL 874 excluded
from cap until
equalization
allowed under
federal law. Part
of study

PL 874 excluded from
cap until equaliza-
tion allowed under
federal law. Part of
study

PL 874 excluded from
cap until equaliza-
tion allowed under
federal law. Part of
study

10. General fund reserve
limit of 35%; no
penalty for
exceeding limit

Reserve limited to:
35% if no state aid;
30% if aid 1/4 or
less of FP; 20% if
aid over 1/4 of FP

Reserve limited
to: 35% if no
state aid; 30% if
aid 1/4 or less of
FP; 20% if aid
over 1/4 of FP

Reserve limited to:
35% if no state aid;
30% if aid 1/4 or
less of FP; 20% if
aid over 1/4 of FP

Reserve limited to:
35% if no state aid;
30% if aid 1/4 or
less of FP; 20% if
aid over 1/4 of FP

KADAS/
RAMIREZ
HB 39

HB 28, SCHYE
SB 7, MAZUREK

HB 45 (GOVERNOR'S)
HANNAH

CURRENT

11. FP structure & schedules based on school size

No change in structure. Schedules increased 4% for FY 90 and 8.51% elem. (with additional 9% increase for elem. over 300 ANB) and 16.32% H.S. for FY 91 (FY 91 increase is from FY 89 schedule)

No change in structure. No extra increase for some categories. Increased by 51% for elem.; 60% for h.s.

SB 20 NATHE
No change in structure, except 9% increase for elem. over 300 ANB. Schedules increased by 44.57% for elem.; 52.85% for h.s.

No change in structure. Schedules increased by 46% for elem. & H.S.

12. Minimum 180 day school year with no maximum; no limit on days creates dis-equity in FP payments

Funding for only 180 PI days, plus 7 PIR

Funding for only 180 PI days, plus 7 PIR

Funding for only 180 PI days, plus 7 PIR

13. Current state equalization aid payment schedule is 5 times per year

20% state equalization aid in July, then 7% monthly. Includes both FP schedule payment and GTB aid

20% state equalization aid in July, then 7% monthly

20% state equalization aid in July, then 7% monthly

14. Building/debt service not equalized

Interim study of needs & methods of equalization

Interim study of needs & methods of equalization

Interim study of needs & methods of equalization

Interim study of needs & methods of equalization

KADAS/
RAMIREZ
HB 39

CURRENT

15. Transportation
program separate

Schedules revised -
state funds half of
former schedule
amount capped at '88
costs unless OPI
approval. Mill
value guaranteed for
transp. levy in low
wealth districts.
Interim study

HB 28, SCHVE
SB 7, MAZUREK

State funds 100%
of transp.
schedules. No cap.
Interim study

SB 20 NATHE

State funds 100% of
transp. schedules.
Over-schedule amt.
capped at 1988 costs
unless OPI approval.
Interim study.
\$11.56 in bill

HB 45 (GOVERNOR'S)
HANNAH

No change from
current law

16. Special ed. part of
GF and FP; actual
costs not fully
funded; separate
accounting and OPI
oversight

State funds allow-
able costs -
\$33.862M in HB 100.
Spec. ed. retirement
not allowable cost

State funds
retirement costs
for FY 91. \$4.3M
in bill

State funds allow-
able costs for FY
90, 91, plus
retirement costs for
FY 91. \$4.3M in bill

No change from
current law. No
appropriation

KADAS/
RAMIREZ
HB 39

CURRENT

Additional
components

17. Same as LC 0001 plus
revises classifica-
tion and taxable
rate of real and
personal property.
Institutes flat tax
rate on net & gross
proceeds on coal,
oil, & gas.
Abolishes education
trust fund.

HB 28, SCHYE
SB 7, MAZUREK

Legislative
oversight
committee for
studies and
implementation
(\$20,000); OPI
adopt rules for
GAAP accounting--
training funds in
bill. Increase
bonus payments to
enlarged
districts. Tele-
communications
funding. Protested
tax settlements
exempt from
reserve limits

SB 20 NATHE

Legislative
oversight committee
for studies and
implementation
(\$20,000); OPI adopt
rules for GAAP
accounting--training
funds in bill.
Increase bonus
payments to enlarged
districts. Tele-
communications
funding. Protested
tax settlements
exempt from reserve
limits.

HB 45 (GOVERNOR'S)
HANNAH

Legislative
oversight committee
for studies and
implementation
(\$20,000); OPI adopt
rules for GAAP
accounting--training
funds in bill.
Protested tax
settlements exempt
from reserve limits.
District
equalization levy on
C.A. property - 44
mills elem., 26
H.S.; if 80% of all
voted & retirement
levy mills exceeds
70 mills, taxpayer
gets refund from
OPI.

18. Phase-in

New plan effective
for FY 91. Study
effective July 1,
1989. OPI rules on
GAAP prior to FY 91

New plan effective
for FY 91. Study
effective July 1,
1989. OPI rules
prior to FY 91.

New plan effective
for FY 91. Study
effective July 1,
1989. OPI rules
prior to FY 91

New plan effective
for FY 91. Study
effective July 1,
1989

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7/11

HB 28

OFFICE OF THE LEGISLATIVE AUDITOR

07/10/89

12:08 PM MILLANAL.WK1

ANALYSIS OF DISTRICT
MILL LEVIES

		DISTRICTS WITH LESS MILLS	ANB WITH LESS MILLS	% DISTRICTS WITH LESS MILLS	ANB WITH LESS MILLS
65 TOTAL MILLS					
718 ELEMENTARY	39	349	103,672	91.361%	99.316%
560 HIGH SCHOOL	26	160	44,372	98.160%	98.754%
75 TOTAL MILLS					
372 ELEMENTARY	45	324	100,667	84.817%	96.437%
1096 HIGH SCHOOL	30	154	43,840	94.479%	97.570%
85 TOTAL MILLS					
7472 ELEMENTARY	51	283	96,918	74.084%	92.846%
1951 HIGH SCHOOL	34	146	42,981	89.571%	95.658%
95 TOTAL MILLS					
13,056 ELEMENTARY	57	237	91,334	62.042%	87.496%
3661 HIGH SCHOOL	38	137	41,271	84.049%	91.852%
100 TOTAL MILLS					
14,896 ELEMENTARY	60	212	89,494	55.497%	85.734%
4430 HIGH SCHOOL	40	132	40,502	80.982%	90.141%
110 TOTAL MILLS					
19,745 ELEMENTARY	66	171	84,645	44.764%	81.088%
5100 HIGH SCHOOL	44	123	39,832	75.460%	88.650%
120 TOTAL MILLS					
22,339 ELEMENTARY	72	151	82,051	39.529%	78.603%
6517 HIGH SCHOOL	48	114	38,415	69.939%	85.496%

ANB Enrollment

Elementary 104,390

High School 44,932

Total 149,322

EXHIBIT NO. 26 - 56DATE 7/11/89 - 23FILE NO. #B28 - 32.5COST

90% GTB Ret \$ 137.5

80% of total - 1948

Revenue:

100 mills (flat tax)	88.6
8% surch	21.9
Ed Trust Flow	3.6
1.5% coal	5.0
One-Time reallocation (18.5)	14.5
8% corp (10)	4.0
	<u>137.6</u>

No 1 time surch

any 1 time surch

7/11/89

Education

VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretary)

ROLL CALL VOTE

SENATE COMMITTEE EDUCATION

Date 7/11/89 Bill No. HB28 Time 11:30

NAME	YES	NO
SENATOR ANDERSON		✓
SENATOR BROWN	✓	
SENATOR BLAYLOCK	✓	
SENATOR FARRELL		✓
SENATOR REGAN	✓	
SENATOR NATHE	✓	
SENATOR PINSONEAULT	✓	
SENATOR MAZUREK	✓	
SENATOR HAMMOND		✓

JAELENE JOHNSON
Secretary

H.W. HAMMOND
Chairman

Motion: Senator Mazurek moved his
proposal. The motion carried 6 to 3

ROLL CALL VOTE

SENATE COMMITTEE EDUCATION

Date 7/11/89 Bill No. AB28 Time 3:45p

NAME	YES	NO
SENATOR ANDERSON		✓
SENATOR BROWN	✓	
SENATOR BLAYLOCK	✓	
SENATOR FARRELL		✓
SENATOR REGAN	✓	
SENATOR NATHE	✓	
SENATOR PINSONEAULT	✓	
SENATOR MAZUREK	✓	
SENATOR HAMMOND		✓

JAELENE JOHNSON
Secretary

H.W. HAMMOND
Chairman

Motion: Senator Mazurek moved AB28 to Be
Concurred in as amended.
The Motion carried 6 to 3.