

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON EDUCATION & CULTURAL RESOURCES**

**Call to Order:** By Rep. H.S. "Sonny" Hanson, Chair, on March 17, 1993, at 3:00 p.m.

#### **ROLL CALL**

##### **Members Present:**

Rep. Sonny Hanson, Chair (R)  
Rep. Alvin Ellis, Vice Chair (R)  
Rep. Ray Brandewie (R)  
Rep. Ervin Davis (D)  
Rep. Ed Dolezal (D)  
Rep. Jack Herron (R)  
Rep. Bob Gervais (D)  
Rep. Bea McCarthy (D)  
Rep. Scott McCulloch (D)  
Rep. Norm Mills (R)  
Rep. Bill Rehbein (R)  
Rep. Sam Rose (R)  
Rep. Dick Simpkins (R)  
Rep. Wilbur Spring (R)  
Rep. Norm Wallin (R)  
Rep. Diana Wyatt, Vice Chair (D)

**Members Excused:** None

**Members Absent:** Reps. Daily and Harrington

**Staff Present:** Andrea Merrill, Legislative Council  
Susan Lenard, Committee Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

##### **Committee Business Summary:**

Hearing: None  
Executive Action: HB 667, HB 143

#### **EXECUTIVE ACTION ON HB 667**

**Motion:** REP. SIMPKINS MOVED HB 667 DO PASS.

##### **Discussion:**

REP. HANSON stated HB 667 is revenue neutral and set at a 250% mill guaranteed percentage, with a 20% low spender growth rate.

He noted a series of amendments were offered to the committee. The first amendment addresses some clean up work and reduces the 250% mill guaranteed percentage to 164%. He noted the amendment was initially designed to reduce the 250% to 176% but because of consideration of special education needs, it was reduced to 164%. **REP. HANSON** noted the "198" to be inserted on page 2, line 5, is derived by multiplying 164% by the 121% (already in statute).  
**EXHIBIT 1**

**REP. HANSON** stated that schedules with 164% mill guaranteed values were not ready to be presented to the committee.

**REP. MCCARTHY** suggested the committee to recess until those figures were available. She commented it was not fair to any school district to act on the bill without those calculations.

**REP. HANSON** insisted the direction is the same. He said the revenue neutral bill is being reduced by an amount of forty million dollars.

**REP. HANSON** asked **Jim Gillett, Office of the Legislative Auditor**, to comment on the change in the mill guaranteed percentage from 176% to 164%.

**Mr. Gillett** said "in the process of reducing that percentage, there was a major transition from restating 1993 under the system." He indicated it would result in a twenty million dollar annual reduction, based on 1993 ANB levels. "Because of the leveraging of local mills the addition of ANB causes the GTB costs to increase. This occurs because state support is following the students." He noted the Office of the Legislative Auditor "believes the 176% statistic is a fair representation of the mill affects of the equalization properties of the system. That is what equalization is doing with a twenty million dollar annual reduction. The mill affects for 1994 and 1995 projections will be far more dependent upon estimated district budget growth, which is at the option of trustees, than it is on the effects of the model itself." **Mr. Gillett** said by using the 164% value, "there is recognition of the growth in ANB and the utilization of only a finite amount of money."

**REP. DAVIS** asked **REP. HANSON** to identify the individuals who comprise the "we" when he spoke of "we" made these changes and suggested these amendments.

**REP. HANSON** replied that the direction was to work with the revenue neutral bill, HB 667. He said he started working with the Audit Department and exploring different scenarios last Saturday. **REP. HANSON** indicated he showed the new schedules to come members of the committee, **REPS. HARRINGTON** and **DAILY**, to show the direction he was trying go. His direction, based on the budget that was approved in the third week of this session, was to take out 39.6 million dollars out of grades K-12. **REP. HANSON** stressed the committee that the statistical model is complex and the many

variables allow for a variety of permutations. He indicated the goal has always been to come up with a reduction of forty million dollars for the biennium because that was the recommendation of the House.

**REP. DAVIS** commented he understood that point, but he commented he believed that is what the committee had accomplished over the last couple of days. He said at this point, with the many schedules in front of him, he was not certain as to the direction any of the available options.

**REP. MCCARTHY** stated it was her knowledge **REP. HANSON** had shared the first run with **REPS. HARRINGTON** and **DAILY** but not any subsequent ones. She contended the first run considered a 200% mill guaranteed percentage.

**REP. MCCULLOCH** maintained the previous discussions on these percentages considered changing the percentage by one or two points, not the twelve or twenty percent they were now considering. He asserted it was now impossible to figure out the amount these percentages will raise his district's cost without further information. He stated he would be unable to make a decision regarding these percentage changes without those details.

**REP. ELLIS** asked when the committee might be able to see a hard copy of those computations.

**REP. HANSON** emphasized that HB 667 is an equalization bill which would raise the lower spending districts and drop the higher spending districts. He stressed that is the direction of the committee while also being responsible for reducing the overall amount by forty million dollars.

**REP. ELLIS** stated that all of the committee members understand the intent of HB 667, but said it would be difficult to act on it in this manner, i.e. without all of the information.

**REP. HANSON** requested a printout from the Office of the Legislative Auditor of the projected millages with a mill guaranteed percentage of 164%.

**Mr. Gillett** offered to explain the differences between the 164% and 176% figures. He called attention to the fact that an increase in the number of ANB, with a fixed amount of state dollars, results in a decrease in the overall amount of support spent per student. He said the only difference between the 164% and the 176% scenario is "the acknowledgment of that support difference through the next biennium because of the growth in ANB." **Mr. Gillett** stated the effects of moving mills into fiscal year 1994 and 1995 cannot be compared to 1993 because one is not just projecting the effects of the 164% guarantee level. One must also consider the four percent budget growth. He said one cannot compare 1993 mills with 1994 and 1995 mills thinking they are

looking at the effects of a 164% guarantee level as compared to a 176% guarantee level. **Mr. Gillett** stressed the reduction in the guarantee level and a four percent projected budget growth must be considered.

**REP. HANSON** asked **Mr. Gillett** asked if the indicated effects of HB 471 and SB 235 on the various communities listed (for a guaranteed mill value of 176%) are valid.

**Mr. Gillett** expressed his belief that the figures "do not substantially misrepresent the situation." The effect on mills, of a difference in guaranteed mill percentages, would be mitigated by those districts with growth.

**REP. DOLEZAL** asked if the chosen model is not able to produce projections for the direction of mills in each individual county.

**Mr. Gillett** stated he could generate the effects on mills, but the effects on mills are no longer just the effects of moving from 176% to 164%. **Mr. Gillett** again emphasized that the effects of the projected changes in ANB and the projected four percent in budget growth are also factors.

**REP. BOHARSKI, House District 4**, explained the Select Education Committee produced HB 667, which was revenue neutral. He said the danger of handing out spreadsheets was becoming evident, that there is information on students for 1993, but the same information is not available for 1994. He emphasized that projected figures should not be taken too seriously, that all one can do is compare the spreadsheets with the current model.

**REP. DOLEZAL** asked for the intent of amendments six and seven (EXHIBIT 1). **Ms. Merrill** said the amendments apply to the sections on elementary and high school tuition. She indicated they clarify what is subtracted from tuition before a student is charged for a district's cost. She explained the two amendments are technical in nature.

**Motion/Vote:** **REP. BRANDEWIE** moved to amend HB 667. Motion carried 10 to 8 with **REPS. DAILY, DAVIS, DOLEZAL, HARRINGTON, GERVAIS, MCCARTHY, MCCULLOCH** and **WYATT** voting no. **EXHIBIT 2**

**Motion:** **REP. BRANDEWIE** moved to amend HB 667. **EXHIBIT 3**

**Discussion:**

**Ms. Merrill** stated the amendments transfer any trust fund balance left in the equalization aid account back into the general fund, remove the termination date on the income for the sale of timber on school lands and allow it to continue to be deposited in the equalization account, and continue the practice of paying part of the equalization payment into the next school year.

**Vote:** HB 667 BE AMENDED. Motion carried 10 to 8 with REPS. DAILY, DAVIS, DOLEZAL, HARRINGTON, GERVAIS, MCCARTHY, MCCULLOCH, and WYATT voting no. EXHIBIT 4

**Motion:** REP. BRANDEWIE moved to amend HB 667. EXHIBIT 5

**Discussion:**

REP. HANSON asked if the Office of Public Instruction wished to comment on the amendments.

Jan Thomson, Revenue Analyst, Office of Public Instruction, stated OPI has concern with the amendments because of language in the current law. Under present law, if a district does not spend their entire budget, OPI can capture a portion of ANB in proportion to the amount not spent. By inserting the amendment behind that language it would require OPI to recover GTB if their actual revenue receipts are more than anticipated. Ms. Thomson stated OPI could actually recover twice from a district because two different sets of language for recovery purposes exist.

Kurt Nickolson, Office of Budget and Finance, said the intent of the amendment is to address the occurrence of under-estimation of non-levy revenue with the result that GTB costs are higher. The amendment would require that the excess in the estimates used in setting the GTB, if revenues came in higher than the estimates, would be converted in proportion to the way the GTB was calculated. Mr. Nickolson suggested this change would incur more active revenues, but suggested more time is needed to study the impact of the amendment.

**Motion:** REP. HANSON moved to postpone action on the proposed amendment. Motion carried by voice vote.

**Motion:** REP. MCCULLOCH moved to amend HB 667. EXHIBIT 6

**Discussion:**

REP. MCCULLOCH explained the amendment would bring the enrollment count to one year behind the current figures instead of the present time lag of one and one half years. He said this would result in fewer anticipate enrollment changes and fewer budget amendments.

REP. HANSON asked if the amendment would result in any expenditure of funds.

REP. MCCULLOCH replied he understood the amendments to be revenue neutral.

REP. HANSON asked REP. SIMPKINS if the Select Education Committee considered this amendment.

**REP. SIMPKINS** said the Select Education Committee "turned the amendment down" until the bill goes to the Senate in order to allow more time to determine the correct manner of computing the ANB based upon enrollment versus attendance.

**REP. MCCULLOCH** stated the committee never voted on this amendment.

**REP. SIMPKINS** asked **Kathy Fabiano, Office of Public Instruction**, if making this change will increase the count on the number of students. **Ms. Fabiano** stated it will increase it sooner than would occur under existing law.

**Vote:** HB 667 BE AMENDED. Motion failed 9 to 9 with REPS. **BRANDEWIE, HERRON, REHBEIN, ROSE, SIMPKINS, SPRING, WALLIN, ELLIS, and HANSON** voting no. EXHIBIT 7

**Motion:** **REP. WYATT** moved to amend HB 667. EXHIBIT 8

**Discussion:**

**REP. WYATT** announced the intent of the proposed amendment is to change the fifty cent decrease in terms of economies of scale down to twenty-eight cents. She said twenty-eight cents is a more reasonable estimation and might be more appropriate. **REP. WYATT** admitted this change will add \$2,978,554 to the base of the bill. She said this issue needs to be addressed because the cost of educating special education students is very expensive.

**REP. MILLS** asked **REP. WYATT** how she determined twenty-eight cents to be an equitable figure. **REP. WYATT** replied it was her intent to maintain the present regression analysis and keep the distance between the maximum ANB, minimum ANB, current ANB, and the regression line constant.

**REP. SIMPKINS** stated he will not support this amendment. He said it would add money to the big schools and would increase the budget. In order to keep the costs down and keep to the agreed upon budget, acceptance of this amendment would require the committee to "go back to the drawing board." He suggested the amendment could result in some schools benefitting over others. He said the proposed bill, HB 667 as is, allows for equal growth in almost every school district.

**Vote:** HB 667 BE AMENDED. Motion failed 8 to 10 with REPS. **DAILY, DAVIS, DOLEZAL, HARRINGTON, GERVAIS, MCCARTHY, MCCULLOCH, and WYATT** voting yes. EXHIBIT 9

**Motion:** **REP. DOLEZAL** moved to amend HB 667. EXHIBIT 10

Discussion:

REP. DOLEZAL noted no proponent testified in favor of the caps located in HB 667. The amendment would eliminate all caps. He said the other portion of the amendment would change the effective date. The 1993 effective date would be changed to a 1994 effective date in an attempt to allow time to address some questions about the projected equalization plan presently not answered. He was concerned about the possibility of future equalization lawsuits and with the inability of schools to properly follow a plan which is not clearly understood.

REP. ELLIS spoke against the proposed amendments. He said HB 667 is a pro-school bill. He said a lot of superintendents would be given the opportunity to "work the system" and "jockey the plan to work out better for the school system" if the effective date was postponed.

REP. MILLS stated a majority of trustees of school board with whom he spoke want HB 667 to be in place by July 1, 1993.

REP. DOLEZAL said he believed the trustees may have told REP. MILLS as such, but probably did so using the revenue neutral HB 667 and not the one currently under consideration.

REP. SIMPKINS stated that superintendents of schools "are a lot smarter than we might give them credit for." He noted that many superintendents are excited about the plan. REP. SIMPKINS said HB 667 is a compromise bill. He insisted it was necessary to keep these compromises in the bill.

REP. DOLEZAL suggested that probably one of the easiest ways to manipulate the system was through the reserves. He stressed his amendments do not speak against equalization, but said the caps indirectly take away local control. He emphasized the position of the legislature and this specific committee when local control has been threatened in the past. He asked for the committee's support of the amendments.

Vote: HB 667 BE AMENDED. Motion failed 8 to 10 with REPS. DAILY, DAVIS, DOLEZAL, HARRINGTON, GERVAIS, MCCARTHY, MCCULLOCH, and WYATT voting yes. EXHIBIT 11

Motion: REP. MCCULLOCH moved to amend HB 667.

Discussion:

REP. MCCULLOCH offered to amend page 1, line 23. He asked to strike: "with the option of" and insert: "without." He said this would allow for permissive levies to take place.

REP. SIMPKINS said this amendment would remove another compromised portion of HB 667. He stated that people insisted on having voted levies.

REP. ELLIS commented he would be more comfortable with a 90% budgetary line, under which all levies below would be permissive, and all levies above would be voted. He said he was uncomfortable that HB 667 will force an increase in property taxes.

REP. MCCULLOCH indicated the words "with the option of" would allow a district to implement a four percent increase even if the voted levy fails.

Vote: HB 667 BE AMENDED. Motion failed 8 to 10 with REPS. DAILY, DAVIS, DOLEZAL, HARRINGTON, GERVAIS, MCCARTHY, MCCULLOCH, and WYATT voting yes. EXHIBIT 12

Motion: REP. SIMPKINS MOVED HB 667 DO PASS AS AMENDED.

Discussion:

REP. GERVAIS asked for the committee's permission to allow Linda Brannon, Indian Impact Aid Schools, to comment on the impact HB 667 would have on schools which receive PL-874 funds.

Ms. Brannon indicated she wanted to address the idea of taking PL-874 money and putting it into a separate fund. She observed that in doing so all of the schools heavily impacted by PL-874 money will be limited to an 80% budget. These schools will not likely be able to reach the 100% level because they will not have the resources to do so. Ms. Brannon said PL-874 money will not be able to be used in the area set under GTB either.

REP. ELLIS stated it was his understanding the reason the separate fund was proposed was not done so to limit Impact Aid districts, but to take it out of the process so those schools would not be handicapped.

REP. SIMPKINS asked an individual representing OPI to address the issue. Dory Nielson, Office of Public Instruction, said the intent was to put the money in a neutral position until the upcoming ruling from the federal government has been received. She indicated the issue raised by Ms. Brannon was valid and needs to be addressed.

REP. SIMPKINS asked Ms. Nielson if putting PL-874 money in this account precludes these schools from putting the money to use for educational purposes. Ms. Nielson said the money can be used for educational purposes but does preclude the money from being put into the general fund.

REP. HANSON suggested the issue has been brought to the attention of the committee and should be addressed during the Senate Education Committee.

Vote: HB 667 DO PASS AS AMENDED. Motion carried 11 to 7 with REPS. DAILY, DAVIS, DOLEZAL, HARRINGTON, GERVAIS, MCCARTHY, and MCCULLOCH voting no. EXHIBIT 13



**Motion:** REP. MCCARTHY MOVED TO RECONSIDER ACTION ON HB 143 AND TAKE FROM THE TABLE.

**Discussion:**

REP. MCCARTHY announced she was asked by REP. SWANSON if the committee would reconsider action on HB 143 if HB 667 was passed. She stated the amount of money going to the schools in question at the time HB 143 was heard was \$250,000. With the action of passing HB 667 the three schools would receive over \$500,000 supplemental to their ANB.

REP. SIMPKINS asked if these schools would be forced to increase or decrease spending under HB 667. REP. MCCARTHY replied she did not know. REP. SIMPKINS said these schools will have to decrease their spending if they sit above the 100% line. He suggested HB 667 will take care of these schools if their budgets are too high. He spoke against the reconsideration motion.

REP. ELLIS stated this motion is designed to take money out of small rural districts and put it into larger urban districts.

REP. SIMPKINS emphasized the state would not be providing any more money to schools with a small number of students than to schools with a large number of students under the new schedule. The state would provide high schools with a \$200,000 base in addition to a certain amount per student decreased downward to the stop loss figure.

REP. WALLIN suggested that with the extra mills the schools will be required to pay under this bill, reconsideration of HB 143 is not necessary. He indicated HB 667 will take care of the very issue of whether small districts will be able to pay to keep their schools open.

**Vote:** RECONSIDER ACTION ON HB 143. Motion failed 6 to 12 with REPS. DAILY, HARRINGTON, GERVAIS, MCCARTHY, MCCULLOCH, and SPRING voting yes. EXHIBIT 14

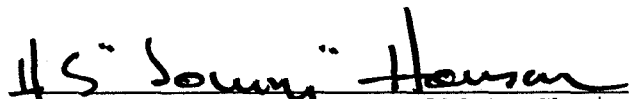
HOUSE EDUCATION & CULTURAL RESOURCES COMMITTEE

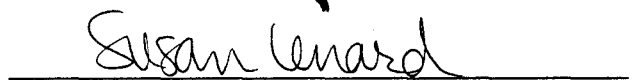
March 17, 1993

Page 10 of 10

ADJOURNMENT

Adjournment: 5:40 p.m.

  
REP. H.S. "SONNY" HANSON, Chair

  
SUSAN LENARD, Secretary

HSH/SL

# HOUSE OF REPRESENTATIVES

## Education and Cultural Resources COMMITTEE

ROLL CALL

DATE

3/17/93

NAME	PRESENT	ABSENT	EXCUSED
REP. SONNY HANSON , CHAIR	✓		
REP. ALVIN ELLIS , VICE-CHAIR	✓		
REP. DIANA WYATT , VICE-CHAIR	✓		
REP. RAY BRANDEWIE	✓		
REP. FRITZ DAILY		✓	
REP. ERVIN DAVIS	✓		
REP. ED DOLEZAL	✓		
REP. DAN HARRINGTON		✓	
REP. JACK HERRON	✓		
REP. BOB GERVAIS	✓		
REP. BEA MCCARTHY	✓		
REP. SCOTT MCCULLOCH	✓		
REP. NORM MILLS	✓		
REP. BILL REHBEIN	✓		
REP. SAM ROSE	✓		
REP. DICK SIMPKINS	✓		
REP. WILBUR SPRING	✓		
REP. NORM WALLIN	✓		

HOUSE STANDING COMMITTEE REPORT

March 18, 1993

Page 1 of 2

Mr. Speaker: We, the committee on Education and Cultural Resources report that House Bill 667 (second reading copy -- yellow) do pass as amended .

Signed: HS "Sonny" Hanson  
Sonny Hanson, Chair

And, that such amendments read:

1. Title, page 2, line 5.

Strike: "303"

Insert: "198"

2. Title, page 2, line 15.

Following: "FUND;"

Insert: "PROVIDING THAT THE FUND BALANCE IN THE EQUALIZATION AID ACCOUNT BE TRANSFERRED TO THE GENERAL FUND AT THE END OF EACH FISCAL YEAR; REMOVING THE TERMINATION DATE IN SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992, TO ALLOW INCOME FROM THE SALE OF TIMBER FROM STATE SCHOOL LANDS TO CONTINUE TO BE DEPOSITED IN THE SCHOOL EQUALIZATION ACCOUNT; REVISING THE DISTRIBUTION SCHEDULE FOR STATE EQUALIZATION AID;"

3. Title, page 2, line 22.

Following: "MCA,"

Insert: "SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992,"

4. Page 7, line 17.

Strike: "2,000"

Insert: "1,000"

5. Page 7, line 18.

Strike: "2,000"

Insert: "1,000"

6. Page 7, line 19.

Strike: "2,000TH"

Insert: "1,000th"

7. Page 9, line 2.

Strike: "act"

Insert: "section"

Committee Vote:

Yes 4, No 7.

611145SC.Hss

8. Page 22, lines 5 and 6.

Following: "~~schedules~~" on line 5

Strike: remainder of line 5 through "support" on line 6

Following: "of"

Insert: "any general fund budget amount up to"

Following: "budget"

Insert: "level"

9. Page 23, lines 8 and 9.

Following: "~~schedules~~" on line 8

Strike: remainder of line 8 through "support" on line 9

Following: "of"

Insert: "any general fund budget amount up to"

Following: "budget"

Insert: "level"

10. Page 37, line 13 through page 38, line 2.

Strike: subsection (7) in its entirety

11. Page 68, lines 15 through 17.

Following: "account" on line 15

Strike: remainder of line 15 through "biennium" on line 17

Insert: "at the end of a fiscal year must be transferred to the  
general fund"

12. Page 71, line 19.

Following: "year,"

Insert: "one-half of"

13. Page 71, line 21.

Following: "aid"

Insert: ", and on the following July 15, the remaining payment to  
each district of state equalization aid, excluding any  
guaranteed tax base aid for the school fiscal year ending on  
the preceding June 30"

14. Page 81, line 20.

Strike: "303%"

Insert: "198%"

15. Page 85, line 14.

Following: line 13

Insert: "Section 39. Section 6, Chapter 14, Special Laws of  
January 1992, is amended to read:

"Section 6. Effective date ~~— termination. [This act] is~~  
effective on passage and approval, ~~and [sections 3 through 5]~~  
~~terminate June 30, 1993."~~

Renumber: subsequent section

First Amendment offered

Amend. #1  
EXHIBIT #1  
DATE 3/17/93  
HB 667

Amendments to House Bill No. 667  
2nd Reading Copy

Requested by House Committee  
For the House Committee on Education

Prepared by Andrea Merrill  
March 16, 1993

1. Title, page 2, line 5.

Strike: "303"

Insert: "198"

2. Page 7, line 17.

Strike: "2,000"

Insert: "1,000"

3. Page 7, line 18.

Strike: "2,000"

Insert: "1,000"

4. Page 7, line 19.

Strike: "2,000TH"

Insert: "1,000th"

5. Page 9, line 2.

Strike: "act"

Insert: "section"

6. Page 22, lines 5 and 6.

Following: "~~schedules~~" on line 5

Strike: remainder of line 5 through "support" on line 6

Following: "of"

Insert: "any general fund budget amount up to"

Following: "budget"

Insert: "level"

7. Page 23, lines 8 and 9.

Following: "~~schedules~~" on line 8

Strike: remainder of line 8 through "support" on line 9

Following: "of"

Insert: "any general fund budget amount up to"

Following: "budget"

Insert: "level"

8. Page 37, line 13 through page 38, line 2.

Strike: subsection (7) in its entirety

9. Page 81, line 20.

Strike: "303%"

Insert: "198%"

EXHIBIT 2  
DATE 3/17/93  
HB 667

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL VOTE

DATE 3/17/93 BILL NO. HB 667 NUMBER \_\_\_\_\_

MOTION: Amend bill → (#1) 164% ✓

To Adopt Amendment #1

NAME	AYE	NO
Rep. Ray Brandewie	✓	
Rep. Fritz Daily		✓
Rep. Ervin Davis		✓
Rep. Ed Dolezal		✓
Rep. Dan Harrington		✓
Rep. Jack Herron	✓	
Rep. Bob Gervais		✓
Rep. Bea McCarthy		✓
Rep. Scott McCulloch		✓
Rep. Norm Mills	✓	
Rep. Bill Rehbein	✓	
Rep. Sam Rose	✓	
Rep. Dick Simpkins	✓	
Rep. Wilbur Spring	✓	
Rep. Norm Wallin	✓	
Rep. Diana Wyatt		✓
Rep. Alvin Ellis	✓	
Rep. Sonny Hanson	✓	

Amendments to House Bill No. 667  
2nd Reading Copy

Requested by Representative Hanson  
For the Committee on Education

Prepared by Andrea Merrill  
March 17, 1993

1. Title, page 2, line 15.

Following: "FUND;"

Insert: "PROVIDING THAT THE FUND BALANCE IN THE EQUALIZATION AID ACCOUNT BE TRANSFERRED TO THE GENERAL FUND AT THE END OF EACH FISCAL YEAR; REMOVING THE TERMINATION DATE IN SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992, TO ALLOW INCOME FROM THE SALE OF TIMBER FROM STATE SCHOOL LANDS TO CONTINUE TO BE DEPOSITED IN THE SCHOOL EQUALIZATION ACCOUNT; REVISING THE DISTRIBUTION SCHEDULE FOR STATE EQUALIZATION AID;"

2. Title, page 2, line 22.

Following: "MCA,"

Insert: "SECTION 6, CHAPTER 14, SPECIAL LAWS OF JANUARY 1992,"

3. Page 68, lines 15 through 17.

Following: "account" on line 15

Strike: remainder of line 15 through "biennium" on line 17

Insert: "at the end of a fiscal year must be transferred to the general fund"

4. Page 71, line 19.

Following: "year,"

Insert: "one-half of"

5. Page 71, line 21.

Following: "aid"

Insert: ", and on the following July 15, the remaining payment to each district of state equalization aid, excluding any guaranteed tax base aid for the school fiscal year ending on the preceding June 30"

6. Page 85, line 14.

Following: line 13

Insert: "Section 39. Section 6, Chapter 14, Special Laws of January 1992, is amended to read:

"Section 6. Effective date ~~— termination~~. [This act] is effective on passage and approval, and ~~[sections 3 through 5] terminate June 30, 1993.~~"

Renumber: subsequent section



EXHIBIT 4  
DATE 3/17/93  
HB 667

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL VOTE

DATE 3/17/93 BILL NO. HB 667 NUMBER \_\_\_\_\_

MOTION: Amend #2 - To adopt  
(moved by Rep. Brandewie)

NAME	AYE	NO
Rep. Ray Brandewie	✓	
Rep. Fritz Daily		✓
Rep. Ervin Davis		✓
Rep. Ed Dolezal		✓
Rep. Dan Harrington		✓
Rep. Jack Herron	✓	
Rep. Bob Gervais		✓
Rep. Bea McCarthy		✓
Rep. Scott McCulloch		✓
Rep. Norm Mills	✓	
Rep. Bill Rehbein	✓	
Rep. Sam Rose	✓	
Rep. Dick Simpkins	✓	
Rep. Wilbur Spring	✓	
Rep. Norm Wallin	✓	
Rep. Diana Wyatt		✓
Rep. Alvin Ellis	✓	
Rep. Sonny Hanson	✓	

Amendments to House Bill No. 667  
2nd Reading Copy

Requested by Representative Hanson  
For the Committee on Education

Prepared by Andrea Merrill  
March 17, 1993

1. Page 84, line 2.

Following: "expended."

Insert: "If actual revenue received from sources identified in  
20-9-141(1)(b) exceeds the estimates used in the calculation  
of a district's general fund mill levy, the guaranteed tax  
base aid reverts in proportion to the ratio of guaranteed  
tax base aid per mill to the district taxable value per  
mill."

Amendment #3

(Moved by Rep. Brandewie)

EXHIBIT 5  
DATE 3/17/93  
HB 667

Amendments to House Bill No. 667  
2nd Reading Copy

Requested by Representative  
For the House Committee on Education

Prepared by Andrea Merrill  
March 16, 1993

1. Title, page 2, line 15.  
Following: "FUND;"  
Insert: "BASING THE DISTRICT ANB COUNT ON THE ENROLLMENT COUNT  
FROM OCTOBER OF THE PREVIOUS YEAR;"
2. Page 54, line 25 through page 55, line 7.  
Following: line 24  
Strike: remainder of line 25 through "180" on page 55, line 7  
Insert: "as follows:  
(a) count the regularly enrolled full-time pupils who were  
enrolled as of the first Monday in October of the prior school  
fiscal year; and  
(b) multiply the enrollment calculated in subsection (1)(a)  
by the sum of the pupil-instruction and the approved pupil-  
instruction-related days for the current school year and divide  
by 180.  
(2) For the purpose of calculating ANB under subsection  
(1), up to 7 approved pupil-instruction-related days may be  
included in the calculation.  
(3)"
3. Page 55, line 7.  
Strike: "However, when"  
Insert: "When"
4. Page 55, line 9.  
Following: "total"  
Insert: "ANB"
5. Page 55, lines 10 through 13.  
Following: "20-9-805." on line 10  
Strike: remainder of lines 10 through 13  
Insert: "(4)"
6. Page 55, line 16.  
Following: "day."  
Insert: "(5)"
7. Page 55, lines 17 and 18.  
Following: "at" on line 17  
Strike: remainder of line 17 through "from" on line 18
8. Page 55, lines 20 and 21.  
Following: "one-half" on line 20  
Strike: remainder of line 20 through "be" on line 21  
Insert: "a pupil for ANB purposes"

9. Page 55, line 24.  
Following: "ANB"  
Insert: "for a kindergarten student"
10. Page 55, line 25.  
Following: "pupil."  
Insert: "(6)"
11. Page 56, lines 2 and 3.  
Following: "the" on line 2  
Strike: remainder of line 2 through "absence" on line 3  
Insert: "pupil"
12. Page 56, lines 3 through 5.  
Following: "in the" on line 3  
Strike: remainder of line 3 through "considered" on line 5  
Insert: "the count"
13. Page 56, lines 6 and 7.  
Following: "ANB" on line 6  
Strike: remainder of line 6 through "school" on line 7  
Insert: "unless the pupil resumes attendance prior to the day of  
the enrollment count."  
(7) The enrollment of prekindergarten pupils, as provided  
for in 20-7-117, may not be included in the ANB calculations."
14. Page 56, line 16.  
Following: line 15  
Insert: "(8) If a student spends less than half the time in the  
regular program and the balance of the time in school in the  
special education program, the student is considered a full-  
time special pupil but is not considered regularly enrolled  
for ANB purposes. If a student spends half or more of the  
time in school in the regular program and the balance of the  
time in the special education program, the student is  
considered regularly enrolled for ANB purposes."  
Renumber: subsequent subsections
15. Page 58, line 4.  
Following: line 3  
Insert: "(11) For average daily attendance reporting purposes,  
districts shall provide the superintendent of public  
instruction with annual reports of school attendance for  
regularly enrolled students and special education students,  
using a format determined by the superintendent of public  
instruction."
16. Page 60, line 21.  
Following: line 20  
Insert: "(7)(a) Immediately upon completion of the October  
enrollment count provided for in 20-9-311, the district  
clerk of a school district that anticipated an enrollment  
increase and, accordingly, increased the district ANB under  
the provisions of this section shall recalculate the  
district BASE budget and the maximum general fund budget in

accordance with [section 3], using the October enrollment count. If the actual enrollment is less than the anticipated enrollment, the district clerk shall recalculate the district levy requirement and notify the county superintendent, county assessor, and county treasurer of the reduced levy requirement.

(b) At the next regularly scheduled meeting of the board of trustees of the district, the trustees shall adopt a revised budget and notify the superintendent of public instruction and the county superintendent of schools of the revised budget and levy requirements."

17. Page 84, line 17.

Following: line 16

Insert: "Section 36. Section 20-9-311, MCA, is amended to read:

"20-9-311. Calculation of average number belonging (ANB).

(1) Average number belonging (ANB) must be computed as follows: ~~by determining the total of the aggregate days of attendance by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year plus the aggregate days of absence by regularly enrolled, full-time pupils during the second semester of the preceding school fiscal year and the first semester of the current school fiscal year and by dividing the total by 180~~

(a) compute an average enrollment by adding a count of regularly enrolled full-time pupils who were enrolled as of the first Monday in October of the prior school fiscal year to a count of regularly enrolled pupils on February 1 of the prior school fiscal year, or the nearest school day if those dates do not fall on a school day, and divide the sum by two; and

(b) multiply the average enrollment calculated in subsection (1)(a) by the sum of the pupil-instruction and the approved pupil-instruction-related days for the current school fiscal year and divide by 180.

(2) For the purpose of calculating ANB under subsection (1), up to 7 approved pupil-instruction-related days may be included in the calculation.

(3) However, when ~~When~~ a school district has approval to operate less than 180 school days under 20-9-804, the total ANB must be calculated in accordance with the provisions of 20-9-805. ~~For the purpose of calculating ANB under this section, the days of attendance for a regularly enrolled pupil may not exceed 180 pupil-instruction days.~~

(4) Attendance for a part of a morning session or a part of an afternoon session by a pupil must be counted as attendance for one-half day.

(5) In calculating the ANB for pupils enrolled in a program established under 20-7-117(1), attendance at ~~or absence from~~ a regular session of the program for at least 2 hours of either a morning or an afternoon session ~~will~~ must be counted as one-half day ~~attended or absent as the case may be~~ pupil for ANB purposes. If a variance has been granted as provided in 20-1-302, ANB ~~will~~ must be computed in a manner prescribed by the superintendent of public instruction, but ~~in no case may~~ the ANB for a kindergarten student may not exceed one-half for each kindergarten pupil.

(6) When any pupil has been absent, with or without excuse, for more than 10 consecutive school days, including pupil-instruction-related days, his absence after the 10th day of absence the pupil may not be included in the aggregate days of absence and his enrollment in the school may not be considered count used in the calculation of the average number belonging until he resumes attendance at school ANB unless the pupil resumes attendance prior to the day of the enrollment count.

(7) The enrollment of prekindergarten pupils, as provided in 20-7-117, may not be included in the ANB calculations.

~~(2) If a student spends less than half his time in the regular program and the balance of his time in school in the special education program, he is considered a full-time special pupil but is not considered regularly enrolled for ANB purposes. If a student spends half or more of his time in school in the regular program and the balance of his time in the special education program, he is considered regularly enrolled for ANB purposes.~~

~~(3)~~ (8) The average number belonging of the regularly enrolled, full-time pupils for the public schools of a district must be based on the aggregate of all the regularly enrolled, full-time pupils attending the schools of the district, except that when:

(a) (i) a school of the district is located more than 3 miles beyond the incorporated limits of a city or town located in the district and 3 miles from any other school of the district, all of the regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes; or

(ii) a school of the district is located more than 3 miles from any other school of the district and no incorporated territory is involved in the district, all of the regularly enrolled, full-time pupils of the school must be calculated separately for ANB purposes;

(b) a junior high school has been approved and accredited as a junior high school, all of the regularly enrolled, full-time pupils of the junior high school must be considered as high school district pupils for ANB purposes;

(c) a middle school has been approved and accredited, all pupils below the 7th grade must be considered elementary school pupils for ANB purposes and the 7th and 8th grade pupils must be considered high school pupils for ANB purposes; or

(d) a school has not been accredited by the board of public education, the regularly enrolled, full-time pupils attending the nonaccredited school are not eligible for average number belonging calculation purposes, nor will an average number belonging for the nonaccredited school be used in determining the foundation program for the district.

~~(4)~~ (9) When 11th or 12th grade students are regularly enrolled on a part-time basis, high schools may calculate the ANB to include an "equivalent ANB" for those students. The method for calculating an equivalent ANB must be determined in a manner prescribed by the superintendent of public instruction.

(10) For average daily attendance reporting purposes, districts shall provide the superintendent of public instruction with annual reports of school attendance for regularly enrolled

students and special education students, using a format  
determined by the superintendent."

Renumber: subsequent sections

18. Page 86, lines 2 and 3.

Following: "(4)"

Strike: remainder of line 2 through "1" on line 3

Insert: "[Section 36]"

EXHIBIT 7  
DATE 3/17/93  
HB 667

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL VOTE

DATE 3/17/93 BILL NO. HB 667 NUMBER \_\_\_\_\_

MOTION: Amends. # 4

(McCulloch)

(offered by Rep. McCulloch)

NAME	AYE	NO
Rep. Ray Brandewie		✓
Rep. Fritz Daily	✓	
Rep. Ervin Davis	✓	
Rep. Ed Dolezal	✓	
Rep. Dan Harrington	✓	
Rep. Jack Herron	✓	✓
Rep. Bob Gervais	✓	
Rep. Bea McCarthy	✓	
Rep. Scott McCulloch	✓	
Rep. Norm Mills	✓	
Rep. Bill Rehbein		✓
Rep. Sam Rose		✓
Rep. Dick Simpkins		✓
Rep. Wilbur Spring		✓
Rep. Norm Wallin		✓
Rep. Diana Wyatt	✓	
Rep. Alvin Ellis		✓
Rep. Sonny Hanson		✓



Amendments to House Bill No. 667  
2nd Reading Copy

Requested by Representative Wyatt  
For the Committee on Education

Prepared by Andrea Merrill  
March 17, 1993

1. Page 6, line 22.

Strike: "50"

Insert: "28"

2. Page 7, line 16.

Strike: "50"

Insert: "28"

Amendments to House Bill No. 667  
2nd Reading Copy

Requested by Representative Dolezal  
For the Committee on Education

Prepared by Andrea Merrill  
March 17, 1993

1. Title, page 1, line 24 through page 2, line 3.  
Following: "APPROVAL;" on line 24  
Strike: remainder of line 24 through "ANB;" on page 2, line 3
2. Page 4, line 5.  
Strike: "1993"  
Insert: "1994"
3. Page 9, lines 19 through 25.  
Following: "~~compute~~" on line 19  
Strike: remainder of line 19 through "(5)(a)" on line 25
4. Page 12, lines 6 through 15.  
Following: "shall" on line 6  
Strike: remainder of line 6 through "(c)" on line 15
5. Page 32, line 3.  
Strike: "1993"  
Insert: "1994"
6. Page 32, line 4.  
Strike: "1994"  
Insert: "1995"
7. Page 85, line 17.  
Strike: "1993"  
Insert: "1994"
8. Page 85, line 18.  
Strike: "1993"  
Insert: "1994"
9. Page 85, line 22.  
Strike: "1992"  
Insert: "1993"
10. Page 85, line 23.  
Strike: "1994"  
Insert: "1995"
11. Page 86, line 1.  
Strike: "1993"  
Insert: "1994"
12. Page 86, line 4.  
Strike: "1994"

Insert: "1995"

200,000  
+ 490,000

---

690,000

4,900  
109

---

490,000

EXHIBIT 11  
DATE 3/17/93  
HB 667

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL VOTE

DATE 3/17/93 BILL NO. HB 667 NUMBER \_\_\_\_\_

MOTION: Amend #6 — Dolezal

To Adopt Amendment proposed by Rep. Dolezal

NAME	AYE	NO
Rep. Ray Brandewie		✓
Rep. Fritz Daily	✓	
Rep. Ervin Davis	✓	
Rep. Ed Dolezal	✓	
Rep. Dan Harrington	✓	
Rep. Jack Herron		✓
Rep. Bob Gervais	✓	
Rep. Bea McCarthy	✓	
Rep. Scott McCulloch	✓	
Rep. Norm Mills		✓
Rep. Bill Rehbein		✓
Rep. Sam Rose		✓
Rep. Dick Simpkins		✓
Rep. Wilbur Spring		✓
Rep. Norm Wallin		✓
Rep. Diana Wyatt	✓	
Rep. Alvin Ellis		✓
Rep. Sonny Hanson		✓

EXHIBIT 12  
DATE 3/17/93  
HB 667

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL VOTE

DATE 3/17/93 BILL NO. HB 667 NUMBER         

MOTION: Amend - McCulloch  
To Adopt Amendment proposed  
by Rep. McCulloch

NAME	AYE	NO
Rep. Ray Brandewie		✓
Rep. Fritz Daily	✓	
Rep. Ervin Davis	✓	
Rep. Ed Dolezal	✓	
Rep. Dan Harrington	✓	
Rep. Jack Herron		✓
Rep. Bob Gervais	✓	
Rep. Bea McCarthy	✓	
Rep. Scott McCulloch	✓	
Rep. Norm Mills		✓
Rep. Bill Rehbein		✓
Rep. Sam Rose		✓
Rep. Dick Simpkins		✓
Rep. Wilbur Spring		✓
Rep. Norm Wallin		✓
Rep. Diana Wyatt	✓	
Rep. Alvin Ellis		✓
Rep. Sonny Hanson		✓

EXHIBIT 13  
DATE 3/17/93  
HB 667

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL VOTE

DATE 3/17/93 BILL NO. HB 667 NUMBER \_\_\_\_\_

MOTION: DO PASS AS AMENDED

NAME	AYE	NO
Rep. Ray Brandewie	✓	
Rep. Fritz Daily		✓
Rep. Ervin Davis		✓
Rep. Ed Dolezal		✓
Rep. Dan Harrington		✓
Rep. Jack Herron	✓	
Rep. Bob Gervais		✓
Rep. Bea McCarthy		✓
Rep. Scott McCulloch		✓
Rep. Norm Mills	✓	
Rep. Bill Rehbein	✓	
Rep. Sam Rose	✓	
Rep. Dick Simpkins	✓	
Rep. Wilbur Spring	✓	
Rep. Norm Wallin	✓	
Rep. Diana Wyatt	✓	
Rep. Alvin Ellis	✓	
Rep. Sonny Hanson	✓	

EXHIBIT 14  
DATE 3/17/93  
HB 143

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL VOTE

DATE 3/17/93 BILL NO. HB 143 NUMBER \_\_\_\_\_

MOTION: Reconsider Action

NAME	AYE	NO
Rep. Ray Brandewie		✓
Rep. Fritz Daily	✓	
Rep. Ervin Davis		✓
Rep. Ed Dolezal		✓
Rep. Dan Harrington	✓	
Rep. Jack Herron		✓
Rep. Bob Gervais	✓	
Rep. Bea McCarthy	✓	
Rep. Scott McCulloch	✓	
Rep. Norm Mills		✓
Rep. Bill Rehbein		✓
Rep. Sam Rose		✓
Rep. Dick Simpkins		✓
Rep. Wilbur Spring	✓	
Rep. Norm Wallin		✓
Rep. Diana Wyatt		✓
Rep. Alvin Ellis		✓
Rep. Sonny Hanson		✓

FISCAL YEAR 1992-93 DISTRICT LEVIES & CHANGES RESULTING  
FROM A \$40 MILLION REDUCTION IN STATE SUPPORT OVER THE 1995 BIENNIUM.  
COMPILED FROM OPI DATABASE (UNAUDITED)

MERC 63D  
16-Mar-93  
01:46 PM

AT THE REQUEST OF REP. "SONNY" HANSON

HB 471  
REP. SIMPKINS

GTB LEVEL = 176% OF CURRENT  
FIRST YEAR "COLA" = 0%  
SECOND YEAR "COLA" = 0%  
REQ'D LOW SPENDER GROWTH = 20%

SORT SEQUENCE: COUNTY AND DISTRICT

COUNTY	DISTRICT	LEGAL ENTITY	HB 471 CHANGE IN MILLS	YEAR 1 CHANGE FROM FY 93	YEAR 2 CHANGE FROM FY 93	YEAR 1 RESTATE WITH SB235	FISCAL YEAR COUNTY TRSP MILLS
BEAVERHEAD	BEAVERHEAD CO HS	0006	4.55	-7.20	-7.20	-17.88	0.00
BEAVERHEAD	DILLON ELEM	0005	12.01	2.60	2.60	-25.87	10.50
BEAVERHEAD	GRANT ELEM	0003	3.11	13.21	13.21	-15.26	10.50
BEAVERHEAD	JACKSON ELEM	0014	4.48	16.27	16.27	-12.20	10.50
BEAVERHEAD	LIMA ELEM	0008	6.23	29.23	29.23	0.76	10.50
BEAVERHEAD	LIMA H S	0009	6.24	13.70	13.70	3.02	0.00
BEAVERHEAD	POLARIS ELEM	0012	3.68	8.24	8.24	-20.23	10.50
BEAVERHEAD	REICHLE ELEM	0015	5.52	33.41	33.41	4.94	10.50
BEAVERHEAD	*WISDOM ELEM	0010	0.00	14.61	14.61	-13.30	7.70
BEAVERHEAD	*WISE RIVER ELEM	0007	5.87	16.27	16.27	-11.64	7.70
BIG HORN	COMMUNITY ELEM	0022	1.86	10.43	10.43	4.00	3.90
BIG HORN	HARDIN ELEM	0023	10.97	23.70	23.70	17.27	3.90
BIG HORN	HARDIN H S	1189	0.00	0.00	0.00	-4.48	0.00
BIG HORN	LODGE GRASS ELEM	0025	89.64	0.00	0.00	-6.43	3.90
BIG HORN	LODGE GRASS H S	1190	0.00	0.00	0.00	-4.48	0.00
BIG HORN	PLENTY COUPS HS	1214	30.23	1.66	1.66	-2.82	0.00
BIG HORN	PRYOR ELEM	0021	-2.63	-57.35	-57.35	-63.78	3.90
BIG HORN	SQUIRREL CRK ELEM	0020	0.17	0.38	0.38	-6.05	3.90
BIG HORN	WYOLA ELEM	0026	-2.43	7.76	7.76	1.33	3.90
BLAINE	BEAR PAW ELEM	0048	2.60	20.84	20.84	1.79	12.00
BLAINE	CHINOOK ELEM	0028	12.53	21.74	21.74	2.69	12.00
BLAINE	CHINOOK H S	0029	5.00	12.02	12.02	5.87	0.00
BLAINE	CLEVELAND ELEM	0032	2.36	16.04	16.04	-3.01	12.00
BLAINE	HARLEM ELEM	0030	74.06	31.25	31.25	12.20	12.00
BLAINE	HARLEM H S	0031	17.22	11.95	11.95	5.80	0.00
BLAINE	HAYS-LODGE POLE ELEM	0046	3465.13	3511.52	3511.52	3511.52	0.00
BLAINE	HAYS-LODGE POLE H S	1213	822.34	650.93	650.93	644.78	0.00



## FISCAL YEAR 1991-92 COMPARISON OF BUDGET TO ACTUAL EXPENDITURES

SORT SEQUENCE: BY COUNTY AND SCHOOL DISTRICT

SOURCE: OFFICE OF PUBLIC INSTRUCTION (UNAUDITED)

COUNTY	DISTRICT	BUDGET FY92	ACTUAL FY92	ACTUAL AS A % OF BUDG	SPENT 95%	SPENT 85%
		GF EXP LESS SP ED & 874	GF EXP LESS SP ED & 874		OR LESS OF FY92 BUDGET	OR LESS OF FY92 BUDGET
BEAVERHEAD	BEAVERHEAD CO HS	\$1,741,856	\$1,807,134	103.75%		
BEAVERHEAD	DILLON ELEM	\$2,922,491	\$2,921,650	99.97%		
BEAVERHEAD	GRANT ELEM	\$77,442	\$76,771	99.13%		
BEAVERHEAD	JACKSON ELEM	\$78,726	\$75,655	96.10%		
BEAVERHEAD	LIMA ELEM	\$277,700	\$266,071	95.81%		
BEAVERHEAD	LIMA H S	\$248,573	\$240,904	96.91%		
BEAVERHEAD	POLARIS ELEM	\$33,585	\$32,941	98.08%		
BEAVERHEAD	REICHLE ELEM	\$76,013	\$71,024	93.44%	*	
BEAVERHEAD	WISDOM ELEM	\$112,595	\$107,580	95.55%		
BEAVERHEAD	WISE RIVER ELEM	\$79,592	\$74,021	93.00%	*	
BIG HORN	BIG BEND ELEM	\$31,922	\$9,428	29.53%	*	**
BIG HORN	COMMUNITY ELEM	\$84,343	\$74,555	88.39%	*	
BIG HORN	HARDIN ELEM	\$3,419,902	\$3,118,024	91.17%	*	
BIG HORN	HARDIN H S	\$2,330,233	\$1,856,485	79.67%	*	**
BIG HORN	LODGE GRASS ELEM	\$1,789,818	\$1,661,938	92.86%	*	
BIG HORN	LODGE GRASS H S	\$1,143,964	\$1,032,224	90.23%	*	
BIG HORN	PLENTY COUPS HS	\$221,357	\$221,057	99.86%		
BIG HORN	PRYOR ELEM	\$186,660	\$184,978	99.10%		
BIG HORN	SQUIRREL CRK ELEM	\$67,313	\$54,406	80.82%	*	**
BIG HORN	WYOLA ELEM	\$403,307	\$399,877	99.15%		
BLAINE	BEAR PAW ELEM	\$51,244	\$51,080	99.68%		
BLAINE	CHINOOK ELEM	\$1,148,558	\$1,144,991	99.69%		
BLAINE	CHINOOK H S	\$1,055,332	\$1,023,065	96.94%		
BLAINE	CLEVELAND ELEM	\$50,720	\$50,596	99.76%		
BLAINE	HARLEM ELEM	\$1,718,379	\$1,453,829	84.60%	*	**
BLAINE	HARLEM H S	\$632,478	\$626,166	99.00%		
BLAINE	HAYS-LODGE POLE ELEM	\$758,818	\$748,391	98.63%		
BLAINE	HAYS-LODGE POLE H S	\$481,141	\$466,604	96.98%		
BLAINE	LLOYD ELEM	\$33,199	\$24,464	73.69%	*	**
BLAINE	N HARLEM COLONY ELEM	\$33,754	\$31,972	94.72%	*	
BLAINE	TURNER ELEM	\$324,362	\$331,332	102.15%		
BLAINE	TURNER H S	\$292,742	\$297,900	101.76%		
BLAINE	ZURICH ELEM	\$188,868	\$141,879	75.12%	*	**
BROADWATER	BROADWATER CO HS	\$774,701	\$826,277	106.66%		
BROADWATER	TOWNSEND ELEM	\$1,188,727	\$1,188,259	99.96%		
CARBON	BELFRY ELEM	\$677,353	\$489,939	72.33%	*	**
CARBON	BELFRY H S	\$630,000	\$347,931	55.23%	*	**
CARBON	BOYD ELEM	\$52,749	\$50,741	96.19%		
CARBON	BRIDGER ELEM	\$586,853	\$548,464	93.46%	*	
CARBON	BRIDGER H S	\$530,958	\$514,375	96.88%		
CARBON	EDGAR ELEM	\$107,640	\$84,608	78.60%	*	**
CARBON	FROMBERG ELEM	\$403,807	\$389,686	96.50%		
CARBON	FROMBERG H S	\$399,885	\$384,330	96.11%		
CARBON	JACKSON ELEM	\$67,230	\$67,216	99.98%		
CARBON	JOLIET ELEM	\$693,600	\$687,829	99.17%		
CARBON	JOLIET H S	\$573,733	\$573,548	99.97%		
CARBON	LUTHER ELEM	\$79,329	\$73,417	92.55%	*	
CARBON	RED LODGE ELEM	\$1,141,047	\$1,141,047	100.00%		
CARBON	RED LODGE H S	\$704,527	\$704,527	100.00%		
CARBON	ROBERTS ELEM	\$317,468	\$291,225	91.73%	*	
CARBON	ROBERTS H S	\$309,489	\$267,617	86.47%	*	
CARTER	ALBION ELEM	\$32,221	\$27,213	84.46%	*	**
CARTER	ALZADA ELEM	\$55,458	\$54,337	97.98%		
CARTER	CARTER CO H S	\$532,047	\$477,028	89.66%	*	
CARTER	EKALAKA ELEM	\$436,781	\$389,250	89.12%	*	
CARTER	HAMMOND-HAWKS HOME	\$75,000	\$66,634	88.84%	*	
CARTER	JOHNSTON ELEM	\$23,646	\$23,235	98.26%		
CARTER	PINE HILL-PLAINVW EL	\$65,000	\$49,025	75.42%	*	**
CARTER	RIDGE ELEM	\$30,020	\$27,645	92.09%	*	
CASCADE	BELT ELEM	\$755,426	\$753,013	99.68%		

3/17/93

OFFICE OF THE LEGISLATIVE AUDITOR  
AT THE REQUEST OF REPRESENTATIVE HANSON  
SCHOOL FUNDING ANALYSIS  
SPECIAL ED ANB NOT INCLUDED  
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

17-Mar-93  
11:50 AM

EXHIBIT 17  
DATE 3/17/93  
KB 667

BASE ENTITLEMENT			
PER STUDENT ALLOCATION	\$18,000		
STATE SUPPORT PERCENTAGE - BASE	\$3,500		
GUARANTEE PERCENTAGE - BASE	\$0.20		
UNSUBSIDIZED PERCENTAGE - BASE			
STATE SUPPORT PERCENTAGE - PER STUDENT			
GUARANTEE PERCENTAGE - PER STUDENT			
UNSUBSIDIZED PERCENTAGE - PER STUDENT			
MILL GUARANTEE PERCENT OF CURRENT			
GUARANTEE MILL VALUE			
REQUIRED LOW SPENDER GROWTH			
REQUIRED HIGH SPENDER REDUCTION			
ESTIMATED DISTRICT BUDGET GROWTH			
MAXIMUM PER STUDENT REDUCTION ANB	2000		
CURRENT FY 93 GF BUDGETS	\$561,861,049		
TOTAL SIMULATED GF BUDGETS	\$564,225,711		
DIFFERENCE IN GF BUDGETS	\$2,364,662		
OLD STATE SUPPORT	\$383,833,738		
NEW STATE SUPPORT	\$364,045,255		
STATE SUPPORT DIFFERENCE	(\$19,788,483)		
STATE EQUALIZATION %	88.81%		

ELEMENTARY  
\$18,000  
\$3,500  
\$0.20

HIGH SCHOOL  
\$200,000  
\$4,900  
\$0.50  
40.00%  
40.00%  
20.00%  
40.00%  
40.00%  
20.00%  
174.00%  
20.00%  
0.00%  
0.00%  
1000  
\$1,078,388

CHANGE FROM FY93 BUDGET TO NEW BUDGET				
	BUDGET DOWN		BUDGET UP	
	MORE THAN 2%	FROM 0 TO 2%	FROM 2 TO 4%	MORE THAN 4%
ELEM	0	0	300	25
HS	0	0	140	21
TOTAL SCHOOLS	0	0	440	46
ELEM ANB	0	0	103,841	3,213
HS ANB	0	0	36,544	5,277
TOTAL ANB	0	0	140,385	8,490
				2,249

OFFICE OF THE LEGISLATIVE AUDITOR  
 AT THE REQUEST OF REPRESENTATIVE HANSON  
 SCHOOL FUNDING ANALYSIS  
 SPECIAL ED ANB NOT INCLUDED  
 LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

17 - Mar - 93  
 11:50 AM

BASE ENTITLEMENT	ELEMENTARY	HIGH SCHOOL
PER STUDENT ALLOCATION	\$18,000	\$200,000
PER STUDENT REDUCTION FACTOR	\$3,500	\$4,900
STATE SUPPORT PERCENTAGE - BASE	\$0.20	\$0.50
GUARANTEE PERCENTAGE - BASE		40.00%
UNSUBSIDIZED PERCENTAGE - BASE		40.00%
STATE SUPPORT PERCENTAGE - PER STUDENT		20.00%
GUARANTEE PERCENTAGE - PER STUDENT		40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT		20.00%
MILL GUARANTEE PERCENT OF CURRENT		174.00%
'GUARANTEED MILL VALUE		
REQUIRED LOW SPENDER GROWTH		20.00%
REQUIRED HIGH SPENDER REDUCTION		0.00%
ESTIMATED DISTRICT BUDGET GROWTH		0.00%
MAXIMUM PER STUDENT REDUCTION ANB	2000	1000
CURRENT FY 93 GF BUDGETS		\$561,861,049
TOTAL SIMULATED GF BUDGETS		\$564,225,711
DIFFERENCE IN GF BUDGETS	\$1,266,274	\$1,078,388
OLD STATE SUPPORT		\$383,833,738
NEW STATE SUPPORT		\$364,045,255
STATE SUPPORT DIFFERENCE	(\$15,183,246)	(\$4,605,236)
STATE EQUALIZATION %		88.81%

MILL CHANGE TO SIMULATED GENERAL FUND MAXIMUM BUDGET					
NUMBER OF SCHOOLS/ANB	MILLS DOWN		MILLS UP		
	MORE THAN 10	FROM 0 TO 10	FROM 0 TO 10	MORE THAN 10	MORE THAN 20
ELEM	15	43	103	88	105
HS	16	36	51	44	17
TOTAL SCHOOLS	31	79	154	132	122
ELEM ANB	5,941	19,053	41,945	31,060	10,511
HS ANB	3,485	17,287	18,187	2,724	931
TOTAL ANB	9,426	36,340	60,132	33,784	11,442

OFFICE OF THE LEGISLATIVE AUDITOR  
AT THE REQUEST OF REPRESENTATIVE HANSON  
SCHOOL FUNDING ANALYSIS  
SPECIAL ED ANB NOT INCLUDED  
LISTING OF SPREADSHEET DATA ELEMENT ASSUMPTIONS

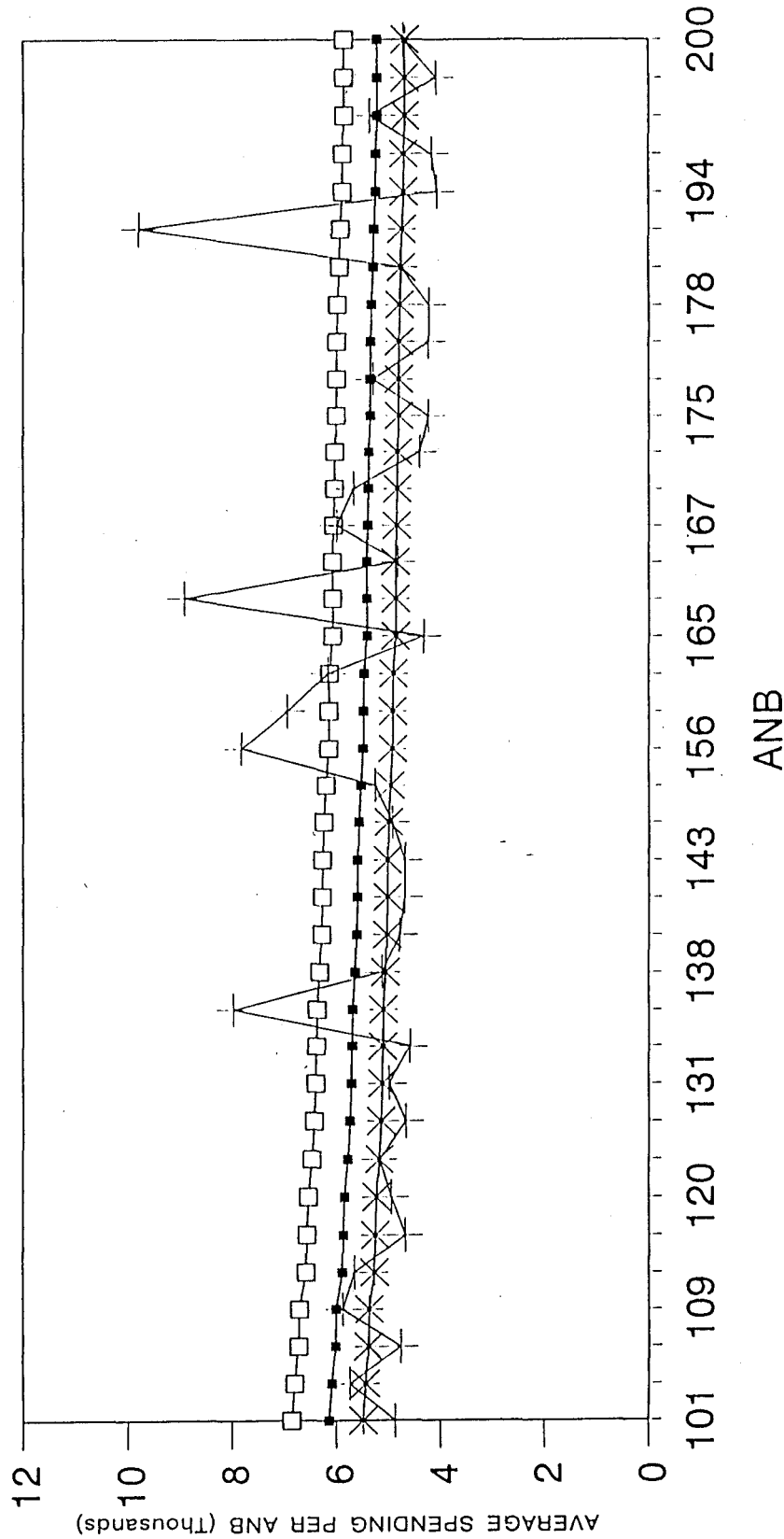
17-Mar-93  
11:50 AM

BASE ENTITLEMENT	ELEMENTARY	HIGH SCHOOL
PER STUDENT ALLOCATION	\$18,000	\$200,000
PER STUDENT REDUCTION FACTOR	\$3,500	\$4,900
STATE SUPPORT PERCENTAGE - BASE	\$0.20	\$0.50
GUARANTEE PERCENTAGE - BASE		40.00%
UNSUBSIDIZED PERCENTAGE - BASE		40.00%
STATE SUPPORT PERCENTAGE - PER STUDENT		20.00%
GUARANTEE PERCENTAGE - PER STUDENT		40.00%
UNSUBSIDIZED PERCENTAGE - PER STUDENT		20.00%
MILL GUARANTEE PERCENT OF CURRENT		174.00%
*GUARANTEED MILL VALUE		
REQUIRED LOW SPENDER GROWTH		20.00%
REQUIRED HIGH SPENDER REDUCTION		0.00%
ESTIMATED DISTRICT BUDGET GROWTH		0.00%
MAXIMUM PER STUDENT REDUCTION ANB	2000	1000
CURRENT FY 93 GF BUDGETS		\$561,861,049
TOTAL SIMULATED GF BUDGETS		\$564,225,711
DIFFERENCE IN GF BUDGETS	\$1,286,274	\$1,078,388
OLD STATE SUPPORT		\$383,833,738
NEW STATE SUPPORT		\$364,045,255
STATE SUPPORT DIFFERENCE	(\$15,183,246)	(\$4,605,236)
STATE EQUALIZATION %		88.81%

NEW BUDGET ANALYSIS				
NUMBER OF SCHOOLS/ANB	BELOW MINIMUM	BETWEEN MIN AND MAX	ABOVE MAXIMUM	
ELEM	154	121	79	
HS	58	60	46	
TOTAL SCHOOLS	212	181	125	
ELEM ANB	34,999	61,249	12,262	
HS ANB	16,336	20,217	6,061	
TOTAL ANB	51,335	81,466	18,323	

# OFFICE OF THE LEGISLATIVE AUDITOR HIGH SCHOOLS WITH 101 TO 200 ANB

EXHIBIT 18  
DATE 3/17/93  
HB 667



—+— REGRESSION/ANB    —+— CURRENT/ANB    \* MIN/ANB    □ MAX/ANB

HOUSE SELECT COMMITTEE ON EDUCATION

HB 667 EXECUTIVE ACTION -- MARCH 12, 1993

1. Changed the mix of state aid for the minimum or "BASE funding level" to:
  - (a) 40% direct state aid for base entitlement and per-ANB amount
  - (b) 40% guaranteed tax base aid for base entitlement and per-ANB amount
  - (c) GTB mill guarantee to 303% of state TV (250% x 1.21)
  - (d) Bill remains "state cost neutral"
2. Districts budgeting below the 80% minimum level are required to reach minimum in 5 years but growth is capped at greater of:
  - (a) 104% of prior budget;
  - (b) 104% of prior budget per-ANB; or
  - (c) 20% of the range between current budget and minimum level
3. Delayed including any special education ANB within the plan (and the calculations) until 2nd year of biennium. Also made technical corrections in 20-9-321, etc. to better coordinate HB 667 with SB 348, Halligan, authorizing full-time special education pupils to be regularly enrolled for ANB purposes.
4. Changed the point at which the district ANB count is no longer subject to the reducer on the per-ANB amount (i.e., the "stop/loss" is now at 1,000 ANB for high school districts and 2,000 ANB for elementary districts)
5. Required districts above the maximum level to:
  - (a) freeze budget growth for 1st year and reduce over-maximum budgets by 1% for the 2nd year -- voted levy election not required for those two years
  - (b) reduce budget growth for 3rd year by 2% and thereafter by 3% until maximum level is reached -- voted levy required
6. Allow districts budgeting between the minimum or "BASE funding level" and the maximum budget level the option of seeking voter approval to increases in that 20% range
7. Added "WHEREAS" language to allow the Office of Public Instruction to expedite the implementation of HB 667
8. Created an impact aid fund to remove P.L. 81-874 from general fund