

1 *House* BILL NO. *334*
 2 INTRODUCED BY *Luebeck Barrett Harper*
 3 *Lynch Johnson Kelly*
 4 A BILL FOR AN ACT ENTITLED: AN ACT TO ELIMINATE THE BUDGET

5 LIMITATION OF 112% FOR SCHOOL DISTRICTS; AMENDING SECTION
 6 75-6923, R.C.M. 1947; AND PROVIDING AN IMMEDIATE EFFECTIVE
 7 DATE."

8
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 75-6923, R.C.M. 1947, is amended to
 11 read as follows:

12 "75-6923. Additional levy for general fund and
 13 election for authorization to impose. The trustees of any
 14 district may propose to adopt a general fund budget in
 15 excess of the general fund budget amount for such district
 16 as established by the schedule in section 75-6905 for any of
 17 the following purposes: (1) building, altering, repairing
 18 or enlarging any school house of the district;

19 (2) furnishing additional school facilities for the
 20 district;

21 (3) acquisition of land for the district;

22 (4) proper maintenance and operation of the school
 23 programs of the district.

24 However, the trustees may not adopt a total general
 25 fund budget which exceeds one hundred twelve percent (112%)

1 of the general fund budget for the preceding year, unless
 2 such budget is adopted under conditions as provided in
 3 sections 75-6723 through 75-6730, or under the following
 4 conditions:

5 (a) new programs which are approved under 75-6903 or
 6 existing programs which are expanded as a result of and
 7 increases approved under 75-6903;

8 (b) federal programs which are continued with local
 9 funds if federal funds are withdrawn or withheld;

10 (c) new programs of special education are approved,
 11 in subsection (a) above, the budget may exceed one

12 hundred twelve percent (112%) of the preceding year's budget
 13 by a dollar amount equal to the increase in the maximum
 14 budget without a vote resulting from the introduction of the

15 new or expanded program and in subsection (b) above, by a
 16 dollar amount not to exceed the amount received from federal
 17 sources for the preceding year. Nothing in this act shall

18 prevent a school district from adopting a budget at least as
 19 large as the maximum budget without a vote as provided in
 20 section 75-6905, provided, however, for the fiscal year

21 1975, the trustees may adopt a total general fund budget
 22 which exceeds one hundred twelve percent (112%) of the
 23 general fund budget for the preceding year if they file a

24 notice of this increase with the superintendent of public
 25 instruction, setting forth the specific reasons for so

1 ~~increasing-the-budget:~~

2 When the trustees of any district determine that an
 3 additional amount of financing is required for the general
 4 fund budget that is in excess of the statutory schedule
 5 amount, the trustees shall submit the proposition of an
 6 additional levy to raise such excess amount of general fund
 7 financing to the electors who are qualified, under section
 8 75-6410, to vote upon such proposition except that the Twin
 9 Bridges high school district may increase its general fund
 10 budget as established by section 75-6905, R.C.M. 1947, by
 11 the amount of tuition paid to the district the previous year
 12 under section 75-6319, R.C.M. 1947. Such special election
 13 shall be called and conducted in the manner prescribed by
 14 this title for school elections. The ballot for such
 15 election shall state the amount of money to be raised by
 16 additional property taxation, the approximate number of
 17 mills required to raise such money, and the purpose for such
 18 such money will be expended, and it shall be in the
 19 following format:

20 PROPOSITION

21 Shall a levy be made in addition to the levies
 22 authorized by law in such number of mills as may be
 23 necessary to raise the sum of (state the amount to be raised
 24 by additional tax levy), and being approximately (give
 25 number) mills, for the purpose of (insert the purpose for

1 which the additional tax levy is made)?

" FOR the additional levy.

2 AGAINST the additional levy."

3 If the election on any additional levy for the general
 4 fund is approved by a majority vote of those electors voting
 5 at such election, the proposition shall carry and the
 6 trustees may use any portion or all of the authorized amount
 7 in adopting the preliminary general fund budget. The
 8 trustees shall certify the additional levy amount authorized
 9 by such a special election on the budget form that is
 10 submitted to the county superintendent and the county
 11 commissioners shall levy such number of mills on the taxable
 12 value of all taxable property within the district as
 13 prescribed in section 75-6926, as are required to raise the
 14 amount of such additional levy.

15 Authorization to levy an additional tax under the
 16 provisions of this section shall be effective for only one
 17 (1) school fiscal year and shall be authorized by a special
 18 election conducted before the first day of August of the
 19 school fiscal year for which it is effective. Only one such
 20 additional levy for the maintenance and operation of the
 21 school programs of a high school district may be imposed by
 22 a high school district in a given school fiscal year."

23 Section 2. Effective date. This act is effective upon

LC 0188

1 its passage and approval.

-End-

HR 530

STATE OF MONTANA

REQUEST NO. 221-75

FISCAL NOTE

Form BD-15

In compliance with a written request received February 11, 1975, 19 _____, there is hereby submitted a Fiscal Note for House Bill 334 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 334 is an act to eliminate the current budget limitation of 112% of the preceding year's budget for school districts. The bill would have an immediate effective date.

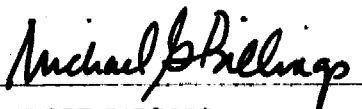
ASSUMPTIONS:

1. The Foundation Program will remain at the current level through the 1975-77 biennium.
2. Average number belonging will not increase.

FISCAL IMPACT:

With no limitation on General Fund budgets, it is not possible to estimate the amount of funding required under House Bill 334. However, if the Foundation Program is not increased, or does not at least match inflationary increases, local taxes would have to be increased to raise the necessary funds.

Every one percent increase in general fund budget over 112% of the preceding year's budget would require additional local funds of \$1.98 million in FY 76 and \$2.22 million in FY 77.



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: February 17, 1975

Approved by Committee
on Education

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INTRODUCED BY LUEBECK, BARRETT, HARPER, LYNCH, JOHNSON,

KELLY, C. R. ANDERSON

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the following purposes: (1) building, altering, repairing
or enlarging any school house of the district;

(2) furnishing additional school facilities for the
district;

(3) acquisition of land for the district;

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programs of the district.

HOWEVER, WHEN THE TRUSTEES ADOPT A TOTAL GENERAL FUND

BUDGET WHICH EXCEEDS ONE HUNDRED TEN PERCENT (110%) OF THE
GENERAL FUND BUDGET FOR THE PRECEDING YEAR, THEY SHALL FILE
A NOTICE OF THIS INCREASE WITH THE SUPERINTENDENT OF PUBLIC
INSTRUCTION, SETTING FORTH THE SPECIFIC REASONS FOR
INCREASING THE BUDGET.

~~However, the trustees may not adopt a total general
fund budget which exceeds one hundred twelve percent (112%)
of the general fund budget for the preceding year, unless
such budget is adopted under conditions as provided in
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existing programs which are expanded as a result of ANB
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