

1 House BILL NO. 529
 2 INTRODUCED BY Sheldon Anderson
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO THE SCHOOL
 5 FOUNDATION PROGRAM; PROVIDING FOR CHANGES IN FINANCIAL
 6 SCHEDULES FOR THE MAXIMUM GENERAL FUND BUDGETS FOR
 7 ELEMENTARY AND HIGH SCHOOLS; AMENDING SECTION 75-6905,
 8 R.C.M. 1947."
 9

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

11 Section 1. Section 75-6905, R.C.M. 1947, is amended to
 12 read as follows:

13 "75-6905. Maximum - general - fund - budget - without
 14 - a - voted - levy schedules for elementary and high
 15 schools. The total amount of the general fund budget of any
 16 district shall not be greater than the general fund budget
 17 amount specified in the following schedules, except when a
 18 district has adopted an emergency general fund budget under
 19 the provisions of section 75-6727 or when a district has
 20 voted an additional levy under the provisions of section
 21 75-6923.

22 Elementary School Schedule for ~~1973-74~~ 1975-76

23 (1) For each elementary school having an ANB of nine
 24 (9) or fewer pupils, the maximum shall be ~~seven-thousand~~
 25 ~~eight-hundred-six-dollars-and-fifty-cents--(\$7,806.50)~~ nine

1 thousand seven hundred fifty dollars (\$9,750), if said
 2 school is approved as an isolated school.

3 (2) For schools with an ANB of ten (10) pupils, but
 4 less than eighteen (18) pupils, the maximum shall be ~~seven~~
 5 ~~thousand--eight--hundred--six--dollars--and--fifty--cents~~
 6 ~~(\$7,806.50)~~ nine thousand seven hundred fifty dollars
 7 (\$9,750) plus two--hundred--seventy-six--dollars--and--fifty
 8 cents--(\$276.50) three hundred fifty dollars (\$350) per pupil
 9 on the basis of the average number belonging over nine (9).

10 (3) For schools with an ANB of eighteen (18) pupils
 11 and employing one (1) teacher, the maximum shall be ~~ten~~
 12 ~~thousand-two-hundred--eighty-six--dollars--(\$10,266)~~ twelve
 13 thousand nine hundred dollars (\$12,900) plus three-hundred
 14 sixty-four-dollars-and-fifty-cents--(\$364.50) three hundred
 15 fifty dollars (\$350) per pupil on the basis of the average
 16 number belonging over eighteen (18), not to exceed an ANB of
 17 twenty-five--(25) twenty-two (22).

18 (4) For schools with an ANB of eighteen (18) pupils
 19 and employing two (2) full-time teachers, the maximum shall
 20 be ~~seventeen--thousand--five--hundred--eighty-six--dollars~~
 21 ~~(\$17,586)~~ twenty thousand three hundred dollars (\$20,300)
 22 plus two-hundred-fifty-two-dollars-and-fifty-cents--(\$252.50)
 23 three hundred twenty-five dollars (\$325) per pupil on the
 24 basis of the average number belonging over eighteen (18),
 25 not to exceed an ANB of fifty (50).

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1 (5) For schools having an ANB in excess of forty (40)
2 the maximum on the basis of the total pupils (ANB) in the
3 district for elementary pupils will be as follows:

4 For a school having an ANB of more than forty (40) and
5 employing a minimum of three (3) teachers, the maximum of
6 ~~six-hundred-forty-two--dollars--and--fifty--cents--(\$642.50)~~
7 eight hundred thirty-one dollars (\$831) shall be decreased
8 at the rate of ~~forty-three--cents--(\$.43)~~ one dollar
9 twenty-five cents (\$1.25) for each additional pupil until
10 the total number (ANB) shall have reached a total of one
11 hundred (100) pupils. For a school having an ANB of more
12 than one hundred (100) pupils, the maximum of ~~six--hundred~~
13 ~~sixteen--dollars--and--fifty--cents--(\$616.50)~~ seven hundred
14 fifty-six dollars (\$756) shall be decreased at the rate of
15 ~~fifty-one--cents--(\$.51)~~ forty-five cents (\$.45) for each
16 additional pupil until the ANB shall have reached three
17 hundred (300) pupils. For a school having an ANB of more
18 than three hundred (300) pupils, the maximum shall not
19 exceed ~~five--hundred--thirteen--dollars--and--fifty--cents~~
20 ~~(\$513.50)~~ six hundred sixty-six dollars (\$666) for each
21 pupil.

22 (6) The maximum per pupil, for all pupils (ANB) and
23 for all elementary schools shall be computed on the basis of
24 the amount allowed herein on account of the last eligible
25 pupil, ANB. All elementary schools operated within the

1 incorporated limits of a city or town shall be treated as
2 one (1) school for the purpose of this schedule.

3 High School Schedule for ~~1973-74~~ 1975-76

4 (7) For each high school having an ANB of twenty-four
5 (24) or fewer pupils, the maximum shall be ~~thirty-seven~~
6 ~~thousand---five--hundred--ten--dollars--(\$37,510)~~ fifty-two
7 thousand two hundred dollars (\$52,200).

8 (8) For a secondary school having an ANB of more than
9 twenty-four (24) pupils, the maximum ~~one--thousand-five~~
10 ~~hundred--sixty-two--dollars--and--seventy-five--cents--(\$1,562.75)~~
11 two thousand one hundred seventy-five dollars (\$2,175) shall
12 be decreased at the rate of ~~nine--dollars--seventy-five--cents~~
13 ~~(\$9.75)~~ fifteen dollars (\$15) for each additional pupil
14 until the ANB shall have reached a total of forty (40) such
15 pupils. For a school having an ANB of more than forty (40)
16 pupils, the maximum of ~~one-thousand-four-hundred-six-dollars~~
17 ~~and--seventy-five--cents--(\$1,406.75)~~ one thousand nine hundred
18 thirty-five dollars (\$1,935) shall be decreased at the rate
19 of ~~six--dollars--sixty--cents--(\$6.60)~~ ten dollars and fifty
20 cents (\$10.50) for each additional pupil until the ANB shall
21 have reached one hundred (100) pupils. For a school having
22 an ANB of more than one hundred (100) pupils, a maximum of
23 ~~one-thousand-nine-dollars--and--seventy-five--cents--(\$1,009.75)~~
24 one thousand three hundred five dollars (\$1,305) shall be
25 decreased at the rate of ~~two--dollars--fifteen--cents--(\$2.15)~~

1 two dollars and forty-five cents (\$2.45) for each additional
 2 pupil until the ANB shall have reached two hundred (200)
 3 pupils. For a school having an ANB of more than two hundred
 4 (200) pupils, the maximum of ~~seven--hundred--ninety--four~~
 5 ~~dollars--and--seventy--five--cents--(\$794.75)~~ one thousand sixty
 6 dollars (\$1,060) shall be decreased by ~~forty--nine--cents~~
 7 ~~(\$.49)~~ one dollar (\$1.00) for each additional pupil until
 8 the ANB shall have reached three hundred (300) pupils. For a
 9 school having an ANB of more than three hundred (300)
 10 pupils, the maximum of ~~seven--hundred--forty--six--dollars--and~~
 11 ~~seventy--five--cents--(\$746.75)~~ nine hundred sixty dollars and
 12 fifty cents (\$960.50) shall be decreased at the rate of
 13 ~~thirteen--cents--(\$.13)~~ twenty cents (\$.20) until the ANB
 14 shall have reached six hundred (600) pupils. For a school
 15 having an ANB over six hundred (600) pupils, the maximum
 16 shall not exceed ~~seven--hundred--eight--dollars--and~~
 17 ~~seventy--five--cents--(\$708.75)~~ nine hundred dollars and fifty
 18 cents (\$900.50) per pupil.

19 (9) The maximum per pupil for all pupils (ANB) and for
 20 all high schools shall be computed on the basis of the
 21 amount allowed herein on account of the last eligible pupil,
 22 ANB. All high schools and junior high schools which have
 23 been approved and accredited as junior high schools,
 24 operated within the incorporated limits of a city or town
 25 shall be treated as one (1) school for the purpose of this

1 schedule.

2 Elementary School Schedule for 1974-75 1976-77

3 and Succeeding Years

4 (10) For each elementary school having an ANB of nine
 5 (9) or fewer pupils, the maximum shall be ~~eight--thousand--one~~
 6 ~~hundred--forty--nine--dollars--and--fifty--cents--(\$8,149.50)~~ nine
 7 thousand seven hundred fifty dollars (\$9,750), if said
 8 school is approved as an isolated school.

9 (11) For schools with an ANB of ten (10) pupils, but
 10 less than eighteen (18) pupils, the maximum shall be ~~eight~~
 11 ~~thousand--one--hundred--forty--nine--dollars--and--fifty--cents~~
 12 ~~(\$8,149.50)~~ nine thousand seven hundred fifty dollars
 13 (\$9,750) plus ~~three--hundred--fourteen--dollars--and--fifty--cents~~
 14 ~~(\$314.50)~~ three hundred fifty dollars \$350 per pupil on the
 15 basis of the average number belonging over nine (9).

16 (12) For schools with an ANB of eighteen (18) pupils
 17 and employing one (1) teacher, the maximum shall be ~~ten~~
 18 ~~thousand--nine--hundred--seventy--two--dollars--(\$10,972)~~ twelve
 19 thousand nine hundred dollars (\$12,900) plus ~~four--hundred~~
 20 ~~two--dollars--and--fifty--cents--(\$402.50)~~ three hundred fifty
 21 dollars (\$350) per pupil on the basis of the average number
 22 belonging over eighteen (18), not to exceed an ANB of
 23 ~~twenty--five--(\$25)~~ twenty-two (22).

24 (13) For schools with an ANB of eighteen (18) pupils
 25 and employing two (2) full-time teachers, the maximum shall

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1 be ~~eighteen--thousand--two--hundred---seventy-two---dollars~~
 2 ~~(\$18,272)~~ twenty-one thousand nine hundred twenty dollars
 3 (\$21,920) plus ~~two-hundred-ninety-dollars--and--fifty--cents~~
 4 ~~(\$290.50)~~ three hundred twenty-five dollars (\$325) per pupil
 5 on the basis of the average number belonging over eighteen
 6 (18), not to exceed an ANB of fifty (50).

7 (14) For schools having an ANB in excess of forty (40)
 8 the maximum on the basis of the total pupils (ANB) in the
 9 district for elementary pupils will be as follows:

10 For a school having an ANB of more than forty (40) and
 11 employing a minimum of three (3) teachers, the maximum of
 12 ~~six-hundred-eighty-dollars-and-fifty-cents--(\$680.50)~~ eight
 13 hundred eighty-seven dollars (\$887) shall be decreased at
 14 the rate of ~~forty-three-cents-(\$.43)~~ one dollar twenty-five
 15 cents (\$1.25) for each additional pupil until the total
 16 number (ANB) shall have reached a total of one hundred (100)
 17 pupils. For a school having an ANB of more than one hundred
 18 (100) pupils, the maximum of ~~six-hundred-fifty-four-dollars~~
 19 ~~and-fifty--cents--(\$654.50)~~ eight hundred twelve dollars
 20 (\$812) shall be decreased at the rate of ~~fifty-one-cents~~
 21 ~~(\$.51)~~ forty-five cents (\$.45) for each additional pupil
 22 until the ANB shall have reached three hundred (300) pupils.
 23 For a school having an ANB of more than three hundred (300)
 24 pupils, the maximum shall not exceed ~~five--hundred--and~~
 25 ~~five--one--dollars--and--fifty-cents-(\$551.50)~~ seven hundred

1 twenty-two dollars (\$722) for each pupil.

2 (15) The maximum per pupil, for all pupils (ANB) and
 3 for all elementary schools shall be computed on the basis of
 4 the amount allowed herein on account of the last eligible
 5 pupil, ANB. All elementary schools operated within the
 6 incorporated limits of a city or town shall be treated as
 7 one (1) school for the purpose of this schedule.

8 High School Schedule for ~~1974-75~~ 1976-77

9 and Succeeding Years

10 (16) For each high school having an ANB of twenty-four
 11 (24) or fewer pupils, the maximum shall be ~~thirty-eight~~
 12 ~~thousand-six-hundred-sixty-two-dollars-(\$38,662)~~ fifty-four
 13 thousand seven hundred twenty dollars (\$54, 720).

14 (17) For a secondary school having an ANB of more than
 15 twenty-four (24) pupils, the maximum ~~one--thousand--six~~
 16 ~~hundred--ten--dollars-and-seventy-five-cents-(\$1,610.75)~~ two
 17 thousand two hundred eighty dollars (\$2,280) shall be be
 18 decreased at the rate of ~~nine-dollars-seventy-five-cents~~
 19 ~~(\$9.75)~~ fifteen dollars (\$15) for each additional pupil
 20 until the ANB shall have reached a total of forty (40) such
 21 pupils. For a school having an ANB of more than forty (40)
 22 pupils, the maximum of ~~one-thousand-four-hundred-fifty-four~~
 23 ~~dollars-and--seventy-five--cents--(\$1,454.75)~~ two thousand
 24 forty dollars (\$2,040) shall be decreased at the rate of ~~six~~
 25 ~~dollars--sixty--cents--(\$6.60)~~ ten dollars and fifty cents

1 (\$10.50) for each additional pupil until the ANB shall have
 2 reached one hundred (100) pupils. For a school having an
 3 ANB of more than one hundred (100) pupils, a maximum of ~~one~~
 4 ~~thousand---fifty-seven---dollars---and---seventy---five---cents~~
 5 ~~(\$1,057.75)~~ one thousand four hundred ten dollars (\$1,410)
 6 shall be decreased at the rate of ~~two-dollars-fifteen-cents~~
 7 ~~(\$2.15)~~ two dollars sixty-five cents (\$2.65) for each
 8 additional pupil until the ANB shall have reached two
 9 hundred (200) pupils. For a school having an ANB of more
 10 than two hundred (200) pupils, the maximum of ~~eight-hundred~~
 11 ~~forty-two---dollars---and---seventy-five---cents---(\$842.75)~~ one
 12 thousand one hundred forty-five dollars (\$1,145) shall be
 13 decreased by ~~forty-nine-cents---(\$.49)~~ one dollar and ten
 14 cents (\$1.10) for each additional pupil until the ANB shall
 15 have reached three hundred (300) pupils. For a school having
 16 an ANB of more than three hundred (300) pupils, the maximum
 17 of ~~seven-hundred-ninety-four-dollars-and-seventy-five-cents~~
 18 ~~(\$794.75)~~ one thousand thirty-five dollars (\$1,035) shall be
 19 decreased at the rate of ~~thirteen-cents---(\$.13)~~ twenty cents
 20 (\$.20) until the ANB shall have reached six hundred (600)
 21 pupils. For a school having an ANB over six hundred (600)
 22 pupils, the maximum shall not exceed ~~seven-hundred-fifty-six~~
 23 ~~dollars---and---seventy-five---cents---(\$756.75)~~ nine hundred
 24 seventy-five dollars (\$975) per pupil.

25 (18) The maximum per pupil for all pupils (ANB) and for

1 all high schools shall be computed on the basis of the
 2 amount allowed herein on account of the last eligible pupil,
 3 ANB. All high schools and junior high schools which have
 4 been approved and accredited as junior high schools,
 5 operated within the incorporated limits of a city or town
 6 shall be treated as one (1) school for the purpose of this
 7 schedule.

8 (19) The general fund budget amount for an approved and
 9 accredited junior high school shall be prorated between the
 10 elementary district general fund budget and the high school
 11 district general fund budget in the following manner:

12 (a) determine the per-ANB schedule amount for the
 13 school, as defined by this section, from the high school
 14 schedule;

15 (b) calculate the ANB for the regularly enrolled
 16 full-time pupils enrolled in the seventh (7th) and eighth
 17 (8th) grades of the junior high school;

18 (c) multiply the per-ANB schedule amount determined in
 19 subsection (a) by the ANB calculated in subsection (b) to
 20 determine the authorized general fund budget amount which
 21 shall be available for the elementary district general fund
 22 budget; and

23 (d) subtract the amount determined in subsection (c)
 24 from the total authorized general fund budget amount for the
 25 school to determine the authorized general fund budget

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1 amount which shall be available for the high school district
2 general fund budget.

3 The general fund budget amount determined for each
4 school of a district under the schedules provided in this
5 section shall be totaled to determine the maximum - general
6 - fund - budget - without - a - voted - levy for such
7 district.

8 (20) For the purpose of establishing the maximum budget
9 without a vote amount for current year special education
10 program for a school district, the superintendent of public
11 instruction will determine the total estimated cost of the
12 special education program for the school district on the
13 basis of a special education program budget submitted by the
14 district. The budget will be prepared on forms provided by
15 the superintendent of public instruction and will set out
16 for each program

17 (a) the estimated allowable costs associated with
18 operating the program where allowable costs are as defined
19 in section 75-7813.1;

20 (b) the number of pupils expected to be enrolled in
21 the program; and

22 (c) any other data required by the superintendent of
23 public instruction for budget justification purposes and to
24 administer the provisions of this act. The total amount of
25 allowable costs approved by the superintendent of public

1 instruction shall be the special education
2 maximum-budget-without-a-vote amount for current year
3 special education program purposes. The total amount of
4 allowable costs that are approved for the special education
5 budget shall not, under any condition, be less than the
6 maximum-budget-without-a-vote amount for one regular ANB for
7 each special full-time pupil in the school district.

8 (21) If a special education program is implemented or
9 expanded during a given school term too late to be included
10 in the determination of the district maximum - budget -
11 without - a - vote for the school year as prescribed in this
12 chapter, then subject to the approval of the program by the
13 superintendent, under the emergency budget provisions of
14 section 75-6723(5), allowable costs approved under the
15 budgeting provisions of section 75-6905(20) for the
16 operation of the program during the given year may be added
17 to the maximum - budget - without - a - vote amount for
18 special education for the subsequent school year. Such costs
19 must be recorded as "previous year special education
20 expenses" in the school district budget for the subsequent
21 school year.

22 (22) The sum of the previous year special education
23 expenses as defined in subsection (21) above, and the
24 maximum - budget - without - a - vote for current year
25 special education as defined in subsection (20) shall be the

1 special education budget for accounting purposes.
2 The maximum - budget - without - a - vote for special
3 education will be added to the maximum - budget - without -
4 a - vote of the regular program ANB defined in sections
5 75-6902 and 75-6903 to obtain the total maximum - budget -
6 without - a - vote for the district."

-End-

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STATE OF MONTANA

REQUEST NO. 145-75

CONTINUED

FISCAL NOTE

Form BD-15

In compliance with a written request received Feb. 1, 19 75, there is hereby submitted a Fiscal Note for House Bill 529 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.

LOCAL IMPACT:

If House Bill 529 is enacted, the local requirement for permissive levy funding will not be significantly affected, except in a few wealthy districts, because all but the wealthiest districts now levy the full 9 mills for elementary school support, and 6 mills for high school support. However, the increases in foundation program and permissive levy amounts represent funding that would otherwise have to be sought at the local level through voted levies on local property.

CONCLUSIONS:

State Impact. If House Bill 529 is enacted, the amount of general fund support required to fully fund the foundation program will be increased by \$47.34 million during the 1975-77 biennium. The statewide property tax levy required to fund the state share of the permissive levy in FY76 will be 12.54 mills, an increase of 3.98 mills over the levy required under the existing law, and in FY77 will be 12.86 mills, an increase of 5.15 mills over the levy required under existing law.


BUDGET DIRECTOR
Office of Budget and Program Planning
Date: 2/6/75

STATE OF MONTANA

REQUEST NO. 145-75

FISCAL NOTE

Form BD-15

In compliance with a written request received Feb. 1, 19 75, there is hereby submitted a Fiscal Note for House Bill 529 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:

An act to increase the maximum-General-Fund-budget-without-a-voted-levy schedules for elementary and high schools.

ASSUMPTIONS:

1. The average number belonging (ANB) will remain at the same level as in FY75.
2. Special education cost will remain at current level.
3. The state's taxable valuation will increase at a rate of 6% per year.
4. Local permissive levies will raise \$16.35 million in FY76 and \$17.36 million in FY77.
5. The statewide total General Fund budgets are projected to be \$189.75 million for FY76 and \$202.40 million for FY77.

FISCAL IMPACT:

	Existing Law	FY76 Proposed Law	Increase (Decrease)	Existing Law	FY77 Proposed Law	Increase (Decrease)
Cost of Foundation Program (Millions)	\$108.68	\$128.71	\$ 20.03	\$110.60	\$138.13	\$ 27.53
Gen. Fund Approp. Req. for Full Funding (Millions)	15.24	35.05	19.81	8.63	36.16	27.53
Cost of Permissive Levy (Million)	27.17	32.18	5.01	27.65	34.53	6.88
Statewide Property Tax Levy Required (Millions)	10.79*	15.80*		10.29**	17.17**	
Millage	8.56mills***	12.54mills***		7.71mills***	12.86mills***	

* Approximately \$9 million of surplus earmarked revenue will be carried over from FY75 to FY76 to reduce the statewide levy required to fund the state's share of the permissive levy.

** If House Bill 101 passes, revenue sharing funds will be used to reduce this amount by between \$4.5 million and \$8 million.

*** Assuming taxable valuations of \$1.260 billion in FY76 and \$1.335 billion in FY77.

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BUDGET DIRECTOR

Office of Budget and Program Planning

Date: _____