

FIRST READING

MISSING

STATE OF MONTANA

REQUEST NO. 181-75

FISCAL NOTE

Form BD-15

In compliance with a written request received February 7, 19 75, there is hereby submitted a Fiscal Note for House Bill 624 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 624 prescribes financing allocations for the community college districts at a 65/35 state to local ratio.

FISCAL IMPACT:

The Board of Regents has requested state funds for community colleges on the basis of a 65/35 state to local ratio for the 1975-77 biennium. Recommended funding is based on the proposed Foundation Program schedule for high school students in the same manner as funding for the 1973-75 biennium. The impact on the state of the difference in financing methods is set forth below.

	FY 76	FY 77
State share of community college funding under current practise	\$ 1,315,908	\$ 1,457,027
State share of funding under proposed law (65%)	<u>1,521,256</u>	<u>1,641,279</u>
Increase in State expenditures	<u>\$ 205,348</u>	<u>\$ 184,252</u>

CONCLUSION:

Enactment of House Bill 624 would result in an increase in state expenditures of \$389,600 and a decrease in local expenditures by the same amount during the 1975-77 biennium.

Michael H. Bellings
by Karen Wilson
 BUDGET DIRECTOR
 Office of Budget and Program Planning
 Date: February 18, 1975

Approved by Committee
on Education

HOUSE BILL NO. 624

INTRODUCED BY FINLEY, GUNDERSON, DUSSAULT, WOOD,
SOUTH, HALVORSON, JAMES MOORE

A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING SECTION
75-8128, R.C.M. 1947, TO PROVIDE FINANCING FOR THE COMMUNITY
COLLEGE DISTRICTS AT A 65/35 STATE TO LOCAL RATIO."

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

Section 1. Section 75-8128, R.C.M. 1947, is amended to
read as follows:

"75-8128. Financing budget. The annual ~~general-fund~~
operating budget of a community college district shall be
financed ~~by--the--following--sources--of--revenue~~ at a 65/35
state to local ratio as defined by the board of regents in
the order ~~they-are~~ enumerated below:

(1) ~~A--mandatory--three--(3)--mill--levy--on--the--community~~
college-district The estimated revenue to be realized from
student tuition and fees as approved by the board of
trustees.

(2) ~~The-estimated-revenue-to-be-realized-from--student~~
tuition--during--the--school--fiscal--year A mandatory mill levy
on the community college district that will provide up to
thirty-five percent (35%) of the annual budget as approved
by the board of regents.

(3) The total of the revenues expressed in subsections
(1) and (2) shall be subtracted from the annual ~~general~~
fund operating budget amount ~~and--the--amount--of--the~~
~~difference--shall--be--financed--by--a--state--appropriation--for~~
~~the--purpose--of--financing--community--college--districts~~ as
approved by the board of regents. The amount of the
difference shall be financed by a state appropriation for
the purpose of financing community colleges in an amount ~~net~~
to-exceed OF sixty-five percent (65%).

IF THE STATE CANNOT FUND THE COMMUNITY COLLEGES AT
SIXTY-FIVE PERCENT (65%) OF THE REGENT'S RECOMMENDED BUDGET,
THE COUNTY COMMISSIONERS OF EACH COUNTY IN WHICH COMMUNITY
COLLEGES ARE LOCATED SHALL LEVY ADDITIONAL TAXES IN SUCH
NUMBER OF MILLS ON THE TAXABLE VALUE OF ALL TAXABLE PROPERTY
WITHIN THE COUNTY, AS IS REQUIRED TO COMPLETE THE FINANCING
OF THE BUDGET AS APPROVED BY THE BOARD OF REGENTS UP TO THE
SIXTY-FIVE PERCENT (65%) LEVEL. THE STATE SHALL PERMIT THE
COMMUNITY COLLEGE DISTRICTS TO RAISE THE ADDITIONAL FUNDS
UNDER SECTION 75-8131."

-End-

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(2) The-estimated-revenue-to-be-realized-from--student
tuition--during-the-school-fiscal-year A-mandatory-mill-levy
on-the-community-college-district-that-will--provide--up--to
thirty-five--percent--(35%)--of-the-annual-budget-as-approved
by-the-board-of-regents: A MANDATORY MILL LEVY ON THE

COMMUNITY COLLEGE DISTRICT THAT WHEN COMBINED WITH
SUBSECTION (1) OF THIS SECTION WILL PROVIDE THIRTY-FIVE
PERCENT (35%) OF THE ANNUAL BUDGET APPROVED BY THE BOARD OF
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FINANCING OF THE BUDGET AS APPROVED BY THE BOARD OF REGENTS
UP TO THE SIXTY-FIVE PERCENT (65%) LEVEL, THE STATE SHALL
PERMIT THE COMMUNITY COLLEGE DISTRICTS TO RAISE THE
ADDITIONAL FUNDS UNDER SECTION 75-8131."

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FINANCING-OF-THE-BUDGET-AS-APPROVED-BY-THE-BOARD-OF--REGENTS
UP--TO--THE--SIXTY-FIVE-PERCENT-(65%)-LEVEL. THE STATE SHALL
PERMIT THE COMMUNITY COLLEGE DISTRICTS TO RAISE THE
ADDITIONAL FUNDS UNDER SECTION 75-8131."

-End-