

1 *Senate* BILL NO. 320
 2 INTRODUCED BY *Franklin* LYNCH

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE THE MAXIMUM
 5 -GENERAL-FUND-BUDGET-WITHOUT-A-VOTE AMOUNT SCHEDULES BY AN
 6 AVERAGE OF SIX PERCENT IN EACH YEAR OF THE BIENNIUM FOR THE
 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-a-voted-
 14 levy schedules for elementary and high schools. The total
 15 amount of the general fund budget of any district shall not
 16 be greater than the general fund budget amount specified in
 17 the following schedules, except when a district has adopted
 18 an emergency general fund budget under the provisions of
 19 section 75-6727 or when a district has voted an additional
 20 levy under the provisions of section 75-6923.

21 Elementary School Schedule for ~~1973-74~~ 1975-1976

22 (1) For each elementary school having an ANB of nine
 23 (9) or fewer pupils, the maximum shall be ~~seven--thousand~~
 24 ~~eight--hundred--six--dollars--and--fifty--cents--(\$7,806.50)~~ eight
 25 thousand four hundred eighty-seven dollars (\$8,487), if said

1 school is approved as an isolated school.
 2 (2) For schools with an ANB of ten (10) pupils, but
 3 less than eighteen (18) pupils, the maximum shall be ~~seven~~
 4 ~~thousand--eight--hundred--six--dollars--and--fifty--cents~~
 5 ~~(\$7,806.50)~~ eight thousand four hundred eighty-seven dollars
 6 (\$8,487) plus ~~two--hundred--seventy--six--dollars--and--fifty~~
 7 ~~cents--(\$276.50)~~ three hundred fifty-two dollars (\$352) per
 8 pupil on the basis of the average number belonging over nine
 9 (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--(\$10,286)~~ eleven
 13 thousand six hundred forty-seven dollars (\$11,647) plus
 14 ~~three--hundred--sixty--four--dollars--and--fifty--cents--(\$364.50)~~
 15 four hundred forty dollars (\$440) per pupil on the basis of
 16 the average number belonging over eighteen (18), not to
 17 exceed an ANB of twenty-five (25).

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--(\$17,586)~~
 21 eighteen thousand nine hundred forty-seven dollars (\$18,947)
 22 plus ~~two--hundred--fifty--two--dollars--and--fifty--cents--(\$252.50)~~
 23 three hundred twenty-eight dollars (\$328) per pupil on the
 24 basis of the average number belonging over eighteen (18),
 25 not to exceed an ANB of fifty (50).

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 seven hundred eighteen dollars (\$718) shall be decreased at
8 the rate of forty-three cents (\$.43) for each additional
9 pupil until the total number (ANB) shall have reached a
10 total of one hundred (100) pupils. For a school having an
11 ANB of more than one hundred (100) pupils, the maximum of
12 ~~six-hundred-sixteen-dollars-and-fifty--cents--(\$616.50)~~ six
13 hundred ninety-two dollars (\$692) shall be decreased at the
14 rate of fifty-one cents (\$.51) for each additional pupil
15 until the ANB shall have reached three hundred (300) pupils.
16 For a school having an ANB of more than three hundred (300)
17 pupils, the maximum shall not exceed ~~five--hundred--thirteen~~
18 ~~dollars--and--fifty--cents--(\$513.50)~~ five hundred eighty-nine
19 dollars (\$589) for each pupil.

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

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

2 (7) For each high school having an ANB of twenty-four
3 (24) or fewer pupils, the maximum shall be ~~thirty-seven~~
4 ~~thousand--five--hundred--ten--dollars--(\$37,510)~~ thirty-nine
5 thousand eight hundred sixty-two dollars (\$39,862).

6 (8) For a secondary school having an ANB of more than
7 twenty-four (24) pupils, the maximum ~~one--thousand-five~~
8 ~~hundred--sixty-two-dollars-and-seventy-five-cents--(\$1,562.75)~~
9 one thousand six hundred sixty dollars and seventy-five
10 cents (\$1,660.75) shall be decreased at the rate of nine
11 dollars seventy-five cents (\$9.75) for each additional pupil
12 until the ANB shall have reached a total of forty (40) such
13 pupils. For a school having an ANB of more than forty (40)
14 pupils, the maximum of ~~one-thousand-four-hundred-six-dollars~~
15 ~~and-seventy-five-cents--(\$1,406.75)~~ one thousand five hundred
16 four dollars and seventy-five cents (\$1,504.75) shall be
17 decreased at the rate of six dollars sixty cents (\$6.60) for
18 each additional pupil until the ANB shall have reached one
19 hundred (100) pupils. For a school having an ANB of more
20 than one hundred (100) pupils, a maximum of ~~one-thousand~~
21 ~~nine-dollars-and-seventy-five-cents--(\$1,009.75)~~ one thousand
22 one hundred seven dollars and seventy-five cents (\$1,107.75)
23 shall be decreased at the rate of two dollars fifteen cents
24 (\$2.15) for each additional pupil until the ANB shall have
25 reached two hundred (200) pupils. For a school having an ANB

1 of more than two hundred (200) pupils, the maximum of ~~seven~~
 2 ~~hundred-ninety-four-dollars-and-seventy-five-cents-(\$794.75)~~
 3 eight hundred ninety-two dollars and seventy-five cents
 4 (\$892.75) shall be decreased by forty-nine cents (\$.49) for
 5 each additional pupil until the ANB shall have reached three
 6 hundred (300) pupils. For a school having an ANB of more
 7 than three hundred (300) pupils, the maximum of ~~seven~~
 8 ~~hundred--forty-six--dollars-and-seventy-five-cents-(\$746.75)~~
 9 eight hundred forty-four dollars and seventy-five cents
 10 (\$844.75) shall be decreased at the rate of thirteen cents
 11 (\$.13) until the ANB shall have reached six hundred (600)
 12 pupils. For a school having an ANB over six hundred (600)
 13 pupils, the maximum shall not exceed ~~seven--hundred--eight~~
 14 ~~dollars--and--seventy-five-cents-(\$708.75)~~ eight hundred six
 15 dollars and seventy-five cents (\$806.75) per pupil.

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

24 Elementary School Schedule for ~~1974-75~~ 1976-77

25 and Succeeding Years

1 (10) For each elementary school having an ANB of nine
 2 (9) or fewer pupils, the maximum shall be ~~eight-thousand-one~~
 3 ~~hundred-forty-nine-dollars-and-fifty-cents-(\$8,149.50)~~ eight
 4 thousand eight hundred twenty-four dollars and fifty cents
 5 (\$8,824.50), if said school is approved as an isolated
 6 school.

7 (11) For schools with an ANB of ten (10) pupils, but
 8 less than eighteen (18) pupils, the maximum shall be ~~eight~~
 9 ~~thousand-one-hundred--forty-nine--dollars--and--fifty--cents~~
 10 ~~(\$8,149.50)~~ eight thousand eight hundred twenty-four dollars
 11 and fifty cents (\$8,824.50) plus ~~three-hundred--fourteen~~
 12 ~~dollars-and-fifty-cents-(\$314.50)~~ three hundred eighty-nine
 13 dollars and fifty cents (\$389.50) per pupil on the basis of
 14 the average number belonging over nine (9).

15 (12) For schools with an ANB of eighteen (18) pupils
 16 and employing one (1) teacher, the maximum shall be ~~ten~~
 17 ~~thousand-nine-hundred-seventy-two-dollars--(\$10,972)~~ twelve
 18 thousand three hundred twenty-two dollars (\$12,322) plus
 19 ~~four-hundred-two-dollars--and--fifty-cents--(\$402.50)~~ four
 20 hundred seventy-seven dollars and fifty cents (\$477.50) per
 21 pupil on the basis of the average number belonging over
 22 eighteen (18), not to exceed an ANB of twenty-five (25).

23 (13) For schools with an ANB of eighteen (18) pupils
 24 and employing two (2) full-time teachers, the maximum shall
 25 be ~~eighteen--thousand--two--hundred--seventy-two-dollars~~

1 ~~(\$18,272)~~ nineteen thousand six hundred twenty-two dollars
 2 (\$19,622) plus ~~two--hundred-ninety-dollars-and-fifty-cents~~
 3 ~~(\$290.50)~~ three hundred sixty-five dollars and fifty cents
 4 (\$365.50) per pupil on the basis of the average number
 5 belonging over eighteen (18), not to exceed an ANB of fifty
 6 (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)~~ seven
 13 hundred fifty-five dollars and fifty cents (\$755.50) shall
 14 be decreased at the rate of forty-three cents (\$.43) for
 15 each additional pupil until the total number (ANB) shall
 16 have reached a total of one hundred (100) pupils. For a
 17 school having an ANB of more than one hundred (100) pupils,
 18 the maximum of ~~six--hundred--fifty-four-dollars-and-fifty~~
 19 ~~cents--(\$654.50)~~ seven hundred twenty-nine dollars and fifty
 20 cents (\$729.50) shall be decreased at the rate of fifty-one
 21 cents (\$.51) for each additional pupil until the ANB shall
 22 have reached three hundred (300) pupils. For a school having
 23 an ANB of more than three hundred (300) pupils, the maximum
 24 shall not exceed ~~five--hundred--and--fifty-one--dollars--and~~
 25 ~~fifty--cents--(\$551.50)~~ six hundred twenty-six dollars and

1 fifty cents (\$626.50) 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)~~ forty-one
 13 thousand sixty-two dollars (\$41,062).

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)~~ one
 17 thousand seven hundred ten dollars and seventy-five cents
 18 (\$1,710.75) shall be decreased at the rate of nine dollars
 19 seventy-five cents (\$9.75) for each additional pupil until
 20 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)~~ one thousand five
 24 hundred fifty-four dollars and seventy-five cents
 25 (\$1,554.75) shall be decreased at the rate of six dollars

1 sixty cents (\$6.60) for each additional pupil until the ANB
 2 shall have reached one hundred (100) pupils. For a school
 3 having an ANB of more than one hundred (100) pupils, a
 4 maximum of ~~one-thousand-fifty-seven-dollars-and-seventy-five~~
 5 ~~cents--(\$1,057.75)~~ one thousand one hundred fifty-seven
 6 dollars and seventy-five cents (\$1,157.75) shall be
 7 decreased at the rate of two dollars fifteen cents (\$2.15)
 8 for each additional pupil until the ANB shall have reached
 9 two hundred (200) pupils. For a school having an ANB of
 10 more than two hundred (200) pupils, the maximum of ~~eight~~
 11 ~~hundred--forty-two--dollars--and-seventy-five-cents--(\$42.75)~~
 12 nine hundred forty-two dollars and seventy-five cents
 13 (\$942.75) shall be decreased by forty-nine cents (\$.49) for
 14 each additional pupil until the ANB shall have reached three
 15 hundred (300) pupils. For a school having an ANB of more
 16 than three hundred (300) pupils, the maximum of ~~seven~~
 17 ~~hundred-ninety-four-dollars-and-seventy-five-cents--(\$794.75)~~
 18 eight hundred ninety-four dollars and seventy-five cents
 19 (\$894.75) shall be decreased at the rate of thirteen cents
 20 (\$.13) 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)~~ eight hundred
 24 fifty-six dollars and seventy-five cents (\$856.75) per
 25 pupil.

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

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

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

16 (b) calculate the ANB for the regularly enrolled
 17 full-time pupils enrolled in the seventh (7th) and eighth
 18 (8th) grades of the junior high school;

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

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

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

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

13 (a) the estimated allowable costs associated with
14 operating the program where allowable costs are as defined
15 in section 75-7813.1;

16 (b) the number of pupils expected to be enrolled in
17 the program; and

18 (c) any other data required by the superintendent of
19 public instruction for budget justification purposes and to
20 administer the provisions of this act. The total amount of
21 allowable costs approved by the superintendent of public
22 instruction shall be the special education
23 maximum-budget-without-a-vote amount for current year
24 special education program purposes. The total amount of
25 allowable costs that are approved for the special education

1 budget shall not, under any condition, be less than the
2 maximum-budget-without-a-vote amount for one regular ANB for
3 each special full-time pupil in the school district.

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

18 (22) The sum of the previous year special education
19 expenses as defined in subsection (21) above, and the
20 maximum-budget-without-a-vote for current year special
21 education as defined in subsection (20) shall be the special
22 education budget for accounting purposes.

23 The maximum-budget-without-a-vote for special education
24 will be added to the maximum-budget-without-a-vote of the
25 regular program ANB defined in sections 75-6902 and 75-6903

LC 0774

1 to obtain the total maximum-budget-without-a-vote for the
2 district."

-End-

STATE OF MONTANA

REQUEST NO. 139-75

FISCAL NOTE

Form BD-15

In compliance with a written request received January 31, 19 75, there is hereby submitted a Fiscal Note for Senate Bill 320 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 FY 75.
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 \$16.38 million in FY 76 and \$17.36 million in FY 77.
5. The statewide total General Fund budgets are projected to be \$189.75 million for FY 76 and \$202.40 million for FY 77.

FISCAL IMPACT:

	FY 76			FY 77		
	Existing Law	Proposed Law	Increase (Decrease)	Existing Law	Proposed Law	Increase (Decrease)
Cost of Foundation Program (millions)	\$ 108.68	\$ 114.86	\$ 5.96	\$ 110.60	\$ 121.03	\$ 10.43
General Fund Appropriation Required for Full Funding (millions)	15.24	21.20	5.96	8.63	19.06	10.43
Cost of Permissive Levy (millions)	27.17	28.72	1.55	27.65	30.26	2.61
Statewide Property Tax Levy Required (millions)	10.79 *	12.34 *		10.29 **	12.90 **	
Millage	8.56 ***	9.79 ***		7.71 mills ***	9.66 mills ***	

* Approximately \$9 million of surplus earmarked revenue will be carried over from FY 75 to FY 76 to reduce the Statewide levy required to fund the state's share of 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 FY 76 and \$1.335 billion in FY 77.

CONTINUED

BUDGET DIRECTOR
Office of Budget and Program Planning
Date: _____

FISCAL NOTE

Form BD-15

In compliance with a written request received January 31, 19 75, there is hereby submitted a Fiscal Note for Senate Bill 320 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 Senate Bill 320 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.

CONCLUSION:**State Impact:**

If Senate Bill 320 is enacted, the amount of General Fund support required to fully fund the foundation program will be increased by \$16.39 million during the 1975-77 biennium. The statewide property tax levy required to fund the State share of the permissive levy in FY 76 will be 9.79 mills, an increase of 1.23 mills over the levy required under the existing law, and in FY 77 will be 9.66 mills, an increase of 1.95 mills over the levy required under the existing law.


BUDGET DIRECTOR

Office of Budget and Program Planning

Date: February 6, 1975