

HOUSE BILL 36

IN THE HOUSE

January 4, 1979

Introduced and referred to  
Committee on Education.

1 HOUSE BILL NO. 36

2 INTRODUCED BY DUSSAULT

3 BY REQUEST OF THE INTERIM SUBCOMMITTEE ON EDUCATION

4

5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A

6 POSTSECONDARY VOCATIONAL-TECHNICAL DISTRICT SYSTEM UNDER THE

7 BOARD OF REGENTS AND TRANSFERRING POSTSECONDARY

8 VOCATIONAL-TECHNICAL CENTER FACILITIES AND LANDS TO

9 POSTSECONDARY VOCATIONAL-TECHNICAL DISTRICT BOARDS OF

10 TRUSTEES; AMENDING SECTIONS 20-1-101, 20-2-121, 20-3-106,

11 20-3-324, 20-6-501, 20-7-302, 20-7-303, 20-7-314, 20-7-322,

12 20-7-702, 20-7-704, 20-7-705, AND 20-9-212, MCA; AND

13 REPEALING SECTIONS 20-7-311, 20-7-312, 20-7-313, 20-7-323,

14 20-7-324, 20-7-325, 20-7-332, AND 20-7-333, MCA."

15

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

17 NEW SECTION. Section 1. Definitions. As used in

18 [Title 20, chapter 7, part 3], unless the context clearly

19 indicates otherwise, the following definitions apply:

20 (1) "Board" means the governing board of a

21 vocational-technical district.

22 (2) "Center" means a school operated by a district

23 board and used principally for the provision of

24 postsecondary vocational-technical education to persons who

25 qualify as postsecondary vocational-technical students.

1        (7) call an election, determine the results of the  
2 elections and order and implement the organization of a  
3 district.

4        NEW SECTION. Section 4. Pecuniary interest -- letting  
5 contracts. (1) It is unlawful for any district trustee to:  
6            (a) have any pecuniary interest, either directly or  
7 indirectly, in the erection of any vocational-technical  
8 building in his district or in furnishing or repairing it;

9            (b) be in any manner connected with the furnishing of  
10 supplies for the maintenance of the center; or  
11            (c) to receive or accept any compensation or reward  
12 for services rendered as trustee, except as herein provided.

13            (2) Unless the amount involved is less than \$2,000, no  
14 board of trustees may let any contract for building,  
15 furnishing, repairing, or other work or supplies for the  
16 benefit of the district without calling for bids to perform  
17 the work or furnish the supplies and without first  
18 advertising once each week for at least 2 weeks in a  
19 newspaper published in each county wherein the area of the  
20 district lies. Whenever advertising is required, the board  
21 shall award the contract to the lowest responsible bidder.  
22 However, the board may reject any bid.

23        NEW SECTION. Section 5. Courses of instruction --  
24 tuition and fees. (1) A district shall provide instruction  
25 in vocational and adult education, subject to the approval

1        of the regents. The board of a district may, in their  
2 discretion and upon approval by the regents, prescribe:

3            (a) tuition rates for in-district students,  
4 out-of-district students who are residents of the state of  
5 Montana, and students who are not residents of the state of  
6 Montana;

7            (b) matriculation charges; and

8            (c) incidental fees, including building fees, for  
9 students attending the center.

10            (2) In addition, the board may prescribe such other  
11 fees as it considers necessary to maintain courses, taking  
12 into consideration other funds that may be available under  
13 law for the support of such courses.

14            (3) Any resident of a district in the state may enroll  
15 in any program or course maintained or conducted by another  
16 district upon the same terms and conditions as a district  
17 resident, regardless of the district of his residence.

18        NEW SECTION. Section 6. Retirement system for  
19 teachers and employees. (1) The teachers of a district are  
20 subject to and eligible for the benefits of the teachers'  
21 retirement system provided by law.

22            (2) The employees of a district not eligible for  
23 teachers' retirement system benefits are subject to and  
24 eligible for the public employees' retirement system  
25 provided by law.

1        NEW SECTION. Section 7. Baccalaureate degrees not to  
2    be granted. A district is prohibited from granting  
3    baccalaureate degrees.

4        NEW SECTION. Section 8. Acceptance of donations. The  
5        board, on behalf of the district, may accept gifts,  
6        legacies, and devises, subject to any valid condition  
7        imposed by the donor or testator.

8        NEW SECTION. Section 9. Requirements for organization  
9        of district. The registered electors in any area of the  
10      state may request an election for the organization of a  
11      district if the proposed district conforms to the following  
12      requirements:

13 (1) The proposed area coincides with the then-existing  
14 boundaries of contiguous elementary districts of one or more  
15 counties.

16 (2) The taxable value of the proposed area is at least  
17 \$45 million.

18 (3) There are at least 700 pupils regularly enrolled  
19 in public and private high schools located in the proposed  
20 area.

21        NEW SECTION. Section 10. Petition for organization of  
22        district. When the area of a proposed district satisfies the  
23        specified requirements, the registered electors of the area  
24        may petition the regents to call an election for the  
25        organization of a district. The petition must be signed by

1 at least 20% of the registered electors within each county  
2 or part of a county included in the area of the proposed  
3 district.

4            NEW SECTION. Section 11. Call            of            district  
5        organization election -- proposition statement. (1) A  
6        petition for the organization of a district shall be  
7        presented to the regents. The regents shall examine the  
8        petition to determine if the petition satisfies the  
9        petitioning and district organizational requirements.

10 (2) If the regents determine that the petition  
11 satisfies such requirements, the regents shall order the  
12 elementary districts encompassed by the proposed district to  
13 conduct an election on the district organization  
14 proposition. The election shall be held on the next  
15 succeeding regular school election day, except that an  
16 election required by a petition received by the regents less  
17 than 60 days before the regular school election day shall be  
18 held at the regular school election in the following school  
19 fiscal year.

20 (3) At the election the proposition must be in  
21 substantially the following form:

## PROPOSITION

23 Shall there be organized within the area comprising the  
24 school districts of .... (elementary districts shall be

1 listed by county); State of Montana; a vocational-technical  
 2 district for the offering of 13th- and 14th-year courses, to  
 3 be known as the Vocational-Technical District of ....  
 4 Montana, under the provisions of the laws authorizing  
 5 vocational-technical districts in Montana, as prayed in the  
 6 petition filed with the Board of Regents at Helena, Montana,  
 7 on the .... day of ...., 19....?

8        FOR organization  
 9        AGAINST organization

10       NEW SECTION Section 12. Election of trustees --  
 11 districts from which elected -- terms of office. (1) The  
 12 regents shall provide for the election of trustees of the  
 13 proposed district at the election held for the approval of  
 14 its organization. Seven trustees shall be elected at large.  
 15 However, if there is in the proposed district one or more  
 16 high school districts or part of a high school district each  
 17 with more than 43% and not more than 50% of the total  
 18 population of the proposed district, as determined by the  
 19 last census, each such district or part of district shall  
 20 elect three trustees and the remaining trustees shall be  
 21 elected at large from the remainder of the proposed  
 22 vocational-technical district. If any high school district  
 23 or part of a high school district has more than 50% of the  
 24 population of the proposed district, four trustees shall be  
 25 elected from the high school district or part of the high

1 school district and three trustees at large from the  
 2 remainder of the proposed district.

3       (2) If the trustees are elected at large throughout  
 4 the entire proposed district, the three receiving the  
 5 greatest number of votes shall be elected for a term of 3  
 6 years; the two receiving the next greatest number of votes,  
 7 for a term of 2 years; and the two receiving the next  
 8 greatest number of votes, for a term of 1 year. If the  
 9 trustees are elected in any manner other than at large, the  
 10 trustees elected shall determine by lot the three who are to  
 11 serve for 3 years, the two who are to serve for 2 years, and  
 12 the two who are to serve for 1 year. Thereafter, all  
 13 trustees elected shall serve for terms of 3 years each.

14       NEW SECTION Section 13. Call for nominations of  
 15 trustee candidates notice. (1) A call for nominations of  
 16 trustee candidates for the proposed district shall be made  
 17 by the regents.

18       (2) Notice of the call for nominations must be  
 19 published in at least one newspaper of general circulation  
 20 in each county or any portion of a county included in the  
 21 proposed district once a week for 3 consecutive weeks, the  
 22 last insertion to be no less than 5 weeks prior to the date  
 23 of the election. The notice shall describe the geographical  
 24 composition of the membership of the board of trustees, the  
 25 nomination procedure, and the proposal for the organization

1 of a district.

2 NEW SECTION. Section 14. Nomination of candidates --  
3 provision of sample ballot. (1) Nominations of candidates  
4 for the trustee positions must be filed with the regents at  
5 least 30 days prior to the date of the election. Any five  
6 qualified electors may file nominations of as many persons  
7 as are to be elected to the board of the proposed district  
8 from their respective trustee election areas.

9 (2) The regents shall provide the trustees of each  
10 district ordered to conduct the district organization  
11 election with a sample of the ballot for the election of the  
12 board. The sample ballot shall be reproduced by the  
13 trustees in a sufficient number to be used as the trustee  
14 election ballot.

15 NEW SECTION. Section 15. Notice of organization  
16 election. Notice of the district organization election and  
17 the accompanying election of a board for the proposed  
18 district must be given by the regents by publication in at  
19 least one newspaper of general circulation in each county or  
20 any portion of a county included in the proposed district,  
21 once a week for 3 consecutive weeks, the last insertion to  
22 be no more than 1 week prior to the date of the election.

23 NEW SECTION. Section 16. Conduct of election. The  
24 election for the organization of the district and the  
25 election of trustees for the district shall be conducted in

1 accordance with the school election laws, by the trustees of  
2 the elementary districts ordered to call the election. The  
3 cost of conducting the election shall be borne by those  
4 districts.

5 NEW SECTION. Section 17. Determination of approval or  
6 disapproval of proposition -- subsequent procedures if  
7 approved. (1) To carry, the proposal to organize the  
8 district must receive a majority of the total number of  
9 votes cast. The coordinator shall certify the results of the  
10 election to the regents. Approval for the organization of a  
11 new district may be given by the legislature in its  
12 discretion, acting upon the recommendation of the regents.  
13 If the certificate of the coordinator shows that the  
14 proposition to organize the proposed district has received a  
15 majority of the votes cast in each county within the  
16 proposed district, the regents shall:

17 (1) order the district organized and file a copy of  
18 the order in the office of the county clerk and recorder in  
19 each county in which a portion of the new district is  
20 located;

21 (2) determine which candidates have been elected  
22 trustees. If the proposition to organize the district fails  
23 to receive a majority of the votes cast, no tabulation may  
24 be made to determine the candidates elected trustees; and  
25 (3) Within 30 days of the date of the organization

1 order, the regents shall call and set a date for an  
2 organization meeting of the board and shall notify the duly  
3 elected trustees of their membership and of the organization  
4 meeting. Such notification shall designate a temporary  
5 chairman and secretary for the purposes of organization.

6 NEW SECTION Section 18. Qualification and  
7 organization of board. Newly elected members of the board  
8 shall qualify by taking the oath of office prescribed by the  
9 constitution of Montana. At the organization meeting called  
10 by the regents, the board shall be organized by the election  
11 of a president and vice-president and a secretary. The  
12 secretary is not required to be a member of the board. The  
13 treasurer of the district is the county treasurer of the  
14 county in which the center is located.

15 NEW SECTION Section 19. Election of trustees after  
16 organization of district. (1) After organization, the  
17 registered electors of the district shall vote for trustees  
18 on the first Tuesday in April. Such elections shall be  
19 conducted by the component elementary school districts  
20 within the district upon the order of the board. The order  
21 shall be transmitted to the appropriate trustees not less  
22 than 40 days prior to the first Tuesday in April.

23 (2) Notice of the trustee election shall be given by  
24 the board by publication in one or more newspapers of  
25 general circulation within each county, not less than once a

1 week for 2 consecutive weeks, the last insertion to be no  
2 more than 1 week prior to the date of the election. This  
3 notice requirement is in addition to the election notice to  
4 be given by the trustees of the component elementary  
5 districts under the school election laws.

6 (3) If trustees are elected other than at large  
7 throughout the entire district, only those qualified voters  
8 within the area from which the trustee or trustees are to be  
9 elected may cast their ballots for the trustee or trustees  
10 from that area. All candidates for the office of trustee  
11 shall file their declarations of candidacy with the  
12 secretary of the board not less than 30 days prior to the  
13 date of the election. If an electronic voting system or  
14 voting machines are not used in the component elementary  
15 school district or districts which conduct the election, the  
16 board must cause ballots to be printed and distributed for  
17 the polling places in such component districts at the  
18 expense of the vocational-technical district, but in all  
19 other respects the elections shall be conducted in  
20 accordance with the school election laws.

21 (4) All costs incident to election of the  
22 vocational-technical trustees shall be borne by the  
23 district, including one-half of the compensation of the  
24 judges for the school elections. However, if the election of  
25 the district trustees is the only election conducted, the

1 district shall compensate the elementary district for the  
2 total cost of the election.

3 NEW SECTION. Section 20. Tabulation, declaration, and  
4 certification of elected trustees. When the board has  
5 received all the certified results of the election from the  
6 component elementary districts, the then-qualified members  
7 of the board of the district shall:

8 (1) tabulate the results received;  
9 (2) declare and certify the candidate or candidates  
10 receiving the greatest number of votes to be elected to the  
11 position or positions to be filled; and  
12 (3) declare and certify to the regents the results of  
13 the votes cast on any proposition relating to the district  
14 presented at such election.

15 NEW SECTION. Section 21. Vacancy of trustee position.  
16 Any vacancy of a trustee position shall be filled by  
17 appointment by a majority vote of the remaining trustees,  
18 and the person appointed shall hold office until the next  
19 regular school election day when a trustee shall be elected  
20 for the remainder of the unexpired term.

21 NEW SECTION. Section 22. Board of trustees --  
22 meetings, quorum, travel reimbursement, and seal. (1) The  
23 board shall hold monthly meetings within the district on a  
24 day of the month set by the trustees. The president and  
25 secretary of the board or a majority of the board may call

1 special meetings of the board at any time and place within  
2 the district if in their judgment necessity requires it. The  
3 secretary of the board must give each member a 48-hour  
4 written notice of all special meetings.

5 (2) A majority of the board constitutes a quorum for  
6 the transaction of business, except that no contract may be  
7 let, teacher employed or dismissed, or bill approved unless  
8 a majority of the total board membership votes in favor of  
9 such action.

10 (3) A member of the board is entitled to receive  
11 mileage as provided for in 2-18-503 for the distance  
12 actually and necessarily traveled between the place of the  
13 meeting and his place of residence. He may receive mileage  
14 for only one such round trip per meeting day.

15 (4) The board shall keep a common seal with which to  
16 attest its official acts.

17 NEW SECTION. Section 23. General control. Subject to  
18 supervision by the regents, the board has general control of  
19 the district.

20 NEW SECTION. Section 24. Powers and duties of  
21 trustees. Subject to supervision by the regents, the  
22 trustees of a district shall:

23 (1) adopt rules for the government and administration  
24 of the district;  
25 (2) grant certificates and degrees to the graduates of

1 the center;

2 (3) keep a record of its proceedings;

3 (4) when not otherwise provided by law, control all  
4 books, records, buildings, grounds, and other property of  
5 the district;

6 (5) (a) receive and accept from any governmental or  
7 private entity or person all money and other property that  
8 the district is entitled to receive or accept; and

9 (b) use the property for the specific purpose of the  
10 entitlement, grant, or donation;

11 (6) generally control all receipts and disbursements  
12 of the district;

13 (7) appoint and dismiss a director and faculty for the  
14 center, appoint and dismiss any other necessary officers,  
15 agents, and employees, fix their compensation, and set the  
16 terms and conditions of their employment;

17 (8) administer the tuition provision and otherwise  
18 govern the students of the district;

19 (9) call and conduct the elections of the district in  
20 accordance with the school election chapter of this title;

21 (10) participate in the teachers' retirement system of  
22 the state of Montana in accordance with the provisions of  
23 Title 19, chapter 4;

24 (11) participate in district boundary change actions in  
25 accordance with the provisions of the district organization

1 chapter of this title; and

2 (12) enter into contracts with school districts when  
3 consistent with the powers and duties provided for by this  
4 section.

5 NEW SECTION. Section 25. Annexation of territory to  
6 district. (1) Whenever 10% of the registered electors of an  
7 elementary district or districts of one county petition the  
8 board for annexation of the territory encompassed in such  
9 elementary school districts, the board shall order an  
10 annexation election in the area defined by the petition. The  
11 election shall be ordered within 60 days of the receipt of  
12 the petition.

13 (2) The election shall be conducted in the proposed  
14 area for annexation in accordance with the requirements of  
15 the district organization election, except that the board  
16 shall perform the requirements of the board of regents and  
17 there may not be an election of the board.

18 (3) The proposition on the ballot shall be as follows:

19 Shall school districts .... be annexed to and become a  
20 part of the Vocational-Technical District of .... Montana?

21  FOR annexation

22  AGAINST annexation

23 (4) To carry, the proposal to annex must receive a  
24 majority of the valid votes. Open face of

1 the certified results of the election from the elementary  
 2 districts encompassed in the proposed area to be annexed,  
 3 the board shall canvass the vote and declare the results of  
 4 the election. If the annexation proposition carries, a  
 5 certified copy of the canvassing resolution shall be filed  
 6 in the office of the county clerk and recorder of the county  
 7 encompassing the area to be annexed, and upon such filing,  
 8 the area to be annexed becomes a part of the district.

9 NEW SECTION. Section 26. Sources of financing for and  
 10 types of capital expenditures. (1) The board of a district  
 11 may:

12 (a) build, enlarge, alter, repair, or acquire by  
 13 purchase school buildings and dormitories;  
 14 (b) furnish and equip such buildings;  
 15 (c) purchase sites for such buildings;  
 16 (d) issue, refund, sell, budget, and redeem the bonds  
 17 of the district in accordance with the provisions of the  
 18 bonds chapter of this title.

19 (2) The board may borrow money for the purposes of  
 20 this section and may repay obligations from the various  
 21 revenues of the district.

22 NEW SECTION. Section 27. Budget -- approval. The  
 23 board shall adopt an annual operating fund budget for the  
 24 general maintenance and operation of the district. The  
 25 budget shall be submitted to the regents for their approval,

1 with or without adjustment. The budget approved by the  
 2 regents shall be the budget of the district submitted to the  
 3 budget officer of the state.

4 NEW SECTION. Section 28. Financing budget. (1) The  
 5 annual operating budget of a district shall be financed at a  
 6 65:35 state-to-local ratio as defined by the regents, in the  
 7 order enumerated below:

8 (a) the estimated revenue to be realized from student  
 9 tuition and fees as approved by the board.

10 (b) a mandatory mill levy on the district that when  
 11 combined with subsection (1)(a) of this section will provide  
 12 35% of the annual budget approved by the regents;

13 (c) the total of the revenues expressed in subsections  
 14 (1)(a) and (1)(b) shall be subtracted from the annual  
 15 operating budget amount as approved by the regents. The  
 16 amount of the difference shall be financed by a state  
 17 appropriation for the purpose of financing districts in an  
 18 amount of 65%.

19 (2) If the state cannot fund the districts at 65% of  
 20 the regents' recommended budget, the state shall permit the  
 21 districts to raise the additional funds under [section 30].

22 NEW SECTION. Section 29. Adult education tax levy. A  
 23 vocational-technical district shall be considered a district  
 24 for the purposes of adult education and under the provisions  
 25 for adult education may levy a 1-mill tax for the support of

1 its adult education program if the superintendent of public  
 2 instruction approves such program.

3 NEW SECTION Section 30. Additional levy proposition  
 4 -- submission to electors. The board may elect to adopt an  
 5 operating fund budget in excess of the budget funded by the  
 6 legislature. If the board proposes such a budget, it shall  
 7 submit an additional levy proposition to the electors of the  
 8 district. The additional levy proposition shall be submitted  
 9 to the electorate in accordance with general school election  
 10 laws.

11 NEW SECTION Section 31. Tax levy. On the second  
 12 Monday of August, the board of county commissioners of any  
 13 county where a district is located shall fix and levy a tax  
 14 on all the real and personal property within the district at  
 15 the rate required to finance the mandatory mill levy  
 16 prescribed by [section 28(1)(b)] plus any approved  
 17 additional levy. Whenever a district has territory in more  
 18 than one county, the board of county commissioners of each  
 19 county shall fix and levy its pro rata share of the district  
 20 tax on all the real and personal property of the district  
 21 situated in its county.

22 NEW SECTION Section 32. Deposit of money. District  
 23 money shall be deposited with the county treasurer of the  
 24 county where the center is located or with other  
 25 depositories approved by the regents.

1 NEW SECTION Section 33. Districts enumerated.  
 2 Notwithstanding the provisions of [sections 9 through 11],  
 3 districts are established as follows:

4 (1) The first district is conterminous with the  
 5 current boundaries of high school district 2 of Yellowstone  
 6 County.

7 (2) The second district is conterminous with the  
 8 current boundaries of school district 1 of Silver Bow  
 9 County.

10 (3) The third district is conterminous with the  
 11 current boundaries of high school district "A" of Cascade  
 12 County.

13 (4) The fourth district is conterminous with the  
 14 current boundaries of high school district 1 of Lewis and  
 15 Clark County.

16 (5) The fifth district is conterminous with the  
 17 current boundaries of Missoula County high school district.

18 NEW SECTION Section 34. District board elections.  
 19 The regents shall call for and conduct district trustee  
 20 elections in the districts enumerated in [section 33] within  
 21 60 days of July 1, 1979. The trustee elections shall be  
 22 conducted in accordance with the appropriate provisions of  
 23 [sections 12 through 17].

24 NEW SECTION Section 35. When interest in assets  
 25 obtained for postsecondary vocational educational purposes

1 by school districts to pass -- procedure -- appeals. (1)  
 2 Title to and all interest in real estate and all other  
 3 assets, including but not limited to assignable contracts,  
 4 cash, deposits in county funds (including any interest or  
 5 premiums thereon), equipment, buildings, facilities, and  
 6 appurtenances thereto held as of July 1, 1979, by or for a  
 7 local school district and obtained identifiably with  
 8 federal, state, or local funds appropriated for  
 9 postsecondary vocational education purposes or used or  
 10 obtained with funds budgeted for postsecondary vocational  
 11 education purposes or used or obtained primarily for  
 12 postsecondary vocational education purposes vests, on the  
 13 date on which the first board of each district takes office,  
 14 in the respective board of the district.

15 (2) Assets used primarily for postsecondary vocational  
 16 education purposes include but are not limited to all assets  
 17 currently held by local school districts that have been used  
 18 for postsecondary vocational education purposes on an  
 19 average of at least 75% of the time during the school year  
 20 1977-1978 or, if acquired subsequent to July 1, 1978, since  
 21 its time of acquisition.

22 (3) For the purposes of this section and to facilitate  
 23 the process of allocating the assets, the board of trustees  
 24 of each local school district in which a center is located  
 25 and the director of each center shall each submit to the

1 governor, within 60 days after July 1, 1979, an inventory  
 2 listing all real estate, personal property, and other  
 3 assets, held by a local school district which, under the  
 4 criteria of this section, will become assets of the  
 5 district.

6 (4) The ultimate decision and approval with respect to  
 7 the allocation and disposition of the assets under this  
 8 section shall be made by the governor or an advisory  
 9 committee appointed by him for that purpose.

10 NEW SECTION, Section 36. Transfer of bonded  
 11 indebtedness. When a local school district has contracted to  
 12 redeem general obligation bonds used for the construction or  
 13 acquisition of facilities that are now to be under the  
 14 administration, control, and occupancy of the district  
 15 board, the district board is responsible for redeeming the  
 16 bonds in accordance with the provisions of the bonds.

17 NEW SECTION, Section 37. Transfer of funds. All cash,  
 18 funds, accounts, or deposits obtained or raised by a local  
 19 school district to pay for indebtedness, bonded or  
 20 otherwise, contracted on or before July 1, 1979, for  
 21 postsecondary vocational education purposes are transferred  
 22 to and constitute an asset of the respective district.

23 NEW SECTION, Section 38. Records and pending business  
 24 of agencies transferred. All books, papers, maps, charts,  
 25 plans, and records in the possession of an existing

1 department, state board, state officer, or local school  
2 district board affected by this [act] or any officer or  
3 member thereof and pending business in any way pertaining to  
4 the previous powers and duties of such department, state  
5 board, state officer, or local school district board shall  
6 be delivered and transferred to the administrative and  
7 executive head of the appropriate department, state board,  
8 state officer, or district board described in this [act].  
9 In all cases where any question arises as to the proper  
10 custody of any such books, papers, maps, charts, plans,  
11 records, and pending business, the governor shall settle the  
12 dispute.

13 NEW SECTION. Section 39. Reports required by law to  
14 be performed by successor agencies. All reports required by  
15 law to be made by any existing department, state board,  
16 state officer, or local school district board affected by  
17 this [act] shall hereafter be made by the executive and  
18 administrative head of the appropriate department, state  
19 board, state officer, or district board described in this  
20 [act].

21 NEW SECTION. Section 40. Performance of powers and  
22 duties during transitional period. Notwithstanding any other  
23 provision of law, during the transitional period between  
24 July 1, 1979, and the time when the respective district  
25 boards have been elected and organized, the powers conferred

1 and duties imposed upon an existing department, state board,  
2 state officer, or local school district board affected by  
3 this [act] shall continue to be performed and the necessary  
4 disbursements, allotments, and apportionments of state funds  
5 in connection therewith shall continue to be made as if this  
6 [act] had not been enacted.

7 NEW SECTION. Section 41. Proceedings saved --  
8 completion. All petitions, hearings, and other proceedings  
9 pending before any existing department, state board, state  
10 officer, or local school district board affected by this  
11 [act] and all prosecutions, legal or other proceedings, and  
12 investigations begun by any such department, state board,  
13 state officer, or local school district board and not  
14 completed by July 1, 1979, shall continue and remain in  
15 effect notwithstanding the passage of this [act] and may be  
16 completed before or by the department, state board, state  
17 officer, or district board which succeeds to any of the  
18 powers and duties of such department, state board, state  
19 officer, or local school district board.

20 NEW SECTION. Section 42. Regulations saved --  
21 effective until revoked or modified. All orders and rules  
22 relating to postsecondary vocational education made by any  
23 existing department, state board, state officer, or local  
24 school district board affected by this [act] shall remain in  
25 full force and effect until revoked or modified in

1 accordance with law by the department, state board, state  
2 officer, or district board which succeeds to any of the  
3 powers and duties of such existing department, state board,  
4 state officer, or local school district board.

5 NEW SECTION. Section 43. Teachers and other employees  
6 to continue performing usual duties. All postsecondary  
7 vocational-technical teachers and other employees of an  
8 existing local school district board affected by this [act]  
9 shall continue to perform their usual duties upon the same  
10 terms and conditions as heretofore, until removed or  
11 appointed to positions in accordance with the provisions of  
12 [section 24].

13 NEW SECTION. Section 44. Contracts and obligations  
14 saved. All existing contracts and obligations of an existing  
15 department, state board, state officer, or local school  
16 district board affected by this [act] shall remain in effect  
17 and shall be performed by the respective department, state  
18 board, state officer, or district board which succeeds to  
19 any of the powers and duties of such department, state  
20 board, state officer, or local school district board.

21 NEW SECTION. Section 45. Contracts and obligations of  
22 school districts for postsecondary vocational education  
23 facilities. (1) Until the district board has actually  
24 assumed the duties and responsibilities of the  
25 administration, management, or development of existing or

1 authorized postsecondary vocational education facilities,  
2 those duties and responsibilities shall continue to be  
3 discharged by the local school district board operating or  
4 developing such postsecondary vocational education  
5 facilities prior to July 1, 1979.

6 (2) Where contracts have been let prior to July 1,  
7 1979, by a local school district board pursuant to present  
8 law for the purpose of acquisition, construction, repair, or  
9 modification of an existing postsecondary vocational  
10 education facility, such projects shall be completed under  
11 the administration of the local school district board,  
12 superintendent of public instruction, and/or the board of  
13 public education, and payments thereto shall be made from  
14 such funds as are allocated thereto.

15 NEW SECTION. Section 46. Postsecondary vocational  
16 education fund 21. All funds remaining to the credit of  
17 postsecondary vocational education fund 21 shall be  
18 disbursed in accordance with the provisions of 20-7-323 and  
19 20-7-324 until the new district board is elected and  
20 qualified. Thereafter, such funds shall be transferred to  
21 the respective district board.

22 NEW SECTION. Section 47. Sharing of single facility  
23 by postsecondary vocational-technical program. (1) Whenever,  
24 prior to July 1, 1979, the use of a single building facility  
25 is being shared between an existing postsecondary vocational

1 education program and a K-12 program, use of the facility  
 2 shall continue to be shared until such time as it is  
 3 convenient to remove one of the two programs to another  
 4 facility. The determination of convenience shall be based  
 5 solely upon the best interests of the students involved.

6 (2) Whenever a district board and a local school  
 7 district board are sharing the use of a single facility, the  
 8 program occupying the majority of the space of such  
 9 facility, exclusive of space utilized equally by both,  
 10 determines which board will be charged with the  
 11 administration and control of such facility. The  
 12 determination of occupancy shall be based upon the space  
 13 occupied as of January 1, 1979.

14 (3) The board that is charged with the administration  
 15 and control of such facility may share expenses with the  
 16 other board for the use of the facility.

17 (4) In the event that the two boards are unable to  
 18 agree upon which board is to administer and control the  
 19 facility or upon a fair share of expenses for the use of the  
 20 facility, the governor shall appoint an arbitrator to settle  
 21 the matter. The decisions of the arbitrator are final and  
 22 binding upon both boards. The expenses of the arbitration  
 23 shall be divided equally between the boards.

24 NEW SECTION Section 48. Agreements for use of  
 25 services or facilities. The district boards and the local

1 school district boards may enter into agreements for the use  
 2 by either of the other's services, facilities, or equipment  
 3 and for the presentation of courses of either for students  
 4 of the other whenever such agreements are considered to be  
 5 in the best educational interests of the students involved.

6 NEW SECTION Section 49. Construction of [act] when  
 7 part thereof in conflict with federal requirements. If any  
 8 part of this [act] is found to be in conflict with federal  
 9 requirements that are a condition precedent to the  
 10 allocation of federal funds to the state, such conflicting  
 11 part of this [act] is inoperative solely to the extent of  
 12 such conflict, and such finding does not affect the  
 13 operation of the remainder of this [act].

14 Section 50. Section 20-1-101, MCA, is amended to read:  
 15 "20-1-101. Definitions. As used in this title, unless  
 16 the context clearly indicates otherwise, the following  
 17 definitions apply:

18 (1) "Agricultural experiment station" means the  
 19 agricultural experiment station established at Montana state  
 20 university.

21 (2) "Average number belonging" or "ANB" shall mean the  
 22 average number of regularly enrolled, full-time pupils  
 23 attending the public schools of a district.

24 (3) "The board of public education" is the board  
 25 created by Article X, section 9, subsection (3) of the 1972

1 Montana constitution and 2-15-1507.

2 (4) "Board of regents" means the board of regents of  
3 higher education created by Article X, section 9, subsection  
4 (2), of the 1972 Montana constitution and 2-15-1505.

5 (5) "Commissioner" means the commissioner of higher  
6 education created by Article X, section 9, subsection (2),  
7 of the 1972 Montana constitution and 2-15-1506.

8 (6) "County superintendent" means the county  
9 government official who is the school officer of the county.

10 (7) "District superintendent" means any person who  
11 holds a valid class 3 Montana teacher certificate with a  
12 superintendent's endorsement that has been issued by the  
13 superintendent of public instruction under the provisions of  
14 this title and the policies adopted by the board of public  
15 education and who has been employed by a district as a  
16 district superintendent.

17 (8) "Postsecondary vocational-technical center" means  
18 a school used principally for the provision of postsecondary  
19 vocational-technical education to persons who qualify as  
20 postsecondary vocational-technical pupils. These centers are  
21 designated by the board of public education upon direction  
22 by the legislature. All other public or private schools are  
23 hereby prohibited from using this title.

24 (9) "Postsecondary vocational-technical education"  
25 means vocational-technical education of postsecondary

1 vocational-technical pupils which is conducted by a  
2 postsecondary vocational-technical center district or other  
3 programs as designated by the board of public education  
4 regents. Postsecondary vocational-technical education shall  
5 include the 13th and 14th year and beyond but will not  
6 include work toward a baccalaureate degree.

7 (10) "Postsecondary vocational-technical pupil" means a  
8 person who has completed or left school, is at least 16  
9 years of age, and is available for study in preparation for  
10 entering the labor market, for reentering the labor market,  
11 or for employment stability or advancement in employment.

12 (11) "Principal" means any person who holds a valid  
13 class 3 Montana teacher certificate with an applicable  
14 principal's endorsement that has been issued by the  
15 superintendent of public instruction under the provisions of  
16 this title and the policies adopted by the board of public  
17 education and who has been employed by a district as a  
18 principal. For the purposes of this title, any reference to  
19 a teacher shall be construed as including a principal, as  
20 herein defined.

21 (12) "Pupil" means any child who is 6 years of age or  
22 older but has not yet reached his 21st birthday and who is  
23 enrolled in a school established and maintained under the  
24 laws of the state of Montana at public expense.

25 (13) "Pupil instruction" means the conduct of organized

1 instruction of pupils enrolled in public schools while under  
 2 the supervision of a teacher.

3 (14) "Regents" means the board of regents of higher  
 4 education.

5 (15) "School food services" means a service of  
 6 providing food for the pupils of a district on a nonprofit  
 7 basis and shall include any food service financially  
 8 assisted through funds or commodities provided by the United  
 9 States government.

10 (16) "The state board of education" is the board  
 11 composed of the board of public education and the board of  
 12 regents as specified in Article X, section 9, subsection (1)  
 13 of the 1972 Montana constitution.

14 (17) "State university" means the Montana state  
 15 university, located at Bozeman.

16 (18) "Superintendent of public instruction" means that  
 17 state government official designated as a member of the  
 18 executive branch by the constitution of Montana.

19 (19) "System" means the Montana university system.

20 (20) "Teacher" means any person, except a district  
 21 superintendent, who holds a valid Montana teacher  
 22 certificate that has been issued by the superintendent of  
 23 public instruction under the provisions of this title and  
 24 the policies adopted by the board of public education and  
 25 who is employed by a district as a member of its

1 instructional, supervisory or administrative staff. This  
 2 definition of a teacher shall also include any person for  
 3 whom an emergency authorization of employment of such person  
 4 has been issued under the provisions of 20-4-111.

5 (21) "Textbook" means a book or manual used as a  
 6 principal source of study material for a given class or  
 7 group of students.

8 (22) "Textbook dealer" means any party, company,  
 9 corporation or other organization selling, offering to  
 10 sell, or offering for adoption textbooks to districts in the  
 11 state of Montana.

12 (23) "Trustees" means the governing board of a  
 13 district.

14 (24) "University" means the university of Montana,  
 15 located at Missoula.

16 (25) "Vocational education" means the instruction to  
 17 prepare or improve the pupil for gainful employment that  
 18 does not require a baccalaureate or higher degree. This  
 19 definition of vocational education shall include guidance  
 20 and prevocational, related, or technical instruction  
 21 necessary to prepare the pupil for further vocational  
 22 education or for entry into employment."

23 Section 51. Section 20-2-121, MCA, is amended to read:  
 24  
 25 "20-2-121. Board of public education -- powers and  
 26 duties. The board of public education shall:

1        (1) effect an orderly and uniform system for teacher  
 2 certification and for the issuance of an emergency  
 3 authorization of employment by adopting the policies  
 4 prescribed by 20-4-102 and 20-4-111;

5        (2) consider the suspension or revocation of teacher  
 6 certificates and appeals from the denial of teacher  
 7 certification in accordance with the provisions of 20-4-110;

8        (3) administer and order the distribution of state  
 9 equalization aid in accordance with the provisions of  
 10 20-9-344;

11       (4) adopt and enforce policies to provide uniform  
 12 standards and regulations for the design, construction, and  
 13 operation of school buses in accordance with the provisions  
 14 of 20-10-111;

15       (5) approve or disapprove a reduction of the number of  
 16 hours in a district's school day in accordance with the  
 17 provisions of 20-1-302;

18       (6) adopt policies prescribing the conditions when  
 19 school may be conducted on Saturday and the types of  
 20 pupil-instruction-related days and approval procedure for  
 21 such days in accordance with the provisions of 20-1-303 and  
 22 20-1-304;

23       (7) adopt standards of accreditation and establish the  
 24 accreditation status of every school in accordance with the  
 25 provisions of 20-7-101 and 20-7-102;

1        (8) approve or disapprove educational media selected  
 2 by the superintendent of public instruction for the  
 3 educational media library in accordance with the provisions  
 4 of 20-7-201;

5        (9) as the governing board of the state of Montana for  
 6 vocational education, adopt the policies prescribed by and  
 7 in accordance with the provisions of 20-7-301;

8        ~~(10) consider applications for postsecondary~~  
 9 vocational-technical-center-designation-in-accordance-with  
 10 the-provisions-of-20-7-301

11       ~~(11) for the purposes of postsecondary~~  
 12 vocational-technical-centers-approve-or-disapprove-programs  
 13 and-budgets-direct-the-distribution-of-money-in-support-of  
 14 such-budgets-determine-tuition-rates-and-fees-and-enter  
 15 into-lease-agreements-or-rent-property-purchases-in  
 16 accordance-with-the-postsecondary-vocational-technical  
 17 center-provisions-of-the-vocational-education-part-of-this  
 18 title;

19       ~~(12) (10) adopt policies for the conduct of special~~  
 20 education in accordance with the provisions of 20-7-402;

21       ~~(13) (11) perform any other duty prescribed from time to~~  
 22 time by this title or any other act of the legislature."

23       Section 52. Section 20-3-106, MCA, is amended to read:  
 24       "20-3-106. Supervision of schools -- powers and  
 25 duties. The superintendent of public instruction has the

1 general supervision of the public schools and districts of  
2 the state, and he shall perform the following duties or acts  
3 in implementing and enforcing the provisions of this title:  
4 (1) resolve any controversy resulting from the  
5 proration of joint costs by a joint board of trustees under  
6 the provisions of 20-3-362;  
7 (2) issue, renew, or deny teacher certification and  
8 emergency authorizations of employment and give notice of  
9 teacher certification suspension or revocation proceedings  
10 to be conducted by the board of public education in  
11 accordance with the provisions of the teacher certification  
12 part of this title;  
13 (3) negotiate reciprocal tuition agreements with other  
14 states in accordance with the provisions of 20-5-314;  
15 (4) serve on the teachers' retirement board in  
16 accordance with the provisions of 2-15-1010;  
17 (5) prescribe absentee voting forms and rules in  
18 accordance with the provisions of 20-20-104;  
19 (6) approve or disapprove the orders of a high school  
20 boundary commission in accordance with the provisions of  
21 20-6-311;  
22 (7) approve or disapprove the opening or reopening of  
23 a school in accordance with the provisions of 20-6-502,  
24 20-6-503, 20-6-504, or 20-6-505;  
25 (8) approve or disapprove school isolation within the

1 limitations prescribed by 20-9-302;  
2 (9) generally supervise the school budgeting  
3 procedures prescribed by law in accordance with the  
4 provisions of 20-9-102 and prescribe the school budget  
5 format in accordance with the provisions of 20-9-103 and  
6 20-9-505;  
7 (10) establish a system of communication for  
8 calculating joint district revenues in accordance with the  
9 provisions of 20-9-151;  
10 (11) approve or disapprove the adoption of a district's  
11 emergency budget resolution under the conditions prescribed  
12 in 20-9-163 and publish rules for an application for  
13 additional state aid for an emergency budget in accordance  
14 with the approval and disbursement provisions of 20-9-166;  
15 (12) generally supervise the school financial  
16 administration provisions as prescribed by 20-9-201(2);  
17 (13) prescribe and furnish the annual report forms to  
18 enable the districts to report to the county superintendent  
19 in accordance with the provisions of 20-9-213(5) and the  
20 annual report forms to enable the county superintendents to  
21 report to the superintendent of public instruction in  
22 accordance with the provisions of 20-3-209;  
23 (14) approve, disapprove, or adjust an increase of the  
24 average number belonging (ANB) in accordance with the  
25 provisions of 20-9-313 and 20-9-314;

1        (15) distribute state equalization aid in support of  
2 the foundation program in accordance with the provisions of  
3 20-9-342, 20-9-346, and 20-9-347;

4        (16) estimate the statewide equalization level for the  
5 foundation program in accordance with the provisions of  
6 20-9-348;

7        (17) distribute state impact aid in accordance with the  
8 provisions of 20-9-304;

9        (18) provide for the uniform and equal provision of  
10 transportation by performing the duties prescribed by the  
11 provisions of 20-10-112;

12       (19) approve or disapprove an adult education program  
13 for which a district proposes to levy a tax in accordance  
14 with the provisions of 20-7-705;

15       (20) request, accept, deposit, and expend federal  
16 moneys in accordance with the provisions of 20-9-603;

17       (21) authorize the use of federal moneys for the  
18 support of an interlocal cooperative agreement in accordance  
19 with the provisions of 20-9-703 and 20-9-704;

20       (22) prescribe the form and contents of and approve or  
21 disapprove interstate contracts in accordance with the  
22 provisions of 20-9-705;

23       (23) approve or disapprove the conduct of school on a  
24 Saturday or on pupil-instruction-related days in accordance  
25 with the provisions of 20-1-303 and 20-1-304;

1        (24) recommend standards of accreditation for all  
2 schools to the board of public education and evaluate  
3 compliance with such standards and recommend accreditation  
4 status of every school to the board of public education in  
5 accordance with the provisions of 20-7-101 and 20-7-102;

6        (25) collect and maintain a file of curriculum guides  
7 and assist schools with instructional programs in accordance  
8 with the provisions of 20-7-113 and 20-7-114;

9        (26) establish and maintain a library of visual, aural,  
10 and other educational media in accordance with the  
11 provisions of 20-7-201;

12       (27) license textbook dealers and initiate prosecution  
13 of textbook dealers violating the law in accordance with the  
14 provisions of the textbooks part of this title;

15       (28) administer and perform the duties as the executive  
16 officer of the board of public education for vocational  
17 education in accordance with the provisions of 20-7-302;

18       {29}-consider-applications-for--the--designation--of--  
19 postsecondary-vocational-technical-center-in-accordance-with  
20 the-provisions-of-20-7-311

21       {30}-establish-a-fund-for-the-handling-of-postsecondary  
22 vocational-technical--center--fees--in--accordance--with-the  
23 provisions-of-20-7-333;

24       {31}{291 supervise and coordinate the conduct of  
25 special education in the state in accordance with the

1 provisions of 20-7-403;

2 ~~1989-1301~~ administer the traffic education program in  
3 accordance with the provisions of 20-7-502;

4 ~~1997-1311~~ administer the school food services program in  
5 accordance with the provisions of 20-10-201, 20-10-202, and  
6 20-10-203;

7 ~~1997-1321~~ review school building plans and  
8 specifications in accordance with the provisions of  
9 20-6-622;

10 ~~1997-1331~~ prescribe the method of identification and  
11 signals to be used by school safety patrols in accordance  
12 with the provisions of 20-1-408; and

13 ~~1997-1341~~ perform any other duty prescribed from time to  
14 time by this title, any other act of the legislature, or the  
15 policies of the board of public education."

16 Section 53. Section 20-3-324, RCM, is amended to read:

17 "20-3-324. Powers and duties. As prescribed elsewhere  
18 in this title, the trustees of each district shall have the  
19 power and it shall be their duty to perform the following  
20 duties or acts:

21 (1) employ or dismiss a teacher, principal, or other  
22 assistant upon the recommendation of the district  
23 superintendent, the county high school principal, or other  
24 principal as the board may deem necessary, accepting or  
25 rejecting such recommendation as the trustees shall in their

1 sole discretion determine in accordance with the provisions  
2 of the school personnel part of this title;

3 (2) employ and dismiss administrative personnel,  
4 clerks, secretaries, teacher aides, custodians, maintenance  
5 personnel, school bus drivers, food service personnel,  
6 nurses, and any other personnel deemed necessary to carry  
7 out the various services of the district;

8 (3) administer the attendance and tuition provisions  
9 and otherwise govern the pupils of the district in  
10 accordance with the provisions of the pupils chapter of this  
11 title;

12 (4) call, conduct, and certify the elections of the  
13 district in accordance with the provisions of the school  
14 elections chapter of this title;

15 (5) participate in the teachers' retirement system of  
16 the state of Montana in accordance with the provisions of  
17 the teachers' retirement system chapter of Title 19;

18 (6) participate in district boundary change actions in  
19 accordance with the provisions of the districts chapter of  
20 this title;

21 (7) organize, open, close, or acquire isolation status  
22 for the schools of the district in accordance with the  
23 provisions of the school organization part of this title;

24 (8) adopt and administer the annual budget or an  
25 emergency budget of the district in accordance with the

1 provisions of the school budget system part of this title;

2 (9) conduct the fiscal business of the district in

3 accordance with the provisions of the school financial

4 administration part of this title;

5 (10) establish the ANB, foundation program, permissive

6 levy, additional levy, cash reserve, and state impact aid

7 amount for the general fund of the district in accordance

8 with the provisions of the general fund part of this title;

9 (11) establish, maintain, budget, and finance the

10 transportation program of the district in accordance with

11 the provisions of the transportation parts of this title;

12 (12) issue, refund, sell, budget, and redeem the bonds

13 of the district in accordance with the provisions of the

14 bonds parts of this title;

15 (13) when applicable, establish, financially

16 administer, and budget for the tuition fund, retirement

17 fund, building reserve fund, adult education fund,

18 postsecondary-vocational-technical-center-fund, nonoperating

19 fund, school food services fund, miscellaneous federal

20 programs fund, building fund, housing and dormitory fund,

21 traffic education fund, and interlocal cooperative agreement

22 fund in accordance with the provisions of the other school

23 funds parts of this title;

24 (14) when applicable, administer any interlocal

25 cooperative agreement, gifts, legacies, or devises in

1 accordance with the provisions of the miscellaneous

2 financial parts of this title;

3 (15) hold in trust, acquire, and dispose of the real

4 and personal property of the district in accordance with the

5 provisions of the school sites and facilities part of this

6 title;

7 (16) operate the schools of the district in accordance

8 with the provisions of the school calendar part of this

9 title;

10 (17) establish and maintain the instructional services

11 of the schools of the district in accordance with the

12 provisions of the instructional services, textbooks,

13 vocational education, and special education parts of this

14 title;

15 (18) establish and maintain the school food services of

16 the district in accordance with the provisions of the school

17 food services parts of this title;

18 (19) make such reports from time to time as the county

19 superintendent, superintendent of public instruction, and

20 board of public education may require;

21 (20) retain, when deemed advisable, a physician or

22 registered nurse to inspect the sanitary conditions of the

23 school or the general health conditions of each pupil and,

24 upon request, make available to any parent or guardian any

25 medical reports or health records maintained by the district

1 pertaining to his child;

2 (21) for each member of the trustees, visit each school  
3 of the district not less than once each school fiscal year  
4 to examine its management, conditions, and needs;

5 (22) procure and display outside daily in suitable  
6 weather at each school of the district an American flag  
7 which shall be not less than 4 feet by 6 feet; and

8 (23) perform any other duty and enforce any other  
9 requirements for the government of the schools prescribed by  
10 this title, the policies of the board of public education,  
11 or the rules of the superintendent of public instruction."

12 Section 54. Section 20-6-501, MCA, is amended to read:

13 "20-6-501. Definition of various schools. As used in  
14 this title, unless the context clearly indicates otherwise,  
15 the term "school" means an institution for the teaching of  
16 children that is established and maintained under the laws  
17 of the state of Montana at public expense. The trustees of  
18 any district shall designate the grade assignments for the  
19 schools of the district, but for the purposes of this title  
20 each school shall be known as:

21 (1) an elementary school when it comprises the work of  
22 any combination of kindergarten, other preschool programs,  
23 or the first eight grades or their equivalents. A middle  
24 school is a school comprising the work of grades 4 through 8  
25 or any combination thereof that has been accredited as a

1 middle school under the provisions of 20-7-102. When an  
2 accredited junior high school or an accredited 6-year high  
3 school is operated by the district, grades 7 and 8 or their  
4 equivalents shall not be considered as elementary grades.

5 (2) a high school when it comprises the work of one or  
6 more grades of schoolwork or their equivalents intermediate  
7 between the elementary schools and the institutions of  
8 higher education of the state of Montana. Types of high  
9 schools shall be designated as follows:

10 (a) a junior high school is a school comprising the  
11 work of grades 7 through 9 or their equivalents that has  
12 been accredited as a junior high school under the provisions  
13 of 20-7-102;

14 (b) a senior high school is a school which comprises  
15 the work of grades 10 through 12 or their equivalents and  
16 which is operated in conjunction with a junior high school;

17 (c) a 6-year high school is a school comprising the  
18 work of grades 7 through 12 or their equivalents that has  
19 been accredited as a 6-year high school under the provisions  
20 of 20-7-102;

21 (d) a 4-year high school is a school comprising the  
22 work of grades 9 through 12 or their equivalents;

23 (e) a county high school is a 4-year high school  
24 operated as an agency of county government and established  
25 under the provisions of the acts of March 3, 1899, March 14,

1 1901, and any subsequent amendments thereto;  
 2 ~~tf7--a----postsecondary---vocational-technical---center~~  
 3 ~~established-under-the-provisions-of-20-7-314.~~"  
 4 Section 55. Section 20-7-302, MCA, is amended to read:  
 5 "20-7-302. Duties of superintendent of public  
 6 instruction as executive officer. The superintendent of  
 7 public instruction shall be the executive officer of the  
 8 board of public education for the administration of all  
 9 state and federal laws related to elementary and secondary  
 10 vocational education. As the executive officer, the  
 11 superintendent of public instruction shall:  
 12 (1) administer the elementary and secondary vocational  
 13 education policies adopted by the board of public education;  
 14 (2) prepare curriculum guides for board of public  
 15 education adoption;  
 16 (3) employ, with the confirmation of the board of  
 17 public education, the professional staff necessary for the  
 18 state supervision and administration of elementary and  
 19 secondary vocational education;  
 20 (4) report the status of elementary and secondary  
 21 vocational education in the state of Montana when requested  
 22 by the board of public education;  
 23 (5) keep all elementary and secondary vocational  
 24 education records in his office; and  
 25 (6) provide elementary and secondary vocational

1 education supervisory and consultative assistance to  
 2 districts."  
 3 Section 56. Section 20-7-303, MCA, is amended to read:  
 4 "20-7-303. District authorization to establish and  
 5 maintain vocational education courses and programs. The  
 6 trustees of any elementary or secondary district,  
 7 vocational-technical districts, community college districts,  
 8 or unit of the Montana university system may establish and  
 9 maintain a vocational education course or program that  
 10 complies with the vocational education standards adopted by  
 11 the board of public education. In order for a course or  
 12 program to be eligible for state or federal financing, it  
 13 shall be approved by the board of public education."  
 14 Section 57. Section 20-7-314, MCA, is amended to read:  
 15 "20-7-314. Lease or purchase of state property for  
 16 postsecondary vocational-technical center district purposes.  
 17 (1) The state of Montana, acting by and through the board of  
 18 public-education regents, is hereby empowered and authorized  
 19 to enter into a lease agreement for a term not to exceed 40  
 20 years in order to lease to a vocational-technical district  
 21 operating a postsecondary vocational-technical center any  
 22 building or lands owned by the state and financed in whole  
 23 or in part by an appropriation made by the legislature of  
 24 the state of Montana for the purpose of supporting the  
 25 district's postsecondary vocational-technical center. The

1 consideration necessary to support such a lease may be  
 2 nominate.

3 (2) The board of public-education regents is hereby  
 4 authorized to transfer or direct transfer of title held by  
 5 the state of Montana in buildings or lands financed in whole  
 6 or in part by an appropriation by the state legislature to a  
 7 vocational-technical district operating a postsecondary  
 8 vocational-technical center, at any time the board of public  
 9 education regents deems such transfer to be in the best  
 10 interests of both the state and the district involved,  
 11 provided that this authorization extends only to buildings  
 12 or lands which are to be used by the district for  
 13 postsecondary vocational-technical education purposes."

14 Section 58. Section 20-7-322, MCA, is amended to read:  
 15 "20-7-322. State treasurer custodian of elementary and  
 16 secondary vocational education moneys money. The treasurer  
 17 of the state of Montana is hereby designated as the  
 18 custodian of all federal and state moneys money designated,  
 19 appropriated, or apportioned for elementary and secondary  
 20 vocational education. All moneys money received from any  
 21 federal or state source for the establishment, operation, or  
 22 furtherance of elementary and secondary vocational education  
 23 in the state shall be deposited with the state treasurer. At  
 24 the direction of the board of public education, he shall  
 25 disburse all moneys money appropriated or received for

1 elementary and secondary vocational education."

2 Section 59. Section 20-7-702, MCA, is amended to read:  
 3 "20-7-702. Authorization to establish adult education  
 4 programs. The trustees of any districts or community college  
 5 districts or vocational-technical district may establish and  
 6 operate an adult education program at any time of the day  
 7 when facilities and personnel are available. An adult  
 8 education program may provide both basic and secondary  
 9 general education, vocational education, American  
 10 citizenship education, including courses in the English  
 11 language and American history and government, or any other  
 12 areas of instruction approved by the trustees."

13 Section 60. Section 20-7-704, MCA, is amended to read:  
 14 "20-7-704. Adult education tuition and fees. The  
 15 trustees of a district or community college districts or  
 16 vocational-technical district shall have the authority to  
 17 charge tuition for instruction and to charge fees for the  
 18 use of equipment and materials. The amount of such tuition  
 19 and fees shall be determined on a per-course basis or on the  
 20 basis of the cost of the entire adult education program. All  
 21 proceeds from tuition and fees shall be deposited in the  
 22 adult education fund."

23 Section 61. Section 20-7-705, MCA, is amended to read:  
 24 "20-7-705. Adult education fund. (1) A separate adult  
 25 education fund shall be established when an adult education

1 program is operated by a district or community college  
2 district, or vocational-technical district. The financial  
3 administration of such fund shall comply with the budgeting,  
4 financing, and expenditure provisions of the laws governing  
5 the schools.

6 (2) Whenever the trustees of any district establish an  
7 adult education program under the provisions of 20-7-702,  
8 they shall establish an adult education fund under the  
9 provisions of this section. The adult education fund shall  
10 be the depository for all federal, state, and district  
11 moneys ~~money~~ received by the district in support of the  
12 adult education program.

13 (3) The trustees of any district may authorize the  
14 levy of a tax of not more than 1 mill on the district for  
15 the operation of an adult education program when the  
16 superintendent of public instruction has approved the  
17 educational program to be supported by such levy. The  
18 approval of the superintendent of public instruction shall  
19 have been acquired by the trustees before the fourth Monday  
20 of June in order to include the expenditures to be financed  
21 by the levy in the preliminary budget. The superintendent of  
22 public instruction shall promulgate rules and forms for such  
23 approval.

24 (4) Whenever the trustees of any district decide to  
25 offer an adult education program during the ensuing school

1 fiscal year, they shall budget for the cost of such program  
2 in the adult education fund of the preliminary budget. Any  
3 expenditures in support of the adult education program under  
4 the final adult education budget shall be made in accordance  
5 with the financial administration provisions of this title  
6 for a budgeted fund.

7 (5) When a tax levy for an adult education program  
8 which has been approved by the superintendent of public  
9 instruction is included as a revenue item on the final adult  
10 education budget, the county superintendent shall report  
11 such levy requirement to the county commissioners on the  
12 second Monday of August and a levy on the district shall be  
13 made by the county commissioners in accordance with  
14 20-9-142."

15 Section 62. Section 20-9-212, MCA, is amended to read:  
16 "20-9-212. Duties of county treasurer. The county  
17 treasurer of each county shall:

18 (1) receive and hold all school moneys ~~money~~ subject  
19 to apportionment and keep a separate accounting of their ~~its~~  
20 apportionment to the several districts which are entitled to  
21 a portion of such moneys ~~money~~ according to the  
22 apportionments ordered by the county superintendent. A  
23 separate accounting shall be maintained for each county fund  
24 supported by a countywide levy for a specific, authorized  
25 purpose, including:

1                   (a) the basic county tax in support of the elementary  
 2 foundation programs;  
 3                   (b) the basic special tax for high schools in support  
 4 of the high school foundation programs;  
 5                   (c) the county tax in support of the county's high  
 6 school transportation obligation;  
 7                   (d) the county tax in support of the high school  
 8 obligations to the retirement systems of the state of  
 9 Montana;  
 10                  (e) any additional county tax required by law to  
 11 provide for deficiency financing of the elementary  
 12 foundation programs;  
 13                  (f) any additional county tax required by law to  
 14 provide for deficiency financing of the high school  
 15 foundation programs; and  
 16                  ~~fgt--the---county---tax---for---e---postsecondary~~  
 17 ~~vocational-technet---center--when--levied--by--the-board-of~~  
 18 ~~county-commissionerst-and~~  
 19                  ~~thtigl~~ any other county tax for schools which may be  
 20 authorized by law and levied by the county commissioners;  
 21                  (2) whenever requested, notify the county  
 22 superintendent and the superintendent of public instruction  
 23 of the amount of county school moneys ~~money~~ on deposit in  
 24 each of the funds enumerated in subsection (1) of this  
 25 section and the amount of any other school moneys ~~money~~

1                   subject to apportionment and apportion such county and other  
 2 school moneys ~~money~~ to the districts in accordance with the  
 3 apportionment ordered by the county superintendent;  
 4                  (3) keep a separate accounting of the expenditures for  
 5 each budgeted fund included on the final budget of each  
 6 district;  
 7                  (4) keep a separate accounting of the receipts,  
 8 expenditures, and cash balances for each budgeted fund  
 9 included on the final budget of each district and for each  
 10 nonbudgeted fund established by each district;  
 11                  (5) except as otherwise limited by law, pay all  
 12 warrants properly drawn on the county or district school  
 13 moneys ~~money~~ and properly endorsed by their holders;  
 14                  (6) receive all revenue collected by and for each  
 15 district and deposit these receipts in the fund designated  
 16 by law or by the district if no fund is designated by law.  
 17 Interest and penalties on delinquent school taxes shall be  
 18 credited to the same fund and district for which the  
 19 original taxes were levied.  
 20                  (7) send all revenues received for a joint district,  
 21 part of which is situated in his county, to the county  
 22 treasurer designated as the custodian of such revenues, no  
 23 later than December 15 of each year and every 3 months  
 24 thereafter until the end of the school fiscal year;  
 25                  (8) register district warrants drawn on a budgeted

1 fund in accordance with 7-6-2604 when there are is  
2 insufficient moneys ~~money~~ available in the sum of moneys in  
3 other funds of the district to make payment of such warrant.  
4 Redemption of registered warrants shall be made in  
5 accordance with 7-6-2116, 7-6-2605, and 7-6-2606.

6 (9) invest the moneys ~~money~~ of any district as  
7 directed by the trustees of the district; and

8 (10) give to the trustees of each district, at least  
9 quarterly, an itemized report for each fund maintained by  
10 the district showing the paid warrants, outstanding  
11 warrants, registered warrants, amount and types of revenue  
12 received, and the cash balance."

13 Section 63. Severability. If a part of this act is  
14 invalid, all valid parts that are severable from the invalid  
15 part remain in effect. If a part of this act is invalid in  
16 one or more of its applications, the part remains in effect  
17 in all valid applications that are severable from the  
18 invalid applications.

19 Section 64. Codification. (1) Sections 1 through 34  
20 are intended to be codified as an integral part of Title 20,  
21 chapter 7, part 3, and the provisions contained in Title 20,  
22 chapter 7, part 3, apply to sections 1 through 50.

23 (2) Sections 35 through 49 are transitional sections  
24 and are not intended to be codified.

25 Section 65. Repealer. Sections 20-7-311, 20-7-312,

1 20-7-313, 20-7-323, 20-7-324, 20-7-325, 20-7-332, and  
2 20-7-333, MCA, are repealed.

-End-

## STATE OF MONTANA

REQUEST NO. 130-79

## FISCAL NOTE

Form BD-15

In compliance with a written request received January 24, 1979, there is hereby submitted a Fiscal Note for HB 36 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 36 sets up vocational technical center districts and provides for funding on a 65:35 state/local ratio.

## ASSUMPTIONS:

1. All of the present administrative staff at the Office of Public Instruction could not be transferred to the Commissioner of Higher Education. For example, there would have to be a director for secondary vo-ed at the Office of Public Instruction and a director for post-secondary vo-ed at the Commissioner of Higher Education's Office. There would be a net increase of 2 FTEs at the state level.
2. Vo-Tech center budget figures come from the Executive Budget recommendations.
3. This law reduces the State General Fund allocation to the centers and increases the local contribution.
4. Federal revenues are considered state funds for purposes of the 65:35 funding ratio.

## FISCAL IMPACT:

Decrease to the General Fund.

	FY80	FY81
General Fund support of centers		
under present law	\$3,990,407	\$4,249,748
under proposed law	<u>2,764,750</u>	<u>2,933,321</u>
Savings in General Fund	<u>1,225,657</u>	<u>1,316,427</u>

Less:

Increased Administration:		
Personal Services	45,000	45,000
Operations & Capital	<u>50,000</u>	<u>50,000</u>
	<u>95,000</u>	<u>95,000</u>
Net Savings in General Fund	<u>\$1,130,657</u>	<u>\$1,221,421</u>

## LOCAL IMPACT:

This law would shift funding responsibilities to the local vo-tech districts.

Increased local levies under proposed law.

Local levies under present law	\$ 494,075	\$ 494,075
Local levies under proposed law	<u>1,719,732</u>	<u>1,810,502</u>
Increase in local levies	<u>\$1,225,657</u>	<u>\$1,316,427</u>

*Richard D. Tengen*  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 3/11/79