

SENATE BILL NO. 32

INTRODUCED BY MATHERS

BY REQUEST OF THE INTERIM SUBCOMMITTEE ON EDUCATION

IN THE SENATE

January 3, 1979	Introduced and referred to Committee on Education.
January 11, 1979	Committee recommend bill do pass as amended. Report adopted.
January 13, 1979	Printed and placed on members' desks.
January 15, 1979	Second reading, do pass.
January 16, 1979	Considered correctly engrossed.
January 17, 1979	Third reading, passed. Transmitted to second house.

IN THE HOUSE

January 18, 1979	Introduced and referred to Committee on Education and Cultural Resources.
March 7, 1979	Committee recommend bill be concurred in as amended. Report adopted.
March 8, 1979	Second reading, pass consideration.
March 9, 1979	Motion pass consideration.
March 10, 1979	Second reading, concurred in.
March 14, 1979	Third reading, concurred in as amended.

IN THE SENATE

March 15, 1979	Returned from second house. Concurred in as amended.
March 17, 1979	Second reading, pass con- sideration.
March 19, 1979	Second reading, amendments adopted.
March 20, 1979	Third reading, amendments adopted. Sent to enrolling. Reported correctly enrolled.

Community College Trustee Election

Instructions to Voters

Make an "X" or similar mark in the vacant square before the name of the candidate for whom you wish to vote.

Vote for (indicate number to be elected) for a 3-year term.

..... List the names of the candidates for the 3-year term with a vacant square in front of each name.

Vote for (indicate number to be elected) for a 2-year term.

..... List the names of the candidates for the 2-year term with a vacant square in front of each name.

Vote for (indicate number to be elected) for a 1-year term.

..... List the names of the candidates for the 1-year term with a vacant square in front of each name.

(2) In preparing the ballots, only those portions of the prescribed ballot that are applicable to the election to be conducted need be used.

NEW SECTION. Section 5. Qualification and oath after organization of community college district. (1) No person who receives a certificate of election as a community

college trustee may assume the trustee position until he has qualified by taking an oath of office prescribed by the constitution of Montana at the next regularly scheduled meeting of the board of trustees after receipt of the certificate of election.

(2) If the elected person does not qualify in accordance with this requirement, another person must be appointed in a manner provided by 20-15-223 and shall serve until the next regular election.

(3) After a person has qualified for a trustee position, he shall hold such position for the term of the position and until his successor has been elected or appointed and has been qualified.

NEW SECTION. Section 6. Trustee removal procedure.

(1) Any person may seek the removal of a community college trustee by filing a complaint with the board of county commissioners, containing charges based on one or more of the grounds cited in [section 7].

(2) If upon receiving such a complaint it appears that there is probable cause for removal, the board of county commissioners shall suspend such trustee from his trustee position until charges can be heard in the appropriate district court. The board of county commissioners shall then transmit the complaint, together with a statement of suspension, to the district court.

1 NEW SECTION. Section 7. Grounds for removal. (1) A
2 community college trustee may be removed whenever he:

3 (a) moves his residence from the applicable community
4 college district;

5 (b) is no longer a registered elector of the community
6 college district under the provisions of 20-20-301;

7 (c) is absent from the district 60 consecutive days;

8 (d) fails to attend three consecutive meetings of the
9 trustees without reasonable cause;

10 (e) fails to perform responsibilities in accordance
11 with [section 9]; or

12 (f) ceases to have the capacity to hold office.

13 NEW SECTION. Section 8. Organization and officers
14 after organization of community college district. (1) The
15 trustees of each community college district shall annually
16 organize as a governing board of the community college
17 district at the next regularly scheduled meeting after the
18 regular election day and after the issuance of the election
19 certificate to the newly elected trustees.

20 (2) In order to organize, the trustees of the
21 community college district shall be given notice by the
22 coordinator of the time and place where the organization
23 meeting will be held, and at such meeting they shall choose
24 one of their members as chairman and as secretary. In
25 addition, the trustees may employ or appoint a competent

1 person who is not a member of the trustees as the clerk of
2 the community college district.

3 (3) The chairman and secretary of the trustees of the
4 community college district shall serve until the next
5 organization meeting. The chairman shall preside at all
6 meetings of the trustees in accordance with the customary
7 rules of order. He shall perform the duties prescribed by
8 this title and any other duties that normally pertain to
9 such office.

10 NEW SECTION. Section 9. Personal liability of
11 trustees. (1) The trustees of each community college
12 district are responsible for the proper administration and
13 utilization of all money of the district. Failure or
14 refusal to do so constitutes grounds for removal from
15 office.

16 (2) Trustees consenting to illegal use of money are
17 jointly and individually liable to the district for any
18 losses sustained by the district. The county attorney shall
19 prosecute any proceedings arising pursuant to this section,
20 or a party seeking such action may retain private counsel.
21 The party commencing the action is liable for the costs if
22 the action fails.

23 NEW SECTION. Section 10. Trustees' power over
24 property. (1) The trustees of a community college district
25 shall hold in trust all real and personal property of the

district for the benefit of the college and students.

NEW SECTION. Section 11. Intrastate, interstate, and international agreements. The trustees of a community college district may enter into agreements with the Western Interstate Commission for Higher Education, or similar intrastate, interstate, or international agreements, for the benefit of the district and students.

NEW SECTION. Section 12. When community college district subject to other school district provisions. (1) When the term "school district" appears in the following sections outside of Title 20, the term includes community college districts, and the provisions of those sections applicable to school districts apply to community college districts: 2-9-101, 2-9-111, 2-9-316, 2-16-114, 2-16-602, 2-16-614, 2-18-703, 7-3-1101, 7-6-2604, 7-6-2801, 7-7-123, 7-8-2214, 7-8-2215, 7-8-2216, 7-11-103, 7-12-4106, 7-13-110, 7-13-210, 7-15-4206, 10-1-703, 15-1-101, 15-6-204, 15-16-101, 15-16-601, 15-18-108, 15-24-502, 15-24-505, 15-30-221, 15-55-106, 15-70-301, 15-70-322, 17-5-101, 17-5-202, 17-6-103, 17-6-204, 17-6-213, 17-7-201, 18-1-102, 18-1-105, 18-1-112, 18-1-201, 18-2-101, 18-2-103, 18-2-113, 18-2-114, 18-2-115, 18-2-404, 18-2-408, 18-5-205, 19-1-102, 19-1-602, 19-1-811, 22-1-309, 25-1-402, 27-18-406, 33-20-1104, 39-3-104, 39-4-107, 39-31-103, 39-31-304, 39-71-116, 39-71-117, 39-71-2106, 39-71-2206, 40-6-237,

40-8-124, 40-8-125, 40-8-128, 41-5-912, 49-3-101, 49-3-102, 53-20-304, 77-3-321, 82-10-201, 82-10-202, 82-10-203, 85-7-2158, and 90-6-208, MCA, and Rules 40(2)(g) and 15(c), M.R.Civ.P., as amended.

(2) When the term "school district" appears in a section outside of Title 20 but the section is not listed in subsection (1), the school district provision does not apply to a community college district.

NEW SECTION. Section 13. Additional provisions apply. Unless the context clearly indicates otherwise, the trustees of a community college district shall:

(1) adhere to the teachers' retirement provisions of Title 19, chapter 4, as amended;

(2) adhere to the provisions of 20-1-201, 20-1-205, 20-1-211, and 20-1-212, as amended;

(3) adhere to the school property provisions of 20-6-605, 20-6-621, 20-6-622, 20-6-624, 20-6-631, and 20-6-633 through 20-6-636, as amended;

(4) adhere to the adult education provisions of 20-7-701 through 20-7-712, as amended;

(5) adhere to the administration of finances provisions of 20-9-115, 20-9-134, subsections (2), (3), (4), and (5) of 20-9-161, 20-9-163, 20-9-165, 20-9-207 through 20-9-210, 20-9-215, and 20-9-221 through 20-9-224, as amended;

1 (6) adhere to the school bond provisions of 20-9-401
2 through 20-9-412, 20-9-421 through 20-9-446, 20-9-451
3 through 20-9-456, and 20-9-461 through 20-9-465, as amended;

4 (7) adhere to the special purpose funds provisions of
5 20-9-501 through 20-9-503, 20-9-507, 20-9-508, and 20-9-511,
6 as amended;

7 (8) adhere to the educational cooperative agreements
8 provisions of 20-9-701 through 20-9-704, as amended;

9 (9) adhere to the school elections provisions of Title
10 20, chapter 20, as amended;

11 (10) adhere to the students' rights provisions of
12 20-25-511 through 20-25-516, as amended; and

13 (11) adhere to the health provisions of 50-1-206.

14 Section 14. Section 20-3-205, MCA, is amended to read:

15 "20-3-205. Powers and duties. The county
16 superintendent has general supervision of the schools of the
17 county within the limitations prescribed by this title and
18 shall perform the following duties or acts:

19 (1) determine, establish, and reestablish trustee
20 nominating districts and fill additional trustee position
21 vacancies in accordance with the provisions of 20-3-352,
22 20-3-353, and 20-3-354;

23 (2) administer and file the oaths of members of the
24 boards of trustees of the districts in his county in
25 accordance with the provisions of 20-3-307;

1 (3) fill by appointment any trustee position vacancies
2 when required under the provisions of 20-3-309;

3 (4) register the teacher certificate or emergency
4 authorization of employment of any person employed in the
5 county as a teacher, principal, or district superintendent
6 in accordance with the provisions of 20-4-202;

7 (5) act on each tuition application submitted to him
8 in accordance with the provisions of 20-5-301, 20-5-302,
9 20-5-304, and 20-5-311 and transmit the tuition information
10 required by 20-5-312;

11 (6) file a copy of the audit report for a district in
12 accordance with the provisions of 20-9-203;

13 (7) classify districts in accordance with the
14 provisions of 20-6-201 and 20-6-301;

15 (8) keep a transcript and reconcile the district
16 boundaries of the county in accordance with the provisions
17 of 20-6-103;

18 (9) fulfill all responsibilities assigned to him under
19 the provisions of this title regulating the organization,
20 alteration, or abandonment of districts;

21 (10) act on any unification proposition and, if
22 approved, establish additional trustee nominating districts
23 in accordance with 20-6-312 and 20-6-313;

24 (11) estimate the average number belonging (ANB) of an
25 opening school in accordance with the provisions of

1 20-6-502, 20-6-503, 20-6-504, or 20-6-506;

2 (12) process and, when required, act on school
3 isolation applications in accordance with the provisions of
4 20-9-302;

5 (13) complete the budgets, compute the budgeted
6 revenues and tax levies, give notices of the budget
7 meetings, file final and emergency budgets, and fulfill such
8 other responsibilities assigned to him under the provisions
9 of this title regulating school budgeting systems;

10 (14) submit an annual financial report to the
11 superintendent of public instruction in accordance with the
12 provisions of 20-9-211;

13 (15) quarterly, unless otherwise provided by law, order
14 the county treasurer to apportion state ~~moneys money~~, county
15 school ~~moneys money~~, and any other school ~~moneys money~~
16 subject to apportionment in accordance with the provisions
17 of 20-9-212, 20-9-334, 20-9-347, 20-9-351, 20-10-145, or
18 20-10-146;

19 (16) act on any request to transfer average number
20 belonging (ANB) in accordance with the provisions of
21 20-9-313(3);

22 (17) calculate the estimated budgeted general fund
23 sources of revenue in accordance with the provisions of
24 20-9-348 and the other general fund revenue provisions of
25 the general fund part of this title;

1 (18) compute the revenues and the district and county
2 levy requirements for each fund included ~~on~~ in each
3 district's final budget and report such computations to the
4 board of county commissioners in accordance with the
5 provisions of the general fund, transportation, bonds, and
6 other school funds parts of this title;

7 (19) file and forward bus driver certifications,
8 transportation contracts, and state transportation
9 reimbursement claims in accordance with the provisions of
10 20-10-103, 20-10-143, or 20-10-145;

11 (20) for districts which do not employ a district
12 superintendent or principal, recommend library book and
13 textbook selections in accordance with the provisions of
14 20-7-204 or 20-7-602;

15 (21) notify the superintendent of public instruction of
16 a textbook dealer's activities when required under the
17 provisions of 20-7-605 and otherwise comply with the
18 textbook dealer provisions of this title;

19 (22) act on district requests to allocate federal
20 ~~moneys money~~ for indigent children for school food services
21 in accordance with the provisions of 20-10-205;

22 (23) perform any other duty prescribed from time to
23 time by this title, any other act of the legislature, the
24 policies of the board of public education, ~~the policies of~~
25 ~~the board of regents relating to community college~~

1 ~~districts~~ or the rules of the superintendent of public
2 instruction;

3 (24) administer the oath of office to trustees without
4 the receipt of pay for administering the oath;

5 (25) keep a record of his official acts, preserve all
6 reports submitted to him under the provisions of this title,
7 preserve all books and instructional equipment or supplies,
8 keep all documents applicable to the administration of the
9 office, and surrender such records, books, supplies, and
10 equipment to his successor;

11 (26) within 90 days after the close of the school
12 fiscal year, publish an annual report in the county
13 newspaper stating the following financial information for
14 the school fiscal year just ended for each district of the
15 county:

16 (a) the total of the cash balances of all funds
17 maintained by the district at the beginning of the year;

18 (b) the total receipts that were realized in each fund
19 maintained by the district;

20 (c) the total expenditures that were made from each
21 fund maintained by the district; and

22 (d) the total of the cash balances of all funds
23 maintained by the district at the end of the school fiscal
24 year; and

25 (27) hold meetings for the members of the trustees from

1 time to time at which matters for the good of the districts
2 shall be discussed."

3 Section 15. Section 20-9-101, MCA, is amended to read:

4 "20-9-101. Application of budget system for districts.
5 The school budgeting procedure and provisions of this title
6 apply to elementary, ~~and~~ high school ~~districts~~ and
7 ~~whenever specified, to~~ community college districts and to
8 all funds requiring the adoption of a budget. Each district
9 shall separately propose and adopt a budget in accordance
10 with the requirements of this title."

11 Section 16. Section 20-9-112, MCA, is amended to read:

12 "20-9-112. Notice of preliminary budget meeting.
13 During the month of May, the county superintendent shall
14 publish a notice at least one time in the official newspaper
15 of the county, stating that the trustees of each district in
16 the county ~~and the trustees of the community college~~
17 ~~district~~ will meet ~~separately~~ in regular session on the
18 fourth Monday in June to prepare and adopt a preliminary
19 budget for the next ensuing school fiscal year and that any
20 taxpayer in the district may attend such meeting and be
21 heard on such preliminary budget."

22 Section 17. Section 20-9-134, MCA, is amended to read:

23 "20-9-134. Completion, filing, and delivery of final
24 budgets. After the final budget of the ~~elementary, high~~
25 ~~schools, or community college~~ district has been adopted by

1 the trustees, the county superintendent shall complete all
2 the remaining portions of the budget forms and shall:

3 (1) send the final budget information to the
4 superintendent of public instruction, on the forms provided
5 by the superintendent, on or before September 1; and

6 ~~(2) in the case of the community college districts,~~
7 ~~send the final budget information to the board of regents,~~
8 ~~on the forms provided by the community college coordinators,~~
9 ~~on or before September 1; and~~

10 ~~(3) deliver a copy of the final budget for the~~
11 ~~district to the county treasurer on or before September 1."~~

12 Section 18. Section 20-9-161, MCA, is amended to read:

13 "20-9-161. Definition of emergency for budgeting
14 purposes. As used in this title, unless the context clearly
15 indicates otherwise, the term "emergency" for the purpose of
16 school budgeting shall be:

17 (1) an increase in the enrollment of a an elementary
18 or high school district over the immediately preceding
19 school fiscal year which is beyond what could reasonably
20 have been anticipated at the time of the adoption of the
21 budget for the then-current school fiscal year ~~and that~~
22 ~~whenever~~, because of such enrollment increase, the
23 district's budget for any or all of the regularly budgeted
24 funds does not provide sufficient financing to properly
25 maintain and support the district for the entire current

1 school fiscal year;

2 (2) the destruction or impairment of any school
3 property necessary to the maintenance of the school, by
4 fire, flood, storm, riot, insurrection, or any act of God,
5 to such an extent as to render such school property unfit
6 for its present school use;

7 (3) a judgment for damages against the district
8 rendered by a court after the adoption of the budget for the
9 current year;

10 (4) an enactment of legislation after the adoption of
11 the budget for the current year that imposes an additional
12 financial obligation on the district; or

13 (5) any other reason of similar consequences that has
14 been approved by the superintendent of public instruction
15 upon petition by the trustees of the district or by the
16 board of regents upon petition by the trustees of a
17 community college district."

18 Section 19. Section 20-9-163, MCA, is amended to read:

19 "20-9-163. Resolution for emergency budget -- petition
20 of ~~to~~ superintendent of public instruction or to the board
21 of regents. (1) Whenever the trustees of any district ~~shall~~
22 ~~decide~~ that an emergency exists, they ~~may~~ adopt a
23 resolution proclaiming such emergency by a unanimous vote of
24 all members present at any meeting for which each trustee
25 has been given reasonable notice of the time and place of

1 holding such meeting. The emergency resolution shall also
 2 state the facts constituting the emergency, the estimated
 3 amount of money required to meet the emergency, the funds
 4 affected by the emergency, and the time and place when the
 5 board will meet for the purpose of considering and adopting
 6 an emergency budget for such funds for the current school
 7 fiscal year.

8 (2) If the trustees ~~shall--deem~~ decide that an
 9 emergency exists for any reason other than the conditions
 10 specified in subsections (1), (2), (3), or (4) of 20-9-161,
 11 they shall petition the superintendent of public instruction
 12 or, in the case of a community college district, the board
 13 of regents for permission to adopt a resolution of
 14 emergency. Such petition shall set forth in writing the
 15 reasons for the request, the district funds affected by the
 16 emergency, the estimated amount of money required to meet
 17 such emergency for each affected fund, the anticipated
 18 sources of financing for the emergency expenditures, and
 19 such other information as may be required by the
 20 superintendent of public instruction or the board of
 21 regents. The petition shall be signed by each trustee.

22 (3) The superintendent of public instruction or, in
 23 the case of a community college district, the board of
 24 regents shall promptly approve or disapprove the petition
 25 requesting approval to adopt a resolution of emergency. If

1 the petition is approved, the trustees may then adopt a
 2 resolution of emergency and may subsequently take all other
 3 steps required for the adoption of an emergency budget.
 4 Approval of the a petition by the superintendent of public
 5 instruction or the board of regents shall merely authorize
 6 the board of trustees to initiate emergency budget
 7 proceedings by resolution and shall not relieve the trustees
 8 of the necessity of complying with the requirements of the
 9 school emergency budgeting laws. Approval of the petition
 10 shall not be construed as approval of any subsequent
 11 application for increased state aid on account of such
 12 emergency."

13 Section 20. Section 20-9-165, MCA, is amended to read:
 14 "20-9-165. Emergency budget limitation, preparation,
 15 and adoption procedures. (1) The meeting of the trustees to
 16 consider and adopt an emergency budget shall be open to the
 17 public, and any taxpayer in the district shall have the
 18 right to appear and be heard. If at such a meeting a
 19 majority of the trustees present shall find that an
 20 emergency exists, the trustees may make and adopt a
 21 preliminary emergency budget, on the regular budget form,
 22 setting forth fully the facts constituting the emergency. In
 23 adopting the preliminary emergency budget, the trustees may
 24 budget for any fund which was included on the final budget
 25 of the district for the current school fiscal year. The

1 budget shall be itemized to show the amount appropriated for
2 each item as required on the budget form.

3 (2) When the emergency is due to any increase of
4 enrollment, the maximum amount of the emergency budget for
5 all funds shall be determined in the following manner:

6 (a) Determine the total amount in the final budget for
7 the current school fiscal year of all funds affected by the
8 emergency, less any amounts appropriated as capital outlay
9 and any amount appropriated for addition to the cash
10 reserve.

11 (b) Divide the amount determined in subsection (2)(a)
12 by the number of pupils originally enrolled in such district
13 during the immediately preceding school fiscal year. The
14 resulting cost per pupil shall constitute the maximum
15 permissible per-pupil expenditure in the emergency budget.

16 (c) Determine the enrollment increase of the current
17 school fiscal year by subtracting the number of pupils
18 originally enrolled during the immediately preceding school
19 fiscal year from the number of pupils enrolled for the
20 current school year. The result shall be the enrollment
21 increase for the current school fiscal year.

22 (d) Multiply the cost per pupil determined in
23 subsection (2)(b) by the enrollment increase determined in
24 subsection (2)(c). The result shall be the maximum
25 limitation on an emergency budget for emergencies due to an

1 increase of enrollment.

2 ~~(e) In the case of a community college district, by~~
3 ~~budget amendment in accordance with 20-15-302.~~

4 (3) In the event of any other type of emergency, the
5 budget shall be limited by those expenditures deemed by the
6 trustees to be reasonable and necessary to finance the
7 stated conditions of the emergency and the preliminary
8 emergency budget shall be accompanied with the details of
9 the proposed expenditures.

10 (4) Whenever the trustees adopt a preliminary
11 emergency budget for the transportation fund, the trustees
12 shall attach to such budget a copy of each transportation
13 contract which is connected with the emergency and which has
14 been prepared and executed in accordance with the school
15 transportation contract laws.

16 (5) After the trustees have adopted the emergency
17 budget by a majority vote of the trustees, it shall be
18 signed by the chairman of the trustees and the clerk of the
19 district and copies shall be sent to the county
20 superintendent, the county treasurer, and the superintendent
21 of public instruction. ~~In the case of a community college~~
22 ~~district, copies of the emergency budget shall be sent to~~
23 ~~the county superintendent, the county treasurer, and the~~
24 ~~board of regents."~~

25 Section 21. Section 20-9-201, MCA, is amended to read:

1 "20-9-201. Definitions and application. (1) As used in
2 this title, unless the context clearly indicates otherwise,
3 "fund" means a separate detailed account of receipts and
4 expenditures for a specific purpose as authorized by law.
5 Funds are classified as follows:

6 (a) A "budgeted fund" means any fund for which a
7 budget must be adopted in order to expend any moneys ~~money~~
8 from such fund. The general fund, transportation fund, bus
9 depreciation reserve fund, elementary tuition fund,
10 retirement fund, debt service fund, leased facilities fund,
11 building reserve fund, adult education fund, nonoperating
12 fund, postsecondary vocational-technical center fund, and
13 any other funds so designated by the legislature shall be
14 budgeted funds.

15 (b) A "nonbudgeted fund" means any fund for which a
16 budget is not required in order to expend any moneys ~~money~~
17 on deposit in such fund. The school food services fund,
18 miscellaneous federal programs fund, building fund, housing
19 and dormitory fund, traffic education fund, interlocal
20 cooperative fund, and any other funds so designated by the
21 legislature shall be nonbudgeted funds.

22 (2) The school financial administration provisions of
23 this title apply to all moneys ~~money~~ of any elementary or
24 high school district ~~or any community college district~~
25 except the extracurricular moneys ~~money~~ realized from pupil

1 activities. The superintendent of public instruction has
2 general supervisory authority over the school financial
3 administration provisions, as they relate to elementary and
4 high school districts, as prescribed by law and shall
5 establish such rules as are necessary to secure compliance
6 with the law."

7 Section 22. Section 20-9-204, MCA, is amended to read:
8 "20-9-204. Pecuniary interests, letting contracts, and
9 calling for bids. (1) It is unlawful for any trustee to:

10 (a) have any pecuniary interest, either directly or
11 indirectly, in any contract for the erection of any school
12 building or for warming, ventilating, furnishing, or
13 repairing the same;

14 (b) be in any manner connected with the furnishing of
15 supplies for the maintenance and operation of the schools;
16 or

17 (c) be employed in any capacity by the school district
18 of which he is trustee.

19 (2) Whenever the estimated cost of any building,
20 furnishing, repairing, or other work for the benefit of the
21 district or purchasing of supplies for the district exceeds
22 the sum of \$4,000, the work done or the purchase made shall
23 be by contract. Each such contract must be let to the lowest
24 responsible bidder after advertisement for bids. Such
25 advertisement shall be published in the newspaper which will

1 give notice to the largest number of people of the district
 2 as determined by the trustees. Such advertisement shall be
 3 made once each week for 2 consecutive weeks, and the second
 4 publication shall be made not less than 5 days or more than
 5 12 days before consideration of bids. A contract not let
 6 pursuant to this section shall be void.

7 (3) Whenever bidding is required, the trustees shall
 8 award the contract to the lowest responsible bidder, except
 9 that the trustees may reject any or all bids.

10 ~~(4) With regard to contracting for work or supplies,~~
 11 ~~the board of trustees of a community college district are~~
 12 ~~subject to 20-15-104.~~

13 Section 23. Section 20-9-212, MCA, is amended to read:

14 "20-9-212. Duties of county treasurer. The county
 15 treasurer of each county shall:

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

24 (a) the basic county tax in support of the elementary
 25 foundation programs;

1 (b) the basic special tax for high schools in support
 2 of the high school foundation programs;

3 (c) the county tax in support of the county's high
 4 school transportation obligation;

5 (d) the county tax in support of the high school
 6 obligations to the retirement systems of the state of
 7 Montana;

8 (e) any additional county tax required by law to
 9 provide for deficiency financing of the elementary
 10 foundation programs;

11 (f) any additional county tax required by law to
 12 provide for deficiency financing of the high school
 13 foundation programs;

14 (g) the county tax for a postsecondary
 15 vocational-technical center when levied by the board of
 16 county commissioners; and

17 (h) any other county tax for schools, including the
 18 community colleges, which may be authorized by law and
 19 levied by the county commissioners;

20 (2) whenever requested, notify the county
 21 superintendent and the superintendent of public instruction
 22 of the amount of county school moneys ~~money~~ on deposit in
 23 each of the funds enumerated in subsection (1) of this
 24 section and the amount of any other school moneys ~~money~~
 25 subject to apportionment and apportion such county and other

1 school ~~moneys~~ ~~money~~ to the districts in accordance with the
2 apportionment ordered by the county superintendent;

3 (3) keep a separate accounting of the expenditures for
4 each budgeted fund included on in the final budget of each
5 district;

6 (4) keep a separate accounting of the receipts,
7 expenditures, and cash balances for each budgeted fund
8 included on in the final budget of each district and for
9 each nonbudgeted fund established by each district;

10 (5) except as otherwise limited by law, pay all
11 warrants properly drawn on the county or district school
12 ~~moneys~~ ~~money~~ and properly endorsed by their holders;

13 (6) receive all revenue collected by and for each
14 district and deposit these receipts in the fund designated
15 by law or by the district if no fund is designated by law.
16 Interest and penalties on delinquent school taxes shall be
17 credited to the same fund and district for which the
18 original taxes were levied.

19 (7) send all revenues received for a joint district,
20 part of which is situated in his county, to the county
21 treasurer designated as the custodian of such revenues, no
22 later than December 15 of each year and every 3 months
23 thereafter until the end of the school fiscal year;

24 (8) register district warrants drawn on a budgeted
25 fund in accordance with 7-6-2604 when there are insufficient

1 ~~moneys~~ ~~money~~ available in the sum of ~~moneys~~ ~~money~~ in all
2 funds of the district to make payment of such warrant.
3 Redemption of registered warrants shall be made in
4 accordance with 7-6-2116, 7-6-2605, and 7-6-2606.

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

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

12 Section 24. Section 20-15-103, MCA, is amended to
13 read:

14 "20-15-103. Supervision and coordination by board of
15 regents. Community college districts shall be under the
16 supervision and coordination of the regents. The regents
17 shall:

18 (1) supervise community college districts in
19 accordance with the provisions of this section and
20 20-15-105;

21 (2) appoint a coordinator of community college
22 districts and ~~request legislative appropriations for the~~
23 ~~operation of his office~~ prescribe the duties of the
24 coordinator;

25 (3) formulate and put into effect uniform general

1 policies ~~as to budgeting, recordkeeping, and student~~
 2 ~~accounting for the supervision and coordination of community~~
 3 ~~college districts:~~

4 ~~(4) establish minimum entrance requirements and~~
 5 ~~approve curricular offerings for all community colleges;~~

6 ~~(5) direct each community college district to seek~~
 7 ~~accreditation from a recognized accrediting association; and~~

8 (4) after consultation with the community college
 9 trustees, develop and implement policies that distinguish
 10 the regents' authority to supervise and coordinate and the
 11 trustees' authority to administer and control community
 12 colleges; and

13 ~~(6)(5) call an election, determine the results of the~~
 14 ~~election, and order and implement the organization of a~~
 15 ~~community college district in accordance with this chapter."~~

16 Section 25. Section 20-15-104, MCA, is amended to
 17 read:

18 "20-15-104. Pecuniary interest and letting contracts.

19 (1) It shall be unlawful for any community college district
 20 trustee to have any pecuniary interest, either directly or
 21 indirectly, in the erection of any community college
 22 building in his district or for in furnishing or repairing
 23 the same or be in any manner connected with the furnishing
 24 of supplies for the maintenance of the college or to receive
 25 or to accept any compensation or reward for services

1 rendered as trustee, except as herein provided.

2 (2) ~~The~~ board of trustees shall let ~~any contract~~
 3 ~~contracts (except if the amount involved is less than~~
 4 ~~\$25,000)~~ for building, furnishing, repairing, or other work
 5 or supplies for the benefit of the district ~~without first~~
 6 ~~advertising according to the following rules and procedures:~~

7 (a) The board of trustees need not meet requirements
 8 relating to advertising or bidding if a proposed contract
 9 for building, furnishing, repairing or other work or
 10 supplies is for less than \$3,000.

11 (b) Whenever the proposed contract costs are less than
 12 \$10,000 but more than \$3,000, the board of trustees shall
 13 procure at least three informal bids, if reasonably
 14 available, from contractors licensed in Montana.

15 (c) Whenever the proposed contract costs are more than
 16 \$10,000 the board of trustees shall solicit formal bids and
 17 advertise once each week for at least 2 weeks in a newspaper
 18 published in each county wherein the area of the district
 19 lies, ~~and without calling for bids to perform such work or~~
 20 furnish such supplies. ~~in all cases where~~ If advertising is
 21 required, the board shall award the contract to the lowest
 22 responsible bidder, ~~provided, however, that.~~ However, the
 23 board of trustees ~~shall have~~ has the right to reject any and
 24 all bids."

25 Section 26. Section 20-15-106, MCA, is amended to

1 read:

2 ~~"20-15-106. Employment of personnel and retirement~~
 3 ~~system Retirement systems for employees and teachers. (1)~~
 4 ~~The board of trustees shall appoint the employees of the~~
 5 ~~community colleges define and assign their powers and~~
 6 ~~duties and fix their compensations~~

7 ~~(2)(1) The community college district and teachers~~
 8 ~~teachers of a community college district shall be~~ ~~are~~
 9 subject to and ~~the teachers shall be~~ eligible for the
 10 benefits of the Montana teachers' retirement system ~~provided~~
 11 ~~by the laws of Montana.~~

12 ~~(2) The employees of a community college district not~~
 13 ~~eligible for teachers' retirement system benefits are~~
 14 ~~subject to and eligible for the benefits of the Montana~~
 15 ~~public employees' retirement system."~~

16 Section 27. Section 20-15-210, MCA, is amended to
 17 read:

18 "20-15-210. Qualification and organization of board of
 19 trustees. (1) Newly elected members of the board of trustees
 20 of the community college district shall be qualified by
 21 taking the oath of office prescribed by the constitution of
 22 Montana. At the organization meeting called by the board of
 23 regents, the board of trustees shall be organized by the
 24 election of a ~~president and vice-president chairman~~ and a
 25 ~~secretary said secretary may be or may not be a member of~~

1 ~~the board.~~

2 (2) The treasurer of the community college district
 3 ~~shall be~~ ~~is~~ the county treasurer of the county in which the
 4 community college facilities are located. ~~The duties of the~~
 5 ~~county treasurer are referenced in 20-9-206, 20-9-212,~~
 6 ~~20-9-222, and 20-9-224."~~

7 Section 28. Section 20-15-221, MCA, is amended to
 8 read:

9 "20-15-221. Election of trustees after organization of
 10 community college district. (1) After organization, the
 11 registered electors of the community college district
 12 ~~qualified to vote under the provisions of 20-20-301~~ shall
 13 annually vote for trustees on the ~~first Tuesday in April~~
 14 ~~regular school election day provided for in 20-3-304.~~ The
 15 ~~election shall be conducted in accordance with the election~~
 16 ~~provisions of this title whenever such provisions are made~~
 17 ~~applicable to community college districts, and such~~ Such
 18 elections shall be conducted by the component elementary
 19 school districts within such community college district upon
 20 the order of the board of trustees of the community college
 21 district. ~~Such~~ ~~The~~ order shall be transmitted to the
 22 appropriate trustees not less than 40 days prior to the
 23 regular school election day.

24 (2) Notice of the community college district trustee
 25 election shall be given by the board of trustees of the

1 community college district by publication in one or more
2 newspapers of general circulation within each county, not
3 less than once a week for 2 consecutive weeks, the last
4 insertion to be no longer ~~more~~ than 1 week prior to the date
5 of the election. This notice shall be in addition to the
6 election notice to be given by the trustees of the component
7 elementary districts under the school election laws.

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

1 district, including one-half of the compensation of the
2 judges for the school elections; provided that if the
3 election of the community college district trustees is the
4 only election conducted, the community college district
5 shall compensate the district for the total cost of the
6 election."

7 Section 29. Section 20-15-223, MCA, is amended to
8 read:

9 "~~20-15-223. Vacancy-of-trustee-position Vacancies. (1)~~
10 ~~A community college trustee position is vacant whenever the~~
11 ~~incumbent:~~

12 ~~(a) dies;~~

13 ~~(b) resigns; or~~

14 ~~(c) is removed under the provisions of [section 6].~~

15 ~~(2) A trustee position is also vacant whenever an~~
16 ~~electd candidate fails to qualify under the provisions of~~
17 ~~20-3-307.~~

18 ~~(3) Any vacancy of a trustee's trustee position shall~~
19 ~~be filled by appointment by majority vote of the remaining~~
20 ~~trustees, and the person appointed shall hold office until~~
21 ~~the next regular school election day, when a trustee shall~~
22 ~~be elected for the remainder of the unexpired term."~~

23 Section 30. Section 20-15-225, MCA, is amended to
24 read:

25 "~~20-15-225. Powers and duties of trustees. The~~

1 trustees of a community college district shall, subject to
2 supervision by the board of regents:

3 (1) have general control and supervision of the
4 community college;

5 (2) adopt rules, not inconsistent with the
6 constitution and the laws of the state, for the government
7 and administration of the community college;

8 (3) grant certificates and degrees to the graduates of
9 the community college;

10 (4) keep a record of ~~its~~ their proceedings;

11 (5) ~~have~~ when not otherwise provided by law, have
12 control of all books, records, buildings, grounds, and other
13 property of the community college;

14 (6) receive from the state board of land
15 commissioners, other boards, agencies, or persons, or the
16 government of the United States all funds, ~~incomes~~ income,
17 and other property the community college may be entitled to
18 receive or accept and use and appropriate the property for
19 the specific purpose of the entitlement, grant, or donation;

20 (7) have general control of all receipts and
21 disbursements of the community college;

22 (8) appoint and dismiss a president and faculty for
23 the community college; appoint and dismiss any other
24 necessary officers, agents, and employees; fix their
25 compensation; and set the terms and conditions of their

1 employment;

2 (9) administer the tuition provision and otherwise
3 govern the students of the community college district in
4 accordance with the provisions of this chapter;

5 (10) call and conduct the elections of the district in
6 accordance with the school election chapter of this title;

7 (11) participate in the teachers' retirement system of
8 the state of Montana in accordance with the provisions of
9 the teachers' retirement system chapter of this title; and

10 ~~(12) establish employee benefits, other than retirement~~
11 ~~benefits, and fix their limits in accordance with 2-18-701~~
12 ~~through 2-18-704; and~~

13 ~~(12)(13)~~ participate in district boundary change
14 actions in accordance with the provisions of the district
15 organization chapter of this title."

16 Section 31. Section 20-15-302, MCA, is amended to
17 read:

18 "20-15-302. Budget -- approval. (1) The board of
19 trustees of a community college district shall adopt an
20 annual ~~general~~--~~fund~~ operating budget for the general
21 maintenance and operation of the community college district.
22 The budget shall be submitted to the regents of the state of
23 Montana for their approval, ~~with or without adjustment~~. The
24 budget approved by the regents shall be the budget of the
25 community college district submitted to the state budget

1 ~~officer of the state director in accordance with Title 17,~~
2 ~~chapter 7.~~

3 ~~(2) In the case of an emergency budget as defined in~~
4 ~~subsections (2) through (5) of 20-9-161, the community~~
5 ~~college district must receive an approved budget amendment~~
6 ~~from the board of regents in a manner and on forms~~
7 ~~prescribed by the board of regents."~~

8 Section 32. Codification instructions. The code
9 commissioner shall codify sections 1 through 13 in chapter
10 15 of Title 20.

-End-

STATE OF MONTANA

Request No. 124-79

FISCAL NOTE

Form BD-15


In compliance with a written request received January 26, 1979, there is hereby submitted a Fiscal Note for Senate Bill 32 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:

Senate Bill 32 revises the laws relating to governance of Community College Districts and clarifies the definition of the work district as it applies to community college districts.

FISCAL IMPACT:

Minimal.


BUDGET DIRECTOR
Office of Budget and Program Planning
Date: 1/31/79

Approved by Committee
on Education

1 SENATE BILL NO. 32
2 INTRODUCED BY MATHERS
3 BY REQUEST OF THE INTERIM SUBCOMMITTEE ON EDUCATION
4
5 A BILL FOR AN ACT ENTITLED: "AN ACT FOR THE GENERAL
6 REVISION OF THE LAWS RELATING TO THE GOVERNANCE OF COMMUNITY
7 COLLEGE DISTRICTS SO THAT CHAPTER 15 OF TITLE 20, MCA, WILL
8 BE THE PRIMARY LAW GOVERNING COMMUNITY COLLEGE DISTRICTS;
9 CLARIFYING THE DEFINITION OF THE WORD DISTRICT AS IT APPLIES
10 TO COMMUNITY COLLEGE DISTRICTS; AND AMENDING SECTIONS
11 20-3-205, 20-9-101, 20-9-112, 20-9-134, 20-9-161, 20-9-163,
12 20-9-165, 20-9-201, 20-9-204, 20-9-212, 20-15-103,
13 20-15-104, 20-15-106, 20-15-210, 20-15-221, 20-15-223,
14 20-15-225, AND 20-15-302, MCA."
15
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
17 NEW SECTION. Section 1. Purpose. It is the purpose of
18 this chapter to establish the governance of community
19 college districts in Montana. The legislature intends that
20 the board of regents and the local boards of trustees of
21 community college districts coordinate their
22 responsibilities to insure an orderly development of
23 educational services to the citizens of Montana in
24 accordance with this chapter.
25 NEW SECTION. Section 2. Precedence of community

1 college chapter. Unless specifically identified in any other
2 sections of the school laws prescribed in this title,
3 community college districts are governed by the provisions
4 of this chapter. Should there be a conflict between other
5 requirements of this title and the provisions of this
6 chapter regulating community college districts, the
7 provisions of this chapter shall govern.
8 NEW SECTION. Section 3. Candidate qualification and
9 nomination. (1) Any person who is qualified to vote in a
10 community college district under the provisions of 20-20-301
11 is eligible for the office of community college trustee.
12 (2) Any five electors of a community college district
13 qualified under the provisions of 20-20-301 may nominate as
14 many trustee candidates as there are trustee positions
15 subject to election at the ensuing election. ~~The A~~
16 NOMINATING PETITION CONTAINING THE SIGNATURES OF THE FIVE
17 ELECTORS AND THE name of each person nominated for candidacy
18 must be submitted to the election clerk designated by the
19 board of trustees no less than ~~20~~ 30 days before the regular
20 school election day at which he is to be a candidate. If
21 there are different terms to be filled, the term for which
22 each candidate is nominated must also be indicated.
23 NEW SECTION. Section 4. Trustee election ballot after
24 organization of community college district. (1) The trustee
25 election ballot must be substantially in the following form:

1 Official Ballot
 2 Community College Trustee Election
 3 Instructions to Voters
 4 Make an "X" or similar mark in the vacant square before
 5 the name of the candidate for whom you wish to vote.
 6 Vote for (indicate number to be elected) for a 3-year
 7 term.
 8 List the names of the candidates
 9 for the 3-year term with a vacant
 10 square in front of each name.
 11 Vote for (indicate number to be elected) for a 2-year
 12 term.
 13 List the names of the candidates
 14 for the 2-year term with a vacant
 15 square in front of each name.
 16 Vote for (indicate number to be elected) for a 1-year
 17 term.
 18 List the names of the candidates
 19 for the 1-year term with a vacant
 20 square in front of each name.
 21 (2) In preparing the ballots, only those portions of
 22 the prescribed ballot that are applicable to the election to
 23 be conducted need be used. THE BALLOT MUST ALSO BE PREPARED
 24 WITH BLANK LINES AND VACANT SQUARES IN FRONT OF THE LINES IN
 25 A SUFFICIENT NUMBER TO ALLOW WRITE-IN VOTING FOR EACH

1 TRUSTEE POSITION THAT IS SUBJECT TO ELECTION.
 2 NEW SECTION. Section 5. Qualification and oath after
 3 organization of community college district. (1) No person
 4 who receives a certificate of election as a community
 5 college trustee may assume the trustee position until he has
 6 qualified by taking an oath of office prescribed by the
 7 constitution of Montana at the next regularly scheduled
 8 meeting of the board of trustees after receipt of the
 9 certificate of election.
 10 (2) If the elected person does not qualify in
 11 accordance with this requirement, another person must be
 12 appointed in a manner provided by 20-15-223 and shall serve
 13 until the next regular election.
 14 (3) After a person has qualified for a trustee
 15 position, he shall hold such position for the term of the
 16 position and until his successor has been elected or
 17 appointed and has been qualified.
 18 NEW SECTION. Section 6. Trustee removal procedure.
 19 (1) Any person may seek the removal of a community college
 20 trustee by filing a complaint with the board of county
 21 commissioners, containing charges based on one or more of
 22 the grounds cited in [section 7].
 23 (2) If upon receiving such a complaint it appears that
 24 there is probable cause for removal, the board of county
 25 commissioners shall suspend such trustee from his trustee

1 position until charges can be heard in the appropriate
2 district court. The board of county commissioners shall then
3 transmit the complaint, together with a statement of
4 suspension, to the district court.

5 NEW SECTION. Section 7. Grounds for removal. (1) A
6 community college trustee may be removed whenever he:

7 (a) moves his residence from the applicable community
8 college district;

9 (b) is no longer a registered elector of the community
10 college district under the provisions of 20-20-301;

11 (c) is absent from the district 60 consecutive days;

12 (d) fails to attend three consecutive meetings of the
13 trustees without reasonable cause;

14 (e) fails to perform responsibilities in accordance
15 with [section 9]; or

16 (f) ceases to have the capacity to hold office.

17 NEW SECTION. Section 8. Organization and officers
18 after organization of community college district. (1) The
19 trustees of each community college district shall annually
20 organize as a governing board of the community college
21 district at the next regularly scheduled meeting after the
22 regular election day and after the issuance of the election
23 certificate to the newly elected trustees.

24 (2) In order to organize, the trustees of the
25 community college district shall be given notice by the

1 coordinator of the time and place where the organization
2 meeting will be held, and at such meeting they shall choose
3 one of their members as chairman and as secretary. In
4 addition, the trustees may employ or appoint a competent
5 person who is not a member of the trustees as the clerk of
6 the community college district.

7 (3) The chairman and secretary of the trustees of the
8 community college district shall serve until the next
9 organization meeting. The chairman shall preside at all
10 meetings of the trustees in accordance with the customary
11 rules of order. He shall perform the duties prescribed by
12 this title and any other duties that normally pertain to
13 such office.

14 NEW SECTION. Section 9. Personal liability of
15 trustees. (1) The trustees of each community college
16 district are responsible for the proper administration and
17 utilization of all money of the district. Failure or
18 refusal to do so constitutes grounds for removal from
19 office.

20 (2) Trustees consenting to illegal use of money are
21 jointly and individually liable to the district for any
22 losses sustained by the district. The county attorney shall
23 prosecute any proceedings arising pursuant to this section,
24 or a party seeking such action may retain private counsel.
25 The party commencing the action is liable for the costs if

1 the action fails.

2 NEW SECTION. Section 10. Trustees' power over
3 property. (1) The trustees of a community college district
4 shall hold in trust all real and personal property of the
5 district for the benefit of the college and students.

6 NEW SECTION. Section 11. Intrastate, interstate, and
7 international agreements. The trustees of a community
8 college district may enter into agreements with the Western
9 Interstate Commission for Higher Education, or similar
10 intrastate, interstate, or international agreements, for the
11 benefit of the district and students.

12 NEW SECTION. Section 12. When community college
13 district subject to other school district provisions. (1)
14 When the term "school district" appears in the following
15 sections outside of Title 20, the term includes community
16 college districts, and the provisions of those sections
17 applicable to school districts apply to community college
18 districts: 2-9-101, 2-9-111, 2-9-316, 2-16-114, 2-16-602,
19 2-16-614, 2-18-703, 7-3-1101, 7-6-2604, 7-6-2801, 7-7-123,
20 7-8-2214, 7-8-2215, 7-8-2216, 7-11-103, 7-12-4106, 7-13-110,
21 7-13-210, 7-15-4206, 10-1-703, 15-1-101, 15-6-204,
22 15-16-101, 15-16-601, 15-18-108, 15-24-502, 15-24-505,
23 15-30-221, 15-55-106, 15-70-301, 15-70-322, 17-5-101,
24 17-5-202, 17-6-103, 17-6-204, 17-6-213, 17-7-201, 18-1-102,
25 18-1-105, 18-1-112, 18-1-201, 18-2-101, 18-2-103, 18-2-113,

1 18-2-114, 18-2-115, 18-2-404, 18-2-408, 18-5-205, 19-1-102,
2 19-1-602, 19-1-811, 22-1-309, 25-1-402, 27-18-406,
3 33-20-1104, 39-3-104, 39-4-107, 39-31-103, 39-31-304,
4 39-71-116, 39-71-117, 39-71-2106, 39-71-2206, 40-6-237,
5 40-8-124, 40-8-125, 40-8-128, 41-5-912, 49-3-101, 49-3-102,
6 53-20-304, 77-3-321, 82-10-201, 82-10-202, 82-10-203,
7 85-7-2158, and 90-6-208, MCA, and Rules 4D(2)(g) and 15(c),
8 M.R.Civ.P., as amended.

9 (2) When the term "school district" appears in a
10 section outside of Title 20 but the section is not listed in
11 subsection (1), the school district provision does not apply
12 to a community college district.

13 NEW SECTION. Section 13. Additional provisions apply.
14 Unless the context clearly indicates otherwise, the trustees
15 of a community college district shall:

16 (1) adhere to the teachers' retirement provisions of
17 Title 19, chapter 4, as amended;

18 (2) adhere to the provisions of 20-1-201, 20-1-205,
19 20-1-211, and 20-1-212, as amended;

20 (3) adhere to the school property provisions of
21 20-6-605, 20-6-621, 20-6-622, 20-6-624, 20-6-631, and
22 20-6-633 through 20-6-636, as amended;

23 (4) adhere to the adult education provisions of
24 20-7-701 through 20-7-712, as amended;

25 (5) adhere to the administration of finances

1 provisions of 20-9-115, 20-9-134, subsections (2), (3), (4),
2 and (5) of 20-9-161, 20-9-163, 20-9-165, 20-9-207 through
3 20-9-210, 20-9-215, and 20-9-221 through 20-9-224, as
4 amended;

5 (6) adhere to the school bond provisions of 20-9-401
6 through 20-9-412, 20-9-421 through 20-9-446, 20-9-451
7 through 20-9-456, and 20-9-461 through 20-9-465, as amended;

8 (7) adhere to the special purpose funds provisions of
9 20-9-501 through 20-9-503, 20-9-507, 20-9-508, and 20-9-511,
10 as amended;

11 (8) adhere to the educational cooperative agreements
12 provisions of 20-9-701 through 20-9-704, as amended;

13 (9) adhere to the school elections provisions of Title
14 20, chapter 20, as amended;

15 (10) adhere to the students' rights provisions of
16 20-25-511 through 20-25-516, as amended; and

17 (11) adhere to the health provisions of 50-1-206.

18 SECTION 14. THERE IS A NEW MCA SECTION THAT READS:

19 Audit of community college districts. A community
20 college district is subject to audit by the legislative
21 auditor in the same manner as a state agency. A community
22 college district may contract for an audit with a private
23 accounting firm, subject to approval of the legislative
24 auditor.

25 Section 15. Section 20-3-205, MCA, is amended to read:

1 *20-3-205. Powers and duties. The county
2 superintendent has general supervision of the schools of the
3 county within the limitations prescribed by this title and
4 shall perform the following duties or acts:

5 (1) determine, establish, and reestablish trustee
6 nominating districts and fill additional trustee position
7 vacancies in accordance with the provisions of 20-3-352,
8 20-3-353, and 20-3-354;

9 (2) administer and file the oaths of members of the
10 boards of trustees of the districts in his county in
11 accordance with the provisions of 20-3-307;

12 (3) fill by appointment any trustee position vacancies
13 when required under the provisions of 20-3-309;

14 (4) register the teacher certificate or emergency
15 authorization of employment of any person employed in the
16 county as a teacher, principal, or district superintendent
17 in accordance with the provisions of 20-4-202;

18 (5) act on each tuition application submitted to him
19 in accordance with the provisions of 20-5-301, 20-5-302,
20 20-5-304, and 20-5-311 and transmit the tuition information
21 required by 20-5-312;

22 (6) file a copy of the audit report for a district in
23 accordance with the provisions of 20-9-203;

24 (7) classify districts in accordance with the
25 provisions of 20-6-201 and 20-6-301;

1 (8) keep a transcript and reconcile the district
2 boundaries of the county in accordance with the provisions
3 of 20-6-103;

4 (9) fulfill all responsibilities assigned to him under
5 the provisions of this title regulating the organization,
6 alteration, or abandonment of districts;

7 (10) act on any unification proposition and, if
8 approved, establish additional trustee nominating districts
9 in accordance with 20-6-312 and 20-6-313;

10 (11) estimate the average number belonging (ANB) of an
11 opening school in accordance with the provisions of
12 20-6-502, 20-6-503, 20-6-504, or 20-6-506;

13 (12) process and, when required, act on school
14 isolation applications in accordance with the provisions of
15 20-9-302;

16 (13) complete the budgets, compute the budgeted
17 revenues and tax levies, give notices of the budget
18 meetings, file final and emergency budgets, and fulfill such
19 other responsibilities assigned to him under the provisions
20 of this title regulating school budgeting systems;

21 (14) submit an annual financial report to the
22 superintendent of public instruction in accordance with the
23 provisions of 20-9-211;

24 (15) quarterly, unless otherwise provided by law, order
25 the county treasurer to apportion state ~~moneys~~ ~~money~~, county

1 school ~~moneys~~ ~~money~~, and any other school ~~moneys~~ ~~money~~
2 subject to apportionment in accordance with the provisions
3 of 20-9-212, 20-9-334, 20-9-347, 20-9-351, 20-10-145, or
4 20-10-146;

5 (16) act on any request to transfer average number
6 belonging (ANB) in accordance with the provisions of
7 20-9-313(3);

8 (17) calculate the estimated budgeted general fund
9 sources of revenue in accordance with the provisions of
10 20-9-348 and the other general fund revenue provisions of
11 the general fund part of this title;

12 (18) compute the revenues and the district and county
13 levy requirements for each fund included on ~~in~~ each
14 district's final budget and report such computations to the
15 board of county commissioners in accordance with the
16 provisions of the general fund, transportation, bonds, and
17 other school funds parts of this title;

18 (19) file and forward bus driver certifications,
19 transportation contracts, and state transportation
20 reimbursement claims in accordance with the provisions of
21 20-10-103, 20-10-143, or 20-10-145;

22 (20) for districts which do not employ a district
23 superintendent or principal, recommend library book and
24 textbook selections in accordance with the provisions of
25 20-7-204 or 20-7-602;

1 (21) notify the superintendent of public instruction of
2 a textbook dealer's activities when required under the
3 provisions of 20-7-605 and otherwise comply with the
4 textbook dealer provisions of this title;

5 (22) act on district requests to allocate federal
6 moneys ~~money~~ for indigent children for school food services
7 in accordance with the provisions of 20-10-205;

8 (23) perform any other duty prescribed from time to
9 time by this title, any other act of the legislature, the
10 policies of the board of public education, ~~the policies of~~
11 ~~the board of regents relating to community college~~
12 ~~districts~~, or the rules of the superintendent of public
13 instruction;

14 (24) administer the oath of office to trustees without
15 the receipt of pay for administering the oath;

16 (25) keep a record of his official acts, preserve all
17 reports submitted to him under the provisions of this title,
18 preserve all books and instructional equipment or supplies,
19 keep all documents applicable to the administration of the
20 office, and surrender such records, books, supplies, and
21 equipment to his successor;

22 (26) within 90 days after the close of the school
23 fiscal year, publish an annual report in the county
24 newspaper stating the following financial information for
25 the school fiscal year just ended for each district of the

1 county:

2 (a) the total of the cash balances of all funds
3 maintained by the district at the beginning of the year;

4 (b) the total receipts that were realized in each fund
5 maintained by the district;

6 (c) the total expenditures that were made from each
7 fund maintained by the district; and

8 (d) the total of the cash balances of all funds
9 maintained by the district at the end of the school fiscal
10 year; and

11 (27) hold meetings for the members of the trustees from
12 time to time at which matters for the good of the districts
13 shall be discussed."

14 Section 16. Section 20-9-101, MCA, is amended to read:

15 "20-9-101. Application of budget system for districts.
16 The school budgeting procedure and provisions of this title
17 apply to elementary and high school districts and
18 ~~whenever specified, to~~ community college districts and to
19 all funds requiring the adoption of a budget. Each district
20 shall separately propose and adopt a budget in accordance
21 with the requirements of this title."

22 Section 17. Section 20-9-112, MCA, is amended to read:

23 "20-9-112. Notice of preliminary budget meeting.
24 During the month of May, the county superintendent shall
25 publish a notice at least one time in the official newspaper

1 of the county, stating that the trustees of each district in
 2 the county ~~and the trustees of the community college~~
 3 ~~district~~ will meet ~~separately~~ in regular session on the
 4 fourth Monday in June to prepare and adopt a preliminary
 5 budget for the next ensuing school fiscal year and that any
 6 taxpayer in the district may attend such meeting and be
 7 heard on such preliminary budget."

8 Section 18. Section 20-9-134, MCA, is amended to read:

9 "20-9-134. Completion, filing, and delivery of final
 10 budgets. After the final budget of the ~~elementary, high~~
 11 ~~school, or community college~~ district has been adopted by
 12 the trustees, the county superintendent shall complete all
 13 the remaining portions of the budget forms and shall:

14 (1) send the final budget information to the
 15 superintendent of public instruction, on the forms provided
 16 by the superintendent, on or before September 1; and

17 ~~(2) in the case of the community college districts,~~
 18 ~~send the final budget information to the board of regents,~~
 19 ~~on the forms provided by the community college coordinator,~~
 20 ~~on or before September 1; and~~

21 ~~(2)(3)~~ deliver a copy of the final budget for the
 22 district to the county treasurer on or before September 1."

23 Section 19. Section 20-9-161, MCA, is amended to read:

24 "20-9-161. Definition of emergency for budgeting
 25 purposes. As used in this title, unless the context clearly

1 indicates otherwise, the term "emergency" for the purpose of
 2 school budgeting shall be:

3 (1) an increase in the enrollment of ~~a~~ ~~an~~ ~~elementary~~
 4 ~~or high school~~ district over the immediately preceding
 5 school fiscal year which is beyond what could reasonably
 6 have been anticipated at the time of the adoption of the
 7 budget for the then-current school fiscal year ~~and--that~~
 8 ~~whenever,~~ because of such enrollment increase, the
 9 district's budget for any or all of the regularly budgeted
 10 funds does not provide sufficient financing to properly
 11 maintain and support the district for the entire current
 12 school fiscal year;

13 (2) the destruction or impairment of any school
 14 property necessary to the maintenance of the school, by
 15 fire, flood, storm, riot, insurrection, or any act of God,
 16 to such an extent as to render such school property unfit
 17 for its present school use;

18 (3) a judgment for damages against the district
 19 rendered by a court after the adoption of the budget for the
 20 current year;

21 (4) an enactment of legislation after the adoption of
 22 the budget for the current year that imposes an additional
 23 financial obligation on the district; or

24 (5) any other reason of similar consequences that has
 25 been approved by the superintendent of public instruction

1 upon petition by the trustees of the district or by the
 2 board of regents upon petition by the trustees of a
 3 community college district."

4 Section 20. Section 20-9-163, MCA, is amended to read:

5 "20-9-163. Resolution for emergency budget -- petition
 6 of ~~to~~ superintendent of public instruction or to the board
 7 of regents. (1) Whenever the trustees of any district ~~shall~~
 8 ~~deem decide~~ that an emergency exists, they may adopt a
 9 resolution proclaiming such emergency by a unanimous vote of
 10 all members present at any meeting for which each trustee
 11 has been given reasonable notice of the time and place of
 12 holding such meeting. The emergency resolution shall also
 13 state the facts constituting the emergency, the estimated
 14 amount of money required to meet the emergency, the funds
 15 affected by the emergency, and the time and place when the
 16 board will meet for the purpose of considering and adopting
 17 an emergency budget for such funds for the current school
 18 fiscal year.

19 (2) If the trustees ~~shall--deem~~ decide that an
 20 emergency exists for any reason other than the conditions
 21 specified in subsections (1), (2), (3), or (4) of 20-9-161,
 22 they shall petition the superintendent of public instruction
 23 or, in the case of a community college district, the board
 24 of regents for permission to adopt a resolution of
 25 emergency. Such petition shall set forth in writing the

1 reasons for the request, the district funds affected by the
 2 emergency, the estimated amount of money required to meet
 3 such emergency for each affected fund, the anticipated
 4 sources of financing for the emergency expenditures, and
 5 such other information as may be required by the
 6 superintendent of public instruction or the board of
 7 regents. The petition shall be signed by each trustee.

8 (3) The superintendent of public instruction or, in
 9 the case of a community college district, the board of
 10 regents shall promptly approve or disapprove the petition
 11 requesting approval to adopt a resolution of emergency. If
 12 the petition is approved, the trustees may then adopt a
 13 resolution of emergency and may subsequently take all other
 14 steps required for the adoption of an emergency budget.
 15 Approval of the a petition by the superintendent of public
 16 instruction or the board of regents shall merely authorize
 17 the board of trustees to initiate emergency budget
 18 proceedings by resolution and shall not relieve the trustees
 19 of the necessity of complying with the requirements of the
 20 school emergency budgeting laws. Approval of the petition
 21 shall not be construed as approval of any subsequent
 22 application for increased state aid on account of such
 23 emergency."

24 Section 21. Section 20-9-165, MCA, is amended to read:

25 "20-9-165. Emergency budget limitation, preparation,

1 and adoption procedures. (1) The meeting of the trustees to
 2 consider and adopt an emergency budget shall be open to the
 3 public, and any taxpayer in the district shall have the
 4 right to appear and be heard. If at such a meeting a
 5 majority of the trustees present shall find that an
 6 emergency exists, the trustees may make and adopt a
 7 preliminary emergency budget, on the regular budget form,
 8 setting forth fully the facts constituting the emergency. In
 9 adopting the preliminary emergency budget, the trustees may
 10 budget for any fund which was included on the final budget
 11 of the district for the current school fiscal year. The
 12 budget shall be itemized to show the amount appropriated for
 13 each item as required on the budget form.

14 (2) When the emergency is due to any increase of
 15 enrollment, the maximum amount of the emergency budget for
 16 all funds shall be determined in the following manner:

17 (a) Determine the total amount in the final budget for
 18 the current school fiscal year of all funds affected by the
 19 emergency, less any amounts appropriated as capital outlay
 20 and any amount appropriated for addition to the cash
 21 reserve.

22 (b) Divide the amount determined in subsection (2)(a)
 23 by the number of pupils originally enrolled in such district
 24 during the immediately preceding school fiscal year. The
 25 resulting cost per pupil shall constitute the maximum

1 permissible per-pupil expenditure in the emergency budget.
 2 (c) Determine the enrollment increase of the current
 3 school fiscal year by subtracting the number of pupils
 4 originally enrolled during the immediately preceding school
 5 fiscal year from the number of pupils enrolled for the
 6 current school year. The result shall be the enrollment
 7 increase for the current school fiscal year.

8 (d) Multiply the cost per pupil determined in
 9 subsection (2)(b) by the enrollment increase determined in
 10 subsection (2)(c). The result shall be the maximum
 11 limitation on an emergency budget for emergencies due to an
 12 increase of enrollment.

13 ~~(e) In the case of a community college district, by~~
 14 ~~budget amendment in accordance with 20-15-302.~~

15 (3) In the event of any other type of emergency, the
 16 budget shall be limited by those expenditures deemed by the
 17 trustees to be reasonable and necessary to finance the
 18 stated conditions of the emergency and the preliminary
 19 emergency budget shall be accompanied with the details of
 20 the proposed expenditures.

21 (4) Whenever the trustees adopt a preliminary
 22 emergency budget for the transportation fund, the trustees
 23 shall attach to such budget a copy of each transportation
 24 contract which is connected with the emergency and which has
 25 been prepared and executed in accordance with the school

1 transportation contract laws.

2 (5) After the trustees have adopted the emergency
3 budget by a majority vote of the trustees, it shall be
4 signed by the chairman of the trustees and the clerk of the
5 district and copies shall be sent to the county
6 superintendent, the county treasurer, and the superintendent
7 of public instruction. In the case of a community college
8 district, copies of the emergency budget shall be sent to
9 the county superintendent, the county treasurer, and the
10 board of regents."

11 Section 22. Section 20-9-201, MCA, is amended to read:

12 "20-9-201. Definitions and application. (1) As used in
13 this title, unless the context clearly indicates otherwise,
14 "fund" means a separate detailed account of receipts and
15 expenditures for a specific purpose as authorized by law.
16 Funds are classified as follows:

17 (a) A "budgeted fund" means any fund for which a
18 budget must be adopted in order to expend any moneys ~~money~~
19 from such fund. The general fund, transportation fund, bus
20 depreciation reserve fund, elementary tuition fund,
21 retirement fund, debt service fund, leased facilities fund,
22 building reserve fund, adult education fund, nonoperating
23 fund, postsecondary vocational-technical center fund, and
24 any other funds so designated by the legislature shall be
25 budgeted funds.

1 (b) A "nonbudgeted fund" means any fund for which a
2 budget is not required in order to expend any moneys ~~money~~
3 on deposit in such fund. The school food services fund,
4 miscellaneous federal programs fund, building fund, housing
5 and dormitory fund, traffic education fund, interlocal
6 cooperative fund, and any other funds so designated by the
7 legislature shall be nonbudgeted funds.

8 (2) The school financial administration provisions of
9 this title apply to all moneys ~~money~~ of any elementary or
10 high school district or ~~any community college district~~
11 except the extracurricular moneys ~~money~~ realized from pupil
12 activities. The superintendent of public instruction has
13 general supervisory authority over the school financial
14 administration provisions, as they relate to elementary and
15 high school districts, as prescribed by law and shall
16 establish such rules as are necessary to secure compliance
17 with the law."

18 Section 23. Section 20-9-204, MCA, is amended to read:

19 "20-9-204. Pecuniary interests, letting contracts, and
20 calling for bids. (1) It is unlawful for any trustee to:

21 (a) have any pecuniary interest, either directly or
22 indirectly, in any contract for the erection of any school
23 building or for warming, ventilating, furnishing, or
24 repairing the same;

25 (b) be in any manner connected with the furnishing of

1 supplies for the maintenance and operation of the schools;
2 or

3 (c) be employed in any capacity by the school district
4 of which he is trustee.

5 (2) Whenever the estimated cost of any building,
6 furnishing, repairing, or other work for the benefit of the
7 district or purchasing of supplies for the district exceeds
8 the sum of \$4,000, the work done or the purchase made shall
9 be by contract. Each such contract must be let to the lowest
10 responsible bidder after advertisement for bids. Such
11 advertisement shall be published in the newspaper which will
12 give notice to the largest number of people of the district
13 as determined by the trustees. Such advertisement shall be
14 made once each week for 2 consecutive weeks, and the second
15 publication shall be made not less than 5 days or more than
16 12 days before consideration of bids. A contract not let
17 pursuant to this section shall be void.

18 (3) Whenever bidding is required, the trustees shall
19 award the contract to the lowest responsible bidder, except
20 that the trustees may reject any or all bids.

21 ~~{4}--with-regard-to-contracting-for-work--or--supplies--~~
22 ~~the--board--of--trustees--of--a--community--college--district--are~~
23 ~~subject-to-20-15-104.~~"

24 Section 24. Section 20-9-212, MCA, is amended to read:
25 "20-9-212. Duties of county treasurer. The county

1 treasurer of each county shall:

2 (1) receive and hold all school moneys ~~money~~ subject
3 to apportionment and keep a separate accounting of their ~~its~~
4 apportionment to the several districts which are entitled to
5 a portion of such moneys ~~money~~ according to the
6 apportionments ordered by the county superintendent. A
7 separate accounting shall be maintained for each county fund
8 supported by a countywide levy for a specific, authorized
9 purpose, including:

10 (a) the basic county tax in support of the elementary
11 foundation programs;

12 (b) the basic special tax for high schools in support
13 of the high school foundation programs;

14 (c) the county tax in support of the county's high
15 school transportation obligation;

16 (d) the county tax in support of the high school
17 obligations to the retirement systems of the state of
18 Montana;

19 (e) any additional county tax required by law to
20 provide for deficiency financing of the elementary
21 foundation programs;

22 (f) any additional county tax required by law to
23 provide for deficiency financing of the high school
24 foundation programs;

25 (g) the county tax for a postsecondary

1 vocational-technical center when levied by the board of
2 county commissioners; and

3 (h) any other county tax for schools, including the
4 community colleges, which may be authorized by law and
5 levied by the county commissioners;

6 (2) whenever requested, notify the county
7 superintendent and the superintendent of public instruction
8 of the amount of county school moneys ~~money~~ on deposit in
9 each of the funds enumerated in subsection (1) of this
10 section and the amount of any other school moneys ~~money~~
11 subject to apportionment and apportion such county and other
12 school moneys ~~money~~ to the districts in accordance with the
13 apportionment ordered by the county superintendent;

14 (3) keep a separate accounting of the expenditures for
15 each budgeted fund included on in the final budget of each
16 district;

17 (4) keep a separate accounting of the receipts,
18 expenditures, and cash balances for each budgeted fund
19 included on in the final budget of each district and for
20 each nonbudgeted fund established by each district;

21 (5) except as otherwise limited by law, pay all
22 warrants properly drawn on the county or district school
23 moneys ~~money~~ and properly endorsed by their holders;

24 (6) receive all revenue collected by and for each
25 district and deposit these receipts in the fund designated

1 by law or by the district if no fund is designated by law.
2 Interest and penalties on delinquent school taxes shall be
3 credited to the same fund and district for which the
4 original taxes were levied.

5 (7) send all revenues received for a joint district,
6 part of which is situated in his county, to the county
7 treasurer designated as the custodian of such revenues, no
8 later than December 15 of each year and every 3 months
9 thereafter until the end of the school fiscal year;

10 (8) register district warrants drawn on a budgeted
11 fund in accordance with 7-6-2604 when there are IS
12 insufficient moneys ~~money~~ available in the sum of moneys
13 ~~money~~ in all funds of the district to make payment of such
14 warrant. Redemption of registered warrants shall be made in
15 accordance with 7-6-2116, 7-6-2605, and 7-6-2606.

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

18 (10) give to the trustees of each district, at least
19 quarterly, an itemized report for each fund maintained by
20 the district, showing the paid warrants, outstanding
21 warrants, registered warrants, amount amounts and types of
22 revenue received, and the cash balance."

23 Section 25. Section 20-15-103, MCA, is amended to
24 read:

25 "20-15-103. Supervision and coordination by board of

1 regents. Community college districts shall be under the
 2 supervision and coordination of the regents. The regents
 3 shall:

4 (1) supervise community college districts in
 5 accordance with the provisions of this section and
 6 20-15-105;

7 (2) appoint a coordinator of community college
 8 districts and ~~request legislative appropriations for the~~
 9 ~~operation of his office~~ prescribe the duties of the
 10 coordinator;

11 (3) formulate and put into effect uniform general
 12 policies as to budgeting, recordkeeping, and student
 13 accounting for the supervision and coordination of community
 14 college districts;

15 ~~(4) establish minimum entrance requirements and~~
 16 ~~approve curricular offerings for all community colleges;~~

17 ~~(5) direct each community college district to seek~~
 18 ~~accreditation from a recognized accrediting association; and~~

19 (4) after consultation with the community college
 20 trustees, develop and implement policies that distinguish
 21 the regents' authority to supervise and coordinate and the
 22 trustees' authority to administer and control community
 23 colleges; and

24 (6)(5) call an election, determine the results of the
 25 election, and order and implement the organization of a

1 community college district in accordance with this chapter."

2 Section 26, Section 20-15-104, MCA, is amended to
 3 read:

4 "20-15-104. Pecuniary interest and letting contracts.

5 (1) It shall be unlawful for any community college district
 6 trustee to have any pecuniary interest, either directly or
 7 indirectly, in the erection of any community college
 8 building in his district or ~~for~~ in furnishing or repairing
 9 the same or be in any manner connected with the furnishing
 10 of supplies for the maintenance of the college or to receive
 11 or to accept any compensation or reward for services
 12 rendered as trustee, except as herein provided.

13 (2) No ~~the~~ board of trustees shall let ~~any contract~~
 14 ~~contracts~~ ~~(except if the amount involved is less than~~
 15 ~~\$2,000)~~ for building, furnishing, repairing, or other work
 16 or supplies for the benefit of the district ~~without first~~
 17 advertising according to the following rules and procedures:

18 (a) The board of trustees need not meet requirements
 19 relating to advertising or bidding if a proposed contract
 20 for building, furnishing, repairing or other work or
 21 supplies is for less than \$3,000.

22 (b) Whenever the proposed contract costs are less than
 23 \$10,000 but more than \$3,000, the board of trustees shall
 24 procure at least three informal bids, if reasonably
 25 available, from contractors licensed in Montana.

1 ~~(c) Whenever the proposed contract costs are more than~~
 2 ~~\$10,000 the board of trustees shall solicit formal bids and~~
 3 ~~advertise~~ once each week for at least 2 weeks in a newspaper
 4 published in each county wherein the area of the district
 5 lies, ~~and--without calling for bids to perform such work or~~
 6 ~~furnish such supplies. In--all--cases--where~~ If advertising is
 7 required, the board shall award the contract to the lowest
 8 responsible bidder ~~provided--however--that,~~ However, the
 9 board of trustees shall ~~have~~ has the right to reject any and
 10 all bids."

11 Section 27. Section 20-15-106, MCA, is amended to
 12 read:

13 ~~"20-15-106. Employment--of--personnel--and--retirement~~
 14 ~~system Retirement systems for employees and teachers. (1)~~
 15 ~~The board of trustees shall appoint the employees of the~~
 16 ~~community college, define and assign their powers and~~
 17 ~~duties and fix their compensation.~~

18 ~~(2) (1) The community college district and teachers~~
 19 ~~Teachers~~ of a community college district shall ~~be~~ are
 20 subject to and the ~~teachers~~ shall ~~be~~ be eligible for the
 21 benefits of the Montana teachers' retirement system ~~provided~~
 22 ~~by the laws of Montana.~~

23 (2) The employees of a community college district not
 24 eligible for teachers' retirement system benefits are
 25 subject to and eligible for the benefits of the Montana

1 public employees' retirement system."

2 Section 28. Section 20-15-210, MCA, is amended to
 3 read:

4 "20-15-210. Qualification and organization of board of
 5 trustees. (1) Newly elected members of the board of trustees
 6 of the community college district shall be qualified by
 7 taking the oath of office prescribed by the constitution of
 8 Montana. At the organization meeting called by the board of
 9 regents, the board of trustees shall be organized by the
 10 election of a president ~~and vice-president~~ chairman and a
 11 secretary ~~said secretary may be or may not be a member of~~
 12 ~~the board.~~

13 (2) The treasurer of the community college district
 14 shall ~~be~~ is the county treasurer of the county in which the
 15 community college facilities are located. The duties of the
 16 county treasurer are referenced in 20-9-206, 20-9-212,
 17 20-9-222, and 20-9-224."

18 Section 29. Section 20-15-221, MCA, is amended to
 19 read:

20 "20-15-221. Election of trustees after organization of
 21 community college district. (1) After organization, the
 22 registered electors of the community college district
 23 qualified to vote under the provisions of 20-20-301 shall
 24 annually vote for trustees on the ~~first Tuesday in April~~
 25 regular school election day provided for in 20-3-304. The

1 ~~election shall be conducted in accordance with the election~~
 2 ~~provisions of this title whenever such provisions are made~~
 3 ~~applicable to community college districts, and such~~ Such
 4 elections shall be conducted by the component elementary
 5 school districts within such community college district upon
 6 the order of the board of trustees of the community college
 7 district. ~~Such~~ The order shall be transmitted to the
 8 appropriate trustees not less than 40 days prior to the
 9 regular school election day.

10 (2) Notice of the community college district trustee
 11 election shall be given by the board of trustees of the
 12 community college district by publication in one or more
 13 newspapers of general circulation within each county, not
 14 less than once a week for 2 consecutive weeks, the last
 15 insertion to be no longer ~~more~~ than 1 week prior to the date
 16 of the election. This notice shall be in addition to the
 17 election notice to be given by the trustees of the component
 18 elementary districts under the school election laws.

19 (3) Should trustees be elected other than at large
 20 throughout the entire district, then only those qualified
 21 voters within the area from which the trustee or trustees
 22 are to be elected shall cast their ballots for the trustee
 23 or trustees from that area. ~~***~~ IN ADDITION TO THE
 24 NOMINATING PETITION REQUIRED BY [SECTION 3(2)], ALL
 25 candidates for the office of trustee shall file their

1 declarations of candidacy with the secretary of the board of
 2 trustees of the community college district not less than 30
 3 days prior to the date of election. If an electronic voting
 4 system or voting machines are not used in the component
 5 elementary school district or districts which conduct the
 6 election, then the board of trustees of the community
 7 college district shall cause ballots to be printed and
 8 distributed for the polling places in such component
 9 districts at the expense of the community college district,
 10 but in all other respects said elections shall be conducted
 11 in accordance with the school election laws. All costs
 12 incident to election of the community college trustees shall
 13 be borne by the community college district, including
 14 one-half of the compensation of the judges for the school
 15 elections; provided that if the election of the community
 16 college district trustees is the only election conducted,
 17 the community college district shall compensate the district
 18 for the total cost of the election."

19 Section 30. Section 20-15-223, MCA, is amended to
 20 read:

21 *20-15-223. Vacancy-of-trustee-position Vacancies. (1)
 22 A community college trustee position is vacant whenever the
 23 incumbent:

- 24 (a) dies;
- 25 (b) resigns; or

1 ~~(c) is removed under the provisions of [section 6].~~
 2 ~~(2) A trustee position is also vacant whenever an~~
 3 ~~elected candidate fails to qualify under the provisions of~~
 4 ~~20-3-307.~~

5 ~~(3) Any vacancy of a trustee's trustee position shall~~
 6 ~~be filled by appointment by majority vote of the remaining~~
 7 ~~trustees, and the person appointed shall hold office until~~
 8 ~~the next regular school election day, when a trustee shall~~
 9 ~~be elected for the remainder of the unexpired term."~~

10 Section 31. Section 20-15-225, MCA, is amended to
 11 read:

12 "20-15-225. Powers and duties of trustees. The
 13 trustees of a community college district shall, subject to
 14 supervision by the board of regents:

- 15 (1) have general control and supervision of the
 16 community college;
- 17 (2) adopt rules, not inconsistent with the
 18 constitution and the laws of the state, for the government
 19 and administration of the community college;
- 20 (3) grant certificates and degrees to the graduates of
 21 the community college;
- 22 (4) keep a record of ~~its~~ their proceedings;
- 23 (5) ~~have~~ when not otherwise provided by law, ~~have~~
 24 control of all books, records, buildings, grounds, and other
 25 property of the community college;

1 (6) receive from the state board of land
 2 commissioners; other boards, agencies, or persons; or the
 3 government of the United States all funds, ~~incomes~~ income,
 4 and other property the community college may be entitled to
 5 receive or accept and use and appropriate the property for
 6 the specific purpose of the entitlement, grant, or donation;
 7 (7) have general control of all receipts and
 8 disbursements of the community college;

9 (8) appoint and dismiss a president and faculty for
 10 the community college; appoint and dismiss any other
 11 necessary officers, agents, and employees; fix their
 12 compensation; and set the terms and conditions of their
 13 employment;

14 (9) administer the tuition provision and otherwise
 15 govern the students of the community college district in
 16 accordance with the provisions of this chapter;

17 (10) call and conduct the elections of the district in
 18 accordance with the school election chapter of this title;

19 (11) participate in the teachers' retirement system of
 20 the state of Montana in accordance with the provisions of
 21 the teachers' retirement system chapter of this title; and

22 ~~(12) establish employee benefits, other than retirement~~
 23 ~~benefits, and fix their limits in accordance with 2-18-701~~
 24 ~~through 2-18-704; and~~

25 ~~(13) participate in district boundary change~~

1 actions in accordance with the provisions of the district
2 organization chapter of this title."

3 Section 32. Section 20-15-302, MCA, is amended to
4 read:

5 "20-15-302. Budget -- approval. ~~(1)~~ The board of
6 trustees of a community college district shall adopt an
7 annual ~~general--fund operating~~ budget for the general
8 maintenance and operation of the community college district.
9 The budget shall be submitted to the regents of the state of
10 Montana for their approval ~~with or without adjustment~~. The
11 budget approved by the regents shall be the budget of the
12 community college district submitted to the ~~state~~ budget
13 ~~officer--of--the-state~~ director in accordance with Title 17,
14 chapter 7.

15 (2) In the case of an emergency budget as defined in
16 subsections (2) through (5) of 20-9-161, the community
17 college district must receive an approved budget amendment
18 from the board of regents in a manner and on forms
19 prescribed by the board of regents."

20 Section 33. Codification instructions. The code
21 commissioner shall codify sections 1 through ~~13~~ 14 in
22 chapter 15 of Title 20.

-End-

SENATE BILL NO. 32

INTRODUCED BY MATHERS

BY REQUEST OF THE INTERIM SUBCOMMITTEE ON EDUCATION

A BILL FOR AN ACT ENTITLED: "AN ACT FOR THE GENERAL REVISION OF THE LAWS RELATING TO THE GOVERNANCE OF COMMUNITY COLLEGE DISTRICTS SO THAT CHAPTER 15 OF TITLE 20, MCA, WILL BE THE PRIMARY LAW GOVERNING COMMUNITY COLLEGE DISTRICTS; CLARIFYING THE DEFINITION OF THE WORD DISTRICT AS IT APPLIES TO COMMUNITY COLLEGE DISTRICTS; AND AMENDING SECTIONS 20-3-205, 20-9-101, 20-9-112, 20-9-134, 20-9-161, 20-9-163, 20-9-165, 20-9-201, 20-9-204, 20-9-212, 20-15-103, 20-15-104, 20-15-106, 20-15-210, 20-15-221, 20-15-223, 20-15-225, AND 20-15-302, MCA."

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

NEW SECTION. Section 1. Purpose. It is the purpose of this chapter to establish the governance of community college districts in Montana. The legislature intends that the board of regents and the local boards of trustees of community college districts coordinate their responsibilities to insure an orderly development of educational services to the citizens of Montana in accordance with this chapter.

NEW SECTION. Section 2. Precedence of community

college chapter. Unless specifically identified in any other sections of the school laws prescribed in this title, community college districts are governed by the provisions of this chapter. Should there be a conflict between other requirements of this title and the provisions of this chapter regulating community college districts, the provisions of this chapter shall govern.

NEW SECTION. Section 3. Candidate qualification and nomination. (1) Any person who is qualified to vote in a community college district under the provisions of 20-20-301 is eligible for the office of community college trustee.

(2) Any five electors of a community college district qualified under the provisions of 20-20-301 may nominate as many trustee candidates as there are trustee positions subject to election at the ensuing election. The A NOMINATING PETITION CONTAINING THE SIGNATURES OF THE FIVE ELECTORS AND THE name of each person nominated for candidacy must be submitted to the election clerk designated by the board of trustees no less than 20 30 days before the regular school election day at which he is to be a candidate. If there are different terms to be filled, the term for which each candidate is nominated must also be indicated.

NEW SECTION. Section 4. Trustee election ballot after organization of community college district. (1) The trustee election ballot must be substantially in the following form:

1 Official Ballot
 2 Community College Trustee Election
 3 Instructions to Voters
 4 Make an "X" or similar mark in the vacant square before
 5 the name of the candidate for whom you wish to vote.
 6 Vote for (indicate number to be elected) for a 3-year
 7 term.
 8 List the names of the candidates
 9 for the 3-year term with a vacant
 10 square in front of each name.
 11 Vote for (indicate number to be elected) for a 2-year
 12 term.
 13 List the names of the candidates
 14 for the 2-year term with a vacant
 15 square in front of each name.
 16 Vote for (indicate number to be elected) for a 1-year
 17 term.
 18 List the names of the candidates
 19 for the 1-year term with a vacant
 20 square in front of each name.
 21 (2) In preparing the ballots, only those portions of
 22 the prescribed ballot that are applicable to the election to
 23 be conducted need be used. THE BALLOT MUST ALSO BE PREPARED
 24 WITH BLANK LINES AND VACANT SQUARES IN FRONT OF THE LINES IN
 25 A SUFFICIENT NUMBER TO ALLOW WRITE-IN VOTING FOR EACH

1 TRUSTEE POSITION THAT IS SUBJECT TO ELECTION.
 2 NEW SECTION. Section 5. Qualification and oath after
 3 organization of community college district. (1) No person
 4 who receives a certificate of election as a community
 5 college trustee may assume the trustee position until he has
 6 qualified by taking an oath of office prescribed by the
 7 constitution of Montana at the next regularly scheduled
 8 meeting of the board of trustees after receipt of the
 9 certificate of election.
 10 (2) If the elected person does not qualify in
 11 accordance with this requirement, another person must be
 12 appointed in a manner provided by 20-15-223 and shall serve
 13 until the next regular election.
 14 (3) After a person has qualified for a trustee
 15 position, he shall hold such position for the term of the
 16 position and until his successor has been elected or
 17 appointed and has been qualified.
 18 NEW SECTION. Section 6. Trustee removal procedure.
 19 (1) Any person may seek the removal of a community college
 20 trustee by filing a complaint with the board of county
 21 commissioners, containing charges based on one or more of
 22 the grounds cited in [section 7].
 23 (2) If upon receiving such a complaint it appears that
 24 there is probable cause for removal, the board of county
 25 commissioners shall suspend such trustee from his trustee

1 position until charges can be heard in the appropriate
2 district court. The board of county commissioners shall then
3 transmit the complaint, together with a statement of
4 suspension, to the district court.

5 NEW SECTION. Section 7. Grounds for removal. (1) A
6 community college trustee may be removed whenever he:

7 (a) moves his residence from the applicable community
8 college district;

9 (b) is no longer a registered elector of the community
10 college district under the provisions of 20-20-301;

11 (c) is absent from the district 60 consecutive days;

12 (d) fails to attend three consecutive meetings of the
13 trustees without reasonable cause;

14 (e) fails to perform responsibilities in accordance
15 with [section 9]; or

16 (f) ceases to have the capacity to hold office.

17 NEW SECTION. Section 8. Organization and officers
18 after organization of community college district. (1) The
19 trustees of each community college district shall annually
20 organize as a governing board of the community college
21 district at the next regularly scheduled meeting after the
22 regular election day and after the issuance of the election
23 certificate to the newly elected trustees.

24 (2) In order to organize, the trustees of the
25 community college district shall be given notice by the

1 coordinator of the time and place where the organization
2 meeting will be held, and at such meeting they shall choose
3 one of their members as chairman and as secretary. In
4 addition, the trustees may employ or appoint a competent
5 person who is not a member of the trustees as the clerk of
6 the community college district.

7 (3) The chairman and secretary of the trustees of the
8 community college district shall serve until the next
9 organization meeting. The chairman shall preside at all
10 meetings of the trustees in accordance with the customary
11 rules of order. He shall perform the duties prescribed by
12 this title and any other duties that normally pertain to
13 such office.

14 NEW SECTION. Section 9. Personal liability of
15 trustees. (1) The trustees of each community college
16 district are responsible for the proper administration and
17 utilization of all money of the district. Failure or
18 refusal to do so constitutes grounds for removal from
19 office.

20 (2) Trustees consenting to illegal use of money are
21 jointly and individually liable to the district for any
22 losses sustained by the district. The county attorney shall
23 prosecute any proceedings arising pursuant to this section,
24 or a party seeking such action may retain private counsel.
25 The party commencing the action is liable for the costs if

1 the action fails.

2 NEW SECTION. Section 10. Trustees' power over
3 property. (1) The trustees of a community college district
4 shall hold in trust all real and personal property of the
5 district for the benefit of the college and students.

6 NEW SECTION. Section 11. Intrastate, interstate, and
7 international agreements. The trustees of a community
8 college district may enter into agreements with the Western
9 Interstate Commission for Higher Education, or similar
10 intrastate, interstate, or international agreements, for the
11 benefit of the district and students.

12 NEW SECTION. Section 12. When community college
13 district subject to other school district provisions. (1)
14 When the term "school district" appears in the following
15 sections outside of Title 20, the term includes community
16 college districts, and the provisions of those sections
17 applicable to school districts apply to community college
18 districts: 2-9-101, 2-9-111, 2-9-316, 2-16-114, 2-16-602,
19 2-16-614, 2-18-703, 7-3-1101, 7-6-2604, 7-6-2801, 7-7-123,
20 7-8-2214, 7-8-2215, 7-8-2216, 7-11-103, 7-12-4106, 7-13-110,
21 7-13-210, 7-15-4206, 10-1-703, 15-1-101, 15-6-204,
22 15-16-101, 15-16-601, 15-18-108, 15-24-502, 15-24-505,
23 15-30-221, 15-55-106, 15-70-301, 15-70-322, 17-5-101,
24 17-5-202, 17-6-103, 17-6-204, 17-6-213, 17-7-201, 18-1-102,
25 18-1-105, 18-1-112, 18-1-201, 18-2-101, 18-2-103, 18-2-113,

1 18-2-114, 18-2-115, 18-2-404, 18-2-408, 18-5-205, 19-1-102,
2 19-1-602, 19-1-811, 22-1-309, 25-1-402, 27-18-406,
3 33-20-1104, 39-3-104, 39-4-107, 39-31-103, 39-31-304,
4 39-71-116, 39-71-117, 39-71-2106, 39-71-2206, 40-6-237,
5 40-8-124, 40-8-125, 40-8-128, 41-5-912, 49-3-101, 49-3-102,
6 53-20-304, 77-3-321, 82-10-201, 82-10-202, 82-10-203,
7 85-7-2158, and 90-6-208, MCA, and Rules 40(2)(g) and 15(c),
8 M.R.Civ.P., as amended.

9 (2) When the term "school district" appears in a
10 section outside of Title 20 but the section is not listed in
11 subsection (1), the school district provision does not apply
12 to a community college district.

13 NEW SECTION. Section 13. Additional provisions apply.
14 Unless the context clearly indicates otherwise, the trustees
15 of a community college district shall:

16 (1) adhere to the teachers' retirement provisions of
17 Title 19, chapter 4, as amended;

18 (2) adhere to the provisions of 20-1-201, 20-1-205,
19 20-1-211, and 20-1-212, as amended;

20 (3) adhere to the school property provisions of
21 20-6-605, 20-6-621, 20-6-622, 20-6-624, 20-6-631, and
22 20-6-633 through 20-6-636, as amended;

23 (4) adhere to the adult education provisions of
24 20-7-701 through 20-7-712, as amended;

25 (5) adhere to the administration of finances

1 provisions of 20-9-115, 20-9-134, subsections (2), (3), (4),
2 and (5) of 20-9-161, 20-9-163, 20-9-165, 20-9-207 through
3 20-9-210, 20-9-215, and 20-9-221 through 20-9-224, as
4 amended;

5 (6) adhere to the school bond provisions of 20-9-401
6 through 20-9-412, 20-9-421 through 20-9-446, 20-9-451
7 through 20-9-456, and 20-9-461 through 20-9-465, as amended;

8 (7) adhere to the special purpose funds provisions of
9 20-9-501 through 20-9-503, 20-9-507, 20-9-508, and 20-9-511,
10 as amended;

11 (8) adhere to the educational cooperative agreements
12 provisions of 20-9-701 through 20-9-704, as amended;

13 (9) adhere to the school elections provisions of Title
14 20, chapter 20, as amended;

15 (10) adhere to the students' rights provisions of
16 20-25-511 through 20-25-516, as amended; and

17 (11) adhere to the health provisions of 50-1-206.

18 SECTION 14. THERE IS A NEW MCA SECTION THAT READS:

19 Audit of community college districts. A community
20 college district is subject to audit by the legislative
21 auditor in the same manner as a state agency. A community
22 college district may contract for an audit with a private
23 accounting firm, subject to approval of the legislative
24 auditor.

25 Section 15. Section 20-3-205, MCA, is amended to read:

1 *20-3-205. Powers and duties. The county
2 superintendent has general supervision of the schools of the
3 county within the limitations prescribed by this title and
4 shall perform the following duties or acts:

5 (1) determine, establish, and reestablish trustee
6 nominating districts and fill additional trustee position
7 vacancies in accordance with the provisions of 20-3-352,
8 20-3-353, and 20-3-354;

9 (2) administer and file the oaths of members of the
10 boards of trustees of the districts in his county in
11 accordance with the provisions of 20-3-307;

12 (3) fill by appointment any trustee position vacancies
13 when required under the provisions of 20-3-309;

14 (4) register the teacher certificate or emergency
15 authorization of employment of any person employed in the
16 county as a teacher, principal, or district superintendent
17 in accordance with the provisions of 20-4-202;

18 (5) act on each tuition application submitted to him
19 in accordance with the provisions of 20-5-301, 20-5-302,
20 20-5-304, and 20-5-311 and transmit the tuition information
21 required by 20-5-312;

22 (6) file a copy of the audit report for a district in
23 accordance with the provisions of 20-9-203;

24 (7) classify districts in accordance with the
25 provisions of 20-6-201 and 20-6-301;

1 (8) keep a transcript and reconcile the district
2 boundaries of the county in accordance with the provisions
3 of 20-6-103;

4 (9) fulfill all responsibilities assigned to him under
5 the provisions of this title regulating the organization,
6 alteration, or abandonment of districts;

7 (10) act on any unification proposition and, if
8 approved, establish additional trustee nominating districts
9 in accordance with 20-6-312 and 20-6-313;

10 (11) estimate the average number belonging (ANB) of an
11 opening school in accordance with the provisions of
12 20-6-502, 20-6-503, 20-6-504, or 20-6-506;

13 (12) process and, when required, act on school
14 isolation applications in accordance with the provisions of
15 20-9-302;

16 (13) complete the budgets, compute the budgeted
17 revenues and tax levies, give notices of the budget
18 meetings, file final and emergency budgets, and fulfill such
19 other responsibilities assigned to him under the provisions
20 of this title regulating school budgeting systems;

21 (14) submit an annual financial report to the
22 superintendent of public instruction in accordance with the
23 provisions of 20-9-211;

24 (15) quarterly, unless otherwise provided by law, order
25 the county treasurer to apportion state moneys ~~money~~, county

1 school moneys ~~money~~, and any other school moneys ~~money~~
2 subject to apportionment in accordance with the provisions
3 of 20-9-212, 20-9-334, 20-9-347, 20-9-351, 20-10-145, or
4 20-10-146;

5 (16) act on any request to transfer average number
6 belonging (ANB) in accordance with the provisions of
7 20-9-313(3);

8 (17) calculate the estimated budgeted general fund
9 sources of revenue in accordance with the provisions of
10 20-9-348 and the other general fund revenue provisions of
11 the general fund part of this title;

12 (18) compute the revenues and the district and county
13 levy requirements for each fund included on in each
14 district's final budget and report such computations to the
15 board of county commissioners in accordance with the
16 provisions of the general fund, transportation, bonds, and
17 other school funds parts of this title;

18 (19) file and forward bus driver certifications,
19 transportation contracts, and state transportation
20 reimbursement claims in accordance with the provisions of
21 20-10-103, 20-10-143, or 20-10-145;

22 (20) for districts which do not employ a district
23 superintendent or principal, recommend library book and
24 textbook selections in accordance with the provisions of
25 20-7-204 or 20-7-602;

1 (21) notify the superintendent of public instruction of
2 a textbook dealer's activities when required under the
3 provisions of 20-7-605 and otherwise comply with the
4 textbook dealer provisions of this title;

5 (22) act on district requests to allocate federal
6 moneys ~~money~~ for indigent children for school food services
7 in accordance with the provisions of 20-10-205;

8 (23) perform any other duty prescribed from time to
9 time by this title, any other act of the legislature, the
10 policies of the board of public education, ~~the policies of~~
11 ~~the board of regents relating to community college~~
12 ~~districts~~, or the rules of the superintendent of public
13 instruction;

14 (24) administer the oath of office to trustees without
15 the receipt of pay for administering the oath;

16 (25) keep a record of his official acts, preserve all
17 reports submitted to him under the provisions of this title,
18 preserve all books and instructional equipment or supplies,
19 keep all documents applicable to the administration of the
20 office, and surrender such records, books, supplies, and
21 equipment to his successor;

22 (26) within 90 days after the close of the school
23 fiscal year, publish an annual report in the county
24 newspaper stating the following financial information for
25 the school fiscal year just ended for each district of the

1 county:

2 (a) the total of the cash balances of all funds
3 maintained by the district at the beginning of the year;

4 (b) the total receipts that were realized in each fund
5 maintained by the district;

6 (c) the total expenditures that were made from each
7 fund maintained by the district; and

8 (d) the total of the cash balances of all funds
9 maintained by the district at the end of the school fiscal
10 year; and

11 (27) hold meetings for the members of the trustees from
12 time to time at which matters for the good of the districts
13 shall be discussed."

14 Section 16. Section 20-9-101, MCA, is amended to read:

15 "20-9-101. Application of budget system for districts.
16 The school budgeting procedure and provisions of this title
17 apply to elementary and high school districts, and
18 ~~whenever specified, to~~ community college districts and to
19 all funds requiring the adoption of a budget. Each district
20 shall separately propose and adopt a budget in accordance
21 with the requirements of this title."

22 Section 17. Section 20-9-112, MCA, is amended to read:

23 "20-9-112. Notice of preliminary budget meeting.
24 During the month of May, the county superintendent shall
25 publish a notice at least one time in the official newspaper

1 of the county, stating that the trustees of each district in
 2 the county and the trustees of the community college
 3 district will meet separately in regular session on the
 4 fourth Monday in June to prepare and adopt a preliminary
 5 budget for the next ensuing school fiscal year and that any
 6 taxpayer in the district may attend such meeting and be
 7 heard on such preliminary budget."

8 Section 18. Section 20-9-134, MCA, is amended to read:

9 "20-9-134. Completion, filing, and delivery of final
 10 budgets. After the final budget of the elementary, high
 11 school, or community college district has been adopted by
 12 the trustees, the county superintendent shall complete all
 13 the remaining portions of the budget forms and shall:

14 (1) send the final budget information to the
 15 superintendent of public instruction, on the forms provided
 16 by the superintendent, on or before September 1; and

17 (2) in the case of the community college districts,
 18 send the final budget information to the board of regents,
 19 on the forms provided by the community college coordinator,
 20 on or before September 1; and

21 ~~(2)(3)~~ deliver a copy of the final budget for the
 22 district to the county treasurer on or before September 1."

23 Section 19. Section 20-9-161, MCA, is amended to read:

24 "20-9-161. Definition of emergency for budgeting
 25 purposes. As used in this title, unless the context clearly

1 indicates otherwise, the term "emergency" for the purpose of
 2 school budgeting shall be:

3 (1) an increase in the enrollment of a an elementary
 4 or high school district over the immediately preceding
 5 school fiscal year which is beyond what could reasonably
 6 have been anticipated at the time of the adoption of the
 7 budget for the then-current school fiscal year and--that
 8 ~~whenever,~~ because of such enrollment increase, the
 9 district's budget for any or all of the regularly budgeted
 10 funds does not provide sufficient financing to properly
 11 maintain and support the district for the entire current
 12 school fiscal year;

13 (2) the destruction or impairment of any school
 14 property necessary to the maintenance of the school, by
 15 fire, flood, storm, riot, insurrection, or any act of God,
 16 to such an extent as to render such school property unfit
 17 for its present school use;

18 (3) a judgment for damages against the district
 19 rendered by a court after the adoption of the budget for the
 20 current year;

21 (4) an enactment of legislation after the adoption of
 22 the budget for the current year that imposes an additional
 23 financial obligation on the district; or

24 (5) any other reason of similar consequences that has
 25 been approved by the superintendent of public instruction

1 upon petition by the trustees of the district or by the
 2 board of regents upon petition by the trustees of a
 3 community college district."

4 Section 20. Section 20-9-163, MCA, is amended to read:

5 "20-9-163. Resolution for emergency budget -- petition
 6 of ~~to~~ superintendent of public instruction or to the board
 7 of regents. (1) Whenever the trustees of any district ~~shall~~
 8 ~~deem~~ decide that an emergency exists, they may adopt a
 9 resolution proclaiming such emergency by a unanimous vote of
 10 all members present at any meeting for which each trustee
 11 has been given reasonable notice of the time and place of
 12 holding such meeting. The emergency resolution shall also
 13 state the facts constituting the emergency, the estimated
 14 amount of money required to meet the emergency, the funds
 15 affected by the emergency, and the time and place when the
 16 board will meet for the purpose of considering and adopting
 17 an emergency budget for such funds for the current school
 18 fiscal year.

19 (2) If the trustees ~~shall--deem~~ decide that an
 20 emergency exists for any reason other than the conditions
 21 specified in subsections (1), (2), (3), or (4) of 20-9-161,
 22 they shall petition the superintendent of public instruction
 23 or, in the case of a community college district, the board
 24 of regents for permission to adopt a resolution of
 25 emergency. Such petition shall set forth in writing the

1 reasons for the request, the district funds affected by the
 2 emergency, the estimated amount of money required to meet
 3 such emergency for each affected fund, the anticipated
 4 sources of financing for the emergency expenditures, and
 5 such other information as may be required by the
 6 superintendent of public instruction or the board of
 7 regents. The petition shall be signed by each trustee.

8 (3) The superintendent of public instruction or, in
 9 the case of a community college district, the board of
 10 regents shall promptly approve or disapprove the petition
 11 requesting approval to adopt a resolution of emergency. If
 12 the petition is approved, the trustees may then adopt a
 13 resolution of emergency and may subsequently take all other
 14 steps required for the adoption of an emergency budget.
 15 Approval of ~~the a~~ petition by the superintendent of public
 16 instruction or the board of regents shall merely authorize
 17 the board of trustees to initiate emergency budget
 18 proceedings by resolution and shall not relieve the trustees
 19 of the necessity of complying with the requirements of the
 20 school emergency budgeting laws. Approval of the petition
 21 shall not be construed as approval of any subsequent
 22 application for increased state aid on account of such
 23 emergency."

24 Section 21. Section 20-9-165, MCA, is amended to read:

25 "20-9-165. Emergency budget limitation, preparation,

1 and adoption procedures. (1) The meeting of the trustees to
 2 consider and adopt an emergency budget shall be open to the
 3 public, and any taxpayer in the district shall have the
 4 right to appear and be heard. If at such a meeting a
 5 majority of the trustees present shall find that an
 6 emergency exists, the trustees may make and adopt a
 7 preliminary emergency budget, on the regular budget form,
 8 setting forth fully the facts constituting the emergency. In
 9 adopting the preliminary emergency budget, the trustees may
 10 budget for any fund which was included on the final budget
 11 of the district for the current school fiscal year. The
 12 budget shall be itemized to show the amount appropriated for
 13 each item as required on the budget form.

14 (2) When the emergency is due to any increase of
 15 enrollment, the maximum amount of the emergency budget for
 16 all funds shall be determined in the following manner:

17 (a) Determine the total amount in the final budget for
 18 the current school fiscal year of all funds affected by the
 19 emergency, less any amounts appropriated as capital outlay
 20 and any amount appropriated for addition to the cash
 21 reserve.

22 (b) Divide the amount determined in subsection (2)(a)
 23 by the number of pupils originally enrolled in such district
 24 during the immediately preceding school fiscal year. The
 25 resulting cost per pupil shall constitute the maximum

1 permissible per-pupil expenditure in the emergency budget.

2 (c) Determine the enrollment increase of the current
 3 school fiscal year by subtracting the number of pupils
 4 originally enrolled during the immediately preceding school
 5 fiscal year from the number of pupils enrolled for the
 6 current school year. The result shall be the enrollment
 7 increase for the current school fiscal year.

8 (d) Multiply the cost per pupil determined in
 9 subsection (2)(b) by the enrollment increase determined in
 10 subsection (2)(c). The result shall be the maximum
 11 limitation on an emergency budget for emergencies due to an
 12 increase of enrollment.

13 ~~(e) In the case of a community college district, by~~
 14 ~~budget amendment in accordance with 20-15-302.~~

15 (3) In the event of any other type of emergency, the
 16 budget shall be limited by those expenditures deemed by the
 17 trustees to be reasonable and necessary to finance the
 18 stated conditions of the emergency and the preliminary
 19 emergency budget shall be accompanied with the details of
 20 the proposed expenditures.

21 (4) Whenever the trustees adopt a preliminary
 22 emergency budget for the transportation fund, the trustees
 23 shall attach to such budget a copy of each transportation
 24 contract which is connected with the emergency and which has
 25 been prepared and executed in accordance with the school

1 transportation contract laws.

2 (5) After the trustees have adopted the emergency
3 budget by a majority vote of the trustees, it shall be
4 signed by the chairman of the trustees and the clerk of the
5 district and copies shall be sent to the county
6 superintendent, the county treasurer, and the superintendent
7 of public instruction. In the case of a community college
8 district, copies of the emergency budget shall be sent to
9 the county superintendents, the county treasurer, and the
10 board of regents."

11 Section 22. Section 20-9-201, MCA, is amended to read:

12 "20-9-201. Definitions and application. (1) As used in
13 this title, unless the context clearly indicates otherwise,
14 "fund" means a separate detailed account of receipts and
15 expenditures for a specific purpose as authorized by law.
16 Funds are classified as follows:

17 (a) A "budgeted fund" means any fund for which a
18 budget must be adopted in order to expend any moneys ~~money~~
19 from such fund. The general fund, transportation fund, bus
20 depreciation reserve fund, elementary tuition fund,
21 retirement fund, debt service fund, leased facilities fund,
22 building reserve fund, adult education fund, nonoperating
23 fund, postsecondary vocational-technical center fund, and
24 any other funds so designated by the legislature shall be
25 budgeted funds.

1 (b) A "nonbudgeted fund" means any fund for which a
2 budget is not required in order to expend any moneys ~~money~~
3 on deposit in such fund. The school food services fund,
4 miscellaneous federal programs fund, building fund, housing
5 and dormitory fund, traffic education fund, interlocal
6 cooperative fund, and any other funds so designated by the
7 legislature shall be nonbudgeted funds.

8 (2) The school financial administration provisions of
9 this title apply to all moneys ~~money~~ of any elementary or
10 high school district ~~or any community college district~~
11 except the extracurricular moneys ~~money~~ realized from pupil
12 activities. The superintendent of public instruction has
13 general supervisory authority over the school financial
14 administration provisions, as they relate to elementary and
15 high school districts, as prescribed by law and shall
16 establish such rules as are necessary to secure compliance
17 with the law."

18 Section 23. Section 20-9-204, MCA, is amended to read:

19 "20-9-204. Pecuniary interests, letting contracts, and
20 calling for bids. (1) It is unlawful for any trustee to:

21 (a) have any pecuniary interest, either directly or
22 indirectly, in any contract for the erection of any school
23 building or for warming, ventilating, furnishing, or
24 repairing the same;

25 (b) be in any manner connected with the furnishing of

1 supplies for the maintenance and operation of the schools;
2 or

3 (c) be employed in any capacity by the school district
4 of which he is trustee.

5 (2) Whenever the estimated cost of any building,
6 furnishing, repairing, or other work for the benefit of the
7 district or purchasing of supplies for the district exceeds
8 the sum of \$4,000, the work done or the purchase made shall
9 be by contract. Each such contract must be let to the lowest
10 responsible bidder after advertisement for bids. Such
11 advertisement shall be published in the newspaper which will
12 give notice to the largest number of people of the district
13 as determined by the trustees. Such advertisement shall be
14 made once each week for 2 consecutive weeks, and the second
15 publication shall be made not less than 5 days or more than
16 12 days before consideration of bids. A contract not let
17 pursuant to this section shall be void.

18 (3) Whenever bidding is required, the trustees shall
19 award the contract to the lowest responsible bidder, except
20 that the trustees may reject any or all bids.

21 ~~(4) With regard to contracting for work or supplies~~
22 ~~the board of trustees of a community college district are~~
23 ~~subject to 20-15-104."~~

24 Section 24. Section 20-9-212, MCA, is amended to read:
25 "20-9-212. Duties of county treasurer. The county

1 treasurer of each county shall:

2 (1) receive and hold all school moneys ~~money~~ subject
3 to apportionment and keep a separate accounting of their ~~its~~
4 apportionment to the several districts which are entitled to
5 a portion of such moneys ~~money~~ according to the
6 apportionments ordered by the county superintendent. A
7 separate accounting shall be maintained for each county fund
8 supported by a countywide levy for a specific, authorized
9 purpose, including:

10 (a) the basic county tax in support of the elementary
11 foundation programs;

12 (b) the basic special tax for high schools in support
13 of the high school foundation programs;

14 (c) the county tax in support of the county's high
15 school transportation obligation;

16 (d) the county tax in support of the high school
17 obligations to the retirement systems of the state of
18 Montana;

19 (e) any additional county tax required by law to
20 provide for deficiency financing of the elementary
21 foundation programs;

22 (f) any additional county tax required by law to
23 provide for deficiency financing of the high school
24 foundation programs;

25 (g) the county tax for a postsecondary

1 vocational-technical center when levied by the board of
2 county commissioners; and

3 (h) any other county tax for schools, including the
4 community colleges, which may be authorized by law and
5 levied by the county commissioners;

6 (2) whenever requested, notify the county
7 superintendent and the superintendent of public instruction
8 of the amount of county school moneys ~~money~~ on deposit in
9 each of the funds enumerated in subsection (1) of this
10 section and the amount of any other school moneys ~~money~~
11 subject to apportionment and apportion such county and other
12 school moneys ~~money~~ to the districts in accordance with the
13 apportionment ordered by the county superintendent;

14 (3) keep a separate accounting of the expenditures for
15 each budgeted fund included on in the final budget of each
16 district;

17 (4) keep a separate accounting of the receipts,
18 expenditures, and cash balances for each budgeted fund
19 included on in the final budget of each district and for
20 each nonbudgeted fund established by each district;

21 (5) except as otherwise limited by law, pay all
22 warrants properly drawn on the county or district school
23 moneys ~~money~~ and properly endorsed by their holders;

24 (6) receive all revenue collected by and for each
25 district and deposit these receipts in the fund designated

1 by law or by the district if no fund is designated by law.
2 Interest and penalties on delinquent school taxes shall be
3 credited to the same fund and district for which the
4 original taxes were levied.

5 (7) send all revenues received for a joint district,
6 part of which is situated in his county, to the county
7 treasurer designated as the custodian of such revenues, no
8 later than December 15 of each year and every 3 months
9 thereafter until the end of the school fiscal year;

10 (8) register district warrants drawn on a budgeted
11 fund in accordance with 7-6-2604 when there are IS
12 insufficient moneys ~~money~~ available in the sum of moneys
13 ~~money~~ in all funds of the district to make payment of such
14 warrant. Redemption of registered warrants shall be made in
15 accordance with 7-6-2116, 7-6-2605, and 7-6-2606.

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

18 (10) give to the trustees of each district, at least
19 quarterly, an itemized report for each fund maintained by
20 the district, showing the paid warrants, outstanding
21 warrants, registered warrants, amount amounts and types of
22 revenue received, and the cash balance."

23 Section 25. Section 20-15-103, MCA, is amended to
24 read:

25 "20-15-103. Supervision and coordination by board of

1 regents. Community college districts shall be under the
2 supervision and coordination of the regents. The regents
3 shall:

4 (1) supervise community college districts in
5 accordance with the provisions of this section and
6 20-15-105;

7 (2) appoint a coordinator of community college
8 districts and ~~request legislative appropriations for the~~
9 ~~operation of his office~~ prescribe the duties of the
10 coordinator;

11 (3) formulate and put into effect uniform general
12 policies ~~as to budgeting, recordkeeping, and student~~
13 ~~accounting for the supervision and coordination of community~~
14 college districts;

15 ~~(4) establish minimum entrance requirements and~~
16 ~~approve curricular offerings for all community colleges;~~

17 ~~(5) direct each community college district to seek~~
18 ~~accreditation from a recognized accrediting association; and~~

19 (4) after consultation with the community college
20 trustees, develop and implement policies that distinguish
21 the regents' authority to supervise and coordinate and the
22 trustees' authority to administer and control community
23 colleges; and

24 ~~(6)(5)~~ call an election, determine the results of the
25 election, and order and implement the organization of a

1 community college district in accordance with this chapter."

2 Section 26. Section 20-15-104, MCA, is amended to
3 read:

4 "20-15-104. Pecuniary Interest and letting contracts.

5 (1) It shall be unlawful for any community college district
6 trustee to have any pecuniary interest, either directly or
7 indirectly, in the erection of any community college
8 building in his district or for ~~in~~ furnishing or repairing
9 the same or be in any manner connected with the furnishing
10 of supplies for the maintenance of the college or to receive
11 or to accept any compensation or reward for services
12 rendered as trustee, except as herein provided.

13 (2) No ~~the~~ board of trustees shall let any ~~contract~~
14 ~~contracts~~ ~~(except if the amount involved is less than~~
15 ~~\$2,000)~~ for building, furnishing, repairing, or other work
16 or supplies for the benefit of the district, ~~without first~~
17 advertising according to the following rules and procedures:

18 (a) The board of trustees need not meet requirements
19 relating to advertising or bidding if a proposed contract
20 for building, furnishing, repairing or other work or
21 supplies is for less than \$3,000.

22 (b) Whenever the proposed contract costs are less than
23 \$10,000 but more than \$3,000, the board of trustees shall
24 procure at least three informal bids, if reasonably
25 available, from contractors licensed in Montana.

1 ~~(c) Whenever the proposed contract costs are more than~~
 2 ~~\$10,000 the board of trustees shall solicit formal bids and~~
 3 ~~advertise~~ once each week for at least 2 weeks in a newspaper
 4 published in each county wherein the area of the district
 5 lies, ~~and--without calling for bids to perform such work or~~
 6 ~~furnish such supplies. In--all--cases--where~~ If advertising is
 7 required, the board shall award the contract to the lowest
 8 responsible bidder, ~~provided, however, that~~ ~~However,~~ the
 9 board of trustees shall have ~~has~~ the right to reject any and
 10 all bids."

11 Section 27. Section 20-15-106, MCA, is amended to
 12 read:

13 ~~"20-15-106. Employment--of--personnel--and--retirement~~
 14 ~~system~~ Retirement systems for employees and teachers. ~~(1)~~
 15 ~~The board of trustees shall appoint the employees of the~~
 16 ~~community--college--define--and--assign--their--powers--and~~
 17 ~~duties, and fix their compensation.~~

18 ~~(2)(1) The--community--college--district--and--teachers~~
 19 Teachers of a community college district shall ~~be~~ are
 20 subject to and the ~~teachers--shall--be~~ eligible for the
 21 benefits of the Montana teachers' retirement system ~~provided~~
 22 ~~by the laws of Montana.~~

23 (2) The employees of a community college district not
 24 eligible for teachers' retirement system benefits are
 25 subject to and eligible for the benefits of the Montana

1 public employees' retirement systems."

2 Section 28. Section 20-15-210, MCA, is amended to
 3 read:

4 "20-15-210. Qualification and organization of board of
 5 trustees. (1) Newly elected members of the board of trustees
 6 of the community college district shall be qualified by
 7 taking the oath of office prescribed by the constitution of
 8 Montana. At the organization meeting called by the board of
 9 regents, the board of trustees shall be organized by the
 10 election of a president and vice-president chairman and a
 11 secretary and secretary may be or may not be a member of
 12 the board.

13 (2) The treasurer of the community college district
 14 shall be is the county treasurer of the county in which the
 15 community college facilities are located. The duties of the
 16 county treasurer are referenced in 20-9-206, 20-9-212,
 17 20-9-222, and 20-9-224."

18 Section 29. Section 20-15-221, MCA, is amended to
 19 read:

20 "20-15-221. Election of trustees after organization of
 21 community college district. (1) After organization, the
 22 registered electors of the community college district
 23 qualified to vote under the provisions of 20-20-301 shall
 24 annually vote for trustees on the first Tuesday in April
 25 regular school election day provided for in 20-3-304. The

1 ~~election shall be conducted in accordance with the election~~
 2 ~~provisions of this title whenever such provisions are made~~
 3 ~~applicable to community college districts, and such~~ Such
 4 elections shall be conducted by the component elementary
 5 school districts within such community college district upon
 6 the order of the board of trustees of the community college
 7 district. Such ~~the~~ order shall be transmitted to the
 8 appropriate trustees not less than 40 days prior to the
 9 regular school election day.

10 (2) Notice of the community college district trustee
 11 election shall be given by the board of trustees of the
 12 community college district by publication in one or more
 13 newspapers of general circulation within each county, not
 14 less than once a week for 2 consecutive weeks, the last
 15 insertion to be no longer ~~more~~ than 1 week prior to the date
 16 of the election. This notice shall be in addition to the
 17 election notice to be given by the trustees of the component
 18 elementary districts under the school election laws.

19 (3) Should trustees be elected other than at large
 20 throughout the entire district, then only those qualified
 21 voters within the area from which the trustee or trustees
 22 are to be elected shall cast their ballots for the trustee
 23 or trustees from that area. ~~At~~ IN ADDITION TO THE
 24 NOMINATING PETITION REQUIRED BY [SECTION 3(2)], ALL
 25 candidates for the office of trustee shall file their

1 declarations of candidacy with the secretary of the board of
 2 trustees of the community college district not less than 30
 3 days prior to the date of election. If an electronic voting
 4 system or voting machines are not used in the component
 5 elementary school district or districts which conduct the
 6 election, then the board of trustees of the community
 7 college district shall cause ballots to be printed and
 8 distributed for the polling places in such component
 9 districts at the expense of the community college district,
 10 but in all other respects said elections shall be conducted
 11 in accordance with the school election laws. All costs
 12 incident to election of the community college trustees shall
 13 be borne by the community college district, including
 14 one-half of the compensation of the judges for the school
 15 elections; provided that if the election of the community
 16 college district trustees is the only election conducted,
 17 the community college district shall compensate the district
 18 for the total cost of the election."

19 Section 30. Section 20-15-223, MCA, is amended to
 20 read:

21 "~~20-15-223. Vacancy-of-trustee-position~~ Vacancies. (1)
 22 A community college trustee position is vacant whenever the
 23 incumbent:

24 (a) dies;

25 (b) resigns; or

1 ~~(c) is removed under the provisions of [section 6].~~
 2 ~~(2) A trustee position is also vacant whenever an~~
 3 ~~elected candidate fails to qualify under the provisions of~~
 4 ~~20-3-307.~~

5 ~~(3) Any vacancy of a trustee's trustee position shall~~
 6 ~~be filled by appointment by majority vote of the remaining~~
 7 ~~trustees, and the person appointed shall hold office until~~
 8 ~~the next regular school election day, when a trustee shall~~
 9 ~~be elected for the remainder of the unexpired term."~~

10 Section 31. Section 20-15-225, MCA, is amended to
 11 read:

12 "20-15-225. Powers and duties of trustees. The
 13 trustees of a community college district shall, subject to
 14 supervision by the board of regents:

15 (1) have general control and supervision of the
 16 community college;

17 (2) adopt rules, not inconsistent with the
 18 constitution and the laws of the state, for the government
 19 and administration of the community college;

20 (3) grant certificates and degrees to the graduates of
 21 the community college;

22 (4) keep a record of ~~tes~~ their proceedings;

23 (5) ~~have~~ when not otherwise provided by law, ~~have~~
 24 control of all books, records, buildings, grounds, and other
 25 property of the community college;

1 (6) receive from the state board of land
 2 commissioners; other boards, agencies, or persons; or the
 3 government of the United States all funds, incomes, income,
 4 and other property the community college may be entitled to
 5 receive or accept and use and appropriate the property for
 6 the specific purpose of the entitlement, grant, or donation;
 7 (7) have general control of all receipts and
 8 disbursements of the community college;

9 (8) appoint and dismiss a president and faculty for
 10 the community college; appoint and dismiss any other
 11 necessary officers, agents, and employees; fix their
 12 compensation; and set the terms and conditions of their
 13 employment;

14 (9) administer the tuition provision and otherwise
 15 govern the students of the community college district in
 16 accordance with the provisions of this chapter;

17 (10) call and conduct the elections of the district in
 18 accordance with the school election chapter of this title;

19 (11) participate in the teachers' retirement system of
 20 the state of Montana in accordance with the provisions of
 21 the teachers' retirement system chapter of this title; and

22 ~~(12) establish employee benefits, other than retirement~~
 23 ~~benefits, and fix their limits in accordance with 2-18-701~~
 24 ~~through 2-18-704; and~~

25 ~~(12)(13) participate in district boundary change~~

1 actions in accordance with the provisions of the district
2 organization chapter of this title."

3 Section 32. Section 20-15-302, MCA, is amended to
4 read:

5 "20-15-302. Budget -- approval. ~~(1)~~ The board of
6 trustees of a community college district shall adopt an
7 annual general--fund operating budget for the general
8 maintenance and operation of the community college district.
9 The budget shall be submitted to the regents of the state of
10 Montana for their approval, ~~with or without adjustment~~. The
11 budget approved by the regents shall be the budget of the
12 community college district submitted to the state budget
13 ~~officer--of--the--state~~ director in accordance with Title 17,
14 chapter 7.

15 (2) In the case of an emergency budget as defined in
16 subsections (2) through (5) of 20-9-161, the community
17 college district must receive an approved budget amendment
18 from the board of regents in a manner and on forms
19 prescribed by the board of regents."

20 Section 33. Codification instructions. The code
21 commissioner shall codify sections 1 through ~~13~~ 14 in
22 chapter 15 of Title 20.

-End-

1 SENATE BILL NO. 32

2 INTRODUCED BY MATHERS

3 BY REQUEST OF THE INTERIM SUBCOMMITTEE ON EDUCATION

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT FOR THE GENERAL
6 REVISION OF THE LAWS RELATING TO THE GOVERNANCE OF COMMUNITY
7 COLLEGE DISTRICTS SO THAT CHAPTER 15 OF TITLE 20, MCA, WILL
8 BE THE PRIMARY LAW GOVERNING COMMUNITY COLLEGE DISTRICTS;
9 CLARIFYING THE DEFINITION OF THE WORD DISTRICT AS IT APPLIES
10 TO COMMUNITY COLLEGE DISTRICTS; AND AMENDING SECTIONS
11 20-3-205, 20-9-101, 20-9-112, 20-9-134, 20-9-161, 20-9-163,
12 20-9-165, 20-9-201, 20-9-204, 20-9-212, 20-15-103,
13 20-15-104, 20-15-106, 20-15-210, 20-15-221, 20-15-223,
14 20-15-225, AND 20-15-302, MCA."

15
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

17 NEW SECTION. Section 1. Purpose. It is the purpose of
18 this chapter to establish the governance of community
19 college districts in Montana. The legislature intends that
20 the board of regents and the local boards of trustees of
21 community college districts coordinate their
22 responsibilities to insure an orderly development of
23 educational services to the citizens of Montana in
24 accordance with this chapter.

25 NEW SECTION. Section 2. Precedence of community

1 college chapter. Unless specifically identified in any other
2 sections of the school laws prescribed in this title,
3 community college districts are governed by the provisions
4 of this chapter. Should there be a conflict between other
5 requirements of this title and the provisions of this
6 chapter regulating community college districts, the
7 provisions of this chapter shall govern.

8 NEW SECTION. Section 3. Candidate qualification and
9 nomination. (1) Any person who is qualified to vote in a
10 community college district under the provisions of 20-20-301
11 is eligible for the office of community college trustee.

12 (2) Any five electors of a community college district
13 qualified under the provisions of 20-20-301 may nominate as
14 many trustee candidates as there are trustee positions
15 subject to election at the ensuing election. The A
16 NOMINATING PETITION CONTAINING THE SIGNATURES OF THE FIVE
17 ELECTORS AND THE name of each person nominated for candidacy
18 must be submitted to the election clerk designated by the
19 board of trustees no less than 20 10 days before the regular
20 school election day at which he is to be a candidate. If
21 there are different terms to be filled, the term for which
22 each candidate is nominated must also be indicated.

23 NEW SECTION. Section 4. Trustee election ballot after
24 organization of community college district. (1) The trustee
25 election ballot must be substantially in the following form:

1 Official Ballot
2 Community College Trustee Election
3 Instructions to Voters
4 Make an "X" or similar mark in the vacant square before
5 the name of the candidate for whom you wish to vote.
6 Vote for (indicate number to be elected) for a 3-year
7 term.
8 List the names of the candidates
9 for the 3-year term with a vacant
10 square in front of each name.
11 Vote for (indicate number to be elected) for a 2-year
12 term.
13 List the names of the candidates
14 for the 2-year term with a vacant
15 square in front of each name.
16 Vote for (indicate number to be elected) for a 1-year
17 term.
18 List the names of the candidates
19 for the 1-year term with a vacant
20 square in front of each name.
21 (2) In preparing the ballots, only those portions of
22 the prescribed ballot that are applicable to the election to
23 be conducted need be used. THE BALLOT MUST ALSO BE PREPARED
24 WITH BLANK LINES AND VACANT SQUARES IN FRONT OF THE LINES IN
25 A SUFFICIENT NUMBER TO ALLOW WRITE-IN VOTING FOR EACH

1 TRUSTEE POSITION THAT IS SUBJECT TO ELECTION.
2 NEW SECTION. Section 5. Qualification and oath after
3 organization of community college district. (1) No person
4 who receives a certificate of election as a community
5 college trustee may assume the trustee position until he has
6 qualified by taking an oath of office prescribed by the
7 constitution of Montana at the next regularly scheduled
8 meeting of the board of trustees after receipt of the
9 certificate of election.
10 (2) If the elected person does not qualify in
11 accordance with this requirement, another person must be
12 appointed in a manner provided by 20-15-223 and shall serve
13 until the next regular election.
14 (3) After a person has qualified for a trustee
15 position, he shall hold such position for the term of the
16 position and until his successor has been elected or
17 appointed and has been qualified.
18 NEW SECTION. Section 6. Trustee removal procedure.
19 (1) Any person may seek the removal of a community college
20 trustee by filing a complaint with the board of county
21 commissioners, containing charges based on one or more of
22 the grounds cited in [section 7].
23 (2) If upon receiving such a complaint it appears that
24 there is probable cause for removal, the board of county
25 commissioners shall suspend such trustee from his trustee

1 position until charges can be heard in the appropriate
 2 district court. The board of county commissioners shall then
 3 transmit the complaint, together with a statement of
 4 suspension, to the district court.

5 **NEW_SECTION.** Section 7. Grounds for removal. (1) A
 6 community college trustee may be removed whenever he:

7 (a) moves his residence from the applicable community
 8 college district;

9 (b) is no longer a registered elector of the community
 10 college district under the provisions of 20-20-301;

11 (c) is absent from the district 60 consecutive days;

12 (d) fails to attend three consecutive meetings of the
 13 trustees without reasonable cause;

14 (e) fails to perform responsibilities in accordance
 15 with [section 9]; or

16 (f) ceases to have the capacity to hold office.

17 **NEW_SECTION.** Section 8. Organization and officers
 18 after organization of community college district. (1) The
 19 trustees of each community college district shall annually
 20 organize as a governing board of the community college
 21 district at the next regularly scheduled meeting after the
 22 regular election day and after the issuance of the election
 23 certificate to the newly elected trustees.

24 (2) In order to organize, the trustees of the
 25 community college district shall be given notice by the

1 coordinator of the time and place where the organization
 2 meeting will be held, and at such meeting they shall choose
 3 one of their members as chairman and as secretary. In
 4 addition, the trustees may employ or appoint a competent
 5 person who is not a member of the trustees as the clerk of
 6 the community college district.

7 (3) The chairman and secretary of the trustees of the
 8 community college district shall serve until the next
 9 organization meeting. The chairman shall preside at all
 10 meetings of the trustees in accordance with the customary
 11 rules of order. He shall perform the duties prescribed by
 12 this title and any other duties that normally pertain to
 13 such office.

14 **NEW_SECTION.** Section 9. Personal liability of
 15 trustees. (1) The trustees of each community college
 16 district are responsible for the proper administration and
 17 utilization of all money of the district. Failure or
 18 refusal to do so constitutes grounds for removal from
 19 office.

20 (2) Trustees consenting to illegal use of money are
 21 jointly and individually liable to the district for any
 22 losses sustained by the district. The county attorney shall
 23 prosecute any proceedings arising pursuant to this section,
 24 or a party seeking such action may retain private counsel.
 25 The party commencing the action is liable for the costs if

1 the action fails.

2 NEW SECTION. Section 10. Trustees' power over
3 property. (1) The trustees of a community college district
4 shall hold in trust all real and personal property of the
5 district for the benefit of the college and students.

6 NEW SECTION. Section 11. Intrastate, interstate, and
7 international agreements. The trustees of a community
8 college district may enter into agreements with the Western
9 Interstate Commission for Higher Education, or similar
10 intrastate, interstate, or international agreements, for the
11 benefit of the district and students.

12 NEW SECTION. Section 12. When community college
13 district subject to other school district provisions. (1)
14 When the term "school district" appears in the following
15 sections outside of Title 20, the term includes community
16 college districts, and the provisions of those sections
17 applicable to school districts apply to community college
18 districts: 2-9-101, 2-9-111, 2-9-316, 2-16-114, 2-16-602,
19 2-16-614, 2-18-703, 7-3-1101, 7-6-2604, 7-6-2801, 7-7-123,
20 7-8-2214, 7-8-2215, 7-8-2216, 7-11-103, 7-12-4106, 7-13-110,
21 7-13-210, 7-15-4206, 10-1-703, 15-1-101, 15-6-204,
22 15-16-101, 15-16-601, 15-18-108, 15-24-502, 15-24-505,
23 15-30-221, 15-55-106, 15-70-301, 15-70-322, 17-5-101,
24 17-5-202, 17-6-103, 17-6-204, 17-6-213, 17-7-201, 18-1-102,
25 18-1-105, 18-1-112, 18-1-201, 18-2-101, 18-2-103, 18-2-113,

1 18-2-114, 18-2-115, 18-2-404, 18-2-408, 18-5-205, 19-1-102,
2 19-1-602, 19-1-811, 22-1-309, 25-1-402, 27-18-406,
3 33-20-1104, 39-3-104, 39-4-107, 39-31-103, 39-31-304,
4 39-71-116, 39-71-117, 39-71-2106, 39-71-2206, 40-6-237,
5 40-8-124, 40-8-125, 40-8-128, 41-5-912, 49-3-101, 49-3-102,
6 53-20-304, 77-3-321, 82-10-201, 82-10-202, 82-10-203,
7 85-7-2158, and 90-6-208, MCA, and Rules 40(2)(j) and 15(c),
8 M.R.Civ.P., as amended.

9 (2) When the term "school district" appears in a
10 section outside of Title 20 but the section is not listed in
11 subsection (1), the school district provision does not apply
12 to a community college district.

13 NEW SECTION. Section 13. Additional provisions apply.
14 Unless the context clearly indicates otherwise, the trustees
15 of a community college district shall:

- 16 (1) adhere to the teachers' retirement provisions of
17 Title 19, chapter 4, as amended;
- 18 (2) adhere to the provisions of 20-1-201, 20-1-205,
19 20-1-211, and 20-1-212, as amended;
- 20 (3) adhere to the school property provisions of
21 20-6-605, 20-6-621, 20-6-622, 20-6-624, 20-6-631, and
22 20-6-633 through 20-6-636, as amended;
- 23 (4) adhere to the adult education provisions of
24 20-7-701 through 20-7-712, as amended;
- 25 (5) adhere to the administration of finances

1 provisions of 20-9-115, 20-9-134, subsections (2), (3), (4),
2 and (5) of 20-9-161, 20-9-163, 20-9-165, 20-9-207 through
3 20-9-210, 20-9-215, and 20-9-221 through 20-9-224, as
4 amended;

5 (6) adhere to the school bond provisions of 20-9-401
6 through 20-9-412, 20-9-421 through 20-9-446, 20-9-451
7 through 20-9-456, and 20-9-461 through 20-9-465, as amended;

8 (7) adhere to the special purpose funds provisions of
9 20-9-501 through 20-9-503, 20-9-507, 20-9-508, and 20-9-511,
10 as amended;

11 (8) adhere to the educational cooperative agreements
12 provisions of 20-9-701 through 20-9-704, as amended;

13 (9) adhere to the school elections provisions of Title
14 20, chapter 20, as amended;

15 (10) adhere to the students' rights provisions of
16 20-25-511 through 20-25-516, as amended; and

17 (11) adhere to the health provisions of 50-1-206.

18 SECTION 14. THERE IS A NEW MCA SECTION THAT READS:

19 Audit of community college districts. A community
20 college district is subject to audit by the legislative
21 auditor in the same manner as a state agency. A community
22 college district may contract for an audit with a private
23 accounting firm, subject to approval of the legislative
24 auditor.

25 Section 15. Section 20-3-205, MCA, is amended to read:

1 "20-3-205. Powers and duties. The county
2 superintendent has general supervision of the schools of the
3 county within the limitations prescribed by this title and
4 shall perform the following duties or acts:

5 (1) determine, establish, and reestablish trustee
6 nominating districts and fill additional trustee position
7 vacancies in accordance with the provisions of 20-3-352,
8 20-3-353, and 20-3-354;

9 (2) administer and file the oaths of members of the
10 boards of trustees of the districts in his county in
11 accordance with the provisions of 20-3-307;

12 (3) fill by appointment any trustee position vacancies
13 when required under the provisions of 20-3-309;

14 (4) register the teacher certificate or emergency
15 authorization of employment of any person employed in the
16 county as a teacher, principal, or district superintendent
17 in accordance with the provisions of 20-4-202;

18 (5) act on each tuition application submitted to him
19 in accordance with the provisions of 20-5-301, 20-5-302,
20 20-5-304, and 20-5-311 and transmit the tuition information
21 required by 20-5-312;

22 (6) file a copy of the audit report for a district in
23 accordance with the provisions of 20-9-203;

24 (7) classify districts in accordance with the
25 provisions of 20-6-201 and 20-6-301;

1 (8) keep a transcript and reconcile the district
2 boundaries of the county in accordance with the provisions
3 of 20-6-103;

4 (9) fulfill all responsibilities assigned to him under
5 the provisions of this title regulating the organization,
6 alteration, or abandonment of districts;

7 (10) act on any unification proposition and, if
8 approved, establish additional trustee nominating districts
9 in accordance with 20-6-312 and 20-6-313;

10 (11) estimate the average number belonging (ANB) of an
11 opening school in accordance with the provisions of
12 20-6-502, 20-6-503, 20-6-504, or 20-6-506;

13 (12) process and, when required, act on school
14 isolation applications in accordance with the provisions of
15 20-9-302;

16 (13) complete the budgets, compute the budgeted
17 revenues and tax levies, give notices of the budget
18 meetings, file final and emergency budgets, and fulfill such
19 other responsibilities assigned to him under the provisions
20 of this title regulating school budgeting systems;

21 (14) submit an annual financial report to the
22 superintendent of public instruction in accordance with the
23 provisions of 20-9-211;

24 (15) quarterly, unless otherwise provided by law, order
25 the county treasurer to apportion state moneys ~~money~~, county

1 school moneys ~~money~~, and any other school moneys ~~money~~
2 subject to apportionment in accordance with the provisions
3 of 20-9-212, 20-9-334, 20-9-347, 20-9-351, 20-10-145, or
4 20-10-146;

5 (16) act on any request to transfer average number
6 belonging (ANB) in accordance with the provisions of
7 20-9-313(3);

8 (17) calculate the estimated budgeted general fund
9 sources of revenue in accordance with the provisions of
10 20-9-348 and the other general fund revenue provisions of
11 the general fund part of this title;

12 (18) compute the revenues and the district and county
13 levy requirements for each fund included on in each
14 district's final budget and report such computations to the
15 board of county commissioners in accordance with the
16 provisions of the general fund, transportation, bonds, and
17 other school funds parts of this title;

18 (19) file and forward bus driver certifications,
19 transportation contracts, and state transportation
20 reimbursement claims in accordance with the provisions of
21 20-10-103, 20-10-143, or 20-10-145;

22 (20) for districts which do not employ a district
23 superintendent or principal, recommend library book and
24 textbook selections in accordance with the provisions of
25 20-7-204 or 20-7-602;

1 (21) notify the superintendent of public instruction of
2 a textbook dealer's activities when required under the
3 provisions of 20-7-605 and otherwise comply with the
4 textbook dealer provisions of this title;

5 (22) act on district requests to allocate federal
6 moneys ~~money~~ for indigent children for school food services
7 in accordance with the provisions of 20-10-205;

8 (23) perform any other duty prescribed from time to
9 time by this title, any other act of the legislature, the
10 policies of the board of public education, ~~the policies of~~
11 ~~the board of regents relating to community college~~
12 ~~districts~~, or the rules of the superintendent of public
13 instruction;

14 (24) administer the oath of office to trustees without
15 the receipt of pay for administering the oath;

16 (25) keep a record of his official acts, preserve all
17 reports submitted to him under the provisions of this title,
18 preserve all books and instructional equipment or supplies,
19 keep all documents applicable to the administration of the
20 office, and surrender such records, books, supplies, and
21 equipment to his successor;

22 (26) within 90 days after the close of the school
23 fiscal year, publish an annual report in the county
24 newspaper stating the following financial information for
25 the school fiscal year just ended for each district of the

1 county:

2 (a) the total of the cash balances of all funds
3 maintained by the district at the beginning of the year;

4 (b) the total receipts that were realized in each fund
5 maintained by the district;

6 (c) the total expenditures that were made from each
7 fund maintained by the district; and

8 (d) the total of the cash balances of all funds
9 maintained by the district at the end of the school fiscal
10 year; and

11 (27) hold meetings for the members of the trustees from
12 time to time at which matters for the good of the districts
13 shall be discussed."

14 Section 16. Section 20-9-101, MCA, is amended to read:
15 "20-9-101. Application of budget system for districts.
16 The school budgeting procedure and provisions of this title
17 apply to elementary and high school districts and
18 ~~whenever specified, to~~ community college districts and to
19 all funds requiring the adoption of a budget. Each district
20 shall separately propose and adopt a budget in accordance
21 with the requirements of this title."

22 Section 17. Section 20-9-112, MCA, is amended to read:
23 "20-9-112. Notice of preliminary budget meeting.
24 During the month of May, the county superintendent shall
25 publish a notice at least one time in the official newspaper

1 of the county, stating that the trustees of each district in
 2 the county ~~and the trustees of the community college~~
 3 ~~district will meet separately~~ in regular session on the
 4 fourth Monday in June to prepare and adopt a preliminary
 5 budget for the next ensuing school fiscal year and that any
 6 taxpayer in the district may attend such meeting and be
 7 heard on such preliminary budget."

8 Section 18. Section 20-9-134, MCA, is amended to read:

9 "20-9-134. Completion, filing, and delivery of final
 10 budgets. After the final budget of the ~~elementary, high~~
 11 ~~school, or community college~~ district has been adopted by
 12 the trustees, the county superintendent shall complete all
 13 the remaining portions of the budget forms and shall:

14 (1) send the final budget information to the
 15 superintendent of public instruction, on the forms provided
 16 by the superintendent, on or before September 1; and

17 ~~(2) in the case of the community college districts,~~
 18 ~~send the final budget information to the board of regents,~~
 19 ~~on the forms provided by the community college coordinators~~
 20 ~~on or before September 1; and~~

21 ~~(2)(1)~~ deliver a copy of the final budget for the
 22 district to the county treasurer on or before September 1."

23 Section 19. Section 20-9-161, MCA, is amended to read:

24 "20-9-161. Definition of emergency for budgeting
 25 purposes. As used in this title, unless the context clearly

1 indicates otherwise, the term "emergency" for the purpose of
 2 school budgeting shall be:

3 (1) an increase in the enrollment of a ~~an elementary~~
 4 ~~or high school~~ district over the immediately preceding
 5 school fiscal year which is beyond what could reasonably
 6 have been anticipated at the time of the adoption of the
 7 budget for the then-current school fiscal year and--that
 8 ~~whenever,~~ because of such enrollment increase, the
 9 district's budget for any or all of the regularly budgeted
 10 funds does not provide sufficient financing to properly
 11 maintain and support the district for the entire current
 12 school fiscal year;

13 (2) the destruction or impairment of any school
 14 property necessary to the maintenance of the school, by
 15 fire, flood, storm, riot, insurrection, or any act of God,
 16 to such an extent as to render such school property unfit
 17 for its present school use;

18 (3) a judgment for damages against the district
 19 rendered by a court after the adoption of the budget for the
 20 current year;

21 (4) an enactment of legislation after the adoption of
 22 the budget for the current year that imposes an additional
 23 financial obligation on the district; or

24 (5) any other reason of similar consequences that has
 25 been approved by the superintendent of public instruction

1 upon petition by the trustees of the district or by the
 2 board of regents upon petition by the trustees of a
 3 community college district."

4 Section 20. Section 20-9-163, MCA, is amended to read:

5 *20-9-163. Resolution for emergency budget -- petition
 6 of to superintendent of public instruction or to the board
 7 of regents. (1) Whenever the trustees of any district ~~shall~~
 8 ~~deem~~ decide that an emergency exists, they may adopt a
 9 resolution proclaiming such emergency by a unanimous vote of
 10 all members present at any meeting for which each trustee
 11 has been given reasonable notice of the time and place of
 12 holding such meeting. The emergency resolution shall also
 13 state the facts constituting the emergency, the estimated
 14 amount of money required to meet the emergency, the funds
 15 affected by the emergency, and the time and place when the
 16 board will meet for the purpose of considering and adopting
 17 an emergency budget for such funds for the current school
 18 fiscal year.

19 (2) If the trustees ~~shall--deem~~ decide that an
 20 emergency exists for any reason other than the conditions
 21 specified in subsections (1), (2), (3), or (4) of 20-9-161,
 22 they shall petition the superintendent of public instruction
 23 or, in the case of a community college district, the board
 24 of regents for permission to adopt a resolution of
 25 emergency. Such petition shall set forth in writing the

1 reasons for the request, the district funds affected by the
 2 emergency, the estimated amount of money required to meet
 3 such emergency for each affected fund, the anticipated
 4 sources of financing for the emergency expenditures, and
 5 such other information as may be required by the
 6 superintendent of public instruction or the board of
 7 regents. The petition shall be signed by each trustee.

8 (3) The superintendent of public instruction or, in
 9 the case of a community college district, the board of
 10 regents shall promptly approve or disapprove the petition
 11 requesting approval to adopt a resolution of emergency. If
 12 the petition is approved, the trustees may then adopt a
 13 resolution of emergency and may subsequently take all other
 14 steps required for the adoption of an emergency budget.
 15 Approval of ~~the a~~ petition by the superintendent of public
 16 instruction or the board of regents shall merely authorize
 17 the board of trustees to initiate emergency budget
 18 proceedings by resolution and shall not relieve the trustees
 19 of the necessity of complying with the requirements of the
 20 school emergency budgeting laws. Approval of the petition
 21 shall not be construed as approval of any subsequent
 22 application for increased state aid on account of such
 23 emergency."

24 Section 21. Section 20-9-165, MCA, is amended to read:

25 *20-9-165. Emergency budget limitation, preparation,

1 and adoption procedures. (1) The meeting of the trustees to
 2 consider and adopt an emergency budget shall be open to the
 3 public, and any taxpayer in the district shall have the
 4 right to appear and be heard. If at such a meeting a
 5 majority of the trustees present shall find that an
 6 emergency exists, the trustees may make and adopt a
 7 preliminary emergency budget, on the regular budget form,
 8 setting forth fully the facts constituting the emergency. In
 9 adopting the preliminary emergency budget, the trustees may
 10 budget for any fund which was included on the final budget
 11 of the district for the current school fiscal year. The
 12 budget shall be itemized to show the amount appropriated for
 13 each item as required on the budget form.

14 (2) When the emergency is due to any increase of
 15 enrollment, the maximum amount of the emergency budget for
 16 all funds shall be determined in the following manner:

17 (a) Determine the total amount in the final budget for
 18 the current school fiscal year of all funds affected by the
 19 emergency, less any amounts appropriated as capital outlay
 20 and any amount appropriated for addition to the cash
 21 reserve.

22 (b) Divide the amount determined in subsection (2)(a)
 23 by the number of pupils originally enrolled in such district
 24 during the immediately preceding school fiscal year. The
 25 resulting cost per pupil shall constitute the maximum

1 permissible per-pupil expenditure in the emergency budget.
 2 (c) Determine the enrollment increase of the current
 3 school fiscal year by subtracting the number of pupils
 4 originally enrolled during the immediately preceding school
 5 fiscal year from the number of pupils enrolled for the
 6 current school year. The result shall be the enrollment
 7 increase for the current school fiscal year.

8 (d) Multiply the cost per pupil determined in
 9 subsection (2)(b) by the enrollment increase determined in
 10 subsection (2)(c). The result shall be the maximum
 11 limitation on an emergency budget for emergencies due to an
 12 increase of enrollment.

13 (e) In the case of a community college district, by
 14 budget amendment in accordance with 20-15-302.

15 (3) In the event of any other type of emergency, the
 16 budget shall be limited by those expenditures deemed by the
 17 trustees to be reasonable and necessary to finance the
 18 stated conditions of the emergency and the preliminary
 19 emergency budget shall be accompanied with the details of
 20 the proposed expenditures.

21 (4) Whenever the trustees adopt a preliminary
 22 emergency budget for the transportation fund, the trustees
 23 shall attach to such budget a copy of each transportation
 24 contract which is connected with the emergency and which has
 25 been prepared and executed in accordance with the school

1 transportation contract laws.

2 (5) After the trustees have adopted the emergency
3 budget by a majority vote of the trustees, it shall be
4 signed by the chairman of the trustees and the clerk of the
5 district and copies shall be sent to the county
6 superintendent, the county treasurer, and the superintendent
7 of public instruction. In the case of a community college
8 district, copies of the emergency budget shall be sent to
9 the county superintendent, the county treasurer, and the
10 board of regents."

11 Section 22. Section 20-9-201, MCA, is amended to read:

12 "20-9-201. Definitions and application. (1) As used in
13 this title, unless the context clearly indicates otherwise,
14 "fund" means a separate detailed account of receipts and
15 expenditures for a specific purpose as authorized by law.
16 Funds are classified as follows:

17 (a) A "budgeted fund" means any fund for which a
18 budget must be adopted in order to expend any moneys ~~money~~
19 from such fund. The general fund, transportation fund, bus
20 depreciation reserve fund, elementary tuition fund,
21 retirement fund, debt service fund, leased facilities fund,
22 building reserve fund, adult education fund, nonoperating
23 fund, postsecondary vocational-technical center fund, and
24 any other funds so designated by the legislature shall be
25 budgeted funds.

1 (b) A "nonbudgeted fund" means any fund for which a
2 budget is not required in order to expend any moneys ~~money~~
3 on deposit in such fund. The school food services fund,
4 miscellaneous federal programs fund, building fund, housing
5 and dormitory fund, traffic education fund, interlocal
6 cooperative fund, and any other funds so designated by the
7 legislature shall be nonbudgeted funds.

8 (2) The school financial administration provisions of
9 this title apply to all moneys ~~money~~ of any elementary or
10 high school district ~~or any community college district,~~
11 except the extracurricular moneys ~~money~~ realized from pupil
12 activities. The superintendent of public instruction has
13 general supervisory authority over the school financial
14 administration provisions, as they relate to elementary and
15 high school districts, as prescribed by law and shall
16 establish such rules as are necessary to secure compliance
17 with the law."

18 Section 23. Section 20-9-204, MCA, is amended to read:

19 "20-9-204. Pecuniary interests, letting contracts, and
20 calling for bids. (1) It is unlawful for any trustee to:

21 (a) have any pecuniary interest, either directly or
22 indirectly, in any contract for the erection of any school
23 building or for warming, ventilating, furnishing, or
24 repairing the same;

25 (b) be in any manner connected with the furnishing of

1 supplies for the maintenance and operation of the schools;
 2 or

3 (c) be employed in any capacity by the school district
 4 of which he is trustee.

5 (2) Whenever the estimated cost of any building,
 6 furnishing, repairing, or other work for the benefit of the
 7 district or purchasing of supplies for the district exceeds
 8 the sum of \$4,000, the work done or the purchase made shall
 9 be by contract. Each such contract must be let to the lowest
 10 responsible bidder after advertisement for bids. Such
 11 advertisement shall be published in the newspaper which will
 12 give notice to the largest number of people of the district
 13 as determined by the trustees. Such advertisement shall be
 14 made once each week for 2 consecutive weeks, and the second
 15 publication shall be made not less than 5 days or more than
 16 12 days before consideration of bids. A contract not let
 17 pursuant to this section shall be void.

18 (3) Whenever bidding is required, the trustees shall
 19 award the contract to the lowest responsible bidder, except
 20 that the trustees may reject any or all bids.

21 ~~(4) With regard to contracting for work or supplies~~
 22 ~~the board of trustees of a community college district are~~
 23 ~~subject to 20-15-104.~~

24 Section 24. Section 20-9-212, MCA, is amended to read:
 25 "20-9-212. Duties of county treasurer. The county

1 treasurer of each county shall:

2 (1) receive and hold all school moneys ~~money~~ subject
 3 to apportionment and keep a separate accounting of their ~~its~~
 4 apportionment to the several districts which are entitled to
 5 a portion of such moneys ~~money~~ according to the
 6 apportionments ordered by the county superintendent. A
 7 separate accounting shall be maintained for each county fund
 8 supported by a countywide levy for a specific, authorized
 9 purpose, including:

10 (a) the basic county tax in support of the elementary
 11 foundation programs;

12 (b) the basic special tax for high schools in support
 13 of the high school foundation programs;

14 (c) the county tax in support of the county's high
 15 school transportation obligation;

16 (d) the county tax in support of the high school
 17 obligations to the retirement systems of the state of
 18 Montana;

19 (e) any additional county tax required by law to
 20 provide for deficiency financing of the elementary
 21 foundation programs;

22 (f) any additional county tax required by law to
 23 provide for deficiency financing of the high school
 24 foundation programs;

25 (g) the county tax for a postsecondary

1 vocational-technical center when levied by the board of
2 county commissioners; and

3 (h) any other county tax for schools, ~~including the~~
4 ~~community colleges,~~ which may be authorized by law and
5 levied by the county commissioners;

6 (2) whenever requested, notify the county
7 superintendent and the superintendent of public instruction
8 of the amount of county school moneys ~~money~~ on deposit in
9 each of the funds enumerated in subsection (1) of this
10 section and the amount of any other school moneys ~~money~~
11 subject to apportionment and apportion such county and other
12 school moneys ~~money~~ to the districts in accordance with the
13 apportionment ordered by the county superintendent;

14 (3) keep a separate accounting of the expenditures for
15 each budgeted fund included on in the final budget of each
16 district;

17 (4) keep a separate accounting of the receipts,
18 expenditures, and cash balances for each budgeted fund
19 included on in the final budget of each district and for
20 each nonbudgeted fund established by each district;

21 (5) except as otherwise limited by law, pay all
22 warrants properly drawn on the county or district school
23 moneys ~~money~~ and properly endorsed by their holders;

24 (6) receive all revenue collected by and for each
25 district and deposit these receipts in the fund designated

1 by law or by the district if no fund is designated by law.
2 Interest and penalties on delinquent school taxes shall be
3 credited to the same fund and district for which the
4 original taxes were levied.

5 (7) send all revenues received for a joint district,
6 part of which is situated in his county, to the county
7 treasurer designated as the custodian of such revenues, no
8 later than December 15 of each year and every 3 months
9 thereafter until the end of the school fiscal year;

10 (8) register district warrants drawn on a budgeted
11 fund in accordance with 7-6-2604 when there are 15
12 insufficient moneys ~~money~~ available in the sum of moneys
13 ~~money~~ in all funds of the district to make payment of such
14 warrant. Redemption of registered warrants shall be made in
15 accordance with 7-6-2116, 7-6-2605, and 7-6-2606.

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

18 (10) give to the trustees of each district, at least
19 quarterly, an itemized report for each fund maintained by
20 the district, showing the paid warrants, outstanding
21 warrants, registered warrants, amount ~~amounts~~ and types of
22 revenue received, and the cash balance."

23 Section 25. Section 20-15-103, MCA, is amended to
24 read:

25 "20-15-103. Supervision and coordination by board of

1 regents. Community college districts shall be under the
2 supervision and coordination of the regents. The regents
3 shall:

4 (1) supervise community college districts in
5 accordance with the provisions of this section and
6 20-15-105;

7 (2) appoint a coordinator of community college
8 districts and request ~~legislative appropriations for the~~
9 ~~operation of his office~~ prescribe the duties of the
10 coordinator;

11 (3) formulate and put into effect uniform general
12 policies ~~as to budgeting, recordkeeping, and student~~
13 ~~accounting for the supervision and coordination of community~~
14 ~~college districts;~~

15 ~~(4) establish minimum entrance requirements and~~
16 ~~approve curricular offerings for all community colleges;~~

17 ~~(5) direct each community college district to seek~~
18 ~~accreditation from a recognized accrediting association; and~~

19 (4) after consultation with the community college
20 trustees, develop and implement policies that distinguish
21 the regents' authority to supervise and coordinate and the
22 trustees' authority to administer and control community
23 colleges; and

24 ~~(6)~~ (5) call an election, determine the results of the
25 election, and order and implement the organization of a

1 community college district in accordance with this chapter."

2 Section 26. Section 20-15-104, MCA, is amended to
3 read:

4 "20-15-104. Pecuniary interest and letting contracts.

5 (1) It shall be unlawful for any community college district
6 trustee to have any pecuniary interest, either directly or
7 indirectly, in the erection of any community college
8 building in his district or ~~for~~ in furnishing or repairing
9 the same or be in any manner connected with the furnishing
10 of supplies for the maintenance of the college or to receive
11 or to accept any compensation or reward for services
12 rendered as trustee, except as herein provided.

13 (2) No ~~the~~ board of trustees shall let any ~~contract~~
14 ~~contracts~~ ~~(except if the amount involved is less than~~
15 ~~\$2,000)~~ for building, furnishing, repairing, or other work
16 or supplies for the benefit of the district ~~without first~~
17 advertising according to the following rules and procedures:

18 (a) The board of trustees need not meet requirements
19 relating to advertising or bidding if a proposed contract
20 for building, furnishing, repairing or other work or
21 supplies is for less than \$2,000 \$5,000.

22 (b) Whenever the proposed contract costs are less than
23 \$10,000 \$25,000 but more than \$2,000 \$5,000, the board of
24 trustees shall procure at least three informal bids, if
25 reasonably available, from contractors licensed in Montana.

1 (c) whenever the proposed contract costs are more than
 2 ~~\$10,000~~ \$25,000 the board of trustees shall solicit formal
 3 bids and advertise once each week for at least 2 weeks in a
 4 newspaper published in each county wherein the area of the
 5 district lies and without calling for bids to perform such
 6 work or furnish such supplies. ~~In all cases where~~ If
 7 advertising is required, the board shall award the contract
 8 to the lowest responsible bidder ~~provided however that~~
 9 ~~however~~ the board of trustees ~~shall have~~ has the right to
 10 reject any and all bids."

11 Section 27. Section 20-15-106, MCA, is amended to
 12 read:

13 "20-15-106. Employment ~~of personnel and retirement~~
 14 system ~~Retirement systems~~ for employees and teachers. ~~It~~
 15 ~~The board of trustees shall appoint the employees of the~~
 16 ~~community college define and assign their powers and~~
 17 ~~duties and fix their compensation.~~

18 ~~(2) (1) The community college district and teachers~~
 19 Teachers of a community college district ~~shall be~~ are
 20 subject to and ~~the teachers shall be~~ eligible for the
 21 benefits of the Montana teachers' retirement system provided
 22 by the laws of Montana.

23 (2) The employees of a community college district not
 24 eligible for teachers' retirement system benefits are
 25 subject to and eligible for the benefits of the Montana

1 public employees' retirement system."

2 Section 28. Section 20-15-210, MCA, is amended to
 3 read:

4 "20-15-210. Qualification and organization of board of
 5 trustees. (1) Newly elected members of the board of trustees
 6 of the community college district shall be qualified by
 7 taking the oath of office prescribed by the constitution of
 8 Montana. At the organization meeting called by the board of
 9 regents, the board of trustees shall be organized by the
 10 election of a president and vice-president ~~chairman~~ and a
 11 secretary ~~said secretary may be or may not be a member of~~
 12 the board.

13 (2) The treasurer of the community college district
 14 shall be ~~is~~ the county treasurer of the county in which the
 15 community college facilities are located. ~~The duties of the~~
 16 ~~county treasurer are referenced in 20-9-206, 20-9-212,~~
 17 ~~20-9-222, and 20-7-224."~~

18 Section 29. Section 20-15-221, MCA, is amended to
 19 read:

20 "20-15-221. Election of trustees after organization of
 21 community college district. (1) After organization, the
 22 registered electors of the community college district
 23 qualified to vote under the provisions of 20-20-301 shall
 24 annually vote for trustees on the first ~~Tuesday in~~ April
 25 regular school election day provided for in 20-3-304. The

1 ~~election shall be conducted in accordance with the election~~
 2 ~~provisions of this title whenever such provisions are made~~
 3 ~~applicable to community college districts, and--such~~ Such
 4 elections shall be conducted by the component elementary
 5 school districts within such community college district upon
 6 the order of the board of trustees of the community college
 7 district. Such ~~the~~ order shall be transmitted to the
 8 appropriate trustees not less than 40 days prior to the
 9 regular school election day.

10 (2) Notice of the community college district trustee
 11 election shall be given by the board of trustees of the
 12 community college district by publication in one or more
 13 newspapers of general circulation within each county, not
 14 less than once a week for 2 consecutive weeks, the last
 15 insertion to be no longer ~~more~~ than 1 week prior to the date
 16 of the election. This notice shall be in addition to the
 17 election notice to be given by the trustees of the component
 18 elementary districts under the school election laws.

19 (3) Should trustees be elected other than at large
 20 throughout the entire district, then only those qualified
 21 voters within the area from which the trustee or trustees
 22 are to be elected shall cast their ballots for the trustee
 23 or trustees from that area. ~~*** IN ADDITION TO THE~~
 24 ~~NOMINATING PETITION REQUIRED BY [SECTION 3(2)], ALL~~
 25 candidates for the office of trustee shall file their

1 declarations of candidacy with the secretary of the board of
 2 trustees of the community college district not less than 30
 3 days prior to the date of election. If an electronic voting
 4 system or voting machines are not used in the component
 5 elementary school district or districts which conduct the
 6 election, then the board of trustees of the community
 7 college district shall cause ballots to be printed and
 8 distributed for the polling places in such component
 9 districts at the expense of the community college district,
 10 but in all other respects said elections shall be conducted
 11 in accordance with the school election laws. All costs
 12 incident to election of the community college trustees shall
 13 be borne by the community college district, including
 14 one-half of the compensation of the judges for the school
 15 elections; ~~provided that if the election of the community~~
 16 ~~college district trustees is the only election conducted,~~
 17 the community college district shall compensate the district
 18 for the total cost of the election."

19 Section 30. Section 20-15-223, MCA, is amended to
 20 read:

21 "20-15-223. ~~Vacancy-of-trustee-position~~ Vacancies. (1)
 22 A community college trustee position is vacant whenever the
 23 incumbent:

- 24 (a) dies;
 25 (b) resigns; or

~~(1) is removed under the provisions of [section 6].~~

~~(2) A trustee position is also vacant whenever an elected candidate fails to qualify under the provisions of 20-3-301.~~

~~(3) Any vacancy of a trustee's trustee position shall be filled by appointment by majority vote of the remaining trustees, and the person appointed shall hold office until the next regular school election day, when a trustee shall be elected for the remainder of the unexpired term."~~

Section 31. Section 20-15-225, MCA, is amended to read:

"20-15-225. Powers and duties of trustees. The trustees of a community college district shall, subject to supervision by the board of regents:

(1) have general control and supervision of the community college;

(2) adopt rules, not inconsistent with the constitution and the laws of the state, for the government and administration of the community college;

(3) grant certificates and degrees to the graduates of the community college;

(4) keep a record of ~~tes~~ their proceedings;

(5) ~~have~~, when not otherwise provided by law, ~~have~~ control of all books, records, buildings, grounds, and other property of the community college;

(6) receive from the state board of land commissioners; other boards, agencies, or persons; or the government of the United States all funds, incomes, income, and other property the community college may be entitled to receive or accept and use and appropriate the property for the specific purpose of the entitlement, grant, or donation;

(7) have general control of all receipts and disbursements of the community colleges;

(8) appoint and dismiss a president and faculty for the community college; appoint and dismiss any other necessary officers, agents, and employees; fix their compensation; and set the terms and conditions of their employment;

(9) administer the tuition provision and otherwise govern the students of the community college district in accordance with the provisions of this chapter;

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

(11) participate in the teachers' retirement system of the state of Montana in accordance with the provisions of the teachers' retirement system chapter of this title; and

~~(12) establish employee benefits, other than retirement benefits, and fix their limits in accordance with 2-18-701 through 2-18-704; and~~

~~(13) participate in district boundary change~~

1 actions in accordance with the provisions of the district
2 organization chapter of this title."

3 Section 32. Section 20-15-302, "CA, is amended to
4 read:

5 "20-15-302. Budget -- approval. (1) The board of
6 trustees of a community college district shall adopt an
7 annual general--fund operating budget for the general
8 maintenance and operation of the community college district.
9 The budget shall be submitted to the regents of the state of
10 Montana for their approval-with-or-without-adjustment. The
11 budget approved by the regents shall be the budget of the
12 community college district submitted to the state budget
13 officer-of-the-state director in accordance with Title 17,
14 chapter 7.

15 (2) In the case of an emergency budget as defined in
16 subsections (2) through (5) of 20-9-161, the community
17 college district must receive an approved budget amendment
18 from the board of regents in a manner and on forms
19 prescribed by the board of regents."

20 Section 33. Codification instructions. The code
21 commissioner shall codify sections 1 through ~~13~~ 14 in
22 chapter 15 of Title 20.

-End-

January 11, 1979

STANDING COMMITTEE REPORT

That Senate Bill No. 32 be amended as follows:

1. Page 2, line 15.

Following: "."

Strike: "The"

Insert: "A nominating petition containing the signatures of such five electors and the"

2. Page 2, line 18.

Following: "than"

Strike: "20"

Insert: "30"

3. Page 3, line 22.

Following: "."

Insert: "The ballot also must be prepared with blank lines and vacant squares in front of the lines in a sufficient number to allow write-in voting for each trustee position that is subject to election."

4. Page 9.

Following: line 13

Insert: "Section 14. Audit of community college districts. A community college district is subject to audit by the legislative auditor in the same manner as a state agency. A community college district may contract for an audit with a private accounting firm, subject to approval of the legislative auditor."

Renumber: all subsequent sections

5. Page 25, line 25.

Strike: "are"

Insert: "is"

6. Page 31, line 12.

Following: "."

Strike: "All"

Insert: "In addition to the nominating petition required by [Section 3 (2)], all"

7. Page 35, line 9.

Following: "through"

Strike: "13"

Insert: "14"

Education Committee amendments to Senate Bill 32, third reading
copy, as follows:

1. Page 28, line 21.
Following: "than"
Strike: "\$3,000"
Insert: "\$5,000"

2. Page 28, line 23.
Following: line 22
Strike: "\$10,000"
Insert: "\$25,000"
Following: "than"
Strike: "\$3,000"
Insert: "\$5,000"

3. Page 29, line 2.
Following: line 1
Strike: "\$10,000"
Insert: "\$25,000"

AND AS AMENDED,
BE CONCURRED IN