

SENATE BILL 262

IN THE SENATE

January 26, 1979	Introduced and referred to Committee on Education.
February 17, 1979	Committee recommend bill, do pass (minority)
February 19, 1979	Printed and placed on members' desks.
February 20, 1979	Second reading, do pass.
February 21, 1979	Considered correctly engrossed.
February 22, 1979	Third reading, passed.

IN THE HOUSE

February 23, 1979	Introduced and referred to Committee on Education and Cultural Resources
March 12, 1979	Committee recommend bill, as amended.
March 13, 1979	Consideration passed until the 60th Legislative Day.
March 15, 1979	Consideration passed as amended, until the 65th Legislative Day.
March 21, 1979	Second reading, as amended, not concurred.

IN THE SENATE

March 22, 1979	Returned from House, not concurred, as amended.
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*Knapp* BILL NO. *262*  
INTRODUCED BY *McCallum, Hoffmann, Wde Magone*  
*Kanduch, Baeth, Ellis, Stobij, Thome, Fisher, NATH, Lund*  
A BILL FOR AN ACT ENTITLED: *AN ACT REVISING THE ALLOCATION*

*Curless*  
*Cosgrove*  
*to Brown*  
*erwitz*  
*with*  
*curmish*

OF FEDERAL FOREST RESERVE MONEY TO SCHOOL DISTRICTS;

AMENDING SECTIONS 17-3-213 AND 20-9-331, MCA. *Understandability*

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

Section 1. Section 17-3-213, MCA, is amended to read:

"17-3-213. Allocation to general fund and common *school* fund school districts. (1) The forest reserve funds, so apportioned to each county shall be apportioned by the county treasurer in each county between the several funds as follows:

(a) to the general road fund, 66 2/3% of the total amount received;

(b) ~~to the common school fund~~ to the various school districts and joint county school districts within the county, 33 1/3% of the total sum received in proportion to the average number belonging in each district in the year immediately prior to this distribution. The distribution of such money to the respective school districts entitled thereto shall be in addition to and without regard to any assistance to such school districts from any other sources in maintaining the minimum educational program and minimum

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transportation program.

(2) In counties wherein special road districts have been created according to law, the board of county commissioners shall distribute a proportionate share of the 66 2/3% of the total amount received for the general road fund to such special road district or districts within the county based upon the percentage that the total area of such road district bears to the total area of the entire county."

NEW SECTION. Section 2. Use of forest reserve money

by school districts. (1) The school district portion of forest reserve money may be retained, accumulated, and expended for the purchase of school sites and for the construction and remodeling of school buildings by the trustees of the respective school districts.

(2) When, within the discretion of the trustees of the respective school districts, forest reserve money is not needed for projects authorized in subsection (1) the money may be expended for current expenses.

Section 3. Section 20-9-331, MCA, is amended to read:

"20-9-331. Basic county tax and other revenues for county equalization of the elementary district foundation program. (1) It shall be the duty of the county commissioners of each county to levy an annual basic tax of 25 mills on the dollars of the taxable value of all taxable property within the county for the purposes of local and

1 state foundation program support. The revenue to be  
2 collected from this levy shall be apportioned to the support  
3 of the foundation programs of the elementary school  
4 districts in the county and to the earmarked revenue fund,  
5 state equalization aid account, in the following manner:

6 (a) In order to determine the amount of revenue raised  
7 by this levy which is retained by the county, the sum of the  
8 estimated revenues identified in subsections (2)(a) through  
9 (2)(~~ff~~~~(e)~~) below shall be subtracted from the sum of the  
10 county elementary transportation obligation and the total of  
11 the foundation programs of all elementary districts of the  
12 county.

13 (b) If the basic levy of 25 mills produces more  
14 revenue than is required to finance the difference  
15 determined above, the county commissioners shall order the  
16 county treasurer to remit the surplus funds to the state  
17 treasurer for deposit to the earmarked revenue fund, state  
18 equalization aid account, not later than June 1 of the  
19 fiscal year for which the levy has been set.

20 (2) The proceeds realized from the county's portion of  
21 the levy prescribed by this section and the revenues from  
22 the following sources shall be used for the equalization of  
23 the elementary district foundation programs of the county as  
24 prescribed in 20-9-334, and a separate accounting shall be  
25 kept of such proceeds and revenues by the county treasurer

1 in accordance with 20-9-212(1):

2 ~~(e)--the-portion-of-the-federal--forest--reserve--funds~~  
3 ~~distributed-to-a-county-and-designated-for-the-common-school~~  
4 ~~fund-under-the-provisions-of-17-3-213;~~

5 ~~(b)(a)~~ the portion of the federal Taylor Grazing Act  
6 funds distributed to a county and designated for the common  
7 school fund under the provisions of 17-3-222;

8 ~~(e)(b)~~ the portion of the federal flood control act  
9 funds distributed to a county and designated for expenditure  
10 for the benefit of the county common schools under the  
11 provisions of 17-3-232;

12 ~~(d)(c)~~ all moneys ~~money~~ which are ~~is~~ paid into the  
13 county treasury as a result of fines for violations of law  
14 and the use of which is not otherwise specified by law;

15 ~~(e)(d)~~ any money remaining at the end of the  
16 immediately preceding school fiscal year in the county  
17 treasurer's account for the various sources of revenue  
18 established or referred to in this section; and

19 ~~(ff)(e)~~ any federal or state moneys ~~money~~ distributed  
20 to the county, except forest reserve money, as payment in  
21 lieu of the property taxation established by the county levy  
22 required by this section."

-End-

STATE OF MONTANA

REQUEST NO. 487-79

FISCAL NOTE

Form BD-15

In compliance with a written request received March 16, 19 79, there is hereby submitted a Fiscal Note for SB 262 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 262 removes forest reserve funds from the foundation program and allocates them to the various school districts within a county.

ASSUMPTIONS:

The amount of forest funds will remain constant at \$3,142,793 per year.

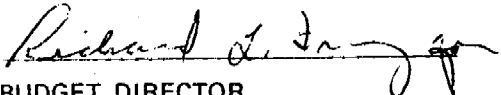
FISCAL IMPACT:

Currently, \$3,142,793 of forest funds flow into the foundation program each year. Under the proposed law, these funds would go directly to the districts and could be used outside the foundation program.

A decrease in Foundation Program revenues either (1) results in a decrease in the Foundation Program schedules, (2) requires additional support from other contributors to the Foundation Program (oil and gas royalties, corporation license tax, individual income tax, State General Fund appropriation, etc.), or (3) requires a state deficiency levy.

LOCAL IMPACT:

School districts in affected areas would have \$3,142,793 more money above the Foundation Program.

  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 7/16/79

Committee on Education

MINORITY REPORT ADOPTED

1 *Krupp* *Smith* BILL NO. *262*  
 2 INTRODUCED BY *MacBullum, Hoffmann, Ude Magoun*  
 3 *Landrum, Baeth, Edho, Stobaj, Laine, Fisher, NATHAN, Smith*  
 4 *Boyer, Anderson*  
 5 A BILL FOR AN ACT ENTITLED "AN ACT REVISING THE ALLOCATION OF  
 6 OF FEDERAL FOREST RESERVE MONEY TO SCHOOL DISTRICTS;  
 7 AMENDING SECTIONS 17-3-213 AND 20-9-331, MCA."  
 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
 9 Section 1. Section 17-3-213, MCA, is amended to read:  
 10 "17-3-213. Allocation to general fund and common school fund school districts. (1) The forest reserve funds,  
 11 so apportioned to each county shall be apportioned by the  
 12 county treasurer in each county between the several funds as  
 13 follows:  
 14 (a) to the general road fund, 66 2/3% of the total  
 15 amount received;  
 16 (b) ~~to the common school fund to the various school~~  
 17 ~~districts and joint county school districts within the~~  
 18 ~~county, 33 1/3% of the total sum received in proportion to~~  
 19 ~~the average number belonging in each district in the year~~  
 20 ~~immediately prior to this distribution. The distribution of~~  
 21 ~~such money to the respective school districts entitled~~  
 22 ~~thereto shall be in addition to and without regard to any~~  
 23 ~~assistance to such school districts from any other sources~~  
 24 ~~in maintaining the minimum educational program and minimum~~  
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*Curtis*  
*Cross*  
*Bob Brown*  
*Heerintz*  
*Lowth*  
*Turner*

1 transportation program.  
 2 (2) In counties wherein special road districts have  
 3 been created according to law, the board of county  
 4 commissioners shall distribute a proportionate share of the  
 5 66 2/3% of the total amount received for the general road  
 6 fund to such special road district or districts within the  
 7 county based upon the percentage that the total area of such  
 8 road district bears to the total area of the entire county."  
 9 NEW SECTION. Section 2. Use of forest reserve money  
 10 by school districts. (1) The school district portion of  
 11 forest reserve money may be retained, accumulated, and  
 12 expended for the purchase of school sites and for the  
 13 construction and remodeling of school buildings by the  
 14 trustees of the respective school districts.  
 15 (2) When, within the discretion of the trustees of the  
 16 respective school districts, forest reserve money is not  
 17 needed for projects authorized in subsection (1) the money  
 18 may be expended for current expenses.  
 19 Section 3. Section 20-9-331, MCA, is amended to read:  
 20 "20-9-331. Basic county tax and other revenues for  
 21 county equalization of the elementary district foundation  
 22 program. (1) It shall be the duty of the county  
 23 commissioners of each county to levy an annual basic tax of  
 24 25 mills on the dollars of the taxable value of all taxable  
 25 property within the county for the purposes of local and

1 state foundation program support. The revenue to be  
2 collected from this levy shall be apportioned to the support  
3 of the foundation programs of the elementary school  
4 districts in the county and to the earmarked revenue fund,  
5 state equalization aid account, in the following manner:

6 (a) In order to determine the amount of revenue raised  
7 by this levy which is retained by the county, the sum of the  
8 estimated revenues identified in subsections (2)(a) through  
9 (2)(f)(a) below shall be subtracted from the sum of the  
10 county elementary transportation obligation and the total of  
11 the foundation programs of all elementary districts of the  
12 county.

13 (b) If the basic levy of 25 mills produces more  
14 revenue than is required to finance the difference  
15 determined above, the county commissioners shall order the  
16 county treasurer to remit the surplus funds to the state  
17 treasurer for deposit to the earmarked revenue fund, state  
18 equalization aid account, not later than June 1 of the  
19 fiscal year for which the levy has been set.

20 (2) The proceeds realized from the county's portion of  
21 the levy prescribed by this section and the revenues from  
22 the following sources shall be used for the equalization of  
23 the elementary district foundation programs of the county as  
24 prescribed in 20-9-334, and a separate accounting shall be  
25 kept of such proceeds and revenues by the county treasurer

1 in accordance with 20-9-212(1):

2 ~~(a) the portion of the federal forest reserve funds~~  
3 ~~distributed to a county and designated for the common school~~  
4 ~~fund under the provisions of 17-3-213;~~

5 (b)(a) the portion of the federal Taylor Grazing Act  
6 funds distributed to a county and designated for the common  
7 school fund under the provisions of 17-3-222;

8 (c)(b) the portion of the federal flood control act  
9 funds distributed to a county and designated for expenditure  
10 for the benefit of the county common schools under the  
11 provisions of 17-3-232;

12 (d)(c) all moneys ~~money~~ which are is paid into the  
13 county treasury as a result of fines for violations of law  
14 and the use of which is not otherwise specified by law;

15 (e)(d) any money remaining at the end of the  
16 immediately preceding school fiscal year in the county  
17 treasurer's account for the various sources of revenue  
18 established or referred to in this section; and

19 (f)(a) any federal or state moneys ~~money~~ distributed  
20 to the county, ~~except forest reserve money,~~ as payment in  
21 lieu of the property taxation established by the county levy  
22 required by this section."

-End-

HOUSE OF REPRESENTATIVES  
March 12, 1979

Education Committee amendments to Senate Bill 262, 3rd Reading Copy,  
as follows:

1. Page 1, line 10.

Following: "fund"

Insert: ", common school fund,"

2. Page 1, line 17 through line 1 on page 2.

Following: "~~fund~~" on line 17, page 1

Strike: line 17 through line 1 on page 2

Insert: "to the common school fund, 13 1/3% of the total sum  
received; and

(c) to school districts to be distributed proportionately based  
upon the percentage that the federal forest reserve lands of a district  
bear to the total area of the federal forest reserve lands of the  
entire county, 20% of the total sum received."

3. Page 2, line 9 through line 18.

Following: line 8

Strike: Section 2 in its entirety

Re-number: subsequent section

4. Page 3, line 9.

Following: "~~f~~"

Strike: "(e)"

Insert: "(f)"

5. Page 4, line 4.

Following: "~~17-3-213~~"

Insert: "(a) the portion of the federal forest reserve funds  
distributed to a county and designated for the common school  
fund under the provisions of 17-3-213;"

Re-number: subsequent subsections

6. Page 4, line 20.

Following: "county"

Strike: ", except forest reserve money,"

7. Page 4, line 22.

Following: "section"

Insert: ", except forest reserve money distributed in accordance  
with 17-3-213 (c)"

AND AS AMENDED,  
BE CONCURRED IN

HOUSE OF REPRESENTATIVES

March 15, 1979

Committee of the Whole Amendments to Education Committee Amendments  
to Senate Bill 262, third reading copy, as follows:

1. Amendment number 2, line 1 of the insertion paragraph.

Following: "fund,"

Strike: "13 1/3%"

Insert: "18 1/3%"

2. Amendment number 2, line 6 of the insertion paragraph.

Following: "county,"

Strike: "20%"

Insert: "15%"

AND AS AMENDED,  
BE CONCURRED IN