

Senate Bill 23

In The Senate

January 5, 1981	Introduced and referred to Committee on Education.
January 6, 1981	Fiscal note requested.
January 12, 1981	Fiscal note returned.
January 20, 1981	Committee recommend bill do pass.
January 21, 1981	Bill printed and placed on members' desk.
	Motion pass consideration until January 23, 1981.
January 22, 1981	Motion pass consideration until January 26, 1981.
January 26, 1981	Second reading pass consideration.
January 27, 1981	Second reading indefinitely postponed.

1 SENATE BILL NO. 23
2 INTRODUCED BY McCALLUM

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE ALLOCATION
5 OF FEDERAL FOREST RESERVE MONEY TO SCHOOL DISTRICTS;
6 AMENDING SECTIONS 17-3-213, 20-9-331, 20-9-332, AND
7 20-9-335, MCA."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 17-3-213, MCA, is amended to read:
11 "17-3-213. Allocation to general road fund and common
12 countywide school fund levies. (1) The forest reserve funds
13 so apportioned to each county shall be apportioned by the
14 county treasurer in each county between the several funds as
15 follows:

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

18 (b) to the ~~common--school--fund~~ following countywide
19 school levies, 33 1/3% of the total sum received:

20 (i) the high school transportation fund provided for in
21 20-10-143;

22 (ii) the elementary teacher retirement and social
23 security fund provided for in 20-9-501;

24 (iii) the high school teacher retirement and social
25 security fund provided for in 20-9-501.

1 (2) The apportionment of money to the funds provided
2 for under subsection (1)(b) must be made by the county
3 superintendent in proportion to the needs of each fund.
4 Whenever the total amount of money available for
5 apportionment under this section is greater than the total
6 needs, the excess money and any interest income must be
7 retained in a separate reserve fund, to be apportioned as
8 needed in the ensuing school fiscal year to the levies
9 designated in subsection (1)(b).

10 ~~(2)~~(3) In counties wherein special road districts have
11 been created according to law, the board of county
12 commissioners shall distribute a proportionate share of the
13 66 2/3% of the total amount received for the general road
14 fund to such special road district or districts within the
15 county based upon the percentage that the total area of such
16 road district bears to the total area of the entire county."

17 Section 2. Section 20-9-331, MCA, is amended to read:

18 "20-9-331. Basic county tax and other revenues for
19 county equalization of the elementary district foundation
20 program. (1) It shall be the duty of the county
21 commissioners of each county to levy an annual basic tax of
22 25 mills on the dollars of the taxable value of all taxable
23 property within the county for the purposes of local and
24 state foundation program support. The revenue to be
25 collected from this levy shall be apportioned to the support

-2-
INTRODUCED BILL
SB 23

1 of the foundation programs of the elementary school
2 districts in the county and to the earmarked revenue fund,
3 state equalization aid account, in the following manner:

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

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

18 (2) The proceeds realized from the county's portion of
19 the levy prescribed by this section and the revenues from
20 the following sources shall be used for the equalization of
21 the elementary district foundation programs of the county as
22 prescribed in 20-9-334, and a separate accounting shall be
23 kept of such proceeds and revenues by the county treasurer
24 in accordance with 20-9-212(1):

25 ~~{a}--the-portion-of-the--federal--forest--reserve--funds~~

1 ~~distributed-to-a-county-and-designated-for-the-common-school~~
2 ~~fund-under-the-provisions-of-17-3-213~~

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

6 ~~{c}{b}~~ the portion of the federal flood control act
7 funds distributed to a county and designated for expenditure
8 for the benefit of the county common schools under the
9 provisions of 17-3-232;

10 ~~{d}{c}~~ all moneys-which-are money paid into the county
11 treasury as a result of fines for violations of law and the
12 use of which is not otherwise specified by law;

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

17 ~~{f}{e}~~ any federal or state moneys money distributed to
18 the county as payment in lieu of the property taxation
19 established by the county levy required by this section."

20 Section 3. Section 20-9-332, MCA, is amended to read:

21 "20-9-332. Fines and penalties proceeds for elementary
22 county equalization. All fines and penalties collected under
23 the provisions of this title shall be collected by the
24 action of a court of competent jurisdiction and shall be
25 paid into the county elementary equalization fund as

1 provided by 20-9-331(2)(d)(c). In order to implement this
2 section and any other provision of law requiring the deposit
3 of fines in the elementary county equalization fund, the
4 following reports shall be made to the county superintendent
5 of the county in which each court or justice of the peace
6 shall have jurisdiction:

7 (1) during the month of September, each justice of the
8 peace shall report all fines imposed and collected during
9 the preceding year, indicating the type of violation and the
10 date of collection; and

11 (2) at the close of each term, the clerk of each
12 district court shall report all fines imposed and collected
13 during the term, indicating the type of violation and the
14 date of collection."

15 Section 4. Section 20-9-335, MCA, is amended to read:

16 "20-9-335. Formula for apportionment of county
17 equalization moneys. (1) After making such deductions
18 prescribed in 20-9-334, the county superintendent shall
19 apportion the remaining amount of moneys available in the
20 basic county tax account to the several public elementary
21 districts of the county and in the basic special tax for
22 high schools account to the several public secondary
23 districts of the county in proportion to their needs under
24 the foundation program in accordance with the following
25 procedure:

1 (a) determine the percentage that the county
2 equalization moneys available for the support of the
3 foundation programs of the public elementary districts in
4 the county is of the total amount of the foundation programs
5 of all public elementary districts;

6 (b) multiply the foundation program amount of each
7 public elementary district by the percentage determined in
8 subsection (1)(a) above to determine the portion of the
9 county equalization moneys available to each public
10 elementary district.

11 (2) The above procedure shall also be applied for
12 public secondary districts.

13 (3) No territory situated within a county shall be
14 excluded from the apportionment of the county equalization
15 moneys under this section solely because such territory lies
16 within the boundaries of a joint district. Cash balances to
17 the credit of any district at the end of a school fiscal
18 year shall not be considered in the apportionment procedure
19 prescribed in this section.

20 (4) When the total amount of the available county
21 moneys for apportionment under this section is greater than
22 the amount of money to be apportioned under the
23 apportionment procedure prescribed by this section, the
24 excess amount of county moneys shall be retained by the
25 county to be considered as financing during the ensuing

SB 23

LC 0279/01

1 school fiscal year under the requirements of
2 20-9-331(2)~~(e)~~(d) or 20-9-333(2)(a).

3 (5) The county equalization moneys apportioned under
4 these procedures shall constitute the first source of
5 revenue in calculating the financing of the public
6 elementary and secondary district foundation program. The
7 county superintendent shall use the apportionment procedure
8 prescribed in this section in computing the estimated
9 revenues for the financing of the ensuing year's foundation
10 program for budgeting purposes."

-End-

STATE OF MONTANA

REQUEST NO. 9-81

FISCAL NOTE

Form BD-15

In compliance with a written request received January 7, 19 81, there is hereby submitted a Fiscal Note for Senate Bill 23 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

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

A proposal to remove the Federal Funds as a source of revenue from the Foundation Program for schools.

ASSUMPTIONS

1. The forest funds will be the same each year of the next biennium as they are for the 1980-81 school year.

REVENUE AND EXPENDITURE IMPACT

State Impact:

	Amount under Existing Law	Amount under Proposed Law	Decrease	Amount under Existing Law	Amount under Proposed Law	Decrease
Revenue	\$2,920,000	0	(\$2,920,000)	\$2,920,000	0	(\$2,920,000)
Expenditures	0	0	<u>0</u>	0	0	<u>0</u>
Net Effect (revenues less cost)			<u>(\$2,920,000)</u>			<u>(\$2,920,000)</u>

Local Impact:

In the 34 Montana counties currently receiving Federal Forest Reserve payments, the countywide mill levy requirements for High School Transportation and retirement and Elementary retirement will be reduced by approximately \$2.9 million.

Daniel M Lewis

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-10-81

Approved by Committee
on Education

1 SENATE BILL NO. 23
2 INTRODUCED BY McCALLUM

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE ALLOCATION
5 OF FEDERAL FOREST RESERVE MONEY TO SCHOOL DISTRICTS;
6 AMENDING SECTIONS 17-3-213, 20-9-331, 20-9-332, AND
7 20-9-335, MCA."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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

11 "17-3-213. Allocation to general road fund and common
12 countywide school fund levies. (1) The forest reserve funds
13 so apportioned to each county shall be apportioned by the
14 county treasurer in each county between the several funds as
15 follows:

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

18 (b) to the common--school--fund following countywide
19 school levies, 33 1/3% of the total sum received:

20 (i) the high school transportation fund provided for in
21 20-10-143;

22 (ii) the elementary teacher retirement and social
23 security fund provided for in 20-9-501;

24 (iii) the high school teacher retirement and social
25 security fund provided for in 20-9-501.

1 (2) The apportionment of money to the funds provided
2 for under subsection (1)(b) must be made by the county
3 superintendent in proportion to the needs of each fund.
4 Whenever the total amount of money available for
5 apportionment under this section is greater than the total
6 needs, the excess money and any interest income must be
7 retained in a separate reserve fund, to be apportioned as
8 needed in the ensuing school fiscal year to the levies
9 designated in subsection (1)(b).

10 (2)(3) In counties wherein special road districts have
11 been created according to law, the board of county
12 commissioners shall distribute a proportionate share of the
13 66 2/3% of the total amount received for the general road
14 fund to such special road district or districts within the
15 county based upon the percentage that the total area of such
16 road district bears to the total area of the entire county."

17 Section 2. Section 20-9-331, MCA, is amended to read:

18 "20-9-331. Basic county tax and other revenues for
19 county equalization of the elementary district foundation
20 program. (1) It shall be the duty of the county
21 commissioners of each county to levy an annual basic tax of
22 25 mills on the dollars of the taxable value of all taxable
23 property within the county for the purposes of local and
24 state foundation program support. The revenue to be
25 collected from this levy shall be apportioned to the support

1 of the foundation programs of the elementary school
2 districts in the county and to the earmarked revenue fund,
3 state equalization aid account, in the following manner:

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

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

18 (2) The proceeds realized from the county's portion of
19 the levy prescribed by this section and the revenues from
20 the following sources shall be used for the equalization of
21 the elementary district foundation programs of the county as
22 prescribed in 20-9-334, and a separate accounting shall be
23 kept of such proceeds and revenues by the county treasurer
24 in accordance with 20-9-212(1):

25 ~~{e)--the-portion-of-the--federal--forest--reserve--funds~~

1 ~~distributed-to-a-county-and-designated-for-the-common-school~~
2 ~~fund-under-the-provisions-of-17-3-213;~~

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

6 ~~{e}{b}~~ the portion of the federal flood control act
7 funds distributed to a county and designated for expenditure
8 for the benefit of the county common schools under the
9 provisions of 17-3-232;

10 ~~{d}{c}~~ all moneys which are money paid into the county
11 treasury as a result of fines for violations of law and the
12 use of which is not otherwise specified by law;

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

17 ~~{f}{e}~~ any federal or state moneys money distributed to
18 the county as payment in lieu of the property taxation
19 established by the county levy required by this section."

20 Section 3. Section 20-9-332, MCA, is amended to read:

21 "20-9-332. Fines and penalties proceeds for elementary
22 county equalization. All fines and penalties collected under
23 the provisions of this title shall be collected by the
24 action of a court of competent jurisdiction and shall be
25 paid into the county elementary equalization fund as

1 provided by 20-9-331(2)(d)(c). In order to implement this
 2 section and any other provision of law requiring the deposit
 3 of fines in the elementary county equalization fund, the
 4 following reports shall be made to the county superintendent
 5 of the county in which each court or justice of the peace
 6 shall have jurisdiction:

7 (1) during the month of September, each justice of the
 8 peace shall report all fines imposed and collected during
 9 the preceding year, indicating the type of violation and the
 10 date of collection; and

11 (2) at the close of each term, the clerk of each
 12 district court shall report all fines imposed and collected
 13 during the term, indicating the type of violation and the
 14 date of collection."

15 Section 4. Section 20-9-335, MCA, is amended to read:

16 "20-9-335. Formula for apportionment of county
 17 equalization moneys. (1) After making such deductions
 18 prescribed in 20-9-334, the county superintendent shall
 19 apportion the remaining amount of moneys available in the
 20 basic county tax account to the several public elementary
 21 districts of the county and in the basic special tax for
 22 high schools account to the several public secondary
 23 districts of the county in proportion to their needs under
 24 the foundation program in accordance with the following
 25 procedure:

1 (a) determine the percentage that the county
 2 equalization moneys available for the support of the
 3 foundation programs of the public elementary districts in
 4 the county is of the total amount of the foundation programs
 5 of all public elementary districts;

6 (b) multiply the foundation program amount of each
 7 public elementary district by the percentage determined in
 8 subsection (1)(a) above to determine the portion of the
 9 county equalization moneys available to each public
 10 elementary district.

11 (2) The above procedure shall also be applied for
 12 public secondary districts.

13 (3) No territory situated within a county shall be
 14 excluded from the apportionment of the county equalization
 15 moneys under this section solely because such territory lies
 16 within the boundaries of a joint district. Cash balances to
 17 the credit of any district at the end of a school fiscal
 18 year shall not be considered in the apportionment procedure
 19 prescribed in this section.

20 (4) When the total amount of the available county
 21 moneys for apportionment under this section is greater than
 22 the amount of money to be apportioned under the
 23 apportionment procedure prescribed by this section, the
 24 excess amount of county moneys shall be retained by the
 25 county to be considered as financing during the ensuing

LC 0279/01

1 school fiscal year under the requirements of
2 20-9-331(2)~~(e)~~(d) or 20-9-333(2)(a).

3 (5) The county equalization moneys apportioned under
4 these procedures shall constitute the first source of
5 revenue in calculating the financing of the public
6 elementary and secondary district foundation program. The
7 county superintendent shall use the apportionment procedure
8 prescribed in this section in computing the estimated
9 revenues for the financing of the ensuing year's foundation
10 program for budgeting purposes."

-End-