

SENATE BILL NO. 456

INTRODUCED BY MAZUREK, B. BROWN

BY REQUEST OF  
THE SENATE COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

IN THE SENATE

February 13, 1981	Introduced and referred to Committee on Education and Cultural Resources.  Fiscal note requested.
February 16, 1981	Committee recommend bill do pass. Report adopted.
February 17, 1981	Fiscal note returned.  Bill printed and placed on members' desks.
February 18, 1981	Second reading, do pass.
February 19, 1981	Correctly engrossed.
February 20, 1981	Third reading, passed. Ayes, 49; Noes, 0. Transmitted to House.

IN THE HOUSE

February 21, 1981	Introduced and referred to Committee on Education.
March 10, 1981	Committee recommend bill be concurrent in as amended. Report adopted.
March 21, 1981	Second reading, concurred in.
March 24, 1981	Third reading, concurred in as amended. Ayes, 93; Noes, 5.

IN THE SENATE

March 25, 1981

Returned from House with amendments.

April 1, 1981

On motion, consideration be passed for the day.

April 2, 1981

Second reading, amendments concurred in.

April 4, 1981

Third reading, amendments concurred in. Ayes, 47; Nays, 0. Sent to enrolling.

Reported correctly enrolled.

*Sen* BILL NO. *456*  
*Theynick* *Bob Brown*

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2 INTRODUCED BY \_\_\_\_\_  
3 BY REQUEST OF

4 THE SENATE COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

5  
6 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT THE  
7 TRUSTEES OF A SCHOOL DISTRICT OPERATING AN ELEMENTARY SCHOOL  
8 OF LESS THAN 10 ANB OR A HIGH SCHOOL OF LESS THAN 25 ANB FOR  
9 2 CONSECUTIVE YEARS SHALL APPLY TO HAVE THE SCHOOL  
10 CLASSIFIED AS AN ISOLATED SCHOOL; AMENDING SECTION 20-9-302,  
11 MCA."  
12

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

14 Section 1. Section 20-9-302, MCA, is amended to read:

15 "20-9-302. School isolation. (1) The trustees of any  
16 district operating an elementary school of less than 10 ANB  
17 or a high school of less than 25 ANB for 2 consecutive years  
18 shall annually apply to have the school classified as an  
19 isolated school. The application shall be submitted by the  
20 trustees to the county superintendent by May 1 each of the  
21 second consecutive year that enrollment falls below the  
22 amount specified in this subsection. Such application shall  
23 include:

24 (a) the name of each pupil who will attend the school  
25 during the ensuing school fiscal year with the distance the

1 pupil resides from the nearest county road or highway;

2 (b) a description of conditions affecting  
3 transportation such as poor roads, mountains, rivers, or  
4 other obstacles to travel, the distance the school is from  
5 the nearest open school having room and facilities for the  
6 pupils of such school, or any other condition that would  
7 result in an unusual hardship to the pupils of the school if  
8 they were transported to another school; and

9 (c) any other information prescribed by the  
10 superintendent of public instruction.

11 (2) The county superintendent shall submit the  
12 applications to the board of county commissioners (budget  
13 board) for their consideration on or before May 15. The  
14 budget board shall approve or disapprove the application on  
15 the basis of the criteria established by the superintendent  
16 of public instruction. The budget board also may approve an  
17 application because of the existence of other conditions  
18 which would result in an unusual hardship to the pupils of  
19 such school if they were transported to another school.

20 (3) When an application is approved, the county  
21 superintendent shall submit such application to the  
22 superintendent of public instruction before June 1. The  
23 superintendent of public instruction shall approve or  
24 disapprove such application for isolated classification by  
25 the fourth Monday of June on the basis of the information

-2-  
INTRODUCED BILL  
SB 456

LC 1444/01

1 supplied by the application or objective information the  
2 superintendent of public instruction may collect on his own  
3 initiative. No elementary or high school shall be considered  
4 an isolated school until the approval of the superintendent  
5 of public instruction has been received."

-End-

STATE OF MONTANA

REQUEST NO. 370-81

FISCAL NOTE

Form BD-15

In compliance with a written request received February 13, 19 81, there is hereby submitted a Fiscal Note for Senate Bill 456 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 continue the flow of State Equalization monies to non-isolated school districts the first year of their non-isolation.

Assumptions

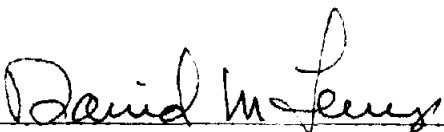
1. There are 16 non-isolated schools of less than 10 ANB. This figure will remain constant.
2. Eleven schools of less than 10 ANB closed last year. This figure remains constant.
3. The Foundation Program will remain the same.

Expenditure Impact

11 school districts x \$5,280.80 = \$58,088.80. \$58,000 each year of the biennium from the State General Fund.

Technical Note

Increases provided for foundation program support in the next biennium will increase the amount of General Fund required for financing this proposal.



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-18-81

Approved by Committee on Education

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2 INTRODUCED BY *Thayer Bob Brown*  
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LC 1444/01

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10 CLASSIFIED AS AN ISOLATED SCHOOL; AMENDING ~~SECTION~~ SECTIONS  
11 20-9-302 AND 20-9-303, MCA."

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 3 initiative. No elementary or high school shall be considered  
 4 an isolated school until the approval of the superintendent  
 5 of public instruction has been received."

6 SECTION 2. SECTION 20-9-303, MCA, IS AMENDED TO READ:

7 "20-9-303. Definition of foundation program and its  
 8 proportion of the maximum-general-fund-without-a-voted-levy  
 9 schedule amount -- nonisolated school foundation program  
 10 financing -- special education funds. (1) As used in this  
 11 title, the term "foundation program" shall mean the minimum  
 12 operating expenditures, as established herein, that are  
 13 sufficient to provide for the educational program of a  
 14 school. The foundation program relates only to those  
 15 expenditures authorized by a district's general fund budget  
 16 and shall not include expenditures from any other fund. It  
 17 shall be financed by:

18 (a) county equalization moneys;

19 (b) state equalization aid; and

20 (c) when required, moneys from an additional state  
 21 levy for a state deficiency.

22 (2) The dollar amount of the foundation program shall  
 23 be 80% of the maximum-general-fund-budget-without-a-voted-levy limitation  
 24 as set forth in the schedules in 20-9-316 through 20-9-321.  
 25

1 The foundation program of an elementary school having an ANB  
 2 of nine or fewer pupils for 2 consecutive years which is not  
 3 approved as an isolated school under the provisions of  
 4 20-9-302 shall be 80% of the schedule amount, but the county  
 5 and state shall participate in financing one-half of the  
 6 foundation program, and the district shall finance the  
 7 remaining one-half by a tax levied on the property of the  
 8 district. When a school of nine or fewer pupils is approved  
 9 as isolated under the provisions of 20-9-302, the county and  
 10 state shall participate in the financing of the total amount  
 11 of the foundation program.

12 (3) Funds provided to support the special education  
 13 accounting budget may be expended only for special education  
 14 purposes as approved by the superintendent of public  
 15 instruction in accordance with the special education  
 16 budgeting provisions of this title. Expenditures for special  
 17 education shall be accounted for separately from the balance  
 18 of the school district general fund. Transfers between items  
 19 within the special education budget for accounting purposes  
 20 may be made at the discretion of the board of trustees in  
 21 accordance with the financial administration part of this  
 22 title. The unexpended balance of the special education  
 23 accounting budget shall carry over to the next year to  
 24 reduce the amount of funding required to finance the  
 25 district's ensuing year's maximum-budget-without-a-vote for

SB 0456/02

1 special education."

-End-

HOUSE EDUCATION COMMITTEE AMENDMENTS TO SB 456  
March 9, 1981

1. Page 1, line 10.  
Following: "20-9-302"  
Insert: "and 20-9-303"

2. Page 3.  
Following: line 5  
Insert: "20-9-303. Definition of foundation program and its proportion of the maximum-general-fund-without-a-voted-levy schedule amount -- nonisolated school foundation program financing -- special education funds. (1) As used in this title, the term "foundation program" shall mean the minimum operating expenditures, as established herein, that are sufficient to provide for the educational program of a school. The foundation program relates only to those expenditures authorized by a district's general fund budget and shall not include expenditures from any other fund. It shall be financed by:

- (a) county equalization moneys;
- (b) state equalization aid; and
- (c) when required, moneys from an additional state levy for a state deficiency.

(2) The dollar amount of the foundation program shall be 80% of the maximum-general-fund-budget-without-a-voted-levy limitation as set forth in the schedules in 20-9-316 through 20-9-321. The foundation program of an elementary school having an ANB of nine or fewer pupils for two consecutive years which is not approved as an isolated school under the provisions of 20-9-302 shall be 80% of the schedule amount, but the county and state shall participate in financing one-half of the foundation program, and the district shall finance the remaining one-half by a tax levied on the property of the district. When a school of nine or fewer pupils is approved as isolated under the provisions of 20-9-302, the county and state shall participate in the financing of the total amount of the foundation program.

(3) Funds provided to support the special education accounting budget may be expended only for special education purposes as approved by the superintendent of public instruction in accordance with the special education budgeting provisions of this title. Expenditures for special education shall be accounted for separately from the balance of the school district general fund. Transfers between items within the special education budget for accounting purposes may be made at the discretion of the board of trustees in accordance with the financial administration part of this title. The unexpended balance of the special education accounting budget shall carry over to the next year to reduce the amount of funding required to finance the district's ensuing year's maximum-budget-without-a-vote for special education."

BE CONCURRED IN AS AMENDED