

Senate Bill 469

In The Senate

February 13, 1981

Introduced and referred  
to Committee on Education  
and Cultural Resources.

Fiscal note requested.

Fiscal note returned.

April 23, 1981

Died in Committee.

1 *Senate* BILL NO. *469*  
 2 INTRODUCED BY *STEVE BROWN*

3  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE SCHOOLBUS  
 5 TRANSPORTATION TO PUBLIC SCHOOL PUPILS RESIDING OVER 1 MILE  
 6 BUT WITHIN 3 MILES FROM A PUBLIC SCHOOL; TO PROVIDE FOR  
 7 REIMBURSEMENT OF SCHOOL DISTRICT TRANSPORTATION COSTS BY THE  
 8 COUNTY AND STATE; TO PROVIDE FOR PAYMENT FOR TRANSPORTATION  
 9 BY THE PUPILS' PARENTS OR GUARDIANS; TO PROVIDE FOR AN  
 10 INCREASED GASOLINE LICENSE TAX FOR STATE REIMBURSEMENT OF  
 11 TRANSPORTATION COSTS; AND AMENDING SECTIONS 15-70-101,  
 12 15-70-204, 15-70-205, AND 20-10-145, MCA."

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

15 NEW SECTION. Section 1. Petition for reduced mileage  
 16 transportation services -- appeal of decision.

17 (1) Upon petition by the parents or guardians of not  
 18 less than 50 public school pupils who reside at least 1 mile  
 19 from the public school which they attend and who would be  
 20 eligible transportees of the school district but for the  
 21 fact that they reside within 3 miles over the shortest  
 22 practical route from the nearest operating public elementary  
 23 or high school, the board of trustees of the district shall  
 24 hold a public hearing on the petition to determine whether  
 25 transportation will be provided by the district for such

1 pupils.

2 (2) A petition submitted to the board of trustees  
 3 under this section must include the names and ages of the  
 4 children for whom transportation is desired, the street  
 5 address of the parents or guardians of each child for whom  
 6 transportation is sought, the location of the school that  
 7 the children will attend, a description of the area proposed  
 8 to receive busing services, and a statement that the  
 9 petitioning parents or guardians agree to pay the  
 10 proportionate costs of busing service required of parents or  
 11 guardians under [section 2].

12 (3) If it appears from substantial evidence offered at  
 13 the hearing on the petition that the health, safety, or  
 14 welfare of the children of some or all of the petitioning  
 15 parents or guardians is endangered by the design, location,  
 16 or number of streets, paths, bridges, or other obstacles to  
 17 the children's safe passage to the school, the trustees  
 18 shall declare the petitioners' children eligible for reduced  
 19 mileage transportation.

20 (4) Upon refusal by the board of trustees, after a  
 21 hearing, to provide reduced mileage transportation under  
 22 this section, any petitioning parent or guardian may appeal  
 23 the decision of the trustees to the county superintendent  
 24 and thereafter to the superintendent of public instruction  
 25 under 20-3-210. The decision of the superintendent of

1 public instruction is subject to judicial review as provided  
2 in Title 2, chapter 4, part 7.

3 NEW SECTION. Section 2. Provision of reduced mileage  
4 transportation and payment for this transportation. (1) If  
5 it is finally determined by the trustees of a school  
6 district or on appeal that the petitioners' children are  
7 eligible for reduced mileage transportation under [section  
8 1], transportation shall be provided by the trustees on any  
9 schoolbus operated by the district for the purposes  
10 specified in 20-10-122(1) or on a schoolbus operated solely  
11 for the purpose of carrying reduced mileage transportees.

12 (2) Any district furnishing reduced mileage schoolbus  
13 transportation under this section is entitled to  
14 reimbursement from the state, the county in which the  
15 district is located, and the parents or guardians of any  
16 transportees furnished reduced mileage transportation at the  
17 rate provided in subsection (3). These rates may not limit  
18 the amount that a district may budget in its transportation  
19 fund budget in order to provide for the estimated and  
20 necessary cost of schoolbus transportation during the  
21 ensuing school fiscal year. Any vehicle, the operation of  
22 which is reimbursed under the rate provisions of this  
23 schedule provided in subsection (3), shall be a schoolbus,  
24 as defined by this title, driven by a qualified driver on a  
25 bus route approved by the county transportation committee

1 and the superintendent of public instruction.

2 (3) The rate of responsibility for payment or  
3 reimbursement per bus mile traveled shall be assumed by the  
4 state, county, school district, and the parents or guardians  
5 of the transportee according to the following schedule:

6 (a) state reimbursement, 60 cents;

7 (b) county reimbursement, 10 cents;

8 (c) district share, 10 cents;

9 (d) parents of transportee, remaining cost.

10 (4) If the district provides transportation on a bus  
11 used solely for the purpose of transporting transportees  
12 eligible only for reduced mileage transportation, the  
13 parents or guardians of the transportee are responsible for  
14 his proportionate share of the actual cost of bus miles  
15 traveled. If the district provides transportation on a bus  
16 used by other eligible or ineligible transportees, or both,  
17 the parents or guardians of a transportee eligible for  
18 reduced mileage transportation are responsible for his  
19 proportionate share of the actual cost of the bus miles that  
20 would be traveled over the shortest practical route from the  
21 nearest operating public elementary school or public high  
22 school, whichever the case may be, and the actual residence  
23 of the transportee when attending school.

24 (5) In all cases, payment of the district's charge to  
25 each transportee receiving reduced mileage transportation

1 shall be at the time and in the manner that the trustees  
2 determine.

3 ~~NEW SECTION.~~ Section 3. County reimbursement for  
4 reduced mileage transportation -- certification and payment.

5 (1) Any other provision of law notwithstanding, the county  
6 shall reimburse each school district for the cost to the  
7 district of reduced mileage transportation, in accordance  
8 with the schedule for reimbursement in [section 2], for  
9 transportation that is actually rendered by a district in  
10 accordance with the transportation law, board of public  
11 education transportation policy, and the transportation  
12 rules of the superintendent of public instruction.

13 (2) The trustees of each district providing reduced  
14 mileage transportation shall, at such times as they consider  
15 necessary but not less often than twice a year, cause to be  
16 certified to the county superintendent the total  
17 reimbursement for which the county is liable under  
18 subsection (1). The county superintendent shall apportion  
19 the elementary county transportation reimbursement for  
20 reduced mileage transportation from the proceeds of the  
21 county basic levy and the high school county transportation  
22 reimbursement for reduced mileage transportation from the  
23 proceeds of the county tax for high school transportation.  
24 The county superintendent shall order the county treasurer  
25 to make such apportionments in accordance with 20-9-212(2)

1 and after the receipt of the semiannual state transportation  
2 reimbursement payments.

3 Section 4. Section 20-10-145, MCA, is amended to read:

4 "20-10-145. State transportation reimbursement ==  
5 ~~reimbursement for reduced mileage transportation.~~ (1) Any  
6 district providing school bus transportation, ~~reduced~~  
7 ~~mileage transportation,~~ or individual transportation in  
8 accordance with the transportation law, board of public  
9 education transportation policy, and superintendent of  
10 public instruction transportation rules shall receive a  
11 state reimbursement of its transportation expenditures under  
12 the transportation reimbursement rate provisions of ~~[section~~  
13 ~~2]~~ or 20-10-141 and 20-10-142. The state transportation  
14 reimbursement shall not exceed one-third of the  
15 reimbursement amounts established in such sections or  
16 one-third of the district's transportation fund budget,  
17 whichever is smaller, and ~~for reduced mileage transportation~~  
18 ~~reimbursement, shall not exceed the rate provided in~~  
19 ~~[section 2]. Transportation reimbursement~~ shall be computed  
20 on the basis of the number of days the transportation  
21 services were actually rendered. In determining the amount  
22 of the state transportation ~~and reduced mileage~~  
23 ~~transportation~~ reimbursement, no amount claimed by a district  
24 shall be considered for reimbursement unless such amount has  
25 been paid in the regular manner provided for the payment of

1 other financial obligations of the district.

2 (2) Requests for the state transportation and reduced  
 3 mileage transportation reimbursement shall be made by each  
 4 district semiannually during the school fiscal year on the  
 5 claim forms and procedure promulgated by the superintendent  
 6 of public instruction. The claims for state transportation  
 7 and reduced mileage transportation reimbursements shall be  
 8 routed by the district to the county superintendent, who  
 9 after reviewing such claims shall send them to the  
 10 superintendent of public instruction. The superintendent of  
 11 public instruction shall establish the validity and accuracy  
 12 of the claims for the state transportation and reduced  
 13 mileage transportation reimbursements by determining their  
 14 compliance with the transportation law, board of public  
 15 education transportation policy, and the transportation  
 16 rules of the superintendent of public instruction. After  
 17 making any necessary adjustments to such claims, he shall  
 18 cause their payment by ordering a disbursement from the  
 19 state moneys appropriated by the legislature of the state of  
 20 Montana for the state transportation reimbursement and from  
 21 the state money deposited in the earmarked revenue fund for  
 22 the state reduced mileage transportation reimbursement. Such  
 23 payment of all the district's claims within one county shall  
 24 be made to the county treasurer of such county, and the  
 25 county superintendent shall apportion such payment in

1 accordance with the apportionment order supplied by the  
 2 superintendent of public instruction."

3 Section 5. Section 15-70-204, MCA, is amended to read:

4 "15-70-204. Gasoline license tax -- rate. (1) Every  
 5 distributor shall pay to the department of revenue a license  
 6 tax for the privilege of engaging in and carrying on  
 7 business in this state in an amount equal to the rates under  
 8 the following schedule:

9 (a) 1 cent for each gallon of aviation gasoline, which  
 10 shall be allocated to the department of community affairs as  
 11 provided by 67-1-301, as amended; and

12 (b) 8.5 cents for each gallon of all other gasoline  
 13 distributed by him within the state and upon which the  
 14 gasoline license tax has not been paid by any other  
 15 distributor, 0.5 cents of which shall be allocated to the  
 16 superintendent of public instruction in accordance with  
 17 20-10-145 and [section 6].

18 (2) Gasoline exported or sold for export out of the  
 19 state shall not be included in the measure of the  
 20 distributor's license tax.

21 (3) Gasohol shall be subject to gasoline license taxes  
 22 in accordance with the following schedule:

23 (a) beginning April 1, 1979, gasohol shall be taxed at  
 24 the rate of 2 cents per gallon;

25 (b) beginning April 1, 1985, gasohol shall be taxed at

1 the rate of 4 cents per gallon;

2 (c) beginning April 1, 1987, gasohol shall be taxed at  
3 the rate of 6 cents per gallon.

4 (4) If at any time the gasoline license tax is lower  
5 than the current applicable tax on gasohol, the lower tax  
6 rate shall be adopted for gasohol."

7 NEW SECTION. Section 6. Earmarked fund for state  
8 transportation reimbursement. There shall be deposited in  
9 the earmarked revenue fund to the credit of the  
10 superintendent of public instruction the proceeds of 0.5  
11 cent per gallon out of the amount per gallon of gasoline  
12 license tax imposed upon purchases of gasoline as provided  
13 in 15-70-204. Money so deposited shall be disbursed by the  
14 superintendent for the sole purpose of making reimbursements  
15 to school districts for the state's share of reduced mileage  
16 transportation costs.

17 Section 7. Section 15-70-101, MCA, is amended to read:

18 "15-70-101. Disposition of funds. ~~At~~ Except as  
19 provided in 15-70-204, all taxes, interest, and penalties  
20 collected under this chapter shall be turned over promptly  
21 to the state treasurer who shall place the same in the  
22 earmarked revenue fund to the credit of the department of  
23 highways, except those funds hereinbelow allocated to  
24 cities, towns, and counties, which funds shall be paid by  
25 the state treasurer directly to such cities, towns, and

1 counties.

2 (1) \$6,500,000 of the funds collected under this  
3 chapter shall be allocated each fiscal year on a monthly  
4 basis to the counties and incorporated cities and towns in  
5 Montana for construction, reconstruction, maintenance, and  
6 repair of rural roads and city or town streets and alleys,  
7 as provided in subsections (a) and (b) hereof:

8 (a) \$2,950,000 shall be divided among the various  
9 counties in the following manner:

10 (i) 40% in the ratio that the rural road mileage in  
11 each county, exclusive of the federal-aid interstate system  
12 and the federal-aid primary system, bears to the total rural  
13 road mileage in the state, exclusive of the federal-aid  
14 interstate system and the federal-aid primary system;

15 (ii) 40% in the ratio that the rural population in each  
16 county outside incorporated cities and towns bears to the  
17 total rural population in the state outside incorporated  
18 cities and towns;

19 (iii) 20% in the ratio that the land area of each  
20 county bears to the total land area of the state;

21 (b) \$3,550,000 shall be divided among the incorporated  
22 cities and towns in the following manner:

23 (i) 50% of the sum in the ratio that the population  
24 within the corporate limits of the city or town bears to the  
25 total population within corporate limits of all the cities

1 and towns in Montana;

2 (ii) 50% in the ratio that the city or town street and  
3 alley mileage, exclusive of the federal-aid interstate  
4 system and the federal-aid primary system, within corporate  
5 limits bears to the total street and alley mileage,  
6 exclusive of the federal-aid interstate system and  
7 federal-aid primary system, within the corporate limits of  
8 all cities and towns in Montana.

9 (2) All funds hereby allocated to counties, cities,  
10 and towns shall be used exclusively for the construction,  
11 reconstruction, maintenance, and repair of rural roads, city  
12 or town streets and alleys or for the share which such city,  
13 town, or county might otherwise expend for proportionate  
14 matching of federal funds allocated for the construction of  
15 roads or streets which are part of the federal-aid primary  
16 or secondary highway system or urban extensions thereto.

17 (3) Upon receipt of the allocation provided herein,  
18 the governing bodies of the recipient counties, cities, and  
19 towns shall inform the department of highways of the  
20 purposes for which the funds will be expended so that the  
21 county commissioners, the governing body, and the department  
22 of highways may coordinate the expenditure of public funds  
23 for road improvements.

24 (4) All funds hereby allocated to counties, cities,  
25 and towns shall be disbursed to the lowest responsible

1 bidder according to applicable bidding procedures followed  
2 in all cases where the contract for construction,  
3 reconstruction, maintenance, or repair is in excess of  
4 \$4,000.

5 (5) For the purposes of this section where  
6 distribution of funds is made on a basis related to  
7 population, the population shall be determined by the last  
8 preceding official federal census.

9 (6) For the purposes of this section where  
10 determination of mileage is necessary for distribution of  
11 funds, it shall be the responsibility of the cities, towns,  
12 and counties to furnish to the department of highways and  
13 state treasurer a yearly certified statement indicating the  
14 total mileage within their respective areas applicable to  
15 this chapter. All mileage submitted shall be subject to  
16 review and approval by the department of highways.

17 (7) None of the funds authorized by this section shall  
18 be used for the purchase of capital equipment."

19 Section 8. Section 15-70-205, MCA, is amended to read:  
20 "15-70-205. Distributor's statement and payment. (1)  
21 Each distributor shall, not later than the 25th day of each  
22 calendar month, render a true statement, duly signed, to the  
23 department of revenue of all gasoline distributed and  
24 received by him in this state during the preceding calendar  
25 month and containing such other information as the

1 department may reasonably require in order to administer the  
2 gasoline license tax law. The statement shall be accompanied  
3 by a payment in an amount equal to the tax imposed by  
4 15-70-204 less any refund credit issued under 15-70-226 and  
5 less 2% of the first 6 cents tax which shall be deducted by  
6 the distributor as an allowance for evaporation and other  
7 loss of gasoline distributed by such distributor; provided,  
8 however, that no such allowance shall be deducted from the 1  
9 cent tax on aviation gasoline or from the 0.5 cent tax  
10 allocated to the superintendent of public instruction.

11 (2) Any distributor engaged in or carrying on his  
12 business at more than one place or location in this state  
13 may include all such places of business in one statement."

14 Section 9. Codification instruction. Sections 1  
15 through 3 and section 6 are intended to be codified as an  
16 integral part of Title 20, chapter 10, and the provisions of  
17 Title 20 apply to sections 1 through 3 and section 6.

-End-



STATE OF MONTANA

REQUEST NO. 374-81

FISCAL NOTE

Form BD-15

In compliance with a written request received February 16, 19 81, there is hereby submitted a Fiscal Note for Senate Bill 469 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

An act to provide school bus transportation to public school pupils residing over one mile but within three miles of a public school; to provide for reimbursement of school district transportation costs by the county and state; to provide for payment for transportation by the pupils' parents or guardians; to provide for an increased gasoline tax for state reimbursement of transportation costs.

Assumptions

Revenue:

1. Gasoline license tax revenues - FY 1982 and 83 at \$35,000,000 per year.
2. Current tax rate - 9 cents per gallon
3. Proposed tax rate - 9.5 cents per gallon
4. Increase in revenues allocated to OSPI to reimburse transportation costs.
5. Parents of pupils will pay for costs incurred above the state, district and county share.

Expenditures:

1. 98,000 children live within the three mile zone around schools.
2. They are evenly distributed throughout this zone.
3. Therefore, 95,278 children live in the one to three mile area.
4. One half of these children will be transported (47,639).
5. This will require 1,000 - 62 passenger buses.
6. These buses will travel 24 miles per day.

Fiscal Impact	FY 1982			FY 1983		
	Under	Under	Increase	Under	Under	Increase
	Current	Proposed		Current	Proposed	
	Law	Law		Law	Law	
Gasoline Lic Tax	\$35,000,000	\$36,944,444	\$1,944,444	\$35,000,000	\$36,944,444	\$1,944,444
Parent Contr.	0	2,984,676	2,984,676	0	2,984,676	2,984,676
County Levy (high school)	0	168,480	168,480	0	168,480	168,480
<b>Total</b>	<b>\$35,000,000</b>	<b>\$40,097,600</b>	<b>\$5,097,600</b>	<b>\$35,000,000</b>	<b>\$40,097,600</b>	<b>\$5,097,600</b>

*David M. Lewis*  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: \_\_\_\_\_

	FY 1982			FY 1983		
	Under Current Law	Under Proposed Law	Increase	Under Current Law	Under Proposed Law	Increase
<b>Expenditures:</b>						
Cost of Service	\$ 0	\$5,529,500	\$5,529,500	\$ 0	\$5,529,500	\$5,529,500
<b>Funding:</b>						
State Gas Lic Tax	\$ 0	\$1,944,494	\$1,944,444	\$ 0	\$1,944,444	\$1,944,444
GF Equalization	0	431,900	431,900	0	431,900	431,900
Total State	\$ 0	\$2,376,344	\$2,376,344	\$ 0	\$2,376,344	\$2,376,344
<b>Local:</b>						
High School Levy Increase	\$ 0	\$ 168,480	\$ 168,480	\$ 0	\$ 168,480	\$ 168,480
Parent Contri.	0	2,984,676	2,984,676	0	2,984,676	2,984,676
Total Local	\$ 0	\$3,153,156	\$3,153,156	\$ 0	\$3,153,156	\$3,153,156
Total Funding	\$ 0	\$5,529,500	\$5,529,500	\$ 0	\$5,529,500	\$5,529,500

Comment

The reason General Fund of \$431,900 is needed each year stems from the elementary transportation share. This amount is calculated within the 25 mile basic county levy under the Foundation Program. When deducted, more state equalization funds are required.

No provision for equipment costs are included in this fiscal note.

Conclusion

With the revenue from the 1/2¢ gas tax and an average parent contribution of \$62.00, there would be a statewide impact of school budgets of \$600,000 per year.