

HOUSE BILL NO. 204

Introduced: 01/13/83

Referred to Committee on Education & Cultural Resources:
01/13/83

Hearing: 2/2/83

Died in Committee

Engine House BILL NO. *204* *William Zenge*
 INTRODUCED BY *Donald S. Lundy* *Thiff Schultz*
Michael Miller *Ernest Muehleisen* *Samuel*
Boyer *Woodstreet* *M. Hansen* *Mark Ramirez*
 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE THE MAXIMUM
 GENERAL FUND BUDGET SCHEDULES FOR ELEMENTARY SCHOOLS AND
 HIGH SCHOOLS; AMENDING SECTIONS 20-9-316 THROUGH 20-9-319,
 MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 20-9-316, MCA, is amended to read:

"20-9-316. Elementary school maximum budget schedule for 1981-82 ~~1983-84~~. (1) For each elementary school having an ANB of nine or fewer pupils, the maximum shall be ~~\$15,576~~ \$19,528 if said school is approved as an isolated school.

(2) For schools with an ANB of 10 pupils but less than 18 pupils, the maximum shall be ~~\$15,576~~ \$19,528 plus ~~\$651~~ \$816.10 per pupil on the basis of the average number belonging over nine.

(3) For schools with an ANB of 18 pupils and employing one teacher, the maximum shall be ~~\$21,438~~ \$26,872 plus ~~\$651~~ \$816.10 per pupil on the basis of the average number belonging over 18, not to exceed an ANB of 25.

(4) For schools with an ANB of 18 pupils and employing two full-time teachers, the maximum shall be ~~\$34,227~~ \$42,304 plus ~~\$467.70~~ \$511.10 per pupil on the basis of the average

number belonging over 18, not to exceed an ANB of 50.

(5) For schools having an ANB in excess of 40, the maximum on the basis of the total pupils (ANB) in the district for elementary pupils will be as follows:

(a) For a school having an ANB of more than 40 and employing a minimum of three teachers, the maximum of ~~\$17,513~~ \$1,826 shall be decreased at the rate of ~~\$1,47~~ \$1.84 for each additional pupil until the total number (ANB) shall have reached a total of 100 pupils.

(b) For a school having an ANB of more than 100 pupils, the maximum of ~~\$17,424~~ \$1,785 shall be decreased at the rate of ~~\$1,34~~ \$1.68 for each additional pupil until the ANB shall have reached 300 pupils.

(c) For a school having an ANB of more than 300 pupils, the maximum shall not exceed ~~\$17,156~~ \$1,442 for each pupil.

(6) The maximum per pupil for all pupils (ANB) and for all elementary schools shall be computed on the basis of the amount allowed herein on account of the last eligible pupil (ANB). All elementary schools operated within the incorporated limits of a city or town shall be treated as one school for the purpose of this schedule."

Section 2. Section 20-9-317, MCA, is amended to read:

"20-9-317. High school maximum budget schedule for 1981-82 ~~1983-84~~. (1) For each high school having an ANB of

24 or fewer pupils, the maximum shall be ~~\$66,755~~ \$111,252.

(2) For a secondary school having an ANB of more than 24 pupils, the maximum ~~\$5,698~~ \$4,635 shall be decreased at the rate of ~~\$28.17~~ \$25.28 for each additional pupil until the ANB shall have reached a total of 40 such pupils.

(3) For a school having an ANB of more than 40 pupils, the maximum of ~~\$9,575~~ \$4,231 shall be decreased at the rate of ~~\$28.17~~ \$25.28 for each additional pupil until the ANB shall have reached 100 pupils.

(4) For a school having an ANB of more than 100 pupils, a maximum of ~~\$2,165~~ \$2,714 shall be decreased at the rate of ~~\$9.37~~ \$4.23 for each additional pupil until the ANB shall have reached 200 pupils.

(5) For a school having an ANB of more than 200 pupils, the maximum of ~~\$1,828~~ \$2,291 shall be decreased by ~~\$1.85~~ \$2.32 for each additional pupil until the ANB shall have reached 300 pupils.

(6) For a school having an ANB of more than 300 pupils, the maximum of ~~\$1,642~~ \$2,052 shall be decreased at the rate of 34 33 cents until the ANB shall have reached 600 pupils.

(7) For a school having an ANB over 600 pupils, the maximum shall not exceed ~~\$1,548~~ \$1,930 per pupil.

(8) The maximum per pupil for all pupils (ANB) and for all high schools shall be computed on the basis of the

amount allowed herein on account of the last eligible pupil (ANB). All high schools and junior high schools which have been approved and accredited as junior high schools, operated within the incorporated limits of a city or town, shall be treated as one school for the purpose of this schedule."

Section 3. Section 20-9-318, MCA, is amended to read: "20-9-318. Elementary school maximum budget schedule for 1982-83 1984-85 and succeeding years. (1) For each elementary school having an ANB of nine or fewer pupils, the maximum shall be ~~\$17,915~~ \$21,285 if said school is approved as an isolated school.

(2) For schools with an ANB of 10 pupils but less than 18 pupils, the maximum shall be ~~\$17,915~~ \$21,285 plus ~~\$748.78~~ \$889.50 per pupil on the basis of the average number belonging over nine.

(3) For schools with an ANB of 18 pupils and employing one teacher, the maximum shall be ~~\$24,654~~ \$29,291 plus ~~\$748.78~~ \$889.50 per pupil on the basis of the average number belonging over 18, not to exceed an ANB of 25.

(4) For schools with an ANB of 18 pupils and employing two full-time teachers, the maximum shall be ~~\$29,961~~ \$46,765 plus ~~\$468.90~~ \$537.10 per pupil on the basis of the average number belonging over 18, not to exceed an ANB of 50.

(5) For schools having an ANB in excess of 40, the

maximum on the basis of the total pupils (ANB) in the district for elementary pupils will be as follows:

(a) For a school having an ANB of more than 40 and employing a minimum of three teachers, the maximum of \$1740 ~~\$2,067~~ shall be decreased at the rate of \$169 ~~\$2.01~~ for each additional pupil until the total number (ANB) shall have reached a total of 100 pupils.

(b) For a school having an ANB of more than 100 pupils, the maximum of \$1638 ~~\$1,949~~ shall be decreased at the rate of \$154 ~~\$1.84~~ for each additional pupil until the ANB shall have reached 300 pupils.

(c) For a school having an ANB of more than 300 pupils, the maximum shall not exceed \$1329 ~~\$1,579~~ for each pupil.

(6) The maximum per pupil for all pupils (ANB) and for all elementary schools shall be computed on the basis of the amount allowed herein on account of the last eligible pupil (ANB). All elementary schools operated within the incorporated limits of a city or town shall be treated as one school for the purpose of this schedule."

Section 4. Section 20-9-319, MCA, is amended to read: "20-9-319. High school maximum budget schedule for ~~1982-83 1984-85~~ and succeeding years. (1) For each high school having an ANB of 24 or fewer pupils, the maximum shall be \$102066 ~~\$121,264~~.

(2) For a secondary school having an ANB of more than 24 pupils, the maximum ~~\$4,255 \$1,053~~ shall be decreased at the rate of ~~\$23.19 \$27.56~~ for each additional pupil until the ANB shall have reached a total of 40 such pupils.

(3) For a school having an ANB of more than 40 pupils, the maximum of ~~\$3,882 \$4,612~~ shall be decreased at the rate of ~~\$23.19 \$27.26~~ for each additional pupil until the ANB shall have reached 100 pupils.

(4) For a school having an ANB of more than 100 pupils, a ~~the~~ maximum of ~~\$2,490 \$2,958~~ shall be decreased at the rate of ~~\$3.80 \$4.61~~ for each additional pupil until the ANB shall have reached 200 pupils.

(5) For a school having an ANB of more than 200 pupils, the maximum of ~~\$2,102 \$2,497~~ shall be decreased by ~~\$2.13 \$2.53~~ for each additional pupil until the ANB shall have reached 300 pupils.

(6) For a school having an ANB of more than 300 pupils, the maximum of ~~\$1,889 \$2,244~~ shall be decreased at the rate of ~~39 47~~ cents until the ANB shall have reached 600 pupils.

(7) For a school having an ANB over 600 pupils, the maximum shall not exceed \$1771 ~~\$2,104~~ per pupil.

(8) The maximum per pupil for all pupils (ANB) and for all high schools shall be computed on the basis of the amount allowed herein on account of the last eligible pupil

1 (ANB). All high schools and junior high schools which have
2 been approved and accredited as junior high schools,
3 operated within the incorporated limits of a city or town,
4 shall be treated as one school for the purpose of this
5 schedule."

6 ~~NEW SECTION~~ Section 5. Effective date. This act is
7 effective on passage and approval.

-End-

STATE OF MONTANA

REQUEST NO. 114-83

FISCAL NOTE

Form BD-15

In compliance with a written request received January 15, 19 83, there is hereby submitted a Fiscal Note for House Bill 204 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:

House Bill 204 increases the maximum general fund budget schedules for elementary and high schools by 9% in FY 84 and 9% in FY 85.


ASSUMPTIONS:

- 1) Excludes Special Education.
- 2) \$32 million of general fund left in the school equalization account in FY 1983.
- 3) Revenue generated as per OBPP estimates.
- 4) District share of permissive stable at 69.5% of revenues from 15-mill levy.
- 5) Excludes light vehicle fees and replacement funds.
- 6) ANB and taxable value change as follows:

	<u>FY 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
Elementary ANB	\$ 103,825	\$ 104,762	\$ 105,285
High School ANB	48,282	45,652	44,743
Tax Value (Billions)	\$ 2.205	\$ 2.253	\$ 2.352

FISCAL IMPACT:

		(Millions)	
	<u>FY 1984</u>	<u>FY 1985</u>	<u>Biennium Total</u>
Revenue:			
(No change under Proposed Legislation)			
County Equalization	\$ 86.699	\$ 90.270	\$ 176.969
State Equalization	110.240	119.115	229.355
District Share of Permissive	23.488	24.520	48.008
Account Balances Available	27.220	-0-	27.220
TOTAL NON-GENERAL FUND REVENUE	<u>\$ 247.647</u>	<u>\$ 233.905</u>	<u>\$ 481.552</u>

Continued


BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-20-83

FISCAL IMPACT (CONTINUED):

	(Millions)		Biennium
	<u>FY 1984</u>	<u>FY 1985</u>	<u>Total</u>
Expenditures:			
Maximum GF Budget Without a Vote			
Under Existing Law	\$ 249.894	\$ 248.868	\$ 498.762
Under Proposed Law	272.384	295.681	568.065
Increase	<u>\$ 22.490</u>	<u>\$ 46.813</u>	<u>\$ 69.303</u>
State General Fund Cost:			
Under Existing Law	\$ 2.247	\$ 14.963	\$ 17.210
Under Proposed Law	24.737	61.776	86.513
Increase	<u>\$ 22.490</u>	<u>\$ 46.813</u>	<u>\$ 69.303</u>

Under the proposed bill, \$86,513,000 in general fund money will have to be appropriated to finance public school schedules.

COMMENT:

If the light vehicle fee replacement funding is approved, there will be approximately \$16.541 million more in county equalization and district share of the permissive amount. This would reduce the amount of state general fund required.

Despite anticipated increases in taxable valuation, district permissive amounts do not increase proportionally. This is caused by the concentration of valuation growth in several oil producing counties. This was not factored into our original estimates of district permissive growth.

FISCAL NOTE 5:T/2