

HOUSE BILL NO. 590

Introduced: 01/31/83

Referred to Committee on Education & Cultural Resources:
01/31/83

Hearing: 2/2/83

Report: 3/15/83, Do Pass

Rereferred to Committee on Education & Cultural Resources:
03/17/83

Died in Committee

1 House BILL NO. 590
 2 INTRODUCED BY Thuman
 3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE THE
 5 ELEMENTARY AND HIGH SCHOOL DISTRICT MAXIMUM BUDGET
 6 SCHEDULES; AMENDING SECTIONS 20-9-316 THROUGH 20-9-319, MCA;
 7 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

8
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 10 Section 1. Section 20-9-316, MCA, is amended to read:
 11 "20-9-316. Elementary school maximum budget schedule
 12 for ~~1981-82 1983-84~~. (1) For each elementary school having
 13 an ANB of nine or fewer pupils, the maximum shall be ~~\$15,578~~
 14 ~~\$18,627~~ if said school is approved as an isolated school.
 15 (2) For schools with an ANB of 10 pupils but less than
 16 18 pupils, the maximum shall be ~~\$15,578~~ ~~\$18,627~~ plus ~~\$651~~
 17 ~~\$778.50~~ per pupil on the basis of the average number
 18 belonging over nine.
 19 (3) For schools with an ANB of 18 pupils and employing
 20 one teacher, the maximum shall be ~~\$21,438~~ ~~\$25,634~~ plus ~~\$651~~
 21 ~~\$778.50~~ per pupil on the basis of the average number
 22 belonging over 18, not to exceed an ANB of 25.
 23 (4) For schools with an ANB of 18 pupils and employing
 24 two full-time teachers, the maximum shall be ~~\$34,227~~ ~~\$40,226~~
 25 plus ~~\$407.70~~ ~~\$487.50~~ per pupil on the basis of the average

1 number belonging over 18, not to exceed an ANB of 50.
 2 (5) For schools having an ANB in excess of 40, the
 3 maximum on the basis of the total pupils (ANB) in the
 4 district for elementary pupils will be as follows:
 5 (a) For a school having an ANB of more than 40 and
 6 employing a minimum of three teachers, the maximum of ~~\$1,513~~
 7 ~~\$1,809~~ shall be decreased at the rate of ~~\$1.47~~ ~~\$1.76~~ for
 8 each additional pupil until the total number (ANB) shall
 9 have reached a total of 100 pupils.
 10 (b) For a school having an ANB of more than 100
 11 pupils, the maximum of ~~\$1,424~~ ~~\$1,703~~ shall be decreased at
 12 the rate of ~~\$1.34~~ ~~\$1.61~~ for each additional pupil until the
 13 ANB shall have reached 300 pupils.
 14 (c) For a school having an ANB of more than 300
 15 pupils, the maximum shall not exceed ~~\$1,156~~ ~~\$1,382~~ for each
 16 pupil.
 17 (6) The maximum per pupil for all pupils (ANB) and for
 18 all elementary schools shall be computed on the basis of the
 19 amount allowed herein on account of the last eligible pupil
 20 (ANB). All elementary schools operated within the
 21 incorporated limits of a city or town shall be treated as
 22 one school for the purpose of this schedule."
 23 Section 2. Section 20-9-317, MCA, is amended to read:
 24 "20-9-317. High school maximum budget schedule for
 25 ~~1981-82 1983-84~~. (1) For each high school having an ANB of

24 or fewer pupils, the maximum shall be ~~\$88,753~~ \$106,155.

(2) For a secondary school having an ANB of more than 24 pupils, the maximum ~~\$3,698~~ \$4,423 shall be decreased at the rate of ~~\$20.17~~ \$24.12 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 ~~\$3,375~~ \$4,037 shall be decreased at the rate of ~~\$20.17~~ \$24.12 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~~ \$2,520 shall be decreased at the rate of ~~\$3.37~~ \$4.04 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 ~~\$1,028~~ \$2,186 shall be decreased by ~~\$1.05~~ \$2.22 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~~ \$1,964 shall be decreased at the rate of 34.41 cents until the ANB shall have reached 600 pupils.

(7) For a school having an ANB over 600 pupils, the maximum shall not exceed ~~\$1,540~~ \$1,842 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. ~~For 1984-85 and succeeding school years, the elementary school maximum budget schedule is as follows:~~

(1) For each elementary school having an ANB of nine or fewer pupils, the maximum shall be ~~\$17,915~~ \$19,186 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~~ \$19,186 plus ~~\$748.70~~ \$801.80 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~~ \$26,403 plus ~~\$748.70~~ \$801.80 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 ~~\$39,361~~ \$42,154 plus ~~\$468.90~~ \$502.10 per pupil on the basis of the average

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

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

5 (a) For a school having an ANB of more than 40 and
6 employing a minimum of three teachers, the maximum of \$17740
7 \$1863 shall be decreased at the rate of \$169 \$181 for
8 each additional pupil until the total number (ANB) shall
9 have reached a total of 100 pupils.

10 (b) For a school having an ANB of more than 100
11 pupils, the maximum of \$17630 \$1754 shall be decreased at
12 the rate of \$154 \$165 for each additional pupil until the
13 ANB shall have reached 300 pupils.

14 (c) For a school having an ANB of more than 300
15 pupils, the maximum shall not exceed \$17329 \$1424 for each
16 pupil.

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

23 Section 4. Section 20-9-319, MCA, is amended to read:

24 "20-9-319. High school maximum budget schedule for
25 1982-83 1984-85 and succeeding years. For 1984-85 and

1 succeeding school years, the high school maximum budget
2 schedule is as follows:

3 (1) For each high school having an ANB of 24 or fewer
4 pupils, the maximum shall be \$1027066 \$102,340.

5 (2) For a secondary school having an ANB of more than
6 24 pupils, the maximum \$47253 \$4,554 shall be decreased at
7 the rate of \$23719 \$24,85 for each additional pupil until
8 the ANB shall have reached a total of 40 such pupils.

9 (3) For a school having an ANB of more than 40 pupils,
10 the maximum of \$37002 \$4158 shall be decreased at the rate
11 of \$23719 \$24,85 for each additional pupil until the ANB
12 shall have reached 100 pupils.

13 (4) For a school having an ANB of more than 100
14 pupils, the maximum of \$27490 \$2,667 shall be decreased at
15 the rate of \$3700 \$4,16 for each additional pupil until the
16 ANB shall have reached 200 pupils.

17 (5) For a school having an ANB of more than 200
18 pupils, the maximum of \$27182 \$2,252 shall be decreased by
19 \$2713 \$2,28 for each additional pupil until the ANB shall
20 have reached 300 pupils.

21 (6) For a school having an ANB of more than 300
22 pupils, the maximum of \$17809 \$2,023 shall be decreased at
23 the rate of 39 42 cents until the ANB shall have reached 600
24 pupils.

25 (7) For a school having an ANB over 600 pupils, the

1 maximum shall not exceed ~~\$1,771~~ \$1,897 per pupil.

2 (8) The maximum per pupil for all pupils (ANB) and for
3 all high schools shall be computed on the basis of the
4 amount allowed herein on account of the last eligible pupil
5 (ANB). All high schools and junior high schools which have
6 been approved and accredited as junior high schools,
7 operated within the incorporated limits of a city or town,
8 shall be treated as one school for the purpose of this
9 schedule."

10 NEW SECTION. Section 5. Effective date. This act is
11 effective on passage and approval.

-End-

STATE OF MONTANA

REQUEST NO. 478-83

FISCAL NOTE

Form BD-15

In compliance with a written request received February 17, 19 83, there is hereby submitted a Fiscal Note for House Bill 590 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 590 increases maximum general fund budget schedules for elementary and high schools by 4% in FY 1984 and 3% in FY 1985.

ASSUMPTIONS:

- 1) Excludes special education.
- 2) \$32 million of general fund left in school equalization account in FY 1983.
- 3) Revenue generated per revised Office of Budget and Program Planning estimates (February 1, 1983).
- 4) District share of permissive stable at 69.5% of revenues from the 15 mill levy.
- 5) Includes light vehicle fees and replacement funds.
- 6) ANB and taxable value as follows:

	FY83	FY84	FY85
Elementary ANB	103,825	104,619	105,176
High School NB	48,282	46,225	45,098
Taxable Valuation	\$ 2.2050	\$ 2.2460	\$ 2.3000
(Billions of \$)			

FISCAL IMPACT:

	<u>MILLIONS</u>		<u>TOTAL</u>
	<u>FY84</u>	<u>FY85</u>	<u>BIENNIUM</u>
<u>Revenue</u>			
(No change under proposed legislation)			
County Equalization*	\$ 91.410	\$ 93.348	\$184.758
State Equalization	110.713	120.187	230.900
District Share of Permissive*	24.471	25.031	49.502
Account Balances Available	31.207	-0-	31.207
Total Non Gen. Fund Revenue	<u>\$257.801</u>	<u>\$238.566</u>	\$ <u>496.367</u>

*Includes light vehicle replacement.

(Continued)

David M. Lee

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-20-83

Expenditure:

(MILLIONS)

Maximum GF Budget Without a Vote

Under Current Law	\$ 250.822	\$ 249.413	\$ 500.235
Under Proposed Law	260.855	267.171	528.026
Estimated Increase	<u>\$ 10.033</u>	<u>\$ 17.758</u>	<u>\$ 27.791</u>

State General Fund Cost

Under Current Law	\$ -0-	\$ 3.868	\$ 3.868
Under Proposed Law	3.054	28.605	31.659
Estimated Increase	<u>\$ 3.054</u>	<u>\$ 24.737</u>	<u>\$ 27.791</u>

Under the proposed law, \$31.054 million in general fund money will be required to finance public school funding schedules.

COMMENT:

Unlike the fiscal note on House Bill 204, this note includes revenue from the light vehicle replacement fund.

LONG TERM EFFECT:

Because this bill increases public school base funding, the effect on future funding is important. The following chart shows the dollar growth between the 84-85 biennium (at 4% to 3%) and the projected cost in FY 1986-87 at 0% to 0%.

	MILLION	
Proposed Cost of 4% to 3%	1984 - \$260.855	1985 - \$267.171
0% off of the 4%-3% base	1986 - <u>286.170</u>	1987 - <u>270.781</u>
Increase	<u>\$ 7.315</u>	<u>\$ 3.610</u>

If this legislation is enacted, the cost of the same 1985 schedule in FY 1986 and 1987 will be \$10.925 million more than the proposed 4% schedules in 84 and 3% schedules in 85.

FISCAL NOTE 16: T/2

HB590

App. by comm. on education
and cultural resources

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14 ~~\$18,621~~ if said school is approved as an isolated school.
15 (2) For schools with an ANB of 10 pupils but less than
16 18 pupils, the maximum shall be ~~\$15,576~~ ~~\$18,621~~ plus ~~\$651~~
17 ~~\$778.50~~ per pupil on the basis of the average number
18 belonging over nine.
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24 two full-time teachers, the maximum shall be ~~\$34,227~~ ~~\$40,926~~
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(5) For a school having an ANB of more than 200 pupils, the maximum of ~~\$17,028~~ \$2,186 shall be decreased by ~~\$4.85~~ \$2.22 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 ~~\$17,642~~ \$1,264 shall be decreased at the rate of 34 1 cents until the ANB shall have reached 600 pupils.

(7) For a school having an ANB over 600 pupils, the maximum shall not exceed ~~\$17,540~~ \$1,242 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."

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(4) For schools with an ANB of 18 pupils and employing two full-time teachers, the maximum shall be ~~\$39,364~~ \$42,154 plus ~~\$468.90~~ \$502.10 per pupil on the basis of the average

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6 employing a minimum of three teachers, the maximum of \$1740
7 \$1863 shall be decreased at the rate of \$169 \$181 for
8 each additional pupil until the total number (ANB) shall
9 have reached a total of 100 pupils.

10 (b) For a school having an ANB of more than 100
11 pupils, the maximum of \$1630 \$1751 shall be decreased at
12 the rate of \$154 \$165 for each additional pupil until the
13 ANB shall have reached 300 pupils.

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15 pupils, the maximum shall not exceed \$1329 \$1424 for each
16 pupil.

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18 all elementary schools shall be computed on the basis of the
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25 1982-83 1984-85 and succeeding years. For 1984-85 and

1 succeeding school years, the high school maximum budget
2 schedule is as follows:

3 (1) For each high school having an ANB of 24 or fewer
4 pupils, the maximum shall be \$102066 \$102140.

5 (2) For a secondary school having an ANB of more than
6 24 pupils, the maximum \$4253 \$4556 shall be decreased at
7 the rate of \$2319 \$2485 for each additional pupil until
8 the ANB shall have reached a total of 40 such pupils.

9 (3) For a school having an ANB of more than 40 pupils,
10 the maximum of \$3082 \$4158 shall be decreased at the rate
11 of \$2319 \$2485 for each additional pupil until the ANB
12 shall have reached 100 pupils.

13 (4) For a school having an ANB of more than 100
14 pupils, the maximum of \$27498 \$2667 shall be decreased at
15 the rate of \$388 \$416 for each additional pupil until the
16 ANB shall have reached 200 pupils.

17 (5) For a school having an ANB of more than 200
18 pupils, the maximum of \$2782 \$2252 shall be decreased by
19 \$219 \$228 for each additional pupil until the ANB shall
20 have reached 300 pupils.

21 (6) For a school having an ANB of more than 300
22 pupils, the maximum of \$17889 \$2023 shall be decreased at
23 the rate of 39 42 cents until the ANB shall have reached 600
24 pupils.

25 (7) For a school having an ANB over 600 pupils, the

1 maximum shall not exceed ~~\$1,771~~ \$1,897 per pupil.

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9 schedule."

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

-End-