

HOUSE BILL NO. 129

1/10 Introduced  
1/10 Referred to Education & Cultural Resources  
1/16 Fiscal Note Requested  
1/21 Hearing  
1/24 Committee Report-Bill Do Pass  
1/24 Fiscal Note Received  
1/26 2nd Reading Do Not Pass  
1/16 Bill Killed

1                    HOUSE BILL NO. 129  
2    INTRODUCED BY Kitselman

3  
4    A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING EQUAL SHARING  
5    OF 10 PERCENT OF THE INCOME FROM THE LOCAL IMPACT AND  
6    EDUCATION TRUST FUND ACCOUNT BY POSTSECONDARY  
7    VOCATIONAL-TECHNICAL CENTERS AND ADULT BASIC EDUCATION  
8    PROGRAMS; AMENDING SECTION 90-6-211, MCA."

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

11        Section 1. Section 90-6-211, MCA, is amended to read:  
12        "90-6-211. Disposition of interest from unexpended  
13    balance. The unexpended balance in the local impact and  
14    education trust fund account shall be invested as provided  
15    by statute by the board of investments. Of the income from  
16    such investments each year 10% shall be paid into the state  
17    special revenue fund for use by the superintendent of public  
18    instruction for purposes of the postsecondary  
19    vocational-technical centers and adult basic education  
20    programs in the state, subject to the budgeting authority of  
21    the legislature. Within the account under 20-9-513, the  
22    revenue ~~is~~ must be equally shared between the postsecondary  
23    vocational-technical centers and the adult basic education  
24    programs. Of the remaining 90% of the income from such  
25    investments, three-fourths shall be annually paid into the

1    state special revenue fund for state equalization aid to  
2    public schools of the state and one-fourth each year shall  
3    be paid to the board of regents of higher education for use  
4    by the institutions of higher learning in the state, subject  
5    to the budgeting authority of the legislature. Except as  
6    provided in 90-6-205(4), the principal of the local impact  
7    and educational trust fund shall be dedicated to education  
8    and forever remain inviolate and sacred to this purpose as  
9    provided in sections 3 and 10 of Article X of the Montana  
10    constitution."

-End-



-2-            INTRODUCED BILL  
                  HB 129

## STATE OF MONTANA

REQUEST NO. FNN 112-85

## FISCAL NOTE

Form BD-15

In compliance with a written request received January 18 19 85, there is hereby submitted a Fiscal Note for H.B. 129 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 129 would require that postsecondary Vocational-Technical Centers and Adult Basic Education Programs share equally 10% of the income from the local impact and education trust fund account.

ASSUMPTIONS:

1. Vocational Technical Centers and Adult Basic Education programs will have available to them 10% of the local impact and education trust fund interest earnings. (FY 1986 = \$1,009,000) (FY 1987 = \$1,102,000)
2. Vocational Technical Centers and the Adult Basic Education programs will share equally the funds available.
3. State funding for Adult Basic Education assistance will continue to be solely from local impact funds.
4. State funding for Vo-Techs will continue to have General Fund as the final source of revenue.

FISCAL IMPACT:

Expenditures:	<u>FY 1986</u>		<u>FY 1987</u>	
	<u>Vo-Techs</u>	<u>ABE</u>	<u>Vo-Techs</u>	<u>ABE</u>
Local Assistance				
Current Law	\$856,745	\$152,255	\$946,700	\$155,300
Proposed Law	504,500	504,500	551,000	551,000
Change	<u>(\$352,245)</u>	<u>\$352,245</u>	<u>(\$395,700)</u>	<u>\$395,700</u>
General Fund				
Increase Required	<u>\$352,245</u>	<u>\$ 0</u>	<u>\$395,700</u>	<u>\$ 0</u>

*David L. Hunter*

BUDGET DIRECTOR  
Office of Budget and Program Planning

Date: JAN 24, 1985

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AFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

1. Less local monies would be required to finance adult basic education.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Vocational Technical Centers would increase their dependence on state general fund appropriations for funding programs.

TECHNICAL OR MECHANICAL DEFECTS OR CONFLICTS WITH EXISTING LEGISLATION:

N/A

APPROVED BY COMM. ON EDUCATION AND CULTURAL RESOURCES

HOUSE BILL NO. 129

INTRODUCED BY Kitsebaum

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING EQUAL SHARING OF 10 PERCENT OF THE INCOME FROM THE LOCAL IMPACT AND EDUCATION TRUST FUND ACCOUNT BY POSTSECONDARY VOCATIONAL-TECHNICAL CENTERS AND ADULT BASIC EDUCATION PROGRAMS; AMENDING SECTION 90-6-211, MCA."

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

Section 1. Section 90-6-211, MCA, is amended to read:

"90-6-211. Disposition of interest from unexpended balance. The unexpended balance in the local impact and education trust fund account shall be invested as provided by statute by the board of investments. Of the income from such investments each year 10% shall be paid into the state special revenue fund for use by the superintendent of public instruction for purposes of the postsecondary vocational-technical centers and adult basic education programs in the state, subject to the budgeting authority of the legislature. Within the account under 20-9-513, the revenue is must be equally shared between the postsecondary vocational-technical centers and the adult basic education programs. Of the remaining 90% of the income from such investments, three-fourths shall be annually paid into the

state special revenue fund for state equalization aid to public schools of the state and one-fourth each year shall be paid to the board of regents of higher education for use by the institutions of higher learning in the state, subject to the budgeting authority of the legislature. Except as provided in 90-6-205(4), the principal of the local impact and educational trust fund shall be dedicated to education and forever remain inviolate and sacred to this purpose as provided in sections 3 and 10 of Article X of the Montana constitution."

-End-



-2- SECOND READING  
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