

HOUSE BILL NO. 192

1/15 Introduced
1/15 Referred to Education & Cultural Resources
1/16 Fiscal Note Requested
1/23 Hearing
1/23 Fiscal Note Received
1/28 Adverse Committee Report
1/29 Bill Killed

1 HOUSE BILL NO. 192
2 INTRODUCED BY Alamy M. Hays

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT ANY
5 TUITION OBLIGATION FOR AN ELEMENTARY SCHOOL PUPIL ATTENDING
6 SCHOOL OUTSIDE THE COUNTY OF RESIDENCE BE FINANCED BY THE
7 BASIC COUNTY TAX FOR ELEMENTARY SCHOOLS; AMENDING SECTIONS
8 20-5-307 AND 20-9-334, MCA."
9

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

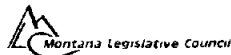
11 Section 1. Section 20-5-307, MCA, is amended to read:

12 "20-5-307. Budgeting, levy requirement, and paying
13 elementary tuition. (1) (a) The For a pupil attending an
14 elementary school outside the district of residence but
15 within the county of residence, the tuition amount that has
16 been established in 20-5-305 shall be paid during the
17 ensuing school fiscal year. The trustees of the elementary
18 district shall include such amount in the tuition fund of
19 the preliminary budget. If the trustees should fail to
20 include such amount or any portion of it in the preliminary
21 budget, they shall adjust the budgeted amount in adopting
22 the final budget to provide for the total tuition amount
23 that is due during the ensuing school fiscal year. Such
24 adjustment shall not be subject to the budget adjustment
25 provisions of 20-9-132.

1 ~~†2†~~(b) The county superintendent shall report the net
2 tuition fund levy requirement for each elementary district
3 to the county commissioners on the second Monday of August,
4 and a levy on the district shall be made by the county
5 commissioners in accordance with 20-9-142. Such levy
6 requirement shall be calculated by subtracting from the
7 total expenditure amount authorized in the final tuition
8 fund budget the sum of the cash balance in the tuition fund
9 at the end of the immediately preceding school fiscal year
10 plus any other anticipated moneys that may be realized in
11 the tuition fund.

12 ~~†3†~~(c) The trustees shall pay by warrants drawn on the
13 tuition fund the tuition amounts owed to each district
14 included in the county superintendent's notification
15 provided under the provisions of 20-5-305. Such payments
16 shall be made whenever there is a sufficient amount of cash
17 available in the tuition fund but no later than the end of
18 the school fiscal year for which the budget was adopted.

19 (2) For a pupil attending an elementary school outside
20 the county of residence, the total amount of the elementary
21 tuition must be financed by the basic county tax for
22 elementary schools as provided in 20-9-334. In December the
23 county superintendent shall cause the payment by county
24 warrant of at least one-half of the elementary tuition
25 obligations established under this subsection out of the



1 first money realized from the basic county tax for
 2 elementary schools. The remaining obligations must be paid
 3 by June 1 of the school fiscal year. The payments must be
 4 made to the county treasurer of the county in which each
 5 elementary school entitled to tuition is located. The county
 6 treasurer shall credit the tuition receipts to the general
 7 fund of the applicable elementary school district, and the
 8 tuition receipts must be used in accordance with the
 9 provisions of 20-9-141."

10 Section 2. Section 20-9-334, MCA, is amended to read:

11 "20-9-334. Apportionment of county equalization moneys
 12 by county superintendent. The county superintendent shall
 13 separately apportion the revenues deposited in the basic
 14 county tax account and the revenues deposited in the basic
 15 special tax for high schools account to the several
 16 districts of the county on a quarterly basis. The
 17 apportionments shall be known as "county equalization
 18 moneys". Before the county superintendent makes the
 19 quarterly apportionments, he shall:

20 (1) deduct from the revenues available in the basic
 21 county tax account the amount required for the quarter to
 22 pay the county's obligation for elementary transportation
 23 reimbursements and the county's obligation for elementary
 24 out-of-county tuition; and

25 (2) deduct from the revenues available in the basic

1 special tax for high schools account the amount required for
 2 the quarter to pay the county's obligation for high school
 3 out-of-county tuition."

-End-

STATE OF MONTANA

FISCAL NOTE

REQUEST NO. FNN 121-85Form BD-15

In compliance with a written request received January 16, 19 85, there is hereby submitted a Fiscal Note for H.B. 192 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 192 is an act to finance an elementary school pupil's tuition for attending school outside his/her county of residence from the basic county tax for elementary schools.

ASSUMPTIONS:

1. Presently counties do not report out-of-county tuition costs separately in their report to the state of total tuition costs for the county.
2. Most elementary tuition is within the county.
3. One can assume a probable 10-20% of tuition costs to be out-of-county tuition.
4. Currently some elementary districts do not charge tuition.
5. If the county tax for elementary schools becomes available, it may be assumed that school districts would charge tuition. The number of districts affected is not known at this time.
6. Revenue estimates from the county tax levies of 28 mills for elementary schools for FY 86 and FY 87 are \$67,124,708 and \$68,456,892 respectively. This is a portion of the mandatory 45 mill levy that is a revenue source to the foundation and permissive program.
7. The approximate total elementary district tuition budget is \$1,105,530 for school year 1982-3.

FISCAL IMPACT:

<u>Expenditures:</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>Total Biennium</u>
Current Law-local assistance	-0-	-0-	-0-
Proposed Law-local assistance	\$ 221,105	\$ 229,949	\$ 451,054
Change	\$ 221,105	\$ 229,949	\$ 451,054
<u>Revenues:</u>			
Current Law-Element. 28 mills	\$67,124,708	\$68,456,892	\$135,581,600
Proposed Law- " " "	66,903,603	68,226,943	135,130,546
Change	(\$221,105)	(\$229,949)	(\$451,054)
<u>General Fund Cost</u>	\$ 221,105	\$ 229,949	\$ 451,054

David L. Hunter

BUDGET DIRECTOR
Office of Budget and Program Planning

Date: Jan 22, 1985

FN2:H/1

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FISCAL IMPACT: (continued)

As illustrated above, county expenditures under the proposed law would increase by \$221,105 and \$229,949 respectively for fiscal year 1986 and 1987 thereby reducing the revenue from the elementary 28 mills by a like amount. These are moneys that would normally be distributed to elementary school districts to help fund their respective foundation program costs.

A General Fund appropriation would have to be made in the above amounts because most Montana school districts levy their maximum permissive limit.

AFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

Local school districts would receive \$451,054 more from the foundation program.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The General Fund cost would be a long term committment.

TECHNICAL OR MECHANICAL DEFECTS OR CONFLICTS WITH EXISTING LEGISLATION:

N/A.