

HOUSE BILL NO. 669

2/05 Introduced
2/05 Referred to Appropriations
3/08 Hearing
3/14 Hearing
Died in Committee

1 HOUSE BILL NO. 669
2 INTRODUCED BY Stanley Blaylock Bob Brown Paul
3 BY REQUEST OF THE GOVERNOR
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING AN
6 EXCELLENCE IN EDUCATION PROGRAM; PROVIDING A FUNDING SOURCE
7 FROM THE COAL SEVERANCE TAX; PROVIDING AN APPROPRIATION;
8 AMENDING SECTIONS 15-35-108, 20-2-121, AND 90-6-205, MCA;
9 AND PROVIDING AN APPLICABILITY DATE AND AN IMMEDIATE
10 EFFECTIVE DATE."
11

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

13 NEW SECTION. Section 1. Short title. [Sections 1
14 through 5] may be cited as the "Excellence in Education Act
15 of 1985".

16 NEW SECTION. Section 2. Declaration of necessity and
17 purpose. (1) The Montana legislature recognizes that while
18 Montanans have confidence in their public school system,
19 they also feel improvements are needed. The legislature
20 feels that Montana cannot afford to adopt expensive
21 proposals of unproven effectiveness and that the board of
22 public education must pursue policies with high potential
23 for improvement in educational quality.

24 (2) The purpose of the excellence in education program
25 is to evaluate potential improvements in education through

1 pilot programs in Montana schools in order for the board of
2 public education to make policies based on sound educational
3 and financial information. It is also meant to improve
4 education through a scholarship and loan program that will
5 attract and retain highly qualified teachers in the public
6 school system.

7 NEW SECTION. Section 3. Excellence in education
8 program to improve educational quality -- compliance with
9 board policy -- funding. (1) The board of public education
10 shall:

11 (a) establish a program for excellence in education
12 that consists of pilot programs and a scholarship and loan
13 program to enable public school districts and state
14 educational policymakers to evaluate potential improvements
15 in Montana's education system and to attract and retain
16 high-ability students in the public school teaching
17 profession;

18 (b) adopt rules for applications provided for under
19 [section 4] that include but are not limited to criteria for
20 judging applications, deadlines for application submittal,
21 and expenditure restrictions for the pilot programs and for
22 the scholarship and loan program;

23 (c) approve or disapprove projects, scholarships, and
24 loans;

25 (d) give preference to pilot projects in which the

1 applicant makes a commitment to provide financial assistance
2 to the project;

3 (e) require and review financial and program reports
4 from approved projects, scholarships, and loans; and

5 (f) evaluate the results and usefulness of the
6 approved pilot programs and scholarship and loan program and
7 their applicability to school districts and general
8 educational policy in the state.

9 (2) The conduct of the pilot programs and scholarship
10 and loan program to improve educational quality must be
11 administered by the superintendent of public instruction in
12 compliance with policies adopted by the board of public
13 education. The superintendent of public instruction shall:

14 (a) disseminate information to school districts about
15 the pilot, scholarship, and loan programs;

16 (b) recommend application procedures;

17 (c) design evaluation procedures;

18 (d) provide technical assistance to school districts
19 for applications, eligibility standards, and project
20 management; and

21 (e) disburse funds and keep financial records.

22 (3) Pilot programs, scholarships, and loans approved
23 by the board of public education must be funded by money
24 appropriated to the superintendent for that purpose from
25 money available in accordance with 15-35-108.

1 (4) The board of public education and the
2 superintendent of public instruction may deduct reasonable
3 costs of administration from the funds appropriated for the
4 purposes of [sections 1 through 5]. The costs may not exceed
5 5% of the money available to the excellence in education
6 program in any fiscal year.

7 NEW SECTION. Section 4. School district to identify
8 and conduct pilot programs to improve educational quality --
9 application for funding. (1) A school district may identify
10 and conduct a pilot program aimed at identifying and testing
11 potential public school improvement measures.

12 (2) A school district, on behalf of one or more
13 teachers, administrators, or school districts, may apply for
14 pilot program funding to the board of public education on
15 application forms provided by the superintendent for that
16 purpose.

17 NEW SECTION. Section 5. Accounts established.
18 (1) There is within the state special revenue fund an
19 excellence in education fund account. Money is payable into
20 this account under 15-35-108. The state treasurer shall draw
21 warrants from this account upon order of the board of public
22 education.

23 (2) There is within the state special revenue fund a
24 scholarship and loan fund account. Money is payable into
25 this account under 15-35-108. The state treasurer shall draw

1 warrants from this account upon order of the board of public
2 education.

3 Section 6. Section 20-2-121, MCA, is amended to read:

4 "20-2-121. Board of public education -- powers and
5 duties. The board of public education shall:

6 (1) effect an orderly and uniform system for teacher
7 certification and specialist certification and for the
8 issuance of an emergency authorization of employment by
9 adopting the policies prescribed by 20-4-102 and 20-4-111;

10 (2) consider the suspension or revocation of teacher
11 or specialist certificates and appeals from the denial of
12 teacher or specialist certification in accordance with the
13 provisions of 20-4-110;

14 (3) administer and order the distribution of state
15 equalization aid in accordance with the provisions of
16 20-9-344;

17 (4) adopt and enforce policies to provide uniform
18 standards and regulations for the design, construction, and
19 operation of school buses in accordance with the provisions
20 of 20-10-111;

21 (5) approve or disapprove a reduction of the number of
22 hours in a district's school day in accordance with the
23 provisions of 20-1-302;

24 (6) adopt policies prescribing the conditions when
25 school may be conducted on Saturday and the types of

1 pupil-instruction-related days and approval procedure for
2 such days in accordance with the provisions of 20-1-303 and
3 20-1-304;

4 (7) adopt standards of accreditation and establish the
5 accreditation status of every school in accordance with the
6 provisions of 20-7-101 and 20-7-102;

7 (8) approve or disapprove educational media selected
8 by the superintendent of public instruction for the
9 educational media library in accordance with the provisions
10 of 20-7-201;

11 (9) adopt policies for the conduct of special
12 education in accordance with the provisions of 20-7-402;

13 (10) adopt rules for issuance of documents certifying
14 equivalency of completion of secondary education in
15 accordance with 20-7-131; and

16 (11) adopt policies for the conduct of programs for
17 gifted and talented children in accordance with the
18 provisions of 20-7-903 and 20-7-904; and

19 (12) adopt policies and rules for the conduct of the
20 excellence in education program in accordance with the
21 provisions of [sections 1 through 5]; and

22 ~~(12)~~(13) perform any other duty prescribed from time to
23 time by this title or any other act of the legislature."

24 Section 7. Section 15-35-108, MCA, is amended to read:

25 "15-35-108. Disposal of severance taxes. Severance

1 taxes collected under the provisions of this chapter are
2 allocated as follows:

3 (1) To the trust fund created by Article IX, section
4 5, of the Montana constitution, 25% of total collections a
5 year. After December 31, 1979, 50% of coal severance tax
6 collections are allocated to this trust fund. The trust fund
7 moneys shall be deposited in the fund established under
8 17-6-203(5) and invested by the board of investments as
9 provided by law.

10 (2) Starting July 1, 1986, and ending June 30, 1987,
11 6% of coal severance tax collections are allocated to the
12 highway reconstruction trust fund account in the state
13 special revenue fund. Starting July 1, 1987, and ending June
14 30, 1993, 12% of coal severance tax collections are
15 allocated to the highway reconstruction trust fund account
16 in the state special revenue fund.

17 (3) Coal severance tax collections remaining after the
18 allocations provided by subsections (1) and (2) are
19 allocated in the following percentages of the remaining
20 balance:

21 (a) to the county in which coal is mined, 2% of the
22 severance tax paid on the coal mined in that county until
23 January 1, 1980, for such purposes as the governing body of
24 the county may determine;

25 (b) 2 1/2% until December 31, 1979, and thereafter

1 4 1/2% to the state special revenue fund to the credit of
2 the alternative energy research development and
3 demonstration account;

4 (c) 26 1/2% until July 1, 1979, and thereafter ~~37-1/2%~~
5 35 1/2% to the state special revenue fund to the credit of
6 the local impact and education trust fund account;

7 (d) for each of the 2 fiscal years following June 30,
8 1977, 13% to the state special revenue fund to the credit of
9 the coal area highway improvement account;

10 (e) 10% to the state special revenue fund for state
11 equalization aid to public schools of the state;

12 (f) 1% to the state special revenue fund to the credit
13 of the county land planning account;

14 (g) 1 1/4% to the credit of the renewable resource
15 development bond fund;

16 (h) 5% to a nonexpendable trust fund for the purpose
17 of parks acquisition or management, protection of works of
18 art in the state capitol, and other cultural and aesthetic
19 projects. Income from this trust fund shall be appropriated
20 as follows:

21 (i) 1/3 for protection of works of art in the state
22 capitol and other cultural and aesthetic projects; and

23 (ii) 2/3 for the acquisition of sites and areas
24 described in 23-1-102 and the operation and maintenance of
25 sites so acquired;

1 (i) 1% to the state special revenue fund to the credit
2 of the state library commission for the purposes of
3 providing basic library services for the residents of all
4 counties through library federations and for payment of the
5 costs of participating in regional and national networking;

6 (j) 1/2 of 1% to the state special revenue fund for
7 conservation districts;

8 (k) 1 1/4% to the debt service fund type to the credit
9 of the water development debt service fund;

10 (l) 2% to the state special revenue fund to the credit
11 of the excellence in education program provided for in
12 [sections 1 through 4]. This money must be appropriated as
13 follows:

14 (a) to the account established in [section 5(1)], all
15 the revenue remaining after allocation to the scholarship
16 loan program account; and

17 (b) to the account established in [section 5(2)],
18 \$100,000 per fiscal year;

19 ~~(i)~~(m) all other revenues from severance taxes
20 collected under the provisions of this chapter to the credit
21 of the general fund of the state."

22 Section 8. Section 90-6-205, MCA, is amended to read:
23 "90-6-205. Coal board -- general powers. The board
24 may:

25 (l) retain professional consultants and advisors;

1 (2) adopt rules governing its proceedings;

2 (3) consider applications for grants from the local
3 impact and education trust fund account;

4 (4) consider applications for loans from the local
5 impact and education trust fund account for periods and
6 interest rates to be determined by the board; and

7 (5) award grants and loans, subject to 90-6-207, not
8 to exceed in any one year seven-elevenths and after June 30,
9 1979, ~~seven-fifteenths~~ 43.662% of the revenue paid into the
10 local impact and education trust fund account, to local
11 governmental units, state agencies, and governing bodies of
12 federally recognized Indian tribes to assist local
13 governmental units and federally recognized Indian tribes in
14 meeting the local impact of coal development by enabling
15 them to adequately provide governmental services and
16 facilities which are needed as a direct consequence of coal
17 development. As used in the preceding sentence, "revenue
18 paid" does not include interest income from the account
19 reinvested in the account in trust for the public schools
20 and the university system. Grants and loans may be from
21 current allocations only, and no part of the principal or
22 income of the trust referred to in 90-6-211 may be used for
23 this purpose. The money derived from loan repayments,
24 including the interest thereon, must be deposited to the
25 credit of the local impact fund referred to in 90-6-202.

1 (6) award a grant to a local government unit for the
2 purpose of paying for part or all of the credit that the
3 local government unit is obligated to give to a major new
4 industrial facility that has prepaid property taxes under
5 15-16-201. The board must award the grant in accordance with
6 90-6-206."

7 NEW SECTION. Section 9. Appropriation. There is
8 appropriated to the Superintendent of Public Instruction for
9 the biennium ending June 30, 1987, from money available
10 under 15-35-108(3)(1) for the excellence in education
11 program the following amounts:

12 For fiscal year 1986	\$1,038,660
13 For fiscal year 1987	985,890

14 NEW SECTION. Section 10. Coordination instruction. If
15 ____ Bill No. ____ [LC 1759] is passed and approved, it is
16 intended that the sections of this act and ____ Bill No.
17 ____ [LC 1759] that reallocate the coal board portion of
18 coal severance tax collections be read together and both be
19 subtracted from the coal board portion of tax collections.

20 NEW SECTION. Section 11. Effective date --
21 applicability. This act is effective on passage and approval
22 and applies to coal mined on or after April 1, 1985.

-End-