

HOUSE BILL NO. 685

INTRODUCED BY J. HAMMOND, PECK, BRANDEWIE

IN THE HOUSE

February 6, 1985	Introduced and referred to Committee on Education and Cultural Resources.
February 16, 1985	Committee recommend bill do pass. Report adopted. Bill printed and placed on members' desks.
February 18, 1985	Second reading, do pass.
February 19, 1985	Considered correctly engrossed.
February 20, 1985	Third reading, passed. Transmitted to Senate.

IN THE SENATE

February 22, 1985	Introduced and referred to Committee on Education and Cultural Resources.
March 18, 1985	Committee recommend bill be concurred in. Report adopted.
March 21, 1985	Second reading, concurred in.
March 23, 1985	Third reading, concurred in. Ayes, 49; Noes, 0. Returned to House.

IN THE HOUSE

March 25, 1985	Received from Senate. Sent to enrolling. Reported correctly enrolled.
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1 HOUSE BILL NO. 685
2 INTRODUCED BY J. Hammond Peak Brundage

3 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE TRUSTEES
4 OF ANY SCHOOL DISTRICT THE OPTION TO CONSIDER VARIOUS FUNDS
5 REAPPROPRIATED FROM A PREVIOUS SCHOOL FISCAL YEAR, RATHER
6 THAN TO ANTICIPATE SUCH FUNDS, WHEN REPORTING MONEY
7 AVAILABLE FOR REDUCTION OF A DISTRICT'S GENERAL FUND LEVIES;
8 AMENDING SECTIONS 20-9-141, 20-9-331, 20-9-333, AND
9 20-9-352, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."
10

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

12 Section 1. Section 20-9-141, MCA, is amended to read:
13 "20-9-141. Computation of general fund net levy
14 requirement by county superintendent. (1) The county
15 superintendent shall compute the levy requirement for each
16 district's general fund on the basis of the following
17 procedure:
18

19 (a) Determine the total of the district's nonisolated
20 school foundation program requirement to be met by a
21 district levy as provided in 20-9-303, the district's
22 permissive levy amount as provided in 20-9-352, and any
23 additional levies authorized by the electors of the district
24 under the provisions of 20-9-353, except that the total of
25 the permissive and additional levies shall not exceed the

1 total amount of the final general fund budget less the
2 foundation program.

3 (b) Determine the total of the moneys available for
4 the reduction of the property tax on the district for the
5 general fund by totaling:

6 (i) anticipated federal moneys received under the
7 provisions of Title I of Public Law 81-874 or other
8 anticipated federal moneys received in lieu of such federal
9 act;

10 (ii) anticipated tuition payments for out-of-district
11 pupils under the provisions of 20-5-303, 20-5-307, 20-5-312,
12 and 20-5-313;

13 (iii) general fund cash reappropriated, as established
14 under the provisions of 20-9-104;

15 (iv) anticipated or reappropriated state impact aid
16 received under the provisions of 20-9-304;

17 (v) anticipated or reappropriated motor vehicle fees
18 and reimbursement under the provisions of 61-3-532 and
19 61-3-536;

20 (vi) anticipated interest to be earned or
21 reappropriated interest earned by the investment of general
22 fund cash in accordance with the provisions of 20-9-213(4);
23 and

24 (vii) any other revenue anticipated by the trustees to
25 be received during the ensuing school fiscal year which may



1 be used to finance the general fund.

2 (c) Subtract the total of the moneys available to
3 reduce the property tax required to finance the general fund
4 that has been determined in subsection (1)(b) from the total
5 levy requirement determined in subsection (1)(a).

6 (2) The net general fund levy requirement determined
7 in subsection (1)(c) shall be reported to the county
8 commissioners on the second Monday of August by the county
9 superintendent as the general fund levy requirement for the
10 district, and a levy shall be made by the county
11 commissioners in accordance with 20-9-142."

12 Section 2. Section 20-9-331, MCA, is amended to read:

13 "20-9-331. Basic county tax and other revenues for
14 county equalization of the elementary district foundation
15 program. (1) It shall be the duty of the county
16 commissioners of each county to levy an annual basic tax of
17 28 mills on the dollars of the taxable value of all taxable
18 property within the county for the purposes of local and
19 state foundation program support. The revenue to be
20 collected from this levy shall be apportioned to the support
21 of the foundation programs of the elementary school
22 districts in the county and to the state special revenue
23 fund, state equalization aid account, in the following
24 manner:

25 (a) In order to determine the amount of revenue raised

1 by this levy which is retained by the county, the sum of the
2 estimated revenues identified in subsections (2)(a) through
3 (2)(f)+(e) below shall be subtracted from the sum of the
4 county elementary transportation obligation and the total of
5 the foundation programs of all elementary districts of the
6 county.

7 (b) If the basic levy prescribed by this section
8 produces more revenue than is required to finance the
9 difference determined above, the county commissioners shall
10 order the county treasurer to remit the surplus funds to the
11 state treasurer for deposit to the state special revenue
12 fund, state equalization aid account, not later than June 1
13 of the fiscal year for which the levy has been set.

14 (2) The proceeds realized from the county's portion of
15 the levy prescribed by this section and the revenues from
16 the following sources shall be used for the equalization of
17 the elementary district foundation programs of the county as
18 prescribed in 20-9-334, and a separate accounting shall be
19 kept of such proceeds and revenues by the county treasurer
20 in accordance with 20-9-212(1):

21 (a) the portion of the federal Taylor Grazing Act
22 funds distributed to a county and designated for the common
23 school fund under the provisions of 17-3-222;

24 (b) the portion of the federal flood control act funds
25 distributed to a county and designated for expenditure for

1 the benefit of the county common schools under the
2 provisions of 17-3-232;

3 (c) all money paid into the county treasury as a
4 result of fines for violations of law and the use of which
5 is not otherwise specified by law;

6 (d) any money remaining at the end of the immediately
7 preceding school fiscal year in the county treasurer's
8 account for the various sources of revenue established or
9 referred to in this section; and

10 (e) any federal or state money, including anticipated
11 or reappropriated motor vehicle fees and reimbursement under
12 the provisions of 61-3-532 and 61-3-536, distributed to the
13 county as payment in lieu of the property taxation
14 established by the county levy required by this section."

15 Section 3. Section 20-9-333, MCA, is amended to read:

16 "20-9-333. Basic special levy and other revenues for
17 county equalization of high school district foundation
18 program. (1) It shall be the duty of the county
19 commissioners of each county to levy an annual basic special
20 tax for high schools of 17 mills on the dollar of the
21 taxable value of all taxable property within the county for
22 the purposes of local and state foundation program support.
23 The revenue to be collected from this levy shall be
24 apportioned to the support of the foundation programs of
25 high school districts in the county and to the state special

1 revenue fund, state equalization aid account, in the
2 following manner:

3 (a) In order to determine the amount of revenue raised
4 by this levy which is retained by the county, the estimated
5 revenues identified in subsections (2)(a) and (2)(b) below
6 shall be subtracted from the sum of the county's high school
7 tuition obligation and the total of the foundation programs
8 of all high school districts of the county.

9 (b) If the basic levy prescribed by this section
10 produces more revenue than is required to finance the
11 difference determined above, the county commissioners shall
12 order the county treasurer to remit the surplus to the state
13 treasurer for deposit to the state special revenue fund,
14 state equalization aid account, not later than June 1 of the
15 fiscal year for which the levy has been set.

16 (2) The proceeds realized from the county's portion of
17 the levy prescribed in this section and the revenues from
18 the following sources shall be used for the equalization of
19 the high school district foundation programs of the county
20 as prescribed in 20-9-334, and a separate accounting shall
21 be kept of these proceeds by the county treasurer in
22 accordance with 20-9-212(1):

23 (a) any money remaining at the end of the immediately
24 preceding school fiscal year in the county treasurer's
25 account for deposit of the proceeds from the levy

1 established in this section; and

2 (b) any federal or state moneys, including anticipated
3 or reappropriated motor vehicle fees and reimbursement under
4 the provisions of 61-3-532 and 61-3-536, distributed to the
5 county as a payment in lieu of the property taxation
6 established by the county levy required by this section."

7 Section 4. Section 20-9-352, MCA, is amended to read:

8 "20-9-352. Permissive amount and permissive levy. (1)
9 Whenever the trustees of any district shall deem it
10 necessary to adopt a general fund budget in excess of the
11 foundation program amount but not in excess of the maximum
12 general fund budget amount for such district as established
13 by the schedules in 20-9-316 through 20-9-321 the trustees
14 shall adopt a resolution stating the reasons and purposes
15 for exceeding the foundation program amount. Such excess
16 above the foundation program amount shall be known as the
17 "permissive amount", and it shall be financed by a levy on
18 the taxable value of all taxable property within the
19 district as prescribed in 20-9-141, supplemented with any
20 biennial appropriation by the legislature for this purpose.

21 (2) The district levies to be set for the purpose of
22 funding the permissive amount are determined as follows:

23 (a) For each elementary school district, the county
24 commissioners shall annually set a levy not exceeding 6
25 mills on all the taxable property in the district for the

1 purpose of funding the permissive amount of the district.
2 The permissive levy in mills shall be obtained by
3 multiplying the ratio of the permissive amount to the
4 maximum permissive amount by 6 or by using the number of
5 mills which would fund the permissive amount, whichever is
6 less. If the amount of revenue raised by this levy, plus
7 anticipated or reappropriated motor vehicle fees and
8 reimbursement under the provisions of 61-3-532 and 61-3-536,
9 is not sufficient to fund the permissive amount in full, the
10 amount of the deficiency shall be paid to the district from
11 the state special revenue fund according to the provisions
12 of 20-9-351 and subsection (3) of this section.

13 (b) For each high school district, the county
14 commissioners shall annually set a levy not exceeding 4
15 mills on all taxable property in the district for the
16 purpose of funding the permissive amount of the district.
17 The permissive levy in mills shall be obtained by
18 multiplying the ratio of the permissive levy to the maximum
19 permissive amount by 4 or by using the number of mills which
20 would fund the permissive amount, whichever is less. If the
21 amount of revenue raised by this levy, plus anticipated
22 motor vehicle fees and reimbursement under the provisions of
23 61-3-532 and 61-3-536, is not sufficient to fund the
24 permissive amount in full, the amount of the deficiency
25 shall be paid to the district from the state special revenue

1 fund according to the provisions of 20-9-351 and subsection
2 (3) of this section. The superintendent of public
3 instruction shall, if the appropriation by the legislature
4 for the permissive account [program] for the biennium is
5 insufficient, request the budget director to submit a
6 request for a supplemental appropriation in the second year
7 of the biennium.

8 (3) Such distribution shall be made in two payments.
9 The first payment shall be made at the same time as the
10 first distribution of state equalization aid is made after
11 January 1 of the fiscal year. The second payment shall be
12 made at the same time as the last payment of state
13 equalization aid is made for the fiscal year. If the
14 appropriation is not sufficient to finance the deficiencies
15 of the districts as determined according to subsection (2),
16 each district will receive the same percentage of its
17 deficiency. Surplus revenue in the second year of the
18 biennium may be used to reduce the appropriation required
19 for the next succeeding biennium or may be transferred to
20 the state equalization aid state special revenue fund if
21 revenues in that fund are insufficient to meet foundation
22 program requirements."

23 NEW SECTION. Section 5. Effective date. This act is
24 effective on passage and approval.

-End-

APPROVED BY COMM. ON EDUCATION AND CULTURAL RESOURCES

1 HOUSE BILL NO. 685
2 INTRODUCED BY J. Hammond Peak B...
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE TRUSTEES
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6 REAPPROPRIATED FROM A PREVIOUS SCHOOL FISCAL YEAR, RATHER
7 THAN TO ANTICIPATE SUCH FUNDS, WHEN REPORTING MONEY
8 AVAILABLE FOR REDUCTION OF A DISTRICT'S GENERAL FUND LEVIES;
9 AMENDING SECTIONS 20-9-141, 20-9-331, 20-9-333, AND
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16 superintendent shall compute the levy requirement for each
17 district's general fund on the basis of the following
18 procedure:

19 (a) Determine the total of the district's nonisolated
20 school foundation program requirement to be met by a
21 district levy as provided in 20-9-303, the district's
22 permissive levy amount as provided in 20-9-352, and any
23 additional levies authorized by the electors of the district
24 under the provisions of 20-9-353, except that the total of
25 the permissive and additional levies shall not exceed the

1 total amount of the final general fund budget less the
2 foundation program.

3 (b) Determine the total of the moneys available for
4 the reduction of the property tax on the district for the
5 general fund by totaling:

6 (i) anticipated federal moneys received under the
7 provisions of Title I of Public Law 81-874 or other
8 anticipated federal moneys received in lieu of such federal
9 act;

10 (ii) anticipated tuition payments for out-of-district
11 pupils under the provisions of 20-5-303, 20-5-307, 20-5-312,
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13 (iii) general fund cash reappropriated, as established
14 under the provisions of 20-9-104;

15 (iv) anticipated or reappropriated state impact aid
16 received under the provisions of 20-9-304;

17 (v) anticipated or reappropriated motor vehicle fees
18 and reimbursement under the provisions of 61-3-532 and
19 61-3-536;

20 (vi) anticipated interest to be earned or
21 reappropriated interest earned by the investment of general
22 fund cash in accordance with the provisions of 20-9-213(4);
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24 (vii) any other revenue anticipated by the trustees to
25 be received during the ensuing school fiscal year which may

1 be used to finance the general fund.

2 (c) Subtract the total of the moneys available to
3 reduce the property tax required to finance the general fund
4 that has been determined in subsection (1)(b) from the total
5 levy requirement determined in subsection (1)(a).

6 (2) The net general fund levy requirement determined
7 in subsection (1)(c) shall be reported to the county
8 commissioners on the second Monday of August by the county
9 superintendent as the general fund levy requirement for the
10 district, and a levy shall be made by the county
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12 Section 2. Section 20-9-331, MCA, is amended to read:

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14 county equalization of the elementary district foundation
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16 commissioners of each county to levy an annual basic tax of
17 28 mills on the dollars of the taxable value of all taxable
18 property within the county for the purposes of local and
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20 collected from this levy shall be apportioned to the support
21 of the foundation programs of the elementary school
22 districts in the county and to the state special revenue
23 fund, state equalization aid account, in the following
24 manner:

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1 by this levy which is retained by the county, the sum of the
2 estimated revenues identified in subsections (2)(a) through
3 (2)(~~f~~)(e) below shall be subtracted from the sum of the
4 county elementary transportation obligation and the total of
5 the foundation programs of all elementary districts of the
6 county.

7 (b) If the basic levy prescribed by this section
8 produces more revenue than is required to finance the
9 difference determined above, the county commissioners shall
10 order the county treasurer to remit the surplus funds to the
11 state treasurer for deposit to the state special revenue
12 fund, state equalization aid account, not later than June 1
13 of the fiscal year for which the levy has been set.

14 (2) The proceeds realized from the county's portion of
15 the levy prescribed by this section and the revenues from
16 the following sources shall be used for the equalization of
17 the elementary district foundation programs of the county as
18 prescribed in 20-9-334, and a separate accounting shall be
19 kept of such proceeds and revenues by the county treasurer
20 in accordance with 20-9-212(1):

21 (a) the portion of the federal Taylor Grazing Act
22 funds distributed to a county and designated for the common
23 school fund under the provisions of 17-3-222;

24 (b) the portion of the federal flood control act funds
25 distributed to a county and designated for expenditure for

1 the benefit of the county common schools under the
2 provisions of 17-3-232;

3 (c) all money paid into the county treasury as a
4 result of fines for violations of law and the use of which
5 is not otherwise specified by law;

6 (d) any money remaining at the end of the immediately
7 preceding school fiscal year in the county treasurer's
8 account for the various sources of revenue established or
9 referred to in this section; and

10 (e) any federal or state money, including anticipated
11 or reappropriated motor vehicle fees and reimbursement under
12 the provisions of 61-3-532 and 61-3-536, distributed to the
13 county as payment in lieu of the property taxation
14 established by the county levy required by this section."

15 Section 3. Section 20-9-333, MCA, is amended to read:

16 "20-9-333. Basic special levy and other revenues for
17 county equalization of high school district foundation
18 program. (1) It shall be the duty of the county
19 commissioners of each county to levy an annual basic special
20 tax for high schools of 17 mills on the dollar of the
21 taxable value of all taxable property within the county for
22 the purposes of local and state foundation program support.
23 The revenue to be collected from this levy shall be
24 apportioned to the support of the foundation programs of
25 high school districts in the county and to the state special

1 revenue fund, state equalization aid account, in the
2 following manner:

3 (a) In order to determine the amount of revenue raised
4 by this levy which is retained by the county, the estimated
5 revenues identified in subsections (2)(a) and (2)(b) below
6 shall be subtracted from the sum of the county's high school
7 tuition obligation and the total of the foundation programs
8 of all high school districts of the county.

9 (b) If the basic levy prescribed by this section
10 produces more revenue than is required to finance the
11 difference determined above, the county commissioners shall
12 order the county treasurer to remit the surplus to the state
13 treasurer for deposit to the state special revenue fund,
14 state equalization aid account, not later than June 1 of the
15 fiscal year for which the levy has been set.

16 (2) The proceeds realized from the county's portion of
17 the levy prescribed in this section and the revenues from
18 the following sources shall be used for the equalization of
19 the high school district foundation programs of the county
20 as prescribed in 20-9-334, and a separate accounting shall
21 be kept of these proceeds by the county treasurer in
22 accordance with 20-9-212(1):

23 (a) any money remaining at the end of the immediately
24 preceding school fiscal year in the county treasurer's
25 account for deposit of the proceeds from the levy

1 established in this section; and

2 (b) any federal or state moneys, including anticipated
3 or reappropriated motor vehicle fees and reimbursement under
4 the provisions of 61-3-532 and 61-3-536, distributed to the
5 county as a payment in lieu of the property taxation
6 established by the county levy required by this section."

7 Section 4. Section 20-9-352, MCA, is amended to read:

8 "20-9-352. Permissive amount and permissive levy. (1)
9 Whenever the trustees of any district shall deem it
10 necessary to adopt a general fund budget in excess of the
11 foundation program amount but not in excess of the maximum
12 general fund budget amount for such district as established
13 by the schedules in 20-9-316 through 20-9-321, the trustees
14 shall adopt a resolution stating the reasons and purposes
15 for exceeding the foundation program amount. Such excess
16 above the foundation program amount shall be known as the
17 "permissive amount", and it shall be financed by a levy on
18 the taxable value of all taxable property within the
19 district as prescribed in 20-9-141, supplemented with any
20 biennial appropriation by the legislature for this purpose.

21 (2) The district levies to be set for the purpose of
22 funding the permissive amount are determined as follows:

23 (a) For each elementary school district, the county
24 commissioners shall annually set a levy not exceeding 6
25 mills on all the taxable property in the district for the

1 purpose of funding the permissive amount of the district.
2 The permissive levy in mills shall be obtained by
3 multiplying the ratio of the permissive amount to the
4 maximum permissive amount by 6 or by using the number of
5 mills which would fund the permissive amount, whichever is
6 less. If the amount of revenue raised by this levy, plus
7 anticipated or reappropriated motor vehicle fees and
8 reimbursement under the provisions of 61-3-532 and 61-3-536,
9 is not sufficient to fund the permissive amount in full, the
10 amount of the deficiency shall be paid to the district from
11 the state special revenue fund according to the provisions
12 of 20-9-351 and subsection (3) of this section.

13 (b) For each high school district, the county
14 commissioners shall annually set a levy not exceeding 4
15 mills on all taxable property in the district for the
16 purpose of funding the permissive amount of the district.
17 The permissive levy in mills shall be obtained by
18 multiplying the ratio of the permissive levy to the maximum
19 permissive amount by 4 or by using the number of mills which
20 would fund the permissive amount, whichever is less. If the
21 amount of revenue raised by this levy, plus anticipated
22 motor vehicle fees and reimbursement under the provisions of
23 61-3-532 and 61-3-536, is not sufficient to fund the
24 permissive amount in full, the amount of the deficiency
25 shall be paid to the district from the state special revenue

1 fund according to the provisions of 20-9-351 and subsection
2 (3) of this section. The superintendent of public
3 instruction shall, if the appropriation by the legislature
4 for the permissive account [program] for the biennium is
5 insufficient, request the budget director to submit a
6 request for a supplemental appropriation in the second year
7 of the biennium.

8 (3) Such distribution shall be made in two payments.
9 The first payment shall be made at the same time as the
10 first distribution of state equalization aid is made after
11 January 1 of the fiscal year. The second payment shall be
12 made at the same time as the last payment of state
13 equalization aid is made for the fiscal year. If the
14 appropriation is not sufficient to finance the deficiencies
15 of the districts as determined according to subsection (2),
16 each district will receive the same percentage of its
17 deficiency. Surplus revenue in the second year of the
18 biennium may be used to reduce the appropriation required
19 for the next succeeding biennium or may be transferred to
20 the state equalization aid state special revenue fund if
21 revenues in that fund are insufficient to meet foundation
22 program requirements."

23 NEW SECTION. Section 5. Effective date. This act is
24 effective on passage and approval.

-End-

HOUSE BILL NO. 685

INTRODUCED BY

J. Hammond Peck Burlew

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE TRUSTEES OF ANY SCHOOL DISTRICT THE OPTION TO CONSIDER VARIOUS FUNDS REAPPROPRIATED FROM A PREVIOUS SCHOOL FISCAL YEAR, RATHER THAN TO ANTICIPATE SUCH FUNDS, WHEN REPORTING MONEY AVAILABLE FOR REDUCTION OF A DISTRICT'S GENERAL FUND LEVIES; AMENDING SECTIONS 20-9-141, 20-9-331, 20-9-333, AND 20-9-352, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 20-9-141, MCA, is amended to read:

"20-9-141. Computation of general fund net levy requirement by county superintendent. (1) The county superintendent shall compute the levy requirement for each district's general fund on the basis of the following procedure:

(a) Determine the total of the district's nonisolated school foundation program requirement to be met by a district levy as provided in 20-9-303, the district's permissive levy amount as provided in 20-9-352, and any additional levies authorized by the electors of the district under the provisions of 20-9-353, except that the total of the permissive and additional levies shall not exceed the

total amount of the final general fund budget less the foundation program.

(b) Determine the total of the moneys available for the reduction of the property tax on the district for the general fund by totaling:

(i) anticipated federal moneys received under the provisions of Title I of Public Law 81-874 or other anticipated federal moneys received in lieu of such federal act;

(ii) anticipated tuition payments for out-of-district pupils under the provisions of 20-5-303, 20-5-307, 20-5-312, and 20-5-313;

(iii) general fund cash reappropriated, as established under the provisions of 20-9-104;

(iv) anticipated or reappropriated state impact aid received under the provisions of 20-9-304;

(v) anticipated or reappropriated motor vehicle fees and reimbursement under the provisions of 61-3-532 and 61-3-536;

(vi) anticipated interest to be earned or reappropriated interest earned by the investment of general fund cash in accordance with the provisions of 20-9-213(4); and

(vii) any other revenue anticipated by the trustees to be received during the ensuing school fiscal year which may

1 be used to finance the general fund.

2 (c) Subtract the total of the moneys available to
3 reduce the property tax required to finance the general fund
4 that has been determined in subsection (1)(b) from the total
5 levy requirement determined in subsection (1)(a).

6 (2) The net general fund levy requirement determined
7 in subsection (1)(c) shall be reported to the county
8 commissioners on the second Monday of August by the county
9 superintendent as the general fund levy requirement for the
10 district, and a levy shall be made by the county
11 commissioners in accordance with 20-9-142."

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13 "20-9-331. Basic county tax and other revenues for
14 county equalization of the elementary district foundation
15 program. (1) It shall be the duty of the county
16 commissioners of each county to levy an annual basic tax of
17 28 mills on the dollars of the taxable value of all taxable
18 property within the county for the purposes of local and
19 state foundation program support. The revenue to be
20 collected from this levy shall be apportioned to the support
21 of the foundation programs of the elementary school
22 districts in the county and to the state special revenue
23 fund, state equalization aid account, in the following
24 manner:

25 (a) In order to determine the amount of revenue raised

1 by this levy which is retained by the county, the sum of the
2 estimated revenues identified in subsections (2)(a) through
3 (2)(f)(e) below shall be subtracted from the sum of the
4 county elementary transportation obligation and the total of
5 the foundation programs of all elementary districts of the
6 county.

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8 produces more revenue than is required to finance the
9 difference determined above, the county commissioners shall
10 order the county treasurer to remit the surplus funds to the
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15 the levy prescribed by this section and the revenues from
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24 (b) the portion of the federal flood control act funds
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6 (d) any money remaining at the end of the immediately
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8 account for the various sources of revenue established or
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10 (e) any federal or state money, including anticipated
11 or reappropriated motor vehicle fees and reimbursement under
12 the provisions of 61-3-532 and 61-3-536, distributed to the
13 county as payment in lieu of the property taxation
14 established by the county levy required by this section."

15 Section 3. Section 20-9-333, MCA, is amended to read:

16 "20-9-333. Basic special levy and other revenues for
17 county equalization of high school district foundation
18 program. (1) It shall be the duty of the county
19 commissioners of each county to levy an annual basic special
20 tax for high schools of 17 mills on the dollar of the
21 taxable value of all taxable property within the county for
22 the purposes of local and state foundation program support.
23 The revenue to be collected from this levy shall be
24 apportioned to the support of the foundation programs of
25 high school districts in the county and to the state special

1 revenue fund, state equalization aid account, in the
2 following manner:

3 (a) In order to determine the amount of revenue raised
4 by this levy which is retained by the county, the estimated
5 revenues identified in subsections (2)(a) and (2)(b) below
6 shall be subtracted from the sum of the county's high school
7 tuition obligation and the total of the foundation programs
8 of all high school districts of the county.

9 (b) If the basic levy prescribed by this section
10 produces more revenue than is required to finance the
11 difference determined above, the county commissioners shall
12 order the county treasurer to remit the surplus to the state
13 treasurer for deposit to the state special revenue fund,
14 state equalization aid account, not later than June 1 of the
15 fiscal year for which the levy has been set.

16 (2) The proceeds realized from the county's portion of
17 the levy prescribed in this section and the revenues from
18 the following sources shall be used for the equalization of
19 the high school district foundation programs of the county
20 as prescribed in 20-9-334, and a separate accounting shall
21 be kept of these proceeds by the county treasurer in
22 accordance with 20-9-212(1):

23 (a) any money remaining at the end of the immediately
24 preceding school fiscal year in the county treasurer's
25 account for deposit of the proceeds from the levy

1 established in this section; and

2 (b) any federal or state moneys, including anticipated
3 or reappropriated motor vehicle fees and reimbursement under
4 the provisions of 61-3-532 and 61-3-536, distributed to the
5 county as a payment in lieu of the property taxation
6 established by the county levy required by this section."

7 Section 4. Section 20-9-352, MCA, is amended to read:

8 "20-9-352. Permissive amount and permissive levy. (1)
9 Whenever the trustees of any district shall deem it
10 necessary to adopt a general fund budget in excess of the
11 foundation program amount but not in excess of the maximum
12 general fund budget amount for such district as established
13 by the schedules in 20-9-316 through 20-9-321, the trustees
14 shall adopt a resolution stating the reasons and purposes
15 for exceeding the foundation program amount. Such excess
16 above the foundation program amount shall be known as the
17 "permissive amount", and it shall be financed by a levy on
18 the taxable value of all taxable property within the
19 district as prescribed in 20-9-141, supplemented with any
20 biennial appropriation by the legislature for this purpose.

21 (2) The district levies to be set for the purpose of
22 funding the permissive amount are determined as follows:

23 (a) For each elementary school district, the county
24 commissioners shall annually set a levy not exceeding 6
25 mills on all the taxable property in the district for the

1 purpose of funding the permissive amount of the district.
2 The permissive levy in mills shall be obtained by
3 multiplying the ratio of the permissive amount to the
4 maximum permissive amount by 6 or by using the number of
5 mills which would fund the permissive amount, whichever is
6 less. If the amount of revenue raised by this levy, plus
7 anticipated or reappropriated motor vehicle fees and
8 reimbursement under the provisions of 61-3-532 and 61-3-536,
9 is not sufficient to fund the permissive amount in full, the
10 amount of the deficiency shall be paid to the district from
11 the state special revenue fund according to the provisions
12 of 20-9-351 and subsection (3) of this section.

13 (b) For each high school district, the county
14 commissioners shall annually set a levy not exceeding 4
15 mills on all taxable property in the district for the
16 purpose of funding the permissive amount of the district.
17 The permissive levy in mills shall be obtained by
18 multiplying the ratio of the permissive levy to the maximum
19 permissive amount by 4 or by using the number of mills which
20 would fund the permissive amount, whichever is less. If the
21 amount of revenue raised by this levy, plus anticipated
22 motor vehicle fees and reimbursement under the provisions of
23 61-3-532 and 61-3-536, is not sufficient to fund the
24 permissive amount in full, the amount of the deficiency
25 shall be paid to the district from the state special revenue

1 fund according to the provisions of 20-9-351 and subsection
2 (3) of this section. The superintendent of public
3 instruction shall, if the appropriation by the legislature
4 for the permissive account [program] for the biennium is
5 insufficient, request the budget director to submit a
6 request for a supplemental appropriation in the second year
7 of the biennium.

8 (3) Such distribution shall be made in two payments.
9 The first payment shall be made at the same time as the
10 first distribution of state equalization aid is made after
11 January 1 of the fiscal year. The second payment shall be
12 made at the same time as the last payment of state
13 equalization aid is made for the fiscal year. If the
14 appropriation is not sufficient to finance the deficiencies
15 of the districts as determined according to subsection (2),
16 each district will receive the same percentage of its
17 deficiency. Surplus revenue in the second year of the
18 biennium may be used to reduce the appropriation required
19 for the next succeeding biennium or may be transferred to
20 the state equalization aid state special revenue fund if
21 revenues in that fund are insufficient to meet foundation
22 program requirements."

23 NEW SECTION. Section 5. Effective date. This act is
24 effective on passage and approval.

-End-

1 HOUSE BILL NO. 685

2 INTRODUCED BY J. HAMMOND, PECK, BRANDEWIE

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE TRUSTEES
5 OF ANY SCHOOL DISTRICT THE OPTION TO CONSIDER VARIOUS FUNDS
6 REAPPROPRIATED FROM A PREVIOUS SCHOOL FISCAL YEAR, RATHER
7 THAN TO ANTICIPATE SUCH FUNDS, WHEN REPORTING MONEY
8 AVAILABLE FOR REDUCTION OF A DISTRICT'S GENERAL FUND LEVIES;
9 AMENDING SECTIONS 20-9-141, 20-9-331, 20-9-333, AND
10 20-9-352, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

11
12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 Section 1. Section 20-9-141, MCA, is amended to read:

14 "20-9-141. Computation of general fund net levy
15 requirement by county superintendent. (1) The county
16 superintendent shall compute the levy requirement for each
17 district's general fund on the basis of the following
18 procedure:

19 (a) Determine the total of the district's nonisolated
20 school foundation program requirement to be met by a
21 district levy as provided in 20-9-303, the district's
22 permissive levy amount as provided in 20-9-352, and any
23 additional levies authorized by the electors of the district
24 under the provisions of 20-9-353, except that the total of
25 the permissive and additional levies shall not exceed the

1 total amount of the final general fund budget less the
2 foundation program.

3 (b) Determine the total of the moneys available for
4 the reduction of the property tax on the district for the
5 general fund by totaling:

6 (i) anticipated federal moneys received under the
7 provisions of Title I of Public Law 81-874 or other
8 anticipated federal moneys received in lieu of such federal
9 act;

10 (ii) anticipated tuition payments for out-of-district
11 pupils under the provisions of 20-5-303, 20-5-307, 20-5-312,
12 and 20-5-313;

13 (iii) general fund cash reappropriated, as established
14 under the provisions of 20-9-104;

15 (iv) anticipated or reappropriated state impact aid
16 received under the provisions of 20-9-304;

17 (v) anticipated or reappropriated motor vehicle fees
18 and reimbursement under the provisions of 61-3-532 and
19 61-3-536;

20 (vi) anticipated interest to be earned or
21 reappropriated interest earned by the investment of general
22 fund cash in accordance with the provisions of 20-9-213(4);
23 and

24 (vii) any other revenue anticipated by the trustees to
25 be received during the ensuing school fiscal year which may

1 be used to finance the general fund.

2 (c) Subtract the total of the moneys available to
3 reduce the property tax required to finance the general fund
4 that has been determined in subsection (1)(b) from the total
5 levy requirement determined in subsection (1)(a).

6 (2) The net general fund levy requirement determined
7 in subsection (1)(c) shall be reported to the county
8 commissioners on the second Monday of August by the county
9 superintendent as the general fund levy requirement for the
10 district, and a levy shall be made by the county
11 commissioners in accordance with 20-9-142."

12 Section 2. Section 20-9-331, MCA, is amended to read:

13 "20-9-331. Basic county tax and other revenues for
14 county equalization of the elementary district foundation
15 program. (1) It shall be the duty of the county
16 commissioners of each county to levy an annual basic tax of
17 28 mills on the dollars of the taxable value of all taxable
18 property within the county for the purposes of local and
19 state foundation program support. The revenue to be
20 collected from this levy shall be apportioned to the support
21 of the foundation programs of the elementary school
22 districts in the county and to the state special revenue
23 fund, state equalization aid account, in the following
24 manner:

25 (a) In order to determine the amount of revenue raised

1 by this levy which is retained by the county, the sum of the
2 estimated revenues identified in subsections (2)(a) through
3 (2)(f)(e) below shall be subtracted from the sum of the
4 county elementary transportation obligation and the total of
5 the foundation programs of all elementary districts of the
6 county.

7 (b) If the basic levy prescribed by this section
8 produces more revenue than is required to finance the
9 difference determined above, the county commissioners shall
10 order the county treasurer to remit the surplus funds to the
11 state treasurer for deposit to the state special revenue
12 fund, state equalization aid account, not later than June 1
13 of the fiscal year for which the levy has been set.

14 (2) The proceeds realized from the county's portion of
15 the levy prescribed by this section and the revenues from
16 the following sources shall be used for the equalization of
17 the elementary district foundation programs of the county as
18 prescribed in 20-9-334, and a separate accounting shall be
19 kept of such proceeds and revenues by the county treasurer
20 in accordance with 20-9-212(1):

21 (a) the portion of the federal Taylor Grazing Act
22 funds distributed to a county and designated for the common
23 school fund under the provisions of 17-3-222;

24 (b) the portion of the federal flood control act funds
25 distributed to a county and designated for expenditure for

1 the benefit of the county common schools under the
2 provisions of 17-3-232;

3 (c) all money paid into the county treasury as a
4 result of fines for violations of law and the use of which
5 is not otherwise specified by law;

6 (d) any money remaining at the end of the immediately
7 preceding school fiscal year in the county treasurer's
8 account for the various sources of revenue established or
9 referred to in this section; and

10 (e) any federal or state money, including anticipated
11 or reappropriated motor vehicle fees and reimbursement under
12 the provisions of 61-3-532 and 61-3-536, distributed to the
13 county as payment in lieu of the property taxation
14 established by the county levy required by this section."

15 Section 3. Section 20-9-333, MCA, is amended to read:

16 "20-9-333. Basic special levy and other revenues for
17 county equalization of high school district foundation
18 program. (1) It shall be the duty of the county
19 commissioners of each county to levy an annual basic special
20 tax for high schools of 17 mills on the dollar of the
21 taxable value of all taxable property within the county for
22 the purposes of local and state foundation program support.
23 The revenue to be collected from this levy shall be
24 apportioned to the support of the foundation programs of
25 high school districts in the county and to the state special

1 revenue fund, state equalization aid account, in the
2 following manner:

3 (a) In order to determine the amount of revenue raised
4 by this levy which is retained by the county, the estimated
5 revenues identified in subsections (2)(a) and (2)(b) below
6 shall be subtracted from the sum of the county's high school
7 tuition obligation and the total of the foundation programs
8 of all high school districts of the county.

9 (b) If the basic levy prescribed by this section
10 produces more revenue than is required to finance the
11 difference determined above, the county commissioners shall
12 order the county treasurer to remit the surplus to the state
13 treasurer for deposit to the state special revenue fund,
14 state equalization aid account, not later than June 1 of the
15 fiscal year for which the levy has been set.

16 (2) The proceeds realized from the county's portion of
17 the levy prescribed in this section and the revenues from
18 the following sources shall be used for the equalization of
19 the high school district foundation programs of the county
20 as prescribed in 20-9-334, and a separate accounting shall
21 be kept of these proceeds by the county treasurer in
22 accordance with 20-9-212(1):

23 (a) any money remaining at the end of the immediately
24 preceding school fiscal year in the county treasurer's
25 account for deposit of the proceeds from the levy

1 established in this section; and

2 (b) any federal or state moneys, including anticipated
3 or reappropriated motor vehicle fees and reimbursement under
4 the provisions of 61-3-532 and 61-3-536, distributed to the
5 county as a payment in lieu of the property taxation
6 established by the county levy required by this section."

7 Section 4. Section 20-9-352, MCA, is amended to read:

8 "20-9-352. Permissive amount and permissive levy. (1)
9 Whenever the trustees of any district shall deem it
10 necessary to adopt a general fund budget in excess of the
11 foundation program amount but not in excess of the maximum
12 general fund budget amount for such district as established
13 by the schedules in 20-9-316 through 20-9-321, the trustees
14 shall adopt a resolution stating the reasons and purposes
15 for exceeding the foundation program amount. Such excess
16 above the foundation program amount shall be known as the
17 "permissive amount", and it shall be financed by a levy on
18 the taxable value of all taxable property within the
19 district as prescribed in 20-9-141, supplemented with any
20 biennial appropriation by the legislature for this purpose.

21 (2) The district levies to be set for the purpose of
22 funding the permissive amount are determined as follows:

23 (a) For each elementary school district, the county
24 commissioners shall annually set a levy not exceeding 6
25 mills on all the taxable property in the district for the

1 purpose of funding the permissive amount of the district.
2 The permissive levy in mills shall be obtained by
3 multiplying the ratio of the permissive amount to the
4 maximum permissive amount by 6 or by using the number of
5 mills which would fund the permissive amount, whichever is
6 less. If the amount of revenue raised by this levy, plus
7 anticipated or reappropriated motor vehicle fees and
8 reimbursement under the provisions of 61-3-532 and 61-3-536,
9 is not sufficient to fund the permissive amount in full, the
10 amount of the deficiency shall be paid to the district from
11 the state special revenue fund according to the provisions
12 of 20-9-351 and subsection (3) of this section.

13 (b) For each high school district, the county
14 commissioners shall annually set a levy not exceeding 4
15 mills on all taxable property in the district for the
16 purpose of funding the permissive amount of the district.
17 The permissive levy in mills shall be obtained by
18 multiplying the ratio of the permissive levy to the maximum
19 permissive amount by 4 or by using the number of mills which
20 would fund the permissive amount, whichever is less. If the
21 amount of revenue raised by this levy, plus anticipated
22 motor vehicle fees and reimbursement under the provisions of
23 61-3-532 and 61-3-536, is not sufficient to fund the
24 permissive amount in full, the amount of the deficiency
25 shall be paid to the district from the state special revenue

1 fund according to the provisions of 20-9-351 and subsection
 2 (3) of this section. The superintendent of public
 3 instruction shall, if the appropriation by the legislature
 4 for the permissive account [program] for the biennium is
 5 insufficient, request the budget director to submit a
 6 request for a supplemental appropriation in the second year
 7 of the biennium.

8 (3) Such distribution shall be made in two payments.
 9 The first payment shall be made at the same time as the
 10 first distribution of state equalization aid is made after
 11 January 1 of the fiscal year. The second payment shall be
 12 made at the same time as the last payment of state
 13 equalization aid is made for the fiscal year. If the
 14 appropriation is not sufficient to finance the deficiencies
 15 of the districts as determined according to subsection (2),
 16 each district will receive the same percentage of its
 17 deficiency. Surplus revenue in the second year of the
 18 biennium may be used to reduce the appropriation required
 19 for the next succeeding biennium or may be transferred to
 20 the state equalization aid state special revenue fund if
 21 revenues in that fund are insufficient to meet foundation
 22 program requirements."

23 NEW SECTION. Section 5. Effective date. This act is
 24 effective on passage and approval.

-End-