

SENATE BILL NO. 172

1/21 Introduced  
1/21 Referred to Education & Cultural Resources  
1/22 Fiscal Note Requested  
1/30 Fiscal Note Received  
2/08 Hearing  
2/15 Tabled in Committee

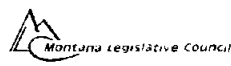
1 *Senate* BILL NO. *172*  
 2 INTRODUCED BY *Lynch* *Johnson* *Stymish*  
 3 *Haffey* *David* *Menahan* *Hannigan*  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A STATE  
 5 BOARD ALLOCATED TO THE BOARD OF REGENTS TO GOVERN  
 6 POSTSECONDARY VOCATIONAL-TECHNICAL CENTERS; RETAINING THE  
 7 LOCAL DISTRICT AS THE ENTITY THAT HIRES PERSONNEL WITH  
 8 COLLECTIVELY BARGAINED CONTRACTS; LIMITING LOCAL FUNDING OF  
 9 A CENTER TO 10 PERCENT OF THE OPERATING COST OF THAT CENTER;  
 10 AMENDING SECTIONS 20-1-101, 20-2-101, 20-2-111 THROUGH  
 11 20-2-114, 20-3-103, 20-3-104, 20-3-106, 20-3-324, 20-6-501,  
 12 20-7-301, 20-7-302.1, 20-7-303, 20-7-311, 20-7-312,  
 13 20-7-314, 20-7-322 THROUGH 20-7-327, 20-7-332, 20-7-333,  
 14 20-9-403, 20-9-513, 20-9-603, 39-71-118, AND 90-6-211, MCA;  
 15 REPEALING SECTIONS 20-9-404 AND 20-9-405, MCA; AND PROVIDING  
 16 EFFECTIVE DATES."

17  
 18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
 19 NEW SECTION. Section 1. Board of postsecondary  
 20 vocational-technical education. (1) There is a board of  
 21 postsecondary vocational-technical education consisting of  
 22 seven persons appointed by and serving at the pleasure of  
 23 the governor. After initial appointments, each board member  
 24 must be appointed to a 7-year term of office and the terms  
 25 must be staggered. The governor shall ensure that business

1 and industrial interests are represented on the board and  
 2 shall ensure geographic distribution of appointees.  
 3 (2) The board of postsecondary vocational-technical  
 4 education is allocated to the board of regents as provided  
 5 in this subsection. The budget requests of the board of  
 6 postsecondary vocational-technical education must be  
 7 included with those of the board of regents. The board of  
 8 regents has supervisory, administrative, coordinating, and  
 9 other powers and duties with respect to the board of  
 10 postsecondary vocational-technical education to the extent  
 11 necessary for the board of regents to comply with its duties  
 12 as the sole state agency under the 1984 federal vocational  
 13 education act, as amended through July 1, 1985, and [section  
 14 2].

15 NEW SECTION. Section 2. Sole state agency for federal  
 16 vocational education requirements. The board of regents is  
 17 the sole state agency for purposes of the 1984 federal  
 18 vocational education act, as amended through July 1, 1985,  
 19 which requires a state participating in programs under that  
 20 act to designate a state board or agency as the sole state  
 21 agency responsible for administration or supervision of the  
 22 administration of those programs.

23 NEW SECTION. Section 3. Local advisory boards. The  
 24 board of trustees of a school district in which a  
 25 postsecondary vocational-technical center is located may act



1 in an advisory capacity and may appoint one or more other  
 2 boards composed of residents of the school district to act  
 3 in an advisory capacity to the center and the board of  
 4 postsecondary vocational-technical education in matters  
 5 concerning postsecondary vocational-technical education.

6 NEW SECTION. Section 4. Powers and duties of board of  
 7 postsecondary vocational-technical education. (1) The board  
 8 of postsecondary vocational-technical education has general  
 9 administrative and supervisory control over postsecondary  
 10 vocational-technical education and shall:

11 (a) establish and when necessary amend a plan for the  
 12 orderly development of postsecondary vocational-technical  
 13 education that is consistent with federal and state law,  
 14 controlled to prevent unnecessary duplication, and funded to  
 15 ensure necessary growth and quality education;

16 (b) adopt standards for courses and programs;

17 (c) implement a review process for establishing and  
 18 deleting programs and courses that recognizes the present  
 19 and future needs of employers and provides qualified  
 20 graduates for positions for which there is or may in the  
 21 near future be a demand;

22 (d) establish student entrance and graduation  
 23 requirements;

24 (e) establish minimum qualifications for certification  
 25 of faculty and minimum qualifications for directors,

1 administrative staff, and other personnel;

2 (f) appoint a commissioner of postsecondary  
 3 vocational-technical education, to serve at the pleasure of  
 4 the board;

5 (g) establish student tuition and prescribe the bases  
 6 and limitations for charging of fees, taking into account  
 7 funding available from all other sources;

8 (h) determine the amount to be paid for the lease of  
 9 buildings;

10 (i) adopt budget requests for the postsecondary  
 11 vocational-technical education system;

12 (j) establish a procedure by which students can  
 13 receive part of their education and training through  
 14 programs, courses, and on-the-job training offered by the  
 15 private sector and not available at the centers;

16 (k) establish a procedure by which qualified persons  
 17 in the private sector can participate in the training and  
 18 teaching of students in the centers' classrooms when such  
 19 persons have training, knowledge, and skills not available  
 20 through the centers' faculty;

21 (l) provide means by which the centers' faculty can  
 22 obtain advanced education and training in new areas and be  
 23 reimbursed for their expenses;

24 (m) establish for the various centers uniform policies  
 25 for recordkeeping; financial transactions; accounting;

1 maintenance; recruiting, guidance, and placement of  
2 students; examinations; personnel relations; and other  
3 matters as determined by the board;

4 (n) work with other institutions of higher education  
5 to implement the transfer of course credits between those  
6 institutions and the postsecondary vocational-technical  
7 centers; and

8 (o) adopt rules and procedures to implement this  
9 section and to carry out any other powers and duties of the  
10 board.

11 (2) Rules proposed for adoption must be submitted to  
12 the board of regents for its comments and suggestions prior  
13 to publication of the notice of intent to adopt the rules.  
14 The board of regents may at any time submit to the board of  
15 postsecondary vocational-technical education recommendations  
16 for changes in rules and policies.

17 NEW SECTION. Section 5. Duties of the commissioner of  
18 postsecondary vocational-technical education. The  
19 commissioner of postsecondary vocational-technical education  
20 shall, under the rules and policies of the board of  
21 postsecondary vocational-technical education:

22 (1) be the chief administrative officer for the board  
23 of postsecondary vocational-technical education for the  
24 administration of its postsecondary vocational-technical  
25 center rules and policies;

1 (2) employ, within the limits of any legislative  
2 appropriation and with the confirmation of the board of  
3 postsecondary vocational-technical education, the staff  
4 necessary for the state supervision and administration of  
5 the board's postsecondary vocational-technical center rules  
6 and policies;

7 (3) provide supervisory and consultative assistance to  
8 centers;

9 (4) report the status of postsecondary  
10 vocational-technical education in the state of Montana when  
11 requested by the board of postsecondary vocational-technical  
12 education;

13 (5) keep all board of postsecondary  
14 vocational-technical education records in his office; and

15 (6) perform any other duties assigned by the board of  
16 postsecondary vocational-technical education.

17 Section 6. Section 20-1-101, MCA, is amended to read:  
18 "20-1-101. Definitions. As used in this title, unless  
19 the context clearly indicates otherwise, the following  
20 definitions apply:

21 (1) "Agricultural experiment station" means the  
22 agricultural experiment station established at Montana state  
23 university.

24 (2) "Average number belonging" or "ANB" shall mean the  
25 average number of regularly enrolled, full-time pupils

1 attending the public schools of a district.

2 (3) "The board of public education" is the board  
3 created by Article X, section 9, subsection (3), of the 1972  
4 Montana constitution and 2-15-1507.

5 (4) "Board of regents" means the board of regents of  
6 higher education created by Article X, section 9, subsection  
7 (2), of the 1972 Montana constitution and 2-15-1505.

8 (5) "Commissioner" means the commissioner of higher  
9 education created by Article X, section 9, subsection (2),  
10 of the 1972 Montana constitution and 2-15-1506.

11 (6) "County superintendent" means the county  
12 government official who is the school officer of the county.

13 (7) "District superintendent" means any person who  
14 holds a valid class 3 Montana teacher certificate with a  
15 superintendent's endorsement that has been issued by the  
16 superintendent of public instruction under the provisions of  
17 this title and the policies adopted by the board of public  
18 education and who has been employed by a district as a  
19 district superintendent.

20 (8) "K-12 vocational education" means vocational  
21 education in public school grades 1 through 12.

22 †8†(9) "Postsecondary vocational-technical center"  
23 means ~~a--school~~ an institution used principally for the  
24 provision of postsecondary vocational-technical education to  
25 persons who qualify as postsecondary vocational-technical

1 ~~pupils~~ students. These centers are designated by the  
2 ~~superintendent-of-public-instruction~~ board of postsecondary  
3 vocational-technical education upon direction by the  
4 legislature. All other public or private institutions or  
5 schools are hereby prohibited from using this title.

6 †9†(10) "Postsecondary vocational-technical education"  
7 means vocational-technical education of postsecondary  
8 vocational-technical ~~pupils~~ students which is conducted by a  
9 postsecondary vocational-technical center or other programs  
10 as designated by the ~~superintendent--of--public--instruction~~  
11 board of postsecondary vocational-technical education.  
12 Postsecondary vocational-technical education shall include  
13 the 13th and 14th year and beyond but will not include work  
14 toward a baccalaureate degree.

15 †10†(11) "Postsecondary vocational-technical ~~pupit~~  
16 student" means a person who has completed or left school, is  
17 at least 16 years of age, and is available for study in  
18 preparation for entering the labor market, for reentering  
19 the labor market, or for employment stability or advancement  
20 in employment.

21 †11†(12) "Principal" means any person who holds a valid  
22 class 3 Montana teacher certificate with an applicable  
23 principal's endorsement that has been issued by the  
24 superintendent of public instruction under the provisions of  
25 this title and the policies adopted by the board of public

1 education and who has been employed by a district as a  
2 principal. For the purposes of this title, any reference to  
3 a teacher shall be construed as including a principal, as  
4 herein defined.

5 ~~†2†~~(13) "Pupil" means any child who is 6 years of age  
6 or older on or before September 10 of the year in which the  
7 child is to enroll or has been enrolled by special  
8 permission of the board of trustees under 20-5-101(3) but  
9 has not yet reached his 19th birthday and who is enrolled in  
10 a school established and maintained under the laws of the  
11 state of Montana at public expense.

12 ~~†3†~~(14) "Pupil instruction" means the conduct of  
13 organized instruction of pupils enrolled in public schools  
14 while under the supervision of a teacher.

15 ~~†4†~~(15) "Regents" means the board of regents of higher  
16 education.

17 ~~†5†~~(16) "School food services" means a service of  
18 providing food for the pupils of a district on a nonprofit  
19 basis and shall include any food service financially  
20 assisted through funds or commodities provided by the United  
21 States government.

22 ~~†6†~~(17) "The state board of education" is the board  
23 composed of the board of public education and the board of  
24 regents as specified in Article X, section 9, subsection  
25 (1), of the 1972 Montana constitution.

1 ~~†7†~~(18) "State university" means the Montana state  
2 university, located at Bozeman.

3 ~~†8†~~(19) "Superintendent of public instruction" means  
4 that state government official designated as a member of the  
5 executive branch by the constitution of Montana.

6 ~~†9†~~(20) "System" means the Montana university system.

7 ~~†20†~~(21) "Teacher" means any person, except a district  
8 superintendent, who holds a valid Montana teacher  
9 certificate that has been issued by the superintendent of  
10 public instruction under the provisions of this title and  
11 the policies adopted by the board of public education and  
12 who is employed by a district as a member of its  
13 instructional, supervisory, or administrative staff. This  
14 definition of a teacher shall also include any person for  
15 whom an emergency authorization of employment of such person  
16 has been issued under the provisions of 20-4-111.

17 ~~†21†~~(22) "Textbook" means a book or manual used as a  
18 principal source of study material for a given class or  
19 group of students.

20 ~~†22†~~(23) "Textbook dealer" means any party, company,  
21 corporation, or other organization selling, offering to  
22 sell, or offering for adoption textbooks to districts in the  
23 state of Montana.

24 ~~†23†~~(24) "Trustees" means the governing board of a  
25 district.

1       ~~{24}~~{25} "University" means the university of Montana,  
2 located at Missoula.

3       {25}{26} "Vocational education" means the instruction  
4 to prepare or improve the pupil for gainful employment that  
5 does not require a baccalaureate or higher degree. This  
6 definition of vocational education shall include guidance  
7 and prevocational, related, or technical instruction  
8 necessary to prepare the pupil for further vocational  
9 education or for entry into employment."

10       Section 7. Section 20-2-101, MCA, is amended to read:

11       "20-2-101. Combined boards as state board -- budget  
12 review -- officers -- meetings -- quorum. (1) The board of  
13 public education and the board of regents meeting together  
14 as the state board of education shall be responsible for  
15 long-range planning and for coordinating and evaluating  
16 policies and programs for the public educational systems of  
17 the state. The state board of education shall review and  
18 unify the budget requests of educational entities assigned  
19 by law to the board of public education, the board of  
20 regents, the board of postsecondary vocational-technical  
21 education, or the state board of education and shall submit  
22 a unified budget request with recommendations to the  
23 appropriate state agency.

24       (2) The governor is the president of, the  
25 superintendent of public instruction is the secretary to,

1 and the commissioner shall be a nonvoting participant at all  
2 meetings of the state board of education.

3       (3) The state board of education may select a member  
4 to chair its meetings in the absence of the governor.

5       (4) A tie vote at any meeting may be broken by the  
6 governor.

7       (5) A majority of members appointed to the board of  
8 public education and the board of regents shall constitute a  
9 quorum for transaction of business as the state board of  
10 education.

11       (6) The board of public education and the board of  
12 regents shall meet at least twice yearly as the state board  
13 of education on any two of the dates specified in  
14 20-2-112(1).

15       (7) Other meetings of the state board of education may  
16 be called by the governor, by both the secretary to the  
17 board of public education and the secretary to the board of  
18 regents, or by joint action of eight appointed members, four  
19 each from the board of public education and the board of  
20 regents. All meetings of the state board of education shall  
21 be for the purposes set forth in subsection (1) above or for  
22 the purpose of considering other matters of common concern  
23 to the board of public education and the board of regents,  
24 but the state board of education may not exercise the powers  
25 and duties assigned by the 1972 Montana constitution and by

1 law to the board of public education and the board of  
2 regents."

3 Section 8. Section 20-2-111, MCA, is amended to read:

4 "20-2-111. Officers of boards -- quorum. (1) The board  
5 of public education, the board of postsecondary  
6 vocational-technical education, and the board of regents may  
7 each select a chairman from among their appointed members.

8 (2) The professional assistant shall serve as  
9 secretary to the board of public education, and the  
10 commissioner of higher education serves as secretary to the  
11 board of regents.

12 (3) A majority of the appointed members of each board  
13 constitutes a quorum for the transaction of business.

14 (4) The professional assistant shall serve as a  
15 liaison between the board of public education and the  
16 superintendent of public instruction and shall carry out  
17 other such duties as assigned by the board of public  
18 education."

19 Section 9. Section 20-2-112, MCA, is amended to read:

20 "20-2-112. Quarterly meetings of boards -- called  
21 meetings -- notice of meetings. (1) The board of public  
22 education, the board of postsecondary vocational-technical  
23 education, and the board of regents shall meet quarterly at  
24 the same location on the second Monday of April, July,  
25 September, and December.

1 (2) Other meetings of either any board may be called  
2 by the governor, by the chairman, by the secretary, or by  
3 four appointed members.

4 (3) The secretary to each board shall mail notice to  
5 each member at least 7 days in advance of all meetings of  
6 the respective board."

7 Section 10. Section 20-2-113, MCA, is amended to read:

8 "20-2-113. Per diem of board members -- expenses.  
9 Appointed members of the board of public education, the  
10 board of postsecondary vocational-technical education, and  
11 the board of regents are entitled to \$25 per day and travel  
12 expenses, as provided for in 2-18-501 through 2-18-503, for  
13 each day in attendance at board meetings or in the  
14 performance of any duty or service as a board member."

15 Section 11. Section 20-2-114, MCA, is amended to read:

16 "20-2-114. Adoption of rules -- seal -- record of  
17 proceedings. The board of public education, the board of  
18 postsecondary vocational-technical education, the board of  
19 regents, and the state board of education each shall:

20 (1) adopt rules consistent with the constitution or  
21 laws of the state of Montana necessary for its own  
22 government or the proper execution of the powers and duties  
23 conferred upon it by law;

24 (2) adopt and use an official seal to authenticate its  
25 official acts; and



1 (3) keep a record of its proceedings."  
 2 Section 12. Section 20-3-103, MCA, is amended to read:  
 3 "20-3-103. Deputy superintendent -- staff. (1) The  
 4 state superintendent of public instruction shall appoint a  
 5 deputy who, in the absence of the principal or in the case  
 6 of vacancy in his office, shall perform all the duties of  
 7 office until such disability be removed or vacancy be  
 8 filled. Such deputy shall subscribe, take, and file the oath  
 9 of office provided by law for other state officers before  
 10 entering upon the performance of his duties.  
 11 (2) The superintendent of public instruction shall  
 12 have the power to employ, organize, and administer a staff  
 13 of personnel to assist him in the administration of the  
 14 duties and services of the office. In organizing his staff,  
 15 the superintendent of public instruction shall employ:  
 16 (a) a supervisor of physical education who is a  
 17 graduate of an accredited institution of higher education  
 18 with a master's degree in physical education;  
 19 (b) a professional staff for the state supervision and  
 20 administration of K-12 vocational education; and  
 21 (c) a special education supervisor who is a graduate  
 22 of an accredited institution of higher education with a  
 23 master's degree in a field of special education for the  
 24 mentally retarded or physically handicapped and who has not  
 25 less than 2 years' experience in special education."

1 Section 13. Section 20-3-104, MCA, is amended to read:  
 2 "20-3-104. Discretionary staff. In addition to the  
 3 positions of employment listed in 20-3-103, the  
 4 superintendent of public instruction may employ:  
 5 (1) one or more assistant superintendents, one of whom  
 6 may be designated as assistant superintendent for K-12  
 7 vocational education;  
 8 (2) a high school supervisor who is the holder of a  
 9 class 3 teacher certificate with a district superintendent  
 10 endorsement;  
 11 (3) an elementary supervisor who is the holder of a  
 12 valid teacher certificate;  
 13 (4) a competent person to develop economy and  
 14 efficiency in school transportation and to otherwise  
 15 supervise the transportation program;  
 16 (5) a music supervisor who is a graduate of an  
 17 accredited institution of higher education in music  
 18 education and who has not less than 5 years of teaching  
 19 experience;  
 20 (6) an educational media supervisor who is a graduate  
 21 of an accredited institution of higher education and who has  
 22 experience in the field of educational media; and  
 23 (7) any other supervisors or assistants as may be  
 24 required to carry out the duties of his office."  
 25 Section 14. Section 20-3-106, MCA, is amended to read:

1 "20-3-106. Supervision of schools -- powers and  
 2 duties. The superintendent of public instruction has the  
 3 general supervision of the public schools and districts of  
 4 the state, and he shall perform the following duties or acts  
 5 in implementing and enforcing the provisions of this title:

6 (1) resolve any controversy resulting from the  
 7 proration of costs by a joint board of trustees under the  
 8 provisions of 20-3-362;

9 (2) issue, renew, or deny teacher certification and  
 10 emergency authorizations of employment;

11 (3) negotiate reciprocal tuition agreements with other  
 12 states in accordance with the provisions of 20-5-314;

13 (4) serve on the teachers' retirement board in  
 14 accordance with the provisions of 2-15-1010;

15 (5) approve or disapprove the orders of a high school  
 16 boundary commission in accordance with the provisions of  
 17 20-6-311;

18 (6) approve or disapprove the opening or reopening of  
 19 a school in accordance with the provisions of 20-6-502,  
 20 20-6-503, 20-6-504, or 20-6-505;

21 (7) approve or disapprove school isolation within the  
 22 limitations prescribed by 20-9-302;

23 (8) generally supervise the school budgeting  
 24 procedures prescribed by law in accordance with the  
 25 provisions of 20-9-102 and prescribe the school budget

1 format in accordance with the provisions of 20-9-103 and  
 2 20-9-506;

3 (9) establish a system of communication for  
 4 calculating joint district revenues in accordance with the  
 5 provisions of 20-9-151;

6 (10) approve or disapprove the adoption of a district's  
 7 emergency budget resolution under the conditions prescribed  
 8 in 20-9-163 and publish rules for an application for  
 9 additional state aid for an emergency budget in accordance  
 10 with the approval and disbursement provisions of 20-9-166;

11 (11) generally supervise the school financial  
 12 administration provisions as prescribed by 20-9-201(2);

13 (12) prescribe and furnish the annual report forms to  
 14 enable the districts to report to the county superintendent  
 15 in accordance with the provisions of 20-9-213(5) and the  
 16 annual report forms to enable the county superintendents to  
 17 report to the superintendent of public instruction in  
 18 accordance with the provisions of 20-3-209;

19 (13) approve, disapprove, or adjust an increase of the  
 20 average number belonging (ANB) in accordance with the  
 21 provisions of 20-9-313 and 20-9-314;

22 (14) distribute state equalization aid in support of  
 23 the foundation program in accordance with the provisions of  
 24 20-9-342, 20-9-346, and 20-9-347;

25 (15) estimate the statewide equalization level for the

1 foundation program in accordance with the provisions of  
2 20-9-348;

3 (16) distribute state impact aid in accordance with the  
4 provisions of 20-9-304;

5 (17) provide for the uniform and equal provision of  
6 transportation by performing the duties prescribed by the  
7 provisions of 20-10-112;

8 (18) approve or disapprove an adult education program  
9 for which a district proposes to levy a tax in accordance  
10 with the provisions of 20-7-705;

11 (19) request, accept, deposit, and expend federal  
12 moneys in accordance with the provisions of 20-9-603(1);

13 (20) authorize the use of federal moneys for the  
14 support of an interlocal cooperative agreement in accordance  
15 with the provisions of 20-9-703 and 20-9-704;

16 (21) prescribe the form and contents of and approve or  
17 disapprove interstate contracts in accordance with the  
18 provisions of 20-9-705;

19 (22) approve or disapprove the conduct of school on a  
20 Saturday or on pupil-instruction-related days in accordance  
21 with the provisions of 20-1-303 and 20-1-304;

22 (23) recommend standards of accreditation for all  
23 schools to the board of public education and evaluate  
24 compliance with such standards and recommend accreditation  
25 status of every school to the board of public education in

1 accordance with the provisions of 20-7-101 and 20-7-102;

2 (24) collect and maintain a file of curriculum guides  
3 and assist schools with instructional programs in accordance  
4 with the provisions of 20-7-113 and 20-7-114;

5 (25) establish and maintain a library of visual, aural,  
6 and other educational media in accordance with the  
7 provisions of 20-7-201;

8 (26) license textbook dealers and initiate prosecution  
9 of textbook dealers violating the law in accordance with the  
10 provisions of the textbooks part of this title;

11 (27) as the governing agent and executive officer of  
12 the state of Montana for K-12 vocational education, adopt  
13 the policies prescribed by and in accordance with the  
14 provisions of 20-7-301;

15 ~~{28}-consider-applications-for--the--designation--of--a~~  
16 ~~postsecondary-vocational-technical-center-in-accordance-with~~  
17 ~~the-provisions-of-20-7-311;~~

18 ~~{29}-establish-a-fund-for-the-handling-of-postsecondary~~  
19 ~~vocational-technical--center--fees--in--accordance--with-the~~  
20 ~~provisions-of-20-7-333;~~

21 ~~{30}~~(28) supervise and coordinate the conduct of  
22 special education in the state in accordance with the  
23 provisions of 20-7-403;

24 ~~{31}~~(29) administer the traffic education program in  
25 accordance with the provisions of 20-7-502;

1       ~~(32)~~(30) administer the school food services program in  
2 accordance with the provisions of 20-10-201, 20-10-202, and  
3 20-10-203;

4       ~~(33)~~(31) review school building plans and  
5 specifications in accordance with the provisions of  
6 20-6-622;

7       ~~(34)~~(32) prescribe the method of identification and  
8 signals to be used by school safety patrols in accordance  
9 with the provisions of 20-1-408; and

10       ~~(35)~~(33) perform any other duty prescribed from time to  
11 time by this title, any other act of the legislature, or the  
12 policies of the board of public education."

13       Section 15. Section 20-3-324, MCA, is amended to read:

14       "20-3-324. Powers and duties. As prescribed elsewhere  
15 in this title, the trustees of each district shall have the  
16 power and it shall be their duty to perform the following  
17 duties or acts:

18       (1) employ or dismiss a teacher, principal, or other  
19 assistant upon the recommendation of the district  
20 superintendent, the county high school principal, or other  
21 principal as the board may deem necessary, accepting or  
22 rejecting such recommendation as the trustees shall in their  
23 sole discretion determine, in accordance with the provisions  
24 of Title 20, chapter 4;

25       (2) employ and dismiss administrative personnel,

1 clerks, secretaries, teacher aides, custodians, maintenance  
2 personnel, school bus drivers, food service personnel,  
3 nurses, and any other personnel deemed necessary to carry  
4 out the various services of the district;

5       (3) administer the attendance and tuition provisions  
6 and otherwise govern the pupils of the district in  
7 accordance with the provisions of the pupils chapter of this  
8 title;

9       (4) call, conduct, and certify the elections of the  
10 district in accordance with the provisions of the school  
11 elections chapter of this title;

12       (5) participate in the teachers' retirement system of  
13 the state of Montana in accordance with the provisions of  
14 the teachers' retirement system chapter of Title 19;

15       (6) participate in district boundary change actions in  
16 accordance with the provisions of the districts chapter of  
17 this title;

18       (7) organize, open, close, or acquire isolation status  
19 for the schools of the district in accordance with the  
20 provisions of the school organization part of this title;

21       (8) adopt and administer the annual budget or an  
22 emergency budget of the district in accordance with the  
23 provisions of the school budget system part of this title;

24       (9) conduct the fiscal business of the district in  
25 accordance with the provisions of the school financial

1 administration part of this title;

2 (10) establish the ANB, foundation program, permissive

3 levy, additional levy, cash reserve, and state impact aid

4 amount for the general fund of the district in accordance

5 with the provisions of the general fund part of this title;

6 (11) establish, maintain, budget, and finance the

7 transportation program of the district in accordance with

8 the provisions of the transportation parts of this title;

9 (12) issue, refund, sell, budget, and redeem the bonds

10 of the district in accordance with the provisions of the

11 bonds parts of this title;

12 (13) when applicable, establish, financially

13 administer, and budget for the tuition fund, retirement

14 fund, building reserve fund, adult education fund,

15 nonoperating fund, school food services fund, miscellaneous

16 federal programs fund, building fund, housing and dormitory

17 fund, traffic education fund, and interlocal cooperative

18 agreement fund in accordance with the provisions of the

19 other school funds parts of this title;

20 (14) when applicable, administer any interlocal

21 cooperative agreement, gifts, legacies, or devises in

22 accordance with the provisions of the miscellaneous

23 financial parts of this title;

24 (15) hold in trust, acquire, and dispose of the real

25 and personal property of the district in accordance with the

1 provisions of the school sites and facilities part of this

2 title;

3 (16) operate the schools of the district in accordance

4 with the provisions of the school calendar part of this

5 title;

6 (17) establish and maintain the instructional services

7 of the schools of the district in accordance with the

8 provisions of the instructional services, textbooks, K-12

9 vocational education, and special education parts of this

10 title;

11 (18) establish and maintain the school food services of

12 the district in accordance with the provisions of the school

13 food services parts of this title;

14 (19) make such reports from time to time as the county

15 superintendent, superintendent of public instruction, and

16 board of public education may require;

17 (20) retain, when deemed advisable, a physician or

18 registered nurse to inspect the sanitary conditions of the

19 school or the general health conditions of each pupil and,

20 upon request, make available to any parent or guardian any

21 medical reports or health records maintained by the district

22 pertaining to his child;

23 (21) for each member of the trustees, visit each school

24 of the district not less than once each school fiscal year

25 to examine its management, conditions, and needs;

1 (22) procure and display outside daily in suitable  
2 weather at each school of the district an American flag  
3 which shall be not less than 4 feet by 6 feet; and

4 (23) perform any other duty and enforce any other  
5 requirements for the government of the schools prescribed by  
6 this title, the policies of the board of public education,  
7 or the rules of the superintendent of public instruction."

8 Section 16. Section 20-6-501, MCA, is amended to read:

9 "20-6-501. Definition of various schools. As used in  
10 this title, unless the context clearly indicates otherwise,  
11 the term "school" means an institution for the teaching of  
12 children that is established and maintained under the laws  
13 of the state of Montana at public expense. The trustees of  
14 any district shall designate the grade assignments for the  
15 schools of the district, but for the purposes of this title  
16 each school shall be known as:

17 (1) an elementary school when it comprises the work of  
18 any combination of kindergarten, other preschool programs,  
19 or the first eight grades or their equivalents. A middle  
20 school is a school comprising the work of grades 4 through 8  
21 or any combination thereof that has been accredited as a  
22 middle school under the provisions of 20-7-102. When an  
23 accredited junior high school or an accredited 6-year high  
24 school is operated by the district, grades 7 and 8 or their  
25 equivalents shall not be considered as elementary grades.

1 (2) a high school when it comprises the work of one or  
2 more grades of schoolwork or their equivalents intermediate  
3 between the elementary schools and the institutions of  
4 higher education of the state of Montana. Types of high  
5 schools shall be designated as follows:

6 (a) a junior high school is a school comprising the  
7 work of grades 7 through 9 or their equivalents that has  
8 been accredited as a junior high school under the provisions  
9 of 20-7-102;

10 (b) a senior high school is a school which comprises  
11 the work of grades 10 through 12 or their equivalents and  
12 which is operated in conjunction with a junior high school;

13 (c) a 6-year high school is a school comprising the  
14 work of grades 7 through 12 or their equivalents that has  
15 been accredited as a 6-year high school under the provisions  
16 of 20-7-102;

17 (d) a 4-year high school is a school comprising the  
18 work of grades 9 through 12 or their equivalents;

19 (e) a county high school is a 4-year high school  
20 operated as an agency of county government and established  
21 under the provisions of the acts of March 3, 1899, March 14,  
22 1901, and any subsequent amendments thereto;

23 ~~(f) a postsecondary vocational technical center~~  
24 ~~established under the provisions of 20-7-311.~~"

25 Section 17. Section 20-7-301, MCA, is amended to read:

1 "20-7-301. Duties of the superintendent of public  
 2 instruction. The superintendent of public instruction shall  
 3 be the governing agent and executive officer of the state of  
 4 Montana for K-12 vocational education. The superintendent of  
 5 public instruction shall adopt and administer policies to  
 6 effect the orderly development of a system of K-12  
 7 vocational education that is adaptable to changing needs,  
 8 controlled to prevent unnecessary duplication, coordinated  
 9 with federal guidelines and requirements for vocational  
 10 education, and funded to ensure growth and quality  
 11 programming. In order to accomplish the orderly development  
 12 of a system of K-12 vocational education, the superintendent  
 13 of public instruction policies shall include:

- 14 (1) a state plan for such development;  
 15 (2) standards for K-12 vocational education courses  
 16 and programs;  
 17 ~~(3) the minimum requirements for granting~~  
 18 ~~postsecondary vocational technical certificates to students;~~  
 19 (4)(3) a review process for the establishment and  
 20 deletion of programs;  
 21 ~~(5) the necessary qualifications that a postsecondary~~  
 22 ~~vocational technical center director must possess;~~  
 23 (6)(4) instructor qualifications for K-12 vocational  
 24 education courses and programs;  
 25 (7)(5) criteria for approval of K-12 vocational

1 education courses and programs which are to receive  
 2 financial assistance;

3 ~~(8) criteria for receiving, reviewing, and~~  
 4 ~~transmitting recommendations on postsecondary~~  
 5 ~~vocational technical center operations and budget requests~~  
 6 ~~to the legislature;~~

7 (9)(6) a basis for apportionment of all moneys  
 8 appropriated by the legislature for K-12 vocational  
 9 education in accordance with the intent of the legislature  
 10 as reflected in the terms of the appropriation;

11 ~~(10)(7)~~ a basis for apportionment of all moneys  
 12 received by the state of Montana for K-12 vocational  
 13 education from the federal government in accordance with the  
 14 acts of congress;

15 ~~(11)(8)~~ a system of evaluation of K-12 vocational  
 16 education which allows for consideration of the current and  
 17 projected manpower needs and job opportunities; and

18 ~~(12) the tuition and fees to be charged at the~~  
 19 ~~postsecondary vocational technical centers, based upon~~  
 20 ~~legislative appropriations available to the superintendent~~  
 21 ~~of public instruction for postsecondary vocational technical~~  
 22 ~~centers;~~

23 ~~(13) the allowable costs for rental of buildings for~~  
 24 ~~postsecondary vocational technical center purposes;~~

25 ~~(14) guidelines for the authority delegated by the~~

1 ~~superintendent of public instruction to the local school~~  
 2 ~~district board of trustees operating a postsecondary~~  
 3 ~~vocational-technical center; and~~

4 ~~†15†(9) any other policy not inconsistent with public~~  
 5 ~~law and which is necessary for the proper operation of a~~  
 6 ~~system of K-12 vocational education."~~

7 Section 18. Section 20-7-302.1, MCA, is amended to  
 8 read:

9 "20-7-302.1. State director of K-12 vocational  
 10 education -- duties. There is a state director of K-12  
 11 vocational education appointed by the superintendent of  
 12 public instruction. He must:

13 (1) administer the K-12 vocational education policies  
 14 adopted by the superintendent of public instruction;

15 (2) prepare curriculum guides for superintendent of  
 16 public instruction adoption;

17 (3) employ, with the confirmation of the  
 18 superintendent of public instruction, the professional staff  
 19 necessary for the state supervision and administration of  
 20 K-12 vocational education;

21 (4) report the status of K-12 vocational education in  
 22 the state of Montana when requested by the superintendent of  
 23 public instruction;

24 (5) keep all K-12 vocational education records in his  
 25 office;

1 (6) provide K-12 vocational education supervisory and  
 2 consultative assistance to districts;

3 ~~†7† provide a postsecondary vocational-technical~~  
 4 ~~center system policy and procedural handbook for~~  
 5 ~~institutional operations that will standardize operations~~  
 6 ~~among the centers;~~

7 ~~†8† identify and direct the county treasurer in those~~  
 8 ~~counties where postsecondary vocational-technical centers~~  
 9 ~~are located to establish the necessary multifund structures~~  
 10 ~~for postsecondary vocational-technical center financial~~  
 11 ~~operations;~~

12 ~~†9† meet with the chairman of the board of trustees,~~  
 13 ~~the district superintendent, and center director of each~~  
 14 ~~postsecondary vocational-technical center at least twice~~  
 15 ~~each year to discuss recommended changes in the~~  
 16 ~~superintendent of public instruction's policies and~~  
 17 ~~procedures;~~

18 ~~†10† formulate and put into effect uniform fiscal,~~  
 19 ~~student, staff, and program accounting systems for the~~  
 20 ~~postsecondary vocational-technical centers;~~

21 ~~†11†(7) prepare any necessary reports for the~~  
 22 ~~superintendent of public instruction or the legislature; and~~

23 ~~†12† represent the postsecondary vocational-technical~~  
 24 ~~center system to state agencies, associations, and others~~  
 25 ~~when appropriate;~~



~~(13) recommend a staffing pattern for the postsecondary vocational-technical centers;~~

~~(14) provide for the evaluation of programs and services within each postsecondary vocational-technical center;~~

~~(15) provide for evaluation of each postsecondary vocational-technical center's ability to meet employment and student vocational-technical education needs; and~~

~~(16)~~(8) perform any other duty assigned by the superintendent of public instruction."

Section 19. Section 20-7-303, MCA, is amended to read:

"20-7-303. ~~District authorization~~ Authorization to establish and maintain vocational education courses and programs. (1) The trustees of any an elementary or high school district, community college district, or unit of the Montana university system may establish and maintain a vocational education course or program that complies with the K-12 vocational education standards adopted by the superintendent of public instruction.

(2) The trustees of a community college district or a unit of the Montana university system may establish and maintain a vocational education course or program that complies with the postsecondary vocational-technical education standards adopted by the board of postsecondary vocational-technical education.

(3) In order for a course or program to be eligible for state or federal financing, it shall be approved by the superintendent of public instruction for compliance with K-12 vocational education standards or by the board of postsecondary vocational-technical education for compliance with postsecondary vocational-technical education standards, as appropriate."

Section 20. Section 20-7-311, MCA, is amended to read:

"20-7-311. Postsecondary vocational-technical center designation. (1) Postsecondary vocational-technical centers shall be designated by the ~~superintendent of public instruction~~ only board of postsecondary vocational-technical education upon direction of the legislature. Applications for designation must be made in accordance with the following procedure:

(a) The trustees of any high school district, of a county high school, of a community college district, or the governing board of any unit of the Montana university system may submit an application for designation of a postsecondary vocational-technical center ~~to be operated by such trustees or governing board~~. The application for designation shall be submitted in accordance with the time, data, and form requirements prescribed by the ~~superintendent of public instruction~~ board of postsecondary vocational-technical education. Applicant high school districts, county high

1 schools, or community college districts shall be located in  
2 a county with a taxable valuation of at least \$45 million.

3 (b) Applications are to be presented to the  
4 ~~superintendent-of-public-instruction--The-superintendent-of~~  
5 ~~public-----instruction~~ board of ~~postsecondary~~  
6 ~~vocational-technical~~ education, which shall examine the  
7 application and draft recommendations. The application,  
8 together with all recommendations, shall be presented by the  
9 ~~superintendent--of--public--instruction~~ board to the next  
10 following legislature.

11 (2) The ~~superintendent-of-public-instruction~~ board of  
12 ~~postsecondary vocational-technical~~ education shall recognize  
13 the presently designated postsecondary vocational-technical  
14 ~~centers operated-by-the-respective-board-of-trustees--of~~ in  
15 school district number 1 of Silver Bow County, high school  
16 district number 1 of Lewis and Clark County, high school  
17 district "A" of Cascade County, Missoula County high school,  
18 and high school district number 2 of Yellowstone County."

19 Section 21. Section 20-7-312, MCA, is amended to read:  
20 "20-7-312. Local administration of ~~postsecondary~~  
21 ~~vocational-technical~~ center. (1) Subject to the requirements  
22 of the laws of the state of Montana and the policies and  
23 ~~rules~~ of the ~~superintendent--of--public--instruction--as~~  
24 ~~administered-by-the-state-director-of-vocational--education;~~  
25 ~~the--board--of--trustees--operating-a~~ board of ~~postsecondary~~

1 ~~vocational-technical~~ education, the director of a  
2 postsecondary vocational-technical center shall ~~has~~  
3 ~~administrative and supervisory control of the center and~~  
4 ~~shall:~~

5 ~~(a)--employ--from--among--qualified--applicants--a~~  
6 ~~postsecondary-vocational-technical-center-director;~~

7 ~~(b)(a)~~ employ administrative personnel, ~~----faculty~~  
8 ~~members;----and----employees----for----the----postsecondary~~  
9 ~~vocational-technical-center~~ not employed by the local board  
10 of trustees under a collectively bargained contract,  
11 according to the policies and ~~procedures~~ rules of the board  
12 of trustees ~~postsecondary vocational-technical~~ education;

13 ~~(c)(b)~~ recommend, develop, and submit ~~recommended~~  
14 budgets for the postsecondary vocational-technical centers;

15 ~~(d)(c)~~ establish and collect student tuition and fees;

16 ~~(e)(d)~~ recommend to the ~~superintendent--of--public~~  
17 ~~instruction--through--the--state--director--of--vocational~~  
18 ~~education~~ board of ~~postsecondary vocational-technical~~  
19 ~~education:~~

20 (i) proposals regarding postsecondary  
21 vocational-technical center programs, budgets, student  
22 services, and public service activities; and

23 (ii) campus development and program plans for  
24 individual postsecondary vocational-technical center  
25 buildings;

1 ~~f)(e)~~ manage buildings erected and equipped on leased  
2 grounds at the vocational-technical center;

3 ~~g)(f)~~ receive and administer gifts and bequests to  
4 the postsecondary vocational-technical center according to a  
5 written plan submitted to the superintendent--of-public  
6 instruction board of postsecondary vocational-technical  
7 education; and

8 ~~h)(g)~~ perform any other administrative  
9 responsibilities duties not inconsistent with law and  
10 required by the superintendent-of-public-instruction board  
11 of postsecondary vocational-technical education.

12 (2) Subject to the requirements of laws of the state  
13 and the policies and rules of the board of postsecondary  
14 vocational-technical education, the board of trustees of the  
15 local district in which a postsecondary vocational-technical  
16 center is located shall:

17 (a) employ, from among qualified applicants, a  
18 postsecondary vocational-technical center director;

19 (b) employ all administrative personnel, faculty  
20 members, and employees for the postsecondary  
21 vocational-technical center that are covered by a  
22 collectively bargained contract, according to the policies  
23 and procedures of the board of trustees.

24 ~~2)(3)~~ The board--of-trustees-operating director of a  
25 postsecondary vocational-technical center may not enter into

1 any contract that in any way creates a debt or obligation  
2 upon the state for the improvement or construction of  
3 postsecondary vocational-technical center buildings on  
4 leased-property."

5 Section 22. Section 20-7-314, MCA, is amended to read:

6 "20-7-314. Lease or purchase of state property for  
7 postsecondary vocational-technical center purposes. (1) The  
8 state of Montana, acting by and through the superintendent  
9 of-public-instruction, is hereby empowered and authorized to  
10 enter-into-a board of postsecondary vocational-technical  
11 education, may lease agreement for a term not to exceed 40  
12 years in--order--to--lease--to--a--district---operating---a  
13 postsecondary--vocational-technical--center any building or  
14 lands owned-by-the-state-and-financed-in-whole-or-in-part-by  
15 an-appropriation-made-by-the-legislature--of--the--state--of  
16 Montana for the--purpose--of--supporting--the-district's a  
17 postsecondary vocational-technical center. The-consideration  
18 necessary-to-support-such-a-lease-may-be-nominal.

19 (2) The-superintendent-of-public-instruction-is-hereby  
20 authorized-to-transfer-or-direct-transfer-of-title--held--by  
21 the-state-of-Montana-in-buildings-or-lands-financed-in-whole  
22 or-in-part-by-an-appropriation-by-the-state-legislature-to-a  
23 district---operating---a--postsecondary--vocational-technical  
24 center,--at-any-time-the-superintendent-of-public-instruction  
25 deems-such-transfer-to-be-in-the-best-interests-of-both--the

1 state---and---the---district---involved---provided---that---this  
 2 authorization---extends---only---to---buildings---or---lands---which---are  
 3 to---be---used---by---the---district---for---postsecondary  
 4 vocational-technical---education---purposes. The state of  
 5 Montana, acting through the board of postsecondary  
 6 vocational-technical education and on demand of a school  
 7 district, shall lease or purchase the equity or interest of  
 8 the school district in any building, land, or other property  
 9 at a postsecondary vocational-technical center on terms  
 10 agreed to between the board of postsecondary  
 11 vocational-technical education and the school district. A  
 12 purchase may be by lump-sum payment, time payments, the  
 13 assumption of bonded indebtedness, or any other mutually  
 14 agreeable method. Money received by a school district from  
 15 the lease or sale under this subsection of the school  
 16 district's equity or interest in a building, land, or other  
 17 property must be credited to the debt service fund, building  
 18 fund, general fund, or any combination of these funds, at  
 19 the discretion of the trustees of the school district."

20 Section 23. Section 20-7-322, MCA, is amended to read:  
 21 "20-7-322. State treasurer custodian of vocational  
 22 education moneys money. (1) The treasurer of the state of  
 23 Montana is hereby designated as the custodian of all federal  
 24 and state moneys money designated, appropriated, or  
 25 apportioned for vocational education. All moneys money

1 received from any federal or state source for the  
 2 establishment, operation, or furtherance of vocational  
 3 education in the state shall be deposited with the state  
 4 treasurer. At the direction of the superintendent of public  
 5 instruction, he shall disburse all moneys-appropriated or  
 6 money received for K-12 vocational education. At the  
 7 direction of the board of postsecondary vocational-technical  
 8 education, he shall disburse all money received for  
 9 postsecondary vocational-technical education.

10 (2) The state treasurer is the treasurer for all  
 11 postsecondary vocational-technical centers, and all money  
 12 received by postsecondary vocational-technical centers from  
 13 any source shall be deposited in the state treasury pursuant  
 14 to 17-6-105, unless the source of the money specifies  
 15 deposit somewhere other than in the state treasury."

16 Section 24. Section 20-7-323, MCA, is amended to read:  
 17 "20-7-323. Program and budget categories for  
 18 postsecondary vocational-technical education centers. (1)  
 19 The superintendent-of-public-instruction-shall-have board of  
 20 postsecondary vocational-technical education has the sole  
 21 authority for the approval of the postsecondary  
 22 vocational-technical education programs and their budgets.  
 23 Such The programs and budgets shall must be placed into  
 24 three categories defined as:

25 (a) maintenance and operation, which shall must

1 include programs and costs for instruction; vocational  
2 guidance and counseling; job placement; travel of pupils and  
3 personnel while engaged in a program; acquisition,  
4 maintenance, and repair of equipment; and the rental of  
5 necessary emergency facilities for not more than 1 year;

6 (b) construction, which ~~shall~~ must include the program  
7 and cost for construction of new buildings; acquisition,  
8 expansion, remodeling, and alteration of existing buildings;  
9 site acquisition and improvements; architectural fees; and  
10 the purchase of initial equipment;

11 (c) ancillary services, which ~~shall~~ must include the  
12 program and cost for the services and activities necessary  
13 to assure quality in the postsecondary vocational-technical  
14 center's instruction, such as supervision and administration  
15 of the center, program evaluation, special demonstration and  
16 experimental programs, and development of instructional  
17 materials and curriculum.

18 (2) ~~The trustees-of-the-designated-district--or--other~~  
19 ~~governing--board--where--the~~ director of each postsecondary  
20 vocational-technical center ~~is-located~~ shall submit program  
21 proposals and the related budgets on the basis of these  
22 categories and in accordance with the program and budget  
23 approval procedure prescribed by the ~~superintendent--of~~  
24 ~~public----instruction~~ board of postsecondary  
25 vocational-technical education."

1 Section 25. Section 20-7-324, MCA, is amended to read:  
2 "20-7-324. Sources of financing for postsecondary  
3 vocational-technical center budgets -- ~~superintendent--of~~  
4 ~~public-instruction-administration~~ distribution of funds. (1)  
5 The total of the postsecondary vocational-technical center  
6 budgets approved by the superintendent-of-public-instruction  
7 board of postsecondary vocational-technical education,  
8 together with the budget for the cost of state  
9 administration of the postsecondary vocational-technical  
10 centers, shall constitute the total maximum approved  
11 statewide budget, which shall be financed as follows:

12 (a) The primary source of financing is to be those  
13 funds specifically designated by legislative enactment or  
14 referendum by the people for financing postsecondary  
15 vocational-technical education in Montana.

16 (b) The board of county commissioners of each county  
17 must levy a tax of 2 mills on the dollar on all taxable real  
18 and personal property within the county for the support and  
19 maintenance of the postsecondary vocational-technical center  
20 education system, except that the board of county  
21 commissioners of each county in which a designated  
22 postsecondary vocational-technical center is located is  
23 hereby-authorized-to may not levy a tax of--not--to--exceed  
24 1-1/4---mills---for--calendar--year--1979--and--1-1/2--mills  
25 thereafter-on-the-dollar-of-all-taxable-property,--real--and

1 personal, within the county for the support and maintenance  
2 of the postsecondary vocational-technical center located  
3 within the county that will produce more than 10% of the  
4 total cost of operating the center.

5 (c) Designated postsecondary vocational-technical  
6 centers shall be eligible to receive such funds from the  
7 federal government as the superintendent of public  
8 instruction board of postsecondary vocational-technical  
9 education may provide, pursuant to applicable acts of  
10 congress.

11 (d) The board of trustees of any designated high  
12 school district or county high school district where a  
13 postsecondary vocational-technical center is located may be  
14 required, as a condition for the construction in that  
15 district of a postsecondary vocational-technical center, or  
16 any part thereof, to furnish up to 50% of the amount of  
17 funds required for any such construction. The percentage of  
18 construction funds to be furnished by the designated  
19 district shall be derived, in whole or in part, from any of  
20 the following sources:

21 (i) the sale of bonds issued by that district (such  
22 bonds shall be issued in conformity with the requirements of  
23 chapter 97, part 4, of this title in the case of high school  
24 and county high school district);

25 (ii) any other funds available to that district which

1 may be legally and properly applied toward such  
2 construction;

3 (iii) the reasonable value of land, buildings,  
4 fixtures, or equipment furnished by that district, subject  
5 to the approval of the superintendent of public instruction;

6 (2) The superintendent of public instruction board of  
7 postsecondary vocational-technical education shall direct  
8 the distribution of the funds specified in subsections  
9 (1)(a) and (1)(c) on the basis of the budgets approved by  
10 the superintendent of public instruction board of  
11 postsecondary vocational-technical education. The funds  
12 earned by the mill levy specified in subsection (1)(b) shall  
13 be credited by the county treasurer to the postsecondary  
14 vocational-technical center fund.

15 (3) The superintendent of public instruction shall  
16 determine the amount of financing available from these four  
17 sources of revenue and may approve budgets for maintenance  
18 and operation, construction, and ancillary services. The  
19 aggregate amount of the budgets so approved by the  
20 superintendent of public instruction for postsecondary  
21 vocational-technical centers shall not exceed the moneys  
22 determined to be available."

23 Section 26. Section 20-7-325, MCA, is amended to read:

24 "20-7-325. Postsecondary vocational-technical center  
25 funding -- nongeneral fund money expended first -- reversion

1 of general fund money. (1) Whenever an approved  
 2 postsecondary vocational-technical center under the  
 3 provisions of 20-7-311 is operated within a district, the  
 4 ~~trustees---of---such---district~~ board of postsecondary  
 5 vocational-technical education shall request the  
 6 establishment of the appropriate accounts in the state  
 7 treasury. These accounts shall be established in the  
 8 appropriate state treasury funds as determined by the  
 9 department of administration. All money prescribed and  
 10 received under the provisions of 20-7-324 shall be credited  
 11 to these accounts. The expenditure of the money deposited in  
 12 the state treasury shall be made in accordance with  
 13 procedures established by the department of administration.  
 14 Such expenditures shall be made under the budget and for the  
 15 programs approved by the ~~superintendent---of---public~~  
 16 ~~instruction~~ board of postsecondary vocational-technical  
 17 education under the provisions of 20-7-323 and the financial  
 18 administration provisions of this title.

19 (2) A postsecondary vocational-technical center shall  
 20 apply expenditures against nongeneral fund money wherever  
 21 possible before using state general fund appropriations. All  
 22 state general fund money appropriated or disbursed to a  
 23 postsecondary vocational-technical center which are  
 24 unexpended at fiscal year end shall revert to the state  
 25 general fund.

1 ~~{3}--The-----approval-----of-----the-----postsecondary~~  
 2 ~~vocational-technical--center--budget-and-subsequent-revision~~  
 3 ~~or-amendment-of-such-budget-by-the-superintendent-of--public~~  
 4 ~~instruction-shall-constitute-the-final-budget-approval-~~

5 ~~{4}{3}~~ Whenever the county tax prescribed in  
 6 20-7-324(1)(b) is to be used in support of the postsecondary  
 7 vocational-technical center, the county commissioners are  
 8 authorized to levy such tax on the county in accordance with  
 9 the provisions of 20-9-142."

10 Section 27. Section 20-7-326, MCA, is amended to read:  
 11 "20-7-326. Additional levy by school district. ~~{2}~~  
 12 Notwithstanding the provisions of 20-7-324, the trustees  
 13 ~~operating--a--postsecondary--vocational-technical-center-may~~  
 14 ~~propose--to--adopt--a--budget--in--excess--of--the--amount~~  
 15 ~~appropriated--by--the--legislature--for--salaries,--benefits,~~  
 16 ~~operations,--and--equipment. The legislature--shall--base--the~~  
 17 ~~appropriation---for---salaries,--benefits,--operations,--and~~  
 18 ~~equipment--on---amounts---appropriated---in---the---previous~~  
 19 ~~legislative-session-~~

20 ~~{2}~~--When--the--trustees of a local district must, if  
 21 they determine that an additional amount of financing is  
 22 required for salaries, and benefits of postsecondary  
 23 vocational-technical center personnel, operations,--and  
 24 equipment,--they--must submit the proposition for an  
 25 additional levy to the qualified electors of the district

1 personal, within the county for the support and maintenance  
 2 of the postsecondary vocational technical center located  
 3 within the county that will produce more than 10% of the  
 4 total cost of operating the center.

5 (c) Designated postsecondary vocational technical  
 6 centers shall be eligible to receive such funds from the  
 7 federal government as the superintendent of public  
 8 instruction board of postsecondary vocational technical  
 9 education may provide, pursuant to applicable acts of  
 10 congress.

11 (d) The board of trustees of any designated high  
 12 school district or county high school district where a  
 13 postsecondary vocational technical center is located may be  
 14 required, as a condition for the construction in that  
 15 district of a postsecondary vocational technical center, or  
 16 any part thereof, to furnish up to 50% of the amount of  
 17 funds required for any such construction. The percentage of  
 18 construction funds to be furnished by the designated  
 19 district shall be derived, in whole or in part, from any of  
 20 the following sources:

21 (i) the sale of bonds issued by that district (such  
 22 bonds shall be issued in conformity with the requirements of  
 23 chapter 9, part 4, of this title in the case of high school  
 24 and county high school district);

25 (ii) any other funds available to that district which

1 may be legally and properly applied toward such  
 2 construction;

3 (iii) the reasonable value of land, buildings,  
 4 fixtures, or equipment furnished by that district, subject  
 5 to the approval of the superintendent of public instruction;

6 (2) The superintendent of public instruction board of  
 7 postsecondary vocational technical education shall direct  
 8 the distribution of the funds specified in subsections  
 9 (1)(a) and (1)(c) on the basis of the budgets approved by  
 10 the superintendent of public instruction board of  
 11 postsecondary vocational technical education. The funds  
 12 earned by the mill levy specified in subsection (1)(b) shall  
 13 be credited by the county treasurer to the postsecondary  
 14 vocational technical center fund.

15 (3) The superintendent of public instruction shall  
 16 determine the amount of financing available from these four  
 17 sources of revenue and may approve budgets for maintenance  
 18 and operation, construction, and ancillary services. The  
 19 aggregate amount of the budgets so approved by the  
 20 superintendent of public instruction for postsecondary  
 21 vocational technical centers shall not exceed the moneys  
 22 determined to be available."

23 Section 26. Section 20-7-325, MCA, is amended to read:

24 "20-7-325. Postsecondary vocational technical center  
 25 funding -- nongeneral fund money expended first -- reversion



1 of general fund money. (1) Whenever an approved  
 2 postsecondary vocational-technical center under the  
 3 provisions of 20-7-311 is operated within a district, the  
 4 ~~trustees---of---such---district~~ board of postsecondary  
 5 vocational-technical education shall request the  
 6 establishment of the appropriate accounts in the state  
 7 treasury. These accounts shall be established in the  
 8 appropriate state treasury funds as determined by the  
 9 department of administration. All money prescribed and  
 10 received under the provisions of 20-7-324 shall be credited  
 11 to these accounts. The expenditure of the money deposited in  
 12 the state treasury shall be made in accordance with  
 13 procedures established by the department of administration.  
 14 Such expenditures shall be made under the budget and for the  
 15 programs approved by the ~~superintendent---of---public~~  
 16 instruction board of postsecondary vocational-technical  
 17 education under the provisions of 20-7-323 and the financial  
 18 administration provisions of this title.

19 (2) A postsecondary vocational-technical center shall  
 20 apply expenditures against nongeneral fund money wherever  
 21 possible before using state general fund appropriations. All  
 22 state general fund money appropriated or disbursed to a  
 23 postsecondary vocational-technical center which are  
 24 unexpended at fiscal year end shall revert to the state  
 25 general fund.

1 ~~{3}--The-----approval-----of-----the-----postsecondary~~  
 2 ~~vocational-technical--center--budget-and-subsequent-revision~~  
 3 ~~or-amendment-of-such-budget-by-the-superintendent-of--public~~  
 4 ~~instruction-shall-constitute-the-final-budget-approval-~~

5 ~~{4}{3}~~ Whenever the county tax prescribed in  
 6 20-7-324(1)(b) is to be used in support of the postsecondary  
 7 vocational-technical center, the county commissioners are  
 8 authorized to levy such tax on the county in accordance with  
 9 the provisions of 20-9-142."

10 Section 27. Section 20-7-326, MCA, is amended to read:  
 11 "20-7-326. Additional levy by school district. ~~{1}~~  
 12 Notwithstanding the provisions of 20-7-324, the trustees  
 13 ~~operating--a--postsecondary--vocational-technical-center-may~~  
 14 ~~propose--to--adopt--a--budget--in--excess--of---the---amount~~  
 15 ~~appropriated--by--the--legislature--for--salaries,--benefits,~~  
 16 ~~operations,--and--equipment;--The-legislature--shall--base--the~~  
 17 ~~appropriation---for---salaries,--benefits,--operations,--and~~  
 18 ~~equipment--on---amounts---appropriated---in---the---previous~~  
 19 ~~legislative-session;~~

20 ~~{2}~~--When--the--trustees of a local district must, if  
 21 they determine that an additional amount of financing is  
 22 required for salaries, and benefits of postsecondary  
 23 vocational-technical center personnel, operations,---and  
 24 equipment,---they---must submit the proposition for an  
 25 additional levy to the qualified electors of the district

1 personal; within the county for the support and maintenance  
 2 of the postsecondary vocational technical center located  
 3 within the county that will produce more than 10% of the  
 4 total cost of operating the center.

5 (c) Designated postsecondary vocational technical  
 6 centers shall be eligible to receive such funds from the  
 7 federal government as the superintendent of public  
 8 instruction board of postsecondary vocational technical  
 9 education may provide, pursuant to applicable acts of  
 10 congress.

11 (d) The board of trustees of any designated high  
 12 school district or county high school district where a  
 13 postsecondary vocational technical center is located may be  
 14 required, as a condition for the construction in that  
 15 district of a postsecondary vocational technical center, or  
 16 any part thereof, to furnish up to 50% of the amount of  
 17 funds required for any such construction. The percentage of  
 18 construction funds to be furnished by the designated  
 19 district shall be derived, in whole or in part, from any of  
 20 the following sources:

21 (i) the sale of bonds issued by that district (such  
 22 bonds shall be issued in conformity with the requirements of  
 23 chapter 9, part 4, of this title in the case of high school  
 24 and county high school district);

25 (ii) any other funds available to that district which

1 may be legally and properly applied toward such  
 2 construction;

3 (iii) the reasonable value of land, buildings,  
 4 fixtures, or equipment furnished by that district, subject  
 5 to the approval of the superintendent of public instruction.

6 (2) The superintendent of public instruction board of  
 7 postsecondary vocational technical education shall direct  
 8 the distribution of the funds specified in subsections  
 9 (1)(a) and (1)(c) on the basis of the budgets approved by  
 10 the superintendent of public instruction board of  
 11 postsecondary vocational technical education. The funds  
 12 earned by the mill levy specified in subsection (1)(b) shall  
 13 be credited by the county treasurer to the postsecondary  
 14 vocational technical center fund.

15 (3) The superintendent of public instruction shall  
 16 determine the amount of financing available from these four  
 17 sources of revenue and may approve budgets for maintenance  
 18 and operation, construction, and ancillary services. The  
 19 aggregate amount of the budgets so approved by the  
 20 superintendent of public instruction for postsecondary  
 21 vocational technical centers shall not exceed the moneys  
 22 determined to be available."

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1 of general fund money. (1) Whenever an approved  
 2 postsecondary vocational-technical center under the  
 3 provisions of 20-7-311 is operated within a district, the  
 4 ~~trustees---of---such---district~~ board of postsecondary  
 5 vocational-technical education shall request the  
 6 establishment of the appropriate accounts in the state  
 7 treasury. These accounts shall be established in the  
 8 appropriate state treasury funds as determined by the  
 9 department of administration. All money prescribed and  
 10 received under the provisions of 20-7-324 shall be credited  
 11 to these accounts. The expenditure of the money deposited in  
 12 the state treasury shall be made in accordance with  
 13 procedures established by the department of administration.  
 14 Such expenditures shall be made under the budget and for the  
 15 programs approved by the ~~superintendent---of---public~~  
 16 instruction board of postsecondary vocational-technical  
 17 education under the provisions of 20-7-323 and the financial  
 18 administration provisions of this title.

19 (2) A postsecondary vocational-technical center shall  
 20 apply expenditures against nongeneral fund money wherever  
 21 possible before using state general fund appropriations. All  
 22 state general fund money appropriated or disbursed to a  
 23 postsecondary vocational-technical center which are  
 24 unexpended at fiscal year end shall revert to the state  
 25 general fund.

1 ~~{3}--The-----approval-----of-----the-----postsecondary~~  
 2 ~~vocational-technical--center--budget-and-subsequent-revision~~  
 3 ~~or-amendment-of-such-budget-by-the-superintendent-of--public~~  
 4 ~~instruction-shall-constitute-the-final-budget-approval.~~

5 ~~{4}{3}~~ Whenever the county tax prescribed in  
 6 20-7-324(1)(b) is to be used in support of the postsecondary  
 7 vocational-technical center, the county commissioners are  
 8 authorized to levy such tax on the county in accordance with  
 9 the provisions of 20-9-142."

10 Section 27. Section 20-7-326, MCA, is amended to read:  
 11 "20-7-326. Additional levy by school district. ~~{1}~~  
 12 Notwithstanding the provisions of 20-7-324, the trustees  
 13 ~~operating--a--postsecondary--vocational-technical-center-may~~  
 14 ~~propose--to--adopt--a--budget--in--excess--of--the--amount~~  
 15 ~~appropriated--by--the--legislature--for--salaries,benefits,~~  
 16 ~~operations,--and--equipment. The legislature--shall--base--the~~  
 17 ~~appropriation---for---salaries,--benefits,--operations,--and~~  
 18 ~~equipment--on---amounts---appropriated---in---the---previous~~  
 19 ~~legislative-session.~~

20 ~~{2}~~--When--the--trustees of a local district must, if  
 21 they determine that an additional amount of financing is  
 22 required for salaries, and benefits of postsecondary  
 23 vocational-technical center personnel, ~~operations,--and~~  
 24 ~~equipment,---they---must~~ submit the proposition for an  
 25 additional levy to the qualified electors of the district

1 pursuant to 20-20-301 and in the manner prescribed by  
 2 20-9-353. However, the levy must not, when combined with the  
 3 county levy under 20-7-324, produce more than 10% of the  
 4 total cost of operating the center. When another additional  
 5 levy proposition is presented to the electorate, the  
 6 proposition for an additional levy for a postsecondary  
 7 vocational-technical center may be presented as a separate  
 8 issue on the ballot or it may be consolidated with the  
 9 additional levy proposition of the high school district."

10 Section 28. Section 20-7-327, MCA, is amended to read:

11 "20-7-327. Source of financing for postsecondary  
 12 vocational-technical center facility maintenance. The source  
 13 of funds for maintenance, remodeling, and renovation of  
 14 postsecondary vocational-technical center facilities may be  
 15 either local funds, federal funds, or state funds  
 16 specifically appropriated by the legislature and approved by  
 17 the ~~superintendent---of---public---instruction~~ board of  
 18 postsecondary vocational-technical education, or any  
 19 combination of these funds."

20 Section 29. Section 20-7-332, MCA, is amended to read:

21 "20-7-332. Tuition rates. (1) Tuition may be charged  
 22 to any resident or nonresident of the state of Montana by  
 23 the ~~governing---board~~ director of any postsecondary  
 24 vocational-technical center at rates to be determined by the  
 25 ~~superintendent--of-public-instruction~~ board of postsecondary

1 vocational-technical education. The superintendent-of-public  
 2 instruction board of postsecondary vocational-technical  
 3 education shall also prescribe permissible uses for any  
 4 tuition authorized.

5 (2) For the purposes of this section the eligibility  
 6 of a student for resident status shall be determined in the  
 7 same manner as that prescribed for use by the Montana  
 8 university system, except that those provisions referring to  
 9 "high school graduates" or "graduation from high school"  
 10 shall be considered to refer to a person who has attended  
 11 school or who was in attendance at a school."

12 Section 30. Section 20-7-333, MCA, is amended to read:

13 "20-7-333. ~~Pupil~~ Student fees and disposition of  
 14 collected fees. (1) Fees for the use of equipment and  
 15 material used in instruction may be charged by the ~~trustees~~  
 16 ~~or-other--governing--board~~ director of the postsecondary  
 17 vocational-technical center. The ~~superintendent-of-public~~  
 18 ~~instruction~~ board of postsecondary vocational-technical  
 19 education shall prescribe the ~~basis~~ bases and limitations  
 20 for the charging of such fees.

21 (2) Fees collected by the postsecondary  
 22 vocational-technical center shall be deposited with the  
 23 state treasurer in the fund designated by the ~~superintendent~~  
 24 ~~of---public---instruction~~ board of postsecondary  
 25 vocational-technical education for the receipt of such fees.

1 The expenditure of the fees shall not be subject to budget  
 2 limitations and shall be in addition to the program budgets  
 3 approved by the ~~superintendent-of-public-instruction board~~  
 4 of postsecondary vocational-technical education."

5 Section 31. Section 20-9-403, MCA, is amended to read:

6 "20-9-403. Bond issues for certain purposes. (1) The  
 7 trustees of a school district may issue and negotiate bonds  
 8 on the credit of the school district for the purpose of:

9 (a) building, altering, repairing, buying, furnishing,  
 10 equipping, purchasing lands for, and/or obtaining a water  
 11 supply for a school, teacherage, dormitory, gymnasium, other  
 12 building, or combination of said buildings for school  
 13 purposes;---including---postsecondary---vocational-technical  
 14 ~~centers-in-the-school-district;~~

15 (b) buying a school bus or buses;

16 (c) providing the necessary money to redeem matured  
 17 bonds, maturing bonds, or coupons appurtenant to bonds when  
 18 there is not sufficient money to redeem them;

19 (d) providing the necessary money to redeem optional  
 20 or redeemable bonds when it is for the best interest of the  
 21 school district to issue refunding bonds; or

22 (e) funding a judgment against the district.

23 (2) Any money realized from the sale of any bonds  
 24 issued on the credit of a high school district shall not be  
 25 used for any of the above purposes in an elementary school

1 district, and such money may be used for any of the above  
 2 purposes for a junior high school but only to the extent  
 3 that the 9th grade of the high school is served thereby."

4 Section 32. Section 20-9-513, MCA, is amended to read:

5 "20-9-513. Postsecondary vocational-technical center  
 6 and adult basic education programs account established.  
 7 There is within the state special revenue fund a  
 8 postsecondary vocational-technical center and adult basic  
 9 education account. Money is paid into the account under  
 10 90-6-211. The state treasurer shall draw warrants payable  
 11 from this account upon order of the superintendent of public  
 12 instruction or the board of postsecondary  
 13 vocational-technical education up to the amount provided for  
 14 each under 90-6-211 by the biennium budget passed by the  
 15 legislature."

16 Section 33. Section 20-9-603, MCA, is amended to read:

17 "20-9-603. Acceptance and expenditure of federal  
 18 moneys for state. (1) (a) The governor and the  
 19 superintendent of public instruction are authorized on  
 20 behalf of the state of Montana to request and accept such  
 21 moneys as are now or will be made available under any act of  
 22 congress of the United States or otherwise for purposes of  
 23 public school building construction or for any other  
 24 purposes of public schools and public education as permitted  
 25 under the laws of the state of Montana and as authorized by

1 the grants from the federal government. Such moneys shall be  
 2 deposited by the governor and superintendent of public  
 3 instruction in the state treasury and are appropriated and  
 4 made available to the superintendent of public instruction.  
 5 All such moneys shall be expended for the purpose of public  
 6 school building construction or for any other purposes of  
 7 public schools and public education as permitted under the  
 8 laws of the state of Montana and as authorized by the grants  
 9 from the federal government.

10 {2}(b) The governor and superintendent of public  
 11 instruction are further authorized on behalf of the state of  
 12 Montana to accept moneys provided from federal sources for  
 13 the express purpose of distribution to nonpublic education.  
 14 Such moneys shall be deposited by the governor and  
 15 superintendent of public instruction in the state treasury  
 16 and are appropriated and made available to the  
 17 superintendent of public instruction. All such moneys shall  
 18 be distributed in the manner provided by the laws of the  
 19 state of Montana and as authorized or expressed by grants  
 20 from the federal government.

21 {3}(c) All expenditures of moneys from federal sources  
 22 under this section subsection (1) shall be made under the  
 23 supervision and in the discretion of the superintendent of  
 24 public instruction. Any balance in the account in which such  
 25 moneys are maintained shall not lapse at any time but shall

1 be continuously available to the superintendent of public  
 2 instruction for expenditures consistent with this title and  
 3 acts of the federal government.

4 (2) (a) The governor and the board of postsecondary  
 5 vocational-technical education are authorized on behalf of  
 6 the state of Montana to request and accept such moneys as  
 7 are now or will be made available under any act of congress  
 8 of the United States or otherwise for purposes of  
 9 postsecondary vocational-technical education building  
 10 construction or for any other purposes of postsecondary  
 11 vocational-technical education as permitted under the laws  
 12 of the state of Montana and as authorized by the grants from  
 13 the federal government. Such moneys shall be deposited by  
 14 the governor and the board of postsecondary  
 15 vocational-technical education in the state treasury and are  
 16 appropriated and made available to the board of  
 17 postsecondary vocational-technical education. All such  
 18 moneys shall be expended for the purpose of postsecondary  
 19 vocational-technical education building construction or for  
 20 any other purposes of postsecondary vocational-technical  
 21 education as permitted under the laws of the state of  
 22 Montana and as authorized by the grants from the federal  
 23 government.

24 (b) The governor and the board of postsecondary  
 25 vocational-technical education are further authorized on

1 behalf of the state of Montana to accept moneys provided  
 2 from federal sources for the express purpose of distribution  
 3 to nonpublic postsecondary vocational-technical education.  
 4 Such moneys shall be deposited by the governor and the board  
 5 of postsecondary vocational-technical education in the state  
 6 treasury and are appropriated and made available to the  
 7 board of postsecondary vocational-technical education. All  
 8 such moneys shall be distributed in the manner provided by  
 9 the laws of the state of Montana and as authorized or  
 10 expressed by grants from the federal government.

11 (c) All expenditures of moneys from federal sources  
 12 under this subsection (2) shall be made under the  
 13 supervision and in the discretion of the board of  
 14 postsecondary vocational-technical education. Any balance in  
 15 the account in which such moneys are maintained shall not  
 16 lapse at any time but shall be continuously available to the  
 17 board of postsecondary vocational-technical education for  
 18 expenditures consistent with this title and acts of the  
 19 federal government."

20 Section 34. Section 39-71-118, MCA, is amended to  
 21 read:

22 "39-71-118. Employee, worker, and workman defined. (1)  
 23 The terms "employee", "workman", or "worker" mean:

24 (a) each person in this state, including a contractor  
 25 other than an independent contractor, who is in the service

1 of an employer, as defined by 39-71-117, under any  
 2 appointment or contract of hire, expressed or implied, oral  
 3 or written. The terms include aliens and minors, whether  
 4 lawfully or unlawfully employed, and all of the elected and  
 5 appointed paid public officers and officers and members of  
 6 boards of directors of quasi-public or private corporations  
 7 while rendering actual service for such corporations for  
 8 pay. Casual employees as defined by 39-71-116(3) are  
 9 included as employees if they are not otherwise covered by  
 10 workers' compensation and if an employer has elected to be  
 11 bound by the provisions of the compensation law for these  
 12 casual employments, as provided in 39-71-401(2). Household  
 13 or domestic service is excluded.

14 (b) a recipient of general relief who is performing  
 15 work for a county of this state under the provisions of  
 16 53-3-302 through 53-3-305 and any juvenile performing work  
 17 under authorization of a district court judge in a  
 18 delinquency prevention or rehabilitation program;

19 (c) a person receiving on-the-job vocational  
 20 rehabilitation training or other on-the-job training under a  
 21 state or federal vocational training program, whether or not  
 22 under an appointment or contract of hire with an employer as  
 23 defined in this chapter and whether or not receiving payment  
 24 from a third party. However, this subsection does not apply  
 25 to students enrolled in vocational training programs as

1 outlined above while they are on the premises of a public  
2 school or community college; or

3 (d) students enrolled and in attendance in programs of  
4 ~~vocational-technical~~ vocational-technical education approved  
5 ~~by--the--state--board--of--public--education~~ at designated  
6 postsecondary ~~vocational---technical~~ vocational-technical  
7 centers.

8 (2) If the employer is a partnership or sole  
9 proprietorship, such employer may elect to include as an  
10 employee within the provisions of this chapter any member of  
11 such partnership or the owner of the sole proprietorship  
12 devoting full time to the partnership or proprietorship  
13 business. In the event of such election, the employer must  
14 serve upon the employer's insurer written notice naming the  
15 partners or sole proprietor to be covered, and no partner or  
16 sole proprietor shall be deemed an employee within this  
17 chapter until such notice has been given. For premium  
18 ratemaking and for the determination of weekly wage for  
19 weekly compensation benefits, the insurance carrier shall  
20 assume a salary or wage of such electing employee to be not  
21 less than \$900 a month and not more than 1 1/2 times the  
22 average weekly wage as defined in this chapter."

23 Section 35. Section 90-6-211, MCA, is amended to read:  
24 "90-6-211. Disposition of interest from unexpended  
25 balance. The unexpended balance in the local impact and

1 education trust fund account shall be invested as provided  
2 by statute by the board of investments. Of the income from  
3 such investments each year 10% shall be paid into the state  
4 special revenue fund for use by the superintendent of public  
5 instruction for purposes of the ~~---postsecondary~~  
6 ~~vocational-technical---centers--and~~ adult basic education  
7 programs in the state, ~~subject-to-the-budgeting-authority-of~~  
8 ~~the-legislature~~ and for use by the board of postsecondary  
9 vocational-technical education for postsecondary  
10 vocational-technical center education programs in the state,  
11 as provided in the biennium budget passed by the  
12 legislature. Within the account under 20-9-513, the revenue  
13 is shared between the postsecondary vocational-technical  
14 centers and the adult basic education programs as provided  
15 in the biennium budget passed by the legislature. Of the  
16 remaining 90% of the income from such investments,  
17 three-fourths shall be annually paid into the state special  
18 revenue fund for state equalization aid to public schools of  
19 the state and one-fourth each year shall be paid to the  
20 board of regents of higher education for use by the  
21 institutions of higher learning in the state, subject to the  
22 budgeting authority of the legislature. Except as provided  
23 in 90-6-205(4), the principal of the local impact and  
24 educational trust fund shall be dedicated to education and  
25 forever remain inviolate and sacred to this purpose as



1 provided in sections 3 and 10 of Article X of the Montana  
2 constitution."

3 NEW SECTION. Section 36. Repealer. Sections 20-9-404  
4 and 20-9-405, MCA, are repealed.

5 NEW SECTION. Section 37. Initial appointment and  
6 terms of members of board of postsecondary  
7 vocational-technical education. Initial appointments to the  
8 board of postsecondary vocational-technical education must  
9 be made within 30 days after [the effective date of this  
10 section]. Two initial appointees shall serve for 4 years,  
11 two shall serve for 5 years, two shall serve for 6 years,  
12 and one shall serve for 7 years.

13 NEW SECTION. Section 38. Codification instruction.  
14 Sections 2 through 5 are intended to be codified as an  
15 integral part of Title 20, chapter 7, part 3, and the  
16 provisions of Title 20 apply to sections 2 through 5.

17 NEW SECTION. Section 39. Effective dates. This act is  
18 effective July 1, 1985, except that section 37 is effective  
19 on passage and approval of this act.

-End-

STATE OF MONTANA  
FISCAL NOTE

REQUEST NO. FNN 173-85

Form BD-15

In compliance with a written request received January 22, 19 85, there is hereby submitted a Fiscal Note for S.B. 172 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:

An Act Establishing A State Board Allocated To The Board Of Regents To Govern Postsecondary Vocational-Technical Centers; retaining the local district control over collective bargaining contracts; limiting local funding of a center to 10% of operating budgets and establishing a 2 mill statewide levy.

ASSUMPTIONS:

1. Administrative costs will not change except for the operations of the new Board of Postsecondary Vocational Education and its staff.
2. The Board will meet approximately 10 times a year.
3. The Commissioner of Postsecondary Vocational-Technical Education will hire a staff.
4. Current Vo-Tech programs occupy 589,200 sq. ft. of school district property.
5. An average state lease rate of \$ 4.15 per sq. ft. will be the negotiated agreement between the Board and the local school districts.
6. Statewide valuation will be \$2,397,311,000 - 1986  
\$2,444,893,000 - 1987.
7. Voted levies are authorized.
8. Current voted levies total \$1,568,927 in FY 1985. All of these costs would be assumed in the Legislative Appropriation for FY 86 and 87.
9. Prime reason for the voted levies is the salary differential between legislatively authorized salaries and local district salary levels.
10. Collective bargaining salary levels will be tied to the local districts negotiated settlements.
11. The 10% limit on local revenues would be based on the current legislatively authorized budget plus the current voted budget for each center.

*David L Hunter*

BUDGET DIRECTOR  
Office of Budget and Program Planning

Date: Jan 30, 1985

SB 172

**FISCAL IMPACT:**

	<u>FY 86</u>	<u>FY 87</u>
Revenue:		
Millage		
Current 1½ mills	\$ 857,800	\$ 873,668
Proposed	-0-	-0-
Decrease	<u>(\$ 857,800)</u>	<u>(\$ 873,668)</u>
2 mills statewide	\$4,794,622	\$4,889,786
Current	-0-	-0-
Increase	<u>\$4,794,622</u>	<u>\$4,889,786</u>
Less 10% cap at Billings		
Decrease	<u>(\$ 174,156)</u>	<u>(\$ 176,064)</u>
Net Affect on		
Millage Revenue		
(Increase)	<u>\$3,762,666</u>	<u>\$3,840,054</u>
Expenditures:		
Board Operations		
Current	\$ -0-	\$ -0-
Proposed	304,340	298,233
Increase	<u>\$ 304,340</u>	<u>\$ 298,233</u>
Assumption of		
Current voted levy costs	<u>\$1,568,927</u>	<u>\$1,568,927</u>
Potential Lease Costs	<u>\$2,445,180</u>	<u>\$2,445,180</u>
Total Cost Increase	<u>\$4,318,447</u>	<u>\$4,312,340</u>
Net Cost to the General Fund		
for Vo-Tech Operations	<u>\$ 555,781</u>	<u>\$ 472,286</u>

Any change in the lease amount would directly increase or decrease the General Fund cost.

In addition, local salary negotiations, if substantially higher than the state, would require voted levies for the continued operations of the various Vo-Tech programs. Because of the 10% cap on local funds, Billings would not be able to ask for a voted levy for salary supplements. In addition, Great Falls and Missoula would be close to the 10% cap, so they would not be able to ask for any significant increase through the voted levy.

LOCAL IMPACT:

Increased revenue due to lease or sale of Vo-Tech property to the State.

Establishes a 2 mill statewide mandatory levy for vo-tech operations and a 10% budget cap on county funds for those counties having a vo-tech center.

LONG TERM IMPACT:

The state may be required in the future to purchase all vo-tech property from the local school districts.

TECHNICAL NOTES:

Section 26. Section 20-7-314 MCA, (2) appears to authorize the board of postsecondary vocational-technical education to assume bonded indebtedness. This may conflict with Article VIII, Section 8 of the Montana Constitution.