

HB 60 INTRODUCED BY HARRINGTON
ALLOW SCHOOL DISTRICTS 3-YEAR AVERAGE OF AVERAGE
 NUMBER BELONGING UNDER CERTAIN CONDITIONS

1/05 INTRODUCED
1/05 REFERRED TO EDUCATION & CULTURAL RESOURCES
1/05 FISCAL NOTE REQUESTED
1/13 FISCAL NOTE RECEIVED
1/14 HEARING
1/14 TABLED IN COMMITTEE

1 HOUSE BILL NO. 60
2 INTRODUCED BY HARRINGTON

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW A SCHOOL
5 DISTRICT THAT EXPERIENCES A DECREASE IN ENROLLMENT TO
6 RECEIVE FOUNDATION PROGRAM FUNDS FOR THE ENSUING SCHOOL YEAR
7 BASED ON A 3-YEAR AVERAGE OF THE DISTRICT'S ANB IF THE
8 DISTRICT'S GENERAL FUND CASH RESERVE FOR THE ENSUING YEAR
9 DOES NOT EXCEED 10 PERCENT; AND AMENDING SECTION 20-9-311,
10 MCA."

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

13 Section 1. Section 20-9-311, MCA, is amended to read:

14 "20-9-311. Calculation of average number belonging
15 (ANB). (1) Average number belonging shall be computed by
16 determining the total of the aggregate days of attendance by
17 regularly enrolled, full-time pupils during the current
18 school fiscal year plus the aggregate days of absence by
19 regularly enrolled, full-time pupils during the current
20 school fiscal year and by dividing such total by 180.
21 However, when a school district has approval to operate less
22 than 180 school days under 20-9-804, such total shall be
23 calculated in accordance with the provisions of 20-9-805.
24 Attendance for a part of a morning session or a part of an
25 afternoon session by a pupil shall be counted as attendance

1 for one-half day. In calculating the ANB for pupils enrolled
2 in a program established under 20-7-117 prior to January 1,
3 1974, or pursuant to 20-7-117(1), attendance at or absence
4 from a regular session of the program for at least 2 hours
5 of either a morning or an afternoon session will be counted
6 as one-half of a day attended or absent as the case may be.
7 If a variance has been granted as provided in 20-1-302, ANB
8 will be computed in a manner prescribed by the
9 superintendent of public instruction, but in no case shall
10 the ANB exceed one-half for each kindergarten pupil. When
11 any pupil has been absent, with or without excuse, for more
12 than 10 consecutive school days, including
13 pupil-instruction-related days, his absence after the 10th
14 day of absence shall not be included in the aggregate days
15 of absence and his enrollment in the school shall not be
16 considered in the calculation of the average number
17 belonging until he resumes attendance at school.

18 (2) If a student spends less than half his time in the
19 regular program and the balance of his time in school in the
20 special education program, he shall be considered a
21 full-time special pupil but shall not be considered
22 regularly enrolled for ANB purposes. If a student spends
23 half or more of his time in school in the regular program
24 and the balance of his time in the special education
25 program, he shall be considered regularly enrolled for ANB



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1 purposes.

2 (3) The average number belonging of the regularly
3 enrolled, full-time pupils for the public schools of a
4 district shall be calculated individually for each school,
5 except that when:

6 (a) more than one school of a district, other than a
7 junior high school in an elementary district which has been
8 approved and accredited as a junior high school, is located
9 within the incorporated limits of a city or town, the
10 average number belonging of such schools shall be based on
11 the aggregate of all the regularly enrolled, full-time
12 pupils attending such schools located within the
13 incorporated limits of a city or town;

14 (b) a junior high school which has been approved and
15 accredited as a junior high school is located within the
16 incorporated limits of a city or town in which a high school
17 is located, all of the regularly enrolled, full-time pupils
18 of the junior high school shall be considered as high school
19 district pupils for the purposes of calculating the average
20 number belonging of the high schools located within the
21 incorporated limits of such city or town;

22 (c) a middle school has been approved and accredited,
23 in which case pupils below the 7th grade shall be considered
24 elementary school pupils for ANB purposes and the 7th and
25 8th grade pupils shall be considered high school pupils for

1 ANB purposes; or

2 (d) a school has not been accredited by the board of
3 public education, the regularly enrolled, full-time pupils
4 attending the nonaccredited school shall not be eligible for
5 average number belonging calculation purposes, nor will an
6 average number belonging for the nonaccredited school be
7 used in determining the foundation program for such
8 district.

9 (4) When 11th or 12th grade students are regularly
10 enrolled on a part-time basis, high schools may calculate
11 the ANB to include an "equivalent ANB" for those students.
12 The method for calculating an equivalent ANB shall be
13 determined in a manner prescribed by the superintendent of
14 public instruction.

15 (5) The average number belonging for the ensuing
16 school year may be calculated by averaging the ANB amounts
17 from the current year and the 2 previous school years if:

18 (a) the current year's ANB amount is less than the
19 previous year's ANB amount; and

20 (b) the general fund cash reserve of the school
21 district for the ensuing school fiscal year, as authorized
22 by 20-9-104, does not exceed 10%."

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB060, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to allow a school district that experiences a decrease in enrollment to receive foundation program funds for the ensuing school year based on a 3 year average of the districts's ANB if the district's general fund reserve for the ensuing year does not exceed 10 percent.

ASSUMPTIONS:

1. Assume that the Average Number Belonging (ANB) in school districts remains constant.
2. Assume that the district general fund reserves and general fund budgets remain at the FY87 level.
3. Assume that the foundation schedules remain at the FY87 level.
4. The provisions of this proposed law effect 20 school districts.

FISCAL IMPACT:

Expenditures:

	<u>FY88</u>			<u>FY89</u>		
	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
	<u>Law</u>	<u>Law</u>		<u>Law</u>	<u>Law</u>	
General Fund	\$ 52,643,000	\$ 53,344,098	\$ 701,098	\$ 42,705,000	\$ 43,406,098	\$ 701,098
State Special Revenues	232,792,000	232,792,000	0	242,730,000	242,730,000	0
TOTAL	\$285,435,000	\$286,136,098	\$ 701,098	\$285,435,000	\$286,136,098	\$ 701,098

Revenues:

N/A

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

N/A

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

N/A

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

The general fund cash reserves are under the control of the individual district as the district trustees can establish a general fund reserve amount at any level up to 35% under existing law. The potential fiscal impact of all districts that have experienced declining enrollment is \$4,588,000, if the reserves in those districts decrease below 10% of the district budget.

David L. Hunter DATE 1/10/87
 DAVID L. HUNTER, BUDGET DIRECTOR
 Office of Budget and Program Planning

DATE _____
 DAN W. HARRINGTON, PRIMARY SPONSOR

Fiscal Note for HB060, as introduced
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