

HB 295 INTRODUCED BY PISTORIA  
LIMITING SCHOOL DISTRICT CASH RESERVE FUND

1/20 INTRODUCED  
1/20 REFERRED TO EDUCATION & CULTURAL RESOURCES  
2/09 HEARING  
2/13 TABLED IN COMMITTEE

1 House BILL NO. 295  
2 INTRODUCED BY Astoria

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO LIMIT THE GENERAL  
5 FUND CASH RESERVE FOR A SCHOOL DISTRICT TO 35 PERCENT OF THE  
6 FINAL GENERAL FUND BUDGET FOR THE ENSUING SCHOOL FISCAL YEAR  
7 OR \$6 MILLION, WHICHEVER AMOUNT IS LESS; AND AMENDING  
8 SECTION 20-9-104, MCA."  
9

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

11 Section 1. Section 20-9-104, MCA, is amended to read:

12 "20-9-104. General fund cash reserve. At the end of  
13 each school fiscal year, the trustees of each district shall  
14 designate what portion of the general fund end-of-the-year  
15 cash balance shall be earmarked as cash reserve for the  
16 purpose of paying general fund warrants issued by the  
17 district from July 1 to November 30 of the ensuing school  
18 fiscal year. The amount of the general fund cash balance  
19 that is earmarked as cash reserve shall not exceed 35% of  
20 the final general fund budget for the ensuing school fiscal  
21 year or \$6 million, whichever amount is less, and shall not  
22 be used for property tax reduction in the manner permitted  
23 by 20-9-141(1)(b) for other receipts. Any portion of the  
24 general fund end-of-the-year cash balance that is not  
25 earmarked for cash reserve purposes shall be cash

1 reappropriated which shall be used for property tax  
2 reduction as provided in 20-9-141(1)(b)(iii)."

-End-



-2- INTRODUCED BILL  
HB-295