

SB 217 INTRODUCED BY BROWN, R., PECK, EUDAILY, ET AL.
CREATE EDUCATIONAL SERVICE COOPERATIVES

1/24 INTRODUCED
1/24 REFERRED TO EDUCATION & CULTURAL RESOURCES
1/24 FISCAL NOTE REQUESTED
1/29 FISCAL NOTE RECEIVED
2/04 HEARING
2/20 TABLED IN COMMITTEE

1
 2 INTRODUCED BY *Senate* BILL NO. *217*
 3 *Bob Brown* *Paul Erdahl*
 4 *W. Ballum* *8/29/01*
 5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING CREATION OF
 6 EDUCATIONAL SERVICE COOPERATIVES; AND REPEALING SECTIONS
 7 20-7-451 THROUGH 20-7-455, MCA."

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

9 Section 1. Educational service cooperatives. (1) For
10 the purpose of providing comprehensive and efficient
11 educational services to Montana school children, the
12 superintendent of public instruction shall divide the state
13 into no more than 20 educational service cooperatives.

14 (2) An educational service cooperative shall provide
15 special education and related services for all member
16 districts in the cooperative. A cooperative may provide
17 other educational services and programs allowed in Title 20,
18 including but not limited to gifted and talented programs,
19 school transportation, and traffic education.

20 (3) A cooperative may be established under the
21 provisions of 7-11-101 through 7-11-108, relating to
22 interlocal agreements.

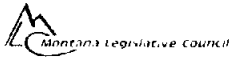
23 (4) The superintendent of public instruction shall
24 adopt rules to implement educational service cooperatives.
25 The rules must be based on the following criteria:

1 (a) An educational service cooperative shall service a
2 geographic area encompassing a minimum school enrollment of
3 3,000 pupils based on average number belonging. The
4 superintendent of public instruction may make exceptions to
5 this enrollment requirement only for compelling reasons of
6 population density, geographic factors, or unique local
7 conditions but shall make any exception in compliance with
8 the provision in subsection (1) that limits to 20 the number
9 of cooperatives that may be established in the state.

10 (b) Membership in an educational service cooperative
11 is mandatory for receipt of special education funding under
12 Title 20, chapter 9, except for a district that has at least
13 3,000 pupils.

14 (c) If a district is required to participate in an
15 educational service cooperative under subsection (4)(b), all
16 administrative, clerical, and related-services personnel for
17 district special education programs must be budgeted with
18 the educational service cooperative. Each special education
19 program or specialist in a district that has a case load
20 with at least the number of pupils per teacher as provided
21 in the special education rules of the superintendent of
22 public instruction may budget with the district to receive
23 funding for such instructional personnel and specialists.

24 (5) School programs other than special education
25 programs that are included in an educational service



1 cooperative agreement may be budgeted with an individual
2 district within the cooperative, and funding may be
3 allocated to the cooperative.

4 (6) The superintendent of public instruction shall
5 transfer directly to a cooperative the state portion of the
6 allowable costs approved for the cooperative under 20-7-431.

7 Section 2. Powers and duties of educational service
8 cooperative. (1) An educational service cooperative:

9 (a) must be a legal entity;

10 (b) shall have the powers, duties, and
11 responsibilities granted school districts in Title 20 and
12 other Montana law, except that an educational service
13 cooperative may not have the authority to request a property
14 tax levy for cooperative funding purposes;

15 (c) must be accredited by the board of public
16 education as provided in 20-7-101 in order to receive state
17 funding; and

18 (d) shall have as a director a person who is certified
19 and endorsed as a special education administrator according
20 to the teacher certification rules of the superintendent of
21 public instruction.

22 (2) An educational service cooperative may:

23 (a) establish a cash reserve fund of 15%, in the
24 manner provided in 20-9-104; and

25 (b) invest available funding, and the interest from

1 such investments may be reappropriated for use in the budget
2 of an ensuing year.

3 Section 3. Contents of a cooperative contract. The
4 contract of an educational service cooperative authorized in
5 [section 1] may include all necessary and proper matters but
6 must specify the following:

7 (1) the purpose, organization, composition, and
8 service delivery system of the cooperative;

9 (2) the manner of:

10 (a) financing the cooperative and its services; and

11 (b) establishing and maintaining a budget for the
12 financing;

13 (3) the manner of acquiring, holding, and disposing of
14 real and personal property used by the cooperative;

15 (4) provision for an administrator or a joint board
16 responsible for administration of the cooperative, including
17 representation of the contracting districts on the joint
18 board; and

19 (5) any other necessary and proper matters.

20 Section 4. Codification instruction. Sections 1
21 through 3 are intended to be codified as an integral part of
22 Title 20, chapter 7, part 4, and the provisions of Title 20
23 apply to sections 1 through 3.

24 Section 5. Repealer. Sections 20-7-451 through
25 20-7-455, MCA, are repealed.

-End-

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STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB217, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act requiring creation of educational service cooperatives.

ASSUMPTIONS:

1. Administrative costs will be absorbed in the current budgets.
2. Changes will be required in the Board of Public Education Administrative Rules to be consistent with this proposal. The rule changes will be 25 pages at \$35 per page.

FISCAL IMPACT:

	<u>FY88</u>	<u>FY89</u>
Printing Administrative Rules	\$750	None
General Fund	\$750	

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

Line 20 on page 3 should be changed from "...rules of the Superintendent of Public Instruction" to "...rules of the Board of Public Education.

David L. Hunter DATE 1/28/87
DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

Bob Brown DATE 1/29/87
ROBERT BROWN, PRIMARY SPONSOR

Fiscal Note for SB217, as introduced.

SB-217