

HOUSE BILL NO. 173

INTRODUCED BY R. NELSON, B. BROWN, DAVIS,  
SPRING, BENGTSON, GLASER, HARP

IN THE HOUSE

JANUARY 13, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON EDUCATION & CULTURAL RESOURCES.
JANUARY 14, 1989	FIRST READING.
FEBRUARY 11, 1989	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 13, 1989	PRINTING REPORT.
FEBRUARY 14, 1989	SECOND READING, DO PASS.  ON MOTION, TAKEN FROM PRINTING AND REREFERRED TO COMMITTEE ON APPRO- PRIATIONS.
MARCH 20, 1989	ON MOTION, TAKEN FROM APPROPRIATIONS TABLE AND PLACED ON SECOND READING THE 65TH LEGISLATIVE DAY.
MARCH 21, 1989	PRINTING REPORT.
MARCH 22, 1989	SECOND READING, DO PASS AS AMENDED.
MARCH 23, 1989	ENGROSSING REPORT.  THIRD READING, PASSED. AYES, 79; NOES, 17.  TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 27, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON EDUCATION & CULTURAL RESOURCES.  FIRST READING.
APRIL 1, 1989	COMMITTEE RECOMMEND BILL BE

APRIL 4, 1989

CONCURRED IN. REPORT ADOPTED.

SECOND READING, CONCURRED IN.

APRIL 6, 1989

THIRD READING, CONCURRED IN.  
AYES, 47; NOES, 0.

RETURNED TO HOUSE.

IN THE HOUSE

APRIL 7, 1989

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 173  
 2 INTRODUCED BY Mr. Nelson Bob Brown  
 3 Mr. Bloom ANB  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PHASE IN OVER 5  
 5 YEARS THE REDUCTION IN A SCHOOL'S MAXIMUM GENERAL FUND  
 6 BUDGET RESULTING FROM AGGREGATION OF ANNUAL NUMBER BELONGING  
 7 (ANB) REQUIRED BY CHAPTER 498, LAWS OF 1987; AMENDING  
 8 SECTION 3, CHAPTER 498, LAWS OF 1987; AND PROVIDING AN  
 9 IMMEDIATE EFFECTIVE DATE."

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

12 **Section 1.** Section 3, Chapter 498, L. 1987, is amended  
 13 to read:

14 "Section 3. Applicability. This act is applicable to  
 15 the--ANB--calculated--on--the--attendance--during--the--school  
 16 fiscal--year--1988-89--and--used--for--budgeting--for--the--school  
 17 fiscal--year--1989-90--and--thereafter-- during school fiscal  
 18 years 1988-89 through 1993-94 in the following manner:

19 (1) one-fifth of the reduction in the maximum general  
 20 fund budget resulting from the aggregation of ANB required  
 21 by this act, as calculated from school attendance during  
 22 school fiscal year 1988-89, applies in budgeting for school  
 23 fiscal year 1989-90;

24 (2) two-fifths of the reduction in the maximum general  
 25 fund budget resulting from the aggregation of ANB, as

1 calculated from school attendance during school fiscal year  
 2 1989-90, applies in budgeting for school fiscal year  
 3 1990-91;

4 (3) three-fifths of the reduction in the maximum  
 5 general fund budget resulting from the aggregation of ANB,  
 6 as calculated from school attendance during school fiscal  
 7 year 1990-91, applies in budgeting for school fiscal year  
 8 1991-92;

9 (4) four-fifths of the reduction in the maximum  
 10 general fund budget resulting from the aggregation of ANB,  
 11 as calculated from school attendance during school fiscal  
 12 year 1991-92, applies in budgeting for school fiscal year  
 13 1992-93;

14 (5) 100% of the reduction in the maximum general fund  
 15 budget resulting from the aggregation of ANB, as calculated  
 16 from school attendance during school fiscal year 1992-93,  
 17 applies in budgeting for school fiscal year 1993-94."

18 **NEW SECTION. Section 2.** Extension of authority. Any  
 19 existing authority to make rules on the subject of the  
 20 provisions of [this act] is extended to the provisions of  
 21 [this act].

22 **NEW SECTION. Section 3.** Effective date. [This act] is  
 23 effective on passage and approval.

-End-

## STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB173, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

A bill for an Act entitled: "An Act to phase in over 5 years the reduction in a school's maximum general fund budget resulting from aggregation of annual number belonging (ANB) required by Chapter 498, Laws of 1987; amending Section 3, Chapter 498, Laws of 1987; and providing an immediate effective date."

ASSUMPTIONS:

1. The current foundation program schedule will not change in the FY90-91 biennium.
2. The ANB count will remain constant in the FY90-91 biennium

FISCAL IMPACT:

	Current Law	FY90 Proposed Law	Difference	Current Law	FY91 Proposed Law	Difference
<u>Expenditures:</u>	\$ -0-	\$886,636	\$886,636	\$ -0-	\$664,997	\$664,977
<u>Funding:</u>						
School Foundation Program	\$ -0-	\$886,636	\$886,636	\$ -0-	\$664,977	\$664,977

LONG-RANGE EFFECTS:

Cost savings would not be as great as under current law until the affected districts have reached the final stage of the phase-in period. However, districts would not be expected to absorb a major loss of funding from the foundation and permissive programs all in one year.

*Ray Shackelford* 1/21/89  
 RAY SHACKLEFORD, BUDGET DIRECTOR DATE  
 OFFICE OF BUDGET AND PROGRAM PLANNING

*Richard M. Nelson* 1/23/89  
 RICHARD M. NELSON, PRIMARY SPONSOR DATE

Fiscal Note for HB173, as introduced

**HB 173**

MOTION TO MOVE FROM APPROPRIATIONS  
COMMITTEE TO 2ND READING

HOUSE BILL NO. 173

INTRODUCED BY R. NELSON, B. BROWN, DAVIS,  
SPRING, BENGTON, GLASER, HARP

A BILL FOR AN ACT ENTITLED: "AN ACT TO PHASE IN OVER 5 6  
YEARS THE REDUCTION IN A SCHOOL'S MAXIMUM GENERAL FUND  
BUDGET RESULTING FROM AGGREGATION OF ANNUAL AVERAGE NUMBER  
BELONGING (ANB) REQUIRED BY CHAPTER 498, LAWS OF 1987;  
AMENDING SECTION 3, CHAPTER 498, LAWS OF 1987; AND PROVIDING  
AN IMMEDIATE EFFECTIVE DATE."

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

**Section 1.** Section 3, Chapter 498, L. 1987, is amended  
to read:

"Section 3. Applicability. This act is applicable to  
~~the ANB calculated on the attendance during the school~~  
~~fiscal year 1988-89 and used for budgeting for the school~~  
~~fiscal year 1989-90, and thereafter, during school fiscal~~  
~~years 1988-89 1990 through 1993-94 1995 in the following~~  
~~manner:~~

(1) one-fifth of the reduction in the maximum general  
fund budget resulting from the aggregation of ANB required  
by this act, as calculated from school attendance during  
school fiscal year 1988-89 1990, applies in budgeting for  
school fiscal year 1989-90 1991;

(2) two-fifths of the reduction in the maximum general  
fund budget resulting from the aggregation of ANB, as  
calculated from school attendance during school fiscal year  
1989-90 1991, applies in budgeting for school fiscal year  
1990-91 1992;

(3) three-fifths of the reduction in the maximum  
general fund budget resulting from the aggregation of ANB,  
as calculated from school attendance during school fiscal  
year 1990-91 1992, applies in budgeting for school fiscal  
year 1991-92 1993;

(4) four-fifths of the reduction in the maximum  
general fund budget resulting from the aggregation of ANB,  
as calculated from school attendance during school fiscal  
year 1991-92 1993, applies in budgeting for school fiscal  
year 1992-93 1994;

(5) 100% of the reduction in the maximum general fund  
budget resulting from the aggregation of ANB, as calculated  
from school attendance during school fiscal year 1992-93  
1994, applies in budgeting for school fiscal year 1993-94  
1995."

**NEW SECTION. Section 2.** Extension of authority. Any  
existing authority to make rules on the subject of the  
provisions of [this act] is extended to the provisions of  
[this act].

**NEW SECTION. Section 3.** Effective date. [This act] is



HB 0173/02

1 effective on passage and approval.

-End-

## 1 HOUSE BILL NO. 173

2 INTRODUCED BY R. NELSON, B. BROWN, DAVIS,

3 SPRING, BENGTSON, GLASER, HARP

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 6 YEARS THE REDUCTION IN A SCHOOL'S MAXIMUM GENERAL FUND  
 7 BUDGET RESULTING FROM AGGREGATION OF ANNUAL AVERAGE NUMBER  
 8 BELONGING (ANB) REQUIRED BY CHAPTER 498, LAWS OF 1987;  
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 10 AN IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE."

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 20 manner:

21 (1) one-fifth of the reduction in the maximum general  
 22 fund budget resulting from the aggregation of ANB required  
 23 by this act, as calculated from school attendance during  
 24 school fiscal year 1988-89 1990, applies in budgeting for  
 25 school fiscal year 1989-90 1991;

1 (2) two-fifths of the reduction in the maximum general  
 2 fund budget resulting from the aggregation of ANB, as  
 3 calculated from school attendance during school fiscal year  
 4 1989-90 1991, applies in budgeting for school fiscal year  
 5 1990-91 1992;

6 (3) three-fifths of the reduction in the maximum  
 7 general fund budget resulting from the aggregation of ANB,  
 8 as calculated from school attendance during school fiscal  
 9 year 1990-91 1992, applies in budgeting for school fiscal  
 10 year 1991-92 1993;

11 (4) four-fifths of the reduction in the maximum  
 12 general fund budget resulting from the aggregation of ANB,  
 13 as calculated from school attendance during school fiscal  
 14 year 1991-92 1993, applies in budgeting for school fiscal  
 15 year 1992-93 1994;

16 (5) 100% of the reduction in the maximum general fund  
 17 budget resulting from the aggregation of ANB, as calculated  
 18 from school attendance during school fiscal year 1992-93  
 19 1994, applies in budgeting for school fiscal year 1993-94  
 20 1995."

21 NEW SECTION. Section 2. Extension of authority. Any  
 22 existing authority to make rules on the subject of the  
 23 provisions of [this act] is extended to the provisions of  
 24 [this act].

25 NEW SECTION. Section 3. Effective date. [This act] is

HB 0173/03

1 effective on passage and approval.

2 NEW SECTION. SECTION 4. TERMINATION. [THIS ACT]

3 TERMINATES ON THE EFFECTIVE DATE OF A NEW EQUALIZED SCHOOL

4 FUNDING SYSTEM.

-End-



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school fiscal year 1989-90 1991;

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fund budget resulting from the aggregation of ANB, as  
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1989-90 1991, applies in budgeting for school fiscal year  
1990-91 1992;

(3) three-fifths of the reduction in the maximum  
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as calculated from school attendance during school fiscal  
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