

HOUSE BILL NO. 518

INTRODUCED BY STICKNEY, DEVLIN, JOHNSON, CODY, CONNELLY,  
COHEN, SPAETH, PECK, HANSON, KASTEN, SCHYE, SMITH, OWENS,  
R. NELSON, ZOOK, DARKO, NATHE, RUSSELL

IN THE HOUSE

FEBRUARY 1, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON EDUCATION & CULTURAL RESOURCES.
	FIRST READING.
FEBRUARY 18, 1989	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 20, 1989	PRINTING REPORT.
FEBRUARY 21, 1989	SECOND READING, DO PASS.
FEBRUARY 22, 1989	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 96; NOES, 2.
	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 28, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON EDUCATION & CULTURAL RESOURCES.
	FIRST READING.
MARCH 28, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.
	SECOND READING, CONCURRED IN.
MARCH 29, 1989	THIRD READING, CONCURRED IN. AYES, 41; NOES, 8.
	RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

MARCH 31, 1989

RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS  
CONCURRED IN.

APRIL 1, 1989

THIRD READING, AMENDMENTS  
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 518  
 2 INTRODUCED BY M. Hanson, Senate Marko NATHAN  
 3 Rock, Carter, Selby, R. Nelson  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE THE BUDGET  
 5 PROCEDURES FOR COMMUNITY COLLEGES; TO ALLOW A COMMUNITY  
 6 COLLEGE TO RETAIN AND EXPEND STUDENT TUITION AND FEE REVENUE  
 7 IN EXCESS OF A CERTAIN AMOUNT; AMENDING SECTIONS 20-15-310  
 8 AND 20-15-312, MCA; AND PROVIDING AN EFFECTIVE DATE."

9  
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 **Section 1.** Section 20-15-310, MCA, is amended to read:

12 "20-15-310. Appropriation. It is the intent of the  
 13 legislature that all community college spending, other than  
 14 from restricted funds or funds generated by an optional,  
 15 voted levy, be ~~controlled-under~~ governed by the provisions  
 16 of this part and the state general appropriations act. The  
 17 unrestricted appropriated budget ~~shall~~ must be based on a  
 18 calculated dollar amount per full-time equivalent student.  
 19 The student count may not include those enrolled in  
 20 community service courses as defined by the board of  
 21 regents."

22 **Section 2.** Section 20-15-312, MCA, is amended to read:

23 "20-15-312. Calculation and approval of operating  
 24 budget. (1) Annually by June 15, the board of trustees of a  
 25 community college shall submit an operating budget to the

1 board of regents for their review. The operating budget of  
 2 the community college ~~shall~~ must be financed in the  
 3 following manner:

4 (a) ~~General--fund--appropriation:~~ The general fund  
 5 appropriation ~~shall~~ must represent a specific percentage of  
 6 the ~~total~~ unrestricted appropriated budget authorized by the  
 7 legislature and approved by the regents. This percentage  
 8 ~~shall~~ must be specified in the appropriations act  
 9 appropriating funds to the community colleges for each  
 10 biennium.

11 (b) (i) An estimate of revenues to be generated by  
 12 student tuition and fees, and all other unrestricted income,  
 13 revenues, or balances ~~shall~~ must be added to the state  
 14 general fund appropriation and the total subtracted from the  
 15 total unrestricted budget. The difference ~~shall~~ must be  
 16 obtained by a mandatory levy.

17 (ii) For the purpose of subsection (1)(b)(i), student  
 18 tuition and fee revenue must be calculated in the following  
 19 manner:

20 (A) the calculated dollar amount per full-time  
 21 equivalent student, as required in 20-15-310, for the school  
 22 fiscal year is divided by \$3,642; and

23 (B) the individual tuition and fee schedules  
 24 established for school fiscal year 1989 are multiplied by  
 25 the calculation in subsection (1)(b)(i)(A).

(c) (i) The funding obtained in ~~subsection--(b)--of~~ subsection (1)(b) is the amount of the unrestricted appropriated budget.

(ii) Any student tuition and fee revenue collected in excess of the tuition and fee amount calculated according to subsection (1)(b)(ii)(A) may be expended by the community college on approval of the board of regents. This amount and the unrestricted appropriated budget are the total unrestricted budget.

(d) A detailed expenditure schedule for the total unrestricted budget shall must be submitted to the board of regents for their review and approval.

~~(d)~~(e) The amount estimated to be raised by the voted levy ~~shall~~ must be detailed separately in an expenditure schedule.

~~(e)~~(f) The spending of each restricted funding source ~~shall~~ must be detailed separately in an expenditure schedule.

~~(f)~~(g) The expenditure schedules provided in subsections ~~(c)~~, (d), and (e), and (f) of subsection (1) ~~shall must~~ represent the total operating budget of the community college.

~~(g)--if--revenues--to--the--unrestricted--budget--exceed estimates,--the--excess--shall--be--used--to--reduce--the--mandatory levy in the subsequent year.~~

(2) The board of regents shall review the proposed total operating budget and all its components and make any changes it determines necessary. A The board of trustees of a community college district shall operate within the limits of the operating budget approved by the board of regents."

NEW SECTION. Section 3. Effective date. [This act] is effective July 1, 1989.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB518, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

A bill for an act entitled: "An act to revise the budget procedures for community colleges; to allow a community college to retain and expend student tuition and fee revenue in excess of a certain amount; amending Sections 20-15-310 and 20-15-312, MCA; and providing an effective date.

FISCAL IMPACT: No fiscal impact.

*Ray Shackleford*

RAY/SHACKLEFORD, BUDGET DIRECTOR  
OFFICE OF BUDGET AND PROGRAM PLANNING

*2/9/89*

DATE

*Jessica Stickney*

JESSICA STICKNEY, PRIMARY SPONSOR

DATE

Fiscal Note for HB518, as introduced

**HB 518**

APPROVED BY COMM. ON EDUCATION  
AND CULTURAL RESOURCES

HOUSE BILL NO. 518

INTRODUCED BY STICKNEY, DEVLIN, JOHNSON, CODY, CONNELLY,  
COHEN, SPAETH, PECK, HANSON, KASTEN, SCHYE, SMITH, OWENS,  
R. NELSON, ZOOK, DARKO, NATHE, RUSSELL

A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE THE BUDGET  
PROCEDURES FOR COMMUNITY COLLEGES; TO ALLOW A COMMUNITY  
COLLEGE TO RETAIN AND EXPEND STUDENT TUITION AND FEE REVENUE  
~~IN EXCESS OF A CERTAIN AMOUNT~~; AMENDING SECTIONS 20-15-310  
AND 20-15-312, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

(Refer to Introduced Bill)

Strike everything after the enacting clause and insert:

**Section 1.** Section 20-15-310, MCA, is amended to read:

"20-15-310. Appropriation. It is the intent of the  
legislature that all community college spending, other than  
from restricted funds or funds generated by an optional,  
voted levy, be ~~controlled under~~ governed by the provisions  
of this part and the state general appropriations act. The  
~~unrestricted budget shall~~ state general fund appropriation  
must be based on a calculated dollar amount per full-time  
equivalent student. The student count may not include those  
enrolled in community service courses as defined by the  
board of regents."

**Section 2.** Section 20-15-312, MCA, is amended to read:

"20-15-312. Calculation and approval of operating  
budget. (1) Annually by June 15, the board of trustees of a  
community college shall submit an operating budget to the  
board of regents for their review. The operating budget of  
the community college ~~shall~~ must be financed in the  
following manner:

(a) ~~General fund appropriation.~~ The general fund  
appropriation ~~shall~~ must represent a specific percentage of  
the ~~total unrestricted budget authorized by the legislature~~  
~~and approved by the regents~~ calculated dollar amount per  
full-time equivalent student. This percentage ~~shall~~ must be  
specified in the appropriations act appropriating funds to  
the community colleges for each biennium.

(b) ~~An estimate of revenues to be generated by student~~  
~~tuition and fees, and all other unrestricted income,~~  
~~revenues, or balances shall be added to the state general~~  
~~fund appropriation and the total subtracted from the total~~  
~~unrestricted budget. The difference shall be obtained by a~~  
~~mandatory levy.~~ The mandatory levy amount must represent a  
specific percentage of the calculated dollar amount per  
full-time equivalent student. This percentage must be  
specified for each community college by the board of  
trustees of the district and approved by the board of  
regents.

(c) The funding obtained in ~~subsection~~ subsections (a) and (b) of subsection (1) plus the revenue derived from tuition and fee schedules approved by the board of regents and unrestricted income from any other source is the amount of the unrestricted budget. A detailed expenditure schedule for the unrestricted budget ~~shall~~ must be submitted to the board of regents for their review and approval.

(d) The amount estimated to be raised by the voted levy ~~shall~~ must be detailed separately in an expenditure schedule.

(e) The spending of each restricted funding source shall be detailed separately in an expenditure schedule.

(f) The expenditure schedules provided in subsections (c), (d), and (e) of subsection (1) ~~shall~~ must represent the total operating budget of the community college.

~~(g)---if---revenues---to---the---unrestricted---budget---exceed estimates, the excess shall be used to reduce the mandatory levy in the subsequent year.~~

(2) The board of regents shall review the proposed total operating budget and all its components and make any changes it determines necessary. A ~~The~~ board of trustees of a community college district shall operate within the limits of the operating budget approved by the board of regents."

NEW SECTION. **Section 3.** **Effective date.** [This act] is effective July 1, 1989.

-End-

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of this part and the state general appropriations act. The  
~~unrestricted budget shall state general fund appropriation~~  
must be based on a calculated dollar amount per full-time  
equivalent student. The student count may not include those  
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specified in the appropriations act appropriating funds to  
the community colleges for each biennium.

(b) ~~An estimate of revenues to be generated by student  
tuition and fees, and all other unrestricted income,  
revenues, or balances shall be added to the state general  
fund appropriation and the total subtracted from the total  
unrestricted budget. The difference shall be obtained by a  
mandatory levy. The mandatory levy amount must represent a  
specific percentage of the calculated dollar amount per  
full-time equivalent student. This percentage must be  
specified for each community college by the board of  
trustees of the district and approved by the board of  
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(c) The funding obtained in ~~subsection~~ subsections (a) and (b) of subsection (1) plus the revenue derived from tuition and fee schedules approved by the board of regents and unrestricted income from any other source is the amount of the unrestricted budget. A detailed expenditure schedule for the unrestricted budget ~~shall~~ must be submitted to the board of regents for their review and approval.

(d) The amount estimated to be raised by the voted levy ~~shall~~ must be detailed separately in an expenditure schedule.

(e) The spending of each restricted funding source shall be detailed separately in an expenditure schedule.

(f) The expenditure schedules provided in subsections (c), (d), and (e) of subsection (1) ~~shall~~ must represent the total operating budget of the community college.

~~(g) If revenues to the unrestricted budget exceed estimates, the excess shall be used to reduce the mandatory levy in the subsequent year.~~

(2) The board of regents shall review the proposed total operating budget and all its components and make any changes it determines necessary. ~~A~~ The board of trustees of a community college district shall operate within the limits of the operating budget approved by the board of regents."

**NEW SECTION. Section 3.** Effective date. [This act] is effective July 1, 1989.

-End-

SENATE STANDING COMMITTEE REPORT

March 27, 1989

MR. PRESIDENT:

We, your committee on Education and Cultural Resources, having had under consideration HB 518 (third reading copy -- blue), respectfully report that HB 518 be amended and as so amended be concurred in:

Sponsor: Stickney (Nathe)

1. Page 1, line 22.

Strike: "calculated dollar"

Insert: "budget"

2. Page 1, line 23.

Following: first "student"

Insert: ", as determined by the legislature"

3. Page 2, line 11.

Strike: "calculated dollar"

Insert: "budget"

4. Page 2, line 12.

Following: "student"

Insert: ", as determined by the legislature"

5. Page 2, line 14.

Following: "biennium."

Insert: "This percentage does not apply to any portion of the unrestricted budget in excess of the budget amount per full-time equivalent student, as determined by the legislature."

6. Page 2, line 21.

Strike: "calculated dollar"

Insert: "budget"

7. Page 2, line 22

Following: "student"

Insert: ", as determined by the legislature"

AND AS AMENDED BE CONCURRED IN

Signed: 

H. W. Hammond, Chairman

SENATE  
HB 518

## HOUSE BILL NO. 518

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of this part and the state general appropriations act. The  
~~unrestricted-budget-shall~~ state general fund appropriation  
must be based on a ~~calculated-dollar~~ BUDGET amount per  
full-time equivalent student, AS DETERMINED BY THE  
LEGISLATURE. The student count may not include those  
enrolled in community service courses as defined by the

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following manner:

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appropriation ~~shall~~ must represent a specific percentage of  
the ~~total-unrestricted-budget-authorized-by-the--legislature~~  
~~and--approved-by-the-regents~~ calculated-dollar BUDGET amount  
per full-time equivalent student, AS DETERMINED BY THE  
LEGISLATURE. This percentage ~~shall~~ must be specified in the  
appropriations act appropriating funds to the community  
colleges for each biennium. THIS PERCENTAGE DOES NOT APPLY  
TO ANY PORTION OF THE UNRESTRICTED BUDGET IN EXCESS OF THE  
BUDGET AMOUNT PER FULL-TIME EQUIVALENT STUDENT, AS  
DETERMINED BY THE LEGISLATURE.

(b) ~~An estimate of revenues to be generated by student~~  
~~tuition--and--fees,--and--all--other--unrestricted--income,~~  
~~revenues,--or--balances--shall-be-added-to-the-state-general~~  
~~fund-appropriation-and-the-total-subtracted-from--the--total~~  
~~unrestricted--budget.--The-difference-shall-be-obtained-by-a~~  
~~mandatory-levy.~~ The mandatory levy amount must represent a

1 specific percentage of the calculated-dollar BUDGET amount  
 2 per full-time equivalent student, AS DETERMINED BY THE  
 3 LEGISLATURE. This percentage must be specified for each  
 4 community college by the board of trustees of the district  
 5 and approved by the board of regents.

6 (c) The funding obtained in subsection subsections (a)  
 7 and (b) of subsection (1) plus the revenue derived from  
 8 tuition and fee schedules approved by the board of regents  
 9 and unrestricted income from any other source is the amount  
 10 of the unrestricted budget. A detailed expenditure schedule  
 11 for the unrestricted budget ~~shall~~ must be submitted to the  
 12 board of regents for their review and approval.

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 14 levy ~~shall~~ must be detailed separately in an expenditure  
 15 schedule.

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 17 shall be detailed separately in an expenditure schedule.

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 19 (c), (d), and (e) of subsection (1) ~~shall~~ must represent the  
 20 total operating budget of the community college.

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 2 a community college district shall operate within the limits  
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-End-