

HOUSE BILL NO. 618

INTRODUCED BY SCHYE, PECK, HARRINGTON, DARKO,  
CODY, WHALEN, KADAS, RANEY, SPAETH, ADDY, NISBET,  
STANG, KIMBERLEY, MCDONOUGH, O'KEEFE, DAILY, J. BROWN,  
MENAHAH, BRADLEY, COHEN, DAVIS, WYATT, SQUIRES,  
VINCENT, PAVLOVICH, JOHNSON

IN THE HOUSE

FEBRUARY 9, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON EDUCATION & CULTURAL RESOURCES.
	FIRST READING.
FEBRUARY 14, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 15, 1989	PRINTING REPORT.
FEBRUARY 18, 1989	PASSED CONSIDERATION FOR THE DAY.
FEBRUARY 20, 1989	PASSED CONSIDERATION FOR THE DAY.
FEBRUARY 21, 1989	SECOND READING, DO PASS.
	ON MOTION TAKEN FROM ENGROSSING AND REREFERRED TO COMMITTEE ON APPROPRIATIONS.
MARCH 1, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
MARCH 2, 1989	PRINTING REPORT.
MARCH 4, 1989	SECOND READING, DO PASS.
MARCH 6, 1989	ENGROSSING REPORT.
MARCH 7, 1989	THIRD READING, PASSED. AYES, 56; NOES, 38.
	TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 9, 1989

INTRODUCED AND REFERRED TO COMMITTEE  
ON EDUCATION & CULTURAL RESOURCES.

FIRST READING.

MARCH 29, 1989

COMMITTEE RECOMMEND BILL BE  
CONCURRED IN AS AMENDED. REPORT  
ADOPTED.

APRIL 4, 1989

SECOND READING, CONCURRED IN AS  
AMENDED.

APRIL 10, 1989

THIRD READING, CONCURRED IN.  
AYES, 47; NOES, 2.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 11, 1989

RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS NOT  
CONCURRED IN.

APRIL 13, 1989

ON MOTION, CONFERENCE COMMITTEE  
REQUESTED AND APPOINTED.

IN THE SENATE

APRIL 14, 1989

ON MOTION, CONFERENCE COMMITTEE  
REQUESTED AND APPOINTED.

IN THE HOUSE

APRIL 19, 1989

ON MOTION, CONFERENCE COMMITTEE  
DISSOLVED AND BILL PLACED ON  
SECOND READING NEXT DAY.

APRIL 20, 1989

SECOND READING, AMENDMENTS  
CONCURRED IN.

THIRD READING, AMENDMENTS  
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 Whalen *HOUSE* BILL NO. *618*  
 2 INTRODUCED BY *John Rask Hamilton Clark*  
 3 *Kadia Roney Smith Abby Nibert*  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE BY  
 5 *Simberly M. L. Johnson* PERCENT THE MAXIMUM GENERAL FUND BUDGET SCHEDULES FOR  
 6 *John Rask Hamilton Clark* ELEMENTARY SCHOOLS AND HIGH SCHOOLS FOR SCHOOL FISCAL YEAR  
 7 *John Rask Hamilton Clark* 1989-90; TO APPROPRIATE FUNDS TO THE SUPERINTENDENT OF  
 8 PUBLIC INSTRUCTION FOR STATE EQUALIZATION AID; AMENDING  
 9 SECTIONS 20-9-316 AND 20-9-317, MCA; AND PROVIDING AN  
 10 EFFECTIVE DATE."

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

13 **Section 1.** Section 20-9-316, MCA, is amended to read:

14 "20-9-316. Elementary school maximum budget schedule  
 15 for 1985-86 1989-90. (1) For each elementary school having  
 16 an ANB of nine or fewer pupils, the maximum shall-be-\$19,959  
 17 is \$20,968 if said the school is approved as an isolated  
 18 school.

19 (2) For schools with an ANB of 10 pupils but less than  
 20 18 pupils, the maximum shall--be-\$19,959 is \$20,968 plus  
 21 \$834-10 \$876.30 per pupil on the basis of the average number  
 22 belonging over nine.

23 (3) For schools with an ANB of at least 14 pupils but  
 24 less than 18 pupils that qualify for instructional aide  
 25 funding under 20-9-322, the maximum shall--be--\$32,714 is

1 \$34,369 plus \$834-10 \$876.30 per pupil on the basis of the  
 2 average number belonging over 14.

3 (4) For schools with an ANB of 18 pupils and employing  
 4 one teacher, the maximum shall-be-\$27,466 is \$28,855 plus  
 5 \$834-10 \$876.30 per pupil on the basis of the average number  
 6 belonging over 18, not to exceed an ANB of 25.

7 (5) For schools with an ANB of 18 pupils and employing  
 8 two full-time teachers, the maximum shall-be-\$43,851 is  
 9 \$46,068 plus \$522-40 \$548.80 per pupil on the basis of the  
 10 average number belonging over 18, not to exceed an ANB of  
 11 50.

12 (6) For schools having an ANB in excess of 40, the  
 13 maximum, on the basis of the total pupils (ANB) in the  
 14 district, for elementary pupils will-be is as follows:

15 (a) For a school having an ANB of more than 40 and  
 16 employing a minimum of three teachers, the maximum of \$17,938  
 17 shall \$2,036 must be decreased at the rate of \$1-80 \$1.98  
 18 for each additional pupil until the total number (ANB) shall  
 19 have-reached-a-total-of reaches 100 pupils.

20 (b) For a school having an ANB of more than 100 pupils,  
 21 the maximum of \$17,825-shall \$1,917 must be decreased at the  
 22 rate of \$1-72 \$1.81 for each additional pupil until the ANB  
 23 shall-have-reached reaches 300 pupils.

24 (c) For a school having an ANB of more than 300 pupils,  
 25 the maximum shall may not exceed \$17,481 \$1,556 for each

1 pupil.

2 (7) The maximum per pupil for all pupils (ANB) and for  
3 all elementary schools ~~shall must~~ be computed on the basis  
4 of the amount allowed herein in this section on account of  
5 the last eligible pupil (ANB). All elementary schools  
6 operated within the incorporated limits of a city or town  
7 ~~shall must~~ be treated as one school for the purpose of this  
8 schedule."

9 **Section 2.** Section 20-9-317, MCA, is amended to read:

10 "20-9-317. High school maximum budget schedule for  
11 ~~1985-86 1989-90.~~ (1) For each high school having an ANB of  
12 24 or fewer pupils, the maximum ~~shall be--\$113,700~~ is  
13 \$119,462.

14 (2) For a secondary high school having an ANB of more  
15 than 24 pupils, the maximum ~~\$4,730-shall~~ of \$4,978 must be  
16 decreased at the rate of ~~\$25.84~~ \$27.15 for each additional  
17 pupil until the ANB ~~shall have-reached-a-total-of~~ reaches 40  
18 such pupils.

19 (3) For a school having an ANB of more than 40 pupils,  
20 the maximum of ~~\$4,324-shall~~ \$4,543 must be decreased at the  
21 rate of ~~\$25.84~~ \$27.15 for each additional pupil until the  
22 ANB ~~shall have-reached~~ reaches 100 pupils.

23 (4) For a school having an ANB of more than 100 pupils,  
24 ~~a~~ the maximum of ~~\$2,774-shall~~ \$2,914 must be decreased at  
25 the rate of ~~\$4.32~~ \$4.54 for each additional pupil until the

1 ANB ~~shall have-reached~~ reaches 200 pupils.

2 (5) For a school having an ANB of more than 200 pupils,  
3 the maximum of ~~\$2,342--shall~~ \$2,460 must be decreased by  
4 ~~\$2.38~~ \$2.50 for each additional pupil until the ANB ~~shall~~  
5 ~~have-reached~~ reaches 300 pupils.

6 (6) For a school having an ANB of more than 300 pupils,  
7 the maximum of ~~\$2,104-shall~~ \$2,210 must be decreased at the  
8 rate of ~~44~~ 46 cents for each additional pupil until the ANB  
9 ~~shall have-reached~~ reaches 600 pupils.

10 (7) For a school having an ANB over of more than 600  
11 pupils, the maximum ~~shall may~~ not exceed ~~\$1,973~~ \$2,073 per  
12 pupil.

13 (8) The maximum per pupil for all pupils (ANB) and for  
14 all high schools ~~shall must~~ be computed on the basis of the  
15 amount allowed herein in this section on account of the last  
16 eligible pupil (ANB). All high schools and junior high  
17 schools which have been approved and accredited as junior  
18 high schools, operated within the incorporated limits of a  
19 city or town, ~~shall must~~ be treated as one school for the  
20 purpose of this schedule."

21 **NEW SECTION. Section 3. Appropriation.** (1) All  
22 revenues received under the provisions of 20-9-343 are  
23 appropriated to the superintendent of public instruction for  
24 the fiscal year ending June 30, 1990, for state equalization  
25 aid for the school fiscal year ending June 30, 1990.

1       (2) There is appropriated from the general fund  
2       \$37,194,000 for the fiscal year ending June 30, 1990, to be  
3       used to the extent funds appropriated in subsection (1) are  
4       insufficient to finance the maximum general fund budget  
5       schedules for public schools, excluding special education.

6       NEW SECTION. **Section 4.** Effective date. [This act] is  
7       effective July 1, 1989.

-End-

APPROVED BY COMM. ON EDUCATION  
AND CULTURAL RESOURCES

1 Whalen HOUSE BILL NO. 618  
2 INTRODUCED BY Edgar Park Hamilton Alaska  
3 Kodie Roney Speech Adity Nisbet Stang  
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE BY 4  
5 PERCENT THE MAXIMUM GENERAL FUND BUDGET SCHEDULES FOR  
6 ELEMENTARY SCHOOLS AND HIGH SCHOOLS FOR SCHOOL FISCAL YEAR  
7 1989-90; TO APPROPRIATE FUNDS TO THE SUPERINTENDENT OF  
8 PUBLIC INSTRUCTION FOR STATE EQUALIZATION AID; AMENDING  
9 SECTIONS 20-9-316 AND 20-9-317, MCA; AND PROVIDING AN  
10 EFFECTIVE DATE."

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15 for ~~1985-86~~ 1989-90. (1) For each elementary school having  
16 an ANB of nine or fewer pupils, the maximum ~~shall-be-\$19,959~~  
17 is \$20,968 if ~~said~~ the school is approved as an isolated  
18 school.

19 (2) For schools with an ANB of 10 pupils but less than  
20 18 pupils, the maximum ~~shall-be-\$19,959~~ is \$20,968 plus  
21 ~~\$834-10~~ \$876.30 per pupil on the basis of the average number  
22 belonging over nine.

23 (3) For schools with an ANB of at least 14 pupils but  
24 less than 18 pupils that qualify for instructional aide  
25 funding under 20-9-322, the maximum ~~shall-be--\$32,714~~ is

1 \$34,369 plus ~~\$834-10~~ \$876.30 per pupil on the basis of the  
2 average number belonging over 14.

3 (4) For schools with an ANB of 18 pupils and employing  
4 one teacher, the maximum ~~shall-be-\$27,466~~ is \$28,855 plus  
5 ~~\$834-10~~ \$876.30 per pupil on the basis of the average number  
6 belonging over 18, not to exceed an ANB of 25.

7 (5) For schools with an ANB of 18 pupils and employing  
8 two full-time teachers, the maximum ~~shall-be-\$43,851~~ is  
9 \$46,068 plus ~~\$522-40~~ \$548.80 per pupil on the basis of the  
10 average number belonging over 18, not to exceed an ANB of  
11 50.

12 (6) For schools having an ANB in excess of 40, the  
13 maximum, on the basis of the total pupils (ANB) in the  
14 district, for elementary pupils ~~will-be~~ is as follows:

15 (a) For a school having an ANB of more than 40 and  
16 employing a minimum of three teachers, the maximum of ~~\$17,938~~  
17 shall \$2,036 must be decreased at the rate of ~~\$1-08~~ \$1.98  
18 for each additional pupil until the total number (ANB) ~~shall~~  
19 ~~have-reached-a-total-of~~ reaches 100 pupils.

20 (b) For a school having an ANB of more than 100 pupils,  
21 the maximum of ~~\$17,825~~ shall \$1,917 must be decreased at the  
22 rate of ~~\$1-72~~ \$1.81 for each additional pupil until the ANB  
23 ~~shall-have-reached~~ reaches 300 pupils.

24 (c) For a school having an ANB of more than 300 pupils,  
25 the maximum ~~shall may~~ not exceed ~~\$17,481~~ \$1,556 for each

1 pupil.

2 (7) The maximum per pupil for all pupils (ANB) and for  
3 all elementary schools ~~shall~~ must be computed on the basis  
4 of the amount allowed ~~herein in this section~~ on account of  
5 the last eligible pupil (ANB). All elementary schools  
6 operated within the incorporated limits of a city or town  
7 ~~shall~~ must be treated as one school for the purpose of this  
8 schedule."

9 **Section 2.** Section 20-9-317, MCA, is amended to read:

10 "20-9-317. High school maximum budget schedule for  
11 1985-86 1989-90. (1) For each high school having an ANB of  
12 24 or fewer pupils, the maximum ~~shall--be--\$113,700~~ is  
13 \$119,462.

14 (2) For a secondary high school having an ANB of more  
15 than 24 pupils, the maximum ~~\$4,730--shall~~ of \$4,978 must be  
16 decreased at the rate of ~~\$25-84~~ \$27.15 for each additional  
17 pupil until the ANB ~~shall--have--reached--a--total--of~~ reaches 40  
18 such pupils.

19 (3) For a school having an ANB of more than 40 pupils,  
20 the maximum of ~~\$4,324--shall~~ \$4,543 must be decreased at the  
21 rate of ~~\$25-84~~ \$27.15 for each additional pupil until the  
22 ANB ~~shall--have--reached~~ reaches 100 pupils.

23 (4) For a school having an ANB of more than 100 pupils,  
24 ~~a~~ the maximum of ~~\$2,774--shall~~ \$2,914 must be decreased at  
25 the rate of ~~\$4-32~~ \$4.54 for each additional pupil until the

1 ANB ~~shall--have--reached~~ reaches 200 pupils.

2 (5) For a school having an ANB of more than 200 pupils,  
3 the maximum of ~~\$2,342--shall~~ \$2,460 must be decreased by  
4 ~~\$2-38~~ \$2.50 for each additional pupil until the ANB ~~shall~~  
5 ~~have--reached~~ reaches 300 pupils.

6 (6) For a school having an ANB of more than 300 pupils,  
7 the maximum of ~~\$2,104--shall~~ \$2,210 must be decreased at the  
8 rate of ~~44 46~~ cents for each additional pupil until the ANB  
9 ~~shall--have--reached~~ reaches 600 pupils.

10 (7) For a school having an ANB over of more than 600  
11 pupils, the maximum ~~shall~~ may not exceed ~~\$1,973~~ \$2,073 per  
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13 (8) The maximum per pupil for all pupils (ANB) and for  
14 all high schools ~~shall~~ must be computed on the basis of the  
15 amount allowed ~~herein in this section~~ on account of the last  
16 eligible pupil (ANB). All high schools and junior high  
17 schools which have been approved and accredited as junior  
18 high schools, operated within the incorporated limits of a  
19 city or town, ~~shall~~ must be treated as one school for the  
20 purpose of this schedule."

21 **NEW SECTION. Section 3. Appropriation.** (1) All  
22 revenues received under the provisions of 20-9-343 are  
23 appropriated to the superintendent of public instruction for  
24 the fiscal year ending June 30, 1990, for state equalization  
25 aid for the school fiscal year ending June 30, 1990.

1       (2) There is appropriated from the general fund  
2       \$37,194,000 for the fiscal year ending June 30, 1990, to be  
3       used to the extent funds appropriated in subsection (1) are  
4       insufficient to finance the maximum general fund budget  
5       schedules for public schools, excluding special education.

6       NEW SECTION. **Section 4. Effective date.** [This act] is  
7       effective July 1, 1989.

-End-



RE-REFERRED AND  
APPROVED BY COMMITTEE  
ON APPROPRIATIONS

1 Whalen HOUSE BILL NO. 618  
2 INTRODUCED BY Edgar Peak Harrington Clarke  
3 Kedra Raney Smith Addy Nibert Stan  
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE BY 5  
5 PERCENT THE MAXIMUM GENERAL FUND BUDGET SCHEDULES FOR MENTAL  
6 ELEMENTARY SCHOOLS AND HIGH SCHOOLS FOR SCHOOL FISCAL YEAR  
7 1989-90; TO APPROPRIATE FUNDS TO THE SUPERINTENDENT OF  
8 PUBLIC INSTRUCTION FOR STATE EQUALIZATION AID; AMENDING  
9 SECTIONS 20-9-316 AND 20-9-317, MCA; AND PROVIDING AN  
10 EFFECTIVE DATE."

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15       for 1985-86 1989-90. (1) For each elementary school having  
16       an ANB of nine or fewer pupils, the maximum ~~shall be \$19,959~~  
17       is \$20,968 if said the school is approved as an isolated  
18       school.

19 (2) For schools with an ANB of 10 pupils but less than  
20 18 pupils, the maximum shall--be-\$19,959 is \$20,968 plus  
21 ~~\$834-10~~ \$876.30 per pupil on the basis of the average number  
22 belonging over nine.

23 (3) For schools with an ANB of at least 14 pupils but  
24 less than 18 pupils that qualify for instructional aide  
25 funding under 20-9-322, the maximum ~~shall be \$32,714~~ is

1     \$34,369 plus \$834.10 \$876.30 per pupil on the basis of the  
2     average number belonging over 14.

3 (4) For schools with an ANB of 18 pupils and employing  
4 one teacher, the maximum shall be \$27,466 is \$28,855 plus  
5 ~~\$834.10~~ \$876.30 per pupil on the basis of the average number  
6 belonging over 18, not to exceed an ANB of 25.

7 (5) For schools with an ANB of 18 pupils and employing  
8 two full-time teachers, the maximum ~~shall be \$43,051~~ is  
9 \$46,068 plus ~~\$522.40~~ \$548.80 per pupil on the basis of the  
10 average number belonging over 18, not to exceed an ANB of  
11 50.

(6) For schools having an ANB in excess of 40, the maximum, on the basis of the total pupils (ANB) in the district, for elementary pupils will be as follows:

15 (a) For a school having an ANB of more than 40 and  
16 employing a minimum of three teachers, the maximum of \$1,936  
17 ~~shall~~ \$2,036 must be decreased at the rate of ~~\$1.00~~ \$1.98  
18 for each additional pupil until the total number (ANB) ~~shall~~  
19 ~~have-reached-a-total-of~~ reaches 100 pupils.

(b) For a school having an ANB of more than 100 pupils, the maximum of ~~\$17825~~ \$1,917 must be decreased at the rate of ~~\$172~~ \$1.81 for each additional pupil until the ANB ~~shall have reached~~ reaches 300 pupils.

(c) For a school having an ANB of more than 300 pupils,  
the maximum ~~shall~~ may not exceed ~~\$1,748~~ \$1,556 for each

1 pupil.

2 (7) The maximum per pupil for all pupils (ANB) and for  
3 all elementary schools ~~shall must~~ be computed on the basis  
4 of the amount allowed herein in this section on account of  
5 the last eligible pupil (ANB). All elementary schools  
6 operated within the incorporated limits of a city or town  
7 ~~shall must~~ be treated as one school for the purpose of this  
8 schedule."

9 **Section 2.** Section 20-9-317, MCA, is amended to read:

10 "20-9-317. High school maximum budget schedule for  
11 ~~1985-86~~ 1989-90. (1) For each high school having an ANB of  
12 24 or fewer pupils, the maximum ~~shall--be--\$113,700~~ is  
13 \$119,462.

14 (2) For a secondary high school having an ANB of more  
15 than 24 pupils, the maximum ~~\$4,798--shall of \$4,978~~ must be  
16 decreased at the rate of ~~\$25.84~~ \$27.15 for each additional  
17 pupil until the ANB ~~shall--have--reached--a--total--of~~ reaches 40  
18 such pupils.

19 (3) For a school having an ANB of more than 40 pupils,  
20 the maximum of ~~\$4,324--shall~~ \$4,543 must be decreased at the  
21 rate of ~~\$25.84~~ \$27.15 for each additional pupil until the  
22 ANB ~~shall--have--reached~~ reaches 100 pupils.

23 (4) For a school having an ANB of more than 100 pupils,  
24 a the maximum of ~~\$2,774--shall~~ \$2,914 must be decreased at  
25 the rate of ~~\$4.32~~ \$4.54 for each additional pupil until the

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2 (5) For a school having an ANB of more than 200 pupils,  
3 the maximum of ~~\$2,342--shall~~ \$2,460 must be decreased by  
4 ~~\$2.38~~ \$2.50 for each additional pupil until the ANB ~~shall~~  
5 ~~have--reached~~ reaches 300 pupils.

6 (6) For a school having an ANB of more than 300 pupils,  
7 the maximum of ~~\$2,184--shall~~ \$2,210 must be decreased at the  
8 rate of ~~44~~ 46 cents for each additional pupil until the ANB  
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11 pupils, the maximum ~~shall may~~ not exceed ~~\$1,973~~ \$2,073 per  
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14 all high schools ~~shall must~~ be computed on the basis of the  
15 amount allowed herein in this section on account of the last  
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19 city or town, ~~shall must~~ be treated as one school for the  
20 purpose of this schedule."

21 **NEW SECTION. Section 3. Appropriation.** (1) All  
22 revenues received under the provisions of 20-9-343 are  
23 appropriated to the superintendent of public instruction for  
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2       \$37,194,000 for the fiscal year ending June 30, 1990, to be  
3       used to the extent funds appropriated in subsection (1) are  
4       insufficient to finance the maximum general fund budget  
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7       effective July 1, 1989.

-End-

1 Whalen *HOUSE* BILL NO. *618*  
 2 INTRODUCED BY *Edgar Park Hamilton Alaska*  
 3 *Kodie Raney Speech Betty Nibert*  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE BY  
 5 *Percent 11.6 in the State of Montana*  
 6 PERCENT THE MAXIMUM GENERAL FUND BUDGET SCHEDULES FOR  
 7 *Elementary Schools and High Schools*  
 8 ELEMENTARY SCHOOLS AND HIGH SCHOOLS FOR SCHOOL FISCAL YEAR  
 9 1989-90; TO APPROPRIATE FUNDS TO THE SUPERINTENDENT OF  
 10 PUBLIC INSTRUCTION FOR STATE EQUALIZATION AID; AMENDING  
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 21 18 pupils, the maximum shall-be-\$19,959 is \$20,968 plus  
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 8 two full-time teachers, the maximum shall-be-\$43,851 is  
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19 (3) For a school having an ANB of more than 40 pupils,  
20 the maximum of ~~\$4,324--shall~~ \$4,543 must be decreased at the  
21 rate of ~~\$25.84~~ \$27.15 for each additional pupil until the  
22 ANB ~~shall--have--reached~~ reaches 100 pupils.

23 (4) For a school having an ANB of more than 100 pupils,  
24 a the maximum of ~~\$2,774--shall~~ \$2,914 must be decreased at  
25 the rate of ~~\$4.32~~ \$4.54 for each additional pupil until the

1 ANB ~~shall--have--reached~~ reaches 200 pupils.

2 (5) For a school having an ANB of more than 200 pupils,  
3 the maximum of ~~\$2,342--shall~~ \$2,460 must be decreased by  
4 ~~\$2.38~~ \$2.50 for each additional pupil until the ANB ~~shall~~  
5 ~~have--reached~~ reaches 300 pupils.

6 (6) For a school having an ANB of more than 300 pupils,  
7 the maximum of ~~\$2,104--shall~~ \$2,210 must be decreased at the  
8 rate of ~~44~~ 46 cents for each additional pupil until the ANB  
9 ~~shall--have--reached~~ reaches 600 pupils.

10 (7) For a school having an ANB over of more than 600  
11 pupils, the maximum ~~shall may~~ not exceed ~~\$1,973~~ \$2,073 per  
12 pupil.

13 (8) The maximum per pupil for all pupils (ANB) and for  
14 all high schools ~~shall must~~ be computed on the basis of the  
15 amount allowed herein in this section on account of the last  
16 eligible pupil (ANB). All high schools and junior high  
17 schools which have been approved and accredited as junior  
18 high schools, operated within the incorporated limits of a  
19 city or town, ~~shall must~~ be treated as one school for the  
20 purpose of this schedule."

21 **NEW SECTION. Section 3. Appropriation.** (1) All  
22 revenues received under the provisions of 20-9-343 are  
23 appropriated to the superintendent of public instruction for  
24 the fiscal year ending June 30, 1990, for state equalization  
25 aid for the school fiscal year ending June 30, 1990.

1       (2) There is appropriated from the general fund  
2       \$37,194,000 for the fiscal year ending June 30, 1990, to be  
3       used to the extent funds appropriated in subsection (1) are  
4       insufficient to finance the maximum general fund budget  
5       schedules for public schools, excluding special education.

6       NEW SECTION. **Section 4.** Effective date. [This act] is  
7       effective July 1, 1989.

-End-

SENATE STANDING COMMITTEE REPORT

page 1 of 2  
March 28, 1989

SENATE COMMITTEE ON EDUCATION, HB 618  
page 2 of 2

MR. PRESIDENT:

We, your committee on Education and Cultural Resources, having had under consideration HB 618 (third reading copy -- blue), respectfully report that HB 618 be amended and as so amended be concurred in:

Sponsor: Schye (Farrell)

1. Title, line 9.

Following: "SECTIONS"

Strike: "20-9-316 AND"

Insert: "20-9-315 THROUGH"

2. Title, line 10.

Following: "DATE"

Insert: "AND TERMINATION DATE FOR CERTAIN PROVISIONS"

3. Page 1, line 13.

Insert: "Section 1. Section 20-9-315, MCA, is amended to read:

"20-9-315. Maximum general fund budget and expenditures and exceptions. (1) The total amount of the general fund budget of any district shall not be greater than the general fund budget amount specified in 20-9-316 through 20-9-321, except when a district has adopted an emergency general fund budget under the provisions of 20-9-165 or when a district satisfies the requirements of 20-9-353.

(2) If during the 1988-89 school year a district's general fund expenditure per pupil was 116% or more of the average general fund expenditure per pupil of all schools in the same foundation schedule size category, the district shall receive 4% less than the allowable maximum budget schedule amount per ANB for the district.

(3) If during the 1988-89 school year a district's general fund expenditure per pupil was between 109% and 115% of the average general fund expenditure per pupil of all schools in the same foundation schedule size category, the district shall receive 3% less than the allowable maximum budget schedule amount per ANB for the district.

(4) If during the 1988-89 school year a district's general fund expenditure per pupil was between 101% and 108% of the average general fund expenditure per pupil of all schools in the same foundation schedule size category, the district shall receive 2% less than the allowable maximum budget schedule amount per ANB for the district.

(5) If during the 1988-89 school year a district's general fund expenditure per pupil was between 93% and 100% of the average general fund expenditure per pupil of all schools in the same foundation schedule size category, the district shall receive 1% less than the allowable maximum budget schedule amount per ANB for the district.

(6) If during the 1988-89 school year a district's general fund expenditure per pupil was less than 85% of the average general fund expenditure per pupil of all schools in the same foundation schedule size category, the district shall receive an equity supplement of an amount per pupil that would have been necessary to bring the district's general fund expenditures in 1988-89 to 85% of the average general fund expenditures per pupil of schools in that size category.

(7) Public Law 874 expenditures per pupil are not included in the calculation of averages or expenditures mentioned in subsections (2) through (6).

Renumber: subsequent sections

4. Page 5.

Following: line 7

Insert: "NEW SECTION. Section 6. Termination. Subsections (2) through (7) of [section 1] terminate June 30, 1990."

AND AS AMENDED BE CONCURRED IN

Signed:

*H. W. Hammond*  
H. W. Hammond, Chairman

continued

scrhb618.328

SENATE  
HB 618

SENATE COMMITTEE OF THE WHOLE AMENDMENT

April 4, 1989 11:16 am

Mr. Chairman: I move to amend HB 618 (third reading copy -- blue) as follows:

1. Page 4.

Following: line 25

Insert: "(2) Any money remaining in the education trust fund established in 90-6-202 (3) as of June 30, 1989, is appropriated to the superintendent of public instruction for the fiscal year ending June 30, 1990, for state equalization aid for public schools."

Renumber: subsequent subsection

2. Page 5, line 3.

Strike: "subsection (1)"

Insert: "subsections (1) and (2)"

3. Page 5, line 2.

Strike: "\$37,194,000"

Insert: "\$11,140,000"

4. Strike: The Senate Committee on Education amendments to HB 618 (third reading copy -- blue) dated March 28, 1989, in their entirety

ADOPT

REJECT

Signed: Farrell  
Senator Farrell

SENATE  
HB 618



## HOUSE BILL NO. 618

INTRODUCED BY SCHYE, PECK, HARRINGTON, DARKO,  
 CODY, WHALEN, KADAS, RANEY, SPAETH, ADDY, NISBET,  
 STANG, KIMBERLEY, MCDONOUGH, O'KEEFE, DAILY, J. BROWN,  
 MENAHAN, BRADLEY, COHEN, DAVIS, WYATT, SQUIRES,  
 VINCENT, PAVLOVICH, JOHNSON

A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE BY 4  
 PERCENT THE MAXIMUM GENERAL FUND BUDGET SCHEDULES FOR  
 ELEMENTARY SCHOOLS AND HIGH SCHOOLS FOR SCHOOL FISCAL YEAR  
 1989-90; TO APPROPRIATE FUNDS TO THE SUPERINTENDENT OF  
 PUBLIC INSTRUCTION FOR STATE EQUALIZATION AID; AMENDING  
 SECTIONS 20-9-316---AND 20-9-316 AND 20-9-315--THROUGH  
 20-9-317, MCA; AND PROVIDING AN EFFECTIVE DATE AND  
TERMINATION-DATE-FOR-CERTAIN-PROVISIONS."

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

**SECTION 1--SECTION--20-9-315, MCA, IS AMENDED TO READ:**

**\*20-9-315--Maximum---general---fund---budget and**  
expenditures and--exceptions: {1} The-total-amount-of-the  
general-fund-budget-of-any-district--shall--not--be--greater  
than--the--general--fund-budget-amount-specified-in-20-9-316  
through-20-9-321, except-when--a--district--has--adopted--an  
emergency--general--fund--budget--under--the--provisions--of  
20-9-165-or-when-a-district-satisfies--the--requirements--of

20-9-353:

{2}--If--during--the--1988-89--school-year-a-district's  
general-fund-expenditure-per-pupil-was-116%--or--more--of--the  
average-general-fund-expenditure-per-pupil-of-all-schools-in  
the--same--foundation--schedule--size-category, the-district  
shall-receive-4%--less--than--the--allowable--maximum--budget  
schedule-amount-per-ANB-for-the-district;

{3}--If--during--the--1988-89--school-year-a-district's  
general-fund-expenditure-per-pupil-was-between-109%--and--115%  
of-the-average-general-fund-expenditure--per--pupil--of--all  
schools--in--the--same--foundation--schedule--size-category, the  
district-shall-receive-3%--less--than--the--allowable--maximum  
budget-schedule-amount-per-ANB-for-the-district;

{4}--If--during--the--1988-89--school-year-a-district's  
general-fund-expenditure-per-pupil-was-between-101%--and--108%  
of-the-average-general-fund-expenditure--per--pupil--of--all  
schools--in--the--same--foundation--schedule--size-category, the  
district-shall-receive-2%--less--than--the--allowable--maximum  
budget-schedule-amount-per-ANB-for-the-district;

{5}--If--during--the--1988-89--school-year-a-district's  
general-fund-expenditure-per-pupil-was-between-93%--and--100%  
of--the--average--general--fund-expenditure-per-pupil-of-all  
schools-in-the-same-foundation-schedule-size--category, the  
district--shall--receive--1%--less--than--the--allowable--maximum  
budget-schedule-amount-per-ANB-for-the-district;

~~{6}--If during the 1988-89 school year a district's general fund expenditure per pupil was less than 85% of the average general fund expenditure per pupil of all schools in the same foundation schedule size category, the district shall receive an equity supplement of an amount per pupil that would have been necessary to bring the district's general fund expenditures in 1988-89 to 85% of the average general fund expenditures per pupil of schools in that size category.~~

~~{7}--Public Law 874 expenditures per pupil are not included in the calculation of averages or expenditures mentioned in subsections {2} through {6}."~~

Section 1. Section 20-9-316, MCA, is amended to read:

"20-9-316. Elementary school maximum budget schedule for 1985-86 1989-90. (1) For each elementary school having an ANB of nine or fewer pupils, the maximum shall be \$19,959 is \$20,968 if said the school is approved as an isolated school.

(2) For schools with an ANB of 10 pupils but less than 18 pupils, the maximum shall be \$19,959 is \$20,968 plus \$834.10 \$876.30 per pupil on the basis of the average number belonging over nine.

(3) For schools with an ANB of at least 14 pupils but less than 18 pupils that qualify for instructional aide funding under 20-9-322, the maximum shall be \$32,714 is

\$34,369 plus \$834.10 \$876.30 per pupil on the basis of the average number belonging over 14.

(4) For schools with an ANB of 18 pupils and employing one teacher, the maximum shall be \$27,466 is \$28,855 plus \$834.10 \$876.30 per pupil on the basis of the average number belonging over 18, not to exceed an ANB of 25.

(5) For schools with an ANB of 18 pupils and employing two full-time teachers, the maximum shall be \$43,851 is \$46,068 plus \$522.40 \$548.80 per pupil on the basis of the average number belonging over 18, not to exceed an ANB of 50.

(6) For schools having an ANB in excess of 40, the maximum, on the basis of the total pupils (ANB) in the district, for elementary pupils will be is as follows:

(a) For a school having an ANB of more than 40 and employing a minimum of three teachers, the maximum of \$17,938 shall \$2,036 must be decreased at the rate of \$1.88 \$1.98 for each additional pupil until the total number (ANB) shall have reached a total of reaches 100 pupils.

(b) For a school having an ANB of more than 100 pupils, the maximum of \$17,825 shall \$1,917 must be decreased at the rate of \$1.72 \$1.81 for each additional pupil until the ANB shall have reached reaches 300 pupils.

(c) For a school having an ANB of more than 300 pupils, the maximum shall may not exceed \$1,481 \$1,556 for

1 each pupil.

2 (7) The maximum per pupil for all pupils (ANB) and for  
3 all elementary schools ~~shall~~ must be computed on the basis  
4 of the amount allowed herein in this section on account of  
5 the last eligible pupil (ANB). All elementary schools  
6 operated within the incorporated limits of a city or town  
7 ~~shall~~ must be treated as one school for the purpose of this  
8 schedule."

9 **Section 2.** Section 20-9-317, MCA, is amended to read:

10 "20-9-317. High school ~~maximum~~ budget schedule for  
11 ~~1985-86~~ 1989-90. (1) For each high school having an ANB of  
12 24 or fewer pupils, the maximum ~~shall--be--\$113,700~~ is  
13 \$119,462.

14 (2) For a secondary high school having an ANB of more  
15 than 24 pupils, the maximum ~~\$4,738--shall~~ of \$4,978 must be  
16 decreased at the rate of ~~\$25.84~~ \$27.15 for each additional  
17 pupil until the ANB ~~shall--have--reached--a--total--of~~ reaches 40  
18 such pupils.

19 (3) For a school having an ANB of more than 40 pupils,  
20 the maximum of ~~\$4,324--shall~~ \$4,543 must be decreased at the  
21 rate of ~~\$25.84~~ \$27.15 for each additional pupil until the  
22 ANB ~~shall--have--reached~~ reaches 100 pupils.

23 (4) For a school having an ANB of more than 100  
24 pupils, ~~a~~ the maximum of ~~\$2,774--shall~~ \$2,914 must be  
25 decreased at the rate of ~~\$4.32~~ \$4.54 for each additional

1 pupil until the ANB ~~shall--have--reached~~ reaches 200 pupils.

2 (5) For a school having an ANB of more than 200  
3 pupils, the maximum of ~~\$2,342--shall~~ \$2,460 must be decreased  
4 by ~~\$2.38~~ \$2.50 for each additional pupil until the ANB ~~shall~~  
5 ~~have--reached~~ reaches 300 pupils.

6 (6) For a school having an ANB of more than 300  
7 pupils, the maximum of ~~\$2,104--shall~~ \$2,210 must be decreased  
8 at the rate of 44 46 cents for each additional pupil until  
9 the ANB ~~shall--have--reached~~ reaches 600 pupils.

10 (7) For a school having an ANB over of more than 600  
11 pupils, the maximum ~~shall~~ may not exceed ~~\$1,973~~ \$2,073 per  
12 pupil.

13 (8) The maximum per pupil for all pupils (ANB) and for  
14 all high schools ~~shall~~ must be computed on the basis of the  
15 amount allowed herein in this section on account of the last  
16 eligible pupil (ANB). All high schools and junior high  
17 schools which have been approved and accredited as junior  
18 high schools, operated within the incorporated limits of a  
19 city or town, ~~shall~~ must be treated as one school for the  
20 purpose of this schedule."

21 **NEW SECTION. Section 3. Appropriation.** (1) All  
22 revenues received under the provisions of 20-9-343 are  
23 appropriated to the superintendent of public instruction for  
24 the fiscal year ending June 30, 1990, for state equalization  
25 aid for the school fiscal year ending June 30, 1990.

1       (2) ANY MONEY REMAINING IN THE EDUCATION TRUST FUND  
2       ACCOUNT ESTABLISHED IN 90-6-202(3) AS OF JUNE 30, 1989, IS  
3       APPROPRIATED TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION FOR  
4       THE FISCAL YEAR ENDING JUNE 30, 1990, FOR STATE EQUALIZATION  
5       AID FOR PUBLIC SCHOOLS.

6       ~~{2}~~(3) There is appropriated from the general fund  
7       \$37,194,000 \$11,140,000 for the fiscal year ending June 30,  
8       1990, to be used to the extent funds appropriated in  
9       subsection--~~{1}~~ SUBSECTIONS (1) AND (2) are insufficient to  
10      finance the maximum general fund budget schedules for public  
11      schools, excluding special education.

12      NEW SECTION. Section 4. Effective date. (This act) is  
13      effective July 1, 1989.

14      ~~NEW SECTION--SECTION 6--TERMINATION--{SECTION--1(2)}~~  
15      ~~THROUGH-{7})--TERMINATE-JUNE-30-1990-~~

-End-

State of Montana  
Office of the Governor  
Helena, Montana 59620  
406-444-3111

STAN STEPHENS  
GOVERNOR

May 11, 1989

The Honorable John Vincent  
Speaker of the House  
State Capitol  
Helena, MT 59620

The Honorable Jack Galt  
President of the Senate  
State Capitol  
Helena, MT 59620

Dear Representative Vincent and Senator Galt:

In accordance with the power vested in me as Governor by the Constitution and laws of the State of Montana, I hereby veto the adoption of House Bill 618, "AN ACT TO INCREASE BY 4 PERCENT THE MAXIMUM GENERAL FUND BUDGET SCHEDULES FOR ELEMENTARY SCHOOLS AND HIGH SCHOOLS FOR SCHOOL FISCAL YEAR 1989-1990; TO APPROPRIATE FUNDS TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION FOR STATE EQUALIZATION AID; AMENDING SECTIONS 20-9-316 AND 20-9-317, MCA; AND PROVIDING AN EFFECTIVE DATE." for the following reasons.

House Bill 618 increases by four percent the maximum general fund budget schedule for elementary schools and high schools for fiscal year 1989-90. This four percent increase in the school foundation program virtually sidesteps the Montana Supreme Court mandate of school funding equalization as provided for in Helena Elementary School District Number One, et al. v. State of Montana, et al. The legislature is under a court mandate to eliminate disparities in school district expenditures per student and reliance on differences in local real property tax valuations. House Bill 618, with an appropriation of \$11,140,000 does not address either of these pressing issues.

I do not foreclose the possibility of providing schools a needed increase in state funding, but that increase must come in conjunction with a school equalization plan.

The legislature will be reviewing major school funding and tax reform again prior to July 1, 1989. Resolution of school equalization will not be resolved by increases in the existing foundation program schedule which has been declared

HB 618

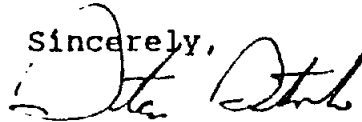
The Honorable John Vincent  
The Honorable Jack Galt  
May 11, 1989  
Page Two

unconstitutional. House Bill 618 detracts from that court mandated resolution. It adds state dollars to a financial system whose existence will terminate. In fiscally tight times, Montana educators cannot become captive to a mentality that additional government dollars will solve the problem. There has been no compelling public policy interest demonstrated to me for passage of House Bill 618.

Recognizing that the real need of schools is for a permanent solution to fixed budgets in inflationary times, a solution House Bill 618 does not provide, I have today signed into law Senate Bill 65. This legislation allows school districts to raise necessary revenue when taxable value drops more than 5 percent in any one year.

Given the value of Senate Bill 65 to our schools in relation to the questionable benefits of House Bill 618, I have vetoed House Bill 618.

Sincerely,

A handwritten signature in dark ink, appearing to read "Stan Stephens", written over the word "Sincerely,".

STAN STEPHENS  
Governor