# SENATE BILL NC. 46

# INTRODUCED BY MAZUREK

# IN THE SENATE

JANUARY 3, 1989 INTRODUCED AND REFERRED TO COMMITTEE ON EDUCATION & CULTURAL RESOURCES.

FIRST READING.

- JANUARY 24, 1989 COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
- JANUARY 25, 1989 PRINTING REPORT.
- JANUARY 26, 1989 SECOND READING, DO PASS.
- JANUARY 27, 1989 ENGROSSING REPORT.
  - THIRD READING, PASSED. AYES, 44; NOES, 0.
    - TRANSMITTED TO HOUSE.
  - IN THE HOUSE

INTRODUCED AND REFERRED TO COMMITTEE ON EDUCATION & CULTURAL RESOURCES.

FEBRUARY 20, 1989 FIRST READING.

COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.

SECOND READING, CONCURRED IN.

THIRD READING, CONCURRED IN. AYES, 88; NOES, 3.

RETURNED TO SENATE.

IN THE SENATE

MARCH 7, 1989

JANUARY 28, 1989

JANUARY 28, 1989

MARCH 2, 1989

MARCH 4, 1989

MARCH 6, 1989

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RECEIVED FROM HOUSE.

SENT TO ENROLLING. REPORTED CORRECTLY ENROLLED.

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### LC 0482/01

1	SENATE BILL NO. 46
2	INTRODUCED BY MAZUREK
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE A
5	DISCONTINUED SCHOOL DISTRICT, WHICH HAS DISPOSED OF ITS
6	CASH, TO PAY ANY REMAINING OUTSTANDING TUITION OBLIGATION BY
7	IMPOSING A MILL LEVY ON THE PROPERTY OF THE DISTRICT;
8	AMENDING SECTION 20-6-413, MCA; AND PROVIDING AN EFFECTIVE
9	DATE."
10	
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12	Section 1. Section 20-6-413, MCA, is amended to read:
13	*20-6-413. Cash disposition when district ceases to
14	exist special levy for tuition debt. Whenever a district
15	shall cease to exist in any manner prescribed in this title,
16	except when districts are consolidated, the cash on hand to
17	the credit of the funds of the district and the debts of
18	such district shall be allocated in the following manner:
19	(1) Any cash to the credit of the district shall be
20	used to pay any debts of the district, including bonded

21 indebtedness, except that any cash available in the debt 22 service fund shall be used first to pay bond interest and 23 all outstanding bonds.

24 (2) If any cash remains to the credit of the district25 after paying its debts, the cash shall be transferred by the

LC 0482/01

1	county treasurer to the credit of the district or districts
2	assuming its territory. When the territory is assumed by
3	more than one district, the remaining cash shall be prorated
4	between the districts on the basis of the number of children
5	attending school and residing within the territory assumed
6	by each district as determined by the county superintendent.
7	(3) If any tuition debt remains as an obligation of
8	the district, the tuition debt shall be the obligation of
9	the taxable property of the discontinued district. The
10	tuition debt shall be financed by a mill levy on the
11	property of the discontinued district and paid from these
12	proceeds by the county superintendent.
13	<pre>(3)(4) If any debts, other than bonded indebtedness</pre>
14	and tuition, remain as an obligation of the district after
15	the cash has been utilized under the provisions of
16	subsection (1) above, the debts shall be assigned in the
17	same manner prescribed for the transfer of cash under
18	subsection (2) above."
19	Section 2. Effective date. [This act] is effective

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-2-

INTRODUCED BILL SB46

July 1, 1989.

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SB 0046/02

#### APPROVED BY COMM. ON EDUCATION AND CULTURAL RESOURCES

1	SENATE BILL NO. 46
2	INTRODUCED BY MAZUREK
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE A
5	DISCONTINUED SCHOOL DISTRICT, WHICH HAS DISPOSED OF ITS
6	CASH, TO PAY ANY REMAINING OUTSTANDING TUITION OBLIGATION BY
7	IMPOSING A MILL LEVY ON THE PROPERTY OF THE DISTRICT, EXCEPT
. 8	WHEN THE TUITION OBLIGATION HAS BEEN ASSUMED BY THE
9	CONSOLIDATED OR ANNEXING DISTRICT; AMENDING SECTION
10	20-6-413, MCA; AND PROVIDING AN EFFECTIVE DATE."
11	
12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
13	Section 1. Section 20-6-413, MCA, is amended to read:
13 14	<b>Section 1.</b> Section 20-6-413, MCA, is amended to read: <b>"20-6-413. Cash disposition when district ceases to</b>
14	"20-6-413. Cash disposition when district ceases to
14 15	<b>"20-6-413. Cash disposition when district ceases to</b> exist <u> special levy for tuition debt</u> . Whenever a district
14 15 16	<b>*20-6-413. Cash disposition when district ceases to</b> <b>exist</b> <u> special levy for tuition debt</u> . Whenever a district shall cease to exist in any manner prescribed in this title,
14 15 16 17	<b>"20-6-413. Cash disposition when district ceases to</b> exist <u> special levy for tuition debt</u> . Whenever a district shall cease to exist in any manner prescribed in this title, except when districts are consolidated, the cash on hand to
14 15 16 17 18	<b>"20-6-413. Cash disposition when district ceases to</b> exist <u> special levy for tuition debt</u> . Whenever a district shall cease to exist in any manner prescribed in this title, except when districts are consolidated, the cash on hand to the credit of the funds of the district and the debts of
14 15 16 17 18 19	"20-6-413. Cash disposition when district ceases to exist special levy for tuition debt. Whenever a district shall cease to exist in any manner prescribed in this title, except when districts are consolidated, the cash on hand to the credit of the funds of the district and the debts of such district shall be allocated in the following manner:
14 15 16 17 18 19 20	"20-6-413. Cash disposition when district ceases to exist special levy for tuition debt. Whenever a district shall cease to exist in any manner prescribed in this title, except when districts are consolidated, the cash on hand to the credit of the funds of the district and the debts of such district shall be allocated in the following manner: (1) Any cash to the credit of the district shall be
14 15 16 17 18 19 20 21	"20-6-413. Cash disposition when district ceases to exist special levy for tuition debt. Whenever a district shall cease to exist in any manner prescribed in this title, except when districts are consolidated, the cash on hand to the credit of the funds of the district and the debts of such district shall be allocated in the following manner: (1) Any cash to the credit of the district shall be used to pay any debts of the district, including bonded

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(2) If any cash remains to the credit of the district

1	after paying its debts, the cash shall be transferred by the			
2	county treasurer to the credit of the district or districts			
3	assuming its territory. When the territory is assumed by			
4	more than one district, the remaining cash shall be prorated			
5	between the districts on the basis of the number of children			
6	attending school and residing within the territory assumed			
7	by each district as determined by the county superintendent.			
8	(3) If any tuition debt remains as an obligation of			
9	the district, the tuition debt shall be the obligation of			
10	the taxable property of the discontinued district, EXCEPT			
11	WHEN THE TUITION DEBT HAS BEEN ASSUMED BY THE CONSOLIDATED			
12	OR ANNEXING DISTRICT. The tuition debt shall be financed by			
13	a mill levy on the property of the discontinued district and			
14	paid from these proceeds by the county superintendent.			
15	(3) If any debts, other than bonded indebtedness			
16	and tuition, remain as an obligation of the district after			
17	the cash has been utilized under the provisions of			
18	subsection (1) above, the debts shall be assigned in the			
19	same manner prescribed for the transfer of cash under			
20	subsection (2) above."			
21	NEW SECTION. Section 2. Effective date. [This act] is			

22 effective July 1, 1989.

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-2-

SB 46

SB 0046/02

1	SENATE BILL NO. 46
2	INTRODUCED BY MAZUREK
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4	A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE A
5	DISCONTINUED SCHOOL DISTRICT, WHICH HAS DISPOSED OF ITS
6	CASH, TO PAY ANY REMAINING OUTSTANDING TUITION OBLIGATION BY
7	IMPOSING A MILL LEVY ON THE PROPERTY OF THE DISTRICT <u>EXCEPT</u>
8	WHEN THE TUITION OBLIGATION HAS BEEN ASSUMED BY THE
9	CONSOLIDATED OR ANNEXING DISTRICT; AMENDING SECTION
10	20-6-413, MCA; AND PROVIDING AN EFFECTIVE DATE."
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12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
13	Section 1. section 20-6-413, MCA, is amended to read:
14	"20-6-413. Cash disposition when district ceases to
15	exist special levy for tuition debt. Whenever a district
16	shall cease to exist in any manner prescribed in this title,
17	except when districts are consolidated, the cash on hand to
18	the credit of the funds of the district and the debts of
19	such district shall be allocated in the following manner:
20	(1) Any cash to the credit of the district shall be
21	used to pay any debts of the district, including bonded
22	indebtedness, except that any cash available in the debt
23	service fund shall be used first to pay bond interest and

24 25 all outstanding bonds.

(2) If any cash remains to the credit of the district

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1 after paying its debts, the cash shall be transferred by the 2 county treasurer to the credit of the district or districts 3 assuming its territory. When the territory is assumed by 4 more than one district, the remaining cash shall be prorated 5 between the districts on the basis of the number of children 6 attending school and residing within the territory assumed 7 by each district as determined by the county superintendent. (3) If any tuition debt remains as an obligation of 8 9 the district, the tuition debt shall be the obligation of 10 the taxable property of the discontinued district, EXCEPT 11 WHEN THE TUITION DEBT HAS BEEN ASSUMED BY THE CONSOLIDATED OR ANNEXING DISTRICT. The tuition debt shall be financed by 12 13 a mill levy on the property of the discontinued district and paid from these proceeds by the county superintendent. 14 15 (3)(4) If any debts, other than bonded indebtedness 16 and tuition, remain as an obligation of the district after 17 the cash has been utilized under the provisions of 18 subsection (1) above, the debts shall be assigned in the 19 same manner prescribed for the transfer of cash under 20 subsection (2) above." NEW SECTION. Section 2. Effective date, [This act] is 21

-End-

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effective July 1, 1989.

-2-

SB 46 THIRD READING SB 0046/02

SB	00	46	/0	2

1	SENATE BILL NO. 46	1	after
2	INTRODUCED BY MAZUREK	2	count
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8	WHEN THE TUITION OBLIGATION HAS BEEN ASSUMED BY THE	8	-,
9	CONSOLIDATED OR ANNEXING DISTRICT; AMENDING SECTION	9	the d
10	20-6-413, MCA; AND PROVIDING AN EFFECTIVE DATE."	10	the
11		11	WHEN
12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	11	OR /
13	Section 1. Section 20-6-413, MCA, is amended to read:	12	
14			<u>a mil</u>
	*20-6-413. Cash disposition when district ceases to	14	paid
15	exist special levy for tuition debt. Whenever a district	15	
16	shall cease to exist in any manner prescribed in this title,	16	and
17	except when districts are consolidated, the cash on hand to	17	the
18	the credit of the funds of the district and the debts of	18	subs
19	such district shall be allocated in the following manner:	19	same
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21	used to pay any debts of the district, including bonded	21	
22	indebtedness, except that any cash available in the debt	22	effe
23	service fund shall be used first to pay bond interest and		
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(2) If any cash remains to the credit of the district

paying its debts, the cash shall be transferred by the ty treasurer to the credit of the district or districts ming its territory. When the territory is assumed by than one district, the remaining cash shall be prorated een the districts on the basis of the number of children nding school and residing within the territory assumed ach district as determined by the county superintendent. (3) If any tuition debt remains as an obligation of district, the tuition debt shall be the obligation of taxable property of the discontinued district, EXCEPT THE TUITION DEBT HAS BEEN ASSUMED BY THE CONSOLIDATED ANNEXING DISTRICT. The tuition debt shall be financed by 11 levy on the property of the discontinued district and from these proceeds by the county superintendent. (3)(4) If any debts, other than bonded indebtedness tuition, remain as an obligation of the district after cash has been utilized under the provisions of ection (1) above, the debts shall be assigned in the manner prescribed for the transfer of cash under ection (2) above." NEW SECTION. Section 2. Effective date. [This act] is

22 effective July 1, 1989.

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-2-

SB 46

