

SENATE BILL 436

Introduced by Farrell

2/15	Introduced
2/15	Referred to Education & Cultural Resources
2/16	Fiscal Note Requested
2/20	Fiscal Note Received
2/20	Fiscal Note Printed
	Died in Committee

1 *Senate* BILL NO. 436  
2 INTRODUCED BY *Farrell*  
3 BY REQUEST OF THE GOVERNOR  
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE THAT THE  
6 ALLOWABLE COST SCHEDULE FOR FUNDING OF SCHOOL DISTRICT  
7 SPECIAL EDUCATION PERSONNEL BE BASED ON THE AVERAGE  
8 STATEWIDE SALARY FOR VARIOUS CATEGORIES OF SPECIAL EDUCATION  
9 PERSONNEL; AMENDING SECTIONS 20-7-431 AND 20-9-321, MCA; AND  
10 PROVIDING AN APPLICABILITY PROVISION."  
11

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

13 **Section 1.** Section 20-7-431, MCA, is amended to read:

14 "20-7-431. Allowable cost schedule for special programs  
15 -- superintendent to make rules -- annual accounting. (1)  
16 For the purpose of determining the  
17 maximum-budget-without-a-vote for special education as  
18 defined in 20-9-321, the following schedule of allowable  
19 costs ~~shall~~ must be followed by the school district in  
20 preparation of its special education budget for state aid  
21 request purposes and by the superintendent of public  
22 instruction in ~~his~~ the review and approval of the budget  
23 (for the purposes of determining the amount of the  
24 maximum-budget-without-a-vote for special education for the  
25 district, and as used in this schedule, "full-time special

1 pupil" and "regular ANB" are to be determined in accordance  
2 with 20-9-311 and 20-9-313):

3 (a) instruction: salaries, benefits, supplies,  
4 textbooks, and other expenses including:

5 (i) salaries and benefits of special program teachers,  
6 regular program teachers, teacher aides, special education  
7 supervisors, audiologists, and speech and hearing  
8 clinicians--the entire average cost as determined under the  
9 provisions of subsection (6) if employed full time in the  
10 special program; if such the personnel are shared between  
11 special and regular programs--a portion of the entire  
12 average cost corresponding to the entire working time which  
13 that each such person devotes to the special program;

14 (ii) teaching supplies and textbooks if used exclusively  
15 for special programs--the actual total cost;

16 (iii) other expenses:

17 (A) contracted services, including fees paid for  
18 professional advice and consultation regarding special  
19 students or the special program, and the delivery of special  
20 education services by public or private agencies--the actual  
21 total cost;

22 (B) transportation costs for special education  
23 personnel who must travel on an itinerant basis from school  
24 to school or district to district or to in-state child study  
25 team meetings or in-state individualized education program

1 meetings--the actual cost to the district calculated on the  
2 same mileage rate used by the district for other travel  
3 reimbursement purposes;

4 (b) supportive services, including:

5 (i) salaries and benefits of professional supportive  
6 personnel--the entire average cost as determined under the  
7 provisions of subsection (6) if employed full time in the  
8 special program; if such the personnel are shared between  
9 special and regular programs--a portion of the entire  
10 average cost corresponding to the entire working time which  
11 that each such person devotes to the special program.  
12 Professional supportive personnel may include counselors,  
13 social workers, psychologists, psychometrists, physicians,  
14 nurses, and physical and occupational therapists.

15 (ii) salaries and benefits of clerical personnel for who  
16 assist professional personnel in supportive services--the  
17 entire average cost as determined under the provisions of  
18 subsection (6) if employed full time in the special program;  
19 if such the personnel are shared between special and regular  
20 programs--a portion of the entire average cost corresponding  
21 to the entire working time which that each such person  
22 devotes to the special program;

23 (c) equipment:

24 (i) equipment--the actual total cost;

25 (ii) special equipment for district-owned school buses

1 necessary to accommodate special students--the actual total  
2 cost;

3 (iii) special equipment for school buses contracted to  
4 transport special students--that portion of the contract  
5 price attributable to the cost of special equipment or  
6 personnel required to accommodate special students--the  
7 actual special cost;

8 (iv) repair and maintenance of equipment--the actual  
9 total cost;

10 (d) room and board costs when the special pupil has to  
11 attend a program at such a distance from his home that  
12 commuting is undesirable as determined by the superintendent  
13 of public instruction.

14 (2) The superintendent of public instruction shall  
15 ~~prior-to-September--17--1977--revise--the~~ adopt rules in  
16 accordance with the policies of the board of public  
17 education for:

18 (a) keeping necessary records for supportive and  
19 administrative personnel and any personnel shared between  
20 special and regular programs;

21 (b) defining the total special program caseload that  
22 ~~shall~~ must be assigned to specific support persons and the  
23 kinds of professional specialties to be considered relevant  
24 to the program before the district may count an allowable  
25 cost under subsection (1)(b) of this section; and

(c) defining the kinds or types of equipment whose costs may be counted under subsection (1)(c)(i) of this section.

(3) An annual accounting of all expenditures of school district general fund ~~moneys~~ money for special education ~~shall~~ must be made by the district trustees on forms furnished by the superintendent of public instruction. The superintendent of public instruction shall ~~make~~ adopt rules for ~~such~~ the accounting.

(4) If a board of trustees chooses to exceed the budget approved by the superintendent of public instruction, costs in excess of the approved budget may not be reimbursed under the maximum-budget-without-a-vote for special education.

~~{5}--Allowable-costs-prescribed-in-this-section--do--not include--the--costs--of--the--teachers'--retirement--system,--the public-employees'--retirement--system,--the--federal--social security--system,--or--the--costs--for--unemployment-compensation insurance.~~

~~{6}{5}~~ (a) Notwithstanding other provisions of the law, the superintendent of public instruction ~~shall~~ may not approve a maximum-budget-without-a-vote for special education which exceeds legislative appropriations; however, any unexpended balance from the first year of a biennial appropriation may be spent in the second year of the biennium in addition to the second year appropriation.

(b) If the total allowable cost of the special education budgets exceeds legislative appropriations available for special education, each district shall receive a pro rata share of the available appropriations based upon prioritized budget items as established by the superintendent of public instruction. The amount of the approved budgets in excess of the available appropriations may not be reimbursed under the maximum-budget-without-a-vote for special education and is the responsibility of the school district.

(6) To determine the allowable cost for special education personnel provided for in subsections (1)(a) and (1)(b) for the ensuing school fiscal year, the superintendent of public instruction shall:

(a) require each district that received special education funding for the current school fiscal year to submit, by December 1 of the current year, documentation of the salaries received by all special education personnel funded under this section for the current school fiscal year;

(b) calculate, from the documentation submitted pursuant to subsection (6)(a), the average statewide salary for each of the following categories of special education personnel:

(i) special program teachers;

1 (ii) special program aides;  
 2 (iii) special program supervisors and administrators;  
 3 and  
 4 (iv) specialists, including professional supportive  
 5 personnel; and  
 6 (c) calculate the total allowable cost for special  
 7 education personnel for a district, based on the average  
 8 statewide salaries calculated for the categories in  
 9 subsection (6)(b)."

10 **Section 2.** Section 20-9-321, MCA, is amended to read:

11 **"20-9-321. Maximum general fund budget and contingency**  
 12 **funds for special education.** (1) For the purpose of  
 13 establishing the maximum-budget-without-a-vote amount for a  
 14 current year special education program for a school  
 15 district, the superintendent of public instruction ~~will~~  
 16 shall determine the total estimated cost of the special  
 17 education program for the school district on the basis of a  
 18 special education program budget submitted by the district.  
 19 The budget ~~will~~ must be prepared on forms provided by the  
 20 superintendent of public instruction and ~~will~~ must set out  
 21 for each program:

22 (a) the estimated allowable costs associated with  
 23 operating the program where allowable costs are as defined  
 24 in 20-7-431, including the estimated allowable costs for  
 25 special education personnel based on the average statewide

1 salaries for special education personnel, as determined  
 2 under the provisions of 20-7-431;

3 (b) the number of pupils expected to be enrolled in the  
 4 program; and

5 (c) any other data required by the superintendent of  
 6 public instruction for budget justification purposes and to  
 7 administer the provisions of 20-9-315 through 20-9-321.

8 (2) The total amount of allowable costs approved by the  
 9 superintendent of public instruction ~~shall be~~ is the special  
 10 education maximum-budget-without-a-vote amount for current  
 11 year special education program purposes. The total amount of  
 12 allowable costs that are approved for the special education  
 13 budget ~~shall~~ may not, under any condition, be less than the  
 14 maximum-budget-without-a-vote amount for one regular ANB for  
 15 each ~~special~~ full-time special pupil in the school district.

16 (3) If a special education program is implemented or  
 17 expanded during a given school term too late to be included  
 18 in the determination of the district  
 19 maximum-budget-without-a-vote for the school year as  
 20 prescribed in this part, allowable costs approved under the  
 21 budgeting provisions of subsections (1) and (2) for the  
 22 operation of the program during the given year must be  
 23 funded from any legislative appropriation for contingency  
 24 financing for special education. Contingency funds granted  
 25 under this subsection must be deposited in a separate

1 account of the miscellaneous programs fund of the district  
 2 as provided in 20-9-507. However, if contingency funds are  
 3 not available, then subject to the approval of the program  
 4 by the superintendent under the emergency budget provisions  
 5 of 20-9-161(5), allowable costs for the given year may be  
 6 added to the maximum-budget-without-a-vote amount for  
 7 special education for the subsequent school year. Such The  
 8 allowable costs must be recorded as previous year special  
 9 education expenses in the school district budget for the  
 10 subsequent school year.

11 (4) The sum of the previous year special education  
 12 expenses as defined in subsection (3) ~~above~~ and the  
 13 maximum-budget-without-a-vote for current year special  
 14 education as defined in subsections (1) and (2) ~~shall be~~ is  
 15 the special education budget for accounting purposes.

16 (5) The maximum-budget-without-a-vote for special  
 17 education ~~will~~ must be added to the  
 18 maximum-budget-without-a-vote of the regular program ANB  
 19 defined in 20-9-311 and 20-9-313 to obtain the total  
 20 maximum-budget-without-a-vote for the district."

21 NEW SECTION. Section 3. 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 4. Applicability. [This act]

1 applies to special education funding for school fiscal year  
 2 1990.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB436, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

A bill for an act entitled: "An act to require that the allowable cost schedule for funding of school district special education personnel be based on the average statewide salary for various categories of special education personnel; amending Sections 20-7-431 and 20-9-321, MCA; and providing an applicability provision."

ASSUMPTIONS:

The amount appropriated for special education is consistent, regardless of the method used to distribute the funds.

FISCAL IMPACT:

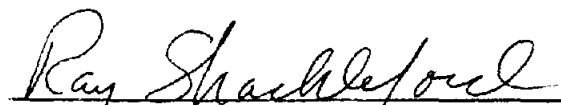
None

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Equalization by averaging salaries will cause some school districts to experience a net gain while others will experience a net loss, based on the relationship of special education salaries in the district to the state average. Districts experiencing a loss will need to reduce programs or seek another source of funding.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Federal maintenance of effort may be a problem for districts experiencing a net loss.

 DATE 2/20/89  
RAY SHACKLEFORD, BUDGET DIRECTOR  
OFFICE OF BUDGET AND PROGRAM PLANNING

 DATE \_\_\_\_\_  
WILLIAM E. FARRELL, PRIMARY SPONSOR

Fiscal Note for SB436, as introduced

SB 436