

HOUSE BILL 50

Introduced by Rehberg

6/22	Introduced
6/23	Referred to Education & Cultural Resources
6/27	Hearing
6/28	Committee Report--Bill Passed
6/29	Motion Failed to Suspend Rules & Place on 2nd Reading
7/08	Taken From 2nd Reading and Rereferred to Appropriations Died in Committee

1 HOUSE BILL NO. 50  
2 INTRODUCED BY Rehberg  
3 BY REQUEST OF THE GOVERNOR

4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING AN  
6 APPROPRIATION TO SCHOOL DISTRICTS AND LOCAL GOVERNMENTS TO  
7 REIMBURSE MONEY LOST THROUGH PERSONAL PROPERTY TAX  
8 REDUCTIONS; INCREASING SCHOOL DISTRICT BUDGET SCHEDULES;  
9 AMENDING SECTIONS 17-7-502, 20-9-316 THROUGH 20-9-319, AND  
10 20-9-343, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

13 NEW SECTION. Section 1. Appropriation for  
14 reimbursement to school districts and local governments. The  
15 following amounts are statutorily appropriated, as provided  
16 in 17-7-502, from the general fund to the state special  
17 revenue fund for state equalization aid, provided for in  
18 20-9-343, to reimburse school districts and local  
19 governments for reductions in tax rates on personal  
20 property:

21 (1) for fiscal year 1990, \$8,140,000 to the state  
22 special revenue fund for state equalization aid as provided  
23 for in 20-9-343;

24 (2) for fiscal year 1991 and for each fiscal year  
25 thereafter, \$27,128,746 to the state special revenue fund

1 for state equalization to public schools, as provided for in  
2 20-9-343;

3 (3) for fiscal year 1990, \$4,312,000 to the account in  
4 the state special revenue fund for local government  
5 reimbursement, as provided for in [section 2]; and

6 (4) for fiscal year 1991 and for each fiscal year  
7 thereafter, \$14,373,506 to the account in the state special  
8 revenue fund for local government reimbursement, as provided  
9 for in [section 2].

10 NEW SECTION. Section 2. Local government  
11 reimbursement account. There is a local government  
12 reimbursement account in the state special revenue fund. The  
13 funds in [section 1(3) and (4)] are statutorily appropriated  
14 to the account.

15 NEW SECTION. Section 3. Reimbursement to local  
16 governments -- duties of department and county treasurer.  
17 (1) (a) On or before May 1, 1990, the department of revenue  
18 shall remit to the county treasurer of the county 30% of the  
19 reimbursement amount specified in subsection (1)(b) as  
20 computed by the department. The department shall base the  
21 reimbursement on the reduction in personal property tax  
22 revenues due to the reduction in personal property tax rates  
23 for class five property, as provided for in 15-6-135.

24 (b) The reimbursement revenue must be based on the  
25 county's taxable value and mill levies for tax year 1989.

1 (2) Prior to September 1, 1990, the department's agent  
2 in the county shall supply to the department for each taxing  
3 jurisdiction, except for school districts, within the  
4 county:

5 (a) the number of mills levied in the jurisdiction for  
6 taxable year 1989;

7 (b) the number of mills levied in the jurisdiction for  
8 taxable year 1990;

9 (c) the total taxable valuation for taxable years 1989  
10 and 1990, reported separately for each year, of all personal  
11 property not secured by real property; and

12 (d) the total taxable valuation for taxable years 1989  
13 and 1990, reported separately for each year, of all personal  
14 property secured by real property.

15 (3) After receipt of the information from its agent,  
16 the department shall calculate the amount of revenue lost to  
17 each taxing jurisdiction, except school districts, within  
18 the county due to the reduction in personal property tax  
19 rates. The department shall total the amounts for all taxing  
20 jurisdictions, except school districts, within the county.

21 (4) For taxable year 1990 and for each year  
22 thereafter, the department shall remit to the county  
23 treasurer the base amount of revenue reimbursable,  
24 determined pursuant to subsection (3), as follows:

25 (a) on or before November 30, 1990, and on or before

1 each November 30 thereafter, the department shall remit 50%  
2 of the base amount of the revenue reimbursable to the  
3 county; and

4 (b) on or before May 31, 1991, and on or before each  
5 May 31 thereafter, the department shall remit 50% of the  
6 base amount of the revenue reimbursable to the county.

7 (5) Upon receipt of the reimbursement from the  
8 department, the county treasurer shall distribute to each  
9 taxing jurisdiction the appropriate proportionate amount of  
10 the funds received from the department.

11 **Section 4.** Section 17-7-502, MCA, is amended to read:

12 "17-7-502. Statutory appropriations -- definition --  
13 requisites for validity. (1) A statutory appropriation is an  
14 appropriation made by permanent law that authorizes spending  
15 by a state agency without the need for a biennial  
16 legislative appropriation or budget amendment.

17 (2) Except as provided in subsection (4), to be  
18 effective, a statutory appropriation must comply with both  
19 of the following provisions:

20 (a) The law containing the statutory authority must be  
21 listed in subsection (3).

22 (b) The law or portion of the law making a statutory  
23 appropriation must specifically state that a statutory  
24 appropriation is made as provided in this section.

25 (3) The following laws are the only laws containing

1 statutory appropriations: 2-9-202; 2-17-105; 2-18-812;  
 2 10-3-203; 10-3-312; 10-3-314; 10-4-301; 13-37-304;  
 3 15-25-123; 15-31-702; 15-36-112; 15-37-117; 15-70-101;  
 4 16-1-404; 16-1-410; 16-1-411; 17-3-212; 17-5-404; 17-5-424;  
 5 17-5-804; 19-8-504; 19-9-702; 19-9-1007; 19-10-205;  
 6 19-10-305; 19-10-506; 19-11-512; 19-11-513; 19-11-606;  
 7 19-12-301; 19-13-604; 20-6-406; 20-8-111; 23-5-306;  
 8 23-5-409; 23-5-610; 23-5-612; 23-5-1016; 23-5-1027;  
 9 27-12-206; 37-51-501; 39-71-2504; 53-6-150; 53-24-206;  
 10 61-2-406; 61-5-121; 67-3-205; 75-1-1101; 75-5-1108;  
 11 75-11-313; 76-12-123; 80-2-103; 82-11-136; 82-11-161;  
 12 90-3-301; 90-4-215; 90-4-613; 90-6-331; 90-9-306; and  
 13 section 13, House Bill No. 861, Laws of 1985; and [section  
 14 1].

15 (4) There is a statutory appropriation to pay the  
 16 principal, interest, premiums, and costs of issuing, paying,  
 17 and securing all bonds, notes, or other obligations, as due,  
 18 that have been authorized and issued pursuant to the laws of  
 19 Montana. Agencies that have entered into agreements  
 20 authorized by the laws of Montana to pay the state  
 21 treasurer, for deposit in accordance with 17-2-101 through  
 22 17-2-107, as determined by the state treasurer, an amount  
 23 sufficient to pay the principal and interest as due on the  
 24 bonds or notes have statutory appropriation authority for  
 25 such payments. (In subsection (3), pursuant to sec. 10, Ch.

1 664, L. 1987, the inclusion of 39-71-2504 terminates June  
 2 30, 1991.)"

3 **Section 5.** Section 20-9-316, MCA, is amended to read:  
 4 "20-9-316. Elementary school maximum budget schedule  
 5 for ~~1985-86~~ 1989-90. (1) For each elementary school having  
 6 an ANB of nine or fewer pupils, the maximum ~~shall be \$19,959~~  
 7 is \$20,760 if ~~said~~ the school is approved as an isolated  
 8 school.

9 (2) For schools with an ANB of 10 pupils but less than  
 10 18 pupils, the maximum ~~shall be \$19,959~~ is \$20,760 plus  
 11 ~~\$834.10~~ \$867.70 per pupil on the basis of the average number  
 12 belonging over nine 9.

13 (3) For schools with an ANB of at least 14 pupils but  
 14 less than 18 pupils that qualify for instructional aide  
 15 funding under 20-9-322, the maximum ~~shall be \$32,714~~ is  
 16 \$34,030 plus ~~\$834.10~~ \$867.70 per pupil on the basis of the  
 17 average number belonging over 14.

18 (4) For schools with an ANB of 18 pupils and employing  
 19 one teacher, the maximum ~~shall be \$27,466~~ is \$28,570 plus  
 20 ~~\$834.10~~ \$867.70 per pupil on the basis of the average number  
 21 belonging over 18, not to exceed an ANB of 25.

22 (5) For schools with an ANB of 18 pupils and employing  
 23 two full-time teachers, the maximum ~~shall be \$43,851~~ is  
 24 \$45,614 plus ~~\$522.40~~ \$543.40 per pupil on the basis of the  
 25 average number belonging over 18, not to exceed an ANB of

1 50.

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

5 (a) For a school having an ANB of more than 40 and  
6 employing a minimum of three teachers, the maximum of ~~\$17,938~~  
7 ~~shall be \$2,016~~ is decreased at the rate of \$1.88 \$1.96 for  
8 each additional pupil until the ~~total number (ANB) shall~~  
9 ~~have reached reaches~~ reaches a total of 100 pupils.

10 (b) For a school having an ANB of more than 100  
11 pupils, the maximum of ~~\$17,825 shall be \$1,898~~ is decreased  
12 at the rate of \$1.72 \$1.79 for each additional pupil until  
13 the ANB ~~shall have reached reaches~~ reaches 300 pupils.

14 (c) For a school having an ANB of more than 300  
15 pupils, the maximum ~~shall may not exceed \$17,481~~ \$1,540 for  
16 each pupil.

17 (7) The maximum per pupil for all pupils (ANB) and for  
18 all elementary schools ~~shall must~~ be computed on the basis  
19 of the amount allowed herein in this section on account of  
20 the last eligible pupil (ANB). All elementary schools  
21 operated within the incorporated limits of a city or town  
22 shall be treated as one school for the purpose of this  
23 schedule."

24 **Section 6.** Section 20-9-317, MCA, is amended to read:

25 \*20-9-317. High school maximum budget schedule for

1 ~~1985-86 1989-90.~~ (1) For each high school having an ANB of  
2 24 or fewer pupils, the maximum ~~shall be \$113,788~~ is  
3 \$118,279.

4 (2) For a secondary high school having an ANB of more  
5 than 24 pupils, the maximum ~~\$4,738 shall be of \$4,928~~ is  
6 decreased at the rate of \$25.84 \$26.88 for each additional  
7 pupil until the ANB ~~shall have reached reaches~~ reaches a total of 40  
8 such pupils.

9 (3) For a school having an ANB of more than 40 pupils,  
10 the maximum of ~~\$4,324 shall be \$4,499~~ is decreased at the  
11 rate of \$25.84 \$26.88 for each additional pupil until the  
12 ANB ~~shall have reached reaches~~ reaches 100 pupils.

13 (4) For a school having an ANB of more than 100  
14 pupils, ~~a the~~ maximum of ~~\$2,774 shall be \$2,886~~ is decreased  
15 at the rate of \$4.32 \$4.50 for each additional pupil until  
16 the ANB ~~shall have reached reaches~~ reaches 200 pupils.

17 (5) For a school having an ANB of more than 200  
18 pupils, the maximum of ~~\$2,342 shall be \$2,436~~ is decreased  
19 by \$2.38 \$2.47 for each additional pupil until the ANB ~~shall~~  
20 ~~have reached reaches~~ reaches 300 pupils.

21 (6) For a school having an ANB of more than 300  
22 pupils, the maximum of ~~\$2,104 shall be \$2,189~~ is decreased  
23 at the rate of 44 45 cents for each additional pupil until  
24 the ANB ~~shall have reached reaches~~ reaches 600 pupils.

25 (7) For a school having an ANB over of more than 600

1 pupils, the maximum ~~shall~~ may not exceed ~~\$1,973~~ \$2,053 per  
2 pupil.

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

11 **Section 7.** Section 20-9-318, MCA, is amended to read:

12 "20-9-318. Elementary school maximum budget schedule  
13 for ~~1987-88~~ 1990-91 and succeeding years. For ~~1987-88~~  
14 1990-91 and succeeding school years, the elementary school  
15 maximum budget schedule is as follows:

16 (1) For each elementary school having an ANB of nine  
17 or fewer pupils, the maximum ~~shall-be-\$20,150~~ is \$22,329 if  
18 ~~said~~ the school is approved as an isolated school.

19 (2) For schools with an ANB of 10 pupils but less than  
20 18 pupils, the maximum ~~shall-be-\$20,150~~ is \$22,329 plus  
21 ~~\$842-50~~ \$933,25 per pupil on the basis of the average number  
22 belonging over ~~nine~~ 9.

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--\$33,042~~ is

1 \$36,600 plus ~~\$842-50~~ \$933.25 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-\$27,741~~ is \$30,729 plus  
5 ~~\$842-50~~ \$933.25 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-\$44,290~~ is  
9 \$49,060 plus ~~\$527-60~~ \$584.40 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 ~~\$1,957~~  
17 ~~shall--be~~ \$2,168 is decreased at the rate of ~~\$1-90~~ \$2.10 for  
18 each additional pupil until the ~~total--number--(ANB)--shall~~  
19 ~~have-reached~~ reaches a total of 100 pupils.

20 (b) For a school having an ANB of more than 100  
21 pupils, the maximum of ~~\$1,843~~ shall-be \$2,042 is decreased  
22 at the rate of ~~\$1-74~~ \$1.93 for each additional pupil until  
23 the ANB ~~shall-have-reached~~ reaches 300 pupils.

24 (c) For a school having an ANB of more than 300  
25 pupils, the maximum ~~shall~~ may not exceed ~~\$1,496~~ \$1,657 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 be treated as one school for the purpose of this  
8 schedule."

9 **Section 8.** Section 20-9-319, MCA, is amended to read:

10 "20-9-319. High school maximum budget schedule for  
11 ~~1987-88~~ 1990-91 and succeeding years. For ~~1987-88~~ 1990-91  
12 and succeeding school years, the high school maximum budget  
13 schedule is as follows:

14 (1) For each high school having an ANB of 24 or fewer  
15 pupils, the maximum ~~shall be \$114,845~~ is \$127,215.

16 (2) For a secondary high school having an ANB of more  
17 than 24 pupils, the maximum ~~\$4,785~~ shall be of \$5,300 is  
18 decreased at the rate of ~~\$26.10~~ \$28.90 for each additional  
19 pupil until the ANB ~~shall have reached~~ reaches a total of 40  
20 such pupils.

21 (3) For a school having an ANB of more than 40 pupils,  
22 the maximum of ~~\$4,368~~ shall be \$4,838 is decreased at the  
23 rate of ~~\$26.10~~ \$28.90 for each additional pupil until the  
24 ANB ~~shall have reached~~ reaches 100 pupils.

25 (4) For a school having an ANB of more than 100

1 pupils, a the maximum of ~~\$2,882~~ shall be \$3,104 is decreased  
2 at the rate of ~~\$4.37~~ \$4.84 for each additional pupil until  
3 the ANB ~~shall have reached~~ reaches 200 pupils.

4 (5) For a school having an ANB of more than 200  
5 pupils, the maximum of ~~\$2,365~~ shall be \$2,620 is decreased  
6 by ~~\$2.48~~ \$2.66 for each additional pupil until the ANB ~~shall~~  
7 have reached reaches 300 pupils.

8 (6) For a school having an ANB of more than 300  
9 pupils, the maximum of ~~\$2,125~~ shall be \$2,354 is decreased  
10 at the rate of ~~44~~ 49 cents for each additional pupil until  
11 the ANB ~~shall have reached~~ reaches 600 pupils.

12 (7) For a school having an ANB over of more than 600  
13 pupils, the maximum ~~shall may~~ not exceed ~~\$1,993~~ \$2,208 per  
14 pupil.

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

23 **Section 9.** Section 20-9-343, MCA, is amended to read:

24 "20-9-343. Definition of and revenue for state  
25 equalization aid. (1) As used in this title, the term "state

1 equalization aid" means those moneys the money deposited in  
 2 the state special revenue fund as required in this section  
 3 plus any legislative appropriation of money from other  
 4 sources for distribution to the public schools for the  
 5 purpose of equalization of the foundation program.

6 (2) The ~~legislative--appropriation~~ legislature shall  
 7 biennially appropriate money for state equalization aid  
 8 ~~shall--be--made--in--a--single--sum--for--the--biennium.~~ The  
 9 superintendent of public instruction ~~has--authority--to~~ may  
 10 spend such the appropriation, together with the earmarked  
 11 revenues provided in subsection (3), as required for  
 12 foundation program purposes throughout the biennium.

13 (3) The following ~~shall~~ must be paid into the state  
 14 special revenue fund for state equalization aid to public  
 15 schools of the state:

16 (a) 31.8% of all money received from the collection of  
 17 income taxes under chapter 30 of Title 15;

18 (b) 25% of all money, except as provided in 15-31-702,  
 19 received from the collection of corporation license and  
 20 income taxes under chapter 31 of Title 15, as provided by  
 21 15-1-501;

22 (c) 100% of the money allocated to state equalization  
 23 from the collection of the severance tax on coal;

24 (d) 100% of the money received from the treasurer of  
 25 the United States as the state's shares of oil, gas, and

1 other mineral royalties under the federal Mineral Lands  
 2 Leasing Act, as amended;

3 (e) interest and income money described in 20-9-341  
 4 and 20-9-342;

5 (f) income from the education trust fund account;

6 (g) reimbursement from the general fund as provided in  
 7 [section 1]; and

8 ~~(g)(h)~~ in addition to these revenues, the surplus  
 9 revenues collected by the counties for foundation program  
 10 support according to 20-9-331 and 20-9-333.

11 (4) Any surplus revenue in the state equalization aid  
 12 account in the second year of a biennium may be used to  
 13 reduce the appropriation required for the next succeeding  
 14 biennium."

15 NEW SECTION. Section 10. Coordination instruction. If  
 16 \_\_\_ Bill No. \_\_\_ [LC 18] is not passed and approved, [this  
 17 act] is void.

18 NEW SECTION. Section 11. Severability. If a part of  
 19 [this act] is invalid, all valid parts that are severable  
 20 from the invalid part remain in effect. If a part of [this  
 21 act] is invalid in one or more of its applications, the part  
 22 remains in effect in all valid applications that are  
 23 severable from the invalid applications.

24 NEW SECTION. Section 12. Effective date. [This act]  
 25 is effective July 1, 1989.



APPROVED BY COMM. ON EDUCATION  
AND CULTURAL RESOURCES

HOUSE BILL NO. 50

INTRODUCED BY Rehberg

BY REQUEST OF THE GOVERNOR

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING AN APPROPRIATION TO SCHOOL DISTRICTS AND LOCAL GOVERNMENTS TO REIMBURSE MONEY LOST THROUGH PERSONAL PROPERTY TAX REDUCTIONS; INCREASING SCHOOL DISTRICT BUDGET SCHEDULES; AMENDING SECTIONS 17-7-502, 20-9-316 THROUGH 20-9-319, AND 20-9-343, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. Section 1. Appropriation for reimbursement to school districts and local governments. The following amounts are statutorily appropriated, as provided in 17-7-502, from the general fund to the state special revenue fund for state equalization aid, provided for in 20-9-343, to reimburse school districts and local governments for reductions in tax rates on personal property:

(1) for fiscal year 1990, \$8,140,000 to the state special revenue fund for state equalization aid as provided for in 20-9-343;

(2) for fiscal year 1991 and for each fiscal year thereafter, \$27,128,746 to the state special revenue fund

for state equalization to public schools, as provided for in 20-9-343;

(3) for fiscal year 1990, \$4,312,000 to the account in the state special revenue fund for local government reimbursement, as provided for in [section 2]; and

(4) for fiscal year 1991 and for each fiscal year thereafter, \$14,373,506 to the account in the state special revenue fund for local government reimbursement, as provided for in [section 2].

NEW SECTION. Section 2. Local government reimbursement account. There is a local government reimbursement account in the state special revenue fund. The funds in [section 1(3) and (4)] are statutorily appropriated to the account.

NEW SECTION. Section 3. Reimbursement to local governments -- duties of department and county treasurer. (1) (a) On or before May 1, 1990, the department of revenue shall remit to the county treasurer of the county 30% of the reimbursement amount specified in subsection (1)(b) as computed by the department. The department shall base the reimbursement on the reduction in personal property tax revenues due to the reduction in personal property tax rates for class five property, as provided for in 15-6-135.

(b) The reimbursement revenue must be based on the county's taxable value and mill levies for tax year 1989.

1 (2) Prior to September 1, 1990, the department's agent  
2 in the county shall supply to the department for each taxing  
3 jurisdiction, except for school districts, within the  
4 county:

5 (a) the number of mills levied in the jurisdiction for  
6 taxable year 1989;

7 (b) the number of mills levied in the jurisdiction for  
8 taxable year 1990;

9 (c) the total taxable valuation for taxable years 1989  
10 and 1990, reported separately for each year, of all personal  
11 property not secured by real property; and

12 (d) the total taxable valuation for taxable years 1989  
13 and 1990, reported separately for each year, of all personal  
14 property secured by real property.

15 (3) After receipt of the information from its agent,  
16 the department shall calculate the amount of revenue lost to  
17 each taxing jurisdiction, except school districts, within  
18 the county due to the reduction in personal property tax  
19 rates. The department shall total the amounts for all taxing  
20 jurisdictions, except school districts, within the county.

21 (4) For taxable year 1990 and for each year  
22 thereafter, the department shall remit to the county  
23 treasurer the base amount of revenue reimbursable,  
24 determined pursuant to subsection (3), as follows:

25 (a) on or before November 30, 1990, and on or before

1 each November 30 thereafter, the department shall remit 50%  
2 of the base amount of the revenue reimbursable to the  
3 county; and

4 (b) on or before May 31, 1991, and on or before each  
5 May 31 thereafter, the department shall remit 50% of the  
6 base amount of the revenue reimbursable to the county.

7 (5) Upon receipt of the reimbursement from the  
8 department, the county treasurer shall distribute to each  
9 taxing jurisdiction the appropriate proportionate amount of  
10 the funds received from the department.

11 **Section 4.** Section 17-7-502, MCA, is amended to read:

12 "17-7-502. Statutory appropriations -- definition --  
13 requisites for validity. (1) A statutory appropriation is an  
14 appropriation made by permanent law that authorizes spending  
15 by a state agency without the need for a biennial  
16 legislative appropriation or budget amendment.

17 (2) Except as provided in subsection (4), to be  
18 effective, a statutory appropriation must comply with both  
19 of the following provisions:

20 (a) The law containing the statutory authority must be  
21 listed in subsection (3).

22 (b) The law or portion of the law making a statutory  
23 appropriation must specifically state that a statutory  
24 appropriation is made as provided in this section.

25 (3) The following laws are the only laws containing

1 statutory appropriations: 2-9-202; 2-17-105; 2-18-812;  
 2 10-3-203; 10-3-312; 10-3-314; 10-4-301; 13-37-304;  
 3 15-25-123; 15-31-702; 15-36-112; 15-37-117; 15-70-101;  
 4 16-1-404; 16-1-410; 16-1-411; 17-3-212; 17-5-404; 17-5-424;  
 5 17-5-804; 19-8-504; 19-9-702; 19-9-1007; 19-10-205;  
 6 19-10-305; 19-10-506; 19-11-512; 19-11-513; 19-11-606;  
 7 19-12-301; 19-13-604; 20-6-406; 20-8-111; 23-5-306;  
 8 23-5-409; 23-5-610; 23-5-612; 23-5-1016; 23-5-1027;  
 9 27-12-206; 37-51-501; 39-71-2504; 53-6-150; 53-24-206;  
 10 61-2-406; 61-5-121; 67-3-205; 75-1-1101; 75-5-1108;  
 11 75-11-313; 76-12-123; 80-2-103; 82-11-136; 82-11-161;  
 12 90-3-301; 90-4-215; 90-4-613; 90-6-331; 90-9-306; and  
 13 section 13, House Bill No. 861, Laws of 1985; and [section  
 14 1].

15 (4) There is a statutory appropriation to pay the  
 16 principal, interest, premiums, and costs of issuing, paying,  
 17 and securing all bonds, notes, or other obligations, as due,  
 18 that have been authorized and issued pursuant to the laws of  
 19 Montana. Agencies that have entered into agreements  
 20 authorized by the laws of Montana to pay the state  
 21 treasurer, for deposit in accordance with 17-2-101 through  
 22 17-2-107, as determined by the state treasurer, an amount  
 23 sufficient to pay the principal and interest as due on the  
 24 bonds or notes have statutory appropriation authority for  
 25 such payments. (In subsection (3), pursuant to sec. 10, Ch.

1 664, L. 1987, the inclusion of 39-71-2504 terminates June  
 2 30, 1991.)"

3 **Section 5.** Section 20-9-316, MCA, is amended to read:

4 "20-9-316. Elementary school ~~maximum budget schedule~~  
 5 for ~~1985-86~~ 1989-90. (1) For each elementary school having  
 6 an ANB of nine or fewer pupils, the maximum ~~shall be \$19,959~~  
 7 is \$20,760 if ~~said~~ the school is approved as an isolated  
 8 school.

9 (2) For schools with an ANB of 10 pupils but less than  
 10 18 pupils, the maximum ~~shall be \$19,959~~ is \$20,760 plus  
 11 ~~\$834.10~~ \$867.70 per pupil on the basis of the average number  
 12 belonging over ~~nine~~ 9.

13 (3) For schools with an ANB of at least 14 pupils but  
 14 less than 18 pupils that qualify for instructional aide  
 15 funding under 20-9-322, the maximum ~~shall be \$32,714~~ is  
 16 \$34,030 plus ~~\$834.10~~ \$867.70 per pupil on the basis of the  
 17 average number belonging over 14.

18 (4) For schools with an ANB of 18 pupils and employing  
 19 one teacher, the maximum ~~shall be \$27,466~~ is \$28,570 plus  
 20 ~~\$834.10~~ \$867.70 per pupil on the basis of the average number  
 21 belonging over 18, not to exceed an ANB of 25.

22 (5) For schools with an ANB of 18 pupils and employing  
 23 two full-time teachers, the maximum ~~shall be \$43,851~~ is  
 24 \$45,614 plus ~~\$522.40~~ \$543.40 per pupil on the basis of the  
 25 average number belonging over 18, not to exceed an ANB of

1 50.

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

5 (a) For a school having an ANB of more than 40 and  
6 employing a minimum of three teachers, the maximum of ~~\$1,930~~  
7 ~~shall be \$2,016 is~~ decreased at the rate of ~~\$1.88~~ \$1.96 for  
8 each additional pupil until the ~~total number (ANB) shall~~  
9 ~~have reached reaches~~ a total of 100 pupils.

10 (b) For a school having an ANB of more than 100  
11 pupils, the maximum of ~~\$1,725 shall be \$1,898 is~~ decreased  
12 at the rate of ~~\$1.72~~ \$1.79 for each additional pupil until  
13 the ANB ~~shall have reached reaches~~ 300 pupils.

14 (c) For a school having an ANB of more than 300  
15 pupils, the maximum ~~shall~~ may not exceed ~~\$1,481~~ \$1,540 for  
16 each pupil.

17 (7) The maximum per pupil for all pupils (ANB) and for  
18 all elementary schools ~~shall~~ must be computed on the basis  
19 of the amount allowed herein in this section on account of  
20 the last eligible pupil (ANB). All elementary schools  
21 operated within the incorporated limits of a city or town  
22 shall be treated as one school for the purpose of this  
23 schedule."

24 **Section 6.** Section 20-9-317, MCA, is amended to read:  
25 "20-9-317. High school maximum budget schedule for

1 ~~1985-86 1989-90.~~ (1) For each high school having an ANB of  
2 24 or fewer pupils, the maximum ~~shall be \$1,370 is~~  
3 \$118,279.

4 (2) For a secondary high school having an ANB of more  
5 than 24 pupils, the maximum ~~\$4,730 shall be of \$4,928 is~~  
6 decreased at the rate of ~~\$25.84~~ \$26.88 for each additional  
7 pupil until the ANB ~~shall have reached reaches~~ a total of 40  
8 such pupils.

9 (3) For a school having an ANB of more than 40 pupils,  
10 the maximum of ~~\$4,324 shall be \$4,499 is~~ decreased at the  
11 rate of ~~\$25.84~~ \$26.88 for each additional pupil until the  
12 ANB ~~shall have reached reaches~~ 100 pupils.

13 (4) For a school having an ANB of more than 100  
14 pupils, a the maximum of ~~\$2,774 shall be \$2,886 is~~ decreased  
15 at the rate of ~~\$4.32~~ \$4.50 for each additional pupil until  
16 the ANB ~~shall have reached reaches~~ 200 pupils.

17 (5) For a school having an ANB of more than 200  
18 pupils, the maximum of ~~\$2,342 shall be \$2,436 is~~ decreased  
19 by ~~\$2.38~~ \$2.47 for each additional pupil until the ANB ~~shall~~  
20 ~~have reached reaches~~ 300 pupils.

21 (6) For a school having an ANB of more than 300  
22 pupils, the maximum of ~~\$2,104 shall be \$2,189 is~~ decreased  
23 at the rate of 44 45 cents for each additional pupil until  
24 the ANB ~~shall have reached reaches~~ 600 pupils.

25 (7) For a school having an ANB over of more than 600

1 pupils, the maximum ~~shall~~ may not exceed ~~\$1,973~~ \$2,053 per  
2 pupil.

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

11 **Section 7.** Section 20-9-318, MCA, is amended to read:

12 "20-9-318. Elementary school ~~maximum~~ budget schedule  
13 for ~~1987-88~~ 1990-91 and succeeding years. For ~~1987-88~~  
14 1990-91 and succeeding school years, the elementary school  
15 maximum budget schedule is as follows:

16 (1) For each elementary school having an ANB of nine  
17 or fewer pupils, the maximum ~~shall-be-\$20,150~~ is \$22,329 if  
18 ~~said~~ the school is approved as an isolated school.

19 (2) For schools with an ANB of 10 pupils but less than  
20 18 pupils, the maximum ~~shall--be-\$20,150~~ is \$22,329 plus  
21 ~~\$842-50~~ \$933,25 per pupil on the basis of the average number  
22 belonging over ~~nine~~ 9.

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--\$33,042~~ is

1 \$36,600 plus ~~\$842-50~~ \$933.25 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-\$27,741~~ is \$30,729 plus  
5 ~~\$842-50~~ \$933.25 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-\$44,290~~ is  
9 \$49,060 plus ~~\$527-60~~ \$584.40 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 ~~\$1,957~~  
17 ~~shall--be~~ \$2,168 is decreased at the rate of ~~\$1-90~~ \$2.10 for  
18 each additional pupil until the ~~total--number--(ANB)--shall~~  
19 ~~have-reached~~ reaches a total of 100 pupils.

20 (b) For a school having an ANB of more than 100  
21 pupils, the maximum of ~~\$1,843-shall-be~~ \$2,042 is decreased  
22 at the rate of ~~\$1-74~~ \$1.93 for each additional pupil until  
23 the ANB ~~shall-have-reached~~ reaches 300 pupils.

24 (c) For a school having an ANB of more than 300  
25 pupils, the maximum ~~shall~~ may not exceed ~~\$1,496~~ \$1,657 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 be treated as one school for the purpose of this  
8 schedule."

9 **Section 8.** Section 20-9-319, MCA, is amended to read:

10 "20-9-319. High school maximum budget schedule for  
11 ~~1987-88~~ 1990-91 and succeeding years. For ~~1987-88~~ 1990-91  
12 and succeeding school years, the high school maximum budget  
13 schedule is as follows:

14 (1) For each high school having an ANB of 24 or fewer  
15 pupils, the maximum ~~shall be \$114,845~~ is \$127,215.

16 (2) For a ~~secondary~~ high school having an ANB of more  
17 than 24 pupils, the maximum ~~\$47,785 shall be~~ of \$5,300 is  
18 decreased at the rate of ~~\$26.10~~ \$28.90 for each additional  
19 pupil until the ANB ~~shall have reached~~ reaches a total of 40  
20 such pupils.

21 (3) For a school having an ANB of more than 40 pupils,  
22 the maximum of ~~\$47,368 shall be~~ \$4,838 is decreased at the  
23 rate of ~~\$26.10~~ \$28.90 for each additional pupil until the  
24 ANB ~~shall have reached~~ reaches 100 pupils.

25 (4) For a school having an ANB of more than 100

1 pupils, a ~~the~~ maximum of ~~\$2,802 shall be~~ \$3,104 is decreased  
2 at the rate of ~~\$4.37~~ \$4.84 for each additional pupil until  
3 the ANB ~~shall have reached~~ reaches 200 pupils.

4 (5) For a school having an ANB of more than 200  
5 pupils, the maximum of ~~\$2,365 shall be~~ \$2,620 is decreased  
6 by ~~\$2.40~~ \$2.66 for each additional pupil until the ANB ~~shall~~  
7 ~~have reached~~ reaches 300 pupils.

8 (6) For a school having an ANB of more than 300  
9 pupils, the maximum of ~~\$2,125 shall be~~ \$2,354 is decreased  
10 at the rate of ~~44~~ 49 cents for each additional pupil until  
11 the ANB ~~shall have reached~~ reaches 600 pupils.

12 (7) For a school having an ANB ~~over of more than~~ 600  
13 pupils, the maximum ~~shall may~~ not exceed ~~\$1,993~~ \$2,208 per  
14 pupil.

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

23 **Section 9.** Section 20-9-343, MCA, is amended to read:

24 "20-9-343. Definition of and revenue for state  
25 equalization aid. (1) As used in this title, the term "state

1 equalization aid" means ~~those moneys~~ the money deposited in  
2 the state special revenue fund as required in this section  
3 plus any legislative appropriation of money from other  
4 sources for distribution to the public schools for the  
5 purpose of equalization of the foundation program.

6 ~~(2) The legislative appropriation~~ legislature shall  
7 biennially appropriate money for state equalization aid  
8 ~~shall be made in a single sum for the biennium.~~ The  
9 superintendent of public instruction ~~has authority to~~ may  
10 spend such the appropriation, together with the earmarked  
11 revenues provided in subsection (3), as required for  
12 foundation program purposes throughout the biennium.

13 (3) The following ~~shall~~ must be paid into the state  
14 special revenue fund for state equalization aid to public  
15 schools of the state:

16 (a) 31.8% of all money received from the collection of  
17 income taxes under chapter 30 of Title 15;

18 (b) 25% of all money, except as provided in 15-31-702,  
19 received from the collection of corporation license and  
20 income taxes under chapter 31 of Title 15, as provided by  
21 15-1-501;

22 (c) 100% of the money allocated to state equalization  
23 from the collection of the severance tax on coal;

24 (d) 100% of the money received from the treasurer of  
25 the United States as the state's shares of oil, gas, and

1 other mineral royalties under the federal Mineral Lands  
2 Leasing Act, as amended;

3 (e) interest and income money described in 20-9-341  
4 and 20-9-342;

5 (f) income from the education trust fund account;

6 (g) reimbursement from the general fund as provided in  
7 [section 1]; and

8 ~~(g)(h)~~ in addition to these revenues, the surplus  
9 revenues collected by the counties for foundation program  
10 support according to 20-9-331 and 20-9-333.

11 (4) Any surplus revenue in the state equalization aid  
12 account in the second year of a biennium may be used to  
13 reduce the appropriation required for the next succeeding  
14 biennium."

15 NEW SECTION. Section 10. Coordination instruction. If  
16 Bill No. [LC 18] is not passed and approved, [this  
17 act] is void.

18 NEW SECTION. Section 11. Severability. If a part of  
19 [this act] is invalid, all valid parts that are severable  
20 from the invalid part remain in effect. If a part of [this  
21 act] is invalid in one or more of its applications, the part  
22 remains in effect in all valid applications that are  
23 severable from the invalid applications.

24 NEW SECTION. Section 12. Effective date. [This act]  
25 is effective July 1, 1989.