

HOUSE BILL NO. 22

INTRODUCED BY HOFFMAN, PECK, HAMMOND
BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

IN THE HOUSE

JULY 8, 1992

INTRODUCED AND REFERRED TO COMMITTEE
ON EDUCATION & CULTURAL RESOURCES.

FIRST READING.

JULY 17, 1992

ON MOTION, TAKEN FROM COMMITTEE,
PRINTED, AND PLACED ON SECOND READING
THIS DAY.

PRINTING REPORT.

SECOND READING, DO PASS.

ENGROSSING REPORT.

THIRD READING, PASSED.
AYES, 59; NOES, 38.

TRANSMITTED TO SENATE.

IN THE SENATE

JULY 17, 1992

INTRODUCED AND REFERRED TO COMMITTEE
ON EDUCATION & CULTURAL RESOURCES.

FIRST READING.

JULY 18, 1992

COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

SECOND READING, CONCURRED IN.

THIRD READING, CONCURRED IN.
AYES, 39; NOES, 10.

RETURNED TO HOUSE.

IN THE HOUSE

JULY 18, 1992

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 HOUSE BILL NO. 22
2 INTRODUCED BY Jeffrey Paul Hammond

3 BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT REDUCING STATE
6 TRANSPORTATION REIMBURSEMENT FOR SPECIAL EDUCATION CHILDREN
7 FROM 100 PERCENT TO 50 PERCENT; AMENDING SECTIONS 20-7-442
8 AND 20-10-144, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE
9 DATE."

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

12 **Section 1.** Section 20-7-442, MCA, is amended to read:

13 "20-7-442. State transportation reimbursement for
14 special education children. Districts providing children
15 with transportation to a special education class or program
16 and complying with the special education transportation
17 regulations promulgated by the superintendent of public
18 instruction shall be eligible for a transportation
19 reimbursement. The reimbursement shall be calculated from a
20 schedule established by the superintendent of public
21 instruction with the state providing ~~100%~~ 50% of the
22 reimbursement."

23 **Section 2.** Section 20-10-144, MCA, is amended to read:

24 "20-10-144. Computation of revenues and net tax levy
25 requirements for district transportation fund budget. Before

1 the fourth Monday of July and in accordance with 20-9-123,
2 the county superintendent shall compute the revenue
3 available to finance the transportation fund budget of each
4 district. The county superintendent shall compute the
5 revenue for each district on the following basis:

6 (1) The "schedule amount" of the preliminary budget
7 expenditures that is derived from the rate schedules in
8 20-10-141 and 20-10-142 must be determined by adding the
9 following amounts:

10 (a) the sum of the maximum reimbursable expenditures
11 for all approved school bus routes maintained by the
12 district (to determine the maximum reimbursable expenditure,
13 multiply the applicable rate per bus mile by the total
14 number of miles to be traveled during the ensuing school
15 fiscal year on each bus route approved by the county
16 transportation committee and maintained by such district);
17 plus

18 (b) the total of all individual transportation per diem
19 reimbursement rates for the district as determined from the
20 contracts submitted by the district multiplied by the number
21 of pupil-instruction days scheduled for the ensuing school
22 attendance year; plus

23 (c) any estimated costs for supervised home study or
24 supervised correspondence study for the ensuing school
25 fiscal year; plus

1 (d) the amount budgeted on the preliminary budget for
 2 the contingency amount permitted in 20-10-143, except if the
 3 amount exceeds 10% of the total of subsections (1)(a),
 4 (1)(b), and (1)(c) or \$100, whichever is larger, the
 5 contingency amount on the preliminary budget must be reduced
 6 to the limitation amount and used in this determination of
 7 the schedule amount.

8 (2) (a) The schedule amount determined in subsection
 9 (1) or the total preliminary transportation fund budget,
 10 whichever is smaller, is divided by 2 and is used to
 11 determine the available state and county revenue to be
 12 budgeted on the following basis:

13 (i) one-half is the budgeted state transportation
 14 reimbursement, except that the state transportation
 15 reimbursement for the transportation of special education
 16 pupils under the provisions of 20-7-442 must be ~~100%~~ 50% of
 17 the schedule amount attributed to the transportation of
 18 special education pupils; and

19 (ii) one-half is the budgeted county transportation fund
 20 reimbursement and must be financed in the manner provided in
 21 20-10-146.

22 (b) When the district has a sufficient amount of cash
 23 for reappropriation and other sources of district revenue,
 24 as determined in subsection (3), to reduce the total
 25 district obligation for financing to zero, any remaining

1 amount of district revenue and cash reappropriated must be
 2 used to reduce the county financing obligation in subsection
 3 (2)(a)(ii) and, if the county financing obligations are
 4 reduced to zero, to reduce the state financial obligation in
 5 subsection (2)(a)(i).

6 (c) The county revenue requirement for a joint
 7 district, after the application of any district money under
 8 subsection (2)(b), must be prorated to each county
 9 incorporated by the joint district in the same proportion as
 10 the ANB of the joint district is distributed by pupil
 11 residence in each county.

12 (3) The total of the money available for the reduction
 13 of property tax on the district for the transportation fund
 14 must be determined by totaling:

15 (a) anticipated federal money received under the
 16 provisions of Title I of Public Law 81-874 or other
 17 anticipated federal money received in lieu of that federal
 18 act;

19 (b) anticipated payments from other districts for
 20 providing school bus transportation services for the
 21 district;

22 (c) anticipated payments from a parent or guardian for
 23 providing school bus transportation services for his child;

24 (d) anticipated or reappropriated interest to be earned
 25 by the investment of transportation fund cash in accordance

1 with the provisions of 20-9-213(4);

2 (e) anticipated or reappropriated revenue from property
3 taxes and fees imposed under 23-2-517, 23-2-803,
4 61-3-504(2), 61-3-521, 61-3-537, and 67-3-204;

5 (f) anticipated revenue from coal gross proceeds under
6 15-23-703;

7 (g) anticipated net proceeds taxes for new production,
8 as defined in 15-23-601, and local government severance
9 taxes on any other production occurring after December 31,
10 1988;

11 (h) any other revenue anticipated by the trustees to be
12 earned during the ensuing school fiscal year that may be
13 used to finance the transportation fund; and

14 (i) any fund balance available for reappropriation as
15 determined by subtracting the amount of the end-of-the-year
16 fund balance earmarked as the transportation fund operating
17 reserve for the ensuing school fiscal year by the trustees
18 from the end-of-the-year fund balance in the transportation
19 fund. The operating reserve may not be more than 20% of the
20 final transportation fund budget for the ensuing school
21 fiscal year and is for the purpose of paying transportation
22 fund warrants issued by the district under the final
23 transportation fund budget.

24 (4) The district levy requirement for each district's
25 transportation fund must be computed by:

1 (a) subtracting the schedule amount calculated in
2 subsection (1) from the total preliminary transportation
3 budget amount; and

4 (b) subtracting the amount of money available to reduce
5 the property tax on the district, as determined in
6 subsection (3), from the amount determined in subsection
7 (4)(a).

8 (5) The transportation fund levy requirements
9 determined in subsection (4) for each district must be
10 reported to the county commissioners on the second Monday of
11 August by the county superintendent as the transportation
12 fund levy requirements for the district, and the levy must
13 be made by the county commissioners in accordance with
14 20-9-142."

15 NEW SECTION. **Section 3. Effective date.** [This act] is
16 effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0022, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act reducing state transportation reimbursement for special education children from 100 percent to 50 percent; and providing an immediate effective date.

ASSUMPTIONS:

1. As a result of changing special education transportation reimbursements to the state providing 100%, costs for FY92 have increased to \$1,606,919.
2. Special Education Transportation needs remain the same for FY93.
3. Special Education Transportation reimbursement rates to the districts remain the same, 1st half payment in March 1993 and 2nd half payment in June 1993 for FY93.

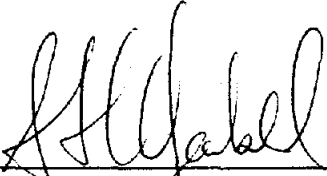
FISCAL IMPACT:

Expenditures: (General Fund)

	<u>FY93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Special Ed Transportation	1,606,919	803,460	(803,459)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Any reduction in state general fund obligation will increase county transportation cost by a like amount.



STEVE YEAKEL, BUDGET DIRECTOR
Office of Budget and Program Planning

7/8/92

DATE



DAVID HOFFMAN, PRIMARY SPONSOR

7-13-92

DATE

Fiscal Note for HB0022, as introduced

HB 22

Table in COMM. ON EDUCATION
AND CULTURAL RESOURCES

ON MOTION, PRINTED AND
PLACED ON SECOND READING

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23 **Section 2.** Section 20-10-144, MCA, is amended to read:

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25 requirements for district transportation fund budget. Before

1 the fourth Monday of July and in accordance with 20-9-123,
2 the county superintendent shall compute the revenue
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18 (b) the total of all individual transportation per diem
19 reimbursement rates for the district as determined from the
20 contracts submitted by the district multiplied by the number
21 of pupil-instruction days scheduled for the ensuing school
22 attendance year; plus

23 (c) any estimated costs for supervised home study or
24 supervised correspondence study for the ensuing school
25 fiscal year; plus

(d) the amount budgeted on the preliminary budget for the contingency amount permitted in 20-10-143, except if the amount exceeds 10% of the total of subsections (1)(a), (1)(b), and (1)(c) or \$100, whichever is larger, the contingency amount on the preliminary budget must be reduced to the limitation amount and used in this determination of the schedule amount.

(2) (a) The schedule amount determined in subsection (1) or the total preliminary transportation fund budget, whichever is smaller, is divided by 2 and is used to determine the available state and county revenue to be budgeted on the following basis:

(i) one-half is the budgeted state transportation reimbursement, except that the state transportation reimbursement for the transportation of special education pupils under the provisions of 20-7-442 must be ~~100%~~ 50% of the schedule amount attributed to the transportation of special education pupils; and

(ii) one-half is the budgeted county transportation fund reimbursement and must be financed in the manner provided in 20-10-146.

(b) When the district has a sufficient amount of cash for reappropriation and other sources of district revenue, as determined in subsection (3), to reduce the total district obligation for financing to zero, any remaining

amount of district revenue and cash reappropriated must be used to reduce the county financing obligation in subsection (2)(a)(ii) and, if the county financing obligations are reduced to zero, to reduce the state financial obligation in subsection (2)(a)(i).

(c) The county revenue requirement for a joint district, after the application of any district money under subsection (2)(b), must be prorated to each county incorporated by the joint district in the same proportion as the ANB of the joint district is distributed by pupil residence in each county.

(3) The total of the money available for the reduction of property tax on the district for the transportation fund must be determined by totaling:

(a) anticipated federal money received under the provisions of Title I of Public Law 81-874 or other anticipated federal money received in lieu of that federal act;

(b) anticipated payments from other districts for providing school bus transportation services for the district;

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(d) anticipated or reappropriated interest to be earned by the investment of transportation fund cash in accordance

1 with the provisions of 20-9-213(4);

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3 taxes and fees imposed under 23-2-517, 23-2-803,
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12 earned during the ensuing school fiscal year that may be
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18 from the end-of-the-year fund balance in the transportation
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20 final transportation fund budget for the ensuing school
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15 NEW SECTION. Section 3. Effective date. [This act] is
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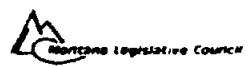
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