

SENATE BILL 2

Introduced by Jacobson, et al.

7/07	Introduced
7/07	Referred to Education & Cultural Resources
7/07	First Reading
	Died in Committee

1 Senate BILL NO. 2  
2 INTRODUCED BY Jason Haden

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE STATE  
5 EQUALIZATION AID PAYMENT SCHEDULE TO SCHOOL DISTRICTS;  
6 AMENDING SECTION 20-9-344, MCA; AND PROVIDING AN IMMEDIATE  
7 EFFECTIVE DATE."  
8

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

10 **Section 1.** Section 20-9-344, MCA, is amended to read:

11 \*20-9-344. Purpose of state equalization aid and duties  
12 of board of public education for distribution ----conditions  
13 of---first--payment. (1) The money available for state  
14 equalization aid must be distributed and apportioned to  
15 provide:

16 (a) an annual minimum operating revenue for the  
17 elementary and high schools in each county, exclusive of  
18 revenues required for debt service and for the payment of  
19 any costs and expense incurred in connection with any adult  
20 education program, recreation program, school food services  
21 program, new buildings and grounds, and transportation; and

22 (b) the Montana educational telecommunications network  
23 as provided in 20-32-101.

24 (2) The board of public education shall administer and  
25 distribute the state equalization aid in the manner and with

1 the powers and duties provided by law. To this end, the  
2 board of public education shall:

3 (a) adopt policies for regulating the distribution of  
4 state equalization aid in accordance with the provisions of  
5 law and in a manner that provides for monthly distribution  
6 to each district of its foundation program amount and to  
7 each county and district distribution of its guaranteed tax  
8 base aid;

9 (b) have the power to require reports from the county  
10 superintendents, budget boards, county treasurers, and  
11 trustees as it considers necessary; and

12 (c) order the superintendent of public instruction to  
13 distribute the state equalization aid on the basis of each  
14 district's annual entitlement to the aid as established by  
15 the superintendent of public instruction. In ordering the  
16 distribution of state equalization aid, the board of public  
17 education may not increase or decrease the state  
18 equalization aid distribution to any district on account of  
19 any difference that may occur during the school fiscal year  
20 between budgeted and actual receipts from any other source  
21 of school revenue.

22 (3) The board of public education may order the  
23 superintendent of public instruction to withhold  
24 distribution of state equalization aid or order the county  
25 superintendent of schools to withhold county equalization

1 money from a district when the district fails to:

2 (a) submit reports or budgets as required by law or

3 rules adopted by the board of public education; or

4 (b) maintain accredited status.

5 (4) Prior to any proposed order by the board of public

6 education to withhold distribution of state equalization aid

7 or county equalization money, the district is entitled to a

8 contested case hearing before the board of public education,

9 as provided under the Montana Administrative Procedure Act.

10 (5) If a district or county receives more state

11 equalization aid than it is entitled to, the county

12 treasurer shall return the overpayment to the state upon the

13 request of the superintendent of public instruction in the

14 manner prescribed by the superintendent of public

15 instruction.

16 (6) (a) ~~The-first~~ For each of the first 11 months of

17 the school fiscal year, the foundation program payment and

18 guaranteed tax base aid payment must be based on an estimate

19 of ~~20%~~ 8% of the entitlement of each district or county and

20 distributed by ~~July-15-of-the-school-fiscal-year~~ the final

21 working day of each month.

22 (b) ~~Each-subsequent-monthly-payment-must-be-at-least-7%~~

23 ~~of-the~~ The final payment for the school fiscal year must be

24 the balance of the foundation program and guaranteed tax

25 base aid entitlement of each district or county."

1 NEW SECTION. Section 2. Effective date. [This act] is

2 effective on passage and approval.

-End-