HOUSE BILL 424

Introduced by Spring, et al.

2/02	Introduced
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- 2/02 Referred to Education & Cultural Resources
- 2/02 First Reading
- 2/08 Hearing
- 2/09 Committee Report--Bill Passed as Amended
- 2/12 2nd Reading Passed
- 2/15 3rd Reading Passed

Transmitted to Senate

- 2/20 First Reading
- 2/20 Referred to Education & Cultural Resources
- 3/10 Hearing
- 3/19 Tabled in Committee

INTRODUCED BY Spring Perk John Thrown

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A SCHOOL ٨ DISTRICT TO DIRECT OUT-OF-DISTRICT SPECIAL EDUCATION TUITION 5 то DISTRICT SPECIAL EDUCATION PROGRAMS THROUGH THE 6 7 MISCELLANEOUS PROGRAMS FUND RATHER THAN TO APPLY THE TUITION TO REDUCE ANY LEVY REQUIREMENTS FOR THE DISTRICT GENERAL 8 FUND BUDGET: AMENDING SECTIONS 20-5-307, 20-5-312, AND 9 20-9-141, MCA: AND PROVIDING AN EFFECTIVE DATE." 10

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

Section 1. Section 20-5-307, MCA, is amended to read: 13 *20-5-307. Budgeting, levy requirement, and paying 14 elementary tuition. (1) The tuition amount that has been 15 16 established in 20-5-305 must be paid during the ensuing school fiscal year. The trustees of the elementary district 17 shall include the amount in the tuition fund of the 18 preliminary budget. If the trustees should fail to include 19 20 the amount or any portion of it in the preliminary budget, 21 they shall adjust the budgeted amount in adopting the final budget to provide for the total tuition amount that is due 22 during the ensuing school fiscal year. The adjustment is not 23 subject to the budget adjustment provisions of 20-9-132. 24

25 (2) The county superintendent shall report the net



tuition fund levy requirement for each elementary district 1 to the county commissioners on the second Monday of August, 2 3 and a levy on the district must be made by the county commissioners in accordance with 20-9-142. The levy 4 requirement must be calculated by subtracting from the total 5 expenditure amount authorized in the final tuition fund 6 7 budget the sum of the fund balance in the tuition fund at 8 the end of the immediately preceding school fiscal year plus 9 any other anticipated money that may be realized in the 10 tuition fund.

11 (3) The trustees shall pay by warrants drawn on the 12 tuition fund the tuition amounts owed to each district 13 included in the county superintendent's notification 14 provided under the provisions of 20-5-306. At least one-half 15 of the payments must be made in December, and the remaining 16 payments must be made by June 15 of the fiscal year.

17 (4) (a) Any unanticipated tuition receipts received 18 under the provisions of chapter 7, part 4, or-this-part for 19 the current school fiscal year must be deposited in a 20 separate account of the district miscellaneous programs fund 21 and may be used for that year in the manner provided for in 22 that fund. Por-the-ensuing-school-fiscal-year,-the--receipts 23 must-be-credited-to-the-district-general-fund-budget:

24 (b) Any tuition receipts received for the current
 25 school fiscal year for tuition obligations other than

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1 obligations under the provisions of chapter 7, part 4, must 2 be deposited in a separate account of the district miscellaneous programs fund and may be used for that year in 3 the manner provided for in that fund. For the ensuing school 4 fiscal year, the receipts must be credited to the district 5 6 general fund budget."

Section 2. Section 20-5-312, MCA, is amended to read: "20-5-312. Reporting, budgeting, and payment for high 8 9 school tuition. (1) Except as provided in subsection (2), on 10 March 15, the trustees of each a high school district shall determine the rate of tuition for the current school fiscal 11 12 year by:

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13 (a) totaling the previous school fiscal year's expenditures from the district general fund, the debt 14 service fund, and, if the pupil is a resident of another 15 16 county, the retirement fund;

17 (b) dividing the amount determined in subsection (1)(a) 18 above by the October 1 enrollment of the district for the previous school fiscal year, as reported to the office of 19 public instruction for purposes of accreditation pursuant to 20 20-7-102 and 20-9-344; and 21

(c) subtracting from the amount determined in 22 subsection (1)(b) the per-ANB amount allowed by the 23 foundation program schedules and the per-ANB amount that is 24 25 the ANB value per mill calculated pursuant to 20-9-366,

multiplied by the number of permissive and retirement mills 1 levied. 2

(2) The tuition for a full-time high school special 3 education pupil must be determined under rules adopted by 4 the superintendent of public instruction for the calculation 5 of tuition for full-time high school special education 6 pupils as designated in 20-9-311 for funding purposes. 7

(3) Before July 15, the trustees shall report to the 8 county superintendent of the county in which the district is 9 located: 10

(a) the names, addresses, and resident districts of the 11 pupils attending the schools of the district under an 12 13 approved tuition agreement;

(b) the number of days of school attended by each 14 pupil; 15

(c) the amount, if any, of each pupil's tuition payment 16 that the trustees, in their discretion, have the authority 17 to waive; and 18

(d) the rate of current school fiscal year tuition, as 19 20 determined under the provisions of this section.

(4) When the county superintendent receives a tuition 21 report from a district, he the county superintendent shall 22 23 immediately send the reported information to the 24 superintendent of each district in which the reported pupils 25 reside.

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1 (5) When the district superintendent receives a tuition 2 report or reports for high school pupils residing in his the district and attending an out-of-district high school under 3 approved tuition agreements, he the district superintendent 4 shall determine the total amount of tuition due the 5 6 out-of-district high schools on the basis of the following per-pupil schedule: the rate of tuition, number of pupils 7 8 attending under an approved tuition agreement, and other 9 information provided by each high school district where 10 resident district pupils have attended school.

11 (6) The total amount of the high school tuition, with 12 consideration of any tuition waivers, for pupils attending a 13 high school outside the county of residence must be financed 14 by the county basic special tax for high schools as provided 15 in 20-9-334. In December, the county superintendent shall 16 cause the payment by county warrant of at least one-half of 17 the high school tuition obligations established under this section out of the first money realized from the county 18 19 basic special tax for high schools. The remaining obligations must be paid by June 15 of the school fiscal 20 21 year. The payments must be made to the county treasurer of 22 the county where each high school entitled to tuition is 23 located. Except as provided in subsection (8), the county 24 treasurer shall credit tuition receipts to the general fund 25 of the applicable high school district, and the tuition 1 receipts must be used in accordance with the provisions of 2 20-9-141.

(7) For pupils attending a high school outside their 3 4 district of residence but within the county of residence, 5 the total amount of the tuition, with consideration of any 6 tuition waivers, must be paid during the ensuing school 7 fiscal year. The trustees of the sending high school district shall include the tuition amount in the tuition 8 9 fund of the preliminary and final budgets. This budgeted 10 tuition amount is not subject to the budget adjustment provisions of 20-9-132. The county superintendent shall 11 12 report the net tuition fund levy requirement for each high 13 school district to the county commissioners on the second 14 Monday of August, and a levy on the district must be made by 15 the county commissioners in accordance with 20-9-142. The levy requirement must be calculated by subtracting from the 16 total expenditure amount authorized in the final tuition 17 18 fund budget the sum of the fund balance in the tuition fund 19 at the end of the immediately preceding school fiscal year 20 plus any other anticipated money that may be realized in the tuition fund. The trustees shall pay by warrants drawn on 21 the tuition fund the tuition amounts owed to each district 22 23 included in the county superintendent's notification. 24 Payments must be made whenever there is a sufficient amount 25 of cash available in the tuition fund but no later than the

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end of the school fiscal year for which the budget is adopted. However, if the trustees of either the sending or receiving high school district feel the transfer privilege provided by this subsection is being abused, they may appeal to the county superintendent of schools, who shall hold a hearing and either approve or disapprove the transfer.

7 (8) (a) Any unanticipated tuition receipts received 8 under the provisions of chapter 7, part 4, or-this-part for 9 the current school fiscal year must be deposited in a 10 separate account of the district miscellaneous programs fund 11 and may be used for that year in the manner provided for in 12 that fund. For-the-ensuing-school-fiscal-year,-the--receipts 13 must-be-credited-to-the-district-general-fund-budget.

14 (b) Any tuition receipts received for the current school fiscal year for tuition obligations other than 15 16 obligations under the provisions of chapter 7, part 4, must 17 be deposited in a separate account of the district 18 miscellaneous programs fund and may be used for that year in 19 the manner provided for in that fund. For the ensuing school 20 fiscal year, the receipts must be credited to the district 21 general fund budget."

Section 3. Section 20-9-141, MCA, is amended to read:
 "20-9-141. Computation of general fund net levy
 requirement by county superintendent. (1) The county
 superintendent shall compute the levy requirement for each

1 district's general fund on the basis of the following
2 procedure:

3 (a) Determine the funding required for the district's 4 final general fund budget less the amount established by the 5 schedules in 20-9-316 through 20-9-321 by totaling:

6 (i) the district's nonisolated school foundation 7 program requirement to be met by a district levy as provided 8 in 20-9-303; and

9 (ii) any additional general fund budget amount adopted 10 by the trustees of the district under the provisions of 11 20-9-145 and 20-9-353, including any additional levies 12 authorized by the electors of the district.

(b) Determine the money available for the reduction of
the property tax on the district for the general fund by
totaling:

16 (i) anticipated federal money received under the 17 provisions of Title I of Public Law 81-874 or other 18 anticipated federal money received in lieu of that federal 19 act;

20 (ii) <u>except as provided in 20-5-307(4)(a) and</u>
21 <u>20-5-312(8)(a)</u>, <u>anticipated</u> tuition payments for
22 out-of-district pupils under the provisions of 20-5-303,
23 20-5-307, 20-5-312, and 20-5-313;

24 (iii) general fund balance reappropriated, as
25 established under the provisions of 20-9-104;

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(iv) anticipated or reappropriated state impact aid
 received under the provisions of 20-9-304;

3 (v) anticipated or reappropriated revenue from property
4 taxes and fees imposed under 23-2-517, 23-2-803,
5 61-3-504(2), 61-3-521, 61-3-537, and 67-3-204;

6 (vi) anticipated net proceeds taxes for new production,
7 as defined in 15-23-601;

8 (vii) anticipated revenue from local government
9 severance taxes as provided in 15-36-112;

10 (viii) anticipated revenue from coal gross proceeds
11 under 15-23-703;

12 (ix) anticipated interest to be earned or reappropriated
13 interest earned by the investment of general fund cash in
14 accordance with the provisions of 20-9-213(4);

15 (x) anticipated revenue from corporation license taxes 16 collected from financial institutions under the provisions 17 of 15-31-702; and

18 (xi) any other revenue anticipated by the trustees to be 19 received during the ensuing school fiscal year that may be 20 used to finance the general fund, excluding any guaranteed 21 tax base aid.

(c) Notwithstanding the provisions of subsection (2),
subtract the money available to reduce the property tax
required to finance the general fund that has been
determined in subsection (1)(b) from any additional general

fund budget amount adopted by the trustees of the district
 as the permissive amount under the provisions of 20-9-145 to
 determine the general fund permissive net levy requirement.

4 (d) Subtract any amount remaining after the 5 determination in subsection (l)(c) from any additional 6 funding requirement to be met by a district levy as provided 7 in 20-9-303 and 20-9-353 to determine the additional general 8 fund levy requirement.

9 (2) The county superintendent shall calculate the 10 number of mills to be levied on the taxable property in the 11 district to finance the general fund permissive net levy 12 requirement by dividing the amount determined in subsection 13 (1)(c) by the sum of:

14 (a) the amount of guaranteed tax base aid that the
15 district will receive for each mill levied, as certified by
16 the superintendent of public instruction; and

17 (b) the taxable valuation of the district divided by 18 1,000.

19 (3) The net general fund levy requirement determined in 20 subsections (1)(c) and (1)(d) must be reported to the county 21 commissioners on the second Monday of August by the county 22 superintendent as the general fund permissive net levy 23 requirement and the additional general fund levy requirement 24 for the district, and a levy must be set by the county 25 commissioners in accordance with 20-9-142."

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- 1 NEW SECTION. Section 4. Effective date. [This act] is
- 2 effective July 1, 1993.

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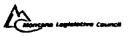
HB 0424/02

APPROVED BY COMM. ON EDUCATION And cultural resources

1 HOUSE BILL NO. 424 2 INTRODUCED BY SPRING, PECK, J. JOHNSON 3 4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A SCHOOL 5 DISTRICT TO DIRECT OUT-OF-DISTRICT SPECIAL EDUCATION TUITION DISTRICT SPECIAL EDUCATION PROGRAMS THROUGH THE 6 TO 7 MISCELLANEOUS PROGRAMS FUND RATHER THAN TO APPLY THE TUITION TO REDUCE ANY LEVY REQUIREMENTS FOR THE DISTRICT GENERAL 8 PUND BUDGET; AMENDING SECTIONS 20-5-307, 20-5-312, AND 9 10 20-9-141, MCA; AND PROVIDING AN EFFECTIVE DATE." 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 12 13 Section 1. Section 20-5-307, MCA, is amended to read: 14 *20-5-307. Budgeting, levy requirement, and paying

15 elementary tuition. (1) The tuition amount that has been 16 established in 20-5-305 must be paid during the ensuing 17 school fiscal year. The trustees of the elementary district 18 shall include the amount in the tuition fund of the 19 preliminary budget. If the trustees should fail to include 20 the amount or any portion of it in the preliminary budget, 21 they shall adjust the budgeted amount in adopting the final 22 budget to provide for the total tuition amount that is due during the ensuing school fiscal year. The adjustment is not 23 24 subject to the budget adjustment provisions of 20-9-132.

25 (2) The county superintendent shall report the net



1 tuition fund levy requirement for each elementary district 2 to the county commissioners on the second Monday of August, 3 and a levy on the district must be made by the county 4 commissioners in accordance with 20-9-142. The levy 5 requirement must be calculated by subtracting from the total expenditure amount authorized in the final tuition fund 6 7 budget the sum of the fund balance in the tuition fund at я the end of the immediately preceding school fiscal year plus 9 any other anticipated money that may be realized in the 10 tuition fund.

11 (3) The trustees shall pay by warrants drawn on the 12 tuition fund the tuition amounts owed to each district 13 included in the county superintendent's notification 14 provided under the provisions of 20-5-306. At least one-half 15 of the payments must be made in December, and the remaining 16 payments must be made by June 15 of the fiscal year.

17 (4) (a) Any unanticipated tuition receipts received 18 under the provisions of chapter 7, part 4, or-this-part for the current school fiscal year THAT EXCEED THE TUITION 19 20 RECEIPTS OF THE PRIOR YEAR must be deposited in a separate account of the district miscellaneous programs fund and may 21 22 be used for that year in the manner provided for in that fund. For-the-ensuing-school-fiscal-yeary-the-receipts--must 23 24 be-credited-to-the-district-general-fund-budget-25 (b) Any OTHER tuition receipts received for the current

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1 school fiscal year for--tuition--obligations--other--than 2 obligations--under-the-provisions-of-chapter-7,-part-4,-must THAT EXCEED THE TUITION RECEIPTS OF THE PRIOR YEAR MAY be 3 deposited in a separate account of the district 4 5 miscellaneous programs fund and may be used for that year in 6 the manner provided for in that fund. For the ensuing school fiscal year, the receipts must be credited to the district 7 general fund budget." R

9 Section 2. Section 20-5-312, MCA, is amended to read:

10 "20-5-312. Reporting, budgeting, and payment for high 11 school tuition. (1) Except as provided in subsection (2), on 12 March 15, the trustees of each a high school district shall 13 determine the rate of tuition for the current school fiscal 14 year by:

15 (a) totaling the previous school fiscal year's
16 expenditures from the district general fund, the debt
17 service fund, and, if the pupil is a resident of another
18 county, the retirement fund;

(b) dividing the amount determined in subsection (1)(a)
above by the October 1 enrollment of the district for the
previous school fiscal year, as reported to the office of
public instruction for purposes of accreditation pursuant to
20-7-102 and 20-9-344; and

24 (c) subtracting from the amount determined in 25 subsection (1)(b) the per-ANB amount allowed by the

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1 foundation program schedules and the per-ANB amount that is
2 the ANB value per mill calculated pursuant to 20-9-366,
3 multiplied by the number of permissive and retirement mills
4 levied.

5 (2) The tuition for a full-time high school special 6 education pupil must be determined under rules adopted by 7 the superintendent of public instruction for the calculation 8 of tuition for full-time high school special education 9 pupils as designated in 20-9-311 for funding purposes.

10 (3) Before July 15, the trustees shall report to the
11 county superintendent of the county in which the district is
12 located:

(a) the names, addresses, and resident districts of the
pupils attending the schools of the district under an
approved tuition agreement;

16 (b) the number of days of school attended by each 17 pupil;

18 (c) the amount, if any, of each pupil's tuition payment 19 that the trustees, in their discretion, have the authority 20 to waive; and

21 (d) the rate of current school fiscal year tuition, as
22 determined under the provisions of this section.

(4) When the county superintendent receives a tuition
report from a district, he <u>the county superintendent</u> shall
immediately send the reported information to the

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superintendent of each district in which the reported pupils
 reside.

3 (5) When the district superintendent receives a tuition 4 report or reports for high school pupils residing in his the 5 district and attending an out-of-district high school under 6 approved tuition agreements, he the district superintendent 7 shall determine the total amount of tuition due the 8 out-of-district high schools on the basis of the following per-pupil schedule: the rate of tuition, number of pupils 9 attending under an approved tuition agreement, and other 10 information provided by each high school district where 11 12 resident district pupils have attended school.

13 (6) The total amount of the high school tuition, with consideration of any tuition waivers, for pupils attending a 14 high school outside the county of residence must be financed 15 16 by the county basic special tax for high schools as provided in 20-9-334. In December, the county superintendent shall 17 18 cause the payment by county warrant of at least one-half of the high school tuition obligations established under this 19 section out of the first money realized from the county 20 basic special tax for high schools. The remaining 21 obligations must be paid by June 15 of the school fiscal 22 23 year. The payments must be made to the county treasurer of 24 the county where each high school entitled to tuition is 25 located. Except as provided in subsection (8), the county treasurer shall credit tuition receipts to the general fund of the applicable high school district, and the tuition receipts must be used in accordance with the provisions of 20-9-141.

5 (7) For pupils attending a high school outside their 6 district of residence but within the county of residence, the total amount of the tuition, with consideration of any 7 tuition waivers, must be paid during the ensuing school 8 fiscal year. The trustees of the sending high school 9 10 district shall include the tuition amount in the tuition fund of the preliminary and final budgets. This budgeted 11 12 tuition amount is not subject to the budget adjustment provisions of 20-9-132. The county superintendent shall 13 report the net tuition fund levy requirement for each high 14 15 school district to the county commissioners on the second 16 Monday of August, and a levy on the district must be made by 17 the county commissioners in accordance with 20-9-142. The 18 levy requirement must be calculated by subtracting from the 19 total expenditure amount authorized in the final tuition 20 fund budget the sum of the fund balance in the tuition fund at the end of the immediately preceding school fiscal year 21 22 plus any other anticipated money that may be realized in the 23 tuition fund. The trustees shall pay by warrants drawn on 24 the tuition fund the tuition amounts owed to each district included in the county superintendent's notification. 25

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1 Payments must be made whenever there is a sufficient amount 2 of cash available in the tuition fund but no later than the 3 end of the school fiscal year for which the budget is adopted. However, if the trustees of either the sending or 4 receiving high school district feel the transfer privilege 5 provided by this subsection is being abused, they may appeal 6 to the county superintendent of schools, who shall hold a 7 8 hearing and either approve or disapprove the transfer.

9 (8) (a) Any unanticipated tuition receipts received under the provisions of chapter 7, part 4, or-this-part for 10 11 the current school fiscal year THAT EXCEED THE TUITION 12 RECEIPTS OF THE PRIOR YEAR must be deposited in a separate 13 account of the district miscellaneous programs fund and may 14 be used for that year in the manner provided for in that 15 fund. For-the-ensuing-school-fiscal-yeary-the-receipts-must 16 be-credited-to-the-district-general-fund-budget+

17 (b) Any OTHER tuition receipts received for the current school fiscal year for--tuition--obligations--other--than 18 19 obligations-under-the-provisions-of-chapter-77-part-47--must 20 THAT EXCEED THE TUITION RECEIPTS OF THE PRIOR YEAR MAY be 21 deposited in a separate account of the district 22 miscellaneous programs fund and may be used for that year in 23 the manner provided for in that fund. For the ensuing school 24 fiscal year, the receipts must be credited to the district 25 general fund budget."

1 Section 3. Section 20-9-141, MCA, is amended to read:

2 *20-9-141. Computation of general fund net levy
3 requirement by county superintendent. (1) The county
4 superintendent shall compute the levy requirement for each
5 district's general fund on the basis of the following
6 procedure:

7 (a) Determine the funding required for the district's
8 final general fund budget less the amount established by the
9 schedules in 20-9-316 through 20-9-321 by totaling:

10 (i) the district's nonisolated school foundation 11 program requirement to be met by a district levy as provided 12 in 20-9-303; and

(ii) any additional general fund budget amount adopted
by the trustees of the district under the provisions of
20-9-145 and 20-9-353, including any additional levies
authorized by the electors of the district.

17 (b) Determine the money available for the reduction of
18 the property tax on the district for the general fund by
19 totaling:

(i) 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;

(ii) except as provided in 20-5-307(4)(a) and
 20-5-312(8)(a), anticipated tuition payments for

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out-of-district pupils under the provisions of 20-5-303,
 20-5-307, 20-5-312, and 20-5-313;

3 (iii) general fund balance reappropriated, as
4 established under the provisions of 20-9-104;

5 (iv) anticipated or reappropriated state impact aid
6 received under the provisions of 20-9-304;

7 (v) anticipated or reappropriated revenue from property
8 taxes and fees imposed under 23-2-517, 23-2-803,
9 61-3-504(2), 61-3-521, 61-3-537, and 67-3-204;

(vi) anticipated net proceeds taxes for new production,
as defined in 15-23-601;

12 (vii) anticipated revenue from local government
13 severance taxes as provided in 15-36-112;

14 (viii) anticipated revenue from coal gross proceeds 15 under 15-23-703;

16 (ix) anticipated interest to be earned or reappropriated 17 interest earned by the investment of general fund cash in 18 accordance with the provisions of 20-9-213(4);

(x) anticipated revenue from corporation license taxes
collected from financial institutions under the provisions
of 15-31-702; and

22 (xi) any other revenue anticipated by the trustees to be 23 received during the ensuing school fiscal year that may be 24 used to finance the general fund, excluding any guaranteed 25 tax base aid. 1 (c) Notwithstanding the provisions of subsection (2), 2 subtract the money available to reduce the property tax 3 required to finance the general fund that has been 4 determined in subsection (1)(b) from any additional general 5 fund budget amount adopted by the trustees of the district 6 as the permissive amount under the provisions of 20-9-145 to 7 determine the general fund permissive net levy requirement.

8 (d) Subtract any amount remaining after the 9 determination in subsection (1)(c) from any additional 10 funding requirement to be met by a district levy as provided 11 in 20-9-303 and 20-9-353 to determine the additional general 12 fund levy requirement.

13 (2) The county superintendent shall calculate the
14 number of mills to be levied on the taxable property in the
15 district to finance the general fund permissive net levy
16 requirement by dividing the amount determined in subsection
17 (1)(c) by the sum of:

18 (a) the amount of guaranteed tax base aid that the
19 district will receive for each mill levied, as certified by
20 the superintendent of public instruction; and

(b) the taxable valuation of the district divided by1,000.

(3) The net general fund levy requirement determined in
subsections (1)(c) and (1)(d) must be reported to the county
commissioners on the second Monday of August by the county

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superintendent as the general fund permissive net levy
 requirement and the additional general fund levy requirement
 for the district, and a levy must be set by the county
 commissioners in accordance with 20-9-142."

5 <u>NEW SECTION.</u> Section 4. Effective date. [This act] is 6 effective July 1, 1993.

-End-

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53rd Legislature

HB 0424/02

HB 0424/02

3 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A SCHOOL 4 DISTRICT TO DIRECT OUT-OF-DISTRICT SPECIAL EDUCATION TUITION S 6 DISTRICT SPECIAL EDUCATION PROGRAMS THROUGH THE TO 7 MISCELLANEOUS PROGRAMS FUND RATHER THAN TO APPLY THE TUITION 8 TO REDUCE ANY LEVY REQUIREMENTS FOR THE DISTRICT GENERAL 9 FUND BUDGET: AMENDING SECTIONS 20-5-307, 20-5-312, AND 10 20-9-141, MCA: AND PROVIDING AN EFFECTIVE DATE."

HOUSE BILL NO. 424

INTRODUCED BY SPRING, PECK, J. JOHNSON

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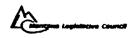
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12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 20-5-307, MCA, is amended to read: 13 14 "20-5-307. Budgeting, levy requirement, and paying elementary tuition. (1) The tuition amount that has been 15 16 established in 20-5-305 must be paid during the ensuing 17 school fiscal year. The trustees of the elementary district shall include the amount in the tuition fund of the 18 19 preliminary budget. If the trustees should fail to include 20 the amount or any portion of it in the preliminary budget, 21 they shall adjust the budgeted amount in adopting the final 22 budget to provide for the total tuition amount that is due 23 during the ensuing school fiscal year. The adjustment is not 24 subject to the budget adjustment provisions of 20-9-132.

25 (2) The county superintendent shall report the net



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1 tuition fund levy requirement for each elementary district to the county commissioners on the second Monday of August, 2 3 and a levy on the district must be made by the county 4 commissioners in accordance with 20-9-142. The levy 5 requirement must be calculated by subtracting from the total 6 expenditure amount authorized in the final tuition fund 7 budget the sum of the fund balance in the tuition fund at 8 the end of the immediately preceding school fiscal year plus 9 any other anticipated money that may be realized in the 10 tuition fund.

11 (3) The trustees shall pay by warrants drawn on the 12 tuition fund the tuition amounts owed to each district 13 included in the county superintendent's notification 14 provided under the provisions of 20-5-306. At least one-half 15 of the payments must be made in December, and the remaining 16 payments must be made by June 15 of the fiscal year.

17 (4) (a) Any unanticipated tuition receipts received 18 under the provisions of chapter 7, part 4, or-this-part for 19 the current school fiscal year THAT EXCEED THE TUITION 20 RECEIPTS OF THE PRIOR YEAR must be deposited in a separate 21 account of the district miscellaneous programs fund and may 22 be used for that year in the manner provided for in that 23 fund. For-the-ensuing-school-fiscal-yeary-the-receipts--must 24 be-credited-to-the-district-general-fund-budget-

(b) Any OTHER tuition receipts received for the current

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THIRD READING

school fiscal year for--tuition--obligations--other--than 1 obligations--under-the-provisions-of-chapter-7;-part-4;-must 2 3 THAT EXCEED THE TUITION RECEIPTS OF THE PRIOR YEAR MAY be deposited in a separate account of the district 4 miscellaneous programs fund and may be used for that year in s the manner provided for in that fund. For the ensuing school 6 fiscal year, the receipts must be credited to the district 7 8 general fund budget."

9 Section 2. Section 20-5-312, MCA, is amended to read:
10 "20-5-312. Reporting, budgeting, and payment for high
11 school tuition. (1) Except as provided in subsection (2), on
12 March 15, the trustees of each a high school district shall
13 determine the rate of tuition for the current school fiscal
14 year by:

(a) totaling the previous school fiscal year's
expenditures from the district general fund, the debt
service fund, and, if the pupil is a resident of another
county, the retirement fund;

(b) dividing the amount determined in subsection (1)(a)
above by the October 1 enrollment of the district for the
previous school fiscal year, as reported to the office of
public instruction for purposes of accreditation pursuant to
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(c) subtracting from the amount determined insubsection (1)(b) the per-ANB amount allowed by the

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foundation program schedules and the per-ANB amount that is
 the ANB value per mill calculated pursuant to 20-9-366,
 multiplied by the number of permissive and retirement mills
 levied.

5 (2) The tuition for a full-time high school special 6 education pupil must be determined under rules adopted by 7 the superintendent of public instruction for the calculation 8 of tuition for full-time high school special education 9 pupils as designated in 20-9-311 for funding purposes.

10 (3) Before July 15, the trustees shall report to the 11 county superintendent of the county in which the district is 12 located:

13 (a) the names, addresses, and resident districts of the
14 pupils attending the schools of the district under an
15 approved tuition agreement;

16 (b) the number of days of school attended by each 17 pupil;

18 (c) the amount, if any, of each pupil's tuition payment
19 that the trustees, in their discretion, have the authority
20 to waive; and

21 (d) the rate of current school fiscal year tuition, as
22 determined under the provisions of this section.

23 (4) When the county superintendent receives a tuition
24 report from a district, he <u>the county superintendent</u> shall
25 immediately send the reported information to the

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superintendent of each district in which the reported pupils
 reside.

3 (5) When the district superintendent receives a tuition report or reports for high school pupils residing in his the 4 5 district and attending an out-of-district high school under approved tuition agreements, he the district superintendent 6 shall determine the total amount of tuition due 7 the 8 out-of-district high schools on the basis of the following per-pupil schedule: the rate of tuition, number of pupils 9 10 attending under an approved tuition agreement, and other information provided by each high school district where 11 resident district pupils have attended school. 12

13 (6) The total amount of the high school tuition, with 14 consideration of any tuition waivers, for pupils attending a 15 high school outside the county of residence must be financed 16 by the county basic special tax for high schools as provided in 20-9-334. In December, the county superintendent shall 17 18 cause the payment by county warrant of at least one-half of 19 the high school tuition obligations established under this 20 section out of the first money realized from the county 21 basic special tax for high schools. The remaining 22 obligations must be paid by June 15 of the school fiscal year. The payments must be made to the county treasurer of 23 the county where each high school entitled to tuition is 24 25 located. Except as provided in subsection (8), the county 1 treasurer shall credit tuition receipts to the general fund 2 of the applicable high school district, and the tuition 3 receipts must be used in accordance with the provisions of 4 20-9-141.

5 (7) For pupils attending a high school outside their 6 district of residence but within the county of residence, 7 the total amount of the tuition, with consideration of any 8 tuition waivers, must be paid during the ensuing school · 9 fiscal year. The trustees of the sending high school district shall include the tuition amount in the tuition 10 11 fund of the preliminary and final budgets. This budgeted 12 tuition amount is not subject to the budget adjustment 13 provisions of 20-9-132. The county superintendent shall report the net tuition fund levy requirement for each high 14 school district to the county commissioners on the second 15 16 Monday of August, and a levy on the district must be made by 17 the county commissioners in accordance with 20-9-142. The 18 levy requirement must be calculated by subtracting from the 19 total expenditure amount authorized in the final tuition 20 fund budget the sum of the fund balance in the tuition fund at the end of the immediately preceding school fiscal year 21 plus any other anticipated money that may be realized in the 22 23 tuition fund. The trustees shall pay by warrants drawn on 24 the tuition fund the tuition amounts owed to each district 25 included in the county superintendent's notification.

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Payments must be made whenever there is a sufficient amount of cash available in the tuition fund but no later than the end of the school fiscal year for which the budget is adopted. However, if the trustees of either the sending or receiving high school district feel the transfer privilege provided by this subsection is being abused, they may appeal to the county superintendent of schools, who shall hold a hearing and either approve or disapprove the transfer.

9 (8) (a) Any unanticipated tuition receipts received under the provisions of chapter 7, part 4, or-this-part for 10 11 the current school fiscal year THAT EXCEED THE TUITION 12 RECEIPTS OF THE PRIOR YEAR must be deposited in a separate 13 account of the district miscellaneous programs fund and may 14 be used for that year in the manner provided for in that fund. Por-the-ensuing-school-fiscal-yeary-the-receipts-must 15 16 be-credited-to-the-district-general-fund-budget+

17 (b) Any OTHER tuition receipts received for the current 18 school fiscal year for--tuition--obligations--other--than 19 obligations-under-the-provisions-of-chapter-77-part-47--must THAT EXCEED THE TUITION RECEIPTS OF THE PRIOR YEAR MAY be 20 21 deposited in a separate account of the district 22 miscellaneous programs fund and may be used for that year in 23 the manner provided for in that fund. For the ensuing school 24 fiscal year, the receipts must be credited to the district 25 general fund budget."

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Section 3. Section 20-9-141, NCA, is amended to read: 2.20-9-141. Computation of general fund net levy 3 requirement by county superintendent. (1) The county 4 superintendent shall compute the levy requirement for each 5 district's general fund on the basis of the following 6 procedure:

7 (a) Determine the funding required for the district's
8 final general fund budget less the amount established by the
9 schedules in 20-9-316 through 20-9-321 by totaling:

10 (i) the district's nonisolated school foundation
11 program requirement to be met by a district levy as provided
12 in 20-9-303; and

(ii) any additional general fund budget amount adopted
by the trustees of the district under the provisions of
20-9-145 and 20-9-353, including any additional levies
authorized by the electors of the district.

17 (b) Determine the money available for the reduction of
18 the property tax on the district for the general fund by
19 totaling:

(i) 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;

24 (ii) except as provided in 20-5-307(4)(a) and
 25 20-5-312(8)(a), anticipated tuition payments for

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out-of-district pupils under the provisions of 20-5-303,
 20-5-307, 20-5-312, and 20-5-313;

3 (iii) general fund balance reappropriated, as
4 established under the provisions of 20-9-104;

5 (iv) anticipated or reappropriated state impact aid
6 received under the provisions of 20-9-304;

7 (v) anticipated or reappropriated revenue from property
B taxes and fees imposed under 23-2-517, 23-2-803,
9 61-3-504(2), 61-3-521, 61-3-537, and 67-3-204:

10 (vi) anticipated net proceeds taxes for new production, 11 as defined in 15-23-601;

12 (vii) anticipated revenue from local government
13 severance taxes as provided in 15-36-112;

14 (viii) anticipated revenue from coal gross proceeds 15 under 15-23-703;

16 (ix) anticipated interest to be earned or reappropriated
17 interest earned by the investment of general fund cash in
18 accordance with the provisions of 20-9-213(4);

19 (x) anticipated revenue from corporation license taxes
20 collected from financial institutions under the provisions
21 of 15-31-702; and

(xi) any other revenue anticipated by the trustees to be
received during the ensuing school fiscal year that may be
used to finance the general fund, excluding any guaranteed
tax base aid.

1 (c) Notwithstanding the provisions of subsection (2), 2 subtract the money available to reduce the property tax 3 required to finance the general fund that has been 4 determined in subsection (1)(b) from any additional general 5 fund budget amount adopted by the trustees of the district 6 as the permissive amount under the provisions of 20-9-145 to 7 determine the general fund permissive net levy requirement.

8 (d) Subtract any amount remaining after the 9 determination in subsection (1)(c) from any additional 10 funding requirement to be met by a district levy as provided 11 in 20-9-303 and 20-9-353 to determine the additional general 12 fund levy requirement.

(2) The county superintendent shall calculate the
number of mills to be levied on the taxable property in the
district to finance the general fund permissive net levy
requirement by dividing the amount determined in subsection
(1)(c) by the sum of:

18 (a) the amount of guaranteed tax base aid that the
19 district will receive for each mill levied, as certified by
20 the superintendent of public instruction; and

(b) the taxable valuation of the district divided by1,000.

23 (3) The net general fund levy requirement determined in
24 subsections (1)(c) and (1)(d) must be reported to the county
25 commissioners on the second Monday of August by the county

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superintendent as the general fund permissive net levy
 requirement and the additional general fund levy requirement
 for the district, and a levy must be set by the county
 commissioners in accordance with 20-9-142."

5 <u>NEW SECTION.</u> Section 4. Effective date. [This act] is 6 effective July 1, 1993.

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