

SENATE BILL NO. 31

INTRODUCED BY BLAYLOCK
BY REQUEST OF THE JOINT INTERIM
SUBCOMMITTEE ON SCHOOL FUNDING

IN THE SENATE

DECEMBER 22, 1992	INTRODUCED AND REFERRED TO COMMITTEE ON EDUCATION & CULTURAL RESOURCES.
JANUARY 4, 1993	FIRST READING.
JANUARY 8, 1993	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
JANUARY 9, 1993	PRINTING REPORT. SECOND READING, DO PASS.
JANUARY 11, 1993	ENGROSSING REPORT. THIRD READING, PASSED. AYES, 49; NOES, 0. TRANSMITTED TO HOUSE.

IN THE HOUSE

JANUARY 12, 1993	INTRODUCED AND REFERRED TO SELECT COMMITTEE ON SCHOOL FUNDING. FIRST READING.
MARCH 23, 1993	ON MOTION, REREFERRED TO COMMITTEE ON EDUCATION & CULTURAL RESOURCES.
MARCH 25, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 30, 1993	SECOND READING, CONCURRED IN.
APRIL 1, 1993	THIRD READING, CONCURRED IN. AYES, 82; NOES, 15. RETURNED TO SENATE.

IN THE SENATE

APRIL 2, 1993	RECEIVED FROM HOUSE.
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SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 SENATE BILL NO. 31

2 INTRODUCED BY BLAYLOCK

3 BY REQUEST OF THE JOINT INTERIM

4 SUBCOMMITTEE ON SCHOOL FUNDING

5
6 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING
7 REIMBURSEMENT RATES IN SCHOOL DISTRICT TRANSPORTATION LAWS;
8 ELIMINATING A REFERENCE TO THE COUNTY TRANSPORTATION FUND
9 OPERATING RESERVE; AMENDING SECTIONS 20-10-142 AND
10 20-10-146, MCA; AND PROVIDING AN EFFECTIVE DATE."
11

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

13 Section 1. Section 20-10-142, MCA, is amended to read:

14 "20-10-142. Schedule of ~~maximum~~ reimbursement for
15 individual transportation. The following rates for
16 individual transportation constitute the maximum
17 reimbursement to districts for individual transportation
18 from state and county sources of transportation revenue
19 under the provisions of 20-10-145 and 20-10-146. These rates
20 ~~also shall~~ constitute the limitation of the budgeted amounts
21 for individual transportation for the ensuing school fiscal
22 year. The schedules provided in this section ~~shall~~ may not
23 be altered by any authority other than the legislature of
24 the state of Montana. When the trustees contract with the
25 parent or guardian of any eligible transportee to provide

1 individual transportation for each day of school attendance,
2 they shall reimburse the parent or guardian on the basis of
3 the following schedule:

4 (1) When a parent or guardian transports an eligible
5 transportee or transportees from the residence of the parent
6 or guardian to a school or to schools located within 3 miles
7 of one another, the total reimbursement per day of
8 attendance ~~shall--be~~ is determined by multiplying the
9 distance in miles between the residence and the school, or
10 the most distant school if more than one, by 2, subtracting
11 6 miles from the product ~~so-obtained~~, and multiplying the
12 difference by 21.25 cents, provided that:

13 (a) if two or more eligible transportees are
14 transported by a parent or guardian to two or more schools
15 located within 3 miles of one another and if ~~such~~ the
16 schools are operated by different school districts, the
17 total amount of the reimbursement ~~shall~~ must be divided
18 equally between the districts;

19 (b) if two or more eligible transportees are
20 transported by a parent or guardian to two or more schools
21 located more than 3 miles from one another, the parent or
22 guardian ~~shall~~ must be separately reimbursed for
23 transporting the eligible transportee or transportees to
24 each school;

25 (c) if a parent transports two or more eligible

transportees to a school and a bus stop ~~which-school-and-bus~~
~~stop that~~ are located within 3 miles of one another, the
 total reimbursement ~~shall~~ must be determined under the
 provisions of this subsection and ~~shall~~ must be divided
 equally between the district operating the school and the
 district operating the bus;

(d) if a parent transporting two or more eligible
 transportees to a school or bus stop must, because of
 varying arrival and departure times, make more than one
 round-trip journey to the bus stop or school, the total
 reimbursement allowed by this section ~~shall-be~~ is limited to
 one round trip per day for each scheduled arrival or
 departure time;

(e) notwithstanding subsection (1)(a), (1)(b), (1)(c),
 or (1)(d), no a reimbursement may not be less than 25 cents
 a day.

(2) When the parent or guardian transports an eligible
 transportee or transportees from the residence to a bus stop
 of a bus route approved by the trustees for the
 transportation of the transportee or transportees, the total
 reimbursement per day of attendance ~~shall-be~~ is determined
 by multiplying the distance in miles between the residence
 and the bus stop by 2, subtracting 3 miles from the product
~~so-obtained~~, and multiplying the difference by ~~22.5~~ 21.25
 cents, provided that:

(a) if the eligible transportees transported attend
 schools in different districts but ride on one bus, the
 districts shall divide the total reimbursement equally; and

(b) if the parent or guardian is required to transport
 the eligible transportees to more than one bus, the parent
 or guardian ~~shall~~ must be separately reimbursed for
 transportation to each bus.

(3) ~~Where~~ When, due to excessive distances, impassable
 roads, or other special circumstances of isolation the rates
 prescribed in subsection (1) or (2) would be an inadequate
 reimbursement for the transportation costs or would result
 in a physical hardship for the eligible transportee, ~~his~~ a
 parent or guardian may request an increase in the
 reimbursement rate. ~~Such-a~~ A request for increased rates due
 to isolation ~~shall~~ must be made by the parent or guardian on
 the contract for individual transportation for the ensuing
 school fiscal year by indicating the special facts and
 circumstances ~~which~~ that exist to justify the increase.
 Before ~~any~~ an increased rate due to isolation ~~can~~ may be
 paid to the requesting parent or guardian, ~~such~~ the rate
 must be approved by the county transportation committee and
 the superintendent of public instruction after the trustees
 have indicated their approval or disapproval. Regardless of
 the action of the trustees and when approval is given by the
 county transportation committee and the superintendent of

public instruction, the trustees shall pay ~~such~~ the increased rate due to isolation. The increased rate ~~shall-be~~ is 1 1/2 times the rate prescribed in subsection (1) above.

(4) When the isolated conditions of the household where an eligible transportee resides require ~~such an~~ an eligible transportee to live away from the household in order to attend school, ~~he--shall--be~~ the eligible transportee is eligible for the room and board reimbursement. Approval to receive the room and board reimbursement ~~shall must~~ be obtained in the same manner prescribed in subsection (3) above. The per diem rate for room and board ~~shall-be~~ is \$5.31 for one eligible transportee and \$3.19 for each additional eligible transportee of the same household.

(5) When the individual transportation provision is to be satisfied by supervised home study or supervised correspondence study, the reimbursement rate ~~shall-be~~ is the cost of ~~such the~~ the study, provided that the course of instruction is approved by the trustees and supervised by the district."

Section 2. Section 20-10-146, MCA, is amended to read:

"20-10-146. County transportation reimbursement. (1) The apportionment of the county transportation reimbursement by the county superintendent for school bus transportation or individual transportation that is actually rendered by a district in accordance with this title, board of public

education transportation policy, and the transportation rules of the superintendent of public instruction must be the same as the state transportation reimbursement payment except that:

(a) if any cash was used to reduce the budgeted county transportation reimbursement under the provisions of 20-10-144(2)(b), the annual apportionment is limited to the budget amount; and

(b) when the county transportation reimbursement for a school bus has been prorated between two or more counties because the school bus is conveying pupils of more than one district located in the counties, the apportionment of the county transportation reimbursement must be adjusted to pay the amount computed under the proration.

(2) The county transportation net levy requirement for the financing of the county transportation fund reimbursements to districts is computed by:

(a) totaling the net requirement for all districts of the county, including reimbursements to a special education cooperative or prorated reimbursements to joint districts;

(b) determining the sum of the money available to reduce the county transportation net levy requirement by adding:

(i) anticipated money that may be realized in the county transportation fund during the ensuing school fiscal

1 year, including anticipated revenue from property taxes and
 2 fees imposed under 23-2-517, 23-2-803, 61-3-504(2),
 3 61-3-521, 61-3-537, and 61-3-204;

4 (ii) net proceeds taxes and local government severance
 5 taxes on other oil and gas production occurring after
 6 December 31, 1988;

7 (iii) coal gross proceeds taxes under 15-23-703;

8 (iv) any fund balance available for reappropriation from
 9 the end-of-the-year fund balance in the county
 10 transportation fund; ~~The---county---transportation---fund~~
 11 ~~operating---reserve---may---not---be---more---than---35%---of---the---final~~
 12 ~~county-transportation-fund-budget--for--the--ensuing--school~~
 13 ~~fiscal--year--and--must--be--used--for--the--purpose--of--paying~~
 14 ~~transportation-fund-warrants-under-the-county-transportation~~
 15 ~~fund-budget-~~

16 (v) federal forest reserve funds allocated under the
 17 provisions of 17-3-213; and

18 (vi) other revenue anticipated that may be realized in
 19 the county transportation fund during the ensuing school
 20 fiscal year; and

21 (c) notwithstanding the provisions of subsection (3),
 22 subtracting the money available, as determined in subsection
 23 (2)(b), to reduce the levy requirement from the county
 24 transportation net levy requirement.

25 (3) The net levy requirement determined in subsection

1 (2)(c) must be reported to the county commissioners on the
 2 second Monday of August by the county superintendent, and a
 3 levy must be set by the county commissioners in accordance
 4 with 20-9-142.

5 (4) The county superintendent shall apportion the
 6 county transportation reimbursement from the proceeds of the
 7 county transportation fund. The county superintendent shall
 8 order the county treasurer to make the apportionments in
 9 accordance with 20-9-212(2) and after the receipt of the
 10 semiannual state transportation reimbursement payments."

11 NEW SECTION. Section 3. Effective date. [This act] is
 12 effective July 1, 1993.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0031, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION: An act clarifying reimbursement rates in school district transportation laws; eliminating a reference to the county transportation fund operating reserve.

ASSUMPTIONS:

1. Total students transported to bus stop remains constant at FY92 levels.
2. Approximately 14,950 miles are eligible for reimbursement at the new rate which is .0125 cents per mile less than the old rate of .2250 cents per mile
3. Counties did not establish transportation reserves as a result of the language inadvertantly added to 20-10-146, MCA. during the 1991 session.

Revenue:

	<u>FY '94</u>			<u>FY '95</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
School District Transportation	3,400	3,200	(200)	3,400	3,200	(200)
General Fund	3,400	3,200	(200)	3,400	3,200	(200)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES: Minimal

Dave Lewis 1-11-93
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Chet Blaylock 1/11/93
CHET BLAYLOCK, PRIMARY SPONSOR DATE

Fiscal Note for SB0031, as introduced

SB 31

APPROVED BY COMM. ON EDUCATION
AND CULTURAL RESOURCES

SENATE BILL NO. 31

INTRODUCED BY BLAYLOCK

BY REQUEST OF THE JOINT INTERIM

SUBCOMMITTEE ON SCHOOL FUNDING

A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING
REIMBURSEMENT RATES IN SCHOOL DISTRICT TRANSPORTATION LAWS;
ELIMINATING A REFERENCE TO THE COUNTY TRANSPORTATION FUND
OPERATING RESERVE; AMENDING SECTIONS 20-10-101, 20-10-142,
AND 20-10-146, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

SECTION 1. SECTION 20-10-101, MCA, IS AMENDED TO READ:

"20-10-101. Definitions. As used in this title, unless
the context clearly indicates otherwise, the following
definitions apply:

(1) An "eligible transportee" means a public school
pupil who:

(a) is 5 years of age or older and has not attained his
21st birthday or who is a preschool child with disabilities
between the ages of 3 and 6;

(b) is a resident of the state of Montana;

(c) regardless of district and county boundaries,
resides at least 3 miles, over the shortest practical route,
from the nearest operating public elementary school or

public high school, whichever the case may be; and

(d) is considered to reside with his parent or guardian
who maintains legal residence within the boundaries of the
district furnishing the transportation regardless of where
the eligible transportee actually lives when attending
school.

(2) (a) A "school bus" means, except as provided in
subsection (2)(b), any motor vehicle that:

(i) complies with the bus standards established by the
board of public education as verified by the Montana
department of justice's semiannual inspection of school
buses and the superintendent of public instruction; and

(ii) is owned by a district or other public agency and
operated for the transportation of pupils to or from school
or owned by a carrier under contract with a district or
public agency to provide transportation of pupils to or from
school.

(b) A school bus does not include a vehicle that is:

(i) privately owned and not operated for compensation
under this title;

(ii) privately owned and operated for reimbursement
under 20-10-142;

(iii) either district-owned or privately owned, designed
to carry not more than nine passengers, and used to
transport pupils to or from activity events or to transport

1 pupils to their homes in case of illness or other emergency
2 situations; or

3 (iv) an over-the-road passenger coach used only to
4 transport pupils to activity events.

5 (3) "Transportation" means:

6 (a) a district's conveyance of a pupil by a school bus
7 between his legal residence or an officially designated bus
8 stop and the school designated by the trustees for his
9 attendance; or

10 (b) "individual transportation" whereby a district is
11 relieved of actually conveying a pupil. Individual
12 transportation may include paying the parent or guardian for
13 conveying the pupil, reimbursing the parent or guardian for
14 the pupil's board and room, or providing supervised
15 correspondence study or supervised home study."

16 **Section 2.** Section 20-10-142, MCA, is amended to read:

17 "20-10-142. Schedule of ~~maximum~~ reimbursement for
18 individual transportation. The following rates for
19 individual transportation constitute the maximum
20 reimbursement to districts for individual transportation
21 from state and county sources of transportation revenue
22 under the provisions of 20-10-145 and 20-10-146. These rates
23 ~~also-shall~~ constitute the limitation of the budgeted amounts
24 for individual transportation for the ensuing school fiscal
25 year. The schedules provided in this section ~~shall~~ may not

1 be altered by any authority other than the legislature of
2 the state of Montana. When the trustees contract with the
3 parent or guardian of any eligible transportee to provide
4 individual transportation for each day of school attendance,
5 they shall reimburse the parent or guardian on the basis of
6 the following schedule:

7 (1) When a parent or guardian transports an eligible
8 transportee or transportees from the residence of the parent
9 or guardian to a school or to schools located within 3 miles
10 of one another, the total reimbursement per day of
11 attendance ~~shall--be~~ is determined by multiplying the
12 distance in miles between the residence and the school, or
13 the most distant school if more than one, by 2, subtracting
14 6 miles from the product ~~so-obtained~~, and multiplying the
15 difference by 21.25 cents, provided that:

16 (a) if two or more eligible transportees are
17 transported by a parent or guardian to two or more schools
18 located within 3 miles of one another and if ~~such~~ the
19 schools are operated by different school districts, the
20 total amount of the reimbursement ~~shall~~ must be divided
21 equally between the districts;

22 (b) if two or more eligible transportees are
23 transported by a parent or guardian to two or more schools
24 located more than 3 miles from one another, the parent or
25 guardian ~~shall~~ must be separately reimbursed for

1 transporting the eligible transportee or transportees to
2 each school;

3 (c) if a parent transports two or more eligible
4 transportees to a school and a bus stop ~~which school and bus~~
5 ~~stop that~~ are located within 3 miles of one another, the
6 total reimbursement ~~shall~~ must be determined under the
7 provisions of this subsection and ~~shall~~ must be divided
8 equally between the district operating the school and the
9 district operating the bus;

10 (d) if a parent transporting two or more eligible
11 transportees to a school or bus stop must, because of
12 varying arrival and departure times, make more than one
13 round-trip journey to the bus stop or school, the total
14 reimbursement allowed by this section ~~shall be~~ is limited to
15 one round trip per day for each scheduled arrival or
16 departure time;

17 (e) notwithstanding subsection (1)(a), (1)(b), (1)(c),
18 or (1)(d), ~~no a~~ reimbursement may not be less than 25 cents
19 a day.

20 (2) When the parent or guardian transports an eligible
21 transportee or transportees from the residence to a bus stop
22 of a bus route approved by the trustees for the
23 transportation of the transportee or transportees, the total
24 reimbursement per day of attendance ~~shall be~~ is determined
25 by multiplying the distance in miles between the residence

1 and the bus stop by 2, subtracting 3 miles from the product
2 ~~so-obtained~~, and multiplying the difference by ~~22.5~~ 21.25
3 cents, provided that:

4 (a) if the eligible transportees ~~transported~~ attend
5 schools in different districts but ride on one bus, the
6 districts shall divide the total reimbursement equally; and

7 (b) if the parent or guardian is required to transport
8 the eligible transportees to more than one bus, the parent
9 or guardian ~~shall~~ must be separately reimbursed for
10 transportation to each bus.

11 (3) ~~Where~~ When, due to excessive distances, impassable
12 roads, or other special circumstances of isolation the rates
13 prescribed in subsection (1) or (2) would be an inadequate
14 reimbursement for the transportation costs or would result
15 in a physical hardship for the eligible transportee, ~~his a~~
16 parent or guardian may request an increase in the
17 reimbursement rate. ~~Such-a~~ A request for increased rates due
18 to isolation ~~shall~~ must be made by the parent or guardian on
19 the contract for individual transportation for the ensuing
20 school fiscal year by indicating the special facts and
21 circumstances ~~which~~ that exist to justify the increase.
22 Before ~~any an~~ increased rate due to isolation ~~can~~ may be
23 paid to the requesting parent or guardian, ~~such the~~ rate
24 must be approved by the county transportation committee and
25 the superintendent of public instruction after the trustees

1 have indicated their approval or disapproval. Regardless of
 2 the action of the trustees and when approval is given by the
 3 county transportation committee and the superintendent of
 4 public instruction, the trustees shall pay ~~such the~~
 5 increased rate due to isolation. The increased rate ~~shall be~~
 6 is 1 1/2 times the rate prescribed in subsection (1) above.

7 (4) When the isolated conditions of the household where
 8 an eligible transportee resides require ~~such an~~ eligible
 9 transportee to live away from the household in order to
 10 attend school, ~~he--shall--be~~ the eligible transportee is
 11 eligible for the room and board reimbursement. Approval to
 12 receive the room and board reimbursement ~~shall must be~~
 13 obtained in the same manner prescribed in subsection (3)
 14 above. The per diem rate for room and board ~~shall be is~~
 15 \$5.31 for one eligible transportee and \$3.19 for each
 16 additional eligible transportee of the same household.

17 (5) When the individual transportation provision is to
 18 be satisfied by supervised home study or supervised
 19 correspondence study, the reimbursement rate ~~shall be is~~ the
 20 cost of ~~such the~~ study, provided that the course of
 21 instruction is approved by the trustees and supervised by
 22 the district."

23 **Section 3.** Section 20-10-146, MCA, is amended to read:

24 "20-10-146. County transportation reimbursement. (1)
 25 The apportionment of the county transportation reimbursement

1 by the county superintendent for school bus transportation
 2 or individual transportation that is actually rendered by a
 3 district in accordance with this title, board of public
 4 education transportation policy, and the transportation
 5 rules of the superintendent of public instruction must be
 6 the same as the state transportation reimbursement payment
 7 except that:

8 (a) if any cash was used to reduce the budgeted county
 9 transportation reimbursement under the provisions of
 10 20-10-144(2)(b), the annual apportionment is limited to the
 11 budget amount; and

12 (b) when the county transportation reimbursement for a
 13 school bus has been prorated between two or more counties
 14 because the school bus is conveying pupils of more than one
 15 district located in the counties, the apportionment of the
 16 county transportation reimbursement must be adjusted to pay
 17 the amount computed under the proration.

18 (2) The county transportation net levy requirement for
 19 the financing of the county transportation fund
 20 reimbursements to districts is computed by:

21 (a) totaling the net requirement for all districts of
 22 the county, including reimbursements to a special education
 23 cooperative or prorated reimbursements to joint districts;

24 (b) determining the sum of the money available to
 25 reduce the county transportation net levy requirement by

1 adding:

2 (i) anticipated money that may be realized in the
3 county transportation fund during the ensuing school fiscal
4 year, including anticipated revenue from property taxes and
5 fees imposed under 23-2-517, 23-2-803, 61-3-504(2),
6 61-3-521, 61-3-537, and 67-3-204;

7 (ii) net proceeds taxes and local government severance
8 taxes on other oil and gas production occurring after
9 December 31, 1988;

10 (iii) coal gross proceeds taxes under 15-23-703;

11 (iv) any fund balance available for reappropriation from
12 the end-of-the-year fund balance in the county
13 transportation fund; ~~The---county---transportation---fund~~
14 ~~operating---reserve---may---not---be---more---than---35%---of---the---final~~
15 ~~county-transportation-fund-budget---for---the---ensuing---school~~
16 ~~fiscal---year---and---must---be---used---for---the---purpose---of---paying~~
17 ~~transportation-fund-warrants-under-the-county-transportation~~
18 ~~fund-budget;~~

19 (v) federal forest reserve funds allocated under the
20 provisions of 17-3-213; and

21 (vi) other revenue anticipated that may be realized in
22 the county transportation fund during the ensuing school
23 fiscal year; and

24 (c) notwithstanding the provisions of subsection (3),
25 subtracting the money available, as determined in subsection

1 (2)(b), to reduce the levy requirement from the county
2 transportation net levy requirement.

3 (3) The net levy requirement determined in subsection
4 (2)(c) must be reported to the county commissioners on the
5 second Monday of August by the county superintendent, and a
6 levy must be set by the county commissioners in accordance
7 with 20-9-142.

8 (4) The county superintendent shall apportion the
9 county transportation reimbursement from the proceeds of the
10 county transportation fund. The county superintendent shall
11 order the county treasurer to make the apportionments in
12 accordance with 20-9-212(2) and after the receipt of the
13 semiannual state transportation reimbursement payments."

14 NEW SECTION. **Section 4.** Effective date. [This act] is
15 effective July 1, 1993.

-End-

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2 INTRODUCED BY BLAYLOCK

3 BY REQUEST OF THE JOINT INTERIM

4 SUBCOMMITTEE ON SCHOOL FUNDING

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14 "20-10-101. Definitions. As used in this title, unless
15 the context clearly indicates otherwise, the following
16 definitions apply:

17 (i) An "eligible transportee" means a public school
18 pupil who:

19 (a) is 5 years of age or older and has not attained his
20 21st birthday or who is a preschool child with disabilities
21 between the ages of 3 and 6;

22 (b) is a resident of the state of Montana;

23 (c) regardless of district and county boundaries,
24 resides at least 3 miles, over the shortest practical route,
25 from the nearest operating public elementary school or

1 public high school, whichever the case may be; and

2 (d) is considered to reside with his parent or guardian
3 who maintains legal residence within the boundaries of the
4 district furnishing the transportation regardless of where
5 the eligible transportee actually lives when attending
6 school.

7 (2) (a) A "school bus" means, except as provided in
8 subsection (2)(b), any motor vehicle that:

9 (i) complies with the bus standards established by the
10 board of public education as verified by the Montana
11 department of justice's semiannual inspection of school
12 buses and the superintendent of public instruction; and

13 (ii) is owned by a district or other public agency and
14 operated for the transportation of pupils to or from school
15 or owned by a carrier under contract with a district or
16 public agency to provide transportation of pupils to or from
17 school.

18 (b) A school bus does not include a vehicle that is:

19 (i) privately owned and not operated for compensation
20 under this title;

21 (ii) privately owned and operated for reimbursement
22 under 20-10-142;

23 (iii) either district-owned or privately owned, designed
24 to carry not more than nine passengers, and used to
25 transport pupils to or from activity events or to transport

1 pupils to their homes in case of illness or other emergency
2 situations; or

3 (iv) an over-the-road passenger coach used only to
4 transport pupils to activity events.

5 (3) "Transportation" means:

6 (a) a district's conveyance of a pupil by a school bus
7 between his legal residence or an officially designated bus
8 stop and the school designated by the trustees for his
9 attendance; or

10 (b) "individual transportation" whereby a district is
11 relieved of actually conveying a pupil. Individual
12 transportation may include paying the parent or guardian for
13 conveying the pupil, reimbursing the parent or guardian for
14 the pupil's board and room, or providing supervised
15 correspondence study or supervised home study."

16 **Section 2.** Section 20-10-142, MCA, is amended to read:

17 "20-10-142. Schedule of maximum reimbursement for
18 individual transportation. The following rates for
19 individual transportation constitute the maximum
20 reimbursement to districts for individual transportation
21 from state and county sources of transportation revenue
22 under the provisions of 20-10-145 and 20-10-146. These rates
23 ~~also shall~~ constitute the limitation of the budgeted amounts
24 for individual transportation for the ensuing school fiscal
25 year. The schedules provided in this section shall may not

1 be altered by any authority other than the legislature of
2 the state of Montana. When the trustees contract with the
3 parent or guardian of any eligible transportee to provide
4 individual transportation for each day of school attendance,
5 they shall reimburse the parent or guardian on the basis of
6 the following schedule:

7 (1) When a parent or guardian transports an eligible
8 transportee or transportees from the residence of the parent
9 or guardian to a school or to schools located within 3 miles
10 of one another, the total reimbursement per day of
11 attendance ~~shall--be~~ is determined by multiplying the
12 distance in miles between the residence and the school, or
13 the most distant school if more than one, by 2, subtracting
14 6 miles from the product so-obtained, and multiplying the
15 difference by 21.25 cents, provided that:

16 (a) if two or more eligible transportees are
17 transported by a parent or guardian to two or more schools
18 located within 3 miles of one another and if such the
19 schools are operated by different school districts, the
20 total amount of the reimbursement shall must be divided
21 equally between the districts;

22 (b) if two or more eligible transportees are
23 transported by a parent or guardian to two or more schools
24 located more than 3 miles from one another, the parent or
25 guardian shall must be separately reimbursed for

1 transporting the eligible transportee or transportees to
2 each school;

3 (c) if a parent transports two or more eligible
4 transportees to a school and a bus stop ~~which-school-and-bus~~
5 ~~stop that~~ are located within 3 miles of one another, the
6 total reimbursement ~~shall~~ must be determined under the
7 provisions of this subsection and ~~shall~~ must be divided
8 equally between the district operating the school and the
9 district operating the bus;

10 (d) if a parent transporting two or more eligible
11 transportees to a school or bus stop must, because of
12 varying arrival and departure times, make more than one
13 round-trip journey to the bus stop or school, the total
14 reimbursement allowed by this section ~~shall-be~~ is limited to
15 one round trip per day for each scheduled arrival or
16 departure time;

17 (e) notwithstanding subsection (1)(a), (1)(b), (1)(c),
18 or (1)(d), no reimbursement may not be less than 25 cents
19 a day.

20 (2) When the parent or guardian transports an eligible
21 transportee or transportees from the residence to a bus stop
22 of a bus route approved by the trustees for the
23 transportation of the transportee or transportees, the total
24 reimbursement per day of attendance ~~shall-be~~ is determined
25 by multiplying the distance in miles between the residence

1 and the bus stop by 2, subtracting 3 miles from the product
2 so-obtained, and multiplying the difference by ~~22.5~~ 21.25
3 cents, provided that:

4 (a) if the eligible transportees transported attend
5 schools in different districts but ride on one bus, the
6 districts shall divide the total reimbursement equally; and

7 (b) if the parent or guardian is required to transport
8 the eligible transportees to more than one bus, the parent
9 or guardian ~~shall~~ must be separately reimbursed for
10 transportation to each bus.

11 (3) Where When, due to excessive distances, impassable
12 roads, or other special circumstances of isolation the rates
13 prescribed in subsection (1) or (2) would be an inadequate
14 reimbursement for the transportation costs or would result
15 in a physical hardship for the eligible transportee, ~~his~~ a
16 parent or guardian may request an increase in the
17 reimbursement rate. ~~Such-a~~ A request for increased rates due
18 to isolation ~~shall~~ must be made by the parent or guardian on
19 the contract for individual transportation for the ensuing
20 school fiscal year by indicating the special facts and
21 circumstances which that exist to justify the increase.
22 Before any an increased rate due to isolation can may be
23 paid to the requesting parent or guardian, such the rate
24 must be approved by the county transportation committee and
25 the superintendent of public instruction after the trustees

1 have indicated their approval or disapproval. Regardless of
 2 the action of the trustees and when approval is given by the
 3 county transportation committee and the superintendent of
 4 public instruction, the trustees shall pay such the
 5 increased rate due to isolation. The increased rate ~~shall be~~
 6 is 1 1/2 times the rate prescribed in subsection (1) above.

7 (4) When the isolated conditions of the household where
 8 an eligible transportee resides require ~~such an~~ eligible
 9 transportee to live away from the household in order to
 10 attend school, ~~he--shall--be~~ the eligible transportee is
 11 eligible for the room and board reimbursement. Approval to
 12 receive the room and board reimbursement ~~shall must~~ be
 13 obtained in the same manner prescribed in subsection (3)
 14 above. The per diem rate for room and board ~~shall be~~ is
 15 \$5.31 for one eligible transportee and \$3.19 for each
 16 additional eligible transportee of the same household.

7 (5) When the individual transportation provision is to
 8 be satisfied by supervised home study or supervised
 9 correspondence study, the reimbursement rate ~~shall be~~ is the
 10 cost of such the study, provided that the course of
 11 instruction is approved by the trustees and supervised by
 12 the district."

3 **Section 3.** Section 20-10-146, MCA, is amended to read:

4 "20-10-146. County transportation reimbursement. (1)
 5 The apportionment of the county transportation reimbursement

1 by the county superintendent for school bus transportation
 2 or individual transportation that is actually rendered by a
 3 district in accordance with this title, board of public
 4 education transportation policy, and the transportation
 5 rules of the superintendent of public instruction must be
 6 the same as the state transportation reimbursement payment
 7 except that:

8 (a) if any cash was used to reduce the budgeted county
 9 transportation reimbursement under the provisions of
 10 20-10-144(2)(b), the annual apportionment is limited to the
 11 budget amount; and

12 (b) when the county transportation reimbursement for a
 13 school bus has been prorated between two or more counties
 14 because the school bus is conveying pupils of more than one
 15 district located in the counties, the apportionment of the
 16 county transportation reimbursement must be adjusted to pay
 17 the amount computed under the proration.

18 (2) The county transportation net levy requirement for
 19 the financing of the county transportation fund
 20 reimbursements to districts is computed by:

21 (a) totaling the net requirement for all districts of
 22 the county, including reimbursements to a special education
 23 cooperative or prorated reimbursements to joint districts;

24 (b) determining the sum of the money available to
 25 reduce the county transportation net levy requirement by

1 adding:

2 (i) anticipated money that may be realized in the
3 county transportation fund during the ensuing school fiscal
4 year, including anticipated revenue from property taxes and
5 fees imposed under 23-2-517, 23-2-803, 61-3-504(2),
6 61-3-521, 61-3-537, and 67-3-204;

7 (ii) net proceeds taxes and local government severance
8 taxes on other oil and gas production occurring after
9 December 31, 1988;

10 (iii) coal gross proceeds taxes under 15-23-703;

11 (iv) any fund balance available for reappropriation from
12 the end-of-the-year fund balance in the county
13 transportation fund; ~~The---county---transportation---fund~~
14 ~~operating---reserve---may---not---be---more---than---35%---of---the---final~~
15 ~~county-transportation-fund-budget---for---the---ensuing---school~~
16 ~~fiscal---year---and---must---be---used---for---the---purpose---of---paying~~
17 ~~transportation-fund-warrants-under-the-county-transportation~~
18 ~~fund-budget;~~

19 (v) federal forest reserve funds allocated under the
20 provisions of 17-3-213; and

21 (vi) other revenue anticipated that may be realized in
22 the county transportation fund during the ensuing school
23 fiscal year; and

24 (c) notwithstanding the provisions of subsection (3),
25 subtracting the money available, as determined in subsection

1 (2)(b), to reduce the levy requirement from the county
2 transportation net levy requirement.

3 (3) The net levy requirement determined in subsection
4 (2)(c) must be reported to the county commissioners on the
5 second Monday of August by the county superintendent, and a
6 levy must be set by the county commissioners in accordance
7 with 20-9-142.

8 (4) The county superintendent shall apportion the
9 county transportation reimbursement from the proceeds of the
10 county transportation fund. The county superintendent shall
11 order the county treasurer to make the apportionments in
12 accordance with 20-9-212(2) and after the receipt of the
13 semiannual state transportation reimbursement payments."

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

-End-

SENATE BILL NO. 31

INTRODUCED BY BLAYLOCK

BY REQUEST OF THE JOINT INTERIM

SUBCOMMITTEE ON SCHOOL FUNDING

A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING REIMBURSEMENT RATES IN SCHOOL DISTRICT TRANSPORTATION LAWS; ELIMINATING A REFERENCE TO THE COUNTY TRANSPORTATION FUND OPERATING RESERVE; AMENDING SECTIONS 20-10-101, 20-10-142, AND 20-10-146, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

SECTION 1. SECTION 20-10-101, MCA, IS AMENDED TO READ:

"20-10-101. Definitions. As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) An "eligible transportee" means a public school pupil who:

(a) is 5 years of age or older and has not attained his 21st birthday or who is a preschool child with disabilities between the ages of 3 and 6;

(b) is a resident of the state of Montana;

(c) regardless of district and county boundaries, resides at least 3 miles, over the shortest practical route, from the nearest operating public elementary school or

public high school, whichever the case may be; and

(d) is considered to reside with his parent or guardian who maintains legal residence within the boundaries of the district furnishing the transportation regardless of where the eligible transportee actually lives when attending school.

(2) (a) A "school bus" means, except as provided in subsection (2)(b), any motor vehicle that:

(i) complies with the bus standards established by the board of public education as verified by the Montana department of justice's semiannual inspection of school buses and the superintendent of public instruction; and

(ii) is owned by a district or other public agency and operated for the transportation of pupils to or from school or owned by a carrier under contract with a district or public agency to provide transportation of pupils to or from school.

(b) A school bus does not include a vehicle that is:

(i) privately owned and not operated for compensation under this title;

(ii) privately owned and operated for reimbursement under 20-10-142;

(iii) either district-owned or privately owned, designed to carry not more than nine passengers, and used to transport pupils to or from activity events or to transport

1 pupils to their homes in case of illness or other emergency
2 situations; or

3 (iv) an over-the-road passenger coach used only to
4 transport pupils to activity events.

5 (3) "Transportation" means:

6 (a) a district's conveyance of a pupil by a school bus
7 between his legal residence or an officially designated bus
8 stop and the school designated by the trustees for his
9 attendance; or

10 (b) "individual transportation" whereby a district is
11 relieved of actually conveying a pupil. Individual
12 transportation may include paying the parent or guardian for
13 conveying the pupil, reimbursing the parent or guardian for
14 the pupil's board and room, or providing supervised
15 correspondence study or supervised home study."

16 **Section 2.** Section 20-10-142, MCA, is amended to read:

17 "20-10-142. Schedule of ~~maximum~~ reimbursement for
18 individual transportation. The following rates for
19 individual transportation constitute the ~~maximum~~
20 reimbursement to districts for individual transportation
21 from state and county sources of transportation revenue
22 under the provisions of 20-10-145 and 20-10-146. These rates
23 ~~also-shall~~ constitute the limitation of the budgeted amounts
24 for individual transportation for the ensuing school fiscal
25 year. The schedules provided in this section ~~shall~~ may not

1 be altered by any authority other than the legislature of
2 the state of Montana. When the trustees contract with the
3 parent or guardian of any eligible transportee to provide
4 individual transportation for each day of school attendance,
5 they shall reimburse the parent or guardian on the basis of
6 the following schedule:

7 (1) When a parent or guardian transports an eligible
8 transportee or transportees from the residence of the parent
9 or guardian to a school or to schools located within 3 miles
10 of one another, the total reimbursement per day of
11 attendance ~~shall--be~~ is determined by multiplying the
12 distance in miles between the residence and the school, or
13 the most distant school if more than one, by 2, subtracting
14 6 miles from the product ~~so-obtained~~, and multiplying the
15 difference by 21.25 cents, provided that:

16 (a) if two or more eligible transportees are
17 transported by a parent or guardian to two or more schools
18 located within 3 miles of one another and if ~~such~~ the
19 schools are operated by different school districts, the
20 total amount of the reimbursement ~~shall~~ must be divided
21 equally between the districts;

22 (b) if two or more eligible transportees are
23 transported by a parent or guardian to two or more schools
24 located more than 3 miles from one another, the parent or
25 guardian ~~shall~~ must be separately reimbursed for

1 transporting the eligible transportee or transportees to
2 each school;

3 (c) if a parent transports two or more eligible
4 transportees to a school and a bus stop ~~which-school-and-bus~~
5 ~~stop that~~ are located within 3 miles of one another, the
6 total reimbursement ~~shall~~ must be determined under the
7 provisions of this subsection and ~~shall~~ must be divided
8 equally between the district operating the school and the
9 district operating the bus;

10 (d) if a parent transporting two or more eligible
11 transportees to a school or bus stop must, because of
12 varying arrival and departure times, make more than one
13 round-trip journey to the bus stop or school, the total
14 reimbursement allowed by this section ~~shall-be~~ is limited to
15 one round trip per day for each scheduled arrival or
16 departure time;

17 (e) notwithstanding subsection (1)(a), (1)(b), (1)(c),
18 or (1)(d), no a reimbursement may not be less than 25 cents
19 a day.

20 (2) When the parent or guardian transports an eligible
21 transportee or transportees from the residence to a bus stop
22 of a bus route approved by the trustees for the
23 transportation of the transportee or transportees, the total
24 reimbursement per day of attendance ~~shall-be~~ is determined
25 by multiplying the distance in miles between the residence

1 and the bus stop by 2, subtracting 3 miles from the product
2 ~~so-obtained~~, and multiplying the difference by ~~22.5~~ 21.25
3 cents, provided that:

4 (a) if the eligible transportees transported attend
5 schools in different districts but ride on one bus, the
6 districts shall divide the total reimbursement equally; and

7 (b) if the parent or guardian is required to transport
8 the eligible transportees to more than one bus, the parent
9 or guardian ~~shall~~ must be separately reimbursed for
10 transportation to each bus.

11 (3) ~~Where~~ When, due to excessive distances, impassable
12 roads, or other special circumstances of isolation the rates
13 prescribed in subsection (1) or (2) would be an inadequate
14 reimbursement for the transportation costs or would result
15 in a physical hardship for the eligible transportee, ~~his a~~
16 parent or guardian may request an increase in the
17 reimbursement rate. ~~Such-a~~ A request for increased rates due
18 to isolation ~~shall~~ must be made by the parent or guardian on
19 the contract for individual transportation for the ensuing
20 school fiscal year by indicating the special facts and
21 circumstances ~~which~~ that exist to justify the increase.
22 Before ~~any an~~ an increased rate due to isolation ~~can~~ may be
23 paid to the requesting parent or guardian, ~~such the~~ the rate
24 must be approved by the county transportation committee and
25 the superintendent of public instruction after the trustees

1 have indicated their approval or disapproval. Regardless of
 2 the action of the trustees and when approval is given by the
 3 county transportation committee and the superintendent of
 4 public instruction, the trustees shall pay such the
 5 increased rate due to isolation. The increased rate ~~shall be~~
 6 is 1 1/2 times the rate prescribed in subsection (1) above.

7 (4) When the isolated conditions of the household where
 8 an eligible transportee resides require such an eligible
 9 transportee to live away from the household in order to
 10 attend school, ~~he--shall--be~~ the eligible transportee is
 11 eligible for the room and board reimbursement. Approval to
 12 receive the room and board reimbursement ~~shall must~~ be
 13 obtained in the same manner prescribed in subsection (3)
 14 above. The per diem rate for room and board ~~shall be~~ is
 15 \$5.31 for one eligible transportee and \$3.19 for each
 16 additional eligible transportee of the same household.

17 (5) When the individual transportation provision is to
 18 be satisfied by supervised home study or supervised
 19 correspondence study, the reimbursement rate ~~shall be~~ is the
 20 cost of such the study, provided that the course of
 21 instruction is approved by the trustees and supervised by
 22 the district."

23 **Section 3.** Section 20-10-146, MCA, is amended to read:

24 "20-10-146. County transportation reimbursement. (1)
 25 The apportionment of the county transportation reimbursement

1 by the county superintendent for school bus transportation
 2 or individual transportation that is actually rendered by a
 3 district in accordance with this title, board of public
 4 education transportation policy, and the transportation
 5 rules of the superintendent of public instruction must be
 6 the same as the state transportation reimbursement payment
 7 except that:

8 (a) if any cash was used to reduce the budgeted county
 9 transportation reimbursement under the provisions of
 10 20-10-144(2)(b), the annual apportionment is limited to the
 11 budget amount; and

12 (b) when the county transportation reimbursement for a
 13 school bus has been prorated between two or more counties
 14 because the school bus is conveying pupils of more than one
 15 district located in the counties, the apportionment of the
 16 county transportation reimbursement must be adjusted to pay
 17 the amount computed under the proration.

18 (2) The county transportation net levy requirement for
 19 the financing of the county transportation fund
 20 reimbursements to districts is computed by:

21 (a) totaling the net requirement for all districts of
 22 the county, including reimbursements to a special education
 23 cooperative or prorated reimbursements to joint districts;

24 (b) determining the sum of the money available to
 25 reduce the county transportation net levy requirement by

1 adding:

2 (i) anticipated money that may be realized in the
3 county transportation fund during the ensuing school fiscal
4 year, including anticipated revenue from property taxes and
5 fees imposed under 23-2-517, 23-2-803, 61-3-504(2),
6 61-3-521, 61-3-537, and 67-3-204;

7 (ii) net proceeds taxes and local government severance
8 taxes on other oil and gas production occurring after
9 December 31, 1988;

10 (iii) coal gross proceeds taxes under 15-23-703;

11 (iv) any fund balance available for reappropriation from
12 the end-of-the-year fund balance in the county
13 transportation fund; ~~The---county---transportation---fund~~
14 ~~operating---reserve---may---not---be---more---than---35%---of---the---final~~
15 ~~county-transportation-fund-budget---for---the---ensuing---school~~
16 ~~fiscal---year---and---must---be---used---for---the---purpose---of---paying~~
17 ~~transportation-fund-warrants-under-the-county-transportation~~
18 ~~fund-budget;~~

19 (v) federal forest reserve funds allocated under the
20 provisions of 17-3-213; and

21 (vi) other revenue anticipated that may be realized in
22 the county transportation fund during the ensuing school
23 fiscal year; and

24 (c) notwithstanding the provisions of subsection (3),
25 subtracting the money available, as determined in subsection

1 (2)(b), to reduce the levy requirement from the county
2 transportation net levy requirement.

3 (3) The net levy requirement determined in subsection
4 (2)(c) must be reported to the county commissioners on the
5 second Monday of August by the county superintendent, and a
6 levy must be set by the county commissioners in accordance
7 with 20-9-142.

8 (4) The county superintendent shall apportion the
9 county transportation reimbursement from the proceeds of the
10 county transportation fund. The county superintendent shall
11 order the county treasurer to make the apportionments in
12 accordance with 20-9-212(2) and after the receipt of the
13 semiannual state transportation reimbursement payments."

14 NEW SECTION. **Section 4.** Effective date. [This act] is
15 effective July 1, 1993.

-End-