

HOUSE BILL 17

Introduced by Kadas

11/23	Introduced
11/24	Referred to Education & Cultural Resources
11/29	First Reading
11/30	Hearing
12/02	Fiscal Note Requested
	Died in Committee

HOUSE BILL NO. 17
INTRODUCED BY KADAS

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING VOTER
APPROVAL FOR A SCHOOL DISTRICT GENERAL FUND BUDGET THAT
EXCEEDS THE GREATER OF THE DISTRICT'S PREVIOUS YEAR'S
GENERAL FUND BUDGET AMOUNT OR ANY BUDGET AMOUNT THAT
REPRESENTS AN INCREASE IN THE DISTRICT'S PER-ANB BUDGET
AMOUNT; LIMITING THE OVER-BASE BUDGET OF A DISTRICT TO 104%
OF THE PREVIOUS YEAR'S GENERAL FUND BUDGET OR 104% OF THE
PREVIOUS YEAR'S GENERAL FUND BUDGET PER-ANB; REQUIRING VOTER
APPROVAL FOR ANY AMOUNT IN EXCESS OF THE MAXIMUM GENERAL
FUND BUDGET; AMENDING SECTIONS 20-9-308 AND 20-9-353, MCA;
AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN
APPLICABILITY DATE."

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

Section 1. Section 20-9-308, MCA, is amended to read:

"20-9-308. BASE budgets and maximum general fund
budgets. (1) ~~For the school fiscal year beginning on July 1,~~
~~1993, the~~ The trustees of a district shall adopt a general
fund budget that:

(a) except as provided in subsection (2), is at least
equal to the BASE budget established for the district; or

(b) except as provided in subsection (4), does not

exceed the maximum general fund budget established for the
district.

(2) (a) If the BASE budget for a district ~~for the~~
~~school fiscal year beginning on July 1, 1993,~~ is greater
than the general fund budget of the district for the prior
school fiscal year, the trustees of the district:

(i) may increase the general fund budget for the
district by 4% of the previous year's general fund budget or
by 4% of the previous year's general fund budget per-ANB
multiplied by the current year's ANB for budgeting purposes;
but

(ii) may not adopt a general fund budget that reflects
less than the following general fund budget growth amounts
for the appropriate school fiscal year:

(A) ~~20% of the range between the district general fund~~
~~budget for the school fiscal year ending June 30, 1993, and~~
~~the BASE budget for the district for the school fiscal year~~
~~beginning July 1, 1993,~~

~~(B)~~ 25% of the range between the district general fund
budget for the school fiscal year ending June 30, 1994, and
the BASE budget for the district for the school fiscal year
beginning July 1, 1994;

~~(C)~~ (B) 33.3% of the range between the district general
fund budget for the school fiscal year ending June 30, 1995,
and the BASE budget for the district for the school fiscal

1 year beginning July 1, 1995;

2 ~~{B}{C}~~ 50% of the range between the district general
3 fund budget for the school fiscal year ending June 30, 1996,
4 and the BASE budget for the district for the school fiscal
5 year beginning July 1, 1996; or

6 ~~{B}{D}~~ the remainder of the range between the district
7 general fund budget for the school fiscal year ending June
8 30, 1997, and the BASE budget for the district for the
9 school fiscal year beginning July 1, 1997.

10 (b) ~~{i}~~ For the school fiscal year beginning July 1,
11 1993, a district may not exceed the limitations in
12 subsection ~~{2}{a}~~:

13 ~~{ii}~~ Except for the school fiscal year beginning July 1,
14 1993, whenever Whenever the trustees of a district adopt a
15 general fund budget that exceeds one of the limitations in
16 subsection (2)(a) but does not exceed the BASE budget for
17 the district, the trustees shall submit a proposition on the
18 amount that exceeds the limitation to the electors of the
19 district, as provided in 20-9-353.

20 (c) Nothing in this section is intended to require a
21 district to budget in excess of its BASE budget.

22 (3) Whenever the trustees of a district adopt a general
23 fund budget that exceeds the BASE budget for the district
24 but does not exceed the maximum general fund budget for the
25 district, the trustees shall:

1 ~~{a}~~ adopt a resolution stating the reasons and purposes
2 for exceeding the BASE budget amount if the submit a
3 proposition to the electors of the district, as provided in
4 20-9-353, for any budget amount that exceeds the greater of
5 the previous year's general fund budget amount or for any
6 budget amount that represents an increase in the district's
7 per-ANB budget amount. A general fund budget adopted under
8 this subsection (3) does may not exceed the greater of:

9 ~~{i}{a}~~ 104% of the previous year's general fund budget;
10 or

11 ~~{i}{b}~~ 104% of the previous year's general fund budget
12 per-ANB multiplied by the current year's ANB for budgeting
13 purposes; or.

14 ~~{b}~~ except for the school fiscal year beginning July 1,
15 1993, submit a proposition on any amount of the over-BASE
16 budget that exceeds one of the limitations in subsection
17 ~~{3}{a}~~ to the electors of the district, as provided in
18 20-9-353.

19 ~~{c}~~ For the school fiscal year beginning July 1, 1993,
20 a district may not exceed the limitations in subsection
21 ~~{3}{a}~~:

22 (4) (a) If the maximum general fund budget for a
23 district for an ensuing school fiscal year is less than the
24 general fund budget for the district for the current school
25 fiscal year, the trustees of the district may not adopt a

1 general fund budget for the ensuing school fiscal year that
2 is greater than the district's general fund budget for the
3 current school fiscal year.

4 ~~(b) Except--for--the-school-fiscal-years-beginning-July~~
5 ~~17-19937-and-July-17-19947-the~~ The trustees of the district
6 shall submit a proposition to raise any general fund budget
7 amount that is in excess of the maximum general fund budget
8 for the district to the electors who are qualified under
9 20-20-301 to vote on the proposition, as provided in
10 20-9-353.

11 (5) Whenever the trustees of a district adopt a general
12 fund budget that does not exceed the BASE budget for the
13 district, the trustees shall finance this amount with the
14 following sources of revenue:

15 (a) state equalization aid as provided in 20-9-343,
16 including any guaranteed tax base aid for which the district
17 may be eligible, as provided in 20-9-366 through 20-9-369;

18 (b) county equalization aid, as provided in 20-9-331
19 and 20-9-333;

20 (c) a district levy for support of a school not
21 approved as an isolated school under the provisions of
22 20-9-302;

23 (d) payments in support of special education programs
24 under the provisions of 20-9-321;

25 (e) nonlevy revenue as provided in 20-9-141; and

1 (f) a BASE budget levy on the taxable value of all
2 property within the district.

3 (6) The over-BASE budget amount of a district must be
4 financed by a levy on the taxable value of all property
5 within the district or other revenue available to the
6 district as provided in 20-9-141.

7 [(7) For the purpose of this section, the general fund
8 budget or general fund per-ANB budget for the school fiscal
9 year ending June 30, 1993, is the general fund budget funded
10 by any state, local, and federal revenue, excluding Public
11 Law 81-874 receipts received in the school fiscal year
12 ending June 30, 1993. Before excluding any Public Law 81-874
13 funding, a district may increase the district general fund
14 budget for the school fiscal year ending June 30, 1993, by
15 the allowable increases in subsections (2) and (3).]"

16 **Section 2.** Section 20-9-353, MCA, is amended to read:

17 "20-9-353. Additional financing for general fund --
18 election for authorization to impose. (1) Except as limited
19 by 20-9-308, the trustees of a district may propose to adopt
20 a general fund budget in excess of the maximum general fund
21 budget amount for the district.

22 (2) ~~Except-as-provided-in-20-9-308(4)(b)7--when~~ When the
23 trustees of a district determine that an additional amount
24 of financing is required for the general fund budget that is
25 in excess of the maximum general fund budget amount, the

trustees shall submit the proposition to finance the excess amount of general fund financing to the electors who are qualified under 20-20-301 to vote upon the proposition. The special election must be called and conducted in the manner prescribed by this title for school elections. The ballot for the election must state the amount of money to be financed, the approximate number of mills required to raise all or a portion of the money, and the purpose for which the money will be expended. The ballot must be in the following format:

PROPOSITION

Shall the district be authorized to expend the sum of (state the amount to be expended), and being approximately (give number) mills, for the purpose of (insert the purpose for which the additional financing is made)?

☐ FOR budget authority and any levy.

☐ AGAINST budget authority and any levy.

(3) If the election on any additional financing for the general fund is approved by a majority vote of the electors voting at the election, the proposition carries and the trustees may use any portion or all of the authorized amount in adopting the preliminary general fund budget. The trustees shall certify any additional levy amount authorized by the special election on the budget form that is submitted to the county superintendent, and the county commissioners

shall levy the authorized number of mills on the taxable value of all taxable property within the district, as prescribed in 20-9-141, to raise the amount of the additional levy.

(4) Authorization to levy an additional tax under the provisions of this section is effective for only 1 school fiscal year and must be authorized by a special election conducted before August 1 of the school fiscal year for which it is effective.

(5) If the trustees of a district are required to submit a proposition to finance a ~~base~~ BASE budget amount, as provided in 20-9-308(2)(b), or an over-BASE budget amount, as provided in 20-9-308(3){b}, to the electors of the district, the trustees shall comply with the provisions of subsections (2) through (4)."

NEW SECTION. **Section 3.** Effective date -- applicability. [This act] is effective on passage and approval and applies to budgets for the school year beginning July 1, 1994.

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