

HOUSE BILL 26

Introduced by Wanzenried

11/29	Fiscal Note Requested
11/30	Introduced
11/30	Referred to Education & Cultural Resources
11/30	First Reading
12/01	Hearing
12/02	Tabled in Committee
12/04	Fiscal Note Received
12/04	Taken from Committee and Placed on 2nd Reading
12/08	2nd Reading Failed Do Pass as Amended Motion Failed

1                    House BILL NO. 26  
2    INTRODUCED BY UNANNOUNCED  
3  
4    A BILL FOR AN ACT ENTITLED: "AN ACT LIMITING SCHOOL  
5    DISTRICT GENERAL FUND EXPENSES RELATED TO GENERAL  
6    ADMINISTRATION, BUSINESS SERVICES, AND THE ACTIVITIES OF THE  
7    BOARD OF TRUSTEES; REQUIRING VOTER APPROVAL FOR CERTAIN  
8    ADMINISTRATIVE EXPENSES THAT EXCEED 95 PERCENT OF THE  
9    AVERAGE EXPENDITURES IN CERTAIN PREVIOUS SCHOOL FISCAL  
10   YEARS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN  
11   APPLICABILITY DATE."  
12  
13   BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
14       NEW SECTION. Section 1. Separate accounting for  
15   certain administrative expenses -- limitation on expenditure  
16   amount -- voter approval required for excess expenditures.  
17   (1) The trustees of a district shall provide a separate  
18   accounting within the district general fund budget for the  
19   purpose of recording certain district expenses incurred for  
20   general administration, business support services, and  
21   support services central, as defined in the most recent  
22   edition of the Montana School Accounting Manual issued by  
23   the office of public instruction. These administrative  
24   expenses include but are not limited to:  
25       (a) the salaries, bonuses, education and training

1   costs, office expenses, travel costs, and costs of  
2   organizational memberships for the district superintendent,  
3   the superintendent's staff, the district clerk or chief  
4   business official, and any business office staff;  
5       (b) costs of activities of the district board of  
6   trustees, including but not limited to costs of travel and  
7   organizational memberships;  
8       (c) costs of activities related to districtwide staff  
9   relations, including contract negotiations;  
10       (d) costs of staff and activities related to payment  
11   for transporting, exchanging, and maintaining goods and  
12   services for the district, including fiscal and internal  
13   services necessary for operating the district; and  
14       (e) costs of activities in support of central services  
15   for the district, including planning, research, development,  
16   evaluation, information, and data processing.  
17       (2) Except as provided in subsection (3), the trustees  
18   of a district shall limit the general fund budget  
19   expenditures for the current school fiscal year for the  
20   administrative expenses described in subsection (1) to 95%  
21   of the average of the actual expenditures for those budget  
22   items in the 2 preceding school fiscal years, beginning with  
23   an average for the school fiscal years beginning July 1,  
24   1992, and July 1, 1993, to be used in calculating the  
25   expenditure limitation for the school fiscal year beginning

1 July 1, 1994.

2 (3) For the school fiscal year beginning July 1, 1994,  
3 the trustees of a district may exceed the limitation  
4 provided in subsection (2), but the amount of the excess  
5 expenditure may not be used to calculate the limitation  
6 provided for in subsection (2) for the school fiscal year  
7 beginning July 1, 1995.

8 (4) (a) If an excess amount is expended in the school  
9 fiscal year beginning July 1, 1995, and in any school fiscal  
10 year thereafter, the trustees of the district shall for the  
11 ensuing school fiscal year:

12 (i) reduce the administrative costs described in  
13 subsection (1) by the sum of the excess amounts for the 2  
14 most recent school fiscal years in which an excess occurred;  
15 or

16 (ii) if an amount in excess of the limitation provided  
17 in subsection (2) is desired, submit a separate proposition  
18 to the electors within the additional levy ballot provided  
19 for in 20-9-353 to approve the excess amount of financing  
20 for the ensuing school fiscal year.

21 (b) The separate ballot within the additional levy  
22 ballot may state only the amount of money to be raised by  
23 additional property taxation for the total excess amount,  
24 the approximate number of mills required to raise the money,  
25 and the purpose for which the money will be expended. The

1 separate ballot within the additional levy ballot must be in  
2 the following format:

### 3 PROPOSITION

4 Shall a portion of the additional levy be made to raise  
5 the sum of (state the amount to be raised by additional tax  
6 levy for the administrative expenses described in subsection  
7 (1)), being approximately (give number) mills, for the  
8 purpose of (insert the administrative expenses for which  
9 this portion of the additional tax levy is made)?

10 ☐ FOR the levy.

11 ☐ AGAINST the levy.

12 (5) If the election on the portion of the additional  
13 levy for administrative expenses is approved by a majority  
14 vote of the electors voting at the election, the proposition  
15 carries and the trustees may use any portion or all of the  
16 authorized amount in adopting the preliminary fund budget.  
17 The trustees shall certify the additional levy amount for  
18 administrative expenses in the manner provided for the  
19 additional levy in 20-9-353.

20 NEW SECTION. **Section 2.** Codification instruction.  
21 [Section 1] is intended to be codified as an integral part  
22 of Title 20, chapter 9, and the provisions of Title 20 apply  
23 to [section 1].

24 NEW SECTION. **Section 3.** Effective date --  
25 applicability. [This act] is effective on passage and

LC 0044/01

- 1 approval and applies to school district budgets for the
- 2 school fiscal year beginning July 1, 1994.

-End-

TAKEN FROM TABLE IN COMM. ON EDUCATION  
AND CULTURAL RESOURCES

1 House BILL NO. 26  
2 INTRODUCED BY WANDERL  
3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT LIMITING SCHOOL  
5 DISTRICT GENERAL FUND EXPENSES RELATED TO GENERAL  
6 ADMINISTRATION, BUSINESS SERVICES, AND THE ACTIVITIES OF THE  
7 BOARD OF TRUSTEES; REQUIRING VOTER APPROVAL FOR CERTAIN  
8 ADMINISTRATIVE EXPENSES THAT EXCEED 95 PERCENT OF THE  
9 AVERAGE EXPENDITURES IN CERTAIN PREVIOUS SCHOOL FISCAL  
10 YEARS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN  
11 APPLICABILITY DATE."  
12  
13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
14 NEW SECTION. Section 1. Separate accounting for  
15 certain administrative expenses -- limitation on expenditure  
16 amount -- voter approval required for excess expenditures.  
17 (1) The trustees of a district shall provide a separate  
18 accounting within the district general fund budget for the  
19 purpose of recording certain district expenses incurred for  
20 general administration, business support services, and  
21 support services central, as defined in the most recent  
22 edition of the Montana School Accounting Manual issued by  
23 the office of public instruction. These administrative  
24 expenses include but are not limited to:  
25 (a) the salaries, bonuses, education and training

1 costs, office expenses, travel costs, and costs of  
2 organizational memberships for the district superintendent,  
3 the superintendent's staff, the district clerk or chief  
4 business official, and any business office staff;  
5 (b) costs of activities of the district board of  
6 trustees, including but not limited to costs of travel and  
7 organizational memberships;  
8 (c) costs of activities related to districtwide staff  
9 relations, including contract negotiations;  
10 (d) costs of staff and activities related to payment  
11 for transporting, exchanging, and maintaining goods and  
12 services for the district, including fiscal and internal  
13 services necessary for operating the district; and  
14 (e) costs of activities in support of central services  
15 for the district, including planning, research, development,  
16 evaluation, information, and data processing.  
17 (2) Except as provided in subsection (3), the trustees  
18 of a district shall limit the general fund budget  
19 expenditures for the current school fiscal year for the  
20 administrative expenses described in subsection (1) to 95%  
21 of the average of the actual expenditures for those budget  
22 items in the 2 preceding school fiscal years, beginning with  
23 an average for the school fiscal years beginning July 1,  
24 1992, and July 1, 1993, to be used in calculating the  
25 expenditure limitation for the school fiscal year beginning

July 1, 1994.

(3) For the school fiscal year beginning July 1, 1994, the trustees of a district may exceed the limitation provided in subsection (2), but the amount of the excess expenditure may not be used to calculate the limitation provided for in subsection (2) for the school fiscal year beginning July 1, 1995.

(4) (a) If an excess amount is expended in the school fiscal year beginning July 1, 1995, and in any school fiscal year thereafter, the trustees of the district shall for the ensuing school fiscal year:

(i) reduce the administrative costs described in subsection (1) by the sum of the excess amounts for the 2 most recent school fiscal years in which an excess occurred; or

(ii) if an amount in excess of the limitation provided in subsection (2) is desired, submit a separate proposition to the electors within the additional levy ballot provided for in 20-9-353 to approve the excess amount of financing for the ensuing school fiscal year.

(b) The separate ballot within the additional levy ballot may state only the amount of money to be raised by additional property taxation for the total excess amount, the approximate number of mills required to raise the money, and the purpose for which the money will be expended. The

separate ballot within the additional levy ballot must be in the following format:

#### PROPOSITION

Shall a portion of the additional levy be made to raise the sum of (state the amount to be raised by additional tax levy for the administrative expenses described in subsection (1)), being approximately (give number) mills, for the purpose of (insert the administrative expenses for which this portion of the additional tax levy is made)?

☐ FOR the levy.

☐ AGAINST the levy.

(5) If the election on the portion of the additional levy for administrative expenses 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 fund budget. The trustees shall certify the additional levy amount for administrative expenses in the manner provided for the additional levy in 20-9-353.

NEW SECTION. **Section 2.** Codification instruction. [Section 1] is intended to be codified as an integral part of Title 20, chapter 9, and the provisions of Title 20 apply to [section 1].

NEW SECTION. **Section 3.** Effective date -- applicability. [This act] is effective on passage and

LC 0044/01

- 1 approval and applies to school district budgets for the
- 2 school fiscal year beginning July 1, 1994.

-End-