

SENATE BILL NO. 351

W. Platt

INTRODUCED BY

Long Rick Resumy

BY REQUEST OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Van Vleet *Deputy* *Superintendent* *Keenan Hancock*

A BILL FOR AN ACT ENTITLED: "AN ACT CREATING AN EDUCATIONAL TECHNOLOGY TRUST FUND TO PROVIDE GRANTS TO PUBLIC SCHOOL DISTRICTS FOR THE USE OF EDUCATIONAL TECHNOLOGY IN THE CLASSROOM; ALLOCATING CERTAIN REVENUE RECEIVED BY THE STATE FROM THE ACCELERATION OF THE LOCAL GOVERNMENT SEVERANCE TAX; ESTABLISHING AN EDUCATIONAL TECHNOLOGY TASK FORCE; AUTHORIZING THE SUPERINTENDENT OF PUBLIC INSTRUCTION TO PROVIDE GRANTS; AMENDING SECTION 20-3-106, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A CONTINGENT VOIDNESS PROVISION."

STATEMENT OF INTENT

It is the intent of the legislature that the educational technology expendable trust fund created in [section 1] be used to help public school districts enhance the use of educational technology as a tool for teaching and learning. [Section 3] authorizes the superintendent of public instruction to adopt rules relating to application procedures, the evaluation of applications, and the administration of educational technology grant proposals from school districts to meet the mission of [sections 1 through 3]. It is intended that the educational technology task force assist the superintendent of public instruction by developing criteria for the evaluation of proposals for the educational technology grants provided for in [section 3].

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

NEW SECTION. Section 1. Educational technology trust fund. (1) There is an educational technology expendable trust fund in the state treasury. Money distributed to the county equalization funds in 20-9-331 and 20-9-333 from local government severance taxes collected for calendar year 1995 production and remitted to the state treasurer in accordance with 15-1-504 must be deposited in the trust fund.

(2) The superintendent of public instruction shall administer the educational technology trust fund as provided in [section 3].

1 (3) The board of investments shall invest the balance of the educational technology trust fund. Any
2 earnings from the investment of the fund balance must be reinvested in the trust fund.

3
4 NEW SECTION. **Section 2. Educational technology task force.** (1) There is an educational
5 technology task force.

6 (2) The task force consists of 10 members jointly appointed by the superintendent of public
7 instruction and the governor.

8 (3) Each member is appointed for a 2-year term beginning January 1 following appointment. If a
9 vacancy occurs, the superintendent of public instruction and the governor shall jointly appoint a member
10 to fill the unexpired term.

11 (4) The educational technology task force shall develop criteria for the evaluation of proposals for
12 educational technology grants.

13
14 NEW SECTION. **Section 3. Educational technology grants -- purpose -- application for grants.** (1)
15 The funds deposited in the educational technology trust fund created in [section 1] may be distributed to
16 public school districts for:

17 (a) acquisition, through rental or purchase, of computer equipment and services,
18 telecommunications services and equipment, and educational software materials;

19 (b) training of school district personnel in the use of educational technologies to enhance teaching
20 and learning; and

21 (c) site preparation related to the use of educational technology in school districts.

22 (2) A school district may apply for a grant for an educational technology project from the
23 educational technology trust fund by submitting a grant proposal to the superintendent of public instruction.
24 A grant proposal must be for the purpose of promoting teaching and learning through educational
25 technology. The grant applicant shall indicate how the proposal fits into the district, multidistrict, or
26 statewide plan for the use of educational technologies in the teaching and learning environment.

27 (3) A grant proposal must be approved by the superintendent of public instruction in accordance
28 with the criteria developed by the educational technology task force and rules adopted by the
29 superintendent of public instruction.

30 (4) The superintendent of public instruction shall:

- 1 (a) establish an annual grant application process; and
2 (b) adopt rules relating to application procedures, the evaluation of applications, and the
3 administration of educational technology grant proposals.

4

5 **Section 4.** Section 20-3-106, MCA, is amended to read:

6 **"20-3-106. Supervision of schools -- powers and duties.** The superintendent of public instruction
7 has the general supervision of the public schools and districts of the state and shall perform the following
8 duties or acts in implementing and enforcing the provisions of this title:

9 (1) resolve any controversy resulting from the proration of costs by a joint board of trustees under
10 the provisions of 20-3-362;

11 (2) issue, renew, or deny teacher certification and emergency authorizations of employment;

12 (3) negotiate reciprocal tuition agreements with other states in accordance with the provisions of
13 20-5-314;

14 (4) serve on the teachers' retirement board in accordance with the provisions of 2-15-1010;

15 (5) approve or disapprove the orders of a high school boundary commission in accordance with
16 the provisions of 20-6-311;

17 (6) approve or disapprove the opening or reopening of a school in accordance with the provisions
18 of 20-6-502, 20-6-503, 20-6-504, or 20-6-505;

19 (7) approve or disapprove school isolation within the limitations prescribed by 20-9-302;

20 (8) generally supervise the school budgeting procedures prescribed by law in accordance with the
21 provisions of 20-9-102 and prescribe the school budget format in accordance with the provisions of
22 20-9-103 and 20-9-506;

23 (9) establish a system of communication for calculating joint district revenues in accordance with
24 the provisions of 20-9-151;

25 (10) approve or disapprove the adoption of a district's budget amendment resolution under the
26 conditions prescribed in 20-9-163 and adopt rules for an application for additional direct state aid for a
27 budget amendment in accordance with the approval and disbursement provisions of 20-9-166;

28 (11) generally supervise the school financial administration provisions as prescribed by 20-9-201(2);

29 (12) prescribe and furnish the annual report forms to enable the districts to report to the county
30 superintendent in accordance with the provisions of 20-9-213(5) and the annual report forms to enable the

1 county superintendents to report to the superintendent of public instruction in accordance with the
2 provisions of 20-3-209;

3 (13) approve, disapprove, or adjust an increase of the average number belonging (ANB) in
4 accordance with the provisions of 20-9-313 and 20-9-314;

5 (14) distribute BASE aid and special education allowable cost payments in support of the BASE
6 funding program, in accordance with the provisions of 20-9-331, 20-9-333, 20-9-342, 20-9-346, 20-9-347,
7 and 20-9-366 through 20-9-369;

8 (15) provide for the uniform and equal provision of transportation by performing the duties
9 prescribed by the provisions of 20-10-112;

10 (16) approve or disapprove an adult education program for which a district proposes to levy a tax
11 in accordance with the provisions of 20-7-705;

12 (17) request, accept, deposit, and expend federal money in accordance with the provisions of
13 20-9-603;

14 (18) authorize the use of federal money for the support of an interlocal cooperative agreement in
15 accordance with the provisions of 20-9-703 and 20-9-704;

16 (19) prescribe the form and contents of and approve or disapprove interstate contracts in
17 accordance with the provisions of 20-9-705;

18 (20) approve or disapprove the conduct of school on a Saturday or on pupil-instruction-related days
19 in accordance with the provisions of 20-1-303 and 20-1-304;

20 (21) recommend standards of accreditation for all schools to the board of public education and
21 evaluate compliance with the standards and recommend accreditation status of every school to the board
22 of public education in accordance with the provisions of 20-7-101 and 20-7-102;

23 (22) collect and maintain a file of curriculum guides and assist schools with instructional programs
24 in accordance with the provisions of 20-7-113 and 20-7-114;

25 (23) establish and maintain a library of visual, aural, and other educational media in accordance with
26 the provisions of 20-7-201;

27 (24) license textbook dealers and initiate prosecution of textbook dealers violating the law in
28 accordance with the provisions of the textbooks part of this title;

29 (25) as the governing agent and executive officer of the state of Montana for K-12 vocational
30 education, adopt the policies prescribed by and in accordance with the provisions of 20-7-301;

1 (26) supervise and coordinate the conduct of special education in the state in accordance with the
2 provisions of 20-7-403;

3 (27) administer the traffic education program in accordance with the provisions of 20-7-502;

4 (28) administer the school food services program in accordance with the provisions of 20-10-201,
5 20-10-202, and 20-10-203;

6 (29) review school building plans and specifications in accordance with the provisions of 20-6-622;

7 (30) prescribe the method of identification and signals to be used by school safety patrols in
8 accordance with the provisions of 20-1-408;

9 (31) provide schools with information and technical assistance for compliance with the student
10 assessment rules provided for in 20-2-121 and collect and summarize the results of the student assessment
11 for the board of public education and the legislature;

12 (32) administer the distribution of guaranteed tax base aid in accordance with 20-9-366 through
13 20-9-369; and

14 (33) allocate and disburse funds to school districts for educational technology grants from the
15 educational technology trust fund, as provided in [sections 1 through 3]; and

16 (34) perform any other duty prescribed from time to time by this title, any other act of the
17 legislature, or the policies of the board of public education."

18
19 **NEW SECTION. Section 5. Coordination instruction.** If __ Bill No. __ [LC 975] is not passed and
20 approved, then [this act] is void.

21
22 **NEW SECTION. Section 6. Codification instruction.** [Sections 1 through 3] are intended to be
23 codified as an integral part of Title 20, and the provisions of Title 20 apply to [sections 1 through 3].

24
25 **NEW SECTION. Section 7. Effective date.** [This act] is effective on passage and approval.

26 -END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0351, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act creating an educational technology trust fund to provide grants to public school districts for the use of educational technology in the classroom; allocating certain revenue received by the state from the acceleration of the local government severance tax; establishing an educational technology task force; authorizing the state superintendent to provide grants.

ASSUMPTIONS

1. Senate Bill 351 is contingent upon passage and approval of the Department of Revenue's proposal (LC 975) to accelerate local government severance tax (LGST) payments for calendar 1995. The Department of Revenue estimates that the proposal to accelerate the payment of LGST taxes will generate \$4.459 million. This revenue is one-time money that will be collected by the state over a two-year period between May 1995 and February 1997. These payments will be distributed by the DOR to taxing jurisdictions in oil and gas producing counties in July 1996 and again in July 1997. Under current law these receipts would be used for school equalization aid. These receipts have been applied to fund school equalization aid in the executive budget.
2. A 10-member technology task force was appointed by the governor and the state superintendent of public instruction in December 1994 to make recommendations for the role of technology in Montana schools. The members of the task force were appointed for two year terms. Under SB 351, this task force would be asked to develop criteria for the evaluation of educational technology grants to school districts.
3. The state superintendent of public instruction would make grants to school districts from the funds available beginning in FY97. It is estimated that one-half of the \$4.459 million, or \$2.23 million, would be allocated to public school districts in the 1997 biennium.

FISCAL IMPACT:

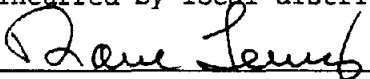
Expenditures: If the proposal to accelerate LGST collections (LC 975) is adopted, SB 351 would increase state expenditures for educational technology grants by \$2.23 million in the 1997 biennium.

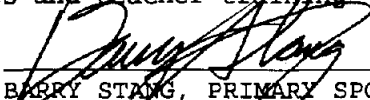
Revenues: SB 351 does not generate any additional state revenue. It does divert \$4,459,000 that, under existing statute, would be allocated for school equalization aid thereby increasing the amount of state general fund required for school equalization aid by a like amount.

Net Impact: General fund expenditures would increase by \$4,459,000 in the 1997 biennium. Expenditures from the educational technology trust fund will be \$2,230,000 in FY97.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The funds provided by the state for educational technology grants may help alleviate local property tax increases by providing an alternative source of revenue to fund the costs incurred by local districts for technology purchases and teacher training.

 2-16-95
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 2-16-95
BARRY STANG, PRIMARY SPONSOR DATE

Fiscal Note for SB0351, as introduced
SB 351

(continued)

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

TECHNICAL NOTES:

DEDICATION OF REVENUE:

- a) Are there persons or entities that benefit from this dedicated revenue that do not pay?
(Please explain)

Yes, school districts and public school children will benefit from the creation of educational technology grants funded by revenues collected from the acceleration of LGST monies. Under existing law, these revenues would be used to fund school equalization aid.

- b) What special information or other advantages exist as a result of using a state special revenue fund that could not be obtained if the revenue were allocated to the general fund?

This bill creates a non-expendable trust fund, which is a nonbudgeted fund. The revenues can be allocated to school districts as the monies become available; the allocations will be limited to the amounts deposited in the trust fund.

- c) Is the source of revenue relevant to current use of the funds and adequate to fund the program/activity that is intended? Yes No (if no, explain)

These monies generated from the production of oil and gas and are presently used to fund public school equalization aid to school districts. They are one source of revenue among the many sources that are earmarked to fund public school equalization aid.

- d) Does the need for this state special revenue provision still exist? Yes No (Explain)

- e) Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending? (Please explain)

No. SB 351 proposes to use a one-time revenue source for funding educational technology grants to school districts. It is expected that the one-time monies will be fully expended by FY98. If the legislature chooses to continue this program into future biennia, the legislature will need to appropriate monies for the technology grant program.

- f) Does the dedicated revenue fulfill a continuing, legislatively recognized need? (Please explain)

SB 351 allocates one-time monies for a limited purpose. The legislation does not fund an on-going program.

- g) How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency? (Please explain. Also, if the program/activity were general funded, could you adequately account for the program/activity?)

The revenues generated by the acceleration of the LGST will be earmarked for a specific purpose. The allocations to school districts will be limited to the amount of revenue deposited into the fund.