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INTRODUCED BY *McCom Ferguson Towne Beck Holland* House BILL NO. 206

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR DISSOLUTION OF A K-12 SCHOOL DISTRICT IF CREATION OR CONTINUATION OF THE K-12 DISTRICT RESULTS IN THE LOSS OF FEDERAL FUNDING; AMENDING SECTIONS 20-6-701 AND 20-6-704, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 20-6-701, MCA, is amended to read:

"20-6-701. K-12 school districts required -- definition -- procedure for creation -- exception. (1)

Except as provided in subsection (4), ~~by the school fiscal year beginning July 1, 1995,~~ each elementary district with the same district boundaries as a high school district shall attach to the high school district for the purpose of establishing a K-12 school district.

(2) For the purposes of this title, unless the context clearly indicates otherwise, "K-12 school district" means a high school district with an elementary district that has been attached to the high school district under the procedures provided in this section, with the high school district remaining an organized district under the provisions of 20-6-101 and other provisions of law and the elementary district becoming an inactive district under the provisions of 20-6-101.

(3) The attachment of an elementary district to a high school district to form a K-12 school district must be conducted under the following procedure:

(a) The trustees of each district shall pass a resolution requesting the county superintendent to order an attachment involving their districts.

(b) When the county superintendent receives a resolution from each of the districts, the county superintendent shall, within 10 days after receipt of the last resolution, order the attachment of the elementary district to the high school district to take effect on July 1 of the ensuing school fiscal year. Within 30 days of the order, the county superintendent shall send a copy of the order to the board of county commissioners, the trustees of the districts included in the attachment order, and the superintendent of public instruction.



1 (4) This section does not apply to a school district receiving ~~Public Law 81-874~~ federal funding if
 2 creation or continuation of a K-12 district ~~would result~~ has resulted in or will result in the loss of ~~Public Law~~
 3 ~~81-874~~ federal funding."

4
 5 **Section 2.** Section 20-6-704, MCA, is amended to read:

6 **"20-6-704. Dissolution of K-12 school district.** (1) In order to dissolve a K-12 district under the
 7 provisions of this section, the trustees of a district shall submit for approval to the electors of the K-12
 8 district shall approve a proposition dissolving the K-12 district;

9 (a) for the purpose of annexing or consolidating the K-12 district's elementary or high school
 10 program with an adjacent school district or districts in an ensuing school fiscal year under the provisions
 11 of 20-6-203 through 20-6-208 or 20-6-315 through 20-6-319; or

12 (b) if the trustees of the school district determine that the creation or continuation of the K-12
 13 district has resulted in or will result in the loss of federal funding for the elementary or high school programs
 14 and that it is in the best interest of the district to dissolve into the original elementary district and high
 15 school district that existed prior to the formation of the K-12 district.

16 (2) If the entire territory of the dissolving K-12 district will be annexed or consolidated with an
 17 adjacent district or districts, the resolution or petition required in subsection (1) must contain a description
 18 of the manner in which the real and personal property and funds of the district are to be apportioned in the
 19 dissolution of the district and the subsequent annexation or consolidation with one or more other districts.
 20 If a portion of the dissolving K-12 district will not be annexed or consolidated with another district or
 21 districts ~~and the resolution or petition does not contain a description of the apportionment of funds and~~
 22 ~~property, the provisions of subsection (4)(e) must be used to determine the disposition of property and~~
 23 ~~funds, the resolution or petition must contain a description of the manner in which the property, funds, and~~
 24 ~~financial obligations, including bonded indebtedness, of the K-12 district are to be apportioned to the district~~
 25 ~~or districts whose territory is not consolidated or annexed to another district.~~

26 (3) After the county superintendent receives the certificate of election provided for in 20-20-416
 27 from the trustees of the K-12 district and from each district included in a consolidation proposition, the
 28 county superintendent shall determine whether the dissolution and annexation or consolidation proposition
 29 or propositions have been approved. If the K-12 district has approved the dissolution proposition and each
 30 district involved in a consolidation has approved the consolidation proposition, the county superintendent

1 shall, within 10 days after the receipt of the election certificate, order the dissolution of the K-12 district
 2 into the original elementary district and high school district, to take effect on July 1 of the ensuing school
 3 fiscal year. Within 30 days of the order, the county superintendent shall send a copy of the dissolution
 4 order to the board of county commissioners, the trustees of the district included in the dissolution order,
 5 and the superintendent of public instruction.

6 (4) Whenever a K-12 district is dissolved ~~for the purpose of annexing or consolidating the high~~
 7 ~~school or elementary program with one or more other districts,~~ the following provisions apply:

8 (a) ~~The trustees of the K-12 district are the trustees of the district whose territory is not~~
 9 ~~consolidated or annexed to one or more adjacent districts upon dissolution of the K-12 district.~~

10 (b) The trustees of the elementary district whose territory is not annexed or consolidated upon
 11 dissolution of the K-12 district are responsible for the execution of remaining financial obligations of the
 12 K-12 district, including tuition and for the apportionment between the elementary and high school programs
 13 of any obligations not identified in the resolution required under subsection (2).

14 (c) ~~Unless otherwise provided for in the proposition for dissolution of the K-12 district, all the~~
 15 ~~tangible property, real and personal, of the K-12 district and all cash and receivables remaining to the credit~~
 16 ~~of the K-12 district after providing for payment of outstanding debts, except bonded indebtedness, become~~
 17 ~~the property of the district whose territory is not annexed or consolidated with one or more adjacent~~
 18 ~~districts.~~

19 (d) (b) The provisions of 20-6-410 apply for tenure teachers in the dissolution of a K-12 district.

20 (e) (c) For purposes of applying the budget limitation provisions of 20-9-308, the budget of a K-12
 21 district during its last year of operations as a K-12 district will be prorated based on rules promulgated by
 22 the superintendent of public instruction."
 23

24 **NEW SECTION. Section 3. {standard} Effective date.** [This act] is effective on passage and
 25 approval.

26 -END-

HOUSE BILL NO. 206

INTRODUCED BY MCCANN, JERGESON, TOEWS, PECK, HOLLAND

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR DISSOLUTION OF A K-12 SCHOOL DISTRICT IF CREATION OR CONTINUATION OF THE K-12 DISTRICT RESULTS IN THE LOSS OF FEDERAL FUNDING; AMENDING SECTIONS 20-6-701 AND 20-6-704, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 20-6-701, MCA, is amended to read:

"20-6-701. K-12 school districts required -- definition -- procedure for creation -- exception. (1)

Except as provided in subsection (4), ~~by the school fiscal year beginning July 1, 1995,~~ each elementary district with the same district boundaries as a high school district shall attach to the high school district for the purpose of establishing a K-12 school district.

(2) For the purposes of this title, unless the context clearly indicates otherwise, "K-12 school district" means a high school district with an elementary district that has been attached to the high school district under the procedures provided in this section, with the high school district remaining an organized district under the provisions of 20-6-101 and other provisions of law and the elementary district becoming an inactive district under the provisions of 20-6-101.

(3) The attachment of an elementary district to a high school district to form a K-12 school district must be conducted under the following procedure:

(a) The trustees of each district shall pass a resolution requesting the county superintendent to order an attachment involving their districts.

(b) When the county superintendent receives a resolution from each of the districts, the county superintendent shall, within 10 days after receipt of the last resolution, order the attachment of the elementary district to the high school district to take effect on July 1 of the ensuing school fiscal year. Within 30 days of the order, the county superintendent shall send a copy of the order to the board of county commissioners, the trustees of the districts included in the attachment order, and the superintendent of public instruction.

1 (4) This section does not apply to a school district receiving ~~Public Law 81-874~~ federal funding if
 2 creation or continuation of a K-12 district ~~would result~~ has resulted in or will result in the loss of ~~Public Law~~
 3 ~~81-874~~ federal funding."

4
 5 **Section 2.** Section 20-6-704, MCA, is amended to read:

6 **"20-6-704. Dissolution of K-12 school district.** (1) ~~IN~~ EXCEPT AS PROVIDED IN SUBSECTION (2),
 7 IN order to dissolve a K-12 district under the provisions of this section, the trustees of a district shall submit
 8 for approval to the electors of the K-12 district ~~shall approve~~ a proposition dissolving the K-12 district;

9 ~~(a)~~ for the purpose of annexing or consolidating the K-12 district's elementary or high school
 10 program with an adjacent school district or districts in an ensuing school fiscal year under the provisions
 11 of 20-6-203 through 20-6-208 or 20-6-315 through 20-6-319 ~~or.~~

12 ~~(b) if~~ (2) IF the trustees of the school district determine that the creation or continuation of the
 13 K-12 district has resulted in or will result in the loss of federal funding for the elementary or high school
 14 programs and that it is in the best interest of the district to dissolve into the original elementary district and
 15 high school district that existed prior to the formation of the K-12 district, THE TRUSTEES MAY DISSOLVE
 16 THE DISTRICT UNDER THE FOLLOWING PROCEDURE:

17 (A) THE TRUSTEES OF THE DISTRICT SHALL PASS A RESOLUTION REQUESTING THE COUNTY
 18 SUPERINTENDENT TO ORDER A DISSOLUTION OF THE DISTRICT.

19 (B) WHEN THE COUNTY SUPERINTENDENT RECEIVES THE RESOLUTION FROM THE DISTRICT,
 20 THE COUNTY SUPERINTENDENT SHALL, WITHIN 10 DAYS, ORDER THE DISSOLUTION OF THE K-12
 21 DISTRICT INTO THE ORIGINAL ELEMENTARY DISTRICT AND HIGH SCHOOL DISTRICT, TO TAKE EFFECT
 22 ON JULY 1 OF THE ENSUING SCHOOL FISCAL YEAR. WITHIN 30 DAYS OF THE ORDER, THE COUNTY
 23 SUPERINTENDENT SHALL SEND A COPY OF THE ORDER TO THE BOARD OF COUNTY COMMISSIONERS,
 24 THE TRUSTEES OF THE DISTRICT, AND THE SUPERINTENDENT OF PUBLIC INSTRUCTION.

25 ~~(2)(3)~~ If the entire territory of the dissolving K-12 district will be annexed or consolidated with an
 26 adjacent district or districts, the resolution or petition required in subsection (1) OR (2) must contain a
 27 description of the manner in which the real and personal property and funds of the district are to be
 28 apportioned in the dissolution of the district and the subsequent annexation or consolidation with one or
 29 more other districts. If a portion of the dissolving K-12 district will not be annexed or consolidated with
 30 another district or districts ~~and the resolution or petition does not contain a description of the~~

1 ~~apportionment of funds and property, the provisions of subsection (4)(e) must be used to determine the~~
 2 ~~disposition of property and funds, the resolution or petition must contain a description of the manner in~~
 3 ~~which the property, funds, and financial obligations, including bonded indebtedness, of the K-12 district~~
 4 ~~are to be apportioned to the district or districts whose territory is not consolidated or annexed to another~~
 5 ~~district.~~

6 ~~(3)(4)~~ After the county superintendent receives the certificate of election provided for in 20-20-416
 7 from the trustees of the K-12 district and from each district included in a consolidation proposition, the
 8 county superintendent shall determine whether the dissolution and annexation or consolidation proposition
 9 or propositions have been approved. If the K-12 district has approved the dissolution proposition and each
 10 district involved in a consolidation has approved the consolidation proposition, the county superintendent
 11 shall, within 10 days after the receipt of the election certificate, order the dissolution of the K-12 district
 12 into the original elementary district and high school district, to take effect on July 1 of the ensuing school
 13 fiscal year. Within 30 days of the order, the county superintendent shall send a copy of the dissolution
 14 order to the board of county commissioners, the trustees of the district included in the dissolution order,
 15 and the superintendent of public instruction.

16 ~~(4)(5)~~ Whenever a K-12 district is dissolved ~~for the purpose of annexing or consolidating the high~~
 17 ~~school or elementary program with one or more other districts,~~ the following provisions apply:

18 (a) ~~The trustees of the K-12 district are the trustees of the district whose territory is not~~
 19 ~~consolidated or annexed to one or more adjacent districts upon dissolution of the K-12 district.~~

20 (b) The trustees of the elementary district whose territory is not annexed or consolidated upon
 21 dissolution of the K-12 district are responsible for the execution of remaining financial obligations of the
 22 K-12 district, ~~including tuition~~ and for the apportionment between the elementary and high school programs
 23 of any obligations not identified in the resolution required under subsection (2) (3).

24 (c) ~~Unless otherwise provided for in the proposition for dissolution of the K-12 district, all the~~
 25 ~~tangible property, real and personal, of the K-12 district and all cash and receivables remaining to the credit~~
 26 ~~of the K-12 district after providing for payment of outstanding debts, except bonded indebtedness, become~~
 27 ~~the property of the district whose territory is not annexed or consolidated with one or more adjacent~~
 28 ~~districts.~~

29 (d) (b) The provisions of 20-6-410 apply for tenure teachers in the dissolution of a K-12 district.

30 (e) (c) For purposes of applying the budget limitation provisions of 20-9-308, the budget of a K-12

1 district during its last year of operations as a K-12 district will be prorated based on rules promulgated by
2 the superintendent of public instruction."

3

4 NEW SECTION. **Section 3. {standard} Effective date.** [This act] is effective on passage and
5 approval.

6

-END-

1 HOUSE BILL NO. 206

2 INTRODUCED BY MCCANN, JERGESON, TOEWS, PECK, HOLLAND

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR DISSOLUTION OF A K-12 SCHOOL DISTRICT
5 IF CREATION OR CONTINUATION OF THE K-12 DISTRICT RESULTS IN THE LOSS OF FEDERAL FUNDING;
6 AMENDING SECTIONS 20-6-701 AND 20-6-704, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE
7 DATE."
8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
10

11 **Section 1.** Section 20-6-701, MCA, is amended to read:

12 **"20-6-701. K-12 school districts required -- definition -- procedure for creation -- exception. (1)**
13 Except as provided in subsection (4), ~~by the school fiscal year beginning July 1, 1995,~~ each elementary
14 district with the same district boundaries as a high school district shall attach to the high school district for
15 the purpose of establishing a K-12 school district.

16 (2) For the purposes of this title, unless the context clearly indicates otherwise, "K-12 school
17 district" means a high school district with an elementary district that has been attached to the high school
18 district under the procedures provided in this section, with the high school district remaining an organized
19 district under the provisions of 20-6-101 and other provisions of law and the elementary district becoming
20 an inactive district under the provisions of 20-6-101.

21 (3) The attachment of an elementary district to a high school district to form a K-12 school district
22 must be conducted under the following procedure:

23 (a) The trustees of each district shall pass a resolution requesting the county superintendent to
24 order an attachment involving their districts.

25 (b) When the county superintendent receives a resolution from each of the districts, the county
26 superintendent shall, within 10 days after receipt of the last resolution, order the attachment of the
27 elementary district to the high school district to take effect on July 1 of the ensuing school fiscal year.
28 Within 30 days of the order, the county superintendent shall send a copy of the order to the board of
29 county commissioners, the trustees of the districts included in the attachment order, and the superintendent
30 of public instruction.

1 (4) This section does not apply to a school district receiving ~~Public Law 81-874~~ federal funding if
 2 creation or continuation of a K-12 district ~~would result~~ has resulted in or will result in the loss of ~~Public Law~~
 3 ~~81-874~~ federal funding."

4
 5 **Section 2.** Section 20-6-704, MCA, is amended to read:

6 "**20-6-704. Dissolution of K-12 school district.** (1) ~~IN~~ EXCEPT AS PROVIDED IN SUBSECTION (2),
 7 IN order to dissolve a K-12 district under the provisions of this section, the trustees of a district shall submit
 8 for approval to the electors of the K-12 district ~~shall approve~~ a proposition dissolving the K-12 district;

9 ~~(a)~~ for the purpose of annexing or consolidating the K-12 district's elementary or high school
 10 program with an adjacent school district or districts in an ensuing school fiscal year under the provisions
 11 of 20-6-203 through 20-6-208 or 20-6-315 through 20-6-319, ~~or.~~

12 ~~(b) if~~ (2) IF the trustees of the school district determine that the creation or continuation of the
 13 K-12 district has resulted in or will result in the loss of federal funding for the elementary or high school
 14 programs and that it is in the best interest of the district to dissolve into the original elementary district and
 15 high school district that existed prior to the formation of the K-12 district, THE TRUSTEES MAY DISSOLVE
 16 THE DISTRICT UNDER THE FOLLOWING PROCEDURE:

17 (A) THE TRUSTEES OF THE DISTRICT SHALL PASS A RESOLUTION REQUESTING THE COUNTY
 18 SUPERINTENDENT TO ORDER A DISSOLUTION OF THE DISTRICT.

19 (B) WHEN THE COUNTY SUPERINTENDENT RECEIVES THE RESOLUTION FROM THE DISTRICT,
 20 THE COUNTY SUPERINTENDENT SHALL, WITHIN 10 DAYS, ORDER THE DISSOLUTION OF THE K-12
 21 DISTRICT INTO THE ORIGINAL ELEMENTARY DISTRICT AND HIGH SCHOOL DISTRICT, TO TAKE EFFECT
 22 ON JULY 1 OF THE ENSUING SCHOOL FISCAL YEAR. WITHIN 30 DAYS OF THE ORDER, THE COUNTY
 23 SUPERINTENDENT SHALL SEND A COPY OF THE ORDER TO THE BOARD OF COUNTY COMMISSIONERS,
 24 THE TRUSTEES OF THE DISTRICT, AND THE SUPERINTENDENT OF PUBLIC INSTRUCTION.

25 ~~(2)(3)~~ If the entire territory of the dissolving K-12 district will be annexed or consolidated with an
 26 adjacent district or districts, the resolution or petition required in subsection (1) OR (2) must contain a
 27 description of the manner in which the real and personal property and funds of the district are to be
 28 apportioned in the dissolution of the district and the subsequent annexation or consolidation with one or
 29 more other districts. If a portion of the dissolving K-12 district will not be annexed or consolidated with
 30 another district or districts ~~and the resolution or petition does not contain a description of the~~

1 ~~apportionment of funds and property, the provisions of subsection (4)(e) must be used to determine the~~
 2 ~~disposition of property and funds, the resolution or petition must contain a description of the manner in~~
 3 ~~which the property, funds, and financial obligations, including bonded indebtedness, of the K-12 district~~
 4 ~~are to be apportioned to the district or districts whose territory is not consolidated or annexed to another~~
 5 ~~district.~~

6 ~~(3)(4)~~ After the county superintendent receives the certificate of election provided for in 20-20-416
 7 from the trustees of the K-12 district and from each district included in a consolidation proposition, the
 8 county superintendent shall determine whether the dissolution and annexation or consolidation proposition
 9 or propositions have been approved. If the K-12 district has approved the dissolution proposition and each
 10 district involved in a consolidation has approved the consolidation proposition, the county superintendent
 11 shall, within 10 days after the receipt of the election certificate, order the dissolution of the K-12 district
 12 into the original elementary district and high school district, to take effect on July 1 of the ensuing school
 13 fiscal year. Within 30 days of the order, the county superintendent shall send a copy of the dissolution
 14 order to the board of county commissioners, the trustees of the district included in the dissolution order,
 15 and the superintendent of public instruction.

16 ~~(4)(5)~~ Whenever a K-12 district is dissolved ~~for the purpose of annexing or consolidating the high~~
 17 ~~school or elementary program with one or more other districts,~~ the following provisions apply:

18 (a) ~~The trustees of the K-12 district are the trustees of the district whose territory is not~~
 19 ~~consolidated or annexed to one or more adjacent districts upon dissolution of the K-12 district.~~

20 (b) The trustees of the elementary district whose territory is not annexed or consolidated upon
 21 dissolution of the K-12 district are responsible for the execution of remaining financial obligations of the
 22 K-12 district, including tuition and for the apportionment between the elementary and high school programs
 23 of any obligations not identified in the resolution required under subsection ~~(2)~~ (3).

24 ~~(c) Unless otherwise provided for in the proposition for dissolution of the K-12 district, all the~~
 25 ~~tangible property, real and personal, of the K-12 district and all cash and receivables remaining to the credit~~
 26 ~~of the K-12 district after providing for payment of outstanding debts, except bonded indebtedness, become~~
 27 ~~the property of the district whose territory is not annexed or consolidated with one or more adjacent~~
 28 ~~districts.~~

29 ~~(d)(b)~~ The provisions of 20-6-410 apply for tenure teachers in the dissolution of a K-12 district.

30 ~~(e)(c)~~ For purposes of applying the budget limitation provisions of 20-9-308, the budget of a K-12

1 district during its last year of operations as a K-12 district will be prorated based on rules promulgated by
2 the superintendent of public instruction."

3

4 NEW SECTION. **Section 3. {standard} Effective date.** [This act] is effective on passage and
5 approval.

6

-END-

1 HOUSE BILL NO. 206

2 INTRODUCED BY MCCANN, JERGESON, TOEWS, PECK, HOLLAND

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR DISSOLUTION OF A K-12 SCHOOL DISTRICT
5 IF CREATION OR CONTINUATION OF THE K-12 DISTRICT RESULTS IN THE LOSS OF FEDERAL FUNDING;
6 AMENDING SECTIONS 20-6-701 AND 20-6-704, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE
7 DATE."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10
11 **Section 1.** Section 20-6-701, MCA, is amended to read:

12 **"20-6-701. K-12 school districts required -- definition -- procedure for creation -- exception. (1)**

13 Except as provided in subsection (4), ~~by the school fiscal year beginning July 1, 1995,~~ each elementary
14 district with the same district boundaries as a high school district shall attach to the high school district for
15 the purpose of establishing a K-12 school district.

16 (2) For the purposes of this title, unless the context clearly indicates otherwise, "K-12 school
17 district" means a high school district with an elementary district that has been attached to the high school
18 district under the procedures provided in this section, with the high school district remaining an organized
19 district under the provisions of 20-6-101 and other provisions of law and the elementary district becoming
20 an inactive district under the provisions of 20-6-101.

21 (3) The attachment of an elementary district to a high school district to form a K-12 school district
22 must be conducted under the following procedure:

23 (a) The trustees of each district shall pass a resolution requesting the county superintendent to
24 order an attachment involving their districts.

25 (b) When the county superintendent receives a resolution from each of the districts, the county
26 superintendent shall, within 10 days after receipt of the last resolution, order the attachment of the
27 elementary district to the high school district to take effect on July 1 of the ensuing school fiscal year.
28 Within 30 days of the order, the county superintendent shall send a copy of the order to the board of
29 county commissioners, the trustees of the districts included in the attachment order, and the superintendent
30 of public instruction.

1 (4) This section does not apply to a school district receiving ~~Public Law 81-874~~ federal funding if
 2 creation or continuation of a K-12 district ~~would result~~ has resulted in or will result in the loss of ~~Public Law~~
 3 ~~81-874~~ federal funding."

4
 5 **Section 2.** Section 20-6-704, MCA, is amended to read:

6 "**20-6-704. Dissolution of K-12 school district.** (1) ~~It is~~ EXCEPT AS PROVIDED IN SUBSECTION (2),
 7 IN order to dissolve a K-12 district under the provisions of this section, the trustees of a district shall submit
 8 for approval to the electors of the K-12 district shall approve a proposition dissolving the K-12 district;
 9 ~~or~~ for the purpose of annexing or consolidating the K-12 district's elementary or high school
 10 program with an adjacent school district or districts in an ensuing school fiscal year under the provisions
 11 of 20-6-203 through 20-6-208 or 20-6-315 through 20-6-319, ~~or.~~

12 ~~(b) if~~ (2) IF the trustees of the school district determine that the creation or continuation of the
 13 K-12 district has resulted in or will result in the loss of federal funding for the elementary or high school
 14 programs and that it is in the best interest of the district to dissolve into the original elementary district and
 15 high school district that existed prior to the formation of the K-12 district, THE TRUSTEES MAY DISSOLVE
 16 THE DISTRICT UNDER THE FOLLOWING PROCEDURE:

17 (A) THE TRUSTEES OF THE DISTRICT SHALL PASS A RESOLUTION REQUESTING THE COUNTY
 18 SUPERINTENDENT TO ORDER A DISSOLUTION OF THE DISTRICT.

19 (B) WHEN THE COUNTY SUPERINTENDENT RECEIVES THE RESOLUTION FROM THE DISTRICT,
 20 THE COUNTY SUPERINTENDENT SHALL, WITHIN 10 DAYS, ORDER THE DISSOLUTION OF THE K-12
 21 DISTRICT INTO THE ORIGINAL ELEMENTARY DISTRICT AND HIGH SCHOOL DISTRICT, TO TAKE EFFECT
 22 ON JULY 1 OF THE ENSUING SCHOOL FISCAL YEAR. WITHIN 30 DAYS OF THE ORDER, THE COUNTY
 23 SUPERINTENDENT SHALL SEND A COPY OF THE ORDER TO THE BOARD OF COUNTY COMMISSIONERS,
 24 THE TRUSTEES OF THE DISTRICT, AND THE SUPERINTENDENT OF PUBLIC INSTRUCTION.

25 ~~(2)(3)~~ (3) If the entire territory of the dissolving K-12 district will be annexed or consolidated with an
 26 adjacent district or districts, the resolution or petition required in subsection (1) OR (2) must contain a
 27 description of the manner in which the real and personal property and funds of the district are to be
 28 apportioned in the dissolution of the district and the subsequent annexation or consolidation with one or
 29 more other districts. If a portion of the dissolving K-12 district will not be annexed or consolidated with
 30 another district or districts ~~and the resolution or petition does not contain a description of the~~

1 ~~apportionment of funds and property, the provisions of subsection (4)(e) must be used to determine the~~
 2 ~~disposition of property and funds, the resolution or petition must contain a description of the manner in~~
 3 ~~which the property, funds, and financial obligations, including bonded indebtedness, of the K-12 district~~
 4 ~~are to be apportioned to the district or districts whose territory is not consolidated or annexed to another~~
 5 ~~district.~~

6 ~~(3)~~(4) After the county superintendent receives the certificate of election provided for in 20-20-416
 7 from the trustees of the K-12 district and from each district included in a consolidation proposition, the
 8 county superintendent shall determine whether the dissolution and annexation or consolidation proposition
 9 or propositions have been approved. If the K-12 district has approved the dissolution proposition and each
 10 district involved in a consolidation has approved the consolidation proposition, the county superintendent
 11 shall, within 10 days after the receipt of the election certificate, order the dissolution of the K-12 district
 12 into the original elementary district and high school district, to take effect on July 1 of the ensuing school
 13 fiscal year. Within 30 days of the order, the county superintendent shall send a copy of the dissolution
 14 order to the board of county commissioners, the trustees of the district included in the dissolution order,
 15 and the superintendent of public instruction.

16 ~~(4)~~(5) Whenever a K-12 district is dissolved ~~for the purpose of annexing or consolidating the high~~
 17 ~~school or elementary program with one or more other districts,~~ the following provisions apply:

18 (a) ~~The trustees of the K-12 district are the trustees of the district whose territory is not~~
 19 ~~consolidated or annexed to one or more adjacent districts upon dissolution of the K-12 district.~~

20 ~~(b)~~ The trustees of the elementary district whose territory is not annexed or consolidated upon
 21 dissolution of the K-12 district are responsible for the execution of remaining financial obligations of the
 22 K-12 district, including tuition and for the apportionment between the elementary and high school programs
 23 of any obligations not identified in the resolution required under subsection ~~(2)~~ (3).

24 ~~(c)~~ ~~Unless otherwise provided for in the proposition for dissolution of the K-12 district, all the~~
 25 ~~tangible property, real and personal, of the K-12 district and all cash and receivables remaining to the credit~~
 26 ~~of the K-12 district after providing for payment of outstanding debts, except bonded indebtedness, become~~
 27 ~~the property of the district whose territory is not annexed or consolidated with one or more adjacent~~
 28 ~~districts.~~

29 ~~(d)~~(b) The provisions of 20-6-410 apply for tenure teachers in the dissolution of a K-12 district.

30 ~~(e)~~(c) For purposes of applying the budget limitation provisions of 20-9-308, the budget of a K-12

1 district during its last year of operations as a K-12 district will be prorated based on rules promulgated by
2 the superintendent of public instruction."

3

4 NEW SECTION. Section 3. {standard} Effective date. [This act] is effective on passage and
5 approval.

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-END-

1 HOUSE BILL NO. 206

2 INTRODUCED BY MCCANN, JERGESON, TOEWS, PECK, HOLLAND

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR DISSOLUTION OF A K-12 SCHOOL DISTRICT
5 IF CREATION OR CONTINUATION OF THE K-12 DISTRICT RESULTS IN THE LOSS OF FEDERAL FUNDING;
6 AMENDING SECTIONS 20-6-701 AND 20-6-704, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE
7 DATE."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10
11 **Section 1.** Section 20-6-701, MCA, is amended to read:

12 **"20-6-701. K-12 school districts required -- definition -- procedure for creation -- exception.** (1)

13 Except as provided in subsection (4), ~~by the school fiscal year beginning July 1, 1995,~~ each elementary
14 district with the same district boundaries as a high school district shall attach to the high school district for
15 the purpose of establishing a K-12 school district.

16 (2) For the purposes of this title, unless the context clearly indicates otherwise, "K-12 school
17 district" means a high school district with an elementary district that has been attached to the high school
18 district under the procedures provided in this section, with the high school district remaining an organized
19 district under the provisions of 20-6-101 and other provisions of law and the elementary district becoming
20 an inactive district under the provisions of 20-6-101.

21 (3) The attachment of an elementary district to a high school district to form a K-12 school district
22 must be conducted under the following procedure:

23 (a) The trustees of each district shall pass a resolution requesting the county superintendent to
24 order an attachment involving their districts.

25 (b) When the county superintendent receives a resolution from each of the districts, the county
26 superintendent shall, within 10 days after receipt of the last resolution, order the attachment of the
27 elementary district to the high school district to take effect on July 1 of the ensuing school fiscal year.
28 Within 30 days of the order, the county superintendent shall send a copy of the order to the board of
29 county commissioners, the trustees of the districts included in the attachment order, and the superintendent
30 of public instruction.

1 (4) This section does not apply to a school district receiving ~~Public Law 81-874 federal~~ funding if
 2 creation or continuation of a K-12 district ~~would result~~ has resulted in or will result in the loss of ~~Public Law~~
 3 ~~81-874 federal~~ funding."

4
 5 **Section 2.** Section 20-6-704, MCA, is amended to read:

6 "20-6-704. **Dissolution of K-12 school district.** (1) ~~IN~~ EXCEPT AS PROVIDED IN SUBSECTION (2),
 7 IN order to dissolve a K-12 district under the provisions of this section, the trustees of a district shall submit
 8 for approval to the electors of the K-12 district ~~shall approve~~ a proposition dissolving the K-12 district;
 9 ~~for~~ for the purpose of annexing or consolidating the K-12 district's elementary or high school
 10 program with an adjacent school district or districts in an ensuing school fiscal year under the provisions
 11 of 20-6-203 through 20-6-208 or 20-6-315 through 20-6-319 ~~or.~~

12 ~~(b) if~~ (2) IF the trustees of the school district determine that the creation or continuation of the
 13 K-12 district has resulted in or will result in the loss of federal funding for the elementary or high school
 14 programs and that it is in the best interest of the district to dissolve into the original elementary district and
 15 high school district that existed prior to the formation of the K-12 district, THE TRUSTEES MAY DISSOLVE
 16 THE DISTRICT UNDER THE FOLLOWING PROCEDURE:

17 (A) THE TRUSTEES OF THE DISTRICT SHALL PASS A RESOLUTION REQUESTING THE COUNTY
 18 SUPERINTENDENT TO ORDER A DISSOLUTION OF THE DISTRICT.

19 (B) WHEN THE COUNTY SUPERINTENDENT RECEIVES THE RESOLUTION FROM THE DISTRICT,
 20 THE COUNTY SUPERINTENDENT SHALL, WITHIN 10 DAYS, ORDER THE DISSOLUTION OF THE K-12
 21 DISTRICT INTO THE ORIGINAL ELEMENTARY DISTRICT AND HIGH SCHOOL DISTRICT, TO TAKE EFFECT
 22 ON JULY 1 OF THE ENSUING SCHOOL FISCAL YEAR. WITHIN 30 DAYS OF THE ORDER, THE COUNTY
 23 SUPERINTENDENT SHALL SEND A COPY OF THE ORDER TO THE BOARD OF COUNTY COMMISSIONERS,
 24 THE TRUSTEES OF THE DISTRICT, AND THE SUPERINTENDENT OF PUBLIC INSTRUCTION.

25 ~~(2)(3)~~ (3) If the entire territory of the dissolving K-12 district will be annexed or consolidated with an
 26 adjacent district or districts, the resolution or petition required in subsection (1) OR (2) must contain a
 27 description of the manner in which the real and personal property and funds of the district are to be
 28 apportioned in the dissolution of the district and the subsequent annexation or consolidation with one or
 29 more other districts. If a portion of the dissolving K-12 district will not be annexed or consolidated with
 30 another district or districts ~~and the resolution or petition does not contain a description of the~~

1 ~~apportionment of funds and property, the provisions of subsection (4)(a) must be used to determine the~~
 2 ~~disposition of property and funds, the resolution or petition must contain a description of the manner in~~
 3 ~~which the property, funds, and financial obligations, including bonded indebtedness, of the K-12 district~~
 4 ~~are to be apportioned to the district or districts whose territory is not consolidated or annexed to another~~
 5 ~~district.~~

6 ~~(3)~~(4) After the county superintendent receives the certificate of election provided for in 20-20-416
 7 from the trustees of the K-12 district and from each district included in a consolidation proposition, the
 8 county superintendent shall determine whether the dissolution and annexation or consolidation proposition
 9 or propositions have been approved. If the K-12 district has approved the dissolution proposition and each
 10 district involved in a consolidation has approved the consolidation proposition, the county superintendent
 11 shall, within 10 days after the receipt of the election certificate, order the dissolution of the K-12 district
 12 into the original elementary district and high school district, to take effect on July 1 of the ensuing school
 13 fiscal year. Within 30 days of the order, the county superintendent shall send a copy of the dissolution
 14 order to the board of county commissioners, the trustees of the district included in the dissolution order,
 15 and the superintendent of public instruction.

16 ~~(4)~~(5) Whenever a K-12 district is dissolved ~~for the purpose of annexing or consolidating the high~~
 17 ~~school or elementary program with one or more other districts,~~ the following provisions apply:

18 ~~(a) The trustees of the K-12 district are the trustees of the district whose territory is not~~
 19 ~~consolidated or annexed to one or more adjacent districts upon dissolution of the K-12 district.~~

20 ~~(b)~~ The trustees of the elementary district whose territory is not annexed or consolidated upon
 21 dissolution of the K-12 district are responsible for the execution of remaining financial obligations of the
 22 K-12 district, including tuition and for the apportionment between the elementary and high school programs
 23 of any obligations not identified in the resolution required under subsection ~~(2)~~ (3).

24 ~~(c) Unless otherwise provided for in the proposition for dissolution of the K-12 district, all the~~
 25 ~~tangible property, real and personal, of the K-12 district and all cash and receivables remaining to the credit~~
 26 ~~of the K-12 district after providing for payment of outstanding debts, except bonded indebtedness, become~~
 27 ~~the property of the district whose territory is not annexed or consolidated with one or more adjacent~~
 28 ~~districts.~~

29 ~~(d)~~(b) The provisions of 20-6-410 apply for tenure teachers in the dissolution of a K-12 district.

30 ~~(e)~~(c) For purposes of applying the budget limitation provisions of 20-9-308, the budget of a K-12

1 district during its last year of operations as a K-12 district will be prorated based on rules promulgated by
2 the superintendent of public instruction.”

3

4 NEW SECTION. **Section 3. {standard} Effective date.** [This act] is effective on passage and
5 approval.

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