

HOUSE BILL NO. 31

INTRODUCED BY C. JUNEAU, CHRISTIAENS, COCCHIARELLA, DOHERTY, ELLINGSON, ELLIOTT, FRANKLIN, HALLIGAN, HARRINGTON, JERGESON, MCCARTHY, NELSON, PEASE, ROUSH, RYAN, SHEA, STONINGTON, TESTER, TOOLE, WATERMAN, P. CLARK, FORRESTER, GALLUS, HARRIS, JACOBSON, LINDEEN, NEWMAN, RASER, BIXBY, BRANAE, BUSSAS, CALLAHAN, CARNEY, CYR, DELL, EGGERS, ERICKSON, FACEY, GALLIK GALVIN, GILLAN, GOLIE, GUTSCHE, HURDLE, JAYNE, JENT, KAUFMANN, KEANE, LASLOVICH, LEE, LENHART, MANGAN, MATTHEWS, MCCANN, MUSGROVE, RICE, SCHMIDT, SMITH, TRAMELLI, TROPILA, WANZENRIED

BY REQUEST OF THE OFFICE OF PUBLIC INSTRUCTION

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE TOTAL PER-ANB AND BASIC ENTITLEMENTS FOR PUBLIC SCHOOLS FOR SCHOOL FISCAL YEARS 2002 AND SUCCEEDING YEARS; INCREASING THE TOTAL PER-ANB ENTITLEMENT FOR AN ELEMENTARY SCHOOL DISTRICT OR A K-12 DISTRICT ELEMENTARY PROGRAM TO \$3,909 FOR SCHOOL FISCAL YEAR 2002 AND TO \$4,182 FOR SUCCEEDING SCHOOL FISCAL YEARS; INCREASING THE TOTAL PER-ANB ENTITLEMENT FOR A HIGH SCHOOL DISTRICT OR A K-12 DISTRICT HIGH SCHOOL PROGRAM TO \$5,210 FOR SCHOOL FISCAL YEAR 2002 AND TO \$5,575 FOR SUCCEEDING SCHOOL FISCAL YEARS; INCREASING THE BASIC ENTITLEMENT FOR EACH HIGH SCHOOL DISTRICT TO \$214,000 FOR SCHOOL FISCAL YEAR 2002 AND TO \$228,980 FOR SUCCEEDING SCHOOL FISCAL YEARS; INCREASING THE BASIC ENTITLEMENT FOR EACH ELEMENTARY SCHOOL DISTRICT OR K-12 DISTRICT ELEMENTARY PROGRAM TO \$19,260 FOR SCHOOL FISCAL YEAR 2002 AND TO \$20,608 FOR SUCCEEDING SCHOOL FISCAL YEARS; PROVIDING AN APPROPRIATION; AMENDING SECTION 20-9-306, MCA; AND PROVIDING EFFECTIVE DATES, APPLICABILITY DATES, AND A TERMINATION DATE."

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

Section 1. Section 20-9-306, MCA, is amended to read:

"20-9-306. Definitions. As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "BASE" means base amount for school equity.



1 (2) "BASE aid" means:

2 (a) direct state aid for 44.7% of the basic entitlement and 44.7% of the total per-ANB entitlement
3 for the general fund budget of a district; and

4 (b) guaranteed tax base aid for an eligible district for any amount up to 35.3% of the basic
5 entitlement, up to 35.3% of the total per-ANB entitlement budgeted in the general fund budget of a
6 district, and up to 40% of the special education allowable cost payment.

7 (3) "BASE budget" means the minimum general fund budget of a district, which includes 80% of
8 the basic entitlement, 80% of the total per-ANB entitlement, and up to 140% of the special education
9 allowable cost payment.

10 (4) "BASE budget levy" means the district levy in support of the BASE budget of a district, which
11 may be supplemented by guaranteed tax base aid if the district is eligible under the provisions of 20-9-366
12 through 20-9-369.

13 (5) "BASE funding program" means the state program for the equitable distribution of the state's
14 share of the cost of Montana's basic system of public elementary schools and high schools, through
15 county equalization aid as provided in 20-9-331 and 20-9-333 and state equalization aid as provided in
16 20-9-343, in support of the BASE budgets of districts and special education allowable cost payments as
17 provided in 20-9-321.

18 (6) "Basic entitlement" means:

19 (a) ~~\$206,000~~ \$214,000 for each high school district;

20 (b) ~~\$18,540~~ \$19,260 for each elementary school district or K-12 district elementary program
21 without an approved and accredited junior high school or middle school; and

22 (c) the prorated entitlement for each elementary school district or K-12 district elementary program
23 with an approved and accredited junior high school or middle school, calculated as follows:

24 (i) ~~\$18,540~~ \$19,260 times the ratio of the ANB for kindergarten through grade 6 to the total ANB
25 of kindergarten through grade 8; plus

26 (ii) ~~\$206,000~~ \$214,000 times the ratio of the ANB for grades 7 and 8 to the total ANB of
27 kindergarten through grade 8.

28 (7) "Direct state aid" means 44.7% of the basic entitlement and 44.7% of the total per-ANB
29 entitlement for the general fund budget of a district and funded with state and county equalization aid.

30 (8) "Maximum general fund budget" means a district's general fund budget amount calculated

1 from the basic entitlement for the district, the total per-ANB entitlement for the district, and up to 153%
2 of special education allowable cost payments.

3 (9) "Over-BASE budget levy" means the district levy in support of any general fund amount
4 budgeted that is above the BASE budget and below the maximum general fund budget for a district.

5 (10) "Total per-ANB entitlement" means the district entitlement resulting from the following
6 calculations:

7 (a) for a high school district or a K-12 district high school program, a maximum rate of ~~\$5,015~~
8 \$5,210 for the first ANB is decreased at the rate of 50 cents per ANB for each additional ANB of the
9 district up through 800 ANB, with each ANB in excess of 800 receiving the same amount of entitlement
10 as the 800th ANB;

11 (b) for an elementary school district or a K-12 district elementary program without an approved
12 and accredited junior high school or middle school, a maximum rate of ~~\$3,763~~ \$3,909 for the first ANB
13 is decreased at the rate of 20 cents per ANB for each additional ANB of the district up through 1,000
14 ANB, with each ANB in excess of 1,000 receiving the same amount of entitlement as the 1,000th ANB;
15 and

16 (c) for an elementary school district or a K-12 district elementary program with an approved and
17 accredited junior high school or middle school, the sum of:

18 (i) a maximum rate of ~~\$3,763~~ \$3,909 for the first ANB for kindergarten through grade 6 is
19 decreased at the rate of 20 cents per ANB for each additional ANB up through 1,000 ANB, with each ANB
20 in excess of 1,000 receiving the same amount of entitlement as the 1,000th ANB; and

21 (ii) a maximum rate of ~~\$5,015~~ \$5,210 for the first ANB for grades 7 and 8 is decreased at the rate
22 of 50 cents per ANB for each additional ANB for grades 7 and 8 up through 800 ANB, with each ANB in
23 excess of 800 receiving the same amount of entitlement as the 800th ANB."
24

25 **Section 2.** Section 20-9-306, MCA, is amended to read:

26 **"20-9-306. Definitions.** As used in this title, unless the context clearly indicates otherwise, the
27 following definitions apply:

28 (1) "BASE" means base amount for school equity.

29 (2) "BASE aid" means:

30 (a) direct state aid for 44.7% of the basic entitlement and 44.7% of the total per-ANB entitlement

1 for the general fund budget of a district; and

2 (b) guaranteed tax base aid for an eligible district for any amount up to 35.3% of the basic
3 entitlement, up to 35.3% of the total per-ANB entitlement budgeted in the general fund budget of a
4 district, and up to 40% of the special education allowable cost payment.

5 (3) "BASE budget" means the minimum general fund budget of a district, which includes 80% of
6 the basic entitlement, 80% of the total per-ANB entitlement, and up to 140% of the special education
7 allowable cost payment.

8 (4) "BASE budget levy" means the district levy in support of the BASE budget of a district, which
9 may be supplemented by guaranteed tax base aid if the district is eligible under the provisions of 20-9-366
10 through 20-9-369.

11 (5) "BASE funding program" means the state program for the equitable distribution of the state's
12 share of the cost of Montana's basic system of public elementary schools and high schools, through
13 county equalization aid as provided in 20-9-331 and 20-9-333 and state equalization aid as provided in
14 20-9-343, in support of the BASE budgets of districts and special education allowable cost payments as
15 provided in 20-9-321.

16 (6) "Basic entitlement" means:

17 (a) ~~\$206,000~~ \$228,980 for each high school district;

18 (b) ~~\$18,540~~ \$20,608 for each elementary school district or K-12 district elementary program
19 without an approved and accredited junior high school or middle school; and

20 (c) the prorated entitlement for each elementary school district or K-12 district elementary program
21 with an approved and accredited junior high school or middle school, calculated as follows:

22 (i) ~~\$18,540~~ \$20,608 times the ratio of the ANB for kindergarten through grade 6 to the total ANB
23 of kindergarten through grade 8; plus

24 (ii) ~~\$206,000~~ \$228,980 times the ratio of the ANB for grades 7 and 8 to the total ANB of
25 kindergarten through grade 8.

26 (7) "Direct state aid" means 44.7% of the basic entitlement and 44.7% of the total per-ANB
27 entitlement for the general fund budget of a district and funded with state and county equalization aid.

28 (8) "Maximum general fund budget" means a district's general fund budget amount calculated
29 from the basic entitlement for the district, the total per-ANB entitlement for the district, and up to 153%
30 of special education allowable cost payments.

1 (9) "Over-BASE budget levy" means the district levy in support of any general fund amount
2 budgeted that is above the BASE budget and below the maximum general fund budget for a district.

3 (10) "Total per-ANB entitlement" means the district entitlement resulting from the following
4 calculations:

5 (a) for a high school district or a K-12 district high school program, a maximum rate of ~~\$5,015~~
6 \$5,575 for the first ANB is decreased at the rate of 50 cents per ANB for each additional ANB of the
7 district up through 800 ANB, with each ANB in excess of 800 receiving the same amount of entitlement
8 as the 800th ANB;

9 (b) for an elementary school district or a K-12 district elementary program without an approved
10 and accredited junior high school or middle school, a maximum rate of ~~\$3,763~~ \$4,182 for the first ANB
11 is decreased at the rate of 20 cents per ANB for each additional ANB of the district up through 1,000
12 ANB, with each ANB in excess of 1,000 receiving the same amount of entitlement as the 1,000th ANB;
13 and

14 (c) for an elementary school district or a K-12 district elementary program with an approved and
15 accredited junior high school or middle school, the sum of:

16 (i) a maximum rate of ~~\$3,763~~ \$4,182 for the first ANB for kindergarten through grade 6 is
17 decreased at the rate of 20 cents per ANB for each additional ANB up through 1,000 ANB, with each ANB
18 in excess of 1,000 receiving the same amount of entitlement as the 1,000th ANB; and

19 (ii) a maximum rate of ~~\$5,015~~ \$5,575 for the first ANB for grades 7 and 8 is decreased at the rate
20 of 50 cents per ANB for each additional ANB for grades 7 and 8 up through 800 ANB, with each ANB in
21 excess of 800 receiving the same amount of entitlement as the 800th ANB."

22

23 NEW SECTION. SECTION 3. APPROPRIATION. THERE IS APPROPRIATED \$66,665,369 FROM THE GENERAL
24 FUND TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION FOR THE BIENNIUM BEGINNING JULY 1, 2001.

25

26 NEW SECTION. Section 4. Effective dates -- applicability. (1) Except as provided in subsection
27 (2), [this act] is effective July 1, 2001, and applies to school budgets for the school fiscal year beginning
28 July 1, 2001.

29 (2) [Section 2] is effective July 1, 2002, and applies to school budgets for the school fiscal year
30 beginning on or after July 1, 2002.

