

1 \_\_\_\_\_ BILL NO. \_\_\_\_\_

2 INTRODUCED BY \_\_\_\_\_  
3 (Primary Sponsor)

4 BY REQUEST OF THE OFFICE OF PUBLIC INSTRUCTION

5

6 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE SCHOOL FINANCE LAWS; CLARIFYING THE  
7 REQUIREMENT THAT A SCHOOL DISTRICT OPERATE FOR BOTH THE MINIMUM NUMBER OF PUPIL  
8 INSTRUCTION DAYS AND THE MINIMUM NUMBER OF HOURS; CLARIFYING THE DUTY OF THE  
9 COUNTY SUPERINTENDENT REGARDING THE APPORTIONMENT OF COUNTY EQUALIZATION MONEY;  
10 PROHIBITING A CHANGE IN SCHOOL DISTRICT BOUNDARIES UNTIL A DISTRICT'S MILL LEVIES HAVE  
11 BEEN SET; CLARIFYING THAT THE OPENING OR REOPENING OF AN ELEMENTARY SCHOOL IS  
12 EFFECTIVE AT THE START OF THE FOLLOWING SCHOOL YEAR; ELIMINATING REFERENCES TO  
13 CONSOLIDATION BONUS PAYMENTS; ALLOWING TRUSTEES SOME FLEXIBILITY IN HOLDING THEIR  
14 FINAL BUDGET MEETING; REQUIRING PAYMENT FROM A DISTRICT'S TUITION FUND FOR THE  
15 EDUCATION OF STUDENTS IN A YOUTH DETENTION FACILITY; REQUIRING THE ADOPTION OF THE  
16 FINAL BUDGET 5 DAYS AFTER THE SECOND MONDAY IN AUGUST; CLARIFYING THE DUTY OF THE  
17 SUPERINTENDENT OF PUBLIC INSTRUCTION REGARDING A BUDGET AMENDMENT FOR AN  
18 ENROLLMENT INCREASE; EXEMPTING AN EMERGENCY BUDGET AMENDMENT TAX LEVY FROM  
19 CERTAIN TAX RESTRICTIONS; CHANGING THE DEADLINE FOR AN APPLICATION FOR AN UNUSUAL  
20 ENROLLMENT INCREASE; REVISING THE DEFINITION OF "STATE EQUALIZATION AID"; CLARIFYING THE  
21 MINIMUM STANDARDS FOR SCHOOL BUSES; CHANGING THE TYPE OF FUND USED FOR THE  
22 ADMINISTRATION OF THE FEDERAL SCHOOL FOOD SERVICES PROGRAM; AMENDING SECTIONS  
23 20-1-301, 20-3-205, 20-6-202, 20-6-314, 20-6-502, 20-9-104, 20-9-115, 20-9-130, 20-9-131,  
24 20-9-163, 20-9-168, 20-9-314, 20-9-343, 20-10-111, AND 20-10-201, MCA; AND PROVIDING AN  
25 EFFECTIVE DATE."

26

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

28

29 **Section 1.** Section 20-1-301, MCA, is amended to read:

30 **"20-1-301. School fiscal year.** (1) The school fiscal year begins on July 1 and ends on June 30.



1 At least 180 school days of pupil instruction and the minimum aggregate hours defined in subsection (2)  
 2 must be conducted during each school fiscal year, except that 175 days and 1,050 aggregate hours of  
 3 pupil instruction for graduating seniors may be sufficient, as provided in 20-9-313, or a minimum of 90  
 4 days and 360 aggregate hours of pupil instruction must be conducted for a kindergarten program, as  
 5 provided in 20-7-117.

6 (2) The minimum aggregate hours required by grade are:

7 (a) 720 hours for grades 1 through 3; and

8 (b) 1,080 hours for grades 4 through 12.

9 (3) To calculate the number of equivalent school days of pupil instruction when providing less than  
 10 the minimum number of hours of instruction provided in subsections (1) and (2), a school district shall:

11 (a) determine the aggregate hours of pupil instruction by grade level;

12 (b) divide the aggregate hours of pupil instruction for each grade level by the minimum hours a  
 13 day for that grade level provided in 20-1-302; and

14 (c) round the result down to the nearest whole number.

15 (4) For any elementary or high school district that fails to provide for ~~at least 180~~ both the  
 16 minimum school days of pupil instruction and the minimum aggregate hours, as defined in ~~subsection~~  
 17 subsections (1) and (2), the superintendent of public instruction shall reduce the direct state aid for the  
 18 district for that school year by 1/90th for each school day less than 180 school days as calculated in  
 19 subsection (3) or by 1/90th for each calendar day less than the minimum school days required by  
 20 subsection (1), whichever is greater."

21

22 **Section 2.** Section 20-3-205, MCA, is amended to read:

23 **"20-3-205. Powers and duties.** The county superintendent has general supervision of the schools  
 24 of the county within the limitations prescribed by this title and shall perform the following duties or acts:

25 (1) determine, establish, and reestablish trustee nominating districts in accordance with the  
 26 provisions of 20-3-352, 20-3-353, and 20-3-354;

27 (2) administer and file the oaths of members of the boards of trustees of the districts in the county  
 28 in accordance with the provisions of 20-3-307;

29 (3) register the teacher or specialist certificates or emergency authorization of employment of any  
 30 person employed in the county as a teacher, specialist, principal, or district superintendent in accordance

- 1 with the provisions of 20-4-202;
- 2 (4) act on each tuition and transportation obligation submitted in accordance with the provisions  
3 of 20-5-323 and 20-5-324;
- 4 (5) file a copy of the audit report for a district in accordance with the provisions of 20-9-203;
- 5 (6) classify districts in accordance with the provisions of 20-6-201 and 20-6-301;
- 6 (7) keep a transcript and reconcile the district boundaries of the county in accordance with the  
7 provisions of 20-6-103;
- 8 (8) fulfill all responsibilities assigned under the provisions of this title regulating the organization,  
9 alteration, or abandonment of districts;
- 10 (9) act on any unification proposition and, if approved, establish additional trustee nominating  
11 districts in accordance with 20-6-312 and 20-6-313;
- 12 (10) estimate the average number belonging (ANB) of an opening school in accordance with the  
13 provisions of 20-6-502, 20-6-503, 20-6-504, or 20-6-506;
- 14 (11) process and, when required, act on school isolation applications in accordance with the  
15 provisions of 20-9-302;
- 16 (12) complete the budgets, compute the budgeted revenue and tax levies, file final budgets and  
17 budget amendments, and fulfill other responsibilities assigned under the provisions of this title regulating  
18 school budgeting systems;
- 19 (13) submit an annual financial report to the superintendent of public instruction in accordance with  
20 the provisions of 20-9-211;
- 21 (14) monthly, unless otherwise provided by law, order the county treasurer to apportion state  
22 money, county school money, and any other school money subject to apportionment in accordance with  
23 the provisions of 20-9-212, ~~20-9-335~~, 20-9-347, 20-10-145, or 20-10-146;
- 24 (15) act on any request to transfer average number belonging (ANB) in accordance with the  
25 provisions of 20-9-313(3);
- 26 (16) calculate the estimated budgeted general fund sources of revenue in accordance with the  
27 general fund revenue provisions of the general fund part of this title;
- 28 (17) compute the revenue and, subject to 15-10-420, compute the district and county levy  
29 requirements for each fund included in each district's final budget and report the computations to the board  
30 of county commissioners in accordance with the provisions of the general fund, transportation, bonds, and

1 other school funds parts of this title;

2 (18) file and forward bus driver certifications, transportation contracts, and state transportation  
3 reimbursement claims in accordance with the provisions of 20-10-103, 20-10-143, or 20-10-145;

4 (19) for districts that do not employ a district superintendent or principal, recommend library book  
5 and textbook selections in accordance with the provisions of 20-7-204 or 20-7-602;

6 (20) notify the superintendent of public instruction of a textbook dealer's activities when required  
7 under the provisions of 20-7-605 and otherwise comply with the textbook dealer provisions of this title;

8 (21) act on district requests to allocate federal money for indigent children for school food services  
9 in accordance with the provisions of 20-10-205;

10 (22) perform any other duty prescribed from time to time by this title, any other act of the  
11 legislature, the policies of the board of public education, the policies of the board of regents relating to  
12 community college districts, or the rules of the superintendent of public instruction;

13 (23) administer the oath of office to trustees without the receipt of pay for administering the oath;

14 (24) keep a record of official acts, preserve all reports submitted to the superintendent under the  
15 provisions of this title, preserve all books and instructional equipment or supplies, keep all documents  
16 applicable to the administration of the office, and surrender all records, books, supplies, and equipment  
17 to the next superintendent;

18 (25) within 90 days after the close of the school fiscal year, publish an annual report in the county  
19 newspaper stating the following financial information for the school fiscal year just ended for each district  
20 of the county:

21 (a) the total of the cash balances of all funds maintained by the district at the beginning of the  
22 year;

23 (b) the total receipts that were realized in each fund maintained by the district;

24 (c) the total expenditures that were made from each fund maintained by the district; and

25 (d) the total of the cash balances of all funds maintained by the district at the end of the school  
26 fiscal year; and

27 (26) hold meetings for the members of the trustees from time to time at which matters for the  
28 good of the districts must be discussed."

29

30 **Section 3.** Section 20-6-202, MCA, is amended to read:

1           **"20-6-202. Time limitation for boundary changes.** ~~No~~ An elementary district ~~shall~~ may not be  
 2 created ~~nor shall any~~ and elementary district boundaries may not be changed between the first day of  
 3 January and the ~~second~~ fourth Monday of August of any calendar year except when:

- 4           (1) the entire territory of a district is annexed or attached to another district;  
 5           (2) the entire territory of the portion of a joint district located in one county is annexed or attached  
 6 to another district; or  
 7           (3) two or more districts are consolidated in their entirety."

8

9           **Section 4.** Section 20-6-314, MCA, is amended to read:

10           **"20-6-314. Time limitations for boundary changes.** A high school district may not be created and  
 11 a high school district boundary may not be changed between the first day of January and the ~~second~~  
 12 fourth Monday of August of any calendar year except when:

- 13           (1) the entire territory of a high school district is annexed or attached to another high school  
 14 district;  
 15           (2) the entire territory or portion of a joint high school district located in one county is annexed  
 16 or attached to another high school district; or  
 17           (3) two or more districts are consolidated in their entirety."

18

19           **Section 5.** Section 20-6-502, MCA, is amended to read:

20           **"20-6-502. Opening or reopening of elementary school.** The trustees of any elementary district  
 21 may open or reopen an elementary school of the district when ~~such~~ the opening or reopening has been  
 22 approved in accordance with the following procedure:

- 23           (1) The parents of at least three pupils who would attend the opened or reopened school petition  
 24 the trustees of the district to open or reopen a school during the ensuing school fiscal year. ~~Such~~ The  
 25 petition ~~shall~~ must identify the school, state the reasons for requesting the opening or reopening, and give  
 26 the names of the children who would attend ~~such~~ the school.

- 27           (2) If the trustees approve the opening or reopening of a school, they shall send the petition with  
 28 a copy of their approval resolution to the county superintendent. The county superintendent shall review  
 29 the petition to determine if the average number belonging (ANB) of ~~such~~ the school would be five or more.

- 30           (3) The county superintendent shall present the petition, the trustees' approval, and ~~his~~ the county

1 superintendent's findings on the probable ANB to the board of county commissioners (budget board) for  
 2 their consideration. The budget board shall deny the opening or reopening of any school if the county  
 3 superintendent's enrollment estimate for ~~such the~~ the school is less than five ANB. In all other cases, the  
 4 budget board may approve or disapprove the requested opening or reopening of the elementary school.

5 (4) If the budget board approves a school opening or reopening, the county superintendent shall  
 6 send a copy of ~~such the~~ approval, along with the petition, the trustees' approval, and ~~his~~ the county  
 7 superintendent's estimate of the probable ANB, to the superintendent of public instruction. The trustees  
 8 shall apply to the superintendent of public instruction for approval to open or reopen the school by June  
 9 1 prior to the beginning of the school year in which they intend to open or reopen the elementary school.

10 The superintendent of public instruction shall approve or disapprove the requested opening or reopening  
 11 of the elementary school by the fourth Monday of June. If the opening or reopening is approved, the  
 12 superintendent of public instruction shall approve or adjust the ANB estimate of the county superintendent  
 13 for ~~such the~~ school and ~~such the~~ ANB amount ~~shall must~~ be used for budgeting and BASE funding program  
 14 purposes during the ensuing school fiscal year. ~~No An~~ ANB amount ~~shall may not~~ be approved for the  
 15 ensuing school fiscal year for an opening or reopening school when the request for ~~such the~~ school has  
 16 not been received by the superintendent of public instruction ~~before the fourth Monday of~~ by June 1."

17

18 **Section 6.** Section 20-9-104, MCA, is amended to read:

19 **"20-9-104. General fund operating reserve.** (1) At the end of each school fiscal year, the trustees  
 20 of each district shall designate the portion of the general fund end-of-the-year fund balance that is to be  
 21 earmarked as operating reserve for the purpose of paying general fund warrants issued by the district from  
 22 July 1 to November 30 of the ensuing school fiscal year. Except as provided in subsections (5) and (6),  
 23 the amount of the general fund balance that is earmarked as operating reserve may not exceed 10% of  
 24 the final general fund budget for the ensuing school fiscal year.

25 (2) The amount held as operating reserve may not be used for property tax reduction in the  
 26 manner permitted by 20-9-141(1)(b) for other receipts.

27 (3) Excess reserves as provided in subsection (5) may be appropriated to reduce the BASE budget  
 28 levy, the over-BASE budget levy, or the additional levy provided by 20-9-353.

29 (4) Any portion of the general fund end-of-the-year fund balance that is not reserved under  
 30 subsection (2) or reappropriated under subsection (3) is fund balance reappropriated and must be used for

1 property tax reduction as provided in 20-9-141(1)(b).

2 (5) The limitation of subsection (1) does not apply when the amount in excess of the limitation  
3 is equal to or less than the unused balance of any amount:

4 (a) ~~(i)~~ received in settlement of tax payments protested in a prior school fiscal year;

5 ~~(ii)(b)~~ received in taxes from a prior school fiscal year as a result of a tax audit by the department  
6 of revenue or its agents; or

7 ~~(iii)(c)~~ received in delinquent taxes from a prior school fiscal year; ~~or~~

8 ~~—— (b) a district was entitled to as a general bonus payment prior to July 1, 1994.~~

9 (6) The limitation of subsection (1) does not apply when the amount earmarked as operating  
10 reserve is \$10,000 or less."

11

12 **Section 7.** Section 20-9-115, MCA, is amended to read:

13 **"20-9-115. Notice of final budget meeting.** ~~Between July 24 and August 4 of each year~~ Not more  
14 than 20 days and not less than 10 days prior to the final budget meeting, the clerk of each district shall  
15 publish one notice, in the local or county newspaper that the trustees of the district determine to be the  
16 newspaper with the widest circulation in the district, stating the date, time, and place that the trustees  
17 will meet on or before the second Monday in August for the purpose of considering and adopting the final  
18 budget of the district, that the meeting of the trustees may be continued from day to day until the final  
19 adoption of the district's budget, and that any taxpayer in the district may appear at the meeting and be  
20 heard for or against any part of the budget."

21

22 **Section 8.** Section 20-9-130, MCA, is amended to read:

23 **"20-9-130. District obligation for students in youth detention facility.** A school district is  
24 responsible for providing funding for the education of students of the district who are detained in a youth  
25 detention facility. The school district's obligation must be funded from the district's ~~general~~ tuition fund."

26

27 **Section 9.** Section 20-9-131, MCA, is amended to read:

28 **"20-9-131. Final budget meeting.** (1) On or before the second Monday in August, on the date and  
29 at the time and place ~~noticed~~ for which a notice is published pursuant to 20-9-115, the trustees of each  
30 district shall meet to consider all budget information and any attachments required by law.

1           (2) The trustees may continue the meeting from day to day but shall adopt the final budget for  
2 the district and, subject to 15-10-420, determine the amounts to be raised by tax levies for the district.  
3 The trustees shall deliver the adopted budget, including the amounts to be raised by tax levies, to the  
4 county superintendent of schools not later than the fourth 5 days after the second Monday in August and  
5 before the fixing of the tax levies for each district. Any taxpayer in the district may attend any portion of  
6 the trustees' meeting and be heard on the budget of the district or on any item or amount contained in the  
7 budget."

8

9           **Section 10.** Section 20-9-163, MCA, is amended to read:

10           **"20-9-163. Resolution for budget amendment -- petition to superintendent of public instruction.**

11 (1) Whenever the trustees of a district decide that a budget amendment is necessary because of an  
12 enrollment increase, they may petition the superintendent of public instruction to adopt a resolution for  
13 the budget amendment. The petition must be signed by a majority of the trustees.

14           (2) The petition must state the facts constituting the need for the budget amendment, the  
15 estimated amount of money required to fund the budget amendment, the funds affected by the budget  
16 amendment, the anticipated source of financing for the budget amendment, and the current year  
17 enrollment.

18           (3) The superintendent of public instruction shall promptly approve or disapprove the petition  
19 requesting approval to adopt a resolution for a budget amendment because of increased enrollment. ~~If the~~  
20 ~~petition is for a budget amendment for an enrollment increase as provided in 20-9-161(1), the~~ The  
21 superintendent of public instruction shall adjust the district's maximum general fund budget based on the  
22 approved enrollment increase. Upon approval, a district may not adopt a budget amendment if the amount  
23 will cause the district to exceed the district's adjusted maximum general fund budget. If the petition is  
24 approved, the trustees may adopt a resolution for a budget amendment and take all other steps required  
25 for the adoption of a budget amendment. Approval of a petition by the superintendent of public instruction  
26 authorizes the board of trustees to initiate a budget amendment by resolution and does not relieve the  
27 trustees of the necessity of complying with the requirements of the school budgeting laws. Approval of  
28 the petition may not be construed as approval of any subsequent application for increased state aid on  
29 account of the budget amendment."

30

1           **Section 11.** Section 20-9-168, MCA, is amended to read:

2           **"20-9-168. Emergency budget amendment tax levy.** When a budget amendment has been adopted  
3 by the board of trustees under 20-9-161(2) and a district does not have sufficient funds, including  
4 insurance proceeds and reserves, to finance the budget amendment, the district may, ~~subject to~~  
5 ~~15-10-420~~, levy a tax in the ensuing school year to fund the expenditures authorized by the budget  
6 amendment. The amount levied may not exceed the unfunded amount of the budget amendment."

7

8           **Section 12.** Section 20-9-314, MCA, is amended to read:

9           **"20-9-314. Procedures for determining eligibility and amount of increased average number**  
10 **belonging due to unusual enrollment increase.** A district that anticipates an unusual increase in enrollment  
11 in the ensuing school fiscal year, as provided for in 20-9-313(4), may increase its basic entitlement and  
12 total per-ANB entitlement for the ensuing school fiscal year in accordance with the following provisions:

13           (1) Prior to ~~May 10~~ June 1, the district shall estimate the elementary or high school enrollment  
14 to be realized during the ensuing school fiscal year, based on as much factual information as may be  
15 available to the district.

16           (2) No later than ~~May 10~~ June 1, the district shall submit its application for an unusual enrollment  
17 increase by elementary or high school level to the superintendent of public instruction. The application  
18 must include:

19           (a) the enrollment for the current school fiscal year;

20           (b) the average number belonging used to calculate the basic entitlement and total per-ANB  
21 entitlement for the current school fiscal year;

22           (c) the average number belonging that will be used to calculate the basic entitlement and total  
23 per-ANB entitlement for the ensuing school fiscal year;

24           (d) the estimated enrollment, including the factual information on which the estimate is based, as  
25 provided in subsection (1); and

26           (e) any other information or data that may be requested by the superintendent of public  
27 instruction.

28           (3) The superintendent of public instruction shall immediately review all the factors of the  
29 application and shall approve or disapprove the application or adjust the estimated average number  
30 belonging for the ensuing ANB calculation period. After approving an estimate, with or without adjustment,

1 the superintendent of public instruction shall:

2 (a) determine the percentage increase ~~that~~ by which the estimated enrollment increase ~~is over~~  
3 exceeds the current enrollment; and

4 (b) approve an increase of the average number belonging used to establish the ensuing year's  
5 basic entitlement and total per-ANB entitlement in accordance with subsection (5) if the increase in  
6 subsection (3)(a) is at least 6%.

7 (4) The superintendent of public instruction shall notify the district of the decision by the fourth  
8 Monday in June.

9 (5) Whenever an unusual enrollment increase is approved by the superintendent of public  
10 instruction, the increase of the average number belonging used to establish the basic entitlement and total  
11 per-ANB entitlement for the ensuing ANB calculation period is the difference between the enrollment for  
12 the ensuing school fiscal year and 106% of the current enrollment. The amount determined is the  
13 maximum allowable increase added to the average number belonging for the purpose of establishing the  
14 ensuing year's basic entitlement and total per-ANB entitlement.

15 (6) Any entitlement increases resulting from provisions of this section must be reviewed at the  
16 end of the ensuing school fiscal year. If the actual enrollment is less than the average number belonging  
17 used for BASE funding program and entitlement calculations, the superintendent of public instruction shall  
18 revise the total per-ANB entitlement and basic entitlement calculations using the actual average number  
19 belonging. All total per-ANB entitlements received by the district in excess of the revised entitlements are  
20 overpayments subject to the refund provisions of 20-9-344(4)."

21

22 **Section 13.** Section 20-9-343, MCA, is amended to read:

23 **"20-9-343. Definition of and revenue for state equalization aid.** (1) As used in this title, the term  
24 "state equalization aid" means revenue as required in this section for:

25 (a) distribution to the public schools for ~~the purposes of payment of systems development and~~  
26 ~~other related costs resulting from the enactment of legislation that requires changes to the automated~~  
27 ~~system used to administer the BASE funding program,~~ guaranteed tax base aid, BASE aid, state  
28 reimbursement for school facilities, ~~matching funds for the systemic initiative for Montana mathematics~~  
29 ~~and science grant,~~ and grants for school technology purchases; and

30 (b) negotiated payments authorized under 20-7-420(3) up to \$500,000 per biennium; ~~and~~

1 ~~———(c) the Montana educational telecommunications network as provided in 20-32-101.~~

2 (2) The superintendent of public instruction may spend throughout the biennium funds  
3 appropriated for the purposes of ~~systems development and other related costs resulting from the~~  
4 ~~enactment of legislation that requires changes to the automated system used to administer the BASE~~  
5 ~~funding program~~, guaranteed tax base aid, BASE aid for the BASE funding program, state reimbursement  
6 for school facilities, negotiated payments authorized under 20-7-420(3), ~~the Montana educational~~  
7 ~~telecommunications network~~, and school technology purchases.

8 (3) The following must be paid into the state general fund for the public schools of the state:

9 (a) (i) subject to subsection (3)(a)(ii), interest and income money described in 20-9-341 and  
10 20-9-342; and

11 (ii) an amount of money equal to the income money attributable to the difference between the  
12 average sale value of 18 million board feet and the total income produced from the annual timber harvest  
13 on common school trust lands during the fiscal year to be appropriated for purposes of 20-9-533;

14 (b) investment income earned by investing interest and income money described in 20-9-341 and  
15 20-9-342."

16

17 **Section 14.** Section 20-10-111, MCA, is amended to read:

18 **"20-10-111. Duties of board of public education.** (1) The board of public education, with the  
19 advice of the Montana department of justice and the superintendent of public instruction, shall adopt and  
20 enforce policies, not inconsistent with the motor vehicle laws, to provide uniform standards and regulations  
21 for the design, construction, and operation of school buses in the state of Montana. The policies must:

22 (a) prescribe minimum standards for the design ~~and~~, construction, and operation of school buses  
23 ~~not inconsistent~~ consistent with:

24 (i) ~~minimum standards~~ the recommendations adopted by the national conference on school  
25 transportation; ~~or~~ and

26 (ii) ~~minimum standards adopted by the national highway traffic safety administration~~ the federal  
27 motor vehicle safety standards;

28 (b) prescribe standards and specifications for the lighting equipment and special warning devices  
29 to be carried by school buses in conformity with:

30 (i) current specifications approved by the society of automobile engineers;

1 (ii) motor vehicle laws; and

2 (iii) the requirement that all school buses have an alternately flashing prewarning lighting system  
3 of four amber signal lamps to be used while preparing to stop and an alternately flashing warning lighting  
4 system of four red signal lamps to be used while stopped in accordance with 61-9-402;

5 (c) establish other driver qualifications considered necessary in addition to the qualifications  
6 required in 20-10-103;

7 (d) prescribe criteria for the establishment of transportation service areas for school bus purposes  
8 by the county transportation committee that shall allow for the establishment of service areas without  
9 regard to the district boundary lines within the county;

10 (e) prescribe other criteria for the determination of the residence of a pupil that may be considered  
11 necessary in addition to the criteria established in 20-10-105; and

12 (f) ~~prescribe other policies for the operation of school buses that are not inconsistent with:~~

13 ~~——(i) motor vehicle laws;~~

14 ~~——(ii) minimum standards adopted for school bus operation by the national conference on school  
15 transportation;~~

16 ~~——(iii) highway safety standards; and~~

17 ~~——(iv) the transportation provisions of this title;~~

18 ~~——(g) prescribe standards for the measurement of the child seating capacity of school buses, to be  
19 known as the rated capacity.~~

20 (2) The board of public education shall prescribe other ~~policy~~ policies necessary for the proper  
21 administration and operation of individual transportation programs that are ~~not inconsistent~~ consistent with  
22 the transportation provisions of this title."

23

24 **Section 15.** Section 20-10-201, MCA, is amended to read:

25 **"20-10-201. Acceptance, expenditure, and administration of federal school food services moneys**

26 **money.** (1) The superintendent of public instruction is authorized to accept and direct the disbursement  
27 of funds appropriated by act of congress and apportioned to the state for use in financing school food  
28 services. This authorization ~~shall apply~~ applies to federal funds available for school food services under the  
29 National School Lunch Act (Public Law 396, 79th congress, chapter 281, 2nd session), Child Nutrition Act  
30 of 1966 (Public Law 642, 89th Congress), any amendments to these public laws, and any other public

1 laws enacted to provide assistance for school food services.

2 (2) The superintendent of public instruction shall deposit all federal funds for school food services  
3 with the state treasurer who shall credit ~~such the~~ funds to the ~~agency~~ federal special revenue fund. Any  
4 disbursement of the federal school food services funds ~~shall~~ must be directed by the superintendent of  
5 public instruction.

6 (3) The superintendent of public instruction may:

7 (a) enter into agreements and cooperate with any federal agency, district, or other agency or  
8 person, prescribe ~~such~~ regulations, employ ~~such~~ personnel, and take ~~such any~~ other action ~~as he~~ that the  
9 superintendent of public instruction may ~~deem~~ consider necessary to:

10 (i) provide for the establishment, operation, and expansion of school food services; and

11 (ii) disburse federal and state funds according to the requirements of federal and state law;

12 (b) give technical advice and assistance to any district establishing or operating school food  
13 services and assist in the training of personnel for ~~such the~~ services;

14 (c) accept any gift for use in providing school food services;

15 (d) conduct studies of methods of improving and expanding school food services and appraise the  
16 nutritive benefits of school food services.

17 (4) The superintendent of public instruction shall report annually to the board of public education  
18 on the financial, administrative, and operational phases of school food services."

19

20 NEW SECTION. **Section 16. Effective date.** [This act] is effective July 1, 2001.

21

- END -