

SENATE BILL NO. 38

INTRODUCED BY D. RYAN

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING CERTAIN SCHOOL DISTRICT TRANSPORTATION
5 LAWS; ALLOWING A SCHOOL DISTRICT TO ~~PAY THE TRANSPORTATION COSTS FOR TRAVEL~~
6 ~~DETERMINED BY THE BOARD OF TRUSTEES TO BE EDUCATIONALLY RELEVANT OUT OF THE~~
7 ~~TRANSPORTATION FUND BUDGET~~ USE THE DISTRICT TRANSPORTATION FUND TO PAY THE COSTS OF
8 BUSING PUPILS FOR FIELD TRIPS AND TRIPS FOR SCHOOL-RELATED ATHLETICS OR ACTIVITIES;
9 PROVIDING STATE AND COUNTY TRANSPORTATION AID FOR CERTAIN TRIPS APPROVED BY THE
10 COUNTY TRANSPORTATION COMMITTEE; CLARIFYING WHAT TRANSPORTATION DOCUMENTS THE
11 COUNTY SUPERINTENDENT SHALL KEEP AND WHAT DOCUMENTS MUST BE FORWARDED TO THE
12 SUPERINTENDENT OF PUBLIC INSTRUCTION; AMENDING SECTIONS ~~20-3-205 AND 20-10-101, 20-10-132,~~
13 20-10-141, 20-10-143, 20-10-144, AND 20-10-145, MCA; AND PROVIDING AN EFFECTIVE DATE."

14
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

16
17 **NEW SECTION. SECTION 1. BUSING FOR FIELD TRIPS AND SCHOOL-RELATED ATHLETICS AND ACTIVITIES. (1)**
18 A SCHOOL DISTRICT THAT USES A SCHOOL BUS FOR BUSING PUPILS OF THE DISTRICT ON A FIELD TRIP OR SCHOOL-RELATED
19 ATHLETIC OR ACTIVITY TRIP MAY REQUEST STATE AND COUNTY TRANSPORTATION AID FOR A TRIP APPROVED BY THE
20 COUNTY TRANSPORTATION COMMITTEE AS PROVIDED IN 20-10-132.

21 (2) STATE AND COUNTY TRANSPORTATION AID FOR BUSING APPROVED UNDER THIS SECTION IS LIMITED TO THE
22 SCHEDULE OF MILEAGE REIMBURSEMENT RATES PROVIDED IN 20-10-141 FOR MILES ACTUALLY TRAVELED.

23 (3) SCHOOL DISTRICTS MAY PAY CERTAIN COSTS OF BUSING USING THE DISTRICT TRANSPORTATION FUND FOR
24 TRIPS PROVIDED AND APPROVED UNDER THIS SECTION WHEN TRIPS ARE TAKEN DURING THE SCHOOL YEAR, INCLUDING
25 COSTS FOR BUS DRIVERS AND AIDES; FUEL, INSURANCE, AND EQUIPMENT COSTS; AND CONTRACTED BUS SERVICES. THE
26 COST OF LODGING, MEALS, AND OTHER INCIDENTAL COSTS OF TRIPS MAY NOT BE CHARGED TO THE TRANSPORTATION
27 FUND FOR TRIPS UNDER THIS SECTION.

28 (4) TRUSTEES SHALL BUDGET AND MUST RECEIVE THE APPROVED STATE AND COUNTY TRANSPORTATION AID IN
29 THE SCHOOL YEAR IN WHICH THE APPROVED TRIP WAS CONDUCTED.

30 (5) BUSING UNDER THIS SECTION MAY BE AUTHORIZED ONLY FOR RIDERS WHO ARE PUPILS OF THE DISTRICT AND

1 FOR A REASONABLE NUMBER OF ADULT CHAPERONE BUS RIDERS.

2 (6) TRANSPORTATION AID RECEIVED BY THE DISTRICT FOR TRIPS UNDER THIS SECTION MUST BE DEPOSITED INTO
3 THE DISTRICT TRANSPORTATION FUND.

4

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

6 **"20-3-205. Powers and duties.** (1) The county superintendent has general supervision of the schools
7 of the county within the limitations prescribed by this title and shall perform the following duties or acts:

8 (a) determine, establish, and reestablish trustee nominating districts in accordance with the provisions
9 of 20-3-352, 20-3-353, and 20-3-354;

10 (b) administer and file the oaths of members of the boards of trustees of the districts in the county in
11 accordance with the provisions of 20-3-307;

12 (c) register the teacher or specialist certificates or emergency authorization of employment of any person
13 employed in the county as a teacher, specialist, principal, or district superintendent in accordance with the
14 provisions of 20-4-202;

15 (d) file a copy of the audit report for a district in accordance with the provisions of 20-9-203;

16 (e) classify districts in accordance with the provisions of 20-6-201 and 20-6-301;

17 (f) keep a transcript of the district boundaries of the county;

18 (g) fulfill all responsibilities assigned under the provisions of this title regulating the organization,
19 alteration, or abandonment of districts;

20 (h) act on any unification proposition and, if approved, establish additional trustee nominating districts
21 in accordance with 20-6-312 and 20-6-313;

22 (i) estimate the average number belonging (ANB) of an opening school in accordance with the provisions
23 of 20-6-502, 20-6-503, 20-6-504, or 20-6-506;

24 (j) process and, when required, act on school isolation applications in accordance with the provisions
25 of 20-9-302;

26 (k) complete the budgets, compute the budgeted revenue and tax levies, file final budgets and budget
27 amendments, and fulfill other responsibilities assigned under the provisions of this title regulating school
28 budgeting systems;

29 (l) submit an annual financial report to the superintendent of public instruction in accordance with the
30 provisions of 20-9-211;

1 (m) monthly, unless otherwise provided by law, order the county treasurer to apportion state money,
2 county school money, and any other school money subject to apportionment in accordance with the provisions
3 of 20-9-212, 20-9-347, 20-10-145, or 20-10-146;

4 (n) act on any request to transfer average number belonging (ANB) in accordance with the provisions
5 of 20-9-313(3);

6 (o) calculate the estimated budgeted general fund sources of revenue in accordance with the general
7 fund revenue provisions of the general fund part of this title;

8 (p) compute the revenue and compute the district and county levy requirements for each fund included
9 in each district's final budget and report the computations to the board of county commissioners in accordance
10 with the provisions of the general fund, transportation, bonds, and other school funds parts of this title;

11 (q) file ~~and forward~~ bus driver certifications; and transportation contracts; and forward state transportation
12 reimbursement claims, INCLUDING CLAIMS FOR REIMBURSEMENT FOR TRIPS APPROVED UNDER [SECTION 1], in
13 accordance with the provisions of 20-10-103, 20-10-143, or 20-10-145;

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

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

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

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

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

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

28 (x) within 90 days after the close of the school fiscal year, publish an annual report in the county
29 newspaper stating the following financial information for the school fiscal year just ended for each district of the
30 county:

- 1 (i) the total of the cash balances of all funds maintained by the district at the beginning of the year;
- 2 (ii) the total receipts that were realized in each fund maintained by the district;
- 3 (iii) the total expenditures that were made from each fund maintained by the district; and
- 4 (iv) the total of the cash balances of all funds maintained by the district at the end of the school fiscal
- 5 year; and
- 6 (y) hold meetings for the members of the trustees from time to time at which matters for the good of the
- 7 districts must be discussed.

8 (2) (a) When a district in one county annexes a district in another county, the county superintendent of
 9 the county where the annexing district is located shall perform the duties required by this section.

10 (b) When two or more districts in more than one county consolidate, the duties required by this section
 11 must be performed by the county superintendent designated in the same manner as other county officials in
 12 20-9-202."

13

14 **SECTION 3. SECTION 20-10-101, MCA, IS AMENDED TO READ:**

15 **"20-10-101. Definitions.** As used in this title, unless the context clearly indicates otherwise, the following
 16 definitions apply:

17 (1) (a) "Bus route" means a route approved by (1) the board of trustees of a school district and by the county
 18 transportation committee.

19 (b) The term does not include field trips or trips for school-related athletics and activities.

20 (2) "Eligible transportee" means a public school pupil who:

21 (a) is 5 years of age or older and has not reached the age of 21 on or before September 10 of the current
 22 school year or who is a preschool child with a disability between the ages of 3 and 6;

23 (b) is a resident of the state of Montana;

24 (c) regardless of district and county boundaries:

25 (i) resides at least 3 miles, over the shortest practical route, from the nearest operating public elementary
 26 school or public high school, whichever the case may be; or

27 (ii) has transportation identified as a related service in an individualized education program as developed
 28 and implemented in accordance with the Individuals With Disabilities Education Act, 20 U.S.C. 1400, et seq.; and

29 (d) is considered to reside with a parent or guardian who maintains legal residence within the boundaries
 30 of the district furnishing the transportation regardless of where the eligible transportee actually lives when

1 attending school.

2 (3) "Passenger seating position" means, as defined in 49 CFR 571.222, the space on a school bus
3 allocated for one passenger.

4 (4) (a) "School bus" means, except as provided in subsection (4)(b), any motor vehicle that:
5 ~~——(i) complies with the bus standards established by the board of public education as verified by the~~
6 ~~department of justice's semiannual inspection of school buses and the superintendent of public instruction; and~~
7 ~~——(ii) is owned by a district or other public agency and operated for the transportation of pupils to or from~~
8 ~~school or owned by a carrier under contract with a district or public agency to provide transportation of pupils to~~
9 ~~or from school.~~

10 (b) A school bus does not include a vehicle that is:

11 (i) privately owned and not operated for compensation under this title;

12 (ii) privately owned and operated for reimbursement under 20-10-142;

13 (iii) either district-owned or privately owned, designed to carry not more than nine passengers, and used
14 to transport pupils to or from activity events or to transport pupils to their homes in case of illness or other
15 emergency situations; or

16 (iv) an over-the-road passenger coach used only to transport pupils to activity events.

17 (5) "Transportation" means:

18 (a) a district's conveyance of a pupil by a school bus between the pupil's legal residence or an officially
19 designated bus stop and the school designated by the trustees for the pupil's attendance; or

20 (b) "individual transportation" by which a district is relieved of actually conveying a pupil. Individual
21 transportation may include paying the parent or guardian for conveying the pupil, reimbursing the parent or
22 guardian for the pupil's board and room, or providing supervised correspondence study or supervised home
23 study.

24 (6) "Transportation service area" means the geographic area of responsibility for school bus
25 transportation for each district that operates a school bus transportation program."

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27 **SECTION 4. SECTION 20-10-132, MCA, IS AMENDED TO READ:**

28 **"20-10-132. Duties of county transportation committee.** (1) It is the duty of the county transportation
29 committee to:

30 (a) establish the transportation service areas within the county, without regard to district boundary lines,

- 1 for each district that operates a school bus transportation program;
- 2 (b) except as provided in subsection (2), approve, disapprove, or adjust the school bus routes submitted
- 3 by the trustees of each district in conformity with the transportation service areas established in subsection (1)(a);
- 4 (c) approve, disapprove, or adjust applications, approved by the trustees, for increased reimbursements
- 5 for individual transportation because of isolated conditions of the eligible transportee's residence;
- 6 (d) conduct hearings to establish the facts of transportation controversies that have been appealed from
- 7 the decision of the trustees and act on the appeals on the basis of the facts established at the hearing; ~~and~~
- 8 (e) determine if geographic conditions make it impractical for a child to attend school in the district of
- 9 residence, in accordance with 20-5-321(1)(b); and
- 10 (f) approve, disapprove, or adjust districts' requests for state and county transportation aid for school bus
- 11 trips approved and submitted as provided in [section 1].
- 12 (2) In an emergency situation, a temporary bus route change may be approved by the county
- 13 superintendent. A bus route change approved by the county superintendent must be confirmed by the county
- 14 transportation committee within 30 days in order to be continued for a period longer than 30 days.
- 15 (3) When the county transportation committee reviews a request for a new bus route or a change to an
- 16 existing route, the committee shall consider the following:
- 17 (a) a map of the existing and proposed bus route;
- 18 (b) a description of turnarounds;
- 19 (c) conditions affecting safety;
- 20 (d) the total mileage and change in mileage of the affected bus route;
- 21 (e) the approximate total cost;
- 22 (f) reasons for the proposed bus route change;
- 23 (g) the number of children to be served;
- 24 (h) a copy of the official minutes of the meeting at which the school trustees approved the new bus route
- 25 or route change; and
- 26 (i) any other information that the county transportation committee considers relevant.
- 27 (4) When an application for increased reimbursement for individual transportation is presented to the
- 28 county transportation committee, it must include a signed individual transportation contract and a copy of the
- 29 official minutes of the meeting at which the trustees acted upon the request for increased reimbursement.
- 30 (5) When the county transportation committee reviews a district's request for mileage reimbursement

1 for a trip as provided in [section 1], the committee shall consider the following:

2 (a) a description of the purpose of the trip;

3 (b) the mileage of the trip;

4 (c) the size of bus used and the number of students and adults who rode;

5 (d) the total of state and county transportation aid to be claimed; and

6 (e) any other information that the committee considers relevant.

7 ~~(5)~~(6) After a factfinding hearing and decision on a transportation controversy, the trustees or a patron
8 of the district may appeal the decision to the superintendent of public instruction who shall issue a decision on
9 the basis of the facts established at the county transportation committee hearing."
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11 **SECTION 5. SECTION 20-10-141, MCA, IS AMENDED TO READ:**

12 **"20-10-141. Schedule of maximum reimbursement by mileage rates.** (1) The mileage rates in
13 subsection (2) for school transportation constitute the maximum reimbursement to districts for school
14 transportation from state and county sources of transportation revenue under the provisions of 20-10-145 and
15 20-10-146 and for trips authorized under [section 1]. These rates may not limit the amount that a district may
16 budget in its transportation fund budget in order to provide for the estimated and necessary cost of school
17 transportation and costs of busing for trips authorized under [section 1] during the ensuing school fiscal year. All
18 bus miles traveled on bus routes approved by the county transportation committee are reimbursable. Nonbus
19 mileage is reimbursable for a vehicle driven by a bus driver to and from an overnight location of a school bus
20 when the location is more than 10 miles from the school. A district may approve additional bus or nonbus miles
21 within its own district or approved service area but may not claim reimbursement for the mileage. Any vehicle,
22 the operation of which is reimbursed for bus mileage under the rate provisions of this schedule, must be a school
23 bus, as defined by this title, driven by a qualified driver on a bus route, field trip, or trip for school-related athletics
24 or activities approved by the county transportation committee and the superintendent of public instruction.

25 (2) (a) The rate for each bus mile traveled must be determined in accordance with the following
26 schedule:

27 (i) 95 cents for a school bus with a rated capacity of not more than 49 passenger seating positions;

28 (ii) \$1.15 for a school bus with a rated capacity of 50 to 59 passenger seating positions;

29 (iii) \$1.36 for a school bus with a rated capacity of 60 to 69 passenger seating positions;

30 (iv) \$1.57 for a school bus with a rated capacity of 70 to 79 passenger seating positions; and

- 1 (v) \$1.80 for a school bus with 80 or more passenger seating positions.
- 2 (b) Nonbus mileage, as provided in subsection (1), must be reimbursed at a rate of 50 cents a mile.
- 3 (3) The rated capacity is the number of passenger seating positions of a school bus as determined under
- 4 the policy adopted by the board of public education. If modification of a school bus to accommodate pupils with
- 5 disabilities reduces the rated capacity of the bus, the reimbursement to a district for pupil transportation is based
- 6 on the rated capacity of the bus prior to modification.
- 7 (4) The number of pupils riding the school bus may not exceed the passenger seating positions of the
- 8 bus."

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10 **Section 6.** Section 20-10-143, MCA, is amended to read:

11 **"20-10-143. Budgeting for transportation FUND and transmittal of transportation contracts AND**

12 **REQUESTS FOR TRANSPORTATION AID.** (1) The trustees of a district furnishing transportation to pupils who are

13 residents of the district shall provide a transportation fund budget that is adequate to finance the district's

14 transportation contractual obligations and any other transportation expenditures necessary for the conduct of its

15 transportation program. The transportation fund budget must include:

- 16 (a) an adequate amount to finance the maintenance and operation of school buses owned and operated
- 17 by the district;
- 18 (b) the annual contracted amount for the maintenance and operation of school buses by a private party;
- 19 (c) the annual contracted amount for individual transportation, including any increased amount because
- 20 of isolation, which may not exceed the schedule amounts prescribed in 20-10-142;
- 21 (d) any amount necessary for the purchase, rental, or insurance of school buses; and
- 22 (e) any other amount necessary to finance the administration, operation, or maintenance of the
- 23 transportation program of the district, as determined by the trustees.

24 (2) The trustees may include IN THE TRANSPORTATION FUND BUDGET:

- 25 (A) a contingency amount in the transportation fund budget for the purpose of enabling the district to fulfill
- 26 an obligation to provide transportation in accordance with this title for:
- 27 ~~(a)~~(i) pupils not residing in the district at the time of the adoption of the final budget and who
- 28 subsequently became residents of the district during the school fiscal year;
- 29 ~~(b)~~(ii) pupils who have become eligible transportees since the adoption of the final budget because their
- 30 legal residence has been changed; or

1 ~~(c)(iii)~~ other unforeseen increases in bus route mileage or obligations for payment of additional contracts
 2 for individual transportation for an eligible transportee for which state and county reimbursement is authorized
 3 under 20-10-141 and 20-10-142. The budgeted contingency amount may not exceed 10% of the transportation
 4 schedule amount as calculated under the provisions of 20-10-141 and 20-10-142 for all transportation services
 5 authorized by the schedules and provided by the district unless 10% of the transportation schedule amount is less
 6 than \$100, in which case \$100 is the maximum limitation for the budgeted contingency amount.

7 ~~(3) The trustees may include in the transportation fund budget the expenditures for the transportation~~
 8 ~~of district students in a school bus for travel determined educationally relevant by the trustees.~~

9 (B) COSTS OF BUSING FOR TRIPS IN ACCORDANCE WITH [SECTION 1].

10 ~~(3)(4)(3)~~ A budget amendment to the transportation fund budget may be adopted subject to the
 11 provisions of 20-9-161 through 20-9-166.

12 ~~(4)(5)(4)~~ The trustees shall report the transportation fund budget on the regular budget form prescribed
 13 by the superintendent of public instruction in accordance with 20-9-103, and the adoption of the transportation
 14 fund budget must be completed in accordance with the school budgeting laws. When the adopted final budget
 15 is sent to the county superintendent, the trustees shall also send TO THE COUNTY SUPERINTENDENT copies of:

16 (A) all completed transportation contracts for school bus transportation ~~to the county superintendent~~. The
 17 contracts must substantiate all contracted school bus transportation services incorporated in the final budget.

18 (B) APPROVED REQUESTS FOR MILEAGE REIMBURSEMENT FOR TRIPS PROVIDED UNDER [SECTION 1]."

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20 **SECTION 7. SECTION 20-10-144, MCA, IS AMENDED TO READ:**

21 **"20-10-144. Computation of revenue and net tax levy requirements for district transportation fund**
 22 **budget.** Before the second Monday of August, the county superintendent shall compute the revenue available
 23 to finance the transportation fund budget of each district. The county superintendent shall compute the revenue
 24 for each district on the following basis:

25 (1) The "schedule amount" of the budget expenditures that is derived from the rate schedules in
 26 20-10-141 and 20-10-142 must be determined by adding the following amounts:

27 (a) the sum of the maximum reimbursable expenditures for all approved school bus routes maintained
 28 by the district (to determine the maximum reimbursable expenditure, multiply the applicable rate for each bus mile
 29 by the total number of miles to be traveled during the ensuing school fiscal year on each bus route approved by
 30 the county transportation committee and maintained by the district); plus

1 (b) the total of all individual transportation per diem reimbursement rates for the district as determined
2 from the contracts submitted by the district multiplied by the number of pupil-instruction days scheduled for the
3 ensuing school attendance year; plus

4 (c) any estimated costs for supervised home study or supervised correspondence study for the ensuing
5 school fiscal year; plus

6 (d) the amount budgeted in the budget for the contingency amount permitted in 20-10-143, except if the
7 amount exceeds 10% of the total of subsections (1)(a), (1)(b), and (1)(c) or \$100, whichever is larger, the
8 contingency amount on the budget must be reduced to the limitation amount and used in this determination of
9 the schedule amount; plus

10 (e) any estimated costs for transporting a child out of district when the child has mandatory approval to
11 attend school in a district outside the district of residence; plus

12 (f) the sum of the maximum reimbursable mileage for each trip approved, as provided in [section 1],
13 multiplied by the applicable rate per bus mile according to the schedule in 20-10-141 for the ensuing year for each
14 trip approved by the county transportation committee for the ensuing school year.

15 (2) (a) The schedule amount determined in subsection (1) or the total transportation fund budget,
16 whichever is smaller, is divided by 2 and is used to determine the available state and county revenue to be
17 budgeted on the following basis:

18 (i) one-half is the budgeted state transportation reimbursement; and

19 (ii) one-half is the budgeted county transportation fund reimbursement and must be financed in the
20 manner provided in 20-10-146.

21 (b) When the district has a sufficient amount of fund balance for reappropriation and other sources of
22 district revenue, as determined in subsection (3), to reduce the total district obligation for financing to zero, any
23 remaining amount of district revenue and fund balance reappropriated must be used to reduce the county
24 financing obligation in subsection (2)(a)(ii) and, if the county financing obligations are reduced to zero, to reduce
25 the state financial obligation in subsection (2)(a)(i).

26 (c) The county revenue requirement for a joint district, after the application of any district money under
27 subsection (2)(b), must be prorated to each county incorporated by the joint district in the same proportion as the
28 ANB of the joint district is distributed by pupil residence in each county.

29 (3) The total of the money available for the reduction of property tax on the district for the transportation
30 fund must be determined by totaling:

- 1 (a) anticipated federal money received under the provisions of 20 U.S.C. 7701, et seq., or other
2 anticipated federal money received in lieu of that federal act;
- 3 (b) anticipated payments from other districts for providing school bus transportation services for the
4 district;
- 5 (c) anticipated payments from a parent or guardian for providing school bus transportation services for
6 a child;
- 7 (d) anticipated or reappropriated interest to be earned by the investment of transportation fund cash in
8 accordance with the provisions of 20-9-213(4);
- 9 (e) anticipated revenue from coal gross proceeds under 15-23-703;
- 10 (f) anticipated oil and natural gas production taxes;
- 11 (g) anticipated local government severance tax payments for calendar year 1995 production;
- 12 (h) anticipated transportation payments for out-of-district pupils under the provisions of 20-5-320 through
13 20-5-324;
- 14 (i) school district block grants distributed under 20-9-630;
- 15 (j) any other revenue anticipated by the trustees to be earned during the ensuing school fiscal year that
16 may be used to finance the transportation fund; and
- 17 (k) any fund balance available for reappropriation as determined by subtracting the amount of the
18 end-of-the-year fund balance earmarked as the transportation fund operating reserve for the ensuing school fiscal
19 year by the trustees from the end-of-the-year fund balance in the transportation fund. The operating reserve may
20 not be more than 20% of the final transportation fund budget for the ensuing school fiscal year and is for the
21 purpose of paying transportation fund warrants issued by the district under the final transportation fund budget.
- 22 (4) The district levy requirement for each district's transportation fund must be computed by:
- 23 (a) subtracting the schedule amount calculated in subsection (1) from the total preliminary transportation
24 budget amount; and
- 25 (b) subtracting the amount of money available to reduce the property tax on the district, as determined
26 in subsection (3), from the amount determined in subsection (4)(a).
- 27 (5) The transportation fund levy requirements determined in subsection (4) for each district must be
28 reported to the county commissioners on the fourth Monday of August by the county superintendent as the
29 transportation fund levy requirements for the district, and the levy must be made by the county commissioners
30 in accordance with 20-9-142."

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2 **SECTION 8. SECTION 20-10-145, MCA, IS AMENDED TO READ:**
3 **"20-10-145. State transportation reimbursement.** (1) A district providing school bus transportation or,
4 individual transportation, or trips approved under [section 1] in accordance with this title, board of public education
5 transportation policy, and superintendent of public instruction transportation rules must receive a state
6 reimbursement of its transportation expenditures under the transportation reimbursement rate provisions of
7 20-10-141 and 20-10-142. The state transportation reimbursement is one-half of the reimbursement amounts
8 established in 20-10-141 and 20-10-142 or one-half of the district's transportation fund budget, whichever is
9 smaller, and must be computed on the basis of the number of days the transportation services were actually
10 rendered, not to exceed 180 pupil-instruction days. In determining the amount of the state transportation
11 reimbursement, an amount claimed by a district may not be considered for reimbursement unless the amount
12 has been paid in the regular manner provided for the payment of other financial obligations of the district.

13 (2) Requests for the state transportation reimbursement must be made by each district semiannually
14 during the school fiscal year on the claim forms and procedure promulgated by the superintendent of public
15 instruction. The claims for state transportation reimbursements must be routed by the district to the county
16 superintendent, who after reviewing the claims shall send them to the superintendent of public instruction. The
17 superintendent of public instruction shall establish the validity and accuracy of the claims for the state
18 transportation reimbursements by determining compliance with this title, board of public education transportation
19 policy, and the transportation rules of the superintendent of public instruction. After making any necessary
20 adjustments to the claims, the superintendent of public instruction shall order a disbursement from the state
21 money appropriated by the legislature of the state of Montana for the state transportation reimbursement. The
22 payment of all the district's claims within one county must be made to the county treasurer of the county, and the
23 county superintendent shall apportion the payment in accordance with the apportionment order supplied by the
24 superintendent of public instruction.

25 (3) After adopting a budget amendment for the transportation fund in accordance with 20-9-161 through
26 20-9-166, the district shall send to the superintendent of public instruction a copy of each new or amended
27 individual transportation contract and each new or amended bus route form to which the budget amendment
28 applies. State reimbursement for the additional obligations must be paid as provided in subsection (1).

29 (4) Semiannual claims submitted by the district must include claims for mileage reimbursements for trips
30 that were conducted in the current school year and approved under [section 1]."

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SECTION 9. SECTION 20-10-146, MCA, IS AMENDED TO READ:

"20-10-146. County transportation reimbursement. (1) The apportionment of the county transportation reimbursement by the county superintendent for school bus transportation ~~or~~, individual transportation, and trips approved under [section 1] that ~~is~~ are actually rendered by a district in accordance with this title, board of public education transportation policy, and the transportation rules of the superintendent of public instruction must be the same as the state transportation reimbursement payment, except that:

(a) if any cash was used to reduce the budgeted county transportation reimbursement under the provisions of 20-10-144(2)(b), the annual apportionment is limited to the budget amount;

(b) when the county transportation reimbursement for a school bus has been prorated between two or more counties because the school bus is conveying pupils of more than one district located in the counties, the apportionment of the county transportation reimbursement must be adjusted to pay the amount computed under the proration; and

(c) when county transportation reimbursement is required under the mandatory attendance agreement provisions of 20-5-321.

(2) The county transportation net levy requirement for the financing of the county transportation fund reimbursements to districts is computed by:

(a) totaling the net requirement for all districts of the county, including reimbursements to a special education cooperative or prorated reimbursements to joint districts or reimbursements under the mandatory attendance agreement provisions of 20-5-321;

(b) determining the sum of the money available to reduce the county transportation net levy requirement by adding:

(i) anticipated money that may be realized in the county transportation fund during the ensuing school fiscal year;

(ii) oil and natural gas production taxes;

(iii) anticipated local government severance tax payments for calendar year 1995 production;

(iv) coal gross proceeds taxes under 15-23-703;

(v) countywide school transportation block grants distributed under 20-9-632;

(vi) any fund balance available for reappropriation from the end-of-the-year fund balance in the county transportation fund;

1 (vii) federal forest reserve funds allocated under the provisions of 17-3-213; and
2 (viii) other revenue anticipated that may be realized in the county transportation fund during the ensuing
3 school fiscal year; and

4 (c) subtracting the money available, as determined in subsection (2)(b), to reduce the levy requirement
5 from the county transportation net levy requirement.

6 (3) The net levy requirement determined in subsection (2)(c) must be reported to the county
7 commissioners on the fourth Monday of August by the county superintendent, and a levy must be set by the
8 county commissioners in accordance with 20-9-142.

9 (4) The county superintendent of each county shall submit a report of the revenue amounts used to
10 establish the levy requirements to the superintendent of public instruction not later than the second Monday in
11 September. The report must be completed on forms supplied by the superintendent of public instruction.

12 (5) The county superintendent shall apportion the county transportation reimbursement from the
13 proceeds of the county transportation fund. The county superintendent shall order the county treasurer to make
14 the apportionments in accordance with 20-9-212(2) and after the receipt of the semiannual state transportation
15 reimbursement payments."

16

17 NEW SECTION. **Section 10. Effective date.** [This act] is effective July 1, 2007.

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- END -