

1 SENATE BILL NO. 214

2 INTRODUCED BY K. GILLAN, B. HAWKS, T. FACEY, E. MCCLAFFERTY

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING AN EXCEPTION TO THE REQUIREMENT TO SUBMIT  
5 TO A VOTE A SCHOOL MILL LEVY FOR AN OVER-BASE BUDGET INCREASE; AMENDING SECTIONS  
6 20-9-308 AND 20-9-353, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

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

9  
10 Section 1. Section 20-9-308, MCA, is amended to read:

11 **"20-9-308. BASE budgets and maximum general fund budgets.** (1)(a) The trustees of a district shall  
12 adopt a general fund budget that is at least equal to the BASE budget established for the district. The trustees  
13 of a district may adopt a general fund budget up to the maximum general fund budget or the previous year's  
14 general fund budget, whichever is greater.

15 (b) For purposes of the budget limitation in subsection (1)(a), the trustees may add any increase in state  
16 funding for the general fund payments in 20-9-327 through 20-9-330 to the district's previous year's general fund  
17 budget.

18 (2) (A) ~~Whenever~~ When EXCEPT AS PROVIDED IN SUBSECTION (2)(B), WHEN the trustees of a district  
19 propose to adopt a general fund budget that exceeds the BASE budget for the district and to increase the  
20 over-BASE budget levy OVER REVENUE PREVIOUSLY AUTHORIZED BY THE ELECTORS OF THE DISTRICT OR IMPOSED  
21 BY THE DISTRICT IN ANY OF THE PREVIOUS 5 YEARS to support the general fund budget, the trustees shall submit a  
22 proposition to the electors of the district, as provided in 20-9-353.

23 ~~(B), except when a~~ THE TRUSTEES ARE NOT REQUIRED TO SUBMIT A PROPOSITION TO THE  
24 ELECTORS IF THE district is able to increase its over-BASE budget without increasing the over-BASE mills due  
25 to higher assessed valuation of the district's taxable property attributable to newly taxable property as described  
26 in 15-10-420(3). AN INCREASE IN THE LEVY WITHOUT A VOTE DUE TO HIGHER ASSESSED VALUATION BECAUSE OF NEWLY  
27 TAXABLE PROPERTY MAY NOT EXCEED 0.75% OF THE SCHOOL DISTRICT'S MAXIMUM GENERAL FUND BUDGET.

28 (3) The BASE budget for the district must be financed by the following sources of revenue:

29 (a) state equalization aid, as provided in 20-9-343, including any guaranteed tax base aid for which the  
30 district may be eligible, as provided in 20-9-366 through 20-9-369;

- 1 (b) county equalization aid, as provided in 20-9-331 and 20-9-333;
- 2 (c) a district levy for support of a school not approved as an isolated school under the provisions of
- 3 20-9-302;
- 4 (d) payments in support of special education programs under the provisions of 20-9-321;
- 5 (e) nonlevy revenue, as provided in 20-9-141; and
- 6 (f) a BASE budget levy on the taxable value of all property within the district.
- 7 (4) The over-BASE budget amount of a district must be financed by a levy on the taxable value of all
- 8 property within the district or other revenue available to the district, as provided in 20-9-141."

9

10 **Section 2.** Section 20-9-353, MCA, is amended to read:

11 **"20-9-353. Additional financing for general fund -- election for authorization to impose.** (1) The

12 trustees of a district may propose to adopt an over-BASE budget amount for the district general fund that does

13 not exceed the general fund budget limitations, as provided in 20-9-308.

14 (2) ~~(A) When~~ EXCEPT AS PROVIDED IN SUBSECTION (2)(B), WHEN the trustees of the district propose to adopt

15 an over-BASE budget under subsection (1), any increase in local property taxes authorized by 20-9-308(4) OVER

16 REVENUE PREVIOUSLY AUTHORIZED BY THE ELECTORS OF THE DISTRICT OR IMPOSED BY THE DISTRICT IN ANY OF THE

17 PREVIOUS 5 YEARS must be submitted to a vote of the qualified electors of the district, as provided in 15-10-425.

18 ~~(B) ; except when a~~ THE TRUSTEES ARE NOT REQUIRED TO SUBMIT A PROPOSITION TO THE ELECTORS IF THE

19 district is able to increase its over-BASE budget without increasing the over-BASE mills due to higher assessed

20 valuation of the district's taxable property attributable to newly taxable property as described in 15-10-420(3).

21 AN INCREASE IN THE LEVY WITHOUT A VOTE DUE TO HIGHER ASSESSED VALUATION BECAUSE OF NEWLY TAXABLE

22 PROPERTY MAY NOT EXCEED 0.75% OF THE SCHOOL DISTRICT'S MAXIMUM GENERAL FUND BUDGET. The trustees are

23 not required to submit to the qualified electors any increase in state funding of the basic or per-ANB entitlements

24 or of the general fund payments established in 20-9-327 through 20-9-330 approved by the legislature. When

25 the trustees of a district determine that a voted amount of financing is required for the general fund budget, the

26 trustees shall submit the proposition to finance the voted amount to the electors who are qualified under

27 20-20-301 to vote upon the proposition. The election must be called and conducted in the manner prescribed

28 by this title for school elections and must conform to the requirements of 15-10-425. The ballot for the election

29 must conform to the requirements of 15-10-425.

30 (3) If the proposition on any additional financing for the general fund is approved by a majority vote of

1 the electors voting at the election, the proposition carries and the trustees may use any portion or all of the  
2 authorized amount in adopting the final general fund budget. The trustees shall certify any additional levy amount  
3 authorized by the election on the budget form that is submitted to the county superintendent, and the county  
4 commissioners shall levy the authorized number of mills on the taxable value of all taxable property within the  
5 district, as prescribed in 20-9-141.

6 (4) All levies adopted under this section must be authorized by the election conducted before August  
7 1 of the school fiscal year for which it is effective.

8 (5) If the trustees of a district are required to submit a proposition to finance an over-BASE budget  
9 amount, as allowed by 20-9-308, to the electors of the district, the trustees shall comply with the provisions of  
10 subsections (2) through (4) of this section."

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12 NEW SECTION. Section 3. Effective date. [This act] is effective July 1, 2011.

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14 NEW SECTION. SECTION 4. TERMINATION. [SECTIONS 1 AND 2] TERMINATE JUNE 30, 2015.

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