## SENATE BILL NO. 454 INTRODUCED BY STORY

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE SCHEDULE OF BLOCK GRANTS AND DELAYING THE TIME FOR GROWTH IN THE BLOCK GRANTS FOR SCHOOL DISTRICTS; COUNTYWIDE SCHOOL RETIREMENT; AND COUNTYWIDE SCHOOL TRANSPORTATION AS ESTABLISHED BY CHAPTER 574, LAWS OF 2002, AND MODIFIED BY CHAPTER 13, SPECIAL LAWS OF AUGUST 2002; AMENDING SECTIONS 25, 26, AND 27, CHAPTER 13, SPECIAL LAWS OF AUGUST 2002; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

| Section 1. Section 25, Chapter 13, Special Laws of August 2002, is amended to read:  |
|--|
| "Section 25. Section 244, Chapter 574, Laws of 2001, is amended to read:   |
| "Section 244. School district block grants. (1) (a) The office of public instruction shall provide a block                     |
| <del>grant to each school district based on the revenue received by each district in fiscal year 2001 from vehicle taxes</del> |
| and fees, corporate license taxes paid by financial institutions, aeronautics fees, state land payments in lieu of             |
| taxes, and property tax reimbursements pursuant to sections 167(1) through (5) and 169(6), Chapter 584, Laws                   |
| <del>of 1999.</del>  |
| (b) Block grants must be calculated using the electronic reporting system that is used by the office of                        |
| public instruction and school districts. The electronic reporting system must be used to allocate a portion of the             |
| block grant amount into each district's fiscal year 2002 budget as an anticipated revenue source by fund.                      |
| (c) With the exception of vehicle taxes and fees, the office of public instruction shall use the amount                        |
| actually received from the sources listed in subsection (1)(a) in fiscal year 2001 in its calculation of the block grant       |
| for fiscal year 2002 budgeting purposes. For vehicle taxes and fees, the office of public instruction shall use                |
| 93.4% of the amount actually received in fiscal year 2001 in calculating the block grant for fiscal year 2002.                 |
| (2) If the biennial fiscal year 2003 appropriation provided in [section 248(1)] is insufficient to fund the                    |
| school district block grants in fiscal year 2003 at the fiscal year 2002 level, the office of public instruction shall         |
| prorate the block grants to meet the remaining appropriation. School districts shall anticipate the prorated block             |
| grant amounts provided by the office of public instruction in their budgets for fiscal year 2003.                              |
| (3) Each year 70% of each district's block grant must be distributed in November and 30% of each                               |

district's block grant must be distributed in May at the same time that guaranteed tax base aid is distributed. If the appropriation for block grants is greater than or less than the amount received by schools from the sources enumerated in subsection (1), the office of public instruction shall prorate the amount appropriated based upon the fiscal year 2001 revenue.

(4) The average amount of the block grants in fiscal years 2002 and 2003 must be used in fiscal year 2004 and fiscal year 2005. The block grant must be increased by 0.76% in fiscal year 2004 2006 and in each succeeding fiscal year."

Section 1. Section 26, Chapter 13, Special Laws of August 2002, is amended to read:

"Section 245. Countywide school retirement block grants. (1) The office of public instruction shall distribute one-half of the amount appropriated for countywide school retirement in November and the remainder in May. The total amount for each county is as follows:

|            | FY 2002    | FY2002      | FY2003  | FY2003  |
|------------|------------|-------------|---|---|
|            | Elementary | High School | Elementary  | High School                                       |
|            | Payment    | Payment     | Payment   | Payment   |
| Beaverhead | \$86,692   | \$50,789    | <del>\$87,351</del> <u>\$55,503</u>               | <del>\$51,175</del> <u>\$41,981</u>               |
| Big Horn   | 62,668     | 36,963      | <del>63,144</del> <u>95,018</u>                   | <del>37,244</del> <u>33,837</u>                   |
| Blaine     | 61,160     | 10,193      | <del>61,624</del> <u>46,318</u> <u>46,437</u>     | <del>10,271</del> <del>81,109</del> 81,145        |
| Broadwater | 0          | 92,686      | 0   | <del>93,390</del> <u>34,949</u>                   |
| Carbon     | 43,451     | 82,110      | <del>43,782</del> <del>72.602</del> <u>72,592</u> | <del>82,734</del> <u>58,957</u> <u>69,522</u>     |
| Carter     | 9,751      | 5,453       | 9,825 <u>8,478</u> <u>8,638</u>                   | <del>5,495</del> <u>6,155</u> <u>6,244</u>        |
| Cascade    | 349,056    | 192,848     | <del>351,709</del> <u>282,266</u> <u>280,363</u>  | <del>194,314</del> <del>142,282</del> 141,301     |
| Chouteau   | 75,384     | 41,034      | <del>75,957</del> <u>58,455</u> <u>60,978</u>     | <del>41,346</del> <del>29,474</del> <u>30,825</u> |
| Custer     | 78,925     | 36,930      | <del>79,525</del> <u>57,608</u>                   | <del>37,211</del> <u>32,128</u>                   |
| Daniels    | 0          | 37,994      | 0   | <del>38,283</del> <u>36,083</u>                   |
| Dawson     | 85,568     | 38,722      | <del>86,219</del> <u>64,693</u>                   | <del>39,016</del> <u>24,827</u>                   |
| Deer Lodge | 39,980     | 17,059      | <del>40,284</del> <del>34,455</del> <u>35,062</u> | <del>17,189</del> <u>16,807</u> <u>14,748</u>     |
| Fallon     | 0          | 0           | 0   | 0 <del>30,444</del> <u>30,930</u>                 |
| Fergus     | 119,028    | 78,809      | <del>119,932</del> <u>90,464</u> <u>86,528</u>    | <del>79,408</del> <u>55,527</u> <u>52,925</u>     |
| Flathead   | 558,861    | 296,410     | <del>563,108</del> <u>530,274</u>                 | <del>298,662</del> <u>268,731</u>                 |
|            |            |             |   |   |

<sup>&</sup>quot;Section 26. Section 245, Chapter 574, Laws of 2001, is amended to read:

| Gallatin      | 383,035 | 181,743 | <del>385,946</del> <u>537,244</u>                    | <del>183,125</del> <u>107,717</u>                    |
|---------------|---------|---------|--|--|
| Garfield      | 12,337  | 10,170  | <del>12,431</del> <u>12,100</u>                      | <del>10,247</del> <u>4,620</u>                       |
| Glacier       | 79,924  | 34,016  | <del>80,532</del> <u>106,815</u>                     | <del>34,275</del> <u>10,494</u>                      |
| Golden Valley | 0       | 16,716  | 0  | <del>16,843</del> <del>14,492</del> 14,952           |
| Granite       | 14,074  | 48,026  | <del>14,180</del> <u>12,523</u> <u>12,758</u>        | <del>48,391</del> <del>30,727</del> <u>31,458</u>    |
| Hill          | 142,867 | 82,538  | <del>143,953</del> <u>59,593</u> <u>130,460</u>      | <del>83,165</del> <u>35,211</u> <u>77,730</u>        |
| Jefferson     | 116,679 | 59,523  | <del>117,565</del> <del>143,901</del> <u>143,931</u> | <del>59,976</del> <del>59,690</del> 59,751           |
| Judith Basin  | 6,149   | 21,359  | <del>6,196</del> <u>4,744</u>                        | <del>21,521</del> <u>30,198</u>                      |
| Lake          | 173,584 | 139,990 | <del>174,903</del> <u>156,485</u>                    | <del>141,054</del> <u>103,365</u>                    |
| Lewis & Clark | 344,112 | 211,726 | <del>346,728</del> <del>370,958</del> <u>370,732</u> | <del>213,335</del> <del>173,847</del> <u>173,725</u> |
| Liberty       | 20,144  | 16,786  | <del>20,297</del> <u>3,067</u> <u>24,426</u>         | <del>16,914</del> <u>31,953</u> <u>20,813</u>        |
| Lincoln       | 73,001  | 98,835  | <del>73,556</del> <u>61,499</u>                      | <del>99,586</del> <u>87,710</u>                      |
| Madison       | 0       | 103,163 | θ <u>4,891</u>                                       | <del>103,947</del> <del>19,788</del> 20,480          |
| Mccone        | 23,214  | 15,824  | <del>23,390</del> <del>21,778</del> <u>21,637</u>    | <del>15,945</del> <del>14,004</del> 13,906           |
| Meagher       | 13,654  | 10,678  | <del>13,758</del> <u>9,250</u> <u>10,682</u>         | <del>10,759</del> <del>9,492</del> 10,715            |
| Mineral       | 0       | 32,206  | 0  | <del>32,451</del> <u>33,292</u> <u>33,306</u>        |
| Missoula      | 487,129 | 362,756 | <del>490,832</del> <u>587,637</u>                    | <del>365,513</del> <u>357,669</u>                    |
| Musselshell   | 30,675  | 21,577  | <del>30,908</del> <u>48,959</u>                      | <del>21,741</del> <u>41,250</u>                      |
| Park          | 154,192 | 81,696  | <del>155,364</del> <u>135,256</u>                    | <del>82,317</del> <u>78,135</u>                      |
| Petroleum     | 0       | 16,897  | 0  | <del>17,026</del> <u>9,510</u> <u>12,393</u>         |
| Phillips      | 10,502  | 95,084  | <del>10,582</del> <del>103,747</del> <u>103,759</u>  | <del>95,806</del> <u>54,728</u> <u>54,793</u>        |
| Pondera       | 79,805  | 60,307  | <del>80,411</del> <u>18,821</u> <u>65,353</u>        | <del>60,765</del> <u>47,629</u>                      |
| Powder River  | 18,815  | 15,011  | <del>18,958</del> <u>0</u> <u>19,026</u>             | <del>15,125</del> <u>0</u> <u>8,573</u>              |
| Powell        | 69,695  | 22,666  | <del>70,225</del> <del>71,420</del> <u>71,009</u>    | <del>22,838</del> <del>30,458</del> 30,326           |
| Prairie       | 0       | 26,791  | 0  | <del>26,995</del> <u>21,945</u>                      |
| Ravalli       | 85,333  | 169,769 | <del>85,981</del> <u>2,062</u> <u>20,867</u>         | <del>171,059</del> <del>40,316</del> 73,912          |
| Richland      | 83,671  | 30,302  | <del>84,307</del> <u>15,500</u> <u>12,477</u>        | <del>30,533</del> <u>26,650</u> 24,039               |
| Roosevelt     | 71,090  | 60,329  | <del>71,630</del> <u>96,278</u>                      | <del>60,787</del> <u>61,038</u>                      |
| Rosebud       | 359,662 | 286,411 | <del>362,395</del> <u>475,055</u> <u>478,891</u>     | <del>288,588</del> <del>126,246</del> 129,268        |
| Sanders       | 203,863 | 127,694 | <del>205,413</del> <u>197,286</u>                    | <del>128,665</del> <del>14,442</del> <u>117,375</u>  |
| Sheridan      | 0       | 46,231  | 0  | <del>46,583</del> <del>47,628 </del> 58,463          |

| Silver Bow  | 249,821   | 141,541   | <del>251,719</del> <u>193,304</u>                          | <del>142,617</del> <u>119,358</u>                      |
|-------------|-----------|-----------|--|--|
| Stillwater  | 91,487    | 75,926    | <del>92,182</del> <u>91,185</u> <u>99,893</u>              | <del>76,503</del> <u>51,769</u> 58,767                 |
| Sweet Grass | 36,996    | 36,327    | <del>37,277</del> <u>24,214</u>                            | <del>36,603</del> <u>12,316</u>                        |
| Teton       | 57,760    | 41,547    | <del>58,199</del> <u>45,217</u>                            | <del>41,863</del> <u>40,769</u>                        |
| Toole       | 43,323    | 51,399    | <del>43,652</del> <u>36,109</u>                            | <del>51,790</del> <u>73,362</u>                        |
| Treasure    | 0         | 18,947    | 0  | <del>19,091</del> <u>16,243</u>                        |
| Valley      | 15,824    | 90,532    | <del>15,944</del> <del>10,558</del> <u>6,751</u>           | <del>91,220</del> <del>143,204</del> 109,094           |
| Wheatland   | 20,946    | 12,103    | <del>21,105</del> <u>15,031</u>                            | <del>12,195</del> <u>12,109</u>                        |
| Wibaux      | 0         | 14,585    | 0  | <del>14,696</del> <u>25,103</u>                        |
| Yellowstone | 1,125,488 | 643,136   | <del>1,134,042</del> <del>1,070,887</del> <u>1,077,273</u> | <del>648,024</del> <del>612,203</del> 615,945          |
| Total       | 6,269,374 | 4,650,865 | <del>6,317,022</del> <u>6,326,685</u>                      | <del>4,686,212</del> <u>3,723,973</u> <u>3,798,057</u> |
|             |           |           |  | 3,900,990  |

(2) The average <del>amount</del> of the block grants in fiscal years 2002 and 2003 must be <del>used in fiscal year</del> 2004 and fiscal year 2005. The block grant must be increased by 0.76% in fiscal year 2004 2006 2004 and in each succeeding fiscal year.""

Section 2. Section 27, Chapter 13, Special Laws of August 2002, is amended to read:

"Section 27. Section 246, Chapter 574, Laws of 2001, is amended to read:

"Section 246. Countywide school transportation block grants. (1) The office of public instruction shall distribute one-half of the amount appropriated for countywide school transportation in November and the remainder in May. The total amount for each county is as follows:

|            | FY 2002  | FY2003  |
|------------|----------|---|
|            | Payment  | Payment   |
| Beaverhead | \$29,924 | <del>\$30,151</del> <u>\$26,197</u>               |
| Big Horn   | 43,635   | <del>43,966</del> <u>52,920</u>                   |
| Blaine     | 3,727    | <del>3,756</del> <del>13,384</del> <u>13,433</u>  |
| Broadwater | 14,935   | <del>15,048</del> <u>21,769</u>                   |
| Carbon     | 23,493   | <del>23,671</del> <u>23,040</u>                   |
| Carter     | 8,675    | <del>8,741</del> <u>6,457</u> <u>6,592</u>        |
| Cascade    | 84,382   | <del>85,024</del> <u>5,760</u> <u>43,722</u>      |
| Chouteau   | 33,063   | <del>33,314</del> <del>26,028</del> <u>27,043</u> |

| Custer        | 7,069  | <del>7,123</del> <u>6,272</u>                     |
|---------------|--------|---|
| Daniels       | 16,771 | <del>16,899</del> <u>12,993</u>                   |
| Dawson        | 21,356 | <del>21,518</del> <u>14,001</u>                   |
| Deer Lodge    | 14,392 | <del>14,502</del> <u>14,482</u> <u>12,532</u>     |
| Fallon        | 20,447 | <del>20,603</del> <del>25,422</del> <u>25,428</u> |
| Fergus        | 58,765 | <del>59,211 <u>30,799</u> <u>29,415</u></del>     |
| Flathead      | 89,846 | <del>90,529</del> <u>77,223</u>                   |
| Gallatin      | 81,262 | <del>81,879</del> <u>90,930</u>                   |
| Garfield      | 17,284 | <del>17,415</del> <u>7,135</u>                    |
| Glacier       | 37,740 | <del>38,027</del> <u>34,300</u>                   |
| Golden Valley | 3,547  | <del>3,574</del> <u>3,591</u> <u>3,664</u>        |
| Granite       | 8,153  | <del>8,215 <u>6,726</u> <u>6,858</u></del>        |
| Hill          | 46,409 | <del>46,762</del> <del>17,070</del> <u>40,781</u> |
| Jefferson     | 36,329 | <del>36,605</del> <del>34,792</del> <u>34,817</u> |
| Judith Basin  | 16,878 | <del>17,007</del> <u>20,322</u>                   |
| Lake          | 69,756 | <del>70,286</del> <u>52,163</u>                   |
| Lewis & Clark | 58,287 | <del>58,730</del> <u>69,557</u> <u>69,535</u>     |
| Liberty       | 15,874 | <del>15,995</del> <u>12,731</u> <u>9,584</u>      |
| Lincoln       | 50,388 | <del>50,771</del> <u>0</u> <u>22,795</u>          |
| Madison       | 21,263 | <del>21,424</del> <del>14,174</del> 12,828        |
| Mccone        | 12,498 | <del>12,593</del> <del>11,856</del> <u>11,788</u> |
| Meagher       | 4,237  | <del>4,269</del> <u>6,366</u> 6,97 <u>6</u>       |
| Mineral       | 7,478  | <del>7,534</del> <u>9,038</u>                     |
| Missoula      | 93,969 | <del>94,683</del> <u>94,480</u>                   |
| Musselshell   | 12,945 | <del>13,043</del> <u>20,627</u>                   |
| Park          | 31,904 | <del>32,147</del> <u>32,394</u>                   |
| Petroleum     | 9,854  | <del>9,929</del> <u>6,086</u> 7,30 <u>0</u>       |
| Phillips      | 31,080 | <del>31,316</del> <u>43,852</u> 43,872            |
| Pondera       | 22,599 | <del>22,771</del> <u>18,308</u>                   |
| Powder River  | 21,304 | <del>21,465</del> <del>0</del> 21,795             |
| Powell        | 16,622 | <del>16,748</del> <del>14,581</del> 14,507        |
|               |        |   |

| Prairie     | 8,544     | <del>8,609</del> <u>4,809</u>   |
|-------------|-----------|---|
| Ravalli     | 60,579    | <del>61,040</del> <del>24,889</del> 38,440                              |
| Richland    | 32,995    | <del>33,246</del> <u>30,868</u> <u>29,315</u>                           |
| Roosevelt   | 25,740    | <del>25,935</del> <u>40,216</u>   |
| Rosebud     | 97,820    | <del>98,564</del> <del>89,433</del> 90,850                              |
| Sanders     | 71,581    | <del>72,125</del> <del>173,489</del> <u>69,930</u>                      |
| Sheridan    | 12,946    | <del>13,045</del> <del>17,460</del> 24,274                              |
| Silver Bow  | 21,872    | <del>22,038</del> <u>18,381</u>   |
| Stillwater  | 27,358    | <del>27,566</del> <del>15,344</del> 17,543                              |
| Sweet Grass | 14,996    | <del>15,110</del> <u>6,340</u>  |
| Teton       | 28,202    | <del>28,416</del> <u>20,759</u>   |
| Toole       | 17,208    | <del>17,339</del> <u>15,592</u>   |
| Treasure    | 5,446     | <del>5,487</del> <u>5,073</u>   |
| Valley      | 26,677    | <del>26,880</del> <del>36,436</del> 27,775                              |
| Wheatland   | 9,142     | <del>9,212</del> <u>6,386</u>   |
| Wibaux      | 6,198     | <del>6,246</del> <u>8,816</u>   |
| Yellowstone | 149,314   | <del>150,448</del> <del>145,322</del> <u>146,210</u>                    |
| Total       | 1,814,759 | <del>1,828,551</del> <u>1,637,437</u> <u>1,753,647</u> <u>1,650,088</u> |

(2) The average <del>amount</del> of the block grants in fiscal years 2002 and 2003 must be <del>used in fiscal year</del> 2004 and fiscal year 2005. The block grant must be increased by 0.76% in fiscal year 2004 2006 2004 and in each succeeding fiscal year.""

NEW SECTION. Section 3. Codification instruction — DIRECTION TO CODE COMMISSIONER. (1) [Sections 1 through 3 AND 2] are intended to be codified as an integral part of Title 20, chapter 9, and the provisions of Title 20, chapter 9, apply to [sections 1 through 3 AND 2].

(2) THE CODE COMMISSIONER IS DIRECTED TO CODIFY SECTION 25, CHAPTER 13, SPECIAL LAWS OF AUGUST 2002, AS AN INTEGRAL PART OF TITLE 20, CHAPTER 9, AND THE PROVISIONS OF TITLE 20, CHAPTER 9, APPLY TO THAT SECTION.

NEW SECTION. Section 4. Effective date. [This act] is effective on passage and approval.