

SENATE BILL NO. 226

INTRODUCED BY J. COHENOUR

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING TRANSPORTATION FUNDING LAWS; ~~EXPANDING SCHOOL TRANSPORTATION FUNDING TO INCLUDE~~ REQUIRING COUNTY TRANSPORTATION REIMBURSEMENT FOR ACADEMIC SUMMER SCHOOL; AMENDING ~~SECTION~~ SECTIONS 20-10-145 AND 20-10-146, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

**Section 1.** Section 20-10-145, MCA, is amended to read:

**"20-10-145. State transportation reimbursement.** (1) A district providing school bus transportation or individual transportation in accordance with this title, board of public education transportation policy, and superintendent of public instruction transportation rules must receive a state reimbursement of its transportation expenditures under the transportation reimbursement rate provisions of 20-10-141 and 20-10-142. The state transportation reimbursement is one-half of the reimbursement amounts established in 20-10-141 and 20-10-142 or one-half of the district's transportation fund budget, whichever is smaller, and must be computed on the basis of the number of days the transportation services were actually rendered, ~~not to exceed 180 pupil instruction days to transport eligible transportees, AS DEFINED IN 20-10-101, to or from school to participate in academic instruction, including instruction beyond the minimum aggregate hours of instruction required pursuant to 20-1-301 when conducted as part of a summer school program.~~ In determining the amount of the state transportation reimbursement, an amount claimed by a district may not be considered for reimbursement unless the amount has been paid in the regular manner provided for the payment of other financial obligations of the district.

(2) Requests for the state transportation reimbursement must be made by each district semiannually during the school fiscal year on the claim forms and procedure promulgated by the superintendent of public instruction. The claims for state transportation reimbursements must be routed by the district to the county superintendent, who after reviewing the claims shall send them to the superintendent of public instruction. The superintendent of public instruction shall establish the validity and accuracy of the claims for the state transportation reimbursements by determining compliance with this title, board of public education transportation policy, and the transportation rules of the superintendent of public instruction. After making any necessary

1 adjustments to the claims, the superintendent of public instruction shall order a disbursement from the state  
2 money appropriated by the legislature of the state of Montana for the state transportation reimbursement.

3 (3) The superintendent of public instruction shall make the disbursement to each school district according  
4 to the following schedule:

5 (a) By September 1 of each year, the superintendent of public instruction shall make a payment equal  
6 to 50% of the state transportation reimbursement paid to the district in the previous school year.

7 (b) By March 31 of each year, the superintendent of public instruction shall make a payment to the district  
8 equal to the approved amount of state reimbursement for first semester transportation claims less the amount  
9 distributed to the district under subsection (3)(a).

10 (c) By June 30 of each year, the superintendent of public instruction shall make a payment to the district  
11 to pay the balance of the approved amount due to the district for first and second semester transportation.

12 (4) The payment of all the district's claims within one county must be made to the county treasurer of the  
13 county, and the county superintendent shall apportion the payment in accordance with the apportionment order  
14 supplied by the superintendent of public instruction.

15 (5) After adopting a budget amendment for the transportation fund in accordance with 20-9-161 through  
16 20-9-166, the district shall send to the superintendent of public instruction a copy of each new or amended  
17 individual transportation contract and each new or amended bus route form to which the budget amendment  
18 applies. State reimbursement for the additional obligations must be paid as provided in subsection (1)."

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20 **SECTION 2. SECTION 20-10-146, MCA, IS AMENDED TO READ:**

21 **"20-10-146. County transportation reimbursement.** (1) The apportionment of the county transportation  
22 reimbursement by the county superintendent for school bus transportation or individual transportation that is  
23 actually rendered by a district in accordance with this title, board of public education transportation policy, and  
24 the transportation rules of the superintendent of public instruction must be the same as the state transportation  
25 reimbursement payment, except that:

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

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

1 the proration; and

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

4 (d) county transportation reimbursement must be provided for transportation in connection with the  
5 minimum aggregate hours of instruction and for academic instruction beyond 180 pupil-instruction days when  
6 conducted as part of a summer school program.

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

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

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

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

16 (ii) oil and natural gas production taxes;

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

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

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

21 (vi) federal forest reserve funds allocated under the provisions of 17-3-213;

22 (vii) property tax reimbursements made pursuant to 15-1-123(7); and

23 (viii) other revenue anticipated that may be realized in the county transportation fund during the ensuing  
24 school fiscal year; and

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

27 (3) The net levy requirement determined in subsection (2)(c) must be reported to the county  
28 commissioners on or before the later of the first Tuesday in September or within 30 calendar days after receiving  
29 certified taxable values by the county superintendent, and a levy must be set by the county commissioners in  
30 accordance with 20-9-142.

1           (4) The county superintendent of each county shall submit a report of the revenue amounts used to  
2 establish the levy requirements to the superintendent of public instruction on or before September 15. The report  
3 must be completed on forms supplied by the superintendent of public instruction.

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

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9           NEW SECTION. **Section 3. Effective date.** [This act] is effective July 1, 2017.

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11           NEW SECTION. **Section 4. Applicability.** [This act] applies to school fiscal years beginning after June  
12 30, 2017.

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