MONTANA SENATE
2007 LEGISLATURE

CONFERENCE COMMITTEE ON HB 809

ROLL CALL

DATE 4-24-07

NAMES	PRESENT	ABSENT	EXCUSED
Sen. Hawks	✓		
Sen. Wanzenried	✓		
Sen. Lewis	✓		
Rep. Glaser	✓		
Rep. Wells	✓		
Rep. Villa	✓		
Jim Stardaert, Legislative Branch	✓		
~~Claudia Johnson~~, Committee Secretary	✓		

Date 4-23-07
Bill No. HB 809

Legislative Fiscal Division

Representative Lange **4/23/2007 11:38**

K-12 Ideas

	State Impact FY 2008	State Impact FY 2009	State Impact Biennial	
Create Basic Entitlement Units with Current Basic Entitlements-100% State Fund			-	
Direct State Aid and GTB Savings	(33,849,830)	(32,346,808)	(66,196,637)	
New Basic Entitlement Payment	66,403,886	68,314,387	134,718,274	
Net Impact	32,554,057	35,967,580	68,521,636	$22.0 million per year is Property Tax Relief
Increase Elementary Basic Entitlement to $45,000 and $50,000 w/ 100% State Funding	11,338,210	12,271,649	23,609,858	
Increase High School Basic Entitlement to $248,000 and $260,000 w/ 100% State Funding	2,082,302	4,157,737	6,240,039	
Net Impact	13,420,511	16,429,386	29,849,897	
Impact of Basic Entitlement Unit Concept	45,974,568	52,396,966	98,371,534	
Increase GTB to 212%	18,238,929	18,044,622	36,283,551	
Net Cost to State	**64,213,497**	**70,441,587**	**134,655,084**	
New Money For Schools above Inflation and not counting Tax Relief associated with State Assumption of Basic Entitlement Units	**23,974,568**	**30,396,966**	**54,371,534**	
Property Tax Relief Associated with State Assumption of Basic Entitlement	**22,000,000**	**22,000,000**	**44,000,000**	
Property Tax Relief Associated with GTB to 212%	**18,238,929**	**18,044,622**	**36,283,551**	
Total Tax Relief	**40,238,929**	**40,044,622**	**80,283,551**	
Basic Entitlement Units - (ANB per Unit by Level, round to the nearest tenth)	800/HS	450/MS	250/EL	

Representative Lange

4/23/2007 11:38

K-12 Ideas

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SENATE COMMITTEE OF THE WHOLE AMENDMENT
House Bill 809
Senator Bob Hawks

April 11, 2007 2:37 pm

Mr. Chairman:

I move to amend **House Bill 809** (second house second reading copy -- tan).

Signed: _____
Senator Bob Hawks

And, that such amendments to **House Bill 809** (second house second reading copy -- tan) read as follows:

1. Page A-3, line 3.
Strike: "All"
Insert: "Except for the amount appropriated for administration from the traffic education account in OPI Administration, all remaining"

- END -

Explanation - This amendment, makes clear that the first use of revenue in the traffic education account is for OPI administration, as provided for in 20-7-506(2), MCA.

ADOPT

REJECT

Amendment # HB 809-1

761437CW.spb

SENATE COMMITTEE OF THE WHOLE AMENDMENT
House Bill 809
Senator Bob Hawks

April 13, 2007 8:50 am
Page 1

Mr. Chairman:

I move to amend **House Bill 809** (second house second reading copy -- tan).

Signed: _____
Senator Bob Hawks

And, that such amendments to **House Bill 809** (second house second reading copy -- tan) read as follows:

1. Page A-1, line 21.
Strike: "503,114,737 513,450,519" [general fund FY08 and FY09]
Insert: "504,458,688 514,972,111" [general fund FY08 and FY09]

- END -

Explanation - This amendment adjusts Base Aid for higher expected costs for full-time kindergarten and for the higher middle school basic entitlement in HB 417. The adjustment is $1,343,951 in FY 2008 and $1,521,592 in FY 2009.

The new middle school basic entitlement in HB 417 is $60,275 per district with a middle school program. The money currently in HB 809 reflects a middle school basic entitlement of $55,500.

An amendment to HB 417 that requires districts to three-year-average students before adding kindergarten students also increased costs. The table below shows these impacts on Base Aid.

	FY 2008	FY 2009
Middle School to $60,275	$ 600,748	$ 602,779
Change Counting for F/T Kinder	$ 743,203	$ 918,813
Total	$1,343,951	$1,521,592

ADOPT

REJECT

Amendment # HB 809-10

780850CW.ssc

SENATE COMMITTEE OF THE WHOLE AMENDMENT
House Bill 809
Senator Don Ryan

April 13, 2007 9:05 am

Mr. Chairman:

I move to amend **House Bill 809** (second house second reading copy -- tan).

Signed: _____
Senator Don Ryan

And, that such amendments to **House Bill 809** (second house second reading copy -- tan) read as follows:

1. Page A-2, following line 24.
Insert: "q. School Flexibility Account (Restricted/OTO) 10,000,000" [state special FY09]

2. Page A-3, following line 6.
Insert: "If Senate Bill No. 568 does not contain a transfer of $10 million from the school facility improvement fund to the school flexibility fund, School Flexibility Account is void."

- END -

Explanation - This appropriates $10,000,000 from the school flexibility fund to schools through the flexibility fund formula. It is contingent upon a transfer in SB 568 that transfers the $10,000,000 from the facility improvement fund to the school flexibility fund.

ADOPT

REJECT

Amendment # HB 809-9

780905CW.spb

SENATE COMMITTEE OF THE WHOLE AMENDMENT
House Bill 809
Senator John Cobb

April 13, 2007 2:03 pm

Mr. Chairman:

I move to amend **House Bill 809** (second house second reading copy -- tan).

Separate 2+5
Pass 1, 3, 4, 6

Signed: Cobb
Senator John Cobb

And, that such amendments to **House Bill 809** (second house second reading copy -- tan) read as follows:

1. Page A-1.
Following: line 21
Insert: "b. Base Aid Increase -- Senate Bill No. 75 188,569 184,664" [general fund FY08 and FY09]
Renumber: subsequent subsections

2. Page A-1.
Following: line 21
Insert: "b. Base Aid Increase -- Senate Bill No. 220 411,000" [general fund FY08]
Renumber: subsequent subsections

3. Page A-2.
Following: line 24
Insert: "q. Distance Learning Technology Payment 161,250 325,000" [general fund FY08 and FY09]

4. Page A-2.
Following: line 27
Insert: "If Senate Bill No. 75 is not passed and approved, Base Aid Increase--Senate Bill No. 75 is void."

5. Page A-2.
Following: line 27
Insert: "If Senate Bill No. 220 is not passed and approved, Base Aid Increase--Senate Bill No. 220 is void."

ADOPT

REJECT

Amendment # HB 809-11

781403CW.ssc

6. Page A-3.
Following: line 6
Insert: "If House Bill No. 515 is not passed and approved, Distance Learning Technology Payment is void."

- END -

Explanation - This amendment to the budget for the Office of Public Instruction adds a total of $1,270,483 general fund in the 2009 biennium, **on a contingent basis**, pending the passage and approval of three separate Senate Bills that, if passed and approved, would appropriate these funds to OPI.

SENATE STANDING COMMITTEE REPORT

Mr. President:

We, your committee on **Finance and Claims** recommend that **House Bill 809** (third reading copy -- blue) **be concurred in as amended.**

Signed: _____
Senator Trudi Schmidt, Chair

To be carried by Senator Trudi Schmidt

And, that such amendments read:

1. Title, lines 5 and 6.
Following: "INSTRUCTION" on line 5
Strike: remainder of line 5 through "SOCIETY" on line 6

2. Title, line 7 through line 11.
Following: "FUNDS;" on line 7
Strike: remainder of line 7 through "MCA;" on line 11
Following: "PROVIDING"
Insert: "AN"
Strike: "DATES"
Insert: "DATE"

3. Page 1, line 15 through page 20, line 4.
Strike: everything after the enacting clause
Insert:

- END -

Committee Vote:
Yes 14, No 5
Fiscal Note Required __

HB 809

741619SC.spb

HOUSE BILL NO. 809

INTRODUCED BY B. GLASER, SINRUD, BARKUS, MCGEE, MCGILLVRAY, MACLAREN

A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY TO THE OFFICE OF PUBLIC INSTRUCTION, ~~THE BOARD OF PUBLIC EDUCATION, THE MONTANA SCHOOL FOR THE DEAF AND BLIND, THE MONTANA ARTS COUNCIL, THE MONTANA STATE LIBRARY COMMISSION, AND THE MONTANA HISTORICAL SOCIETY~~ FOR THE BIENNIUM ENDING JUNE 30, 2009, AND SETTING RATES FOR INTERNAL SERVICES FUNDS; ~~REVISING LAWS TO ALLOW FOR THE APPROPRIATIONS AND TO IMPLEMENT THE STATUTORY PROVISIONS GOVERNING APPROPRIATIONS FOR THE OPERATION OF THE OFFICE OF PUBLIC INSTRUCTION, THE BOARD OF PUBLIC EDUCATION, THE MONTANA SCHOOL FOR THE DEAF AND BLIND, THE MONTANA ARTS COUNCIL, THE MONTANA STATE LIBRARY COMMISSION, AND THE MONTANA HISTORICAL SOCIETY; REQUIRING REPORTS ON THE SUCCESS OF CERTAIN EDUCATION FUNDING MEASURES; AMENDING SECTIONS 15-1-122, 17-1-507, 17-7-123, 17-7-131, 17-7-138, 17-7-139, 17-7-140, 17-7-301, 17-7-504, 20-9-542, AND 90-4-614, MCA;~~ AND PROVIDING AN ~~EFFECTIVE DATES~~ DATE."

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

(Refer to Third Reading Bill)

Strike everything after the enacting clause and insert:

NEW SECTION. **Section 1. First level expenditures.** The agency and program appropriation tables in the legislative fiscal analyst narrative accompanying this bill, showing first level expenditures and funding for the 2009 biennium, are adopted as legislative intent.

NEW SECTION. **Section 2. Severability.** If any section, subsection, sentence, clause, or phrase of [this act] is for any reason held unconstitutional, the decision does not affect the validity of the remaining portions of [this act].

NEW SECTION. **Section 3. Appropriation control.** An appropriation item designated "Biennial" may be spent in either year of the biennium. An appropriation item designated "Restricted" may be used during the biennium only for the purpose designated by its title and as presented to the legislature. An appropriation item designated "One Time Only" or "OTO" may not be included in the present law base for the 2011 biennium. The office of budget and program planning shall establish a separate appropriation on the statewide accounting, budgeting, and human resource system for any item designated "Biennial", "Restricted", "One Time Only", or "OTO". The office of budget and program planning shall establish at least one appropriation on the statewide accounting, budgeting, and human resource system for any appropriation that appears as a separate line item in [this act].

REFERENCE BILL
AS AMENDED

NEW SECTION. **Section 4. Program definition.** As used in [this act], "program" has the same meaning as defined in 17-7-102, is consistent with the management and accountability structure established on the statewide accounting, budgeting, and human resource system, and is identified as a major subdivision of an agency ordinally numbered with an Arabic numeral.

NEW SECTION. **Section 5. Personal services funding -- 2011 biennium.** Present law and new proposal funding budget requests for the 2011 biennium submitted under Title 17, chapter 7, part 1, by each executive branch agency must include funding of first level personal services separate from funding of other expenditures. The funding of first level personal services by accounting entity or equivalent for each fiscal year must be shown at the fourth reporting level or equivalent in the budget request for the 2011 biennium submitted by October 30 to the legislative fiscal analyst by the office of budget and program planning.

NEW SECTION. **Section 6. Totals not appropriations.** The totals shown in [this act] are for informational purposes only and are not appropriations.

NEW SECTION. **Section 7. Effective date.** [This act] is effective July 1, 2007.

NEW SECTION. **Section 8. Appropriations.** The following money is appropriated for the respective fiscal years:

	Fiscal 2008						Fiscal 2009					
	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
1					OFFICE OF PUBLIC INSTRUCTION							
2												
3	OFFICE OF SUPERINTENDENT OF PUBLIC INSTRUCTION (3501)											
4	1. OPI Administration (06)											
5	5,186,912	230,007	12,673,034	0	0	18,089,953	5,253,000	230,257	12,737,406	0	0	18,220,663
6	a. K-12 Education Data Systems (Restricted/Biennial)											
7	1,866,814	0	0	0	0	1,866,814	1,592,133	0	0	0	0	1,592,133
8	b. Curriculum Specialists (Restricted/Biennial)											
9	959,700	0	0	0	0	959,700	924,816	0	0	0	0	924,816
10	c. Storage Area Network (SAN) Replacement (Restricted/OTO)											
11	160,000	0	0	0	0	160,000	0	0	0	0	0	0
12	d. Indian Education for All and Indian Achievement Gap (Restricted/Biennial)											
13	1,665,351	0	0	0	0	1,665,351	1,665,570	0	0	0	0	1,665,570
14	e. Indian Education for All Tribal History (Restricted/Biennial/OTO)											
15	237,500	0	0	0	0	237,500	237,500	0	0	0	0	237,500
16	f. Mental Health Screening and Referral (Restricted)											
17	112,583	0	0	0	0	112,583	106,713	0	0	0	0	106,713
18	2. Distribution to Public Schools (09)											
19	0	0	139,285,243	0	0	139,285,243	0	0	145,148,901	0	0	145,148,901
20	a. Base Aid (Restricted)											
21	~~503,114,797~~	0	0	0	0	~~503,114,797~~	~~513,450,519~~	0	0	0	0	~~513,450,519~~
22	504,458,688					504,458,688	514,972,111					514,972,111
23	b. Base Aid Increase – Senate Bill No. 75											
24	188,569	0	0	0	0	188,569	184,664	0	0	0	0	184,664
25	c. Special Education (Restricted)											
26	40,434,302	0	0	0	0	40,434,302	41,647,331	0	0	0	0	41,647,331
27	d. Transportation (Restricted)											

	Fiscal 2008						Fiscal 2009					
	General Fund	State Special Revenue	Federal Special Revenue	Propri-etary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Propri-etary	Other	Total
1	12,472,550	0	0	0	0	12,472,550	12,572,550	0	0	0	0	12,572,550
2	e.	School Facility Payment (Restricted)										
3	10,509,037	0	0	0	0	10,509,037	10,509,037	0	0	0	0	10,509,037
4	f.	In-State Treatment (Restricted)										
5	974,896	0	0	0	0	974,896	974,896	0	0	0	0	974,896
6	g.	Secondary Vo-Ed (Restricted)										
7	1,000,000	0	0	0	0	1,000,000	1,000,000	0	0	0	0	1,000,000
8	h.	Adult Basic Ed (Restricted)										
9	525,000	0	0	0	0	525,000	525,000	0	0	0	0	525,000
10	i.	Gifted and Talented (Restricted)										
11	250,000	0	0	0	0	250,000	250,000	0	0	0	0	250,000
12	j.	Gifted and Talented (Restricted/OTO)										
13	1,000,000	0	0	0	0	1,000,000	1,000,000	0	0	0	0	1,000,000
14	k.	School Foods (Restricted)										
15	648,655	0	0	0	0	648,655	648,655	0	0	0	0	648,655
16	l.	HB 124 Block Grants (Restricted)										
17	50,979,326	0	0	0	0	50,979,326	51,366,769	0	0	0	0	51,366,769
18	m.	State Tuition Payments (Restricted)										
19	606,138	0	0	0	0	606,138	606,138	0	0	0	0	606,138
20	n.	Traffic Safety (Restricted)										
21	0	750,000	0	0	0	750,000	0	750,000	0	0	0	750,000
22	o.	Full-Time Kindergarten Startup Costs (Biennial/OTO)										
23	10,000,000	0	0	0	0	10,000,000	0	0	0	0	0	0
24	p.	At-Risk Payment (Restricted)										
25	5,000,000	0	0	0	0	5,000,000	5,000,000	0	0	0	0	5,000,000
26	q.	Indian Education for All Payment (Restricted/OTO)										
27	2,100,000	0	0	0	0	2,100,000	2,100,000	0	0	0	0	2,100,000

	Fiscal 2008						Fiscal 2009					
	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
R.	SCHOOL FLEXIBILITY ACCOUNT (RESTRICTED/OTO)											
	0	0	0	0	0	0	0	10,000,000	0	0	0	10,000,000
S.	DISTANCE LEARNING TECHNOLOGY PAYMENT											
	161,250	0	0	0	0	161,250	325,000	0	0	0	0	325,000
Total												
	~~649,863,501~~	980,007	151,958,277	0	0	~~802,741,785~~	~~651,430,627~~	~~980,257~~	157,886,307	0	0	~~810,297,191~~
	651,497,271					804,435,555	653,461,883	10,980,257				822,328,447

IF SENATE BILL NO. 75 IS NOT PASSED AND APPROVED, BASE AID INCREASE—SENATE BILL NO. 75 IS VOID.

The office of public instruction may distribute funds from the appropriation for In-State Treatment to public school districts for the purpose of providing for educational costs of children with significant behavioral or physical needs.

~~All~~ EXCEPT FOR THE AMOUNT APPROPRIATED FOR ADMINISTRATION FROM THE TRAFFIC EDUCATION ACCOUNT IN OPI ADMINISTRATION, ALL REMAINING revenue up to $1.1 million in the traffic education account for distribution to schools under the provisions of 20-7-506 and 61-5-121 is appropriated as provided in Title 20, chapter 7, part 5.

All appropriations for federal special revenue programs in state level activities and in local educational activities and all general fund appropriations in local educational activities are biennial.

IF SENATE BILL NO. 568 DOES NOT CONTAIN A TRANSFER OF $10 MILLION FROM THE SCHOOL FACILITY IMPROVEMENT FUND TO THE SCHOOL FLEXIBILITY FUND, SCHOOL FLEXIBILITY ACCOUNT IS VOID.

IF HOUSE BILL NO. 515 IS NOT PASSED AND APPROVED, DISTANCE LEARNING TECHNOLOGY PAYMENT IS VOID.

1 NEW SECTION. **Section 9. Rates.** Internal service fund type fees and charges established by the legislature for the 2009 biennium are as follows:

	Fiscal 2008	Fiscal 2009
Office of Public Instruction -- 3501		
1. OPI Indirect-Cost Pool	19.4%	19.4%

-END-