

1 HOUSE BILL NO. 405

2 INTRODUCED BY M. THANE, S. NOVAK, J. ISALY, P. STRAND, P. ELVERUM, M. BERTOGLIO, B.

3 BARKER, C. KEOGH, M. ROMANO, J. LYNCH

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5 A BILL FOR AN ACT ENTITLED: "AN ACT LOWERING SCHOOL DISTRICT PROPERTY TAXES FOR
6 TRANSPORTATION BY INCREASING THE ON-SCHEDULE REIMBURSEMENT RATES; AMENDING
7 SECTION 20-10-141, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

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11 **Section 1.** Section 20-10-141, MCA, is amended to read:

12 **"20-10-141. Schedule of maximum reimbursement by mileage rates.** (1) (a) 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. These rates may not limit the amount that a district may budget in its transportation fund budget in
16 order to provide for the estimated and necessary cost of school transportation during the ensuing school fiscal
17 year.

18 (b) All bus miles traveled on bus routes approved by the county transportation committee are
19 reimbursable.

20 (c) Nonbus mileage is reimbursable for a vehicle driven by a bus driver to and from an overnight
21 location of a school bus when the location is more than 10 miles from the school.

22 (d) A district may approve additional bus or nonbus miles within its own district or approved service
23 area but may not claim reimbursement for the mileage.

24 (e) Any vehicle, the operation of which is reimbursed for bus mileage under the rate provisions of
25 this schedule, must be a school bus, as defined by this title, driven by a qualified driver on a bus route approved
26 by the county transportation committee and the superintendent of public instruction.

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

- 1 (i) ~~50-85~~ cents for a school bus as defined in 20-10-101(5)(a)(ii);
- 2 (ii) ~~95 cents~~ \$1.58 for a school bus with a rated capacity of not more than 49 passenger seating
- 3 positions;
- 4 (iii) ~~\$1.15~~ \$1.91 for a school bus with a rated capacity of 50 to 59 passenger seating positions;
- 5 (iv) ~~\$1.36~~ \$2.26 for a school bus with a rated capacity of 60 to 69 passenger seating positions;
- 6 (v) ~~\$1.57~~ \$2.61 for a school bus with a rated capacity of 70 to 79 passenger seating positions; and
- 7 (vi) ~~\$1.80~~ \$2.99 for a school bus with 80 or more passenger seating positions.
- 8 (b) Nonbus mileage, as provided in subsection (1), must be reimbursed at a rate of ~~50-85~~ cents a
- 9 mile.
- 10 (3) The rated capacity is the number of passenger seating positions of a school bus as determined
- 11 under the policy adopted by the board of public education. If modification of a school bus to accommodate
- 12 pupils with disabilities reduces the rated capacity of the bus, the reimbursement to a district for pupil
- 13 transportation is based on the rated capacity of the bus prior to modification.
- 14 (4) The number of pupils riding the school bus may not exceed the passenger seating positions of
- 15 the bus."

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17 **NEW SECTION. Section 2. Effective date.** [This act] is effective July 1, 2025.

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19 **NEW SECTION. Section 3. Applicability.** [This act] applies to on-schedule reimbursements

20 supporting school district transportation budgets in school fiscal years beginning on or after July 1, 2025.

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