

EDUCATION COMMITTEE

January 5, 1977

The meeting was called to order at 3:30 p.m., with all members present. The Chairperson introduced the Secretary, Pat Romine, and the Researcher, Terry Cohea.

Handouts (attached) outlining committee organization and procedure, were discussed by the committee members. Several suggestions were made, and one was adopted; to add occupation to the list of filing requirements for witnesses. Rep. Lund moved to accept the handout as changed. The motion was seconded. Rep. Kessler made a substitute motion to accept the handout as changed but leave subsequent changes to the discretion of the chairperson. The substitute motion was seconded and passed unanimously.

The tentative schedule for next week was also discussed. Monday, January 10 at 4 p.m., there will be a joint Education Committee meeting in the Senate Chambers. Senator Fasbender will be introducing legislation to have a Board of Education appointed executive officer rather than an elected superintendent. Judith Olson, Chairperson of such a board in South Dakota, will be present to explain how it operates there.

Dorothy Eck will be at the meeting on Wednesday, January 12, as a Constitutional Convention delegate to explain the constitutional viewpoint on education structure.

Rep. Gunderson suggested that on Friday the committee hear Maurice Hickey (MEA) and Bob Stockton (OSPI) as well as the others listed. Other suggested witnesses were Jim McGarvey (AFT) and Mike Billings (Governor's Office). The Chairperson asked Terry Cohea to invite them.

The Chairperson asked committee members if there was a special topic they would like to examine and then possibly develop committee legislation for it such as special education. Meetings can be scheduled on Saturday. Rep. Lund suggested examination of special education. Terry Cohea was asked to check on the procedure for submission of a committee bill. Rep. Estenson said her area of concern was school law itself. Some is outdated, some is not followed and all should be scrutinized. The consensus of the committee is that special education is a topic that the committee should examine.

Rep. Kennerly was excused at 4 p.m.

John LaFaver and Curt Nichols, Legislative Fiscal Analysts, were present to explain the school foundation program. Mr. LaFaver said that the hearing scheduled Friday might have to be postponed because his analysis of the Executive Budget will not be ready in time.

The foundation program is the most complex issue before the Legislature, and the discussion today is only an overview. It is the largest single appropriation made by the Legislature.

Curt Nichols distributed a chart showing revenue sources for school districts (attached). The general fund budgets at the top of the chart do not include transportation and retirement budgets which are handled separately. The dotted line is the amount the Legislature sets in the schedules. The foundation program is 80% of the scheduled amount. It is the minimum legal amount that a school can spend and they must spend all of the foundation program money. The permissive program is funded by 9 and 6 mill levies by the district and they are guaranteed by the state to be equal to 20% of the general fund schedule. If not, the state will supply the rest of the money. Other sources of money are shown on the chart. If the Legislature does not fully fund, a deficiency levy is automatically levied and it is the last source of revenue. The Legislature sets scheduled amounts and direct appropriations and by doing this greatly affects local mill levies because they must make up the difference or benefit from the remainder.

Mr. Lafaver said that if property tax relief is to be true relief, there is only one place to pick up the difference and that is the state general fund. This will be an area of controversy this session.

Mr. Nichols said, regarding surplus from counties, in some counties the 15 and 25 mill levies will fully fund the foundation program amount and any money left over is sent to the state and used for statewide equalization. The 80% is mandatory, the 20% is permissive and does not need to be levied.

Special education funding is part of the general fund budget. It is not voted; it is entirely in the dotted box on the chart. Each district develops a budget for special education which is approved by OSPI and then funded in the maximum-general-fund-without-a-vote. There is a special appropriation for regional special education centers taken from an earmarked account. If a student is in special education more than half-time, he is not counted in the regular budget.

For 1976-1977, \$229.5 million is the total general fund, which is a 10% increase. The Governor is requesting 6% per year increases in the foundation program. In the area of permissive, if there is not enough money, a statewide levy is where this revenue will be obtained.

Mr. LaFaver and Mr. Nichols were excused at 4:40 p.m. There being no further business, the meeting adjourned at 4:45 p.m.

HOUSE EDUCATION COMMITTEE

M. W. F. 3:30 - 6:00 Room 431

Fred O. Barrett	Gerald R. Kessler
Jim Courtney	Oscar S. Kvaalen
JoEllen Estenson	Earl C. Lory
Ralph S. Eudaily	Art Lund
Jack Gunderson	Darryl Meyer
William M. Hand	Jack Brian Uhde
Leo M. Kennerly, Jr.	

Ann Mary Dussault - Chairperson

Peter J. Gilligan - Vice Chairperson

Pat Romine - Secretary

Terry Cohea - Researcher

A. Procedure for Committee Hearings

1. Roll Call - Determination of Quorum
2. Announcement of Bill to be Presented
3. Call for testimony by proponents
4. Call for testimony by opponents
5. Closure by sponsor
6. Questions from committee members

NOTE: a. All persons presenting testimony must file the following information with the committee:

Name - Address
Whom they are representing
Proponent - Opponent

b. Questions will be permitted only by committee members. All questions should be addressed through the Chair.

c. The Chair reserves the right to set time limits upon presentation of testimony.

B. Procedure for Executive Session

1. Roll Call - Determination of Quorum
2. Announcement of bill to be acted upon
3. Motion by committee member
4. Discussion of motion
5. Call for the question
6. Action on motion

C. General Information

1. Media and associated equipment will be permitted during all committee sessions. The Chair reserves the right to limit the use of electronic equipment if it proves disruptive to committee functioning.
2. Smoking in the committee room will be permitted by committee members and staff only. All others are requested to leave the room to smoke.
3. Members will please advise the chair if they are to be absent from any committee session.
4. Role of Committee Researcher:
 - a. Research committee questions regarding legislation
 - b. Draft committee amendments
 - c. Draft committee legislation
5. Committee members will be advised of committee meetings and business to be conducted at least one working day prior to the meeting.

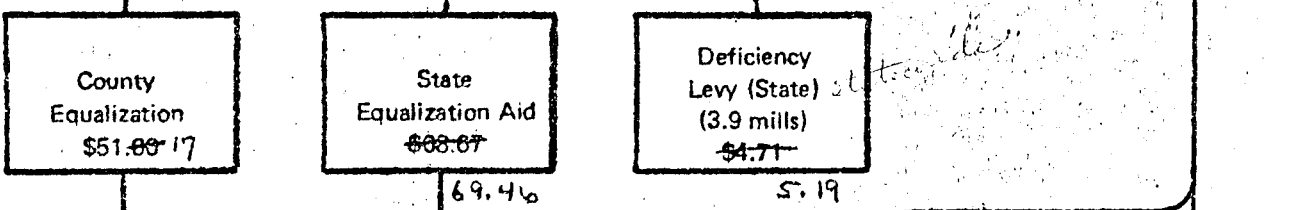
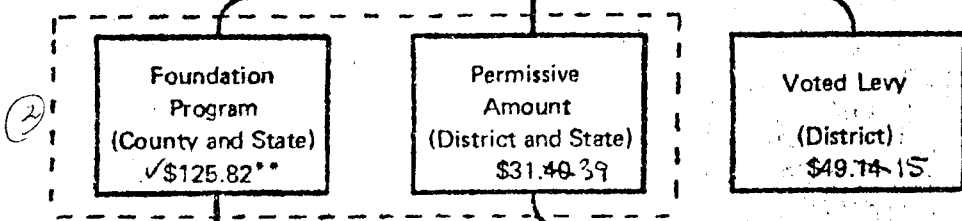
**ESTIMATES OF REVENUE SOURCES
FOR SCHOOL DISTRICT GENERAL FUND BUDGET SUPPORT***

(Prepared by the Office of the Superintendent of Public Instruction)

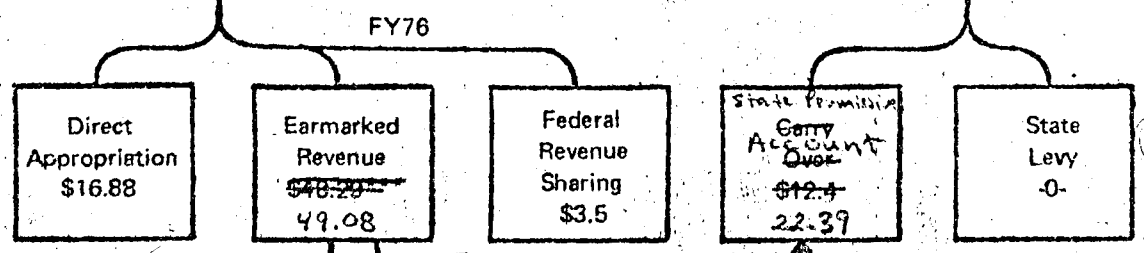
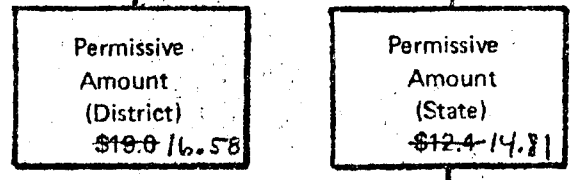
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GENERAL FUND BUDGETS
\$206.36 ✓

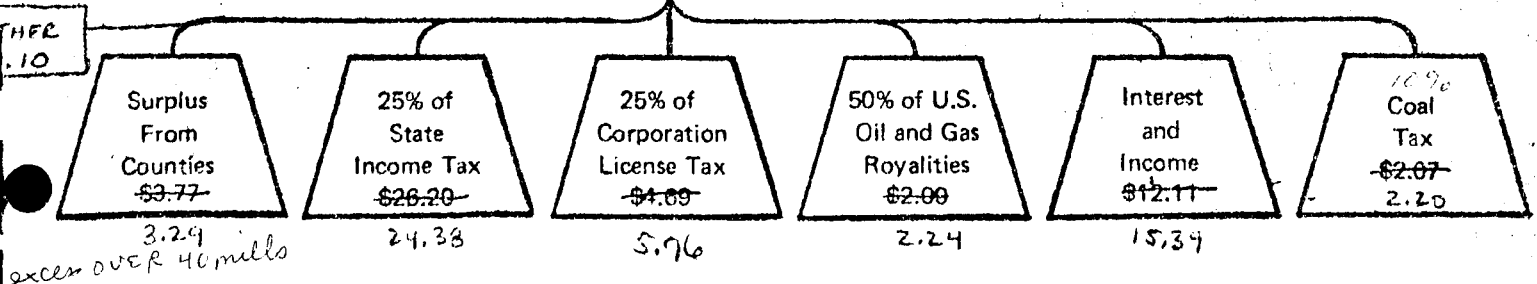


- Basic County Levy
- Forest Funds
- Taylor Grazing
- Miscellaneous Collections
- Cash appropriated



END-OF-YEAR UNENCUMBERED FUNDS

\$3.36***



* All dollar amounts in millions.

** Includes ~~\$1.44 million in special education carry-over~~ and non-isolated district funds; does not include \$1.30 million in direct funding for special education.