

MINUTES OF THE MEETING
EDUCATION COMMITTEE
MONTANA STATE SENATE

April 7, 1977

The thirty-sixth meeting of the Senate Education Committee was called to order by Senator Chet Blaylock, Chairman, on the above date, in Room 402 of the State Capitol Building at 11:00 o'clock A. M.

ROLL CALL: All members of the Committee were present, with the exception of Senators Smith and Boylan who were excused.

CONSIDERATION OF HOUSE BILL No. 365: An act relating to the School Foundation Program; providing for changes in the financial schedules for the maximum general fund budgets for elementary and high school districts.

Representative Carroll South, Miles City, District 51, sponsor of the Bill at the request of the Governor, was called on to present his testimony. He stated the Governor requested this foundation budget be set at 6% for the first year of the biennium and at 7% for the second half; that he had spent considerable time working on this Bill; that after pressuring the university system, they had made them justify all their expenses and felt the school foundation budget should also be closely scrutinized; that it was like a blank check and the local school districts should be made to account for their monetary requests. More foundation funding did not necessarily mean the local district would have a smaller voted levy. Whether or not to have a state-wide deficiency levy as the most wise method of meeting budget requirements should be considered.

Proponents to the Bill included:

Maurice Hickey, MEA, stated most of the local districts anticipated higher schedules, suggested a 10% increase would be more realistic and endorse a state-wide deficiency.

Lloyd Markell, MEA, passed out financial schedules and explained the difference in allowing the \$14 million at a 7% increase; that a 1% increase over what the Governor asks should not be that much money and felt it stems from an adjustment of figures by the budget office for \$10 million in costs; he also questioned if the transportation allowance was included and the impact the reassessment plan would have on revenue received. He proposed an amendment

should be made on page 4, line 23 to correct an error in the figure of the schedule from \$1,695 to \$1,095.

Bob Stockton, OSPI, questioned if the legislature should have control over the local districts' budgets and expressed his concern that the courts have handed down decisions against the state for extreme disporportionate underbudgeting of school systems.

Len Sargent, School Board Association, also expressed his concern for possible law suits for schools being closed because of lack of funding; that he did not think school boards were squandering school money and were paring budgets tremendously already and that a 10% increase is barely adequate to cover increased expenses.

Gladys Vance, president of the Mont. PTA, stated they did not want their children's education threatened by lack of funding for schools and advocated an increase in the funding schedules. She also supported a state-wide deficiency as more fair than taxes on an individual level.

In closing, Rep. South commented that the cost of education should be controled by the State if the State is going to fund education.

ADJOURNMENT:

There being no further business, the hearing was closed on House Bill 365; and the Chairman announced the Committee lunch at Jorgensens' immediately following the meeting, and adjourned at 12:05 P. M.

Chet Blaylock, Chairman

ROLL CALL

Education COMMITTEE

45th LEGISLATIVE SESSION - - 1977

Date April 7,
1977

DATE April 7, 1977

Senate COMMITTEE ON

Education

Re: HB 365

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
LaVonne Lance	Montana PTA	365		at 1% level
Bill Johnson	SAM	365		
George Burdman	Montana School Bds Assn	365	10% level	
Samuel J. Sargent	" " " "	365	at 10% level	at present level
Jeff Updegraff	State Rep.	365	✓	
Robert D. Miller	DPJ	365	✓	same
Manuel J. Hickey	M.E.A.	365	✓	same 10%
Lloyd A. Marshall	MEA	365	10% level	
George J. Lacy	NACo			
Joe Tarkiewicz	NACo			

NAME: John St. John

DATE: 4/7/77

ADDRESS: OPT

PHONE: 449-3169

REPRESENTING WHOM? _____

APPEARING ON WHICH PROPOSAL: 368

DO YOU: SUPPORT K AMEND? _____ OPPOSE? _____

COMMENTS: support last raise of credit increase

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: _____

Maurice J. Whaley

DATE: 2

ADDRESS :

PHONE: :

REPRESENTING WHOM?

APPEARING ON WHICH PROPOSAL:

DO YOU: SUPPORT? ✓ AMEND? ✓ OPPOSE?

COMMENTS: Raise the schedule to 100

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Floyd A Marshall DATE: 4/7/77

ADDRESS: MEA

PHONE: _____

REPRESENTING WHOM? _____

APPEARING ON WHICH PROPOSAL: HB 365

DO YOU: SUPPORT? ✓ AMEND? _____ OPPOSE? _____

COMMENTS: Success scheduled to 10%.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME Gladys Vance Bill No. 365

ADDRESS _____ Date _____

WHOM DO YOU REPRESENT? Montana PTA

SUPPORT _____ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

support a raise in schedule

H.B. 365
(age. 7-22)

FUNDING OF MAXIMUM-BUDGET-WITHOUT-A-VOTE

S.B. 271 AS AMENDED: 10% SCHEDULE INCREASE EACH YEAR

Based on Budget Director's Fiscal Note of
3/28/77 and Reallocating GF Appropriation
in H.B. 145.

1977-78

1978-79

FOUNDATION PROGRAM

Basic Co. Equal*	\$ 60.58 Million	\$ 63.94 Million
State Eq. Non GF	<u>64.82</u> Million	<u>66.66</u> Million
Total Non GF	<u>\$125.40</u> Million	<u>\$130.60</u> Million

PERMISSIVE AMOUNT

Local	\$ 19.20 Million	\$ 20.29 Million
State Non GF	<u>12.08</u> Million	<u>8.10</u> Million
Total Non GF	<u>\$ 31.28</u> Million	<u>\$ 28.39</u> Million
 TOTAL NON GF AVAILABLE FOR MBWOV	 \$156.68 Million	 \$158.99 Million
GF Appropriation in	<u>\$(34.93)</u>	<u>\$(37.77)</u>
H.B. 145 Reallocated	<u>\$ 29.75</u> Million	<u>\$ 42.95</u> Million

**TOTAL FUNDS AVAILABLE INCLUDING H.B.
145 GF Appropriation**

ESTIMATED COST OF MBWOV (S.B. 271 @ 10% & 10%)	\$186.45 Million	\$201.94 Million
 DEFICIENCY	 \$ 4.43 Million	 \$ 5.47 Million

DEFICIENCY LEVY	3.00 Mills*	3.50 Mills*
 * Taxable Valuation	 \$ 1.477 Billion	 \$ 1.566 Billion