

MINUTES OF THE MEETING OF THE HOUSE EDUCATION COMMITTEE  
January 9, 1981

The Education Committee met at 12:30 p.m. on January 9, 1981, in Room 129 of the Capitol Building, with Chairman Ralph Eudaily presiding and all members present except Rep. O'Hara, who was absent. Chairman Eudaily opened the meeting to a hearing on the following two bills: HB 15 and HB 35.

HOUSE BILL 15

REPRESENTATIVE GENE DONALDSON, District 29, chief sponsor of this bill, said Rep. Thoft, co-sponsor, had presented a similar bill the previous session. HB 15 is intended to help school districts which have an unusually high rate of growth. With this bill, if they have an increase of 6% or more, they will be able to compute their budget on the present year rather than the year before. He said Rep. Thoft's bill of the last session needed correcting - it has an 80% factor and with the 6% factor it has a double negative and counts only 75% of the students. The bill contains a recapture clause - in case you budget for the big increase and it doesn't occur you have to repay it. This bill will affect the little places more than the big cities. He mentioned at times a facility is built in a different school district from the school district where the workers live.

REPRESENTATIVE BOB THOFT, co-sponsor of HB 15, said his intent was more in line with this bill than with the one passed last session. He said he fully concurred.

WAYNE BUCHANAN, Montana School Board Association, said one of the consequences of not being able to obtain funds for the present year is that districts have to maintain a large reserve fund. Everything is caught up at the end of the year and school districts get their money based on enrollment - just that a larger reserve is needed if an unusual increase occurs. He felt that with this bill 30% of the school districts would be able to carry less money in their reserve funds.

DAVID SEXTON, Montana Education Association, said he wished to express their endorsement of this bill. He said it would have an impact on districts with unusually large new enrollments.

As there were no opponents, Rep. Donaldson closed. He said no one knows whose district might be involved in this problem. He said a fiscal note is insignificant. Due to the 6% deduct it should in the long pull take less money because schools will get this money anyway, but later in the year.

During questions from the committee, Rep. Eudaily asked concerning a local increase that happens after the final budget is presented in June. Rep. Donaldson said this bill would not help that situation but hopefully most schools would know of a projected increase in the spring.

HOUSE BILL 35

REPRESENTATIVE GENE DONALDSON, District 29, chief sponsor of this bill, said this was a simple bill that would raise the general bonus payment paid to a combining school district from \$100 to \$300 per eligible pupil. The purpose of this is to encourage consolidation.

BOB ROBINSON, Board of Trustees, Helena, spoke in support. He said initially an annexing district can expect some increased cost as there will probably be added services to provide. He said they do consider the bonus payment.

WAYNE BUCHANAN, Montana School Board, spoke in support. He felt there would be no fiscal impact in the long run as there is less foundation money paid to the larger schools. He felt it was in the best interests of education to consolidate.

DAVE SEXTON, Montana Education Association, said they endorse the bill. He felt it would be an encouragement to consolidation.

There were no opponents so Rep. Donaldson closed. Questions were asked by the committee.

Chairman Eudaily closed the hearing and opened the meeting to consideration of the two bills.


EXECUTIVE SESSION

HOUSE BILL 15: Rep. Williams moved Do Pass. Rep. Lory seconded the motion. Motion carried unanimously with those present (Rep. O'Hara absent). Rep. Kitselman made a motion to put this bill on the Consent Calendar. Rep. Lory seconded it. Motion carried unanimously by those present. House Bill 15 will be placed on the Consent Calendar.

HOUSE BILL 35: Rep. Dussault moved Do Pass. Rep. Kitselman seconded the motion. Motion carried unanimously with those present. Rep. Dussault moved that HB 35 be placed on the Consent Calendar. Rep. Williams seconded the motion. Motion carried unanimously with those present.

Rep. Donaldson moved the meeting adjourn. Meeting adjourned at 1:20 p.m.

Respectfully submitted,

  
RALPH S. EUDAILY, CHAIRMAN