

MINUTES OF THE HOUSE EDUCATION COMMITTEE
March 11, 1981

The House Committee on Education convened at 12:30 p.m., on March 11, 1981, in Room 129 of the State Capitol, with Chairman Eudaily presiding and all members present except Rep. Donaldson who was excused and Rep. Meyer who was absent.

Chairman Eudaily opened the meeting to a hearing on the following bills: HJR 46, SJR 13 and SJR 22.

HOUSE JOINT RESOLUTION 46

REPRESENTATIVE MELVIN WILLIAMS, District 70, chief sponsor, first offered an amendment which is on page 1, following line 18, to insert "WHEREAS, the method of financing postsecondary vocational-technical centers is in need of review; and." Rep. Williams said this resolution of the House and Senate is asking for a study by an appropriate interim committee of postsecondary vocational-technical centers to generally clarify, update, supplement and revise the laws relating to the centers. He said there has been numerous problems down through the years with vocational-technical centers.

THOMAS E. DOWNEY, Chairman, Council of Directors, Montana's Vocational-Technical Center, spoke next in support and a copy of his testimony is EXHIBIT 1 of the minutes. He said they were in favor of the amendment proposed by Rep. Williams.

MAYNARD A. OLSON, Special Assistant, Office of Public Instruction, spoke next in support and a copy of his testimony is EXHIBIT 2.

HAROLD WINAAS, Great Falls, said he was representing the five superintendents of the vocational-technical centers in Great Falls. He said we are still in the early childhood state of development as far as vo-tecs are concerned. We have grown from where the vo-tecs were paid by the high school budget to the SBAS accounting system so there has been a lot of growth. Laws need to be looked at that concern vo-tecs and have them put in a separate section of the law. This should end confusions as to legal rights and the vo-tecs would know how and where they stand.

WILLIAM A. BALL, Executive Director, Montana Advisory Council for Vocational Education, spoke next in support and a copy of his testimony is EXHIBIT 3 of the minutes.

REPRESENTATIVE ANN MARY DUSSAULT, District 95, said she rises as a "ponent." She said she could have addressed this in executive session but wished to share what she had to say with the people from the vo-tec centers. She felt the problem of financing cannot be discussed without first getting into the problem of governance. She said this was a hot issue in 1975 and 1977 and there has been an interim study to deal with the issue. The issues are very complex and controversial. She said you could solidify one section of this particular morass into laws infinita but these other problems

have to be addressed. She said she had serious problems endorsing the resolution although she is not in opposition to vo-tec centers.

Rep. Williams said in response to Rep. Dussault's testimony that they all had suffered from the earlier controversy and he said it was unfortunate it ended up like it did. He said the governance could possibly be part of the study again. They did not put it in but once you get into a study that possibly would be looked at. He said when the state furnishes as much money as it does for a school they will want some say in how the schools will operate. He said we need to set up an organizational structure as far as laws are concerned and a better way of financing. He said if the people who make the study consider all aspects something could be worked out in the end. He read a letter from Rep. Donaldson, EXHIBIT 4, a committee member who was not able to be present. Rep. Williams said assuming that we made another study of the vo-tecs and started out by establishing a set of statutes for the vo-tec like for the other systems, and looked at the finances. He said possibly those problems could be solved without getting into the controversial governance problems at this time. He said this study would help the legislature two years from now adopt a proper funding of the vo-tecs.

Questions were asked by the committee.

SENATE JOINT RESOLUTION 22

SENATOR BOB BROWN, District 10, chief sponsor, said the bill is simple and straight as it is a study of the financing of public education in our state. He said as far as he knows there has been no study of the school foundation program for at least the last 11 years. He said perhaps instead of talking about percentage increases we ought to think about the school foundation program in light of the accreditation standards and to pay for the things we require.

JIM MCGRAVEY, Montana State Federation of Teachers, spoke in support and a copy of his testimony is EXHIBIT 5 and part of the minutes.

Vice-Chairman Anderson said Senator Brown needed to leave to chair his Senate committee so he asked the committee if they had any questions to ask of the Senator.

Rep. Dussault asked if equalization would be maintained. Senator Brown felt the present system doesn't provide equalization and this maybe should be included. Rep. Dussault asked if it was in the resolution. Rep. Hanson said the law requires it. Rep. Dussault said we don't have any control of the school districts' budgets so in spite of what we fund the costs can rise. She wasn't sure we could get a handle on that without considering a statewide school district. Senator Brown said the state of Wyoming is considering a statewide property tax to fund the schools because of a lawsuit.

He said this was something that could be considered although he was not necessarily in favor of it.

WAYNE BUCHANAN, Montana School Boards Association, spoke in support. He said the trouble with the financing of education in Montana is not unique but is a national problem and some 30 states have made major and fundamental changes. He said there are three issues: funding methods (concern for the local property tax payer); equalization (the more we rely on local property taxes the further we get from this. This is the issue a lawsuit will be based on.); and local control. If the state provides more money won't it also need to have more say on how it is spent. He said it is a paradox - an almost insurmountable problem. The issue of funding needs a study of this kind as it can't be done by seemingly unrelated bills. Need a total approach like this and he strongly recommended the committee give it favorable consideration.

DAVID SEXTON, Montana Education Association, said his comments made on HJR 34 would also apply to this bill as the bills have the same intent. He urged the committee to look at both bills together as the specifics of the directions vary some and there is merit in both resolutions. He said they support the concept.

DON WALDRON, Libby Public Schools, suggested that in addition to studying state law the federal laws should also be looked at and the type of funding that comes from there - laws like the Forest Reserve Act.

ROBERT STOCKTON, Administrator of the Foundation Program, Office of Public Instruction, said he would like to speak up for the foundation program. He said he has been a member of the National Committee on School Finance. Columbia University School of Education was to draft a model bill and they stole Montana's program except they changed the equalization part. He said they have studied the foundation program on a federal grant and some conclusions were reached. He said this study would be available to the interim study.

JESSE LONG, School Administrator Assn., said they hoped the bill would be given high priority and studied during the interim.

Chairman Eudaily returned.

Questions were asked by the committee. Rep. Dussault said if the study of OPI equalization theory falls down could we try to address how that could be changed other than legislate pouring more money into it. Mr. Stockton said they have looked at a number of other states' programs and we have one of the simplest in the nation. He said Washington parallels our own and they are essentially funding at 90%. Rep. Dussault said we are off base on theory. She said she didn't know how the legislature can continue increasing budgets when it has no review or control over them - when we have

400 school districts and local control is so important. She said this is a fundamental question we will have to address. Mr. Stockton said if you are furnishing most of the money you will need some more control. Washington has about 10% local control now.

Rep. Vincent said he would encourage the committee to look closely at both resolutions and then choose or combine. He said he planned to add an amendment to his resolution to address the constitutional question.

Chairman Eudaily asked if the Board of Public Education is given the power by statute to adopt accreditation standards upon the resolution of the State Superintendent of Schools. Mr. Sexton responded that governance is a legitimate area to study. He said other states have different systems. Some have county-wide school districts instead of many small districts within a county.

Rep. Anderson asked Senator Steve Brown, who was present to testify on another bill, concerning the possible class action suit against the state. Would the court determine that the state is heading in the right direction with this study or would they find that there is good grounds for them to rule in that matter. Senator Steve Brown said the court would be forced to conduct a hearing on the basis of the laws that are on the books now. If it is within a few months of the legislature meeting again, the courts may set on it and wait to see what the study will do.

SENATE JOINT RESOLUTION 13

Chairman Eudaily resumed the chair and opened this hearing.

SENATOR STEVE BROWN, District 15, chief sponsor, said this bill ties in with everything you have talked about. He said maybe this is the more important because before you can talk about educating kids you must get them to school safely. He said the basis of the resolution is the three mile limit which is transportation to those that reside outside the three miles. His district includes the Helena Valley where children walk along Montana Avenue and which contains 7 out of the 18 most dangerous designated intersections. It is a serious problem because many of the people live within the three mile limit. The situation is further compounded by the funding method as there are three levels of responsibility: districts, county and state. The state and the county provide 60% of the funding from the original formula of 1/3 for each. The problem is the average cost is 1.25 per child mile so the district is picking up almost half of the school transportation cost. Since Lewis and Clark use high mill levies they don't want to tackle providing extra funding that way. He said he had proposed a bill putting a 1/2% tax on gas which could be used by people who live in a "threat" area. It did not pass. If you are going to discuss the business of school funding, it makes good sense to have this resolution discussed, also. It needs to be assessed to see if the state is paying its fair share. People

in the valley have responded to the need by setting up a bus system and they have three buses. They collect \$90 a student and have about three times as many students requesting rides as they have room for. He said the validity of the three mile limit should be looked at plus what can be done to handle the financial crunch. He said Helena isn't the only city with these problems.

LINDA CURRIE, Helena, representing self, had her small child with her and said this was one of her reasons for her disiring to have something done in the Helena valley. She mentioned the energy consumed by the 500 plus cars that go to pick up these students at her school and this would be multiplied many times over when including other schools that have safety problems. She felt the three mile limit was arbitrary and not pertinent to the way the population shifts.

MARK RACICOT, Helena, representing self, said as a parent he was very much in favor of SJR 13. He felt the earlier bill had failed because of the lack of a data base. It is a complex question and the only way to come up with the data is through an interim study. Need to determine the type of policy we will set as a state. These kinds of rules encourage or discourage urban sprawl and has a bearing on the type of development in the future. He felt transportation should be a community problem and not just an individual problem.

ROBERT STOCKTON, Office of Public Instruction, said they heartily concur in the need of study in this area. Equalization should be looked at in this study. He said they had researched where the three mile limit had come from. If you put a school on the corner of each township, people will live within three miles.

DON WALDRON, Libby Public Schools, spoke as a proponent. He said somebody scared the committee off with big dollars on the bill dealing with this question. The next best thing is to find out what it will really cost. A recent Attorney General's ruling said transportation money could not be used to take educational field trips. It is only to be used to bus students to and from school. He hoped the interim committee would find that these funds could be used for curriculum trips.

WAYNE BUCHANAN, Montana School Boards Association, said they endorse the study.

JESSE LONG, School Administrators of Montana, asked the committee to give their concurrence to the bill.

PAT JOHNSON, Helena, representing self, said she felt their children should be entitled to the same privileges as the others that live beyond the three mile limit. She said they have worked for five years on their bus line and she said it was too big for them. Bus over 200 children and many more who need it. She said she is very much in favor of the bill.

DAVID SEXTON, Montana Education Association, added their endorsement.

JIM McGARBEY, Montana Federation of Teachers, said they support the bill.

Senator Brown closed.

Questions were asked by the committee. Rep. Hannah asked of the rationale and all behind busing. He asked are we going to be assuming for the school that it is to be behind all busing. Should we be involved in this part at all? Sen. Brown said with the study we can decide once and for all if we are going to provide for it and how. Rep. Hannah asked if the language was broad enough so both sides can be considered. Senator Brown said they want to have it all in.

Mr. Stockton responded to a question that transportation of school children has developed over the years. Fourteen years ago the schedule in the law was first changed. The schedule type of reimbursement has been in the law for at least 38 years.

Rep. Vincent mentioned the fact that last session only seven interim studies got funded.

Senator Brown said one of his recommendations is that one interim committee that gets assigned could study educational problems.

Rep. Vincent said if you combine too much into one you don't get anything done. Everybody has to keep in mind that what the committee does the entire legislature will prioritize. There will probably be 20 or 23 and four or five might get funded. You have to remember the real ball game is the effort to get the 150 members of the legislature to prioritize your resolution so it will be funded. He said he was getting a little concerned at getting any study through this process. Is it fair to ask the Superintendent's Office to consider this question if the legislature can't do it? What kind of resources do they have? Senator Brown said he had no objection but he suggested checking with people from that office.

Robert Stockton, OPI, said they are doing a great deal on existing transportation. Dealing with the study on what is happening under the three mile zone. Trying to get data on how far students live from school. Great Falls does bus students within that mileage. He said their biggest problem is the office budget. There is one safety consultant and 1/3 of Mr. Stockton's time is spent on transportation.

Rep. Hanson said the Senator commented that to teach a child you must get them to school - constitutional law might be interpreted to include getting the child to school. Senator Brown said his personal opinion is that this is part of the educational program.

Rep. Anderson asked about the gas tax bill of Senator Brown's. Senator Brown said the bill set up a petition mechanism. Fifty living within the three miles could petition the school district telling of dangers and then a public hearing would be held and

the school board would determine if the parents had proved their point. If it was determined there was a threat then a separate transportation would have been established out of a 1/2¢ gas tax. The state would have paid 60¢, the county 10¢, and the district 10¢ and the parents the rest. Provision was in the bill if all was not used the remaining would go into the general transportation fund. He said the idea was too new and the bill came out too late in the session. He said it was estimated to cost 3 1/2 million dollars.

Rep. Anderson asked how the buses are financed. Mr. Stockton said we figure on a base rate of 55¢. The state pays 17 ¢, the county pays 17¢ and the district 17¢ plus. He said right now the base rate is running around 90¢. The original schedule would take the total cost. Failure to increase the schedule according to inflation. The motor pool has advised us the cost of operating 50.55%.

Rep. Anderson said the most important part is on line 18, (b), page 2 dealing with alternative methods of funding. He said the committee got scared off with the figures.

Chairman Eudaily closed the hearing and opened the meeting to a consideration of the following bills:

EXECUTIVE SESSION

SENATE JOINT RESOLUTION 13 - Rep. Vincent moved that it BE CONCURRED IN. He said he had a subdivision in his district and there was a question of equity as it was just within the three mile limit for some and some that were just out. He felt it was broad enough to meet Rep. Hannah's concern. The motion carried unanimously with those present. Absent were: Reps. Andreason, O'Hara, Donaldson, Williams, Teague.


HOUSE JOINT RESOLUTION 46 - Discussion was made on the amendment. Rep. Dussault requested that the amendment be divided from the bill. She said she didn't feel it was possible to deal with the financing issue without dealing with the governance issue. She said she didn't care if they want to set up their own body of law.

Chairman Eudaily agreed that to deal with financing you would need to deal with governance. Rep. Hannah asked what was governance. Rep. Dussault said it is the system by which they are governed. They went under the jurisdiction of the secondary school board. They are under the authority of the Office of Public Instruction. The question of financing is integrally tied with that. Rep. Lory suggested putting governance in and go with the whole thing again. Rep. Dussault said the only thing that would result is more bruises. She said the bill proposed in the past session would have given them a body of law. Rep. Anderson said they might get into this even more because of the removal of the federal dollars which is bound to happen. May get into the whole process perhaps more so than last. Rep. Dussault said let them sit down and hurt and then maybe they will set down and bargain in good faith. She suggested the bill be held until the sponsor, Rep. Williams, is present. The committee agreed.

HOUSE JOINT RESOLUTION 34 - Rep. Vincent said he had a suggested amendment and a copy of this is EXHIBIT 6. This was briefly discussed.

Rep. Yardley moved to adjourn. Meeting adjourned at 2:00 p.m.

Respectfully submitted,



RALPH S. EUDAILY, Chairman

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Ex. 1

MONTANA'S VOCATIONAL — TECHNICAL CENTERS

COUNCIL of DIRECTORS

MEMORANDUM

Date: March 11, 1981

To: House Education Committee Members

From: Thomas E. Downey, Chairman
Council of Directors

Re: House Joint Resolution No. 46 Testimony

It is felt this effort, HJR 46, is necessary because of differences between practice and law. The statutory governance structure is not an item of concern, however, statutes attendant to postsecondary vocational technical center operation are.

Confusion exists between vocational technical education statutes and the management of five institutions. Development of policy and procedure for this management effort is all but impossible without statutory direction. Postsecondary vocational technical centers are managed from a statewide perspective, and yet there is no comprehensive body of law specifically relating to that effort. It seems desirable to have such a body of law as do the common schools (elementary and secondary), community colleges, university system and proprietary schools.

The creation of such a body of law would be the result of HJR 46 if passed. Presently there is confusion, contradiction and misinterpretation regarding what laws do and do not apply to postsecondary vocational technical center operation. Administrative judgment is exercised in many areas now and this should possibly not be done.

The attached review is an inventory of statutes where there may be confusion and/or contradiction.

TED:pm
Attachment



LINGS VOCATIONAL TECHNICAL CENTER
Glenn Burgess, Director



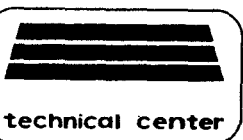
ITE VOCATIONAL TECHNICAL CENTER
H. J. Freebourn, Director



REAT FALLS VOCATIONAL TECHNICAL CENTER
G. Loran Frazier, Director



ELENA VOCATIONAL TECHNICAL CENTER
Alex Capdeville, Director



SSOULA VOCATIONAL TECHNICAL CENTER
Thomas E. Downey, Director

STATUTORY REVIEW

TITLE 20

- Chapter 1 General Provisions
 - Part 1 Definitions
 - Part 2 Miscellaneous Provisions
 - Part 3 School Terms and Holidays
 - Part 4 Fire Drills and Safety Patrols
- Chapter 4 Teachers, Superintendents and Principals
 - Part 1 Certification of Teaching and Supervisory Personnel
 - Part 3 Teachers' Powers, Duties and Privileges
- Chapter 5 Pupils
 - Part 1 Attendance
 - Part 2 Supervision and Expulsion
 - Part 3 Health
- Chapter 6 School District
 - Part 3 High School Districts
 - Part 5 Opening and Closing of Schools
 - Part 6 School Property
- Chapter 7 School Instruction and Special Programs
 - Part 1 Accreditation and Curriculum
 - Part 2 Libraries
 - Part 3 Vocational Technical Education
- Chapter 9 Finance
 - Part 1 School Budgets
 - Part 2 Administration of Finances
 - Part 4 School Bonds
 - Part 5 Special Purpose Funds
- Chapter 10 Transportation and Food Services

Ex. 2



OFFICE OF PUBLIC INSTRUCTION

STATE CAPITOL
HELENA, MONTANA 59601
(406) 449-3095

Ed Argenbright
Superintendent

TO : Representative Ralph Eudaily, Chairman, House Education Committee
FROM : Maynard A. Olson, Special Assistant, Office of Public Instruction
DATE : March 11, 1981
SUBJECT : House Joint Resolution 46

Chairman Eudaily and members of the committee, I am Maynard Olson, Special Assistant to State Superintendent Ed Argenbright.

House Joint Resolution 46 points out in a clear and concise manner what a study of the laws relating to post-secondary vocational-technical centers will accomplish. The purpose is to study and propose measures for general clarification, updating, supplementing and revising of such laws.

Having served as superintendent of schools for the past eight years in a district having a vo tech center, I understand the need for such a study. Also, I have discussed this with all of the Center Directors and Center Superintendents. They agree that a study is urgently needed.

I urge your favorable consideration and support of House Joint Resolution 46.
Thank you.

MONTANA ADVISORY COUNCIL FOR VOCATIONAL EDUCATION

William A. Ball
Executive Director

March 11, 1981

To: Representative Ralph Eudaily, Chairman House
Education Committee

From: William A. Ball, Executive Director *WAB*
State Advisory Council for Vocational Education

Re: In support of H.J.R. 46 - Requesting a committee to study
laws relating to Postsecondary Vocational Technical Centers

The Montana Advisory Council for Vocational Education supports the request for this study. As some of you may recall this study, particularly the funding/financial aspect of it was seriously considered during the past interum but not accomplished because of time and financial constraints at the fiscal analyst office.

It is the thinking of the Advisory Council membership that the request of this resolution would be beneficial to the Centers, the state legislature and most importantly to the people that a viable postsecondary Center system will serve.

We urge your serious consideration of the resolution especially giving added emphasis to the study of the financial/funding area dealing with the Centers.

Thank you.

wab/em

House
Education Committee 12:50 PM 3-11/81

I would endorse the concepts
of the NSR 46. We need the
study of Do Tech Funding
to give guidance to legislature.
in future years. The present
Funding formula adopted by
the app. sub comm on ed.
is not adequate for long range
funding

Rep Gene Donaldson
ND 24



MONTANA STATE FEDERATION OF TEACHERS

AMERICAN FEDERATION OF TEACHERS
AFL-CIO

P.O. Box 1246

Helena, Montana 59601

(406) 442-2123



TESTIMONY BEFORE THE HOUSE EDUCATION COMMITTEE ON SJR 22

MARCH 11, 1981

Mr. Chairman and Members of the Committee:

My name is Jim McGarvey and I represent the Montana Federation of Teachers, AFT, AFL-CIO. I am appearing in support of SJR 22.

There is a critical need for the comprehensive study this joint resolution provides. There are at least three good reasons why this study deserves your support. The first is that although Montana's Foundation Program is good, it is over thirty (30) years old and needs to be updated and revised to meet the requirements of today's world in the areas of both collection and distribution.

Number 2 is litigation. Since the Serrano and Rodriguez decisions in the early 70's many states have had to turn back their Foundation Programs for constitutional weaknesses. Many believe Montana's Foundation Program is susceptible to constitutional challenge. This study could resolve that question.

The third reason for the study is simplicity. Currently only a small handful of people in Montana understand the Foundation Program. A study could simplify the program so that those who work with it could more readily understand it.

It is critical that this study be an effective one. It is crucial to the integrity of the Foundation Program that this study be placed in a committee with a high level of concern for and understanding of school finance in Montana.

WE URGE YOUR SUPPORT OF SJR 22.

AMENDMENTS TO HOUSE JOINT RESOLUTION 34

1. Page 1.

Following: line 24

Insert: "WHEREAS, legal action is being considered to address and resolve the question of whether or not the school foundation program as currently funded properly meets the mandate for the funding of public education as stipulated in Article 10, sections 1 and 3 of the Montana Constitution;

2. Page 2, lines 12 through 15.

Following: "(c)"

Strike: the remainder of subsection (c) in its entirety

Insert: "determination of whether or not the school foundation program as currently funded properly meets the mandate for the funding of public education as stipulated in Article 10, sections 1 and 3 of the Montana Constitution;

(d) consideration of ways in which the increasing pressure on local voted levies can be relieved;

Renumber: subsequent subsections

3. Page 2, line 16.

Following: "funding"

Strike: "the"

Insert: "an"