

HOUSE EDUCATION COMMITTEE MINUTES
March 13, 1981

The House Education Committee convened on March 13, 1981, at 12:30 p.m., in Room 129 of the State Capitol, with Chairman Eudaily presiding and all members present except Reps. Donaldson and Williams, who were excused, and Reps. Meyer and Kennerly, who were absent.

Chairman Eudaily opened the meeting to a hearing on House Bill 757.

HOUSE BILL 757

REPRESENTATIVE DAN HARRINGTON, District 88, chief sponsor, said the bill basically sets the governor's figure as far as the foundation figures are concerned. He said with the changes being done to HB 610, the price tag on HB 757 and HB 610 are now approximately the same. He said the freeze on the first year of HB 757 is one of its greatest assets. This would help the declining enrollment and so be a little better for the first year. The increase of 18% the first year and 15% the second year in HB 610 now compares with the 15% of this bill. He hoped the committee would keep this bill in committee just in case something happens to the other bill.

FLOYD LARKIN, Deer Lodge, Supt, of Powell County High School, said he was not too happy with HB 610 because it kills him this year and next year. With this bill they would only be in trouble next year. He said they have lost approximately 100 students and so with HB 610 they will get approximately \$1000 more than the previous year and that doesn't help a great deal. He said schools with declining enrollment also lose taxing power. HB 610 does not give any local tax relief at all and they will need an increase in voted levies. He hoped some adjustment would be made to HB 610 or to Rep. Menahan's bill on the rolling average, HB 665.

Chairman Eudaily asked Mr. Larkin if his comments were in reference to the original HB 610 or to HB 610 as amended. Mr. Larkin said to the amended bill that gives 18% and 15%.

Rep. Harrington in closing assured Mr. Larkin that the Senate is looking into this problem - some kind of trigger mechanism that will pump some money into the badly depleted areas. He said the schools seem to be faced with the same problems the colleges faced a few years ago. He said possibly 3 or 5 million could be put back into HB 610 to help the severely declining enrollment districts of the state.

There were no question.

Chairman Eudaily closed the hearing and opened it to consideration of the following bills.

EXECUTIVE SESSION

SENATE BILL 98 - Rep. Anderson moved to bring SB 98 off the Table.

Chairman Eudaily said he had been doing some work on this and there is another bill, SB 377, in the Taxation Committee which has some bearing on this bill. He said SB 377 lumps the permissive and the equalization fund together. SB 98 does not cover quite what it needs.

Rep. Anderson withdrew his motion.

Rep. Hannah asked if SB 98 can stand alone. Chairman Eudaily said it could but it would have some problems. All the money goes back into the permissive fund but they can't transfer from the permissive fund.

Rep. Anderson asked if it were kind of a companion bill to SB 377 and they should go together. Chairman Eudaily said he felt SB 98 should be held and the bills be worked together on the floor.

Rep. Hannah asked if SB 377 dies will SB 98 be an effective piece of legislation. Chairman Eudaily said it would be not half as good as with the other bill.

Robert Stockton, OPI, when asked to respond said there are two deficiency levies. SB 98 addresses only the deficiency for the foundation program and even if that went through there could still be a deficiency levy for the state. If SB 377 passes it will lump the deficiency funds together and the question would be moot at that time. SB 98 as it stands now would not prevent a statewide deficiency levy.

Rep. Hannah asked if 98 is in the right section of the codes to include the other deficiency levy as well. Mr. Stockton said he had not studied the bill sufficiently to be able to answer that question.

Rep. Anderson said he didn't see any urgency to get this bill out. He said it appears better to have both deficiency levies taken care of.

Rep. Dussault said the more she has thought about the bill the more problems she has with it. She said she is more and more concerned what the net effect of asking each succeeding legislature to appropriate supplements for the program. She felt an amendment should be added to indicate that if a legislature does not fund the foundation program, the legislature would be immediately drawn back into session to remedy the situation. She said it is too easy to pass the buck to the next legislature and that isn't fair. Political gameship can be played with this. She said if we are serious about not imposing statewide deficiencies, we must take care of the problems we have created.

Rep. Kitselman asked how much a deficiency levy raises. Mr. Stockton said the last one raised about 1 1/2 million dollars. There was one that raised 12 million. Rep. Kitselman asked how much a special

session cost. Rep. Lory said one day in 1975 cost 30 thousand.

Chairman Eudaily asked if there were any objections to pass SB 98 until the next meeting. There were no objections.

Rep. Yardley said he would like to see Rep. Dussault's amendment when drawn up. Rep. Hannah said, if at all possible, he would like to include both deficiency levies in this bill.

HOUSE BILL 757 - Rep. Dussault moved the bill BE TABLED. The motion carried unanimously with those present. Absent were Reps. Williams, Donaldson, Kennerly, and Meyer.

SENATE BILL 154 - Rep. Vincent moved the bill BE TABLED. This motion carried unanimously with those present. Absent were the same as above.

HJR 34 and SJR 22 - Chairman Eudaily said after studying the bills the researcher, Lee Heiman, felt we could do better with Rep. Vincent's HJR 34. He said he would like to see the two combined by the researcher and interested parties and brought back for the committee to see at the next meeting.

Rep. Dussault said this was a good idea. She said she has only one reservation. Are we clear what we want the study to do? Do we want a revision or a total alternative method of financing? Rep. Vincent felt his resolution was broad enough to cover either. He said the likelihood of it resulting in a total revision of the school foundation is not likely but he wanted the opportunity left open. He said he is concerned with the possibility of litigation. Some he has spoken with that are thinking of a class action suit, feel the structure is adequate if it were properly funded. Others felt it is too complex and should be revised and simplified. Rep. Dussault felt the interim committee could waste a lot of time if they didn't have some basic premises to focus in on. Rep. Vincent suggested adding those items from Senator Brown's bill and then going through them like a laundry list in the committee and strike out as necessary.

Chairman Eudaily said Senator Brown's bill should be considered and also the fact the legislature has given the State Board of Education the power to set the accreditation standards and yet the legislature is responsible for funding those standards.

Rep. Anderson asked Mr. Stockton concerning a study he had mentioned. Mr. Stockton mentioned a study before the last session of 60 some odd members made up from many disciplines. He said they hired the Northwest Regional Labs out of Seattle to simulate any suggestions and see how they would work. Their conclusions were that it was a good delivery system but under financed. He felt the capitol outlay should be included. Another study by Dr. Sandy on contract with the Office was made on the revenue side. He said it is very good and can be seen by anyone.

Chairman Eudaily asked if the study prior to the last session had addressed to some extent the standards.

Rep. Yardley asked if the reports were available as they might assist the committee in considering the bills. Mr. Stockton said they are available and he would see the committee gets some copies.

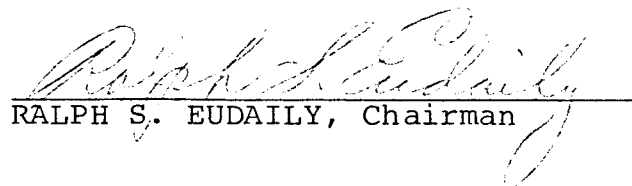
The committee moved unanimously to have Mr. Heiman work at combining the two bills and to report back to the committee at the next meeting.

Rep. Vincent said he had received feedback on the teacher tenure study and would be getting together with Mr. Heiman on this also and it should be up for consideration soon.

Chairman Eudaily said he would call a meeting for Wednesday, March 18, at the usual time.

Rep. Vincent moved to adjourn. Meeting adjourned at 1:10 p.m.

Respectfully submitted,


RALPH S. EUDAILY, Chairman

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