

HOUSE EDUCATION COMMITTEE
March 27, 1981

The House Education Committee convened on March 27, 1981, at 12:30 p.m., in Room 129 of the State Capitol, with Chairman Eudaily presiding and all members present except Reps. Andreason, Azzara, Donaldson, who were absent, and Rep. Dussault, who was excused.

Chairman Eudaily opened the meeting to a consideration of the following bill.

EXECUTIVE SESSION

SENATE BILL 98 - Rep. Williams moved that the committee rescind its tabling motion on this bill. The motion carried with Rep. Lory voting no.

Chairman Eudaily said the bill takes out the statewide deficiency levy as a way of making up the shortage in the foundation program. In lieu of that the money for the biennium would be allocated at one time and if need be the second year of the biennium could be borrowed from, and if there is a deficiency in the second year a supplemental would be received from the Legislature. The Office of Public Instruction has requested an amendment on page 5, line 14 to strike "seek" and insert "request the budget director to submit a request for." The same amendment is needed on page 9, line 8, following "insufficient." Also a second amendment to correct an error in the bill is on page 9, line 2, to strike "levy." Everybody concerned seemed to think this would be an improvement as the budget director would draw up the language to raise the supplemental - basically the way it is done now and would not indicate it was the fault of the Office of Public Instruction. He said at first we didn't think the bill spoke to both the equalization and permissive levies but it does - page 3 speaks to equalization and page 4, top of 5, speaks to permissive.

Rep. Meyer said he concurs with the amendments and moved the amendments. The motion to adopt them passed unanimously with those present.

Rep. Hanson asked if there was any possibility of the Legislature passing the supplemental too late in the last year of the biennium.

Rep. Lory said he was upset with the bill. It recommends a supplemental and we can't guarantee a supplemental. He said the bill is in revenge of the OPI because they goofed. Supplementals are supposed to cover emergencies. Does the bill have a contingency fund and then the money left at the end of the year does it transfer to the next year?

Chairman Eudaily said he had met with Rep. Lund and Senator Himsl. Senator Himsl contends that the Constitution says the Legislature is supposed to fund the foundation program. It is our responsibility

to put the money in to cover the expenses we foresee for the foundation program for the next biennium. A deficiency could be created if the projected revenues didn't come in and then the process is to go back to the next Legislature and we would be in an emergency situation and need a supplemental. Chairman Eudaily said he had some problems with it because he thought the aim was to do away with as many supplementals as possible and here we would be writing one in. He felt games could be played with this by one Legislature underfunding the program. Chairman Eudaily said a good point is that the last time we had a deficiency levy the taxpayers' association took us to court and won the case. One million seven hundred thousand was set aside in a fund until the deficiency levy in the future is wiped out. Every year we apply a statewide deficiency and can't prove we need the money we will be taken to court by the taxpayers' association and this bill would remove this.

Rep. Hannah said this isn't a supplemental like an agency overspending its money. He felt the reason we are trying to cut out supplementals is to hold people to their budget.

Rep. Williams said he agreed with Rep. Lory and had voted at a previous meeting to table the bill. He said the Legislature doesn't like the supplemental approach. The way we are doing this is more feasible. Because one mistake was made two years ago, a bill is in to correct it. Something works good down through the years and one mistake.

Chairman Eudaily said the bill will release any hold on the money. He said the money is included in the surplus so it will not free up more money.

Rep. Yardley expressed a fear it could result in a planned deficiency.

Rep. Lory moved BE NOT CONCURRED IN AS AMENDED.

Chairman Eudaily said if we do a good job of funding this would never be needed and a deficiency levy would not be needed either. He said the bill has some pluses and some minuses. Just perhaps a better approach. He said he would like to see it go to the floor.

Rep. Williams said he agreed but on an adverse committee report.

Rep. Lory asked how many people on the floor know about the foundation program. Discussion will be oratory and not knowledge.

The question was called and the motion carried with Reps. Hannah and Eudaily voting no and absent were Reps. Andreason, Azzara, Donaldson and Dussault.

Rep. Vincent said when we passed HJR 34 to have an interim study on the foundation program we tabled Senator Brown's bill. He would like to see it moved along, too. Rep. Vincent said there would be no harm in having both go through the process as votes could be combined.

Meeting adjourned at 1 p.m.

Respectfully submitted,



RALPH S. EUDAILY, CHAIRMAN

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