

MINUTES OF THE MEETING
SENATE COMMITTEE ON EDUCATION AND CULTURAL RESOURCES
MARCH 13, 1981

The Senate Committee on Education and Cultural Resources met Friday, March 13, 1981, in Room 402 of the Capitol Building. Senator Bob Brown, Chairman, called the meeting to order at 1:03 p.m.

ROLL CALL

Committee members present were Senators McCallum, Severson, Hammond, Blaylock, Thomas, Mazurek, Haffey, and Brown. Senator Smith was absent.

The committee heard the following bills: HB 449
HB 618
HB 675
HB 174.

CONSIDERATION OF HOUSE BILL 449

"AN ACT TO ALLOW HIGH SCHOOL SENIORS TO GRADUATE UP TO 5 DAYS BEFORE COMPLETION OF THE REQUIRED 180 PUPIL-INSTRUCTION DAYS IN THE SCHOOL YEAR WITHOUT A LOSS OF STATE FOUNDATION FUNDS TO THE SCHOOL DISTRICT, AMENDING SECTIONS 20-1-301 AND 20-9-313, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Representative Oberg, District 8, sponsor of the bill, stated the bill would legalize what is already being done throughout the state, i.e. letting Seniors out early. Seniors are traditionally dismissed early for several reasons...as a reward, to get a head start on the job market, and to aid in early preparation of transcripts. The auditors have said according to present law, this cannot be done and Representative Oberg urged the committee to pass the bill as soon as possible.

PROPONENTS

Chad Smith, representing the Montana School Boards Association, agreed with Representative Oberg's testimony and urged support of the bill. He said districts were really not aware of the violation until the DCA ruling.

Jesse W. Long, representing the School Administrators of Montana, urged support of the bill reiterating the necessity of Seniors getting a jump on the job market looking ahead to college expenses.

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Senate Education and Cultural Resources Committee

Senator Blaylock said as a teacher and after many years of teaching, up to 10 days before graduation Seniors are worthless and may just as well be dismissed.

There were no further proponents and no opponents to the bill. Senator Oberg closed.

ACTION ON HOUSE BILL 449

Senator Severson moved HB 449 Be Concurred In. The motion carried unanimously with Senators Smith and Brown absent.

CONSIDERATION OF HOUSE BILL 618

"AN ACT TO PROVIDE A METHOD FOR ALLOCATING FUNDING FOR SECONDARY VOCATIONAL AND INDUSTRIAL ARTS PROGRAMS BASED UPON THE RELATIVE ADDITIONAL COSTS INCURRED BY HIGH SCHOOL DISTRICTS IN PROVIDING SUCH PROGRAMS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Representative Williams, District 70, sponsor of the bill, said this bill is simply enabling legislation for the House Appropriations Committee request of \$1,500,000 for secondary vocational and industrial arts programs. He said the training is needed by those students who cannot afford to go to college and yet want to develop some specific job skills.

PROPOSERS

Maynard Olson, representing the Office of Public Instruction, presented his testimony to the committee in support of the bill (written attachment #1).

Representative James Schultz presented his testimony in support of the bill to the committee (written attachment #2).

Jim Fitzpatrick, President, Montana Council of Local Administrators, presented his testimony in support of the bill to the committee (written attachment #3).

William Ball, Executive Director, State Advisory Council for Vocational Education, presented his testimony in support of the bill to the committee (written attachment #4).

Dave Sexton, representing the Montana Education Association, said he heartily endorses the concept of funds for vocational education and a fair system for distribution of those funds. He urged the committee to support the bill.

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Mark Lalum, Vocational Agriculture Instructor, Kalispell, presented his testimony in support of the bill to the committee (written attachment #5).

Mary Gernaat, President, Montana Vocational Home Economics Teachers, presented her testimony to the committee in support of the bill (written attachment #6).

Mike Cavey, Vocational Agriculture teacher, Missoula County High School, presented his testimony in support of the bill to the committee (written attachment #7).

Doug Polette, President, Montana Industrial Education Association, presented his testimony in support of the bill to the committee (written testimony #8).

Thea Swenson, representing Elfrieda Idleman, President, Montana Montana Business Education, presented Mrs. Idleman's testimony in support of the bill to the committee (written attachment #9).

Charles Gardner, Chairman, Trades and Industry Program Advisory Committee, Great Falls, presented his testimony in support of the bill to the committee (written attachment #10).

Robert Aspholm, representing School District 618, Anaconda, urged support of the bill stating the industrial impact now going on in Anaconda makes it even more imperative that students have vocational training in anticipation of new industries in Anaconda in the next two to three years.

Vern Dahlstrom, representing the Montana Vocational Association and the Billings Career Center, urged support of the bill.

Jesse W. Long, representing the School Administrators of Montana, said he supports the bill and especially supports the permanent distribution date.

Senator McCallum said the bill is good in that it provides for a course to be taught for one year before funds are available for it.

There were no further proponents and no opponents to the bill. Representative Williams closed.

ACTION ON HOUSE BILL 618

Senator Thomas moved a clerical amendment, page 1, line 21. The motion carried unanimously with Senators Brown and Smith absent (see attached standing committee report).

Senator Thomas moved House Bill 618 Be Concurred In As Amended. The motion carried with Senator Blaylock voting no and Senators Smith and Brown absent.

CONSIDERATION OF HOUSE BILL 675

"AN ACT TO EXEMPT CITIES AND COUNTIES FROM CONTRIBUTING TO THE TRAFFIC EDUCATION ACCOUNT; TO INCREASE THE AMOUNT CONTRIBUTED FROM OTHER EARMARKED SOURCES; AMENDING SECTIONS 20-7-504 AND 20-7-505, MCA."

Representative Harper, District 30, sponsor of the bill, stated the state driver education program was originally financed by traffic fines, but in 1968 the Supreme Court ruled against that funding. Since that time, cities and counties have paid for the program. An interim committee studying the problem determined this is basically revenue sharing in reverse and is totally unfair. Some district courts pay, some don't; with no audits there is no mandate to pay. Taking into account the Drake Amendment re local government, the bill, in effect, says we made a mistake and now we're going to take care of it and see that it is funded properly and adequately.

PROPOSERS

Russ Ritter, Helena City Commissioner, said he supports driver education and the bill. He said in 1979 Helena paid \$14,468 into the fund, in 1980 - \$32,000, and in 1981 - \$33,000, which in 1981 equals 1 mill.

Mike DaSilva, Helena City Commissioner, said so far they haven't had to raise the general fund levy but it would have to be increased this year. He noted the amount being paid in 1981 - \$33,000 - would pay for an additional 2 members of the police force.

Jim Nugent, City Attorney, Missoula, stated the courts cost the city \$2,000,000. They collect \$200,000 in fines and pay out over \$34,000 in driver education assessments. He said they need help.

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Dale Harris, representing Lt. Governor George Turman, presented his testimony in support of the bill to the committee (written attachment #11).

Terry Lazure, Assistant Finance Director, City of Great Falls, presented his testimony in support of the bill to the committee (written attachment # 12).

Sam Gesko, City Manager, Bozeman, stated they remit 1 mill-\$21,000 - to the state for driver education.

Dan Mizner, Montana League of Cities and Towns, stated this revenue is connected by its nature to a property tax and the bill is definitely needed to clear up an unfair revenue generating situation.

Dennis Taylor presented a letter from the City of Billings and the City of Helena in support of the bill (written attachments #13 and #14).

There being no further proponents and no opponents, Representative Harper closed.

CONSIDERATION OF HOUSE BILL 174

"AN ACT TO PROVIDE FOR THE WAIVER OF HIGH-SCHOOL TUITION FOR NONRESIDENT CHILDREN; AMENDING SECTION SECTIONS 20-5-303 AND 20-5-313, MCA."

Representative Kessler, District 66, sponsor of the bill, stated the bill is designed to correct the discrepancy between elementary and secondary waiver of tuition when children attend school in a district different from the district of residence. The tuition is waived on the elementary level if \$200 or more in taxes had been paid by the parents the year before. The bill brings the two in line.

PROPOSERS

Chad Smith, representing the Montana School Boards Association, said they support the bill. They have long recognized the inequity between elementary and secondary and actual tuition costs and the \$200 figure. He felt with the language "rate determined by the district" (tuition) equity will be served.

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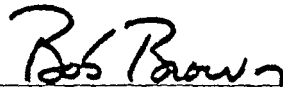
Senate Committee on Education and Cultural Resources

There being no further proponents and no opponents Representative Kessler closed.

ACTION ON STATEMENT OF INTENT ON HOUSE BILL 618

Senator Thomas moved the Statement of Intent on House Bill 618 Be Concurred In. The motion carried unanimously with Senators Smith and Brown absent.

There being no further business, the meeting adjourned to reconvene Monday, March 16, 1981, at 1:00 p.m.



Senator Bob Brown, Chairman

jdr

ROLL CALL

SENATE EDUCATION COMMITTEE

47th LEGISLATIVE SESSION - - 1981

Date 2/12/81

NAME	PRESENT	ABSENT	EXCUSED
Senator Ed Smith		X	
Senator George McCallum	X		
Senator Elmer Severson	X		
Senator Swede Hammond	X		
Senator Chet Blaylock	X		
Senator Bill Thomas	X		
Senator Joseph Mazurek	X		
Senator Jack Haffey	X		
Senator Bob Brown, Chairman	X		

Each day attach to minutes.

DATE March 13, 1981

COMMITTEE ON Education & Cultural Resources

HOUSE 449
BILL NO. 618

675
174

VISITOR'S REGISTER

NAME	REPRESENTING	Check One	
		Support	Oppo
DENNIS TAYLOR	CITY OF HELENA HB675	X	
MIKE DASILVA	CITY OF HELENA HB675	X	
Jim Nugent	City of Missoula HB675	X	
Alan W. Wynne	Mont. League of Cities & Towns HB675	X	
Juan Selt	mt. Home En. Assoc. HB618	X	
DAVID SEXTON	MEA HB618	X	
Lillian R. McCammon	Montana Business Ed. Ass'n	✓	
Margaret A. Olsen	O. P. I	618	
Oliver Swenson	M B E A	618	
Robin Jice	observing	-	-
William Ball	State Adv. Comm. for Voc. Ed.	X	
Jim Fitzpatrick	Montana Council of Local Admin.	X	
Mary Bernaat	Mont. N. Ec. Teachers - HB618	✓	
William Wesen	Mont. Public Schools	X	
Bate Aepfelter	Granville School Dist #16	X	
Mark Salmon	Flathead High School	X	
Lois Platte	Mont. Ind. Educ. Ass.	X	
Gene Dahlstrom	Mont. Van. Assoc	X 618	
Mike Casper	Missoula Co HS -	X 618	
Bob Libbert	Baker High School Baker -		
Jim Schatz	Rep Dist 48	618	
Derry Jaycox	City of Great Falls	X 675	
Conrad Johnson	dist		
Conrad Johnson	"		
Dale A. Harris	Id. Governor's Office	HB675	
SAM GESKO	CITY OF BOZEMAN	"	

SENATE COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

BILL SUMMARY
MARCH 13, 1981

SENATE BILL 174 - Representative Kessler

This bill waives tuition for children attending school outside their resident district if the parent paid an amount comparable to the rate of tuition in school district or county property taxes during the preceding school fiscal year for the support of the district in which the child will attend. Under 20-5-303, tuition for elementary students has been waived in this manner since 1971, but the parents were required to pay only \$200 in property and school taxes to qualify. The House Committee was encouraged to amend the bill to tie the amount of tax payment needed for a waiver of tuition more closely to actual tuition rates charged for any nonresident student.

HOUSE BILL 618 - Representative Williams

This bill is enabling legislation to provide a method for distributing the biennial appropriation for secondary vocational education and industrial arts. Last session, the appropriation passed, but not the enabling legislation. The statement of intent allows OPI to promulgate rules for the application, budgeting, and accounting requirements, and in addition, to develop rules for course content. OPI shall categorize such programs into one of five weighted categories based on the relative additional costs of providing the programs. The bill also provides that a program will not be funded until the program is offered by the district for one school year.

HOUSE BILL 449 - Representative Oberg

This bill would allow a school district to release graduating seniors early, after completing at least 175 days of instruction, without causing the district to lose foundation funds for not providing 180 days of instruction for those students. Evidently, DCA auditors have challenged this practice in some districts by suggesting the students can't be counted for ANB purposes if they are released. Early release has been interpreted as a "drop" from enrollment.

HOUSE BILL 675 - Representative Harper

This bill was originally requested by the Interim Study on State Mandates and the Effects of State-Owned Property on Local Governments. It releases cities and counties from their obligation to contribute to traffic education 20% of all fines collected by city or county peace officers. To make up for this revenue loss, the percentage of fine amount contributed by highway patrol arrests was raised from 20% to 25% (this money would go to the general fund anyway). Currently 5% of all money received by the state for driver's license fees is contributed to the traffic education account. This was raised to 35%. See attached "fiscal note" from the interim committee on this subject.

1. Traffic Education

The following FY 1979 figures were used to calculate fiscal impacts

previous staff report were used funding change:

\$ 374,397	city fi
96,254	county
345,116	highway
65,593	drivers
<u>36,674</u>	G.V.W.

\$ 918,062 total

\$ 864,987 state
+ 56,775 OSPI and

\$ 921,762 total

+ 869,602 local

\$1,781,364 total

LC 98, releasing cities to contribute to the program at current levels, would compute the

to schools costs

state in FY 1979

ct contributions

rogram costs

from their obligation to releasing other contribution way:

gain

\$393,558
+76,357

5% of
20% of

license fee changed to 35%
patrol and G.V.W. fines changed

\$469,915

loss \$470,652
gain -469,916

city

city contributions FY 1979

\$ 10,736 = program
This amount

as compared to FY 79 contribution
could be picked up by:

- additional district expenditures;
- increased student fees;
- additional appropriations, especially to cover administrative costs to OSPI.

APPENDIX A
TRAFFIC EDUCATION FUNDS FOR FY 79

	G.V.W. Fines	Dr. Lic. Fee	Highway Pa- trol Fines	Co. Sheriff Fines	Cities & Towns
Beaverhead	\$ 2,445.00	\$ 738.50	\$ 2,911.80	\$ 847.00	
Big Horn	739.10	744.75	692.96	1,341.50	
Blaine	--	486.45	5,439.50	--	
Broadwater	705.00	423.85	5,317.00	5,011.00	
Carbon	46.00	528.95	3,399.95	621.90	
Carter	4.00	113.20	401.00	--	
Cascade	2,284.60	6,488.95	12,739.54	6,703.00	
Chouteau	199.00	282.00	1,853.70	2,241.08	
Custer	--	1,136.00	8,846.20	--	
Daniels	--	234.40	1,082.25	94.00	
Dawson	50.00	1,041.85	15,103.16	2,496.20	
Deer Lodge	1,446.00	970.85	5,400.40	6,364.00	
Fallon	--	325.20	1,862.40	289.60	
Fergus	113.00	1,140.50	6,477.91	--	
Flathead	2,220.50	4,734.05	22,705.56	3,735.49	
Gallatin	--	3,643.30	17,350.00	4,100.39	
Garfield	--	105.25	2,131.00	20.00	
Glacier	202.20	761.95	4,491.10	11.00	
Golden Valley	--	54.45	528.00	345.00	
Granite	3,559.00	163.05	2,537.50	9.00	
Hill	1,207.00	2,360.40	11,550.58	1,010.80	
Jefferson	20.00	305.30	5,497.55	1,941.58	
Judith Basin	--	154.85	1,721.52	--	
Lake	304.30	1,338.40	9,806.70	796.30	
Lewis & Clark	1,065.00	3,776.95	9,928.14	4,628.40	
Liberty	--	189.40	2,343.40	120.00	
Lincoln	1,804.60	1,477.90	9,111.58	1,491.00	
Madison	168.00	307.55	862.80	1,831.00	
McCone	759.00	180.75	1,624.96	771.28	
Meagher	146.00	164.50	943.70	529.80	
Mineral	--	256.95	4,535.62	1,433.20	
Missoula	5,266.00	7,237.65	33,938.35	17,177.73	
Musselshell	--	379.40	2,799.40	4,254.90	
Park	--	1,114.60	6,769.58	--	
Petroleum	--	47.35	56.00	310.00	
Phillips	115.97	415.90	5,275.65	4.50	
Pondera	--	533.37	3,057.09	--	
Powder River	1,352.40	271.95	2,006.20	479.00	
Powell	--	489.55	6,495.93	225.00	
Prairie	--	630.90	1,122.25	16.00	
Ravalli	246.00	1,530.35	6,307.90	1,513.10	
Richland	108.00	1,029.70	6,890.89	1,284.90	
Roosevelt	3,647.00	716.85	3,921.42	693.94	
Rosebud	1,535.60	553.65	4,494.42	5,317.84	
Sanders	1,112.00	635.75	1,880.80	2,344.60	
Sheridan	28.00	480.60	2,769.00	3,252.55	
Silver Bow	373.00	2,976.20	9,709.05	2,796.60	
Stillwater	25.00	446.65	5,549.89	21.00	
Sweet Grass	304.80	258.25	2,690.00	627.90	
Teton	60.00	404.55	2,607.80	476.80	
Toole	803.02	415.20	2,388.39	620.32	
Treasure	25.00	77.35	3,566.30	31.65	
Valley	409.00	819.55	7,594.77	1,187.52	
Wheatland	304.00	187.75	1,584.92	354.16	
Wibaux	144.00	104.27	1,123.80	211.00	
Yellowstone	3,470.00	9,153.85	36,000.85	4,056.00	
Total	\$36,674.35	\$65,593.32	\$345,116.68	\$96,254.81	\$374,397.58

GRAND TOTAL

\$918,062.17

Source: City and County Treasurers' monthly report to the State
Treasurer's Office. D-7

PROPOSED AMENDMENTS TO HOUSE BILL 819

1. Title, lines 4 and 5.

Following: "REMOVE"

Strike: "CONTRACTED AUDIOLOGICAL SERVICES FROM"

Insert: "THE REQUIREMENT THAT"

2. Title, line 6.

Following: "INSTRUCTION"

Insert: "MUST CONTRACT DIRECTLY WITH LOCAL SCHOOL DISTRICTS
OR COOPERATIVES FOR THE DELIVERY OF AUDIOLOGICAL SERVICES"

3. Page 3, line 4.

Strike: "."

Insert: ";

4. Page 3, line 10.

Following: line 4

Insert: "(13) contracting for the delivery of audiological
services to those children allowed by Montana law in
accordance with policies of the board of public education."

STANDING COMMITTEE REPORT

..... March 13, 19 81

MR. PRESIDENT

We, your committee on EDUCATION AND CULTURAL RESOURCES

having had under consideration HOUSE Bill No. 449

Oberg (Hammond)

Respectfully report as follows: That HOUSE Bill No. 449

He
BE CONCURRED IN

~~DO NOT~~
DO PASS



OFFICE OF PUBLIC INSTRUCTION

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

Ed Argenbright
Superintendent

TO : Senator Bob Brown, Chairman, Senate Education Committee
FROM : Maynard A. Olson, Special Assistant
DATE : March 13, 1981
SUBJECT : House Bill #618

Chairman Brown and members of the committee, I am Maynard Olson, Special Assistant to State Superintendent Ed Argenbright in the Office of Public Instruction.

House Bill #618 provides enabling legislation to distribute state funds appropriated for vocational education programs at the high school level.

There has been an uncertainty of funding and an inconsistent provision for secondary vocational education at the state level during the past several years. This bill provides a realistic and systematic method for establishing vo-ed programs, provides a reasonable method of funding and distribution of funds, and assures that the additional funding for these more costly vo-ed programs will be expended only for this purpose.

This legislation will provide stability in secondary vo-ed programs over a period of years and will bring about more efficiency in budget preparation. Vocational educators and administrators will know where they stand.

As you know, good high school vocational education programs must be continued. This is vital to our young people.

It has been my pleasure, as representative of the State Superintendent's Office, to assist in the development of this much needed legislation. Representatives Williams and Schultz and Senator McCallum worked in close cooperation with the Montana Vocational Association, the State Advisory Council for Vocational Education, and several school administrators in developing this bill.

House Bill #618 is a practical solution to many concerns we've had in the secondary vo-ed programs. Students need your help in acquiring the skills and training to pursue an occupation and have a productive life.

I urge your favorable consideration and support of this bill. Thank you.

Testimony Rep James Schultz

AB 618

Mr. Chairman and members of the committee, for the record my name is James Schultz, Representative for District 48

Members of the committee this bill addresses a segment of our student population that does not participate extensively in the post secondary educational programs. Few go to college

these are the students that complete their academic careers in high school. the girls that become secretaries or clerks at the local stores or banks, the boys that go into the service trade for stores, garages, farm supply services or back to the farms and ranches preparing for home

When the state of Montana determined the required curriculum for high school graduation vocational skills were very lacking. Manual training was the only one mentioned.

Local schools could see the problem and many have set up fine programs that in many cases are as competent as the courses offered in vocational & trade schools.

These programs are expensive much more so than the normal classroom discipline.

An example of my home town school where we have Business practices, Secretarial, Home Economics, Industrial Arts and Vocational Agriculture. The Budget for these departments for Supplies, Equipment

Repairs maintenance is total is \$ 76,870 for a school with 40 teachers
Capital Costs 5447 Total for both 25,926 5 teachers

When we speak of secondary Vocational Education we are speaking about 40-50% of the total High School population.

We have many ~~figures~~ statistics on the % of our students attending college, attending post-2nd to-tee schools, but when its all said and done about 60% of these students become involved in the world of work without further training.

So I strongly urge that this committee ~~deques~~ fund this phase of our educational program.

Thank you,

#3

February 11, 1981

MEMORANDUM

TO: Senator Bob Brown, Chairman Senate Education Committee

FROM: Jim Fitzpatrick, President, Montana Council of Local Administrators

RE: Testimony on House Bill 618

1. House Bill 618 is designed to provide a method of allocating funding to Secondary Vocational and Industrial Arts programs based on relative additional costs incurred by High School Districts.
2. The bill was developed by Vocational Education Administrators, Teachers, the Montana Advisory Council for Vocational Education, Office of Public Instruction, School Administrators and Business Managers.
3. The bill addresses and corrects the major difficulties the OPI and School Districts experienced in administering House Bill 537.
4. An appropriation for financing Secondary Vocational Education and Industrial Arts programs is recommended by the legislative fiscal analyst.
5. The major provisions of this bill include:

Funds are to be disbursed to school districts for additional costs. This would include such areas as instructional supplies, major and minor equipment, instructional maintenance and repair, extended salary contracts, instructional travel and instructional related travel expenses.

Section 1 The OPI will distribute the funds to High School Districts having approved Secondary Vocational and Industrial Arts programs.

Subsection 2 The High School District would apply to the Superintendent of Public Instruction. The Superintendent of Public Instruction shall prescribe ANB determination, application, budget procedure and accounting rules and other rules necessary.

Subsection 3 Secondary Vocational and Industrial Arts programs must be offered for one year before being eligible for funding.

Subsection 4 High School District is defined as providing educational services for grades 9 - 12.

Section 2 Distribution of Funds - The Superintendent of Public Instruction shall categorize Secondary Vocational Education programs into 1 of 5 categories based upon the relative additional cost of those programs.

Subsection 2 The Superintendent of Public Instruction shall determine the weighted category to be assigned Industrial Arts programs.

Subsection 3 The Superintendent of Public Instruction shall adjust weighted categories to assure that funds are not exceeded.

Subsection 4 Funding shall be based on ANB on the previous year.

Subsection 5 This subsection deals with the procedure for determining the dollar amount school districts will receive. ANB for each category shall be multiplied by the factor for that category and the product multiplied by the applicable ANB dollar value. Industrial Arts programs shall be funded at 50% of the category assigned.

Subsection 6 Funds would be distributed by November 1. Monies must be deposited in a subfund of miscellaneous program funds and expended only for Secondary Vocational Education and Industrial Arts programs. The expenditures would be reported in the annual trustees report.

Section 3 This section relates to codification of section 1 and 2 of this bill as a part of title 20, chapter 7, part 3.

In conclusion this is a simple but effective bill in: allocating additional cost funds for approved Secondary Vocational Education and Industrial Arts programs, eliminating the problems experienced in administering House Bill 537, providing the Superintendent of Public Instruction with the responsibility of administering and accounting for the funds.

I therefore urge you to support House Bill 618.

Statement of Intent - HB 618

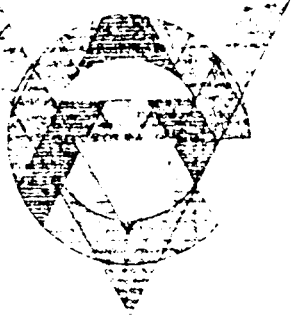
Section 1. Rulemaking authority having been specifically granted under sections 1 and 2 of House Bill 618 this statement of intent is required by law.

Section 2. The allocation method established in House Bill 618 is to be administered by the office of the superintendent of public instruction for secondary vocational and industrial arts programs according to rules promulgated by that office. The rules are to provide for the form of the application and any budgeting and accounting requirements that are needed to satisfactorily provide for fiscal responsibility regarding the funds. Further rules are necessary to define and approve course areas and programs to receive the funding. The rules shall contain a table of five classes of courses ranked by the relative cost of providing the course. An example of such a table would be:

Category	Weight
I	.50
II	.40
III	.30
IV	.20
V	.10

The superintendent of public instruction is to place each course or program into one of these classes. The weights are to be adjusted as necessary to provide equitable allocation of funds and to insure that appropriated funds are not exceeded.

4



March 13, 1981

To: Senator Bob Brown, Chairman, Senate Education Committee
From: William Ball, Executive Director, State Advisory Council for Vocational Education
Re: Testimony in support of H. B. 618.

Mr. Chairman, members of the committee, for the record I am William Ball, Executive Director of the State Advisory Council for Vocational Education. I am here representing the Council in full support of H. B. 618.

The Council this past year held public meetings on vocational education; conducted a systematic study of employers and former secondary vocational education students; and closely reviewed a study completed this fall by the vocational education division of the Office of the Superintendent of Public Instruction.

Following thorough review of these reports and in consultation with the Montana Vocational Education Association, the Office of Public Instruction, School Boards Association, School Administrators of Montana and individual administrators at local schools the Council has strongly supported the development of this enabling legislation for secondary vocational education and industrial arts.

Very briefly, this bill provides for:

1. Establishing a permanent procedure for disseminating appropriated funds for secondary vocational education. We highly recommend the establishment of such a procedure to provide consistency in funding procedures so the local schools may more adequately plan their vocational education programs.
2. The bill incorporates the use of established components in the procedure which will equitably apply whatever funds the legislature appropriates for these programs to assist the local school district in meeting the excess costs of the different vocational education programs.
3. The legislation provides for a specific date, in this case, November 1, of each year in which the funds will be distributed to the eligible local schools.

To: Senator Bob Brown
Re: Testimony in support of H. B. 618

March 13, 1981

4. Finally, the legislation requires that the funds appropriated for this purpose must be accounted for separately by the local school board, expended only for approved secondary vocational education and industrial arts programs, eliminates the necessity of emergency budgeting by the local schools for use of the funds and also requires that the financial activity of each program is to be reported annually by the local trustees.

The Advisory Council for Vocational Education respectfully urges your favorable consideration of H. B. 618.

1 HOUSE BILL NO. 518

2 INTRODUCED BY WILLIAMS, SCHULTZ, DONALDSON, MERRIAN,
3 MEYER, E. SMITH, McLANE, ASAY, McCALLUM, UCHSNER,
4 TVEIT, THOMAS, CONOVER, HAMMOND

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A METHOD FOR
6 ALLOCATING FUNDING FOR SECONDARY VOCATIONAL AND INDUSTRIAL
7 ARTS PROGRAMS BASED UPON THE RELATIVE ADDITIONAL COSTS
8 INCURRED BY HIGH SCHOOL DISTRICTS IN PROVIDING SUCH
9 PROGRAMS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Funding for secondary vocational education
12 and industrial arts programs -- application -- rules. (1)
13 The superintendent of public instruction shall annually
14 distribute money from the biennial appropriation for
15 secondary vocational education and industrial arts. The
16 money shall be allocated to high school districts providing
17 approved secondary vocational education and industrial arts
18 programs in accordance with [this act].

19 (2) A high school district providing a secondary
20 vocational education program AND INDUSTRIAL ARTS PROGRAMS
21 must apply to the superintendent of public instruction for
22 funds available under [this act]. The superintendent of
23 public instruction shall by rule prescribe the method for

1 AND determination, the form of the application, budget
2 procedures, and accounting rules for the funds. The
3 superintendent of public instruction may prescribe other
4 requirements for the receipt of funding not inconsistent
5 with title 20, chapter 7, part 3.

6 (3) A secondary vocational education or industrial
7 arts program or a course in such a program in a high school
8 district may not be funded until that program or course has
9 been offered by the school district for 1 school year.

10 (4) As used in [this act] the term "school district"
11 means a district organized for the purpose of providing
12 educational services for grades 9 through 12, but the term
13 does not include postsecondary vocational education centers.
14 Section 2. Distribution of secondary vocational
15 education and industrial arts funds. (1) The superintendent
16 of public instruction shall categorize secondary vocational
17 programs into one of five weighted categories based upon the
18 relative additional costs of those programs.

19 (2) The superintendent of public instruction shall
20 determine the weighted category to be assigned industrial
21 arts programs.

22 (3) The superintendent of public instruction shall
23 adjust the weighted categories as necessary to assure that
24 the procedures outlined in subsections (4) and (5) do not
25 result in entitlements that exceed the amount appropriated.

1 (4) Funding shall be based upon the average number
 2 belonging (ANs) to secondary vocational educational and
 3 industrial arts programs of the high school district in the
 4 year immediately preceding the year for which funding is
 5 requested. The ANs shall be computed for each category
 6 secondary vocational education and industrial arts program.
 7 (5) For secondary vocational education programs to
 8 ANs generated for each category established in subsection
 9 (1) shall be multiplied by the factor for that category and
 10 the product thereof shall be multiplied by the applicable
 11 ANs dollar value established by 20-9-219. Industrial arts
 12 programs shall be funded at 90% of the category assigned.
 13 The high school district is entitled to receive for
 14 secondary vocational education and industrial arts the
 15 total of all secondary vocational education and industrial
 16 arts categories so computed.

-END-

17 (6) The superintendent of public instruction shall
 18 annually distribute the funds allocated in this section by
 19 November 1. The money so received by the high school
 20 district trust be deposited into the subfund of the
 21 miscellaneous program fund established by 20-9-507 and shall
 22 be expended only for approved secondary vocational education
 23 and industrial arts programs. The expenditure of the money
 24 so received shall be reported in the annual trustee's report
 25 as required by 20-9-213.

STATEMENT OF INTENT

HOUSE BILL 613

House Education Committee

1 V

2 The superintendent of public instruction is to place

3 each course or program into one of these classes. The

4 weights are to be adjusted as necessary to provide equitable

5 allocation of funds and to insure that appropriated funds

6 are not exceeded.

7 Section 1. Rulemaking authority having been

8 specifically granted under sections 1 and 2 of House Bill

9 613 this statement of intent is required by law.

10 Section 2. The allocation method established in House

11 Bill 613 is to be administered by the office of the

12 superintendent of public instruction for secondary

13 vocational and industrial arts programs according to rules

14 promulgated by that office. The rules are to provide for the

15 form of the application and any budgeting and accounting

16 requirements that are needed to satisfactorily provide for

17 fiscal responsibility regarding the funds. Further rules

18 are necessary to define and approve course areas and

19 programs to receive the funding. The rules shall contain a

20 table of five classes of courses ranked by the relative cost

21 of providing the course. An example of such a table would

be:

Category	Weight
I	.50
II	.40
III	.30
IV	.20

FISCAL NOTE

Form BD-15

compliance with a written request received February 4, 19 81, there is hereby submitted a Fiscal Note HB 618 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

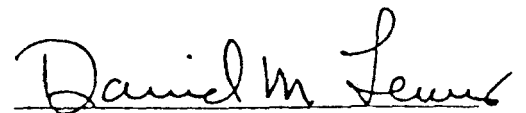
Description:

To provide a method for allocating funding for vocational and industrial arts programs based upon the relative additional costs incurred by high school districts in providing such programs.

Fiscal Impact:

This fiscal impact of this bill is zero. The bill provides a mechanism for determining the payments made from an appropriation that has not yet been made - See lines 22 and 23 of page (2).

The current recommended funding level made by the Education Sub-committee is \$750,000 of General Fund Support per year. This is the same dollar amount appropriated for the current biennium for secondary vocational education programs.



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-7-81

NAME: Mark Lahn DATE: 3/13/81

ADDRESS: 1791 Bisen Dr. Kalispell

PHONE: 257-5528

REPRESENTING WHOM? Flathead High School

APPEARING ON WHICH PROPOSAL: HB 218.

DO YOU: SUPPORT? AMEND? OPPOSE?

COMMENTS: _____

#5
KEITH L. HILLED
SUPERINTENDENT
PATRICK J. COLWY
ASST. SUPERINTENDENT

TOM FRIAMHILL
KEN GREGGUS
DON LANGAN

SCHOOL DISTRICT NO. 5

Phone 755-5015 - P.O. BOX 788 - KALISPELL, MONTANA 59901

Chairman Bob Brown and Senate Education Committee;

I am Mark Lalum Vocational Agriculture Instructor at Kalispell. I

speak in favor of EB 618. In the Flathead High School system there are 1644 students, of these students, about 900 are enrolled in Vocational classes. As you know the costs of Vocational programs are two to three times more than the traditional classes such as math and english. There is a move from the mass migration of high school graduates into four year colleges, to graduates going into the world of work. In our school this year 37.4% of the seniors plan to go to a four year college, the other 62.4% plan to stop their education or go to a trade school. With financial situations as they are there is pressure from local communities to cut taxes. The focal point of their frustration seems to be on the school districts. When budget cuts are made vocational education seems to be the first course affected because of the graduation requirements set forth by the state. Can you and I allow programs to wither away that will give certain students the education they need to become useful citizens? By funding Vocational Education programs it will relieve a major financial burden from schools, and still maintain quality programs that are a benefit to the students.

Thank-you,
Mark Lalum
Mark Lalum
Vocational Agriculture Instructor

FLATHEAD HIGH SCHOOL
KALISPELL JUNIOR HIGH
LINDERMAN SCHOOL
ELRCO SCHOOL
RUSSELL SCHOOL
PETERSON SCHOOL
HEDGES SCHOOL
EDGERTON SCHOOL

NAME: MARY CERNAT DATE: 3-13-81

ADDRESS: 7405 3rd AVE N Co Falls

PHONE: 452-8769

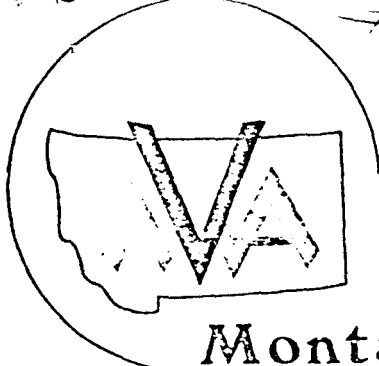
REPRESENTING WHOM? Mr. Voc H.E.

APPEARING ON WHICH PROPOSAL: H.B. 618

DO YOU: SUPPORT? AMEND? OPPOSE?

COMMENTS: _____

#6



Montana Vocational Association

Box 1

1115 North Roberts

Helena, Montana 59601

February 13, 1981

Senate Education Committee
Montana State Legislature
Helena, Montana

Mr. Chairman and Committee Members,

I am testifying on behalf of the Montana Vocational Home Economics Teachers urging your support for H.B. 618.

There are two types of Home Economics programs in most Montana high schools. The first type, Consumer Homemaking, is a comprehensive program including all areas of Home Economics--Food and Nutrition, Clothing, Housing, Family Relations, Parenting and Child Development. The emphasis is preparing both male and female students for present and future roles in life. We, in Home Economics, believe "Homemaking is a Vocation."

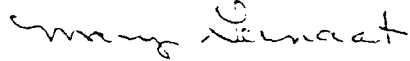
The second type is Wage Earning Classes, such as, Food Service, Child Care and Clothing Related Occupations. These courses combine classwork with related job experience so as to put into practice the skills and ideas presented in class. Through this work experience the student is introduced to possible career choices.

The following statistics obtained from the Office of Public Instruction show that enrollment is increasing in the Secondary Homemaking programs in Montana.

1978-79 Consumer H. Ec.	-	7843 students, 81% female & 19% male
Wage Earning classes	-	736 students, 68% female & 32% male
1979-80 Consumer H. Ec.	-	13669 students, 55% female & 45% male
Wage Earning classes	-	697 students, 39% female & 61% male

Although enrollment in Homemaking classes is increasing in most parts of the state, high school enrollment is decreasing. This decline in enrollment results in less foundation money available to the local level. The cost of equipment and supplies continues to increase but there is less budgeted money available to spend. Another problem we face is that most of the equipment is used throughout the entire school day. The equipment in sewing and food labs gets much more concentrated and harder use than in a home.

Because of increasing costs of supplies and equipment, Home Economics Departments are finding it more and more difficult to maintain their programs. We believe the additional money provided by this bill would help in our achieving quality programs rather than just maintaining our current programs or cutting some of our existing curriculum. A quality program will enable us to help students make wise career decisions. As everyone knows, the need is greater today than it has ever been.



Mary Gernaat, President
Montana Vocational Home Economics Teachers

NAME: MIKE CARRY DATE: MAR 13 -81

ADDRESS: MISSOULA MT

PHONE: 728-0130

REPRESENTING WHOM? MISSOULA CO. H.S.

APPEARING ON WHICH PROPOSAL: 618

DO YOU: SUPPORT? AMEND? OPPOSE?

COMMENTS: _____

ii-7

Chairman Brown and members of the Senate Education Committee.

I am Mike Cavey a vocational agriculture teacher for Missoula County High School and a parent of two sons that are enrolled in vocational education in Missoula County High School.

I would like to request your support for House Bill 618. This bill is necessary to Montana for the following reasons:

1. Vocational programs are very costly to operate, yet provide a return to our government through taxes on money earned.
2. School districts that are faced with tight budgets are tempted to cut vocational programs completely because of their high cost per student.
3. There is no protection for vocational educational opportunity in Montana schools, since they are not required for accreditation.
4. In my school district the board of trustees are considering cutting vocational departments based upon high cost per student only.

In the interest of maintaining quality vocational education to train our young people for meaningful employment in Montana, I ask you to support House Bill 618.

NAME: Doug Pelette DATE: 3/13/81

ADDRESS: 11110 Bridger Canyon Rd Bozeman

PHONE: 586-5768

REPRESENTING WHOM? - Montana Industrial Education Ass -

APPEARING ON WHICH PROPOSAL: #B 618

DO YOU: SUPPORT? AMEND? OPPOSE?

COMMENTS: _____

#8
MIEA

Montana Industrial Education Association

March 11, 1981

Chairman Bob Brown
Senate Education Committee
Helena, Montana 59601

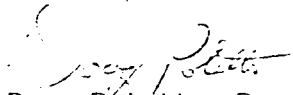
Chairman Brown:

As President of the Montana Industrial Education Association I am writing to urge your support for specific funding for vocational and industrial arts education programs, House Bill 618.

I have been involved with vocational education and industrial arts for the past 20 years in both Wyoming and Montana with the last ten of these years as a teacher educator in the industrial education field. I have found in visiting numerous schools across the state of Montana, that one major need is generally present, which is a lack of funds to provide adequate instructional equipment to carry out the basic fundamentals of industrial education. Although the federal government has for a number of years provided some funding for these programs, this has proved to be too little and is currently being drastically reduced or eliminated. Specifically what is needed is a means of providing funds that can be ear-marked for vocational and industrial arts programs in the school.

I would like to ask that you support House Bill 618 which would provide the youth of Montana with a reasonable opportunity to gain the necessary skills, techniques, and practices that are needed by them so they may enter the world of work with the greatest chance to succeed.

Sincerely,


Doug Polette, President
MIEA

DP/jlr

NAME: Neal Swenson DATE: March 13, 1981

ADDRESS: Capital High Helena, Montana

PHONE: 442-6907

REPRESENTING WHOM? Montana Business Education Assoc.

APPEARING ON WHICH PROPOSAL: NB618

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

COMMENTS: _____

MONTANA BUSINESS EDUCATION ASSOCIATION

Elfrieda Idleman, President
Billings Senior High School
Billings, Montana 59101

March 11, 1981

The Honorable Bob Brown, Chairman
Senate Education Committee
Montana 47th Legislative Assembly
State Capitol Building
Helena, Montana

Dear Senator Brown:

The Montana Business Education Association supports House Bill 618.

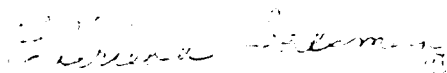
We feel this bill will provide a fair and more flexible method of allocating additional funds for vocational education to help with excess costs of these programs. We also feel it will facilitate the distribution of these funds by providing that the Superintendent of Public Instruction be responsible for the administration and accounting.

Vocational business education programs provide our Montana high school students with an opportunity to enter the job market successfully and/or to enroll in advanced classes at postsecondary institutions. Typing, office procedures, accounting, business machines, and shorthand emphasize those skills, knowledges, attitudes, and understandings required in today's business office. Approximately one out of every four high school students enrolled in business and office education classes is involved in the co-op program which provides on-the-job training.

Without the help of the State Legislature, schools would find it difficult, if not impossible, to maintain a quality program in the future. The costs of equipment, maintenance, and supplies for these classes continue to escalate.

MBEA respectfully urges our Montana legislators to continue to give our secondary students the opportunity to take advantage of vocational training in business and office education.

Sincerely yours,



Mrs. Elfrieda Idleman
MBEA President

ts

10

Date: February 17, 1981

To: Chairman and Committee Members
Senate Education Committee

From: Charles Gardner, Chairman
Trades and Industry Program Advisory Committee
1227 26th Ave. S.W.
Great Falls, MT 59404

Re: House Bill 618

I am writing concerning House Bill 618, the vocational education enabling act which will be considered by your committee in the near future.

As chairman of the Great Falls Public Schools' Trades and Industrial Advisory Committee, I am concerned about the outcome of this bill. Vocational education programs in our secondary schools need the boost that the passage of House Bill 618 would provide them. With the passage of House Bill 618, we will be able to provide the young citizens in our vocational education programs with current and relevant job skills.

Because of the needs of not only Great Falls Public Schools' vocational education programs but programs statewide, I strongly encourage your favorable review and support of House Bill 618.

Members of this advisory committee are:

- | | |
|------------------|--|
| Harry Birkenbuel | President, Birkenbuel Construction |
| Gary Flom | Manager, General Distributing Co. |
| Charles Gardner | Plant Technician, Western Union |
| Jack McCoy | Parts Manager, Don Ryan Olds |
| James Murr | Business Representative, International Association of Machinists |
| Richard Peterson | T & I Department Chairman, C. M. Russell High School |
| Kenneth Sievert | Architect, Davidson & Kuhr |
| Carl Spinti | Assistant Director, Great Falls Vo-Tech Center |
| Marvin Veen | Mechanic, Rice Motors |
| Leonard Waring | T & I Department Chairman, Great Falls High School |
| Willard Weaver | Vocational Consultant, Great Falls Public Schools |
| Rob R. Wilson | Vice-President, Cascade Electric Company |

#10

Testimony in Support of
House Bill 618
Senate Education Committee

I strongly encourage you to support House Bill 618. Vocational education is an expensive and necessary component of a sound secondary comprehensive education system. Your support of secondary vocational education is very important if the state of Montana is to continue to provide its young citizens with a sound comprehensive education.

As a representative of a school district which has experienced a large decrease of students in its education system, I can assure you that vocational education is still in demand by our secondary student population. Great Falls Public Schools had a decrease of 825 students in grades nine through twelve between 1978-1979 and 1980-1981 school years. This is based on enrollment information from the month of October, 1980. During this same time period, we experienced a decrease of only 64 student contact hours, or approximately 9 FTE, in vocational education classes.

House Bill 618 will provide school districts an opportunity to offer sound vocational education programs. House Bill 618 has developed a framework with delineation of operations and responsibilities. This proposed system of funding vocational education will improve our present system. House Bill 618 will enable school districts to more accurately prepare budgets and develop short and long range curriculum improvements.

STANDING COMMITTEE REPORT

March 13, 1981

MR. PRESIDENT

We, your committee on EDUCATION AND CULTURAL RESOURCES

having had under consideration HOUSE

Bill No. 618

Williams (E. Smith)

Respectfully report as follows: That HOUSE Bill No. 618

third reading copy, be amended as follows:

1. Page 1, line 21.
Following: "providing"
Strike: "a"

L.C.

And, as so amended,
BE CONCURRED IN

~~XXXXXX~~

And the Statement of Intent BE CONCURRED IN

TESTIMONY IN SUPPORT OF HB 675

Good morning.

Mr. Chairman, members of the committee. My name is Dale Harris, and I am an aide to Lt. Governor George Turman. The Lt. Governor has asked me to convey to you the administration's and his personal support for HB 675.

The administration strongly supports the Traffic Education Program, but recommends that it be funded from state rather than local revenues. The Legislative Council study of state mandates indicated that HB 675 would permit cities to retain \$374,397 and counties \$96,254 for a total of \$470,652 of their own revenue.

The increased earmarking of the state driver's license fee to 35% and highway patrol and GVW fines to 25% will replace all but \$10,736 of the lost local government revenue.

The state has a multitude of productive revenue sources. Cities in Montana have only limited tax and revenue sources. The administration cannot justify the state's funding programs with reverse revenue sharing where the state takes revenue from local governments to finance state authorized services.

In addition to raiding local revenues, the current law imposes unnecessary bookkeeping and reporting requirements on counties, cities and ^{the} state.

The administration supports this bill because it is a step in the right direction (the elimination of inappropriate mandates to local government).

NAME: Derry Jayne DATE: 3/13/81

ADDRESS: 165 Riverview C City of Great Falls, MT

PHONE: 453-9716 (Home) 737-5551 (Office)

REPRESENTING WHOM? City of Great Falls

APPEARING ON WHICH PROPOSAL: HR 675

DO YOU: SUPPORT? AMEND? OPPOSE?

COMMENTS: _____

12

City of **GREAT FALLS** *Montana* 59403

P. O. BOX 5021

TELEPHONE 406 / 727-5881

March 13, 1981

HB 675 - A BILL FOR AN ACT TO EXEMPT CITIES AND COUNTIES FROM CONTRIBUTING TO THE TRAFFIC EDUCATION ACCOUNT.

STATEMENT BY THE CITY OF GREAT FALLS, MONTANA

In 1977, the legislature of the State of Montana amended laws to require municipalities to make regular payments to the State for driver's education. Payments for this State program are made from City Court fines assessed and bails forfeited for violations of State Motor Vehicle Codes and City Ordinances. The amount paid to the State totals 20% of the total of such fines collected.

1. The fines and forfeitures assessed and collected in City Court are general fund revenue sources for the City. Payment to the State of 20% of the total fines for violations of State Motor Vehicle Codes and City Ordinances results in a loss of needed municipal general fund revenue. Such revenue is needed to fund police protection, court services and other general fund departments. The governing body of a municipality does not have the authority, nor should they, to increase local fines and forfeitures to counter balance the loss of this revenue, that is the authority of elected judges.
2. In FY 1978, the City of Great Falls contributed \$81,375 to the State Driver's Education Account. The State reimbursed the City School Districts only \$67,858. Because the City of Great Falls has an active police enforcement program and violators are convicted in City Court, the City of Great Falls contributed more than any other municipality in FY 1978 and subsidized driver's education programs in other cities while the citizens of Great Falls did not receive in local benefits the amount it contributed.
3. In FY 1980-81, one mill in the City of Great Falls is worth \$58,563. If the City were able to levy an additional mill for the general fund (which it cannot as it is now levying the maximum number of mills) and if it were desirable to levy an additional mill (which it is not because the City is committed to providing services while holding the line on taxes, especially additional taxes to make up revenue it loses to State programs while not receiving in local benefit the amount it contributes), it could not make up the amount it loses in revenue by contributing to this fund.

STATEMENT BY THE CITY OF GREAT FALLS, MONTANA

March 13, 1981

HB 675 - Page 2

4. House Bill 675 does provide for alternate revenue sources to offset the loss of revenue not contributed by Montana municipalities. The Driver's Education Program is a State program and should be funded by the alternate sources as outlined in HB 675.

The City of Great Falls supports HB 675 and urges your support of it.



CITY OF BILLINGS

March 13, 1981

220 NORTH 27TH STREET
P. O. BOX 1178
BILLINGS, MONTANA 59103
PHONE (406) 248-7511

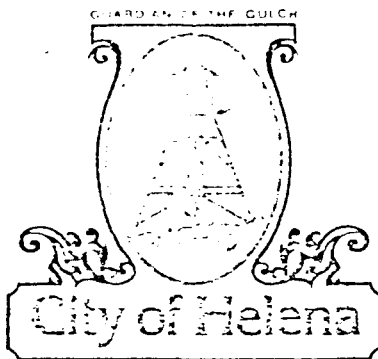
STATEMENT OF THE CITY OF BILLINGS REGARDING
HOUSE BILL 675
BY REPRESENTATIVE HAL HARPER

The City of Billings wishes to go on record in support of HB 675. The bill, introduced by Representative Harper, was recommended to the Legislature by the Interim Legislative Committee studying the problem of State mandates. HB 675 would exempt cities and counties from contributing to the traffic education account and would increase the amount contributed from other State revenue sources to make up for the cities' and counties' contribution. Right now, cities are requested to pay 20% of their traffic fine money to the State to pay about 47% of the statewide traffic education program. We don't think the City of Billings should have to fund a state mandated program with our scarce resources that would otherwise go into the General fund of the City of Billings. The current statutes requiring 20% of Billings' fine money to be paid to the State for traffic education cost the City of Billings approximately \$100,000 this year. This is approximately 1 mill at our current taxable valuation. The amount of money that Billings loses as a result of this funding requirement would pay for five police officers. Last budget year we were forced to lay off twelve police officers. The City of Billings cannot afford to continue this inequitable "revenue sharing" program with the State. The City of Billings urges the Senate Education Committee to give HB 675 a "do pass" recommendation. Thank you.

15

Commissioners
Rich D. Brown, Mayor
Michael J. DiSilva
Dale L. Johnson
James H. Nybo
Russell J. Ritter

City County Admin. Bldg.
316 North Park
Helena, MT 59623
Phone 406 442-9920



Robert A. Erickson
City Manager

March 12, 1981

Senator Bob Brown, Chairman
Senate Education Committee
State Capitol
Helena, Montana 59620

Dear Senator Brown:

HB 675, introduced by Representative Hal Harper of Helena, is an extremely important piece of legislation to the City of Helena. The measure grew out of the work of the interim study Committee on State Mandates and the Effects of State-Owned Property on Local Governments. That committee studied the numerous mandates that the Legislature has heaped upon local governments over the years and selected 8 of the most onerous of these state mandates for remedial action by the 47th Legislature.

HB 675 would end the "revenue sharing" program whereby cities and towns fund a large portion of the state's driver's education program. Current state law requires that 20% of municipal fines and forfeitures, that would otherwise go to the city general fund, must be sent to the state to fund approximately 44% of the statewide driver's education program that is administered by the Office of the Superintendent of Public Instruction. In FY 1979, the program cost the City of Helena \$14,468. In FY 1980, the lost revenue to the City of Helena as a result of this mandate amounted to \$32,000. The estimated cost to the City of Helena for this state mandated program in FY 1981 is approximately \$33,000. That amounts to over one mill that will be lost to the Helena general fund by the State taking our local revenue to support a state program.

Cities and towns object very much to the State Legislature dipping into local government revenues to fund statewide programs. There is an important principle of "fiscal fairplay" that is at stake with HB 675. If enacted, the measure would simply eliminate the requirement that 20% of municipal fines and forfeitures be sent to the state to fund the driver's education program and would replace the cities' contribution with funds from State revenue sources.

Senator Bob Brown

March 12, 1981

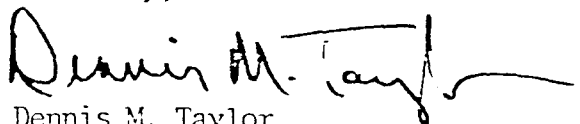
- Page 2 -

The State's driver education program was originally enacted in 1965. The funding for this program was derived from an additional penalty added to the fines imposed for traffic violations. In 1968, the Montana Supreme Court declared the statute invalid, ruling that an additional or add-on penalty was not permitted. In 1971, the Legislature enacted the present statutes providing for the statewide program of driver's education that takes a 20% bite out of the municipal fine revenue.

I urge your committee to give HB 675 a "Do Pass" recommendation. The measure simply corrects an inequity that has existed too long.

I need not remind you of the fiscal plight of Montana's municipalities. The ability of Montana's municipalities to control their financial destiny has been seriously undermined by eroding tax bases, mandated programs, costly employee contracts, growing retirement burdens, continued cost inflation and unrealistic revenue structures. HB 675 takes one small step towards the "fiscal fairplay" that local governments expect from the Legislature and returns a small portion of the control of local fiscal affairs to the local elected officials where it rightly belongs.

Sincerely,



Dennis M. Taylor
Director

BUDGET & EVALUATION DEPARTMENT

DMT/jsa

CC: Helena City Commission
Senate Education Committee
Representative Hal Harper