

MINUTES OF THE MEETING
EDUCATION AND CULTURAL RESOURCES COMMITTEE
MONTANA STATE SENATE

March 9, 1983

The meeting of the Senate Education and Cultural Resources Committee was called to order by Vice Chairman Ed Smith on March 9, 1983, at 1:04 p.m. in Room 442, State Capitol.

ROLL CALL: All members were present but Senator Blaylock who was excused.

HOUSE BILL 30: Representative Lory, District 99, sponsor of bill, said the bill results from a Supreme Court decision in the 1960's when the Washington state teacher's oath was declared unconstitutional. The Washington and Montana teacher's oaths are the same. In 1972, a teacher in Missoula brought suit and the judge ruled the Montana oath unconstitutional based on the Washington decision. He said the question is not whether to have an oath or not, but just to get rid of this one which is unconstitutional. Senator Gage's replacement oath is fine, he added, and if both bills pass it would be the official oath.

PROPOSERS

Dave Sexton, Montana Education Association, urged support of the bill.

Gary Steurwald, Assistant Superintendent, Office of Public Instruction, said OPI supports the bill.

OPPOSERS

Evelyn Joppa, Helena, said she supports Senator Gage's bill as she doesn't want to see the oath eliminated completely.

There being no further proposers and no opposers to the bill, Representative Lory closed.

HOUSE BILL 124: Representative Eudaily, District 100, sponsor of the bill, stated the bill was introduced at the request of the Secretary of State as it repeals the unconstitutional language in 20-20-302 MCA relating to special qualifications for voting on school bond issues, as per the Attorney General's opinion, May 17, 1979.

PROPOSERS

Cliff Christian, representing the Secretary of State's office, urged support of the bill.

Richard Trerise, County Superintendents of Schools, urged support of the bill.

John Campbell, School Business Managers and Clerks of Montana, urged support of the bill.

Dave Sexton, Montana Education Association, stated support for the bill.

Gary Steurwald, Office of Public Instruction, said OPI supports the bill.

There were no opponents to the bill and the hearing was closed.

HOUSE BILL 679: Representative Jones, District 17, sponsor of the bill, stated the bill was introduced at the request of the Office of Public Instruction. He said the bill provides for the district of residence to pay tuition when a child attends school out of the district or county of residence.

PROPOSERS

Richard Trerise, County Superintendents of Schools, said his organization supports the bill as it makes thing equitable and removes the calculation for retirement from out of county attendance.

Gary Steurwald, Assistant Superintendent, Office of Public Instruction, said OPI supports the bill as it removes the calculation of retirement fund costs from tuition.

There were no opponents to the bill and the hearing was closed.

HOUSE BILL 680: Representative Jones, District 17, sponsor of the bill, said the bill was introduced at the request of the Office of Public Instruction. He said the bill authorizes certification ahead to July 1 instead of back to the previous July which gives a few extra months instead of a penalty. He said the bill merely legalizes a procedure which is already in practice.

PROPOSERS

Rod Svec, Assistant Superintendent, Office of Public Instruction, said the period of certification currently runs for five years and penalizes teachers if they apply after March 1. This bill would give them five years rather than four years, four months. He said this is merely a housekeeping procedure and should be done.

There being no further proposers and no opponents, the hearing was closed.

ACTION ON HOUSE BILL 680: Senator Mazurek moved House Bill 680 BE CONCURRED IN. The motion carried unanimously with Senators Brown and Blaylock absent.

ACTION ON HOUSE BILL 679: Senator Berg moved House Bill 679 BE CONCURRED IN. The motion carried on a roll call vote with Senators Brown and Blaylock absent (attached roll call vote exhibit #1).

ACTION ON HOUSE BILL 124: Senator Mazurek moved House Bill 124 BE CONCURRED IN. The motion carried with Senators Gage, McCallum, and Severson voting no and Senators Brown and Blaylock absent.

ACTION ON HOUSE BILL 30: Senator Berg moved a coordinating amendment as per the attached committee report (exhibit #2). The motion carried unanimously with Senators Brown and Blaylock absent.

Senator Berg moved House Bill 30 BE CONCURRED IN AS AMENDED. The motion carried with Senator Severson voting no and Senators Brown and Blaylock absent.

Robin Lewis, a teenager from Helena High School who is in treatment at the Shodair Adolescent Treatment Center, spoke to the committee regarding her alcoholism and how she has dealt with it (attached exhibit #3). The committee members were very impressed with Robin and wished her the best of luck in the future.

Senator Brown resumed the Chair.

ACTION ON HOUSE BILL 274: Senator Berg moved House Bill 274 BE CONCURRED IN. The motion carried with Senator Smith voting no and Senator Blaylock absent.

ACTION ON HOUSE BILL 653: Senator Berg moved the adoption of the amendments as per the attached committee report (exhibit #4).

Senator Mazurek moved House Bill 653 BE CONCURRED IN AS AMENDED.
The motion carried unanimously.

HOUSE BILL 809: The bill was presented by Jim Gillett, Legislative Auditors Office, in the absence of Representative Waldron, the sponsor (attached exhibit #5).

Representative Waldron arrived at the meeting and said the bill ensures that school districts get the equalization amount they are entitled to. He said although the bill looks complicated, it actually simplifies the procedure. The counties no longer receive the money, it goes directly to the Office of Public Instruction and they distribute it to the 56 county treasurers. He noted equalization monies are state monies and the Office of Public Instruction is the state agency which should disburse those monies.

PROPOSERS

Dennis Burr, representing the Montana Taxpayers Association, said that organization supports the bill. He said they have been at odds with OPI and the school districts before, especially in the area of zero cash balances which require additional levies. He noted, however, the federal law says federal forest receipts should go to the county of use and this bill blatantly puts those funds in the equalization fund therefore inviting a lawsuit from these counties.

OPPOSERS

Wayne Buchanan, Montana School Boards Association, said the Association originally supported the bill in the House. However, calls began to come in questioning what happens to the interest dollars generated when the funds are used to expand the pool of money invested by the county.

John Campbell, School Business Managers and Clerks, proposed an amendment (exhibit #6). He said the amendment would ensure all monies transferred to the state government would retain a separate identity for investing and interest purposes and would go on a county basis to reduce property taxes.

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Richard Trerise, Montana Association of County Superintendents, presented his testimony in opposition to the bill (exhibit #7).

Darrell Meyer, representing Cascade County, opposed the bill as the money currently coming into the counties is distributed to schools and helps keep the property taxes down.

Charlene Bailey, Lincoln County Superintendent of Schools, said the bill would significantly hurt the county investment in Lincoln County. She said the bill is too vague and was not presented to the counties.

Jess Long, School Administrators of Montana, opposed the bill for two reasons: 1) interest, and 2) coordination with SB 95 is impossible.

Representative Waldron closed by saying if SB 95 passes as well as this bill, they will mesh. Section 1 is important as it authorizes OPI to allocate Taylor Grazing Fees and if the bill is killed it will foul them up. He asked if the committee amends the bill to have the auditor help with them.

ADJOURN: There being no further business, the meeting adjourned.



Senator Bob Brown, Chairman

jdr

ROLL CALL

EDUCATION AND CULTURAL RESOURCES

COMMITTEE

48th LEGISLATIVE SESSION -- 1983

Date 3/9/83

NAME	PRESENT	ABSENT	EXCUSED
<u>Senator Bob Brown, Chairman</u>	X		
<u>Senator Ed Smith, V. Chairman</u>	X		
<u>Senator Roger Elliott</u>	X		
<u>Senator Delwyn Gage</u>	X		
<u>Senator George McCallum</u>	X		
<u>Senator Elmer Severson</u>	X		
<u>Senator Harry Berg</u>	X		
<u>Senator Chet Blaylock</u>			X
<u>Senator Jack Haffey</u>	X		
<u>Senator Joseph Mazurek</u>	X		

DATE

3/9/83

COMMITTEE ON

Education and Cultural Res.

HOUSE 30
BILLS NO. 174

679

680

819

VISITOR'S REGISTER

NAME	REPRESENTING		Check One	
			Support	Oppose
Richard Treerise	MACSS Treasurer	809	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
" "	" "	124	<input checked="" type="checkbox"/>	
" "	" "	679	<input checked="" type="checkbox"/>	
Jan W. Lory	School Adm of MT	809		<input checked="" type="checkbox"/>
John C. Campbell	MSBO	809		<input checked="" type="checkbox"/>
Gregory	Rep Dist 70	30	<input checked="" type="checkbox"/>	
Ralph Eubaily	Rep Dist 100	124	<input checked="" type="checkbox"/>	
Jay Nelson				
Brad Cahoon				
Arthur Becker				
Jim Selt	Legislative Audit	809		
Cliff CHRISTIAN	Sec of STATE	124	<input checked="" type="checkbox"/>	
Wayne Buchanan	MSBA			<input checked="" type="checkbox"/>
Debbie MacDonald				
Charlene Bailey	Cascade Co.			<input checked="" type="checkbox"/>
Tom F. Jones	Whitman Dist 17	679	<input checked="" type="checkbox"/>	
" "	" " 17	680	<input checked="" type="checkbox"/>	
W.D. Steenward	GPI	HB 124 HB 30 HB 679 HB 809	<input checked="" type="checkbox"/>	
Darryl Meyer	Cascade County	HB 809		<input checked="" type="checkbox"/>
Evelyn B. Papp	Self - Nelson			HB 30

(Please leave prepared statement with Secretary)

TO: Senate Committee on Education and Cultural Resources
FROM: Lee Heiman, Committee Counsel
DATE: March 9, 1983
RE: Summaries of House Bills 30, 124, 679, 680, and 809

House Bill 30 (Lory). Deletes oath requirements for school teachers and university faculty. (Note SB 385 on abbreviated oath passed by this Committee is to be heard on March 11, 1983, in House Education.)

House Bill 124 (Eudaily). Repeals "freeholder" requirements for voting on school bond issues. A copy of repealed section is attached.

House Bill 679 (Jones). Deletes in-county tuition consideration of the retirement fund for elementary tuition (same as high school in section 2, HB 653).

House Bill 680 (Jones). Apparently allows a teaching or specialist certificate, applied for after March 1, to bear the date of the next July 1, regardless of date of issue.

House Bill 809 (Waldron). Provides that school funds currently collected and distributed by counties to be transmitted to the state for distribution by the state. (Coordination clause needed in section 3 if SB 95, on forest reserve funds, passes the House.)

Repealed In
HB 30

20-25-106. Oath required. (1) Every professor, instructor, or teacher employed by any unit of the university system shall subscribe to the following oath or affirmation before some officer authorized by law to administer oaths:

"I solemnly swear (or affirm) that I will support The Constitution of the United States of America, The Constitution of the State of Montana, and the laws of the United States and the state of Montana and will, by precept and example, promote respect for the flag and the institutions of the United States and the state of Montana, reverence for law and order, and undivided allegiance to the government of the United States of America."

(2) This oath shall be executed in duplicate before entering upon duty. One copy shall be filed with the president of the employing unit and one copy retained by the subscriber.

(3) The above requirements shall not apply to exchange professors or temporary employees.

History: En. 75-8805 by Sec. 61, Ch. 2, L. 1971; R.C.M. 1947, 75-8805.

Repealed In
HB 124

20-20-302. Special qualifications for voting on bond issue. From and after March 7, 1923, only such registered electors of the school district whose names appear upon the last preceding assessment roll shall be entitled to vote upon any proposal to create or increase any indebtedness of the school district required by law to be submitted to a vote of the electors thereof; provided, however, that no such elector, otherwise qualified hereunder, shall be denied the right to vote by reason of the fact that the polling place for a general election for the precinct wherein he resides and is entitled to vote lies within another school district.

History: En. Sec. 1, Ch. 98, L. 1923; amd. Sec. 1, Ch. 47, L. 1929; re-en. Sec. 5199.1, R.C.M. 1935; amd. Sec. 1, Ch. 126, L. 1959; R.C.M. 1947, 84-4711(part).

Repealed In
HB 809

20-9-334. Apportionment of county equalization moneys by county superintendent. The county superintendent shall separately apportion the revenues deposited in the basic county tax account and the revenues deposited in the basic special tax for high schools account to the several districts of the county on a quarterly basis. The apportionments shall be known as "county equalization moneys". Before the county superintendent makes the quarterly apportionments, he shall:

(1) deduct from the revenues available in the basic county tax account the amount required for the quarter to pay the county's obligation for elementary transportation reimbursements; and

(2) deduct from the revenues available in the basic special tax for high schools account the amount required for the quarter to pay the county's obligation for high school out-of-county tuition.

History: En. 75-6914 by Sec. 264, Ch. 5, L. 1971; amd. Sec. 19, Ch. 266, L. 1977; R.C.M. 1947, 75-6914.

20-9-335. Formula for apportionment of county equalization moneys. (1) After making such deductions prescribed in 20-9-334, the county superintendent shall apportion the remaining amount of moneys available in the basic county tax account to the several public elementary districts of the county and in the basic special tax for high schools account to the several public secondary districts of the county in proportion to their

needs under the foundation program in accordance with the following procedure:

(a) determine the percentage that the county equalization moneys available for the support of the foundation programs of the public elementary districts in the county is of the total amount of the foundation programs of all public elementary districts;

(b) multiply the foundation program amount of each public elementary district by the percentage determined in subsection (1)(a) above to determine the portion of the county equalization moneys available to each public elementary district.

(2) The above procedure shall also be applied for public secondary districts.

(3) No territory situated within a county shall be excluded from the apportionment of the county equalization moneys under this section solely because such territory lies within the boundaries of a joint district. Cash balances to the credit of any district at the end of a school fiscal year shall not be considered in the apportionment procedure prescribed in this section.

(4) When the total amount of the available county moneys for apportionment under this section is greater than the amount of money to be apportioned under the apportionment procedure prescribed by this section, the excess amount of county moneys shall be retained by the county to be considered as financing during the ensuing school fiscal year under the requirements of 20-9-331(2)(e) or 20-9-333(2)(a).

(5) The county equalization moneys apportioned under these procedures shall constitute the first source of revenue in calculating the financing of the public elementary and secondary district foundation program. The county superintendent shall use the apportionment procedure prescribed in this section in computing the estimated revenues for the financing of the ensuing year's foundation program for budgeting purposes.

History: En. 75-6915 by Sec. 265, Ch. 5, L. 1971; amd. Sec. 11, Ch. 137, L. 1973; amd. Sec. 1, Ch. 255, L. 1973; R.C.M. 1947, 75-6915.

NAME CLIFF CHRISTIAN BILL NO. HB 124
 ADDRESS Helena DATE 3-9-83
 WHOM DO YOU REPRESENT Sec of STATE
 SUPPORT ☒ OPPOSE ☐ AMEND ☐

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

STANDING COMMITTEE REPORT

March 10, 1983

MR. **PRESIDENT:**

We, your committee on **EDUCATION AND CULTURAL RESOURCES**

having had under consideration **HOUSE** Bill No. **680**

Jones (Berg)

Respectfully report as follows: That **HOUSE** Bill No. **680**

BE CONCURRED IN

DOPEX

STANDING COMMITTEE REPORT

March 10, 19 83

MR. **PRESIDENT:**

We, your committee on **EDUCATION AND CULTURAL RESOURCES**

having had under consideration **HOUSE** Bill No. **679**

Jones (Berg)

Respectfully report as follows: That **HOUSE** Bill No. **679**

BE CONCURRED IN
XXXXXX

W.C.

3/9/83

SENATE COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

Date March 9, 1983 House Bill No. 679 Time _____

NAME	YES	NO
_____ Senator Bob Brown, Chairman		
_____ Senator Ed Smith, Vice Chairman	x	
_____ Senator Roger Elliott	x	
_____ Senator Delwyn Gage	x	
_____ Senator George McCallum	x	
_____ Senator Elmer Severson		x
_____ Senator Harry Berg	x	
_____ Senator Chet Blaylock		
_____ Senator Jack Haffey	x	
_____ Senator Joseph Mazurek		x

Jill Rowyans
Secretary JILL ROWYANS

Bob Brown
Chairman SENATOR BOB BROWN

Motion: by Senator Berg that House
Bill 679 Be Concurred In

(include enough information on motion--put with yellow copy of committee report.)

STANDING COMMITTEE REPORT

March 10, 1983

MR. PRESIDENT:

We, your committee on EDUCATION AND CULTURAL RESOURCES

having had under consideration HOUSE Bill No. 124

Eudaily (Mazurek)

Respectfully report as follows: That HOUSE Bill No. 124

BE CONCURRED IN

~~REPORT~~

N.C.

SENATE COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

Date 3/9/83 House Bill No. 124 Time _____

NAME	YES	NO

Senator Bob Brown, Chairman		
Senator Ed Smith, Vice Chairman	X	
Senator Roger Elliott	X	
Senator Delwyn Gage		X
Senator George McCallum		X
Senator Elmer Severson		X
Senator Harry Berg	X	
Senator Chet Blaylock		
Senator Jack Haffey	X	
Senator Joseph Mazurek	X	

Jill Rohyans
Secretary JILL ROHYANS

Senator Bob Brown
Chairman SENATOR BOB BROWN *per*

Motion: by Senator Mazurek that
House Bill 124 Be Concurred
In.

(include enough information on motion--put with yellow copy of committee report.)

5/9/83
STANDING COMMITTEE REPORT

March 10,

1983

MR. **PRESIDENT:**

We, your committee on **EDUCATION AND CULTURAL RESOURCES**

having had under consideration **HOUSE** Bill No. **30**

Lory (Gage)

Respectfully report as follows: That **HOUSE** Bill No. **30**

third reading copy, be amended as follows:

1. Page 4.

Following: line 8

Insert: "NEW SECTION. Section 3. Coordination. If Senate Bill 358 is passed by the 48th Legislature and approved then sections 1 and 2 of this bill are void."

Renumber: subsequent section

And, as so amended, BE CONCURRED IN

XXXXXX

4/2

mine name is Robin ^{I'm an alcoholic.} I'm a senior at HHS. I went thru treatment at Shodor in November. The reason I got there was because ~~some~~ ^{some} people in the Corps group saw that I had a problem with my drinking. ^{they wanted me to get help}

I started using in 8th grade and drank mostly beer & wine then as I got older I started using hard liquor alot and was drinking ~~alot~~ ~~every~~ ~~weekend~~ every weekend & sometimes during the week. Because of my drinking my family and me were fighting all the time and I ran away a couple times because I couldn't handle all the hasseling. At school my grades were dropping and I didn't even care anymore about it. I got really withdrawn at school & at home I wouldn't talk to my mom unless it was about ~~going~~ ^{how late I was staying out.} ~~grades~~. My drinking was getting alot worse

3/9/83

I was having blackouts all the time and doing things like fighting & stealing stuff that I wouldn't have done if I was sober. The thing that finally got me into treatment was that I was caught at a basketball game really drunk & I was calling our vice principal alot of names that weren't too nice. I'd been seen drunk before at games but no one ever ~~said~~ ~~anything~~ anything which I thought was great at the time. But after I was ~~caught~~ caught at that basketball game, some of the teachers in the Corps group started remembering other times they had seen me drunk and they called me in to talk to me about it. I guess I was kind of looking for help in a way because before then I'd been thinking that I had a problem but I was too scared to ask for

as my
family problems,
school problems
& I learned
how to talk
about what
I'm feeling
instead of
tuffing it
down &
drinking to
get away
from feeling
anything.

at myself & where I was
going + it also helped me to
learn how to deal with
problems better. I can't say
that I won't drink ever
again or ^{even} that I won't drink
tomorrow, ~~but I've been sober 4 months now and~~ I just told
it a day at a time ~~and I~~ know
that there ~~is~~ ^{are} a lot of
people now who really care
about me & I can talk to
them if I have a problem
with something.

I think that if teachers
are more aware of what is
going on it could really help
a lot of kids & the kids coming
back from treatment ~~were~~
need a lot of support from them
because it's really hard
coming back to school and if
teachers know something about
it they can help out the
kids a whole lot.

That's all thank you,

help and I liked the feeling that ~~being~~ getting drunk gave me. I thought I was alot better & could do things & say things without feeling self-conscious about it. ~~But~~ But the last year there were alot of times I hated waking up in the morning & having to remember what I did or not remembering what I did.

I think that more teachers should be aware of what's going on so they can help kids look at their problem before it's too late. If the people in the Corps group hadn't been aware of ~~what~~ some of the things I'd been doing then I would still be out drinking and going downhill.

~~I'm not saying that I~~ ^{going through treatment or talking to kids} ~~is going to stop every one~~ ^{going through treatment} from ~~drinking~~ but for me ~~it~~ helped me take a look

STANDING COMMITTEE REPORT

March 10, 19 83

MR. **PRESIDENT:**

We, your committee on **EDUCATION AND CULTURAL RESOURCES**

having had under consideration **HOUSE** Bill No. **274**

Peck (Elliott)

Respectfully report as follows: That **HOUSE** Bill No. **274**

BE CONCURRED IN

~~FOR PASS~~

4/c

3/9/83
STANDING COMMITTEE REPORT

March 10,

1983

MR. **PRESIDENT:**

We, your committee on **EDUCATION AND CULTURAL RESOURCES**

having had under consideration **HOUSE**

Bill No. **653**

Sands (Mazurek)

Respectfully report as follows: That **HOUSE**

Bill No. **653**

third reading copy, be amended as follows:

1. Title, line 8.

Following: "MCA"

Insert: "; PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 2, line 9.

Following: "residence"

Strike: "is"

Insert: "and the trustees of the district in which the child wishes to attend school are"

Following: "approval"

Strike: "agent"

Insert: "agents"

~~XXXXXX~~

3. Page 2, line 11.
Following: "approval"
Strike: "agent or"

4. Page 2, line 17.
Following: "approval"
Strike: "agent or"

5. Page 2, line 22.
Following: "approval"
Strike: "agent or"

6. Page 2, line 24.
Following: "approval"
Strike: "agent or"

7. Page 3, line 10.
Following: "by"
Strike: "the"
Insert: "one or more"

8. Page 3, line 11.
Following: "approval"
Strike: "agent or"

9. Page 3, line 15.
Following: "title."
Insert: "(5)"

10. Page 3, line 16.
Following: "by"
Insert: "all of"
Following: "the"
Insert: "applicable"

11. Page 7.
Following: line 10
Insert: "NEW SECTION. Section 3. Effective date. This act is effective on passage and approval."

And, as so amended, BE CONCURRED IN

W. L.

HOUSE BILL 809
CENTRALIZING FOUNDATION FUNDING
(SPONSORED BY REPRESENTATIVE WALDRON)

Section by section analysis

Sections 1 through 4 (page 1, line 17 to page 3, line 16)

These sections take the 33 1/3 percent of Federal Forest funds which is currently placed in the county equalization account and places it in the state equalization account.

Section 5 (page 3, line 17 to page 4, line 1)

This section takes the 50 percent of Taylor Grazing funds which is currently placed in the county equalization account and places it in the state equalization account.

Sections 6 and 7 (page 4, line 2 to page 5, line 4)

These sections take the 50 percent share of Flood Control Act moneys that currently go in the county equalization account and places it in the state equalization account.

Sections 8 through 10 (page 5, line 5 to page 10, line 25)

These sections remove county accounting and reporting requirements for equalization moneys and clarify the status of equalization moneys.

Section 11 (page 11, line 1 to page 13, line 16)

This section specifies that revenues from the basic 25 mill elementary school levy will be sent by the counties to the state treasurer at least monthly and deposited in the state equalization account. It also removes county accounting and reporting requirements.

Section 12 (page 13, line 17 to page 14, line 14)

This section takes fine and penalty revenue which is currently deposited in the county equalization account and places it in the state equalization account.

Section 13 (page 14, line 15 to page 16, line 17)

This section specifies that the revenues from the basic 15 mill levy for high schools will be sent by the counties to the state treasurer at least monthly and deposited in the state equalization account. It also removes county accounting and reporting requirements.

Section 14 (page 16, line 18 to page 18, line 12)

This section amends the definition of revenue for state equalization aid to include the amounts transferred to the state equalization aid account by other sections of this bill.

Sections 15 and 16 (page 18, line 13 to page 21, line 3)

These sections amend the apportionment formula for the foundation programs to acknowledge that all distributions will be made by the state. The counties will no longer be required to make distributions to school districts.

Section 17 (page 21, lines 4 to 13)

This section is a housekeeping section to place in statute items which are affected elsewhere in the bill. It does not change current law.

Section 18 (page 21, lines 14 and 15)

This section repeals county accounting, reporting, and distribution requirements which will no longer be necessary.

Section 19 (page 21, lines 16 to 19)

This section is the codification instructions.

Section 20 (page 21, lines 20 and 21)

This section provides an effective date.

1. COUNTIES WHICH APPEAR TO BE MIXING LEVIES:

<u>Fiscal Year</u>	<u>Number/Counties</u>	<u>Percentage</u>
1979-80	19/56	33.9%
1980-81	16/56	28.6%
1981-82	12/56	21.4%
1982-83	2/48*	4.2%

2. COUNTIES REPORTING MISCELLANEOUS REVENUES AS ZERO:

<u>Fiscal Year</u>	<u>Number/Counties</u>	<u>Percentage</u>
1979-80	19/56	33.9%
1980-81	18/56	32.1%
1981-82	26/56	46.4%
1982-83	8/48*	16.7%

3. COUNTIES' SUPERINTENDENTS REPORTING CASH REAPPROPRIATED AS ZERO:

ELEMENTARY

<u>Fiscal Year</u>	<u>Number/Counties</u>	<u>Percentage</u>
1979-80	17/56	30.4%
1980-81	17/56	30.4%
1981-82	18/56	32.1%
1982-83	17/45*	37.8%

HIGH SCHOOL

<u>Fiscal Year</u>	<u>Number/Counties</u>	<u>Percentage</u>
1979-80	19/56	33.9%
1980-81	17/56	30.4%
1981-82	18/56	32.1%
1982-83	15/45*	33.3%

4. COUNTIES FOR WHICH REPORTED CASH DOES NOT AGREE BETWEEN
THE TREASURER'S AND SUPERINTENDENT'S REPORT:

ELEMENTARY

<u>Fiscal Year</u>	<u>Number/Counties</u>	<u>Percentage</u>
1979-80	13/56	23.2%
1980-81	9/56	16.1%
1981-82	19/56	33.9%
1982-83	25/42*	59.5%

HIGH SCHOOL

<u>Fiscal Year</u>	<u>Number/Counties</u>	<u>Percentage</u>
1979-80	10/56	17.9%
1980-81	11/56	19.6%
1981-82	13/56	23.2%
1982-83	14/42*	33.3%

*As of October 4, 1982, 14 counties had not submitted the required reports. Five counties had not submitted either report.

<u>County</u>	<u>Reports Not Received by OPI</u>	
	<u>Treasurer's</u>	<u>Superintendent's</u>
#1	X	
#2	X	X
#3	X	
#4		X
#5		X
#6	X	X
#7	X	
#8		X
#9	X	X
#10		X
#11		X
#12	X	X
#13		X
#14	X	X

5. TIMELINESS OF REPORTS RECEIVED:

<u>Superintendent</u>				
<u>Reports Received</u>	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
By due date	13	17	7	28
1-30 days late	22	17	31	17
31-60 days late	5	4	7	3
61-90 days late	3	2		
91-120 days late	1		5	
121 or more days late				
Receipt not determinable	12	16	6	
Not received as of October 4, 1982				8
	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>

<u>Treasurer</u>				
<u>Reports Received</u>	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
By due date	18	22	17	31
1-30 days late	26	25	25	14
31-60 days late	5	4	5	
61-90 days late	2	2	2	
91-120 days late	3	3	5	
121 or more days late	1			
Receipt not determinable	1		2	
Not received as of October 4, 1982				11
	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>

6. COUNTY SURPLUS ESTIMATES AND RECEIPTS:

Fiscal Year 1979-80

<u>County</u>	<u>Estimate</u>	<u>Receipt</u>	<u>Date Due</u>	<u>Date Received</u>
1	\$ 458,817	\$ 375,225	6-1-80	1-26-81
2	-0-	52,445	6-1-80	7-29-80
3	552,192	565,583	6-1-80	6-15-80
4	-0-	1,149	6-1-80	7-29-80
5	1,775,578	1,698,568	6-1-80	6-15-80
6	-0-	88,241	6-1-80	7-29-80
7	867,688	749,298	6-1-80	7-29-80
8	29,721	-0-	6-1-80	---
9	38,446	-0-	6-1-80	---

Fiscal Year 1980-81

<u>County</u>	<u>Estimate</u>	<u>Receipt</u>	<u>Date Due</u>	<u>Date Received</u>
1	\$2,445,951	\$1,800,224	6-1-81	7-28-81
2	-0-	37,112	6-1-81	7-28-81
3	897,715	870,172	6-1-81	6-23-81
4	72,895	-0-	6-1-81	---
5	1,282,038	1,186,139	6-1-81	6-25-81
6	210,678	262,323	6-1-81	7-28-81
7	1,653,511	1,708,312	6-1-81	7-28-81
8	187,483	187,483	6-1-81	7-28-81
9	180,558	-0-	6-1-81	---

Fiscal Year 1981-82

<u>County</u>	<u>Estimate</u>	<u>Receipt</u>	<u>Date Due</u>	<u>Date Received</u>
1	\$1,403,603	\$1,408,750	6-1-82	9-15-82
2	1,590,261	1,613,833	6-1-82	6-22-82
3	118,649	118,813	6-1-82	9-22-82
4	1,749,008	1,662,976	6-1-82	6-25-82
5	950,137	985,827	6-1-82	7-24-82
6	1,243,525	1,119,989	6-1-82	7-29-82
7	1,357,049	-0-	6-1-82	*
8	247,209	-0-	6-1-82	*
9	94,655	107,722	6-1-82	6-22-82

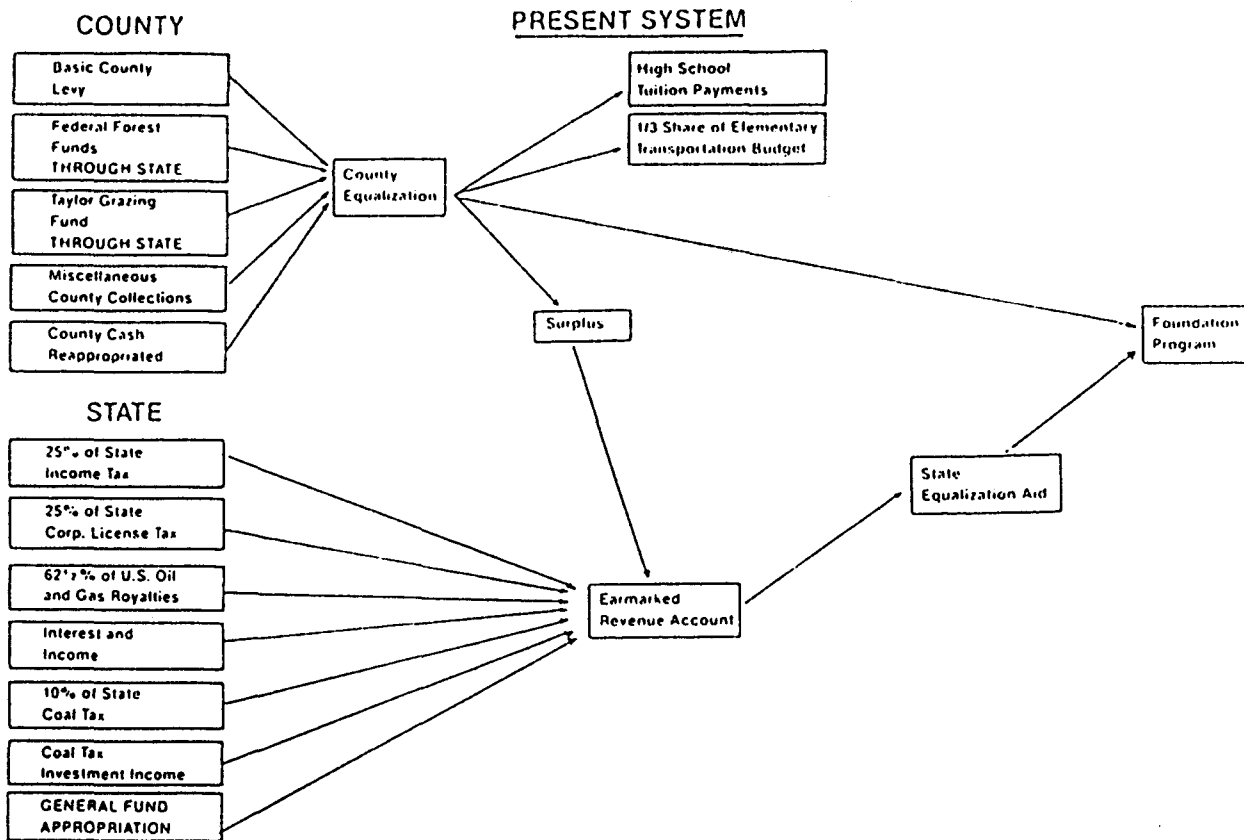
* Collection anticipated as of October 4, 1982.

Exhibit 1

FUNDING FOR SCHOOL DISTRICT "GENERAL FUND"

Total School District General Fund Budget	
<u>DISTRICT</u>	Voted Levies
Voted Levy	
District cash from prior year	Maximum General Fund Budget Without a Vote
<u>STATE</u> ¹	
General Fund Appropriation	
Federal Revenue ²	
<u>DISTRICT</u>	Permissive 20%
9 Mill Elementary	
6 Mill Secondary	
<u>STATE EQUALIZATION</u> ¹	
County Surpluses	
General Fund Appropriation	
Income Taxes	
Corporate License Taxes	
Coal Severance Taxes	
State Mineral Royalties	
Interest and Income	
<u>COUNTY EQUALIZATION</u>	Foundation Program 80%
(Surplus to State)	
Miscellaneous Revenue	
Taylor Grazing	
Federal Forest Funds	
15 Mill Secondary Levy	
25 Mill Elementary Levy	
Cash from the Prior Year	

- 1 State resources are to be utilized only after other resources are exhausted.
- 2 Federal Revenue Sharing is no longer available.



PROPOSED SYSTEM



Source: Compiled by the Office of the Legislative Auditor

Audit Report - County 3/9/83

OVER AND (UNDER) DISTRIBUTIONS
BY COUNTIES OF SCHOOL EQUALIZATION MONEYS*

	<u>Fiscal</u> <u>Year 1978-79</u> <u>Amount</u> <u>Over (Under)</u> <u>Entitlement</u>	<u>Fiscal</u> <u>Year 1978-80</u> <u>Amount</u> <u>Over (Under)</u> <u>Entitlement</u>	<u>Fiscal</u> <u>Year 1980-81</u> <u>Amount</u> <u>Over (Under)</u> <u>Entitlement</u>	<u>Fiscal</u> <u>Year 1981-82</u> <u>Amount</u> <u>Over (Under)</u> <u>Entitlement</u>
Gallatin	\$(167,154)	\$(221,903)		
Cascade	51,809	(125,420)		
Flathead	(518,814)	(238,185)	\$386,921	\$ 16,436
Lincoln	(12,574)	(65,470)		
Bighorn	69,221	2,628		
Sweet Grass	24,595	16,118		
Yellowstone	(420,395)	(240,636)		
Missoula	(420,263)	(684,506)	100,125	36,385
Lewis & Clark				41,350
Silver Bow			7,278	135,143

*Not all counties were visited in each year.

campbell

3/9/83

Amendment of House Bill 809

That House Bill 809 be amended by the addition of a new section (section 19) as follows:

"NEW SECTION". Section 19

"All revenues deposited in the state equalization aid account of the earmarked revenue fund under the provisions of Sections 17-3-211, 17-2-213, 17-3-222, 17-3-232, 20-9-331, 20-9-332, 20-9-333 shall be separately identified for state investment purposes. The interest earnings realized from such investment shall be distributed to each county on the basis of the amount of revenue deposited in the state equalization aid account by each county. The Department of Administration shall cause the distribution of the fiscal year interest earnings to the County Treasurer by July 15.

Upon receipt of the interest earnings, the County Treasurer shall distribute such earnings to the general fund of each school district within the county on the basis of the immediately preceding year's foundation program dollar amount of each district. The County Superintendent and school district shall use the district's distributed share of such interest revenue to reduce the general fund mill levy for the ensuing school fiscal year."

The present NEW SECTION 19 should be renumbered 20; 20 to 21; 21 to 22.

COUNTY SUPERINTENDENTS & COUNTY TREASURERS OPPOSE HB 809

There are many areas of concern that need to be addressed in this bill. First and foremost is the blatant power grab by the Department of Revenue and the Office of Public Instruction under the guise of avoiding another motor vehicle kickback fiasco, a fiasco caused in large part by those very offices.

Specifically, there are a number of things wrong with the bill. The general school fund this bill addresses includes, not only the 40 mills levied in each county for the counties' share of equalization, but also federal forest money, Taylor grazing money, and justice court fines. The state now wants control of all those funds to invest and increase the state's general fund. Who suffers? The local county taxpayer. In Lewis and Clark County, all county funds are invested. That interest is given to the funds that generated it, resulting directly in lower property taxes.

The Department of Revenue and the Office of Public Instruction have recently been led to crack down on counties investments of the 40 mills, a relatively new practice across the state and one they are jealous of. Not only the districts lose under this bill, but the entire county, as the investment pool which commands the interest rates is reduced.

The question of elementary transportation is not thoroughly addressed. When is the money held out of the deposits to the state treasurer? At the beginning of the year? If so, where do we put them? Can we invest them? How do we deal with adjustments to the elementary transportation budgets during the year?

New Section 18 on page 23 requires the county superintendent to apportion to the appropriate districts on a quarterly basis the revenue deposited in the county high school tuition account. That is not the way high school tuition works. The county superintendent pays out-of-county tuition out of the high school transfer fund. The districts don't get that money and don't have the authority to spend it anyway.

In addition, there are a number of bills currently being considered that would have an impact on HB 809, bills that would compound the concerns you've already heard expressed.

We urge you to take a close look at this bill and its impact. It is not merely house keeping.

NAME Charlene Bailey BILL No. 809
ADDRESS Libby DATE 3/9/83
WHOM DO YOU REPRESENT Lincoln County
SUPPORT _____ OPPOSE ☒ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: