

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

February 13, 1985

The twelfth meeting of the Senate Education and Cultural Resources Committee was called to order by the Chairman, Senator Chet Blaylock, at 1:03 p.m. in Room 402, State Capitol Building.

ROLL CALL: All committee members were present with Senators Haffey and Regan arriving late.

CONSIDERATION OF SENATE BILL 315: SENATOR ECK, District 40, sponsor of the bill, said this bill was considered by the Legacy Legislature. The bill increases to \$400 the minimum retirement benefit for teacher's who retired before July 1, 1971. The bill would be funded by a .2 of 1% increase in the employer contribution which is approximately \$398 per year for the University system and \$33,000 per year spread across all the districts in the state per year. She noted that these people rely, in some cases, solely on this retirement amount because they receive no social security.

PROPOSERS:

BOB JOHNSON, Administrator, Teacher's Retirement System, supported the bill.

TOM RYAN, member of the Teacher's Retirement Board indicated the unanimous support of the Board for the bill.

ERIC FEAVER, President, Montana Education Association, said for a very minimal cost the bill will provide some badly needed help. He urged support of the bill.

TERRY MINOW, Montana Federation of Teachers, supported the bill.

JESS LONG, Executive Secretary, School Administrators of Montana, supported the bill.

There were no further proponents and no opponents to the bill.

SENATOR ECK closed by saying 313 out of 5500 retired teachers are impacted by this bill. They would receive an approximate \$50.69 increase. She pointed out with no cost of living increases

and no social security benefits, the increase is desperately needed. She said a study of the whole retirement system is needed to alleviate inequities not only in the teacher retirement system but others as well.

SENATOR MAZUREK moved Senate Bill 315 DO PASS.

SENATOR PINSONEAULT asked to delay action until the Montana School Boards Association can comment.

SENATOR MAZUREK withdrew his motion.

CONSIDERATION OF SENATE BILL 305: SENATOR HAGER, District 48, sponsor of the bill, said the bill allows the trustees of any school district to use a financial institution as an option to the duties of the county treasurer as fiscal agent for the school district. He said the bill is introduced as a result of talking with administrators who feel a lot of work goes through the county treasurer which could be handled by a bank.

PROPOSERS:

DICK REICH, Clerk, Billings Public Schools, said the school budget in Yellowstone County is larger than the county's budget. He said the county treasurer is the repository for all collections and also issues all warrants. He said it is at least twenty five business days after the end of the month before they know their cash balance or their financial condition. He felt school districts should have sound internal fiscal management like city or state government. He further pointed out the new accounting report system adopted by OPI and the state auditor gives districts the tools they need to do the job.

There were no further proponents to the bill.

OPPOSERS:

GARY STEURWALD, Office of Public Instruction, said he was speaking as a "PONENT", neither for or against the bill. He pointed out several technical problems with the bill such as some duties of the county treasurer that banks are not equipped to handle re reporting of balances, reports to OPI, and he also questioned whether school districts can borrow money. He acknowledged frustrations districts have in not

knowing what their financial position is but felt the bill needed some major technical revisions before it could be workable.

BOB STOCKTON, Office of Public Instruction, noted the county treasurer keeps track of up to 18 different funds and questioned if banks would have the authority to transfer monies from one fund to another, if they could distribute funds in the county, and whether the banks could, by law, release the information required in reporting procedures.

CHARLES GRAVELY, representing the County Treasurers Association, opposed the bill suggesting the districts work with the treasurers to iron out difficulties. He said there is nothing in the law stating when county treasurers have to report to the districts. He pointed out county treasurers can make better investments with a higher rate of interest with district monies because of consolidation of funds. He felt the way the bill is currently drafted is unworkable.

DISCUSSION:

SENATOR BLAYLOCK asked Mr. Reich if they have tried to work out problems with the county treasurer.

MR. REICH stated he has no problem with the county treasurer, rather he is concerned with good fiscal management. He pointed out the county treasurer has to deal with county business first and therefore schools are not the highest priority.

SENATOR HAGER closed by saying the district would have the choice as the bill gives the district the option of dealing with the county treasurer or another financial institution. He said the county treasurer from Yellowstone County will be in Helena Friday.

SENATOR BLAYLOCK said the hearing will be reopened Friday to hear her testimony.

ACTION ON SENATE BILL 315:

CHIP ERDMAN, Montana School Boards Association, said they have no problem with the bill at all and support it completely.

SENATOR MAZUREK moved SB 315 DO PASS. The motion carried unanimously with Senator Regan absent.

Senate Education and  
Cultural Resources Committee  
February 13, 1985  
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EXECUTIVE SESSION:

ACTION ON SENATE BILL 109:

SENATOR MAZUREK moved to amend page 9, line 17 as per the attached standing committee report. The motion carried unanimously.

SENATOR MAZUREK moved to amend page 10, line 4 as per the attached standing committee report. The motion carried unanimously.

SENATOR MAZUREK moved to amend page 4, lines 1-7 as per the attached standing committee report. The motion carried unanimously.

SENATOR BROWN moved Senate Bill 109 DO PASS AS AMENDED. The motion carried unanimously.

FURTHER CONSIDERATION OF HOUSE BILL 11:

SENATOR REGAN explained the bill is being amended on the floor because the wrong section for dismissal of a principal had been cited.

CHIP ERDMAN, Montana School Boards Association, said his organization recognizes only one tenure, that of teachers.

SENATOR REGAN quoted the decision in the Sorlie case and said that indicated there is administrative tenure and teacher tenure.

Committee members were concerned the bill would pass in a form that was not mutually acceptable. An informal committee composed of Senators Regan, Mazurek, and Brown, Chip Erdman, and Jess Long was formed to look at it one more time and reach a mutually agreeable solution.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned.

  
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Senator Chet Blaylock, Chairman

ROLL CALL

SENATE EDUCATION AND CULTURAL RESOURCES COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 2/13

NAME	PRESENT	ABSENT	EXCUSED
SENATOR PINSONEAULT	✓		
SENATOR BROWN	✓		
SENATOR REGAN	✓	late	
SENATOR SMITH	✓		
SENATOR HAFHEY	excused	late	
SENATOR YELLOWTAIL	✓		
SENATOR MAZUREK	✓		
SENATOR FARRELL	✓		
SENATOR McCALLUM	✓		
SENATOR BLAYLOCK, CHAIRMAN	✓		

DATE 2/13/85

COMMITTEE ON Education and Cultural Programs

## VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretary)

# STANDING COMMITTEE REPORT

February 13, 1985

MR. PRESIDENT

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

having had under consideration **SENATE BILL** No. **315**

**first** reading copy ( **white** )  
color

**MIN. MONTHLY RETIREMENT ALLOWANCE FOR CERTAIN RETIRED TEACHERS**

Respectfully report as follows: That **SENATE BILL** No. **315**

DO PASS

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Senator Chet Blaylock,

Chairman.

# STANDING COMMITTEE REPORT

February 13, 1985

MR. PRESIDENT

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

having had under consideration **SENATE BILL** No. **109**

**first** reading copy ( **white** )  
color

**MUSEUM LOAN ACT**

Respectfully report as follows: That **SENATE BILL** No. **109**

**be amended as follows:**

1. Page 4, lines 1 through 7.  
Strike: subsection (b) in its entirety  
Renumber: subsequent subsection
2. Page 6, line 2.  
Following: "museum"  
Strike: "promptly"
3. Page 6, lines 3 through 5.  
Following: "property." on line 3  
Strike: remainder of line 3 through line 5 in their entirety
4. Page 8, line 22.  
Following: "so"  
Strike: "promptly"
5. Page 9, lines 18 and 19.  
Following: "museum" on line 18  
Strike: "represents that it"
6. Page 10, line 4.  
Following: "at"  
Strike: "5"  
Insert: "10"

**AND AS AMENDED**

**DO PASS**

**DO NOT PASS**

**Senator Chet Blaylock,**

Chairman.