

MINUTES OF THE MEETING  
EDUCATION AND CULTURAL RESOURCES COMMITTEE  
49TH LEGISLATURE SPECIAL SESSION III

June 26, 1986

The meeting of the Education and Cultural Resources Committee was called to order by Chairman Dan Harrington on June 26, 1986, at 3:00 P.M. in room 312-2 of the state capitol.

ROLL CALL: All members were present with the exception of Reps. Hannah and Nelson who were excused by the chairman.

CONSIDERATION OF SENATE BILL NO. 15: Senator Ted Neuman, sponsor of the bill gave a general overview of the bill requiring the board of public education and the office of public instruction to prepare a report and plan for the next legislative session that would include cost savings measures achieved through administrative and procedural changes in the K-12 system. He said that in the next several years the dollars available for education in Montana will be severely limited. He feels ways to improve function efficiency must be examined in order to continue Montana's quality of education. He used Flathead County as an example of having approximately 22 school districts which may be able to consolidate administration in some way. Sen. Neuman said schools may need to look at all possibilities including perhaps the sharing of teachers and their materials. He also stated schools may take advantage of joint purchasing of materials and in fact are doing so now in some cases.

PROPOSERS: Bob Anderson, Assistant Superintendent for Basic Instructional Skills, Office of Public Instruction, presented a memo from the office of public instruction voicing support for the bill (Exhibit 1). The Superintendent of Public Instruction, Ed Argenbright, feels that any study or plan to review public school reorganization should be the responsibility of the office of public instruction and board of public education. The concern has always been and will continue to be directed toward the betterment of public education and quality in schools in the state. Mr. Anderson further stated Mr. Argenbright and the office of public instruction are willing to consider alternatives for providing sound educational programs and services to 155,000 public school students in Montana. The office of public instruction has been directed to look for means to use new technology and methods of sharing costs. However, the superintendent does support the concept of "local ownership" of schools by the patrons of each district and does not support the idea that "bigger" is necessarily "better". He does agree that public schools should re-examine their cost and functions in their performance for the public good.

Ted Hazelbaker, Chairman, State Board of Public Education, stated the board's support for SB 15 and the idea that perhaps this will encourage what should have already been looked at. He said that over the years there has been some concern about how the board might work with the superintendent, but at this point the board of education is in the process of selecting a new executive secretary with the superintendent on the screening committee. Mr. Hazelbaker sees no problem in working together on this legislation.

Eric Feaver, Montana Education Association, stated the MEA support for SB 15 and with the inefficiencies in the public schools very apparent there is no better time like the present to study and rectify the problems. The MEA will offer suggestions as to how a Montana school system should look and will gladly participate in this study.

OPPONENTS: None.

QUESTIONS OR DISCUSSION: None.

In closing, Sen. Neuman thanked the committee and all proponents for support of SB 15 and stressed his hope that the board of public education and the office of public instruction will take suggestions and seek input from school boards and others involved with the public education system.

DISPOSITION OF SENATE BILL NO. 15: Chairman Harrington made a motion that SB 15 DO PASS. The motion CARRIED unanimously.

CONSIDERATION OF SENATE BILL NO. 10: Senator Towe, sponsor of the bill was unable to attend. Rep. Peck presented SB 10 to the committee and said basically the bill requires distribution of state equalization aid based on an estimate of 20% of each district's entitlement by July 15 of the school fiscal year. This would be a very positive aspect for the school districts since it would cover a major problem in those districts where there is a shortage of reserves. The reserves generally cover the district costs from July 1 into the first payment of equalization which is in September or October. The first payment is that late because first payments of property taxes come due in November. He added the total money given would not change and the districts would quite simply be getting earlier delivery.

PROPOSERS: Eric Feaver, Montana Education Association, stated support for SB 10. He added it will definitely address the issue of reserves.

Bruce Moerer, Montana School Boards, stated support for the bill and said it is a fairly harmless approach to help the school districts with cash flow problems.

Ted Hazelbaker, State Board of Public Education, also voiced support for SB 10 and said the board stands ready to assist school districts in any way possible.

Ray Shackelford, Office of Public Instruction, stood in support of the bill which he views as a necessary measure to help school districts meet their fiscal obligations.

OPPONENTS: None.

QUESTIONS OR DISCUSSION: Ray Shackelford responded to a question by Rep. Peck saying some money would have to be drawn by loan to meet the first payment. He added that since the revenue can be anticipated there didn't appear to be any problem. Rep. Sands asked when and in what amount the first payment would be. Mr. Shackelford responded the first payment is made according to the administrative rules that say the state board of public education will authorize the superintendent of public instruction to make payments around the time period of September 20, January 20, February 20, and March 20. The final payment would be made around June 20. He further stated that the last 20% payment was just made for the past fiscal year for transportation and state equalization aid. Rep. Sands also asked Mr. Shackelford how much money it might cost the office of public instruction to make these payments on July 15 instead of September 20. Mr. Shackelford said the amount depends on revenue estimates at the time. At this time the estimates appear to be about a \$250,000 carry over and in July 11.8 million dollars is anticipated to come in. August anticipates approximately 2 million dollars and in September about 2.7 million dollars. The extent of any loan would depend on when the payment was made and when that 11.8 million dollars was received.

Rep. Eudaily then asked Mr. Shackelford whether the 11.8 million dollars was expected in early or late July. He said the report is received once a month. This is a monthly report showing what the cash flow is during the entire month. Rep. Eudaily then followed by asking whether the date in the bill will force a possible loan for just a week or so. Mr. Shackelford replied the administrative rules allow for flexibility in the language of the rules themselves.

Rep. Peck closed by once again stating support for this bill.

DISPOSITION OF SENATE BILL NO. 10: Chairman Harrington made a motion that SB 10 DO PASS. At this time Rep. Sands then suggested a fiscal note was needed before taking the bill to the house floor since it does have a fiscal impact and should comply with house rules. Andrea Merrill, Legislative Council Researcher, responded by saying Senator Towe had her check into the concept of using tax anticipation bonds to cover this and he seemed enthusiastic when he found the state might even make money that way if the bonds continue to be available up until July 15. She said the sponsor would be asked to request a fiscal note if one was not available. The motion CARRIED unanimously.

  
Dan W. Harrington, Chairman

DAILY ROLL CALL

EDUCATION

COMMITTEE

49th LEGISLATURE SPECIAL SESSION III

Date June 26, 1986

NAME	PRESENT	ABSENT	EXCUSED
Harrington, Dan, Chairman	✓		
Eudaily, Ralph, Vice-Chairman	✓		
Brandewie, Ray	✓		
Glaser, William	✓		
Hannah, Tom			✓
Harbin, Raymond	✓		
Kennerly, Roland	✓		
Kitselman, Les	✓		
Mercer, John	✓		
Montayne, John	✓		
Nelson, Richard			✓
Nisbet, Jerry	✓		
Peck, Ray	✓		
Sands, Jack	✓		
Schye, Ted	✓		
Stang, Barry	✓		
Thomas, Fred	✓		
Williams, Mel	✓		

# STANDING COMMITTEE REPORT

June 26, 1936

Mr. Speaker: We, the committee on Education and Cultural Resources  
report Senate Bill No. 10

☐ do pass  
☐ do not pass

☒ be concurred in  
☐ be not concurred in

☐ as amended  
☐ statement of intent attached

Rep. Dan Harrington

Chairman

THE FIRST PAYMENT OF STATE EQUALIZATION AID TO SCHOOL DISTRICTS  
BE DISTRIBUTED BY JULY 15 OF THE SCHOOL FISCAL YEAR AND BE BASED  
ON AN ESTIMATE OF 25 PERCENT OF EACH DISTRICT'S ENTITLEMENT

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# STANDING COMMITTEE REPORT

June 26, 19 86

Mr. Speaker: We, the committee on Education and Cultural Resources  
report Senate Bill No. 15

☐ do pass  
☐ do not pass

☒ be concurred in  
☐ be not concurred in

☐ as amended  
☐ statement of intent attached

Rep. Dan Harrington

Chairman

REQUIRING THE BOARD OF PUBLIC EDUCATION AND THE SUPERINTENDENT  
OF PUBLIC INSTRUCTION TO TAKE STEPS TOWARD ADMINISTRATIVE AND  
STRUCTURAL REORGANIZATION OF THE PUBLIC SCHOOL SYSTEM THAT WOULD  
RESULT IN COST SAVINGS AT LOCAL AND STATE LEVELS AND TO REPORT  
SUCH PLANS AND ANY REQUIRED LEGISLATION TO THE 50TH LEGISLATURE

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# ROLL CALL VOTE

EDUCATION

COMMITTEE

DATE

6/26/86

BILL NO.

SB 10

NUMBER

1

NAME	AYE	NAY
Harrington, Dan, Chairman	✓	
Eudaily, Ralph, Vice-Chairman	✓	
Brandewie, Ray	✓	
Glaser, William	✓	
Hannah, Tom		
Harbin, Raymond	✓	
Kennerly, Roland	✓	
Kitselman, Les	✓	
Mercer, John	✓	
Montayne, John	✓	
Nelson, Richard	✓	
Nisbet, Jerry	✓	
Peck, Ray	✓	
Sands, Jack	✓	
Schye, Ted	✓	
Stang, Barry	✓	
Thomas, Fred	✓	
Williams, Mel	✓	

TALLY

18

Dianne McKittrick

Dan Harrington

Secretary

Chairman

Chm Harrington Motion SB 10 DO PASS  
 MOTION: unanimous

Hannah Absent Nelson Absent But Left Vote



# ROLL CALL VOTE

EDUCATION

COMMITTEE

DATE 6/24/86 BILL NO. SB 15 NUMBER 2

NAME	AYE	NAY
Harrington, Dan, Chairman	X	
Eudaily, Ralph, Vice-Chairman	X	
Brandewie, Ray	X	
Glaser, William	X	
Hannah, Tom		
Harbin, Raymond	X	
Kennerly, Roland	X	
Kitselman, Les	X	
Mercer, John	X	
Montayne, John	X	
Nelson, Richard	X	
Nisbet, Jerry	X	
Peck, Ray	X	
Sands, Jack	X	
Schye, Ted	X	
Stang, Barry	X	
Thomas, Fred	X	
Williams, Mel	X	

TALLY

17 0

Dianne McKittrick

Dan Harrington

Secretary

Chairman

Motion Harrington SB15 DO PASS  
MOTION: passed unanimously

Hannah Absent Nelson Absent But Vote Yes



Exhibit 1  
June 26, 1986  
SB 15

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OFFICE OF PUBLIC INSTRUCTION

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STATE CAPITOL  
HELENA, MONTANA 59620  
(406) 444-3095

Ed Argenbright  
Superintendent

June 26, 1986

To: Members of House Education Committee

From: Bob Anderson, Assistant Superintendent  
Basic Instructional Skills

Re: Senate Bill 15

The Superintendent of Public Instruction, Ed Argenbright, supports the Senate Bill #15 sponsored by Senator Newman. He feels that any study or plan to review public school reorganization should rightfully be the responsibility of the Office of Public Instruction and the Board of Public Education. His concern, as always, will be directed toward the betterment of public education and quality schools in Montana.

Although this will be a difficult task and not one that may be resolved to the satisfaction by all concerned parties, he is willing to consider alternatives for providing sound educational programs and services to the 155,000 public school students in our fine state. The Superintendent has, as a matter of past record addressed school districts across the state to look for alternatives to better meet the needs of students. Further, he has directed his office staff to look for means to use new technology and methods of sharing costs.

At the same time, it is important to note that the Superintendent supports the concept of "local ownership" of their schools by the patrons of each school district in this state and does not support the idea that "bigger" is necessarily "better" for Montana's Public Schools. There will be no easy answers, but he does agree with Senator Newman that public schools like other public and private institutions should reexamine their cost and function as well as their performance for the public good.

## VISITORS' REGISTER

Education

COMMITTEE

BILL NO. SB 10, SB 15

DATE June 26, 1986

SPONSOR SB 10 - Towe, SB 15 - Neuman

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
Ted Hazelbaker	Board of Public Ed.	X Both	
Ray Jackson	OPI	X	
Travis Kunda	Sweet Grass Co H S	X	
Vaomi Miller	Clancy EA	X	
SHIRLEY GRIFFIN	CLANCY ED ASS	X	
Donna Smith	ROMAN-PABLO M.E.A.		
MARIE SMITH	ROMAN-PABLO M.E.A.		
Bill Robinson	Pulson Ed Ass'n		
Thiele "Corky" Benjamin	Helena E. A.		
Bruce W. Neuman	MSBA	SB 10	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.