

MINUTES OF THE MEETING
EDUCATION SUBCOMMITTEE
50TH LEGISLATURE

January 10, 1987

The meeting of the education subcommittee was called to order by Chairman Dennis Nathe at 8:00 a.m. Saturday, January 10, 1987 in Room 202A of the State Capitol.

ROLL CALL: All members were present. Also present were Dori Nielson of the Legislative Fiscal Analysts office, Norm Rostocki of the Office of Budget and Program Planning and Deb Thompson, Secretary.

EXECUTIVE ACTION: BOARD OF PUBLIC EDUCATION (Exhibit 1)

(6-1-A-000) Discussion was held concerning the budget analyst's position request by the Board of Public Education. Section 20-2-115, MCA, assigns joint responsibilities to the Superintendent of Public Instruction and the Board of Public Education. Information was distributed by the Legislative Fiscal Analyst's office showing examples of joint responsibilities and the difficulties involved. A list of optional methods of funding an FTE was also included (Exhibit 2).

The committee expressed concern about meeting the requirements of 20-2-115. The terms used to describe the responsibilities, "develop" and "prepare", were not concise. The original word for the duties of the Board of Public Education had been "adopt" in place of "develop".

Representative Peck moved to design two bills: 1) to correct section 20-2-115 to deal more specifically with the statutory change in language to allow the Board of Public Education to secure fiscal information in a timely and factual manner, and 2) to examine the entire relationship between the responsibilities of the two agencies and make available to the Board of Public Education the resources from the Office of Public Instruction which are necessary to fulfill duties.

It was noted by Representative Iverson that the committee had until the 64th day to draft bills to implement a provision of the general appropriation. That day is March 23. The motion PASSED unanimously.

If the bills should run into difficulty the committee will reopen the issue.

January 10, 1987

2

Personal Services: The increase to pay per diem for board members travel time was discussed.

Senator Jergeson moved current level for FY88 and FY89 in the amount of \$71,455 and \$71,345 with the addition of per diem travel of \$2,537 each year. (445) The motion PASSED, with one NO vote by Senator Hammond.

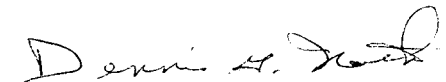
Operating Expenses: The current level should include an additional reduction of \$662 for advertising per the agency request.

Travel differences were discussed. (499)

Senator Jacobson moved to adopt current level with an annual reduction of \$662 for advertising and increases in costs of \$590 to print administrative rules, travel increase of \$1,805 and reduction of MASBE dues of \$7,055. The motion PASSED with one NO vote by Senator Hammond

Funding: Senator Jergeson moved to adopt a funding level to meet the approved budget level. The motion PASSED with one NO vote by Senator Hammond.

ADJOURNMENT: Chairman Nathe announced the next meeting for presentations of the Vo-Ed Council and Vo-Tech Centers budget for 8:00 a.m. Monday, January 12 with a briefing to be at 7:30 a.m. The meeting adjourned at 8:54 a.m.


DENNIS NATHE, Chairman

dt/1-10

EDUCATION SUBCOMMITTEE

Subject: Board of Public Education
Fiscal impact note - request for additional FTE

The Board of Public Education has requested an additional staff FTE for the 1989 biennium to meet the provisions of 20-2-115, MCA, which provides for determination of fiscal impact of rules, policies, or standards on school districts.

ISSUE 1: The Responsibility For Preparation Of Fiscal Notes For Rules, Policies and Standards

Section 20-2-115, MCA, assigns duties to both the Board of Public Education and to the Superintendent of Public Instruction. The members of the Board of Public Education are appointed by the Governor, while the Superintendent of Public Instruction is an elected position. This structure contributes to difficulties in carrying out some joint responsibilities, but the responsibilities still remain.

The primary statute which assigns powers and duties to the Superintendent of Public Instruction is 20-3-106, MCA. Section 20-2-121, MCA, lists the powers and duties of the Board of Public Education. Several provisions in these two sections address the same issues but with different authority, as illustrated by the following examples.

ISSUES	20-3-106 Supt. of Public Inst.	20-2-121 Board of Public Education
accreditation of schools	..recommend the standards....	..adopt the standards..
state equalization fund	..distribute the funds...	..administer and order distribution of the funds..
educational med	..select the educational media.. ..establish and maintain a library of educational media..	..approves or disapproves the selection of educational media..

The fiscal impact provision of 20-2-115, MCA, appears to be consistent with the general distribution of powers and duties as assigned in other statutes. Provision (1) asks the board of public education to develop a fiscal note to determine financial impact while provision (2) asks the superintendent of public instruction to prepare a suggested fiscal note for submission to the board. The board may then accept other testimony and exhibits before completing a final fiscal note.

The subcommittee has two options to consider relating to the responsibility for preparation of the fiscal note to meet the provision of Section 20-2-115, MCA:.

Option 1: The Superintendent of Public Instruction is primarily responsible for the preparation of the fiscal note.

Option 2: The Board of Public Education is primarily responsible for preparing the fiscal note.

Issue 2: Implementation of Section 20-2-115, MCA, without Additional FTE

If Option 1 in Issue 1 is the choice of the committee, the following options may be considered:

Option 1: Make no changes, but use future assessment to determine whether legislative action is necessary to promote efficient compliance with the responsibilities assigned by 20-2-115.

Option 2: Amend 20-2-115 to more specifically state that the Superintendent of Public Instruction will provide the Board of Public Education with timely and appropriate fiscal notes to meet the responsibilities of the statute.

2a: Amend 20-2-115 to be more specific and to include legal and program notes as well as fiscal.

ISSUE 3: Implementation of Section 20-2-115, MCA, with Additional FTE

If Option 2, Issue 1 is the choice of the committee, the following options may be considered.

Option 1: Add 1.0 FTE grade 15, step 01 budget analyst position. Costs of this option, total \$29,931 in fiscal 1988 and \$26,200 in fiscal 1989.

Option 2: Add 0.5 FTE budget analyst position. Costs of this option total \$17,351 in fiscal 1988 and \$14,332 in fiscal 1989.

2a: Add 0.5 FTE budget analyst position and eliminate all dues to the National Association of State Boards of Education. Net impact of this option would total \$10,296 in fiscal 1988 and \$7,277 in fiscal 1989.

Option 3: Hire for fiscal impact analysis on a contracted basis as needed.

Option 4: Delay final rule making action for a period of time to allow school districts to determine the fiscal impact of proposed rules. This option would still necessitate personal services to assess fiscal impact information.

- 2a: Add 0.5 FTE budget analyst position and eliminate all dues to the National Association of State Boards of Education. Net impact of this option would total \$10,296 in fiscal 1988 and \$7,277 in fiscal 1989.
- Option 3: Hire for fiscal impact analysis on a contracted basis as needed.
- Option 4: Delay final rule making action for a period of time to allow school districts to determine the fiscal impact of proposed rules. This option would still necessitate personal services to assess fiscal impact information.

7

1-10-89

SUBCOMMITTEE ACTION

Agency: Board of Public Education

Program: Administration

	FY 1986 Actual	Executive	Fiscal 1988 Current Level	Difference	Executive	Fiscal 1989 Current Level	Difference
FTE	2.0	2.0	2.0	0.0	2.0	2.0	0.0
Personal Services	\$ 65,323	\$ 69,191	\$ 71,455	\$(2,264)	\$ 69,090	\$ 71,345	\$(2,255)
Operating Expenses	37,932	34,505	38,564	(4,059)	32,221	36,195	(3,974)
Equipment	2,420	-0-	-0-	-0-	-0-	-0-	-0-
Total Expenditures	\$105,675	\$103,696	\$110,019	\$(6,323)	\$101,311	\$107,540	\$(6,229)

Funding

Total General Fund	\$105,675	\$103,696	\$110,019	\$(6,323)	\$101,311	\$107,540	\$(6,229)
--------------------	-----------	-----------	-----------	-----------	-----------	-----------	-----------

Add to (Subtract from)

	Fiscal 1988	Fiscal 1989	Fiscal 1988	Fiscal 1989
1. Travel Day Per Dien	\$ 2,537	\$ 2,537		
2. Executive Secretary Compensation	(2,314)	(2,310)		
3. Vacancy Savings	(2,542)	(2,537)		
4. Advertising	(662)	(662)		
5. Administrative Rules	590	590		
6. Travel	3,037	3,037		
7. NASBE Dues	(7,055)	(7,055)		

ISSUES:

	Fiscal 1988	Fiscal 1989	Fiscal 1988	Fiscal 1989
1. Travel Day Per Dien				
2. Executive Secretary Compensation				
3. Vacancy Savings				
4. Advertising				
5. Administrative Rules				
6. Travel				
7. NASBE Dues				

3

12/15/88