

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

March 16, 1987

The twenty-second meeting of the Senate Education and Cultural Resources Committee was called to order by the Vice Chairman, Senator Chet Blaylock, at 1:04 p.m. in Room 402 of the State Capitol.

ROLL CALL: All committee members were present with the exception of Senator Pinsoneault.

CONSIDERATION OF HOUSE BILL 39: REPRESENTATIVE DONALDSON, District 43, sponsor of the bill, said it is the "Vo-Tech Governance Bill". He said the bill transfers the governance of the five Vo-tech centers to the Board of Regents. He said the bill ensures the transfer of credits, is efficient and enhances vo-tech training. He reviewed the bill, pointing out page 2, line 20 should be amended to read "deputy commissioner". He said the new Section 2 amended material effects a compromise on the sale agency issue. New Section 5 deals with existing center employees and the collective bargaining process and benefits. Section 18 addresses the funding mechanisms. The 1½ mill levy currently assessed in the five counties with vo-tech centers stays in place. He noted the House attempted to levy 1½ mills statewide but it reverted to the 1½ mills in each of the five counties. He also said \$4.7 million is appropriated from the coal tax educational trust fund for transition and bonding purposes. He said that figure is flexible at this point. He presented a sheet of proposed amendments to the committee for further consideration. (Exhibit 1) He said it has taken four years of enormous effort by a number of people to get to this point. He said the bill covers the governance situation pretty well. Not everyone is happy, but everyone can live with it.

PROPOSERS: GENE CHRISTIANSEN, Assistant Superintendent for Vo-techs, Office of Public Instruction, said OPI supports the bill. He noted 20-9-404 and 405 relate to current secondary vo-tech education and should not be confused with post-secondary centers. He said those two references should be stricken.

SENATOR GEORGE McCALLUM, District 26, Chairman of the Interim Committee on Vo-tech Governance, said he has served on this committee as well as two other interim committees studying this issue in the last 10 years. He said this is finally a plan which has the support of the majority of the communities, agencies, and groups interested in Vo-tech Governance. He said he's convinced this is the best way to go and that the Regents are the most qualified to handle it.

CAROL KRAUSE, Commissioner of Higher Education, said all but one of the states have merged their vo-tech centers and community colleges. The students need to be degreed or they will be at a disadvantage with graduates from other states without it. He said he felt the funding is specifically controlled although he has some concerns about WICHE/WAMI funds if all the educational funds are used.

BOB ANDERSON, Montana School Boards Association, expressed support for the bill. He also expressed concern over the use of educational trust funds.

KEITH GILBERT, President, Billings Vo-tech Student Council, said if vocational technical education is important to the whole state, it should be supported by a statewide levy rather than just the five counties. He expressed support for the bill.

DENNIS KRAFT, Superintendent of Schools, Missoula, said he and the Missoula School Board support the single governance concept. He said 50% of the students at Missoula Vo-tech came from elsewhere in the state. He urged support for the bill.

LORNA FRANK, Montana Farm Bureau, expressed support for the bill.

PHIL CAMPBELL, Montana Education Association, said the MEA represents the employees of four of the five centers. He felt the transition period gives enough time and options for the current employees. He said the major problem is funding; the philosophical problem is governance. He suggested adding 1% to the 5% surtax dedicated to higher education to help fund the vo-techs. He asked the committee to be sure if the educational trust is depleted, that the proceeds are spent on education.

PAUL STAHL, Chairman, Helena Board of Trustees, expressed support for the bill. His main concern was for the employees. He said they would be willing to pay more in the transition if it is what it takes to avert a crisis in that area.

WILL WEAVER, Director, Great Falls Vo-tech Center, said the Great Falls Board will support the bill under certain conditions.

KAREN DOOLEN, Chairman, Billings Board of Trustees, expressed support for the bill and the funding.

HARRY FREEBOURNE, Butte, said the Board of Trustees doesn't care who governs on the state level as long as local control is maintained.

OPPONENTS: SENATOR J. D. LYNCH, District 34, Butte, said the \$4.7 million is just the bait to pass the bill. He asked what will happen when the bait is gone. He said giving the five vo-techs to the Board of Regents is just like giving sick kids to child abusers. He pointed out Dr. Krause was concerned about the WICHE/WAMI funds. Senator Lynch felt those funds would be a higher priority than vo-tech funding. He asked the committee not to pass the bill with no funding guarantee. He said a statewide levy, surtax, or any permanent funding mechanism is essential if the vo-techs are to avoid being the bastard calves several years down the road.

DISCUSSION BY THE COMMITTEE MEMBERS: SENATOR REGAN asked Rep. Donaldson for clarification of on-going funding.

REP. DONALDSON said the 1½ mills is all he is suggesting from the five counties. If it is taken out, it will have to be replaced somehow.

SENATOR HAMMOND asked if any thought had been given to enlarging the districts.

REP. DONALDSON said the interim committee looked at the same districts as community colleges. The problem is an increase in the levy amounts to a property tax increase and that can't be done under the impact of I-105.

SENATOR MAZUREK asked why the employees hadn't been heard from.

SENATOR LYNCH said they were opposed before the \$4.7 million came in. They feel it will be okay for two years, but they are worried about funding beyond that.

SENATOR REGAN asked Dr. Krause if we have too many vo-techs.

DR. KRAUSE said he didn't know, but felt five different administrative systems are too many. Consolidation in administration is a necessity. He felt each vo-tech could be a specialty program and thereby avoid program duplication, however, those decisions will be dealt with carefully and with a great deal of study.

SENATOR NEUMAN asked if super-tuition was out, and if so, what is the impact.

REP. DONALDSON said it is out. It would have amounted to about \$40 per student.

MR. FREEBOURNE, said the super-tuition would raise about \$11,000 annually in Butte.

SENATOR SMITH felt the economic impact of the vo-tech center in the community (pay-roll, rent, living expenses, etc.) should certainly justify the 1½ mill levy.

MR. KRAFT, Missoula Superintendent, said none of the vo-tech boards object to the 1½ mills; however, they do object to the increase in Missoula from \$57,000 in 1982 to \$677,000 as the contribution from the taxpayers in Missoula County to keep the vo-tech center afloat. That is seven more mills we levy in Missoula, and the Board has decided for the first time to cap it right there.

MIGNON WATERMAN, Helena Board of Trustees, said their share has gone up 1200% in the last five years in Helena.

SENATOR SMITH asked if we use all the educational trust funds now, won't we be in much worse shape two years from now.

REP. DONALDSON said it certainly will be a problem and he didn't know what would happen. He felt it necessitated some immediate long-range planning.

SENATOR BLAYLOCK said as he remembered two years ago, four of the five centers said they would shut down if a solution isn't found. He felt if we don't do something

this session, those threats will become reality and the students will be serious losers.

DR. KRAUSE said the staff were well represented during the interim by Phil Campbell of the MEA. He said the 1½ mills has to be maintained as a funding base.

REP. DONALDSON said the voted levy sunsets in two years.

SENATOR MAZUREK asked if the Senate can amend an appropriation into a House bill.

SENATORS McCALLUM and BLAYLOCK said they didn't think so; however, it would be a Rules Committee decision.

SENATOR HAMMOND asked if it is the 1½ mills that sunsets.

REP. DONALDSON said no, it is the voted levy over and above the 1½ mills that will sunset.

REP. DONALDSON closed by saying the bill, as written, calls for a mandatory 1½ mill levy in the counties where the centers are located. It also allows for the voted levy in the district and the super-tuition for people who attend the school but are not taxpayers of the district. The proposed amendments would continue the 1½ mills, and in effect, transfer the responsibility for the funds generated by the voted levy and the super-tuition to the educational trust fund. He said he did check with the Council on the appropriation question and they felt we could do it. He felt local districts have made a strong commitment to vo-techs in the past and way beyond, and they are willing to maintain the 1½ mills. He said as far as future funding, there are no guarantees for anyone. They will have to compete like everyone else. The bill does provide the support for a transitional period and streamlines the process of providing for the needs of the students, which is, after all, the bottom line. He pointed out vo-techs serve the short term student as opposed to other university system units. They are taking short course training to enable them to be more employable. They have fewer resources and are not the traditional student. He said of all the solutions that have been considered, this comes closest to solving the problem. It does not solve all the problems for the next decade, but it does solve the problem we're addressing today. It also answers most of the concerns of the students, faculties,

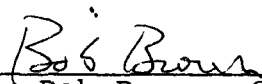
Education and Cultural Resources

March 16, 1987

Page 6

boards, agencies, and the state. He urged the committee to support the bill.

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



Senator Bob Brown, Chairman

jdr

ROLL CALL

SENATE EDUCATION AND CULTURAL RESOURCES COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 3/16

NAME	PRESENT	ABSENT	EXCUSED
SENATOR BOB BROWN	✓		
SENATOR CHET BLAYLOCK	✓		
SENATOR GEORGE McCALLUM	✓		
SENATOR ED SMITH	✓	<i>tardy</i>	
SENATOR PAT REGAN	✓		
SENATOR JOE MAZUREK	✓	<i>Tardy</i>	
SENATOR BILL FARRELL	✓		
SENATOR TED NEUMAN	✓		
SENATOR DICK PINSONEAULT		✓	✓
SENATOR SWEDE HAMMOND	✓		

Each day attach to minutes.

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppos
Karen Deacon	Billings Public Schs.	HB 39	X	
Jeff Dietz	Billings Vo-Tech	HB 39	X	
Bill Elliott	MCUE - Helena	HB 39	X	
Don Korman	Butte Vo-Tech	HB 39		X
Verna Zisman	" "	HB 39		X
Keith Elliott	Billings Vo-Tech	HB 39	X	
Jim Boss	Billings Vo-Tech	H 39	X	
Edith Doolittle	Helena Vo Tech	H 39	X	
Charlotte Thatt	MT St. LPN Assoc	H 39	X	
A. Jay	HVTC	H 39		
Gene Christensen	OPT	HB 39	X	
Paul St. L	SD #1 Helena	H 39	X	
Albi Andersen	Helena Vo Tech	H 39	X	
Roger F. Elder	Helena Public Schools	HB 39	X	
Marion Kraft	Messault ^{City} School	HB 39	X	
James Jensen	MT Vo Tech Center	HB 39		X
Carol Krause	Comm. of H. Ed.	HB 39	X	
Ken Denham	MT LPW ASSN	HB 39	X	
Jacquelyn Feltz	MT Home Economics Assn	HB 39		X
William H. Weaver	Great Falls Public Schools	HB 39	X	
Ray Ducklesford	OPT	HB 39	X	
Ernie Brunten	HVTC	HB 39	X	
H.D. Juhn	Butte	HB 39		
Bob Hansen	MSBA	HB 39	X	
Phil Campbell	MEA	HB 39	X	
Jim Wheeler	OPT		X	

DATE _____

COMMITTEE ON _____

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Bill Anderson	OPI	H.B 39	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vella [unclear]	[unclear]	[unclear]	<input type="checkbox"/>	<input type="checkbox"/>
Ken Heikes	Eastern Mt College	HB 39	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Lerna Frank	Ill. Farm Bureau	HB 39	<input checked="" type="checkbox"/>	<input type="checkbox"/>
[unclear]	Senator	HB 39	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Pat Dotts	Helena Vo-Tech	H. 339	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Margie [unclear]	Helena School Dist ^{#1} trustee	HB 39	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(Please leave prepared statement with Secretary)

- Amendments to House Bill 39
Third reading copy (blue)

1. Title, line 14.

Following: "EDUCATION;"

Insert: "APPROPRIATING MONEY FROM THE LOCAL IMPACT AND
EDUCATION TRUST FUND ACCOUNT TO THE BOARD OF REGENTS TO
HELP FUND THE VOCATIONAL-TECHNICAL CENTERS;"

2. Title.

Following: line 19

Insert: "AND"

Strike: "20-9-404, AND 20-9-405," on line 20.

3. Page 2, line 20.

Following: "a"

Insert: "deputy"

4. Page 5, line 9.

Following: "the"

Insert: "deputy"

5. Page 5, line 10.

Following: "The"

Insert: "deputy"

6. Page 42, line 18.

Strike: "AVAILABLE"

Insert: "appropriated"

7. Page 43.

Following: line 25

Insert: "NEW SECTION. Section 30. Appropriation. There is
appropriated \$1,454,690 from the local impact and
education trust fund account funded by 15-35-108(3)(b)
to the board of regents for the fiscal biennium ending
June 30, 1989, to be used to operate the
vocational-technical centers."

Renumber: subsequent sections

8. Page 43, lines 24 and 25.

Following: "20-7-323,"

Insert: "and"

Strike: "20-9-404, and 20-9-405,"