

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

Call to Order: By Chairman Ted Schye, on January 13, 1989, at
3:00 p.m.

ROLL CALL

Members Present: All with the exception of:

Members Excused: Rep. Gervais

Members Absent: None

Staff Present: Andrea Merrill, Legislative Council Researcher

Announcements/Discussion: None

HEARING ON HB 77

Presentation and Opening Statement by Sponsor:

Rep. Thoft, House District 63, stated that HB 77 is an act allowing local nonprofit corporations to manage historic properties owned by the state of Montana, allowing the Montana Historical Society to contract for management of such properties and providing for donations and disposition of income. Rep. Thoft stated that HB 77 is worthy of a favorable consideration by the committee.

Testifying Proponents and Who They Represent:

Bob Clark, Interim Director, Montana Historical Society
J. Henry Badt, Daly Mansion, Hamilton

Proponent Testimony:

Bob Clark stated his support of HB 77 and stated that the Historical Society feels that this piece of legislation is necessary to make specific what was left in the original 1985 Legislation which authorized the donation of unique sites or buildings of historical interest in place of payment of a portion of state inheritance taxes. He stated that there are written agreements with local non-profit groups who are interested in preserving the properties and operating them as sites. All restoration work is subject to review and approval of the Historic Preservation office.

J. Henry Badt stated that the Daly Mansion is a historic estate and was acquired by the state of Montana and opened in 1987 after being closed to the public for over 40 years. Mr. Badt urged the Committee's support for HB 77.

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: None

Closing by Sponsor: Rep. Thoft thanked the Committee and urged a favorable passage for HB 77.

DISPOSITION OF HB 77

Motion: Rep. Thomas made the motion that HB 77 DO PASS.

Discussion: None

Amendments, Discussion, and Votes: None

Recommendation and Vote: The motion CARRIED upon unanimous voice vote to DO PASS. The Committee voted to place HB 77 on the Consent Calendar.

HEARING ON HB 63

Presentation and Opening Statement by Sponsor:

Rep. Ralph Eudaily, District 60, Missoula said HB 63 is an act to permit county membership in associations of county school superintendents and to provide for expenses related to such membership.

Testifying Proponents and Who They Represent:

J. Henry Badt, Montana Association of County School Superintendents (MACSS)
Rachel Vielleux, Missoula
Greg Daniels, Ravalli County Superintendent
Kay McKenna, Lewis & Clark County Superintendent
Julie Enman, Granite County Superintendent
Karl Roosa, Powell County Superintendent

Proponent Testimony:

Mr. Badt stated his support of HB 63.

Ms. Vielleux stated her support of HB 63. She stated that MCA Section 7-5-2141 enables all elected county officials to join state organizations and attend conventions and for some reason county superintendents were overlooked.

Mr. Daniels said that there is no real impact to HB 63, but that the law needs to be clarified.

Ms. McKenna stated that it is imperative for county officials to attend conventions and urged the Committee's support for HB 63.

Ms. Enman stated her support of HB 63.

Mr. Roosa stated his support of HB 63.

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: None

Closing by Sponsor: Rep. Eudaily thanked the Committee and said that HB 63 makes official what is being done at the present.

HEARING ON HOUSE BILL 64

Presentation and Opening Statement by Sponsor:

Rep. Eudaily, House District 60, introduced HB 64 stating that it is an act to generally revise the school budgeting, finance reporting and investment requirements, and to provide an effective date.

Testifying Proponents and Who They Represent:

J. Henry Badt, Mt. Assoc. of City School Supts. (MACSS)
Rachel Vielleux, Missoula County Supt. of Schools
Greg Daniels, Ravalli County Supt. of Schools
Kay McKenna, Lewis and Clark Supt. of Schools
Julie Enman, Granite Supt. of Schools
Karl Roosa, Powell County Supt. of Schools

Proponent Testimony:

Mr. Badt distributed a handout stating that HB 64 is submitted to; correct duplications, change requirements for publishing financial statements, responsibility for late reports, use of uniform forms for budget reporting, requirement for

estimating amounts for budgets, providing information to districts, require the use of actual revenue rather than estimates and bring district school investment practices in line with county statutes regarding investments. (See EXHIBIT 1).

Ms. Vielleux said that HB 64 allows for better book management and budget reporting and works to the taxpayers advantage.

Mr. Daniels stated his support for the bill stating that it would bring district school investment practices in line with county statutes regarding the investments.

Ms. Mckenna said that this legislation provides for necessary instant liquidity, higher interest and centralization of funds.

Ms. Enman urged passage of HB 64.

Mr. Roosa stated her support of HB 64.

Testifying Opponents and Who They Represent:

Charles W. Walk, Exc. Director of the Montana Newspaper Assoc.

Opponent Testimony:

Mr. Walk stated that he is in opposition of HB 64. (See EXHIBITS 2 and 3).

Questions From Committee Members: None

Closing by Sponsor: Rep. Eudaily closed.

DISPOSITION OF HB 63

Motion: Rep. Glaser made the motion that HB 63 DO PASS.

Discussion: None

Amendments, Discussion, and Votes: None

Recommendation and Vote: The motion CARRIED upon unanimous voice vote to DO PASS and was placed on the Consent Calendar.

DISPOSITION OF HOUSE BILL 32

Motion: Rep. Darko motioned for a do pass.

Discussion: None

Amendments, Discussion, and Votes: Rep. Daily moved his amendment

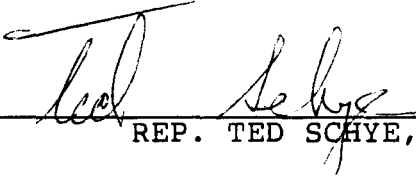
Rep. Eudaily made a substitute motion on the amendment to make it 5 years instead of 4 years. The question was called. Roll call vote was taken. The motion FAILED 9/10.

Recommendation and Vote: Rep. Darko made the motion to do pass as amended. The motion CARRIED to DO PASS AS AMENDED. Reps. Nelson and Eudaily voted against the motion.

There being no further business the Committee was adjourned.

ADJOURNMENT

Adjournment At: 5:30 p.m.



REP. TED SCHYE, Chairman

TS/cj

1104.min

DAILY ROLL CALL

EDUCATION AND CULTURAL RESOURCES COMMITTEE

51st LEGISLATIVE SESSION -- 1989

Date January 13, 1989

NAME	PRESENT	ABSENT	EXCUSED
Rep. Ted Schye, Chairman	✓		
Rep. Fritz Daily, Vice-Chair.	✓		
Rep. Vicki Cocchiarella	✓		
Rep. Paula Darko	✓		
Rep. Ervin Davis	✓		
Rep. Floyd Gervais			E
Rep. Dan Harrington	✓		
Rep. John Johnson	✓		
Rep. Tom Kilpatrick	✓		
Rep. Barry "Spook" Stang	✓		
Rep. Diana Wyatt	✓		
Rep. Bill Glaser	✓		
Rep. Ralph Eudaily	✓		
Rep. Richard Nelson	✓		
Rep. John Phillips	✓		
Rep. Richard Simpkins	✓		
Rep. Wilbur Springs, Jr.	✓		
Rep. Fred Thomas	✓		
Rep. Norm Wallin	✓		
Rep. Tom Zook	✓		

STANDING COMMITTEE REPORT

January 16, 1985

Page 1 of 1

Mr. Speaker: We, the committee on Education and Cultural Resources report that HOUSE BILL 77 (first reading copy -- white) do pass, and that it be placed on the CONSENT CALENDAR.

Signed: _____
Ted Schye, Chairman

STANDING COMMITTEE REPORT

January 13, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Education and Cultural Resources report that HOUSE BILL 63 (first reading copy -- white) do pass and that it be placed on the CONSENT CALENDAR.

Signed: _____

Ted Schye, Chairman

STANDING COMMITTEE REPORT

January 13, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Education and Cultural Resources report that HOUSE BILL 32 (first reading copy -- white) do pass as amended .

Signed: _____
Fed Schye, Chairman

And, that such amendment read:

1. Title, line 5.

Strike: "2"

Insert: "4"

2. Title, line 6.

Strike: "AND"

Following: "MCA"

Strike: "."

Insert: "; PROVIDING AN APPLICABILITY DATE; AND PROVIDING AN EFFECTIVE DATE"

3. Page 1, line 21.

Strike: "2"

Insert: "4"

4. Page 2, line 20.

Following: line 19

Insert: "NEW SECTION. Section 2. Applicability. The provisions of [this act] are applicable to terms of members of the board of regents beginning after [the effective date of this act].

NEW SECTION. Section 3. Effective date. [This act] is effective on passage and approval."

HOUSE BILL 64

House Bill 64 is submitted to correct duplications, change requirement for publishing financial statements in newspapers, responsibility for late reports, use of uniform forms for budget reporting, requirement for estimating amounts for budgets, providing information to districts, require the use of actual revenue rather than estimates and bring district school investment practices in line with county statutes regarding investments.

The following changes, additions or deletions are requested:

Page 3, line 1 and 2

Each district is required to give notice of budget meetings, for the county superintendent to do so also is a duplication. This is not the meeting with county commissioners concerning the final budgets to determine levies.

Page 5, lines 6 and 8

Publishing the annual financial report for each district is costly (estimated at \$200.00 per county it amounts to about \$10,400.00). The reports published in newspapers are reduced in size to the point that they are difficult to read. The reports are available in county superintendent's offices for review.

Page 6, lines 22-25

Not followed in practice, this section allows county commissioners to withhold pay for county superintendents for late reports from other agencies in the county (treasurers, assessors, clerks). Retain current language to line 22, end with a "period" after commissioners in line 22.

Page 7, line 2

Some districts would like to submit their computer printout as their budget report, not all computer printouts uniform, districts use different software. The standard budget reporting form provided by the state gives uniformity to all district budgets and provides convenient summary for county wide comparisons.

Page 7, lines 17-22 and 24-25

March is too early for accurate estimates, last half taxes not due until May 31, also revenue from interest and motor vehicle collections would be guesses only. Section 20-9-123 requires that the county superintendents supply revenue estimates for financing preliminary budget prior to fourth Monday in July.

Page 8, lines 5-8

Districts have this information on their previous years' budget and trustees report. County superintendent would provide the information for Class 3 districts without secretarial help.

TESTIMONY OF CHARLES W. WALK, EXECUTIVE DIRECTOR OF THE MONTANA NEWSPAPER ASSOCIATION, JAN. 13, 1989, IN THE HOUSE EDUCATION AND CULTURAL RESOURCES COMMITTEE IN OPPOSITION TO HB 64.

For the record, my name is Charles W. Walk and I am the executive director of the Montana Newspaper Association, which includes in its membership all 11 daily and 65 of the weekly newspapers in Montana.

I am here to testify in opposition to HB 64 as drafted.

It is unfortunate that we have to come before this committee to oppose a bill which may include some needed legislative changes.

But, one section of 20-3-205 which doesn't need change is Sec. 1, sub-section 25 dealing with the duties of the county superintendent of schools.

We see the proposed changes as ill-advised and unnecessary. The changes would reduce the public's accessibility to information about how monies are being handled within the school districts of the county by the designated officials.

While we appreciate the financial problems facing all governmental entities today, we do not believe these problems override the public's right to know what is going on in government, particularly in those financial areas outlined in sub-paragraphs (a) through (d) in Sec.1, Sub-Sec. 25 of 20-3-205.

The money it costs to publish the superintendent's financial reports as prescribed by code is not excessive by any definition.....I doubt that it would approach the amount of money required for the county superintendents of schools to join various associations and organizations or to attend various meetings of those associations as outlined by HB 63 which was just discussed.

For example, in Meagher County last year, the report cost \$128 and the year before that it cost \$120. It also is interesting to note that in several counties surveyed by the MNA, county superintendents were acting as if the changes proposed by HB64 were already in effect. For example, in Roosevelt County, the county superintendent puts in a short notice that the report is available in his office. The same thing apparently is happening in Rosebud County and Hill County. If that is, in fact, the case, it appears some county superintendents have anticipated legislative action, thus denying their residents public information as defined by the Code.

We simply do not believe the public's right-to-know should constantly be subjugated to economic considerations whenever a governmental entity thinks it is in its best interests. At what point will officials be satisfied in such cases? Will it be when they no longer have to publish a single figure from a single financial report in a single newspaper in Montana? That appears to be the case when any fair person examines the way the state's public notice publication schedule has been strip-mined by some public officials and their lobbying groups in the last four or five legislative sessions.

For example, in the 1983 session 2-7-521 was amended to permit school districts to publish a statement that a district audit is on file rather than having to publish the entire audit.

Two years later, 7-5-2123 was amended making it optional to publish county board proceedings and financial statements, making the full publication of these items a thing of the past in many counties.

And, last session an amendment was passed by both houses to 2-7-521 which would have put municipalities and counties in the same position as school districts as far as publishing audit statements. Only a well-thought-out veto by Gov. Schwinden kept that amendment from becoming law.

All this means that there has been an unrelenting attack on the public notice publication schedule which has severely limited the information that the public receives about how officials are handling public funds and public business. We see HB64 as a continuation of that attack.

Having the information from the superintendent's report "available at the superintendent's office" as outlined in the amendment before you is not a sufficient substitute for publication of the entire report in a qualified newspaper, we don't believe.

The shift in the responsibility of making the people aware of what is going on in the financial aspects of the county superintendent's office makes the presumption that everyone is able to get to the courthouse to obtain this and other information. We all know there are good reasons why people will not get to the superintendent's office, including age infirmity, distance and weather.

There is another presumption built into the amendment which bothers us. That is the presumption that anyone who really wants to know what is in the superintendent's report will get it one way or another. We don't buy that, but even if it were true we don't believe that is all that is necessary for the officials to do in order to meet their obligation to inform the public of the public's business.

Do we really want it to be only those people who can and do make it to the superintendent's office who actually find out what is going on in the school districts of the county in four important financial areas? We don't think so.

We believe that government has the obligation to provide information to as many people as it possible can in the most efficient and effective method. The public notice publication schedule has been time-honored and tested in Montana and we believe it should continue to be used.

We urge the defeat of HB 64 as long as it changes Sec. 1, sub-section 25 of 20-3-205 in the manner in which does.

Charles W. Walk

VISITORS' REGISTER

Education & Cultural Resources COMMITTEE

BILL NO. HB 77

DATE January 13, 1989

SPONSOR Thoft

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
J. Henry Ruff	Hanville	✓	
Gloria Germanow	Helena	✓	
Bob Clzic	Helena		
Pat Owens	Kali		

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

EDUCATION & CULTURAL RESOURCES COMMITTEE

BILL NO. HB 63

DATE January 13, 1989

SPONSOR Eudaily

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
<i>Irma Dancy</i>	<i>Victor</i>	X	
<i>John Burt</i>	<i>Hamilton</i>	X	
RACHEL VIGOR	MISSOULA	✓	
<i>Cecile Egan</i>	<i>Philipsburg</i>	✓	
<i>Ray Neumann</i>	<i>Helena</i>	✓	
KATEL ROOST	DEER LODGE	✓	
<i>William Hammond</i>	<i>Missoula</i>	✓	
<i>d. Jensen</i>	<i>Kalispell</i>		
<i>Wm Jensen</i>	<i>Kalispell</i>	✓	
<i>Betty Thompson</i>	<i>Kalispell</i>	✓	

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VISITORS' REGISTER

EDUCATION & CULTURAL RESOURCES COMMITTEE

BILL NO. HB 64

DATE January 13, 1989

SPONSOR Eudaily

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
CHARLES W. WALK	HELENA		✓
Dee Bada	Hamilton	✓	
RACHEL VIELLEUX	MISSOULA	✓	
Swiss Canyon	Philipsburg	✓	
Dawn McAnna	Helena	✓	
Greg Danahy	Victor	✓	
KARL ROOSA	DEER LODGE	✓	

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PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

ROLL CALL VOTE

EDUCATION AND CULTURAL RESOURCES

COMMITTEE

DATE 1-13-89

BILL NO. 32

NUMBER 1

NAME	AYE	NAY
Rep. Ted Schye, Chairman		✓
Rep. Fritz Daily, Vice-Chairman		✓
Rep. Vicki Cocchiarella	✓	
Rep. Paula Darko	✓	
Rep. Ervin Davis		✓
Rep. Floyd Gervais		
Rep. Dan Harrington		✓
Rep. John Johnson	✓	
Rep. Tom Kilpatrick		✓
Rep. Barry "Spook" Stang	✓	
Rep. Diana Wyatt	✓	
Rep. Bill Glaser	✓	
Rep. Ralph Eudaily	✓	
Rep. Richard Nelson	✓	
Rep. John Phillips		✓
Rep. Richard Simpkins		✓
Rep. Wilbur Spring, Jr.		✓
Rep. Fred Thomas		✓
Rep. Norm Wallin	✓	
Rep. Tom Zook		✓

TALLY

9 10

Deanne L. McKittach
Secretary

Ted Schye
Chairman

MOTION: Eudaily substitute motion on
Daily amendment to substitute
5 years instead of 4.

Failed 10-9