

MINUTES

MONTANA SENATE  
51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON EDUCATION

Call to Order: By Chairman, Senator H.W. Hammond, on  
January 25, 1989, at 1:00 pm in Room 402 of State  
Capitol

ROLL CALL

Members Present: Senators; H. W. Hammond, Dennis Nathe,  
Chet Blaylock, Bob Brown, R. J. Dick Pineseault,  
William Farrell, Pat Regan, John Anderson Jr.,  
and Joe Mazurek.

Members Excused: None

Members Absent: None

Staff Present: Dave Cogley, Staff Researcher, and Julie  
Harmala, Committee Secretary

HEARING ON SB 203

Presentation and Opening Statement by Sponsor: SENATOR  
DENNIS NATHE, District #10 opened the hearing on SB 136  
by stating that there were superintendents here today  
who will take the committee through the bill and  
explain and answer any questions in technical detail.

He went on to say that this bill came about as a result  
of the Loble Court Decision coming out of the  
district court after the legislature adjourned in  
April 1987. Superintendent in eastern Montana  
started looking at this decision and how to comply  
with it. Even though, he went on to say, the  
Decision is now on appeal to the Montana Supreme  
Court, the legislature has to have something it is  
looking at in case the Loble Decision is affirmed  
in its entirety or even if they restrict the  
preameters. This bill, Senator Nathe explained  
was developed from July and August on and  
developed by the people that have to work with the  
expenditures of 640 million dollars for education  
K-12. These are the people that work with this on  
a day to day basis and this is their idea how the  
Loble Decision can be met. They will demonstrate

why they placed certain funds in certain areas and also why they are recommending certain thing.

With that he turned the it over to the superintendents from nine eastern Montana districts. They were represented by Frank Loehding.

List of Testifying Proponents and What Group they Represent:

FRANK LOEHDING, SUPERINTENDENT OF SCHOOLS AT PEERLESS,  
MONTANA  
DON WALDRON, SUPERINTENDENT OF SCHOOLS AT HELLGATE IN  
MISSOULA, MONTANA  
STEVE GAUB, SUPERINTENDENT OF SCHOOLS AT CHARO, MONTANA  
ERIC FEAVER, THE MONTANA EDUCATION ASSOCIATION  
PAT MELBY, ATTORNEY FOR THE PLAINTIFFS OF THE LOBLE  
DECISION  
ALLAN NICHOLSON, CHAIRMAN OF THE BOARD OF PUBLIC  
EDUCATION  
TERRY MINOW, THE MONTANA FEDERATION OF TEACHERS  
NAJARIA ESTY, A PARENT FROM BOZEMAN, MONTANA  
HARRY ERICKSON, SUPERINTENDENT OF SCHOOLS AT BELGRADE,  
MONTANA  
NANCY KEENAN, SUPERINTENDENT OF PUBLIC INSTRUCTION  
KAY MCKENNA, LEWIS & CLARK COUNTY SUPERINTENDENT

Testimony: FRANK LOEHDING, representing the nine districts that combined their efforts to put SB 203 together, introduced himself as one of the first to start working on this bill in August of 1987. He explained that there was a group from eastern Montana that joined together and because there were other administrators that liked the bill, they took it to the whole state. They took this bill he said, before the body of Montana Superintendents and it was endorsed by them.

Mr. Loehding began explaining the content of SB 203. "We believe that the comprehensive insurance should be in the general fund budget. This is the only change as far as switching funds around. The reason for this is, if we are going to equalize comprehensive insurance and if the state pays this amount and we leave it out of the general fund budget, we will be seeing some cadillac programs being bought, escalating costs." Therefore, as he went on to say, in order to eliminate this potential problem, it was decided to leave it in the general fund budget.

He continued by stating that the school foundation program is to be funded at 100% of the general fund expenditures of the school districts. This figure was arrived at by looking at the expenditures in 1987. (this is actual money expenditures). So to work this figure into the present foundation program schedule they took the present schedule system that is in the foundation program now and took a look at how much money was being received from the state, which is approximately 225 million dollars. Out of the general fund budgets 447 million dollars is being spent, so that by dividing one number by the other, this gave them a ratio of what would increase the present foundation schedule to come up with a new foundation schedule. After totaling all this out, adding what every school in the state would receive, the total would be 447 million dollars, the expenditures in 1987. Using this expenditure figure is good to use as far as what it takes to run the schools because generally local school boards keep a tight rein on where the money is spent. Every time money is spent school boards look at it as being local taxpayers money, coming right out of their pockets. It was then decided we would need a cap on this. The cap would have to be phased in over a five year period. The way this was written was to give schools five years to come up with away to meet a cap of 117% of the foundation budget schedule. Payments from the state, it was thought, should be made on a monthly basis. The first payment would be in July and would be 1/5 of the total amount the school would receive that year. The other 4/5 would then be divided by elevenths and disbursed throughout the other nine months of the year. If this was done, the 35% reserve would no longer be needed. The reserve would then be limited to 20% for those schools that receive state equalization. The 45 mils was left in the foundation program as far as generating money for them and then there still would be some schools where this 45 mils would generate their entire 100% and may be some money would be returned to the state. For these schools a 35% reserve would be allowed. The reason for this is that the schools would not be receiving any payment from the state and they would not be getting any money until November when the taxpayers started paying their taxes. Under the present system, the permissive levy is limited to 10 mills. There would no longer be a need for

this and the permissive levy is eliminated.

Mr. Loehding went on to explain that the group thought that they should have some kind of an escalator in the schedules to take care of the rate of inflation so they included an escalator on inflation.

He continued the explanation with the plan for the lottery fund, which they thought should be returned to the general fund budget. The reason being, they wanted the retirement budget to be out of the general fund budget where it is now. Under the present system 100% of this budget is paid by the counties. Under this bill the state would pay 90% and 10% would be paid by a mandatory county levy. The 90% would be generated by a statewide mil levy. He added that the group was in total agreement that the retirement should remain outside of the general fund budget. Because the retirement budget is a fixed cost, there is no control over it and there is a certain amount of money that has to be paid for it. The group felt that it only makes good business sense to leave this fund outside of the general fund budget, therefore we can not steal from it, we can not add to it and it is fully 90% funded from the state and 10% from the counties. The disbursement of this 90% then would simply be based on the previous year's expenditures in the retirement budget for that county. Whatever the county has for their retirement budget in the previous year 90% would then come in for the next year from the state, with a statewide mil levy. The amount of this retirement fund statewide amounts to about 50 million dollars, so we are looking at a statewide 22 mil levy to fund the 90%.

Another agreement reached was to eliminate tuition paid to districts.

Mr. Loehding concluded his presentation by pointing out that basically the plan did not change a great deal from our present system. It is simply a vehicle to fund fully through state money, the expenditures that are needed to run the schools, rather than having it come in on district and county levies. No new actual dollars are going to be put into the education system with this bill.

He closed by asking the committee for their

support of SB 203.

DON WALDRON, as Chairman of the Legislative Committee for the School Administrators of Montana, stated that his group have a membership that includes the superintendents, county superintendents, principals, special education directors, etc. As their chairman, Mr. Waldron thanked Senator Nathe for sponsoring SB 203. He expressed that the group feels this bill is a realistic approach to equalizing the tax burden on the taxpayers, as well as equalizing funds to the schools.

He went on to suggest that on page 52, line 15 of SB 203, which refers to the consumer price index, it would be better to read "...the education index of the consumer price index." He pointed out that there were a number of breakdowns and he was most familiar with the transportation index. For example, when oil costs hit the school district, the cost for transportation was doubling what the normal consumer index was; so the fluctuation is such that they need to stay in tune to education. He explained that he is concerned with the year 2005, when the present index will catch up to us. For example, in the state of Oregon, they put in a price indexing system after WW II but they had a limitation on it and suddenly they were down over 46% and their budget had to be voted locally. To stay away from this problem he urged the committee to change the language.

STEVE GAUB, rose in definite support of SB 203 because he feels it is the best vehicle out there to deal with school equalization funding. He said his district is different in that they are very low in wealth, in fact they are an 874 district, but they do not receive a lot of 874 money. In his district they do vote a levy, which in fact was voted 4 to 1 over the past four years, so they are concerned about equalization of funding. He stated that they felt SB 203 does the best job possible in terms of solving the problems that were mentioned in the Loble suit. He said that although they were not a plaintiff school in that suit, certainly they were one of the schools that was talked about when they mention low wealth. He pointed out that he believes this bill does what the foundation program was designed to do in 1949 and that is to fully fund education. At this point that is not happening.

He went on to say that the plan to put comprehensive insurance in the general fund is probably the one item that should be in there. The concern from the Governor and others about the retirement costs is realized, but this needs to be equalized. It is important to note that simply by putting the retirement costs into the general fund will not equal them, especially if we are talking about a per ANB costs in terms of retirement. There is a gap from \$500 per ANB in the state to \$100, but this does not have to do with what is spent on teachers salaries as much as it as to do with the ANB. For example, in Lake Co., where they spend \$413 per ANB on retirement, this district only pays \$8,000 for its teacher. Consequently, it looks like they are spending a lot of retirement money, but really they are not. If the thrust of any bill is to equalize retirement, there is only one way this can be done, and that is with a statewide salary schedule and this is not what we want to do.

Generally of all the vehicles his school would be winner with any of them. We still believe though that statewide SB 203 is the best option for Montana.

Mr. Gaub urged a do pass recommendation.

ERIC FEAVER stated that the MEA rises to support SB 203 with comments. There was not sufficient time to read and study every line but he would not want to "detract or diminish" from the testimony already given. He pointed out some of his concerns as being, there was no mention made of what will be done with 874 funding, or what might be done with the weighted ANB for the Native American students, should 874 funding no longer be available. There is also no mention of capital out lay during short term or long term. There is no mention he went on to say, of how we would equalize or have the state assume the cost of transportation and special education. There is no mention of the length of the school year, whether that be 180 PI days and 7 PIR days. This bill does not propose the source of funding for the total level of equalization except to suggest that we will have 45 mils and whatever mill levy is necessary to have 90% of retirement costs funded on a mandated levy. This bill does not repeal initiative 105 but it does provide for an

exception for that mandated retirement levy. The MEA believes firmly, that a remedy to Loble is in fact cause for reason or justification for repealing Initiative 105. It is probably the cost of school property taxes that precipitated the clamor for property tax reform that resulted in 105. There are several triggering mechanisms in any remedy, Mr. Feaver went on to say, that this bill does not contain what could cause the automatic repeal of 105, therefore solving not only school problems but also local and county government difficulties. The very notion he stated, that they would accept caps on the voted levies or caps on school funding at the local level is in fact reform or it is in some way an exchange of one form of a property tax freeze for the limitation of another. If property taxes are equalized, there will be elements of property tax relief and reform embodied in that equalization even if it is done strictly through property taxes and do not apply another source of revenue.

Mr. Feaver suggested that retirement will be equalized at 90% of its costs not 100% of its cost, meaning that there will remain an obligation of school districts to meet 10% of the cost. This obligation could be a problem depending on the wealth of the school district and could cause some of the grievance problems that have been seen lately. Even in the Governor's proposal, these retirement costs come out of the general fund.

This bill erroneously and unfortunately references teachers retirement as though teachers retirement costs are the only costs of retirement to the local school district, when in fact retirement costs should include all the school employees whether it be those that are members of the teachers retirement system or members of the public employee retirement system. Mr. Feaver suggested that people should change their frame of reference and instead of simply talking teacher's retirement, should include all public school employees retirement.

Mr. Feaver pointed out that this bill does provide an exception to Initiative 105 for the mandated retirement levy but it does not suggest that it has an exception for voter levies. It is conceivable that there could be a school district that could not meet its cap because of Initiative 105. If the retirement was not melded into the

general fund and is a separate account, hopefully paid 100% by the state and capped by the local effort at 117% of the new general fund, tuition and comprehensive insurance we then are not offering local school districts any where near the kind of spending authority that we would want. In fact it may be offering local school districts less spending authority than they currently have.

Mr. Feaver stated that he could see no new dollars in the proposal and there is need for new dollars in public schools. There simply must be a way to find more money to continue the job.

He added that he hoped if this bill went into effect July 1, the cost of living would be applied to the schedules which would mean that we would get a 4.3% increase on the schedule.

Mr. Feaver concluded his statements by adding that he hoped all the bills pertaining to this issue found a common forum. He suggested a line by line analysis of this proposed legislation so that if the Loble decision is remedied it is done right and that we do not return in 1991 saying it was all a mistake. He also hoped that the House Committee, the House Select Committee and the Senate Committee could work together.

PAT MELBY pointed out in his testimony that most people in education feel, regardless of the law suit, that legislation is needed to address school funding and equalization of the tax payers' burden.

The school administrators, he went on to say, that worked on this bill must be commended for providing the leadership to resolve the problem of school funding equalization. He said that he and his clients support the bill with several reservations. There are some issues that need to be resolved and he said he is willing to work with the committee and to answer any questions.

ALAN NICHOLSON feels that school funding can be broken down into two issues. First, how to distribute the money equally and secondly, what is the level of funding necessary to provide the quality of education that is called for in the Constitution. This bill does not address the second issue and he feels it could. He went on to say the something problematic about the bill was



the indexing of increases in the foundation program to the rate of the annual inflation. He hoped that the bill does not intend to set a schedule now and then be tied to the rate of inflation. This would assume that we do not have new things to do in education and that we do not anticipate expenditures for making progress with new programs and salaries. He informed the committee that the state of Montana is 38th in teachers salaries and certainly if we increase these salaries only at the rate of inflation, we will remain at 38th or lower. So this bill must anticipate increases beyond the annual rate of inflation. As for providing a state levy on property to fund 90% of teacher's retirement, it may be appropriate to fund 100% to equalize. There are other sources of funding other than a levy on property, so he suggested that this point be left open to include other possibilities.

Mr. Nicholson suggested that Initiative 105 may repeal itself by offering substantial property tax relief.

He pointed out to the committee that special education funding not being able to be exceeded is a problem because there are pressures on special education that often go beyond the amount of funds that have been appropriated. There are laws and requirements to allocate certain resources to special education despite what has been put into the pot. He feels that it would be unwise for the state to get itself into a position where it has allocated a certain amount and it does not allow schools to spend beyond that amount. 10 to 11 million dollars has already been taken out of the general fund, because the need was not anticipated and the state did not allocate sufficient moneys to meet the statutory requirements both at the federal and state level.

He said that it was noted that the Board of Public Education was mentioned in the bill to continue its powers to distribute the equalization of funds. And speaking for the board he said they would gladly accept this responsibility.

He expressed the Board of Public Education's support for SB 203 and their continued belief that school funding should continue to move upward and not toward the mean. He stated that we should not penalize schools by not anticipating an increased

level of funding in the next biennium. The Board wants the bill to reflect that it is possible not to be tied to a cost of living increase, because if we want new programs to be instituted and to make progress toward paying our teachers higher salaries, we must be able to allocate funds that are necessary to do this job.

TERRY MINOW wanted to go on record as a representative of the MFT as supporters of the general concept of SB 203. They feel that equalization of education funding is needed and they urge that this legislative body acts.

She stated that they to have some reservations about some of the specifics of the bill especially the need for additional funding and not for just the maintaining of what we have right now.

NAJARIA ESTY stated that as a parent and member of the Bozeman's Parent Advisory Council, she supports SB 203 because it looks like it might mean more financial support for the schools. As a citizen she said that if it took even something "horrible" like a sales tax, she would even support it at that level.

HARRY ERICKSON stood in support of SB 203.

SUPERINTENDENT NANCY KEENAN concurred with the other proponents and stated that Governor Schwinden's Advisory Council have developed a group called the educational forum, made up of state administrators, members of the MSBA, MEA, MFT, OPI and the Board of Public Education. This group has listed those areas they were all in agreement on, as an educational community. She said that they would provide the different legislative committee these consensus findings. She went on to say that because there are several committees working on the same issue it was difficult to compare and contrast the areas that are similar. She went on to say that there seem to be many of the same components that each committee is considering, but there are also areas that are not similar which need to be addressed.

She feels that if there was a combined committee it would make the proponents job easier and less redundant. For example, she suggested that the Senate have "ownership" of where the revenue was going to come from. If a mandatory mil is the

answer, there need to be dialogue with the House Select Committee, so that the ideas that come from that side to this side is reflective of the same issue of mandatory mils. If funding is by an income tax surcharge, then there again there must dialogue with the house so the "animal" of two separate bodies at least are not so diverse that we are not in front of a conference committee at the last minute hammering out at the 11th hour, trying to meet the October deadline.

She stated that if the OPI can facilitate this bill's concept by hammering out the difficulties that are shared in all four bills with a long term plan for solving the Loble Decision and putting quality education on board, then this is her purpose and she offered her services to the committee. She suggested that a group at least meet at times and discuss the common areas of concern because she fears the "11th hour rush."

KAY MCKENNA commented that she felt SB 203 should be sent to the House Select Committee on Education for review and consideration.

List of Testifying Opponents and What Group They Represent:

NONE

Questions From Committee Members: Senator Pinsoneault question Pat Melby on the 874 money and the Loble Decision. He wondered if this decision was a mandate to throw all the 874 money into the pot. Mr. Melby replied by stating that federal law allows the legislature to consider equalization of 874 money if the rest of education funding is equalized. If the moneys are included there must be some sort of weighting factor for Native American students. 874 funds have declined over the years and can decline further, with the present feeling in congress that 874 funds should be eliminated all together. He suggested that maybe the time is right for people who are concerned about the education of the Native American student and the additional costs attributable to bilingualism, etc. to take this time to equalize 874 money.

Senator Hammond commented that the 874 money has to be applied for by the districts and if 874 is going to be equalized, who would make the

application. Mr. Melby replied that in the Native American schools it would still be beneficial for those school to apply whether they were going to be equalized or not. These schools do get an additional 25% over and above the factor of 1 for payment in lieu of taxes and for special education they get a factor even greater that is exempt from equalization.

Senator Nathe commented that the 874 funds were not included in SB 203. He stated that these funds were fairly restricted and that it would only be equalizing 10 to 11 million dollars. Mr. Melby added that special education money and the 25% of additional funds for Native American students may not be equalized by the state because this is intended to be a payment in lieu of taxes.

Senator Mazurek asked Mr. Loehding if his group made any effort to identify what sort of money it was going to take to get to 90% of each district's costs of retirement, social security and unemployment. Mr. Loehding stated that retirement was about 50 million dollars in mills and each mill brings in 2 million dollars which is 23 mills. At the present time we are receiving foundation funds that amount to 225 million dollars, and levy about 51 mills. There is a need for 447 million dollars, so we are looking at about 161 million dollars that is needed beyond the foundation funds. Senator Mazurek asked if we need 161 million dollars, had their group discusses where these funds were coming from. Mr. Loehding replied that yes they had and there were many possibilities but they did not feel it was their place to suggest where the funds would come from. Senator Mazurek then asked what some of their suggestions were, "because now we are at the hard part of the equation." Mr. Loehding said that the groups official statement was that they "will support all sources of funding that the legislature wants to use and this includes the sales tax." The consensus of the group, he went on to say, is that they did not want to come out advocating the sales tax, but when the whole situation is looked at, it is seen that there are no other possibilities.

Senator Mazurek continued by asking Mr. Loehding if his group considered the merits of going to 140 mils. He replied that yes they had but this would be a problem statewide. Senator Nathe added that

half of the tax base in the northeastern corner of Montana is owned by the state of Montana.

Senator Regan commented that she noticed that there is to be no tuition and she wondered if this included special education. Mr. Loehding replied that the transferring of special education students would be paid by the state and is funded 100%. Senator Regan asked if this 100% was the current costs of that district, because there is a wide variation from district to district as to how much is being spent. With SB 203 she wondered who will pay the additional costs of special education and if it is to be funded will it be equalized. Mr. Loehding replied that under the proposal, it is funded 100% out of the general fund. He went on to explain that the reason no tuition was suggested is because "we are going to be funded 100% and some schools 117% after the cap and because tuition payments are figured on the amount of local effort per student, that cost per local effort per student should then reduce almost to zero. Why have tuition payments then?"

Senator Regan went on to comment on not including comprehensive insurance in the over all equalization. If the insurance needs were equalized they could be tailored at the local level and therefore be carefully watched. She stated that she had fears that when the state takes over there is a tendency to go first class. Mr. Loehding explained that if comprehensive insurance is in the general fund budget, we then look at priorities that are needed in the school system, books vs. insurance. We would then be working with a set amount.

Senator Farrell asked if there was a need for both a 20% reserve and monthly payments, "If the state makes monthly payments, wouldn't it better serve the school districts if all the money was centrally collected and the state paid the districts back?" Mr. Waldron responded by saying that the high cost of maintenance is done generally in June, July and August and the local businessmen need to be paid and when money comes in from the state it is often not credited into the school account until August. He also reminded the committee that a school budget goes to zero by the first of every July, therefore the money is needed in the beginning. Senator Brown added that the need for a reserve is because of the initial

large payments.

Senator Farrell asked Superintendent Keenan what some of the options for finding new funds would she suggest. She replied, "We have to be honest that if the Montana public wants to vote on a sales tax, then the legislature must get it to the people. We know those revenues are not available immediately, so the immediate problem means immediate revenue, so we have to go back to our present tax structure and look at mandating mills to meet part of the problem, what the income tax structure has to offer regarding a surcharge, and capping federal deductibility." She went on to say that the long term must then be looked at, "Does this mean the reorganization of our property tax structure and our taxing capacity vs. just property tax?" She added that these are tax policy issues that hopefully everyone is willing to discuss and lay out, but there must be two ways looked at and they are long term revenue and short term revenue and the commitment to education. She stated that she will not stand before the committee and say that this equalization formula "shall be tied to X revenues." Her intent is to find some stable funding for the schools.

Senator Blaylock agreed that there is a major problem in getting this "composition" put together with three committees studying various proposals to reorganize the funding of the schools. He suggested that may be a third committee should be put together that is balanced between the parties and its objective being to work out an acceptable vehicle for this problem. Senator Hammond commented that we can not do anything about the special house committee but maybe there could be a liaison between the House Committees and the Senate Committee. Senator Pinsoneault suggested that may be the thing to do would be to take 2 or 3 people off each of the education committees in a bipartisan manner and have them come back to their respective committees with the ideas that can be agreed upon.

Senator Brown asked if the special House Committee has authority to bring legislation to the floor and he wondered if what they came up with had to be referred to a standing committee, because only their do pass recommendation could count. Senator Nathe then asked if anyone knew if a bill that was introduced then moved out of committee, if the

sponsor lost control of this bill. He wondered if the house could come in and request a bill and duplicate it, then introduce it. Dave Cogley said that there were duplicate requests right now from House members and as a staff member of the legislative council he must honor those requests as valid bill drafting requests. Senator Nathe stated that his concern was that his bill could be introduced in the house and that it could be killed and he would have no control of his own legislation. Senator Regan suggested that as long as the "other" house does not control the bill, but they can have it in their possession without killing it, they could adopt features of it and use it as a vehicle. Senator Hammond commented that this is something the Rules committee should look at to protect each house.

Senator Pinsoneault commented that he felt that if we proceed as we are now, we are on a collision course. He pointed out that there must be dialogue going on between the committees. Senator Mazurek suggested that it may be helpful to have Dave and other committee staff people pull together bills and make an issue by issue comparison and fiscal analysis of each, then have a joint meeting. Mr. Cogley said that staff is working on a chart but until all the bills are introduced there can not be a solid comparison. When all of them are introduced he assured the committee the chart would be immediately available. Superintendent Keenan added that such a comparison is also on line in her group. She said that they were taking each proposal and comparing them. She suggested that perhaps OPI and the sponsors of the bill could walk through each bill and reach an understanding. Then the sponsors could bring the combined effort back to a joint education committee.

Senator Regan asked how many education funding bills there were and Dave Cogley replied that there was the Governor's Proposal, Schwinden Advisory Council Bill carried by Mike Kadas, Senator Nathe's Bill, Senator Regan's Bill and possibly a bill by Representative Bill Glaser.

With no further questions the committee meeting continued by the committee taking executive action on SB 126 and SB 136.

DISPOSITION OF SB 126

Discussion: Senator Regan moved to table SB 126 because as a teacher she felt that multiple endorsements should be maintained.

Senator Hammond commented that in rural areas multiple endorsements are assets in the hiring process. It is a leverage issue for the teacher being hired and for the school board also to maintain a qualified teacher in order to be accredited.

Senator Farrell asked if a teacher drops an endorsement and is no longer of value to the district, "Does not this change the employer/employee relationship where tenure would no longer apply?" He added that a school district may very well not have a job for the teacher because they have dropped endorsements.

Senator Regan and Senator Farrell joined to say that what a district requires and needs should be handled locally and Senator Farrell expressed that he is a real opponent of people bringing in local problem and wanting a state law written to handle it. Senator Hammond hoped that contracts would be written locally, in the right way to handle this problem therefore control this problem on a local level.

Recommendation and Vote: Senator Regan moved to table SB 126. Senator Brown called the question. All were in favor of tabling SB 136 except Senator Pinsoneault voted no.

DISPOSITION OF SB 136

Discussion: Senator Hammond reminded the committee that this bill was meant to move administrators back to teaching positions and to give them a teacher salary rather than continue teaching at an administrator's salary. He added that he had talked to a man that was teaching now, but had been a principal and there was a great amount of animosity toward him among the other teachers, therefore this teacher thought this bill was good idea. Senator Hammond said that he thought this bill did have some merit.

Senator Mazurek said that his concern with the bill was that teacher could be moved to a



temporary administrative position without the proper endorsement. He wondered if it was meant in the bill that if a secondary principal was moved back to teaching and an elementary principal's position opened, he, even though he was not qualified, could take that position. Senator Hammond said that this probably would not happen because they would have to have the endorsement, unless they had gotten an emergency endorsement. Senator Mazurek pointed out that it did say in the bill "...a comparable administrative position..." So if this could not happen why doesn't the committee make it clear in the language of the bill and say "...must be offered the next comparable administrative position for which they are endorsed....." He said he assumed the committee wanted them to be capable and a school would be jeopardizing accreditation if the administration and teachers were not properly endorsed.

Senator Regan pointed out that there is a procedure to remove a principal that is not functioning, and her concern was that this bill may put principals at the mercy of the district's superintendents. She went on to say that she does not favor the bill because if a principal is expected to stand up for his teacher and his school, he must have some degree of security.

Senators Hammond, Brown and Pinsoneault agreed that it was only legitimate to have a moved administrator receive only the salary for the position he is presently holding.

Senator Mazurek expressed that he would vote against the bill with its present language. He pointed out that his concerns were on Page 4 - Line 2 also on Section 3 - Sub section 2 and Section 2.

Senator Hammond adjourned the meeting because time was getting short and he said that executive action would be taken at the next meeting.

ADJOURNMENT

Adjournment At: 2:50 pm

  
Senator H.W. Hammond, Chairman

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Gene Markuson	Circle Public Schools	203	✓	
Don Martin	Broadview Public School	203	✓	
Frank Locking	Peerless School	203	✓	
Steve Gantz	Charlo Schools	203	✓	
Don Waldron	<del>Helena</del> School Admin of Mt Helena, MT	203	✓	
Chris Devery	MT League of Women Voters	203		
Alycia Wathe	Redstone	203	✓	
NAJARIA ESTY	BOZEMAN PARENT	203	✓	
PAMELA THANE	Bozeman Parent	203	✓	
Don Ingels	Mt Chamber of Commerce	203		
JOHN ERDMANN	"Local Control"	203		
Paul King	SCHOOL ADMINISTRATION OF MONTANA	203	✓	
Boyd Huckle	Legislative Auditor			
Steve Brown	Indian Impact Schools	203		
Harry Smith	Bulgrade	203	✓	
Brian Fen	NEA			
Pat Melby	underfunded Schools	203	✓	
Alan Nicholson	Bd of Public Ed			

ROLL CALL

*Stollen*

EDUCATION

COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 1-25-89

NAME	PRESENT	ABSENT	EXCUSED
<u>Chairman Swede Hammond</u>	✓		
<u>Vice Chairman Dennis Nathe</u>	✓		
<u>Senator Chet Blaylock</u>	✓		
<u>Senator Bob Brown</u>	✓		
<u>Senator Dick Pinsoneault</u>	✓		
<u>Senator William Farrell</u>	✓		
<u>Senator Pat Regan</u>	✓		
<u>Senator John Anderson Jr.</u>	✓		
<u>Senator Joe Mazurek</u>	✓		

Each day attach to minutes.