

MINUTES

MONTANA SENATE 53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON EDUCATION

Call to Order: By Senator Blaylock, on January 25, 1993, at a:04 p.m.

ROLL CALL

Members Present:

Sen. Chet Blaylock, Chair (D)
Sen. Harry Fritz, Vice Chair (D)
Sen. Bob Brown (R)
Sen. John Hertel (R)
Sen. Spook Stang (D)
Sen. Daryl Toews (R)
Sen. Mignon Waterman (D)
Sen. Bill Wilson (D)
Sen. Bill Yellowtail (D)

Members Excused: Senator Nathe

Members Absent: None

Staff Present: Eddy McClure, Legislative Council
Sylvia Kinsey, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: None.
Executive Action: SB 79, SB 178, SB 188, HB 53

Discussion was held on Senate Bill 32. Senator Blaylock said he believed this bill should wait for action since it involved a lot of money. Senator Stang said he had put in a bill on the weighted formula concept and Senator Blaylock said in fairness that should be discussed along with SB 32. He mentioned to the committee that in the special session last July, because of a Supreme Court decision, any bonds sold after July 1992 would be suspect. There were schools all over Montana that could not do anything, including Plentywood where the school had burned down, so Senate Bill 5 was "rigged up". He said they put the coal tax behind that bonding, which in effect, ties up that money. It does not stop the money from earning interest, but the money is tied up to back the bonds for \$25 million. He said there is a bill in now that would extend SB 5, and said as one member, not as Chairman of the committee, he planned to oppose the bill.

This emergency bill triggers off in January 1993, if this new bill were passed he personally believed it was simply another dodge and that the Legislature was not facing up to the problem. The Supreme Court has said we have to equalize, and that includes the transportation and the capital outlay, and believed it necessary to face the issue and not dodge it.

There was some discussion on the Supreme Court case which just finished in Helena, the judge asked for written briefs, gave them 30 days and then would make a decision after that. Senator Brown said on the one hand it would be sticking this together with chewing gum one more time, on the other hand we may need some kind of interim approach to get us over the gap. He pointed out that we do not know what decision the Judge will make, and we may not know what we want to pass until the court case is settled.

Senator Blaylock assured the committee his decision to fight the extension of the emergency bill was not as the Chair of the committee, only as a member of the Legislature. He did believe it was something the committee should bear in mind as these bills progress.

Senator Brown said Senate Bill 32 addresses the problem if the Court holds that the guaranteed tax base is constitutional. If they do not, then the bill does not take care of the situation.

Senator Blaylock said once we get Senator Stang's bill in committee and discuss these two bills, there is probably something we can do with SB 32.

EXECUTIVE ACTION ON SENATE BILL 79

Discussion:

Senator Blaylock said this bill which Senator Gage introduced, would notify the superintendent in case there had been a complaint against a teacher.

Senator Brown said he had not had an opportunity to visit with Senator Gage on this bill, but had some real problems with it. This bill has the element of being guilty until you are proven innocent and he mentioned that in a divorce proceeding with a child custody issue, that charges could be made against a teacher which would end that individual's career in teaching. He believed most police chiefs or sheriff's, if they thought there was a child molester working in the school district, would informally tell the superintendent. If you put it in the statute and say "anybody that is suspected" of it, then they have an obligation to tell the superintendent, whether they believe it is true or not. He said he felt the best solution for the bill in committee was to table it.

Senator Blaylock told of a teacher in Laurel being accused by a student of making an improper remark and the School Board

discharged him with pay until the matter is cleared up. The problem is that if that happens, your reputation is zilch and you cannot get another job because of references. He felt this was a dangerous situation.

Motion/Vote: Senator Wilson moved SB 79 DO NOT PASS. The motion PASSED with Senator Nathe being absent.

EXECUTIVE ACTION ON SENATE BILL 178

Discussion: Ms. McClure said she had been asked to write up an amendment and gave copies to the committee. (Exhibit 1) She said this was an amendment brought up by Ms. Vielleux would add another section in the bill because of the change made in Section 1.

Senator Brown said he was concerned with some of the testimony given on the bill that in moving the reporting deadlines back it could also affect the final tax notice. Others claim that districts were not complying with the deadlines now and this bill would not change the time the tax notices went out, it would simply let them do what they are doing now, but to do it legally. He said he was not sure which side was correct.

Senator Hertel said he understood them to say it would not change the time of the final tax notice, but was still uncomfortable with that idea. He said the gist of the problem was that the Treasurer's were not able to supply the district with the information the districts needed by the 4th Monday in July. He questioned the reason for the Treasurer's not having the information and whether moving it back two weeks would really help.

Senator Brown said his district had told him it made them a little uncomfortable that they were unable to comply with the law because of the lack of information. He was told there were two of the deadlines that were impossible to meet because of changes made in the statute since the time frame was set up.

Senator Toews said he had a problem with the whole bill. He said they can already do what they are asking for. They have to have a meeting on the 4th Monday of July, and can set the budget aside and work on it at a later date. He said legally they are not supposed to write a warrant unless the budget is set. His interpretation was that you could not write warrants until after the second Monday in August once this change is adopted. If you don't have a budget, you can't write a warrant.

Senator Stang said he intended to have Ms. McClure draft an amendment to put back the language in Section 5. He had talked to his County Treasurer and she told him this is virtually the only check and balance system they have to let the school districts know if they are making a mistake. She told him they would feel very uncomfortable with this bill if those sections

were stricken. She had no problem with the dates in the bill, only with the section.

Senator Brown suggested holding action on this bill until members could contact their County Treasurer. Miss Brannon, representing the School Business Officials, is here in town and perhaps those of us who are concerned could meet with her.

Dori Nielson, OPI, answered a question on writing warrants prior to adoption of budgets. She said trustees have to adopt a preliminary budget prior to the starting of next year. When they do the preliminary budget they know what their carry-over is, they don't know exactly how much they will get in non-tax revenue, voted levy and what the GTB will be. They know what their expenditures are and they do a preliminary budget adoption prior to the first of the new school year by the first of July. They have adopted officially a preliminary budget, which doesn't get nailed to the final budget until all the financial facts are in, but they have already adopted a budget and can write warrants on it.

Senator Blaylock said in answer to Senator Toews, when they adopt that preliminary budget, they can write warrants. If we pushed back the time for the final budget to be adopted, they would not have any problem cashing warrants. Ms. Nielson said if this were the 4th of August, she suspected it would not impact what is already happening. They cannot go beyond their anticipated amount.

Motion: Senator Brown moved to AMEND SENATE BILL 178. (Exhibit 1).

Discussion:

Senate Waterman asked if we did not pass this bill what would happen and Senator Brown said it really would not make any difference. They claim if we pass this bill, it would make legal what they are doing now.

Vote: The motion to AMEND SENATE BILL 178 PASSED with Senator Nathe being absent.

Senator Stang asked people to call their Treasurer's and see what they had to say on this bill. It was agreed that those on the committee who were not comfortable with the bill would meet with Miss Brannon on Wednesday afternoon in room 402 to get more information.

Further action on Senate Bill 178 was delayed until further information was received.

EXECUTIVE ACTION ON SENATE BILL 188

Chairman Blaylock said this bill excludes agricultural and

grazing land and only deals with the commercial property which is almost exclusively in the urban areas.

Motion/Vote: Senator Yellowtail moved SENATE BILL 188 DO PASS. Motion PASSED with Senator Nathe absent.

EXECUTIVE ACTION ON HOUSE BILL 53

Motion/Vote: Senator Hertel moved HOUSE BILL 53 BE CONCURRED IN. Motion PASSED with Senator Nathe being absent.

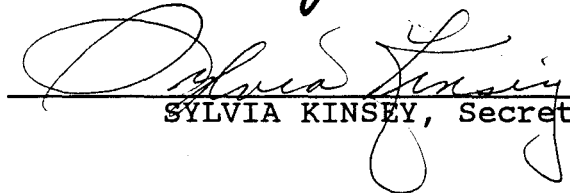
Senator Hertel will carry the bill on the Senate floor.

ADJOURNMENT

Adjournment: 1:40 p.m.



CHET BLAYLOCK, Chair



SYLVIA KINSEY, Secretary

CB/sk

EDUCATION

DATE 1/25/93

EXCUSED

F08

Attach to each day's minutes

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
January 25, 1993

MR. PRESIDENT:

We, your committee on Education and Cultural Resources having had under consideration House Bill No. 53 (first reading copy -- blue), respectfully report that House Bill No. 53 be concurred in.

Signed: Chet Blaylock
Senator Chet Blaylock, Chair

**ADVERSE
SENATE STANDING COMMITTEE REPORT**

Page 1 of 1
January 25, 1993

MR. PRESIDENT:

We, your committee on Education and Cultural Resources having had under consideration Senate Bill No. 79 (first reading copy -- white), respectfully report that Senate Bill No. 79 do not pass.

Signed: Chet Blaylock
Senator Chet Blaylock, Chair

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
January 25, 1993

MR. PRESIDENT:

We, your committee on Education and Cultural Resources having had under consideration Senate Bill No. 188 (first reading copy - white), respectfully report that Senate Bill No. 188 do pass.

Signed: Chet Blaylock
Senator Chet Blaylock, Chair

Passed

SENATE EDUCATION

EXHIBIT NO. 1

DATE 1/25

BILL NO. 178

Amendments to Senate Bill No.
First Reading Copy

For the Senate Committee on Education and Cultural Resources

Prepared by Eddye McClure
January 22, 1993

1. Title, line 7.

Following: "SECTIONS"

Insert: "7-6-4407,"

2. Page 10, line 10.

Following: line 9

Insert: "Section 6. Section 7-6-4407, MCA, is amended to read:

"7-6-4407. Resolution to fix annual tax levy. (1) The council must:

(a) on or before the second Monday of August of each year, by resolution determine the amount of the city or town taxes for all purposes to be levied and assessed on the taxable property in the city or town for the current fiscal year; and

(b) on or before the fourth Monday of August of each year, by resolution determine the amount of school district taxes for all purposes to be levied and assessed on the taxable property in the city or town for the current fiscal year.

(2) (a) Except as provided in subsection (2) (b), the city or town clerk must at once certify to the county clerk a copy of ~~such~~ the resolution, and the county treasurer must collect ~~said~~ the taxes as provided in this part.

(b) In cities where the council has provided by ordinance for the collection of ~~such~~ the taxes by the city treasurer, the city clerk must certify a copy of ~~such~~ the resolution to ~~said~~ the city treasurer."

{Internal References to 7-6-4407:

7-12-4181 (2) 7-12-4183}

Renumber: subsequent section