

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON EDUCATION & CULTURAL RESOURCES

Call to Order: By Rep. H.S. "Sonny" Hanson, Chair, on February 17, 1993, at 3:05 p.m.

#### ROLL CALL

##### Members Present:

Rep. Sonny Hanson, Chair (R)  
Rep. Ray Brandewie (R)  
Rep. Fritz Daily (D)  
Rep. Ervin Davis (D)  
Rep. Ed Dolezal (D)  
Rep. Dan Harrington (D)  
Rep. Jack Herron (R)  
Rep. Bob Gervais (D)  
Rep. Bea McCarthy (D)  
Rep. Norm Mills (R)  
Rep. Bill Rehbein (R)  
Rep. Sam Rose (R)  
Rep. Dick Simpkins (R)  
Rep. Wilbur Spring (R)  
Rep. Norm Wallin (R)  
Rep. Diana Wyatt, Vice Chair (D)

Members Excused: Reps. Ellis and McCulloch

Members Absent: None

Staff Present: Andrea Merrill, Legislative Council  
Susan Lenard, Committee Secretary

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

##### Committee Business Summary:

Hearing: None  
Executive Action: HB 459

#### EXECUTIVE ACTION ON HB 459

Motion: REP. GERVAIS MOVED HB 459 DO NOT PASS.

#### Discussion:

REP. REHBEIN asked if HB 459 would affect the intent of HB 403.

REP. HANSON replied HB 403, already passed out of committee, would not be affected by HB 459.

REP. SIMPKINS said most of the testimony against HB 459 was based on the premise the state would lose federal funding because of a bookkeeping error. He said the state is paying one half million dollars a year to cover the potential of bookkeeping errors.

Motion: REP. SIMPKINS MADE A SUBSTITUTE MOTION THAT HB 459 DO PASS.

Discussion:

REP. GERVAIS referred to the letter presented to the committee by REP. BOHARSKI. He suggested enough questions were raised with regards to the letter to warrant further consideration of the subject. REP. GERVAIS reminded the committee of the lack of proponents testifying in favor of the bill.

REP. DAILY asked if the total amount of PL-874 money in reserve is forty-four million dollars. REP. GERVAIS replied that figure represents the biennium. REP. DAILY asked if it was correct that twenty-two million per year is not part of the foundation program. REP. GERVAIS replied he was correct but insisted this money is spread over one hundred four districts across the state. REP. DAILY said he understood that point. He emphasized schools receive additional dollars above what other communities receive. He stated something needs to be done with PL-874 money but said he was not sure this was the proper method.

REP. DAVIS stressed PL-874 money is not bonus money. He insisted there are no taxes being paid by people who work on federal or reservation lands so the PL-874 money is in lieu of taxes not in addition to them.

REP. GERVAIS stressed only the districts eligible to apply for this money are going to receive it. He mentioned if this funding reduces state aid then it is in violation of federal codes.

REP. SIMPKINS contended the discussion is based on the idea that someone will lose the federal funding due to an error in bookkeeping. He stressed the PL-874 money has been used to leverage state GTB. These schools do get their normal schedule payments and can use PL-874 money in addition to local taxes to leverage against their GTB. REP. SIMPKINS insisted the percentage of money left over at the end of the year should be put into the excess reserve account. He stressed PL-874 money is not being used to lower state aid. He emphasized the bill stated the portion of the money remaining at the end of the year must be considered as percentages of the original funding received when calculating the amount to be put in the excess reserves account. REP. SIMPKINS contended the issue was to correctly identify the total amount of PL-874 money remaining as a proportion of the total amount spent. He asserted the intent of the bill was to

allow all schools to operate in the same fashion.

REP. SPRING asked if one accounting error at one school could result in the loss of PL-874 funding for all schools across the state. REP. GERVAIS affirmed that one mistake in the bookkeeping would result in the loss of all PL-874 money.

Motion: REP. SIMPKINS moved to amend HB 459 with the amendments offered by REP. BOHARSKI.

Discussion:

REP. SIMPKINS asked Ms. Merrill to explain the amendments to the committee. Ms. Merrill said the amendments are offered to make sure the terms "previous year" and "current year" are fully understood. She noted there was some confusion in the drafting.

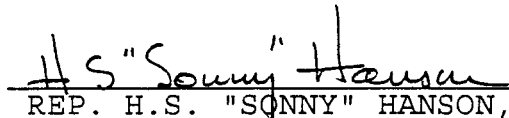
Vote: HB 459 BE AMENDED. Motion carried unanimously.

Motion/Vote: REP. SIMPKINS MOVED HB 459 DO PASS AS AMENDED. Motion failed 8 to 10 with REPS. DAILY, DAVIS, DOLEZAL, HARRINGTON, HERRON, GERVAIS, MCCARTHY, McCULLOCH, MILLS, and WYATT voting no.

Motion/Vote: REP. HARRINGTON MOVED HB 459 BE TABLED. Motion carried 11 to 7 with REPS. BRANDEWIE, REHBEIN, SIMPKINS, SPRING, WALLIN, ELLIS, and HANSON voting no.

ADJOURNMENT

Adjournment: 3:47 p.m.

  
\_\_\_\_\_  
REP. H.S. "SONNY" HANSON, Chair

  
\_\_\_\_\_  
SUSAN LENARD, Secretary

HSH/SL

**HOUSE OF REPRESENTATIVES**

Education and Cultural Resources **COMMITTEE**

**ROLL CALL**

**DATE**

2/17/93

NAME	PRESENT	ABSENT	EXCUSED
Sonny Hanson - Chairman	✓		
Alvin Ellis - Vice Chairman			✓
Diana Wyatt - Vice Chairman	✓		
Ray Brandewie	✓		
Fritz Daily	✓		
Ervin Davis	✓		
Ed Dolezal	✓		
Dan Harrington	✓		
Jack Herron	✓		
Bob Gervais	✓		
Bea Mc Carthy	✓		
Scott McCulloch			✓
Norm Mills	✓		
Bill Rehbein	✓		
Sam Rose	✓		
Dick Simpkins	✓		
Wilbur Spring	✓		
Norm Wallin	✓		

EXHIBIT 1  
DATE 2/17/93  
HB 459

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL VOTE

DATE 2/17/93 BILL NO. HB 459 NUMBER \_\_\_\_\_

MOTION: DO PASS AS AMENDED.

NAME	AYE	NO
Rep. Ray Brandewie	✓	
Rep. Fritz Daily		✓
Rep. Ervin Davis		✓
Rep. Ed Dolezal		✓
Rep. Dan Harrington		✓
Rep. Jack Herron		✓
Rep. Bob Gervais		✓
Rep. Bea McCarthy		✓
Rep. Scott McCulloch		✓
Rep. Norm Mills		✓
Rep. Bill Rehbein	✓	
Rep. Sam Rose	✓	
Rep. Dick Simpkins	✓	
Rep. Wilbur Spring	✓	
Rep. Norm Wallin	✓	
Rep. Diana Wyatt		✓
Rep. Alvin Ellis	✓	
Rep. Sonny Hanson	✓	

EXHIBIT 2  
DATE 2/17/93  
HB 459

HOUSE OF REPRESENTATIVES

Education and Cultural Resources COMMITTEE

ROLL CALL VOTE

DATE 2/17/93 BILL NO. HB 459 NUMBER \_\_\_\_\_

MOTION: TABLE

NAME	AYE	NO
Rep. Ray Brandewie		✓
Rep. Fritz Daily	✓	
Rep. Ervin Davis	✓	
Rep. Ed Dolezal	✓	
Rep. Dan Harrington	✓	
Rep. Jack Herron	✓	
Rep. Bob Gervais	✓	
Rep. Bea McCarthy	✓	
Rep. Scott McCulloch	✓	
Rep. Norm Mills	✓	
Rep. Bill Rehbein		✓
Rep. Sam Rose	✓	
Rep. Dick Simpkins		✓
Rep. Wilbur Spring		✓
Rep. Norm Wallin		✓
Rep. Diana Wyatt	✓	
Rep. Alvin Ellis		✓
Rep. Sonny Hanson		✓