

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
54th LEGISLATURE - REGULAR SESSION**

JOINT SUBCOMMITTEE ON EDUCATION & CULTURAL RESOURCES

Call to Order: By **CHAIRMAN ROYAL C. JOHNSON**, on January 12,
1995, at 8:00 AM

ROLL CALL

Members Present:

Rep. Royal C. Johnson, Chairman (R)
Sen. Daryl Toews, Vice Chairman (R)
Rep. Don Holland (R)
Sen. Greg Jergeson (D)
Rep. Mike Kadas (D)
Sen. Arnie A. Mohl (R)

Members Excused: None

Members Absent: None

Staff Present: Skip Culver, Legislative Fiscal Analyst
Curtis Nichols, Office of Budget & Program
Planning
Paula Clawson, Committee Secretary

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

Committee Business Summary:

Hearing: Office of Public Instruction:
Special Education
Transportation
Executive Action: Office of Public Instruction:
Administration

**Hearing on Office of Public Instruction
Special Education**

{Tape: 1; Side: A}

Curtis Nichols, Office of Budget & Program Planning (OBPP), explained that the Executive response to special education did not increase the appropriation other than to bring it up to the full level enacted by the subcommittee last session. There was a 1/2% reduction taken subsequent to subcommittee which is replaced in the appropriation.

There are three proposals that deal with subgroups of special education needs:

- 1) Managing Resources Montana (MRM) - for the severely emotionally disturbed, is managed by the Department of Corrections and Human Services (DCHS)
- 2) Community Impact Project (CIP) - for children with behavioral problems, is managed through the Department of Family Services (DFS)
- 3) Expansion of the outreach program of Montana School for the Deaf and Blind (MSDB).

These programs deal with children in a broader context than just the school level. **EXHIBIT 1**

CHAIRMAN ROYAL JOHNSON asked what financial impact these programs have. **Mr. Nichols** answered that these programs are not proposed for the education sub-committee. Community Impact is \$8 million biennium; expansion of Managing Resources Montana is \$10 million in the biennium.

{Tape: 1; Side: A; Approx. Counter: 175}

Hank Hudson, Director, Department of Family Services, explained that the Community Impact Project (CIP) crosses departmental lines in organizing at the state and community level. CIP's mission is to keep children in their homes and their communities rather than placing them in institutions. CIP provides funding to communities, which are encouraged to develop programs that work best in their communities. Schools, law enforcement, mental health and other groups work together to develop community based solutions. Community proposals are screened through DFS and DFS works in conjunction with the community task force in overseeing the programs. CIP does not run programs, but rather works to facilitate and coordinator services within the community.

REP. MIKE KADAS asked how CIP, MRM and special education programs fit together. **Mr. Hudson** answered that each program addresses a specific population, although populations do overlap. CIP serves many children who aren't identified as "special ed." These kids may have conduct disorders, or be sexual offenders, or be returning to their homes from inpatient drug and alcohol treatment programs. CIP prefers not to label troubled children too stringently, but does use labels for clarity.

CHAIRMAN JOHNSON asked how DFS assesses CIP. **Mr. Hudson** answered there is not a current assessment process and suggested an outside evaluator may help develop benchmarks for measuring outcome.

SEN. GREG JERGESON commented that he had misgivings about Managing Resources Montana. It seems to be a "whole lot of process and not much output." MRM doesn't seem to be providing adequate out-patient services for children returning to the community. **Mr. Hudson** responded that this dissatisfaction probably is a reflection on the lack of resources in the program.

{Tape: 1; Side: A; Approx. Counter: 846}

Dan Anderson, Administrator - Mental Health Division, Department of Corrections and Human Services, explained that in the last biennium the decision was made to eliminate Medicaid for inpatient psychiatric services for children and some residential psychiatric programs. Additional funding was given to be used for community based programs for these children. Dept. of Family Services, Dept. of Social and Rehabilitative Services, Office of Public Instruction (OPI), Board of Crime Control, and the Department of Corrections and Human Services developed Managing Resources Montana as a managed care program which uses limited resources to serve severely emotionally disturbed children in a long term community care environment. Each of the five regional community mental health centers have an MRM specialist and a regional team to provide oversight of the program.

MRM incorporates parental input and cost sharing with families, as directed by the legislature. All services are provided on sliding fee basis. In FY94 1,500 children were served with a budget of \$2.3 million. The Governor's budget asks for \$3 million each year which is derived from regional input about unmet needs and moving residential services funding from DFS into MRM. Complaints about MRM do exist and funding seems to be the major concern. Parents may want their children in residential care but because of cost MRM may only be able to assist financially with day treatment programs. The key success of MRM at this time has been bringing local agencies together in a cooperative effort. It is still a trial period and **Mr. Anderson** is optimistic for the future.

{Tape: 1; Side: B}

SEN. JERGESON commented that it is difficult to know whether to take money away from the program because it is not yet very effective or increase funding so MRM can be more effective. He asked if bringing these children back to the community imposes and additional burden on the schools. **Mr. Anderson** answered that it is harder on the schools, but MRM does offer some relief by bringing agencies together. MRM provides for therapy services in the schools and has adopted the school definition of "emotionally disturbed" so the system for getting children help is more streamlined.

SEN. DARYL TOEWS asked how much money goes to direct services. **Mr. Anderson** answered that each of the five regional centers gets \$65,000 for administration and the remainder purchases units of service.

REP. KADAS asked how much of the MRM biennium proposal of \$22 million will go to residential psychiatric services. **Joe Williams, Fiscal Bureau Chief, Department of Corrections and Human Services**, answered \$4.7 million per year. In 1994 approximately \$3 million was spent.

REP. KADAS asked how the change in caseload from 1994 to 1996 was projected. **Mr. Anderson** said it is based on the caseload which existed near the end of FY94, the caseload has increased recently although it hasn't gone back up to the load before the legislature eliminated inpatient treatment.

REP. KADAS asked how long children stay in residential care and if the daily cost is \$45. **Mr. Anderson** said an average stay is about 90 days and the daily costs are between \$200 - \$300. The number of beds available can drive cost, particularly if MRM can't help as much as the child wants and Medicaid is available. The intent of the last legislature to decrease beds and increase community services is seen as successful and growing.

REP. KADAS said he is concerned that MRM has not been successful, based on the budget increase being requested. **Mr. Anderson** responded that a budget request analysis shows that the growth in residential programs is down, there is no longer inpatient funding, and MRM is going to need to pick up more community based services to serve children who would formally have gone to inpatient programs.

REP. KADAS asked how billing for educational services is split out between Medicaid and non-Medicaid patients. **Mr. Anderson** explained that in-patient programs will bill MRM through the Dept. of Corrections which will sort out Medicaid and non-Medicaid billings through OPI and DFS transfers. Medicaid children are billed at approximately \$45 per day for educational services, non-Medicaid children at approximately \$46 per day.

REP. KADAS asked why the per day cost of \$45 per day is more than the non-residential educational cost of \$29 per day. **Bob Runkel, Administrator, Div. of Special Education, OPI,** said it is primarily because of the low teacher:student ratio at residential facilities.

Mr. Hudson went over dollar and patient figures for residential treatment programs:

FY92 = \$13 million; 123 patients

FY93 = \$20.2 million; 177 patients

FY94 = \$11.250 million; 112 patients

FY95 = \$15.6 million; 114 patients (currently)

FY94 is the first year effected by the elimination of in-patient services. FY95 is moving back to FY92 levels, which may be roughly the level of need in Montana. Major changes in 1994 are tracked primarily to the reduction in out-of-state services from 73 children to 8 children. Many of these out-of-state children filled the 40 new beds added in FY95 or were not served at all.

Costs of services are \$500 per day in-patient psychiatric; \$200 per day residential treatment. There were not as many in-patient psychiatric children as expected in FY94. In-patient psychiatric services are generally short term services to stabilize medical

conditions and treat children who are at risk for self-injury; residential services treat children who are not in acute crises and are amenable to behavioral treatment.

CHAIRMAN JOHNSON asked for what was the \$2.3 million in FY94 for MRM used. **Mr. Anderson** answered virtually all was for outpatient services, with a very small portion for residential services. The \$2.3 million includes the general fund match for the Medicaid funded case management service; it does not include the federal fund match.

CHAIRMAN JOHNSON asked for the equivalent dollars being requested for these services in FY95, FY96 and FY97. **Mr. Anderson** said, taking out residential services funding for FY96 and FY97, the equivalent funds are: FY95 = \$2.3 million; and FY96 and FY97 = \$5.5 million to \$6 million each year.

CHAIRMAN JOHNSON asked what are the differences between the schools label of "emotionally disturbed" (ED) and MRM's label of "severely emotionally disturbed." (SED) **Mr. Anderson** explained that while MRM accepts all children defined by the school as emotionally disturbed, the school does not recognize all children defined by MRM as severely emotionally disturbed. ED is based on a child's ability to progress in school, SED children may be progressing normally in school but have significant problems in other areas of their lives. There is no significant cost difference for MRM in working with ED and SED children.

CHAIRMAN JOHNSON asked what administrative cost increases are anticipated for FY95, FY96 and FY96. **Mr. Anderson** said there were no increases anticipated.

{Tape: 2; Side: A}

CHAIRMAN JOHNSON asked for an explanation of the additional 2.00 FTE's. **Mr. Anderson** said that 1.00 FTE was with DFS and is being transferred to DCHS as part of the residential care transfer. The other 1.00 FTE is an employee funded under a grant program which is being phased out. These are the 2.00 FTE's who operate MRM. Because of their previous classification, they are being requested as a new program for this biennium.

CHAIRMAN JOHNSON asked how MRM will integrate with Managed Care if that is developed. **Mr. Anderson** believes MRM will be subsumed as part of Managed Care. The regional mental health centers will probably continue with community task forces.

HEARING ON OFFICE OF PUBLIC INSTRUCTION
TRANSPORTATION

{Tape: 2; Side: A; Approx. Counter: 175}

Al McMillan, Chairman - Task Force on Pupil Transportation Finance, and Superintendent, Townsend Schools, said the Task Force reviewed all aspects of pupil transportation, focusing on finances. **EXHIBIT 2**

The Task Force looked at seven issues:

- 1) Need for the transportation system - Montana needs the system for safety, efficiency, logistics and economy.
- 2) Funding - current mileage reimbursement system is best at this time. The committee did not have the time or resources to investigate other methods of funding. Recommended changes in some areas are:
 - a) better accounting of ridership - reimbursement should be made based on actual ridership, not eligible ridership
 - b) more equitable determination of weighted ridership - differences for elementary, high school, special ed and wheelchair riders
 - c) special education bus loop-hole closed - in old system if a special education students individualized education plan called for school-provided transportation, the bus was accounted as full even if it only had that one child riding
- 3) Need for more consistency among county transportation committees in route run decisions, etc.
- 4) Coordination of services between public and private carriers and school carriers - this may require some relaxation of restrictions (but not as they relate to safety issues)
- 5) Reimbursement to schools to pick up children who are exposed to hazardous walking conditions - schools are not reimbursed for riders within a 3-mile radius of the school, although many do unreimbursed pickups, particularly in bad weather. OPI is studying this and will make a recommendation in the next biennium.
- 6) Streamline OPI requirements for bus standards, driver's training etc.
- 7) Equity - the task force recommends a 6 mill state-wide levy would supply adequate funds

REP. KADAS asked for further information on the weighted ridership proposal. **Mr. McMillan** answered that the break down would be elementary = 1 seat; high school = 1.5 seat; special education = 3 seat; and wheelchair = 12 seat for 1st rider, 9 seat for 2nd, 6 seat for 3rd. Seats are based on the standard definition of three children to a seat, which is not very realistic beyond elementary school.

REP. KADAS said that this new definition of weighted riders would help buses meet 50% requirement with less students, thus increasing their reimbursement. **Mr. McMillan** said it could be a \$242,000 increase in high school, if every eligible high school student rides the bus, which is doubtful. Savings on the special

ed loophole is estimated at \$250,000, so ultimately the two even out.

SEN. ARNIE MOHL asked if school buses are primarily private or school owned. **Mr. McMillan** answered that it was almost 50%:50% across the state and because of the different needs of the school districts, there is no recommendation for one ownership over the other. Each district seems to have elected the most economical means for their district.

SEN. MOHL asked if geographical areas of bus routes could be increased to avoid half full buses. **Mr. McMillan** said the rule of thumb is no student should have to ride a bus for more than an hour. In some districts the area is so vast that they only have enough children for half a bus load.

SEN. TOEWS expressed concern that some of the recommendations would require unfunded mandates for the school districts. **Mr. McMillan** responded that in some areas, such as safety, there is no avoiding bureaucracy. However, other areas have cut paperwork requirements, so it the new recommendations probably even out.

SEN. JERGESON asked what the mileage reimbursement for individual transportation was and why it is only paid on a one-way basis. **David Huff, Division of Traffic Education, OPI**, said reimbursement is \$0.225 per mile and since one-way reimbursement was traditional, the task force was reluctant to recommend the additional costs of round-trip reimbursement.

SEN. JERGESON expressed concern that the \$8.00 day cap on mileage reimbursement will force rural families to find an apartment close to the school. **Mr. McMillan** answered that the cap was based on the large amount of fraudulent claims in mileage - many families do board their children in town but still claim mileage reimbursement. A \$10,000 savings is estimated in this area.

{Tape: 2; Side: B}

REP. HOLLAND asked if each school district is required to have a bus that accommodates wheelchairs. **Mr. McMillan** answered that each district is required to provide transportation for wheelchair students, which may be through buses, vans or a families personal vehicle.

SEN. TOEWS asked if buses must stay on approved routes for reimbursement. **Mr. McMillan** answered that with the exception of route changes because of road conditions, buses must stay on the county approved routes.

SEN. MOHL asked why the mileage reimbursement for buses is \$0.85 and individual transportation contracts is \$0.225. **Mr. McMillan** explained that with costs of labor, maintenance, etc., buses costs about \$2.00 per mile to operate.

CHAIRMAN JOHNSON asked who decided the make-up of the task force. **Mr. Huff** answered that Nancy Keenan, Superintendent of Public Schools, defined the committee structure and the OPI Division of Traffic Education determined the actual membership. Members were paid, other than lunch provided during meetings and a per diem for a parent who could not otherwise afford to attend the meetings.

EXECUTIVE ACTION ON OFFICE OF PUBLIC INSTRUCTION
ADMINISTRATION

{Tape: 2; Side: B; Approx. Counter: 365}

Mr. Culver explained that recurring budget amendments do not appear in the base and are requested as new proposals. The base budget does not show actual expenditures for FY94 because one-time appropriations and budget amendments are taken out.

CHAIRMAN JOHNSON asked if the transfer fund is double counted in the budget. **Mr. Nichols** answered yes, it is appropriated as general fund, then transferred and appropriated as the proprietary fund. **Mr. Culver** explained that the transfer is a biennial appropriation, so it is double counted in the 1st year but does not appear at all in the 2nd year. This account is biennial to allow OPI cash-flow flexibility to manage federal funds which are not always distributed on a straight fiscal year.

Mr. Culver said that not all the transfer funds are related to the proprietary account. \$891,000 is for proprietary; the additional transfer funds of \$53,000 is in the distribution program.

CHAIRMAN JOHNSON asked if OPI is requesting more transfer funds than in 1994/95. **Kathy Fabiano, Office of Public Instruction Superintendent's Office**, responded that they are not. Transfer funds are used to fund indirect costs. When OPI gets more federal grant money, as they will in 1996/97, the federal dollars fund more of the indirect costs. For 1996/97 general fund is 43% of indirect costs, federal funds are 57%.

SEN. TOEWS asked why present law operating expense increase is \$1 million. **Mr. Nichols** answered that it is primarily anticipated increases in federal funds.

SEN. MOHL asked what would be the effect of cutting general fund by an equivalent \$1 million anticipated from federal funds. **Mr. Nichols** explained that federal fund dollars usually fund different programs than general fund dollars, and sometimes require general fund matches.

{Tape: 3; Side: A}

SEN. MOHL asked what would be the effect if no increases for OPI were approved. **Mr. Nichols** answered that no adjustments or new proposals would be funded. Also if global issues (personal services; inflation/deflation; fixed costs) are not given increases, funds will have to be reduced elsewhere to fund the global issues.

REP. KADAS asked for an explanation of the 5 FTE reductions in personal services. **Mr. Nichols** answered these are from the reductions made in the special session which eliminated special revenues in drivers ed program and replaced some of the program from general fund as a one-time appropriation. Replacement of some of these funds are requested in new proposals.

BUDGET ITEM: Personal Services; Inflation/Deflation; Fixed Costs

{Tape: 3; Side: A; Approx. Counter: 139}

Motion: **REP. KADAS** moved to approve the Executive for (5.00) FTE and \$34,467 in FY96 and (5.00) FTE and \$31,189 in FY97 for personal services; \$19,764 in FY96 and \$27,219 in FY97 for inflation/deflation; and \$94,650 in FY96 and \$29,463 in FY97 for fixed costs.

Discussion: **SEN. TOEWS** commented that he was concerned about approving this motion if operating costs may get cut depending on federal funds. **SEN. KADAS** explained that the federal funds haven't been built into the budget at this point, and will be addressed in the other present law adjustment items.

Vote: Motion **CARRIED** unanimously.

BUDGET ITEM: Consulting Services

{Tape: 3; Side: A; Approx. Counter: 246}

SEN. JERGSON asked if the audiology contract is general fund. **Gail Gray, Assistant Superintendent, Office of Public Instruction**, explained that OPI must request general funds for these contracts to private provider every biennium, since they are zero based. No increase in the audiology program is being requested. The school systems pick up the actual cost of screening, OPI funds the equipment maintenance and evaluation of the screening.

CHAIRMAN JOHNSON asked if the Montana School for the Deaf & Blind (MSDB) is one of the contractors. **Ms. Gray** answered that MSDB has not bid to be a contractor on this service primarily because MSDB provides outreach services after evaluations have been made - at one time MSDB received that funding for this service and they also contracted it out.

Vote/Motion: REP. KADAS moved to approve the Executive for \$18,340 in FY96 and \$17,418 for FY97 for consulting services. Motion CARRIED unanimously.

BUDGET ITEM: Communications

{Tape: 3; Side: A; Approx. Counter: 505}

Mr. Culver said that the \$32,000 increase is for the additional 1-800 phone lines for METNET.

REP. KADAS asked how many lines METNET has currently and why is an increase needed. Gregg Groepper, Assistant Superintendent of Public Instruction, said there are currently eight lines which stay in use almost solidly from 6:00 AM to 11:00 PM daily. METNET logs about 600 calls per day with an average 15 minutes per call. It is anticipated that once the statewide network, SUMMITNET, goes on-line, demand on METNET will decrease considerably - some of the 1-800 lines can probably be discontinued at that time. Until SUMMITNET comes on line, Mr. Groepper anticipates continued increases in demand on METNET. If these phone lines are not funded, callers will have to pay for the service through regular phone line rates.

Motion: SEN. JERGESON moved to approve the Executive for \$32,203 in FY96 and \$36,203 in FY97 for communications.

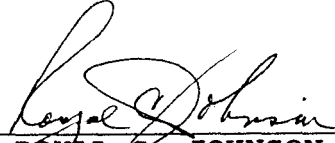
Discussion: SEN. JERGESON commented that support of METNET is keeping in line with the legislatures commitment to increase communications and bring Montana onto the Information Superhighway.

SEN. TOEWS said he doesn't see having schools paying for METNET calls to be a mandated "pass down" because it is a voluntary program.

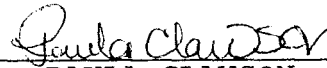
Vote: Motion FAILED 2-4 with SEN. JERGESON and CHAIRMAN JOHNSON voting yes.

ADJOURNMENT

Adjournment: This meeting adjourned at 11:48 AM.



ROYAL E. JOHNSON, CHAIRMAN



PAULA CLAWSON, SECRETARY

RJC/pc

[THIS SESSION WAS RECORDED ON 3 90-MINUTE TAPES]

EDUCATION

Joint Appropriations Subcommittee

ROLL CALL

DATE 1/12/95

| NAME | PRESENT | ABSENT | EXCUSED |
|------------------------------|---------|--------|---------|
| Rep. Royal Johnson, Chairman | ✓ | | |
| Rep. Mike Kadas | ✓ | | |
| Rep. Don Holland | ✓ | | |
| Sen. Daryl Toews | ✓ | | |
| Sen. Greg Jergeson | ✓ | | |
| Sen. Arnie Mohl | ✓ | | |

THE MONTANA COMMUNITY IMPACT PROJECT

EXHIBIT 1

DATE 1-12-95

SB _____

Background:

Montana communities have recently experienced dramatic changes in services to children with special needs. The changes include a 55% growth in identified children with emotional disturbance over the past six years, the establishment of Managing Resources Montana, a significant decrease in the number of children in residential and psychiatric hospitals, a potential managed care program for children's mental health services, and the development of community-based youth corrections programs. The shifting focus to community-based services for children with emotional and behavioral problems has resulted in increasing numbers of youth with significant emotional, social and behavioral problems in our school systems and in our communities. Specifically, the impact to schools and communities include the following:

- The safety of the school and community environment for our children has become a legitimate concern.
- A significant portion of classroom time is taken up with non-instructional activities which include coping with discipline problems.
- Younger and younger children are being impacted by this issue.
- Law enforcement officials are being required to deal with increasingly serious violations of the law.

It is becoming clearer that many schools and communities face a serious challenge with regard to serving students with social, emotional and behavioral problems. Alternative options for serving these children must be identified, and families and service providers must be provided with the skills to meet the needs of these children.

The responsibility to serve children with social, emotional and behavioral problems is shared by parents, schools and other agencies. We all need to reexamine how we serve our children and determine how we can better coordinate those services to children. Schools have an important role in developing the academic and social competence of students in order for them to become productive citizens. Schools are the public foundations of our communities and are the one entity that every child can access. Local police and probation officers are responsible for community safety and order and will have the best insights into effective programs for youth when they are not in school. Mental health and social service providers have expertise in supporting families and developing programs to address specific client needs. Education, law enforcement and social service programs, working together with families, can develop the best plans for ensuring safe schools and communities.

Families, schools and communities provide the best environment for meeting the needs of troubled youth. While Montanans share this value, communities must have resources and support to succeed in this challenge. As these youth remain in schools and communities, the Community Impact Program will provide the resources to ensure a safe, orderly and effective approach to service delivery and hold youth accountable for their actions. The following

proposal is submitted which provides general guidelines for the mechanics of distributing the Community Impact Program funds and examples of potential uses of those funds.

Mechanics of Distribution

Effective response to the need for safe schools and safe communities requires: 1) the commitment of all state and local agencies in serving our children; 2) money to provide services; 3) training of staff; and 4) flexible funding prioritized at the local level. Except for limited funds for state-wide training efforts and program evaluation, all funds will be granted to each Department of Family Services (DFS) regional office on the basis of each region's public school student enrollment (please see attached). Each regional office will serve as a clearinghouse for funding requests from communities. The clearinghouse function requires each region to: 1) set region-wide priorities for use of the funds consistent with the intent of this money based on the recommendations of Local Family Services Advisory Councils; 2) establish an application for funds process; 3) establish an application review process which requires each approved application to demonstrate local community coordination of services with adequate staffing and training to ensure that the program or service is both effective for the child and safe for the community and school; 4) distribute directly to communities no less than 80% of the funds for direct services to schools and communities; and 5) retain no more than 20% of the funds at the regional level for activities with a region-wide focus.

A subcommittee of the Local Family Services Advisory Council will be formed consisting of a DFS representative, a school representative and a juvenile justice representative to establish and review the application process for the distribution of the community impact funds. In addition, the Local Family Services Advisory Council can use these funds to purchase the services of up to one-half time staff person per DFS region in order to coordinate the regional distribution of the funds and to support the community impact sites and local improvements or establishment of alternative community programs.

It is anticipated that funds distributed to communities and schools will be used to support the establishment of community impact projects or to establish alternative community programs. State-level use of the funds are limited to: 1) support of an annual statewide interagency training of community teams; and 2) conducting a comprehensive state-level evaluation of the use of these funds which includes the ability of these funds to address the community needs.

Anticipated Use of Community Impact Funds:

Improvements to Alternative Community Education Programs and Community-based Youth Corrections Programs.

Through application to a standing subcommittee of the Local Family Services Advisory Council, service providers may receive funds to assist with the immediate needs of children with social, emotional and behavioral problems or to make improvements to or establish alternative community programs. These funds could be used at a local, multidistrict or regional level. Funds would be used to offset the costs of immediate needs as well as to improve existing or establish alternative community programs such as:

- detention center programs and their access as an alternative education site;
- school within a school programs (i.e., alternative schools);
- day treatment programs and their capacity to serve children with conduct disorders;
- alternative placements within the community such as Jobs for Montana Graduates;

- aftercare services for students returning to the community from an institution;
- establishment of alternative education sites whenever necessary to ensure safe schools;
- sex offender treatment and supervision;
- community service and restitution programs;
- intensive supervision and mentoring programs;
- family counseling and crisis intervention; and
- chemical dependency treatment.

EXHIBIT 1
 DATE 1-12-95

Establishment of Community Impact Sites

Through an application process, teams within regions may apply for funds to support the development of community impact sites which meet the criteria specified within this document. These teams may originate at the county, judicial district, district, multidistrict or special education cooperative level with the hope that wrap-around services for children be provided at multiple sites. The applications will be reviewed by the subcommittee of the Local Family Services Advisory Council.

It is anticipated that each community impact site will address the following components:

- identification of a team of community stakeholders who will promote the mission and goals of the Montana Family Policy Act;
- analysis of the communities' current service delivery system to children with social, emotional and behavioral problems;
- development of a community plan of services which includes educational and youth corrections components;
- development of a comprehensive training plan that will:
 - expand attitudes and beliefs about the communities' roles in meeting children's needs,
 - extend knowledge of best practices and validated strategies for working with challenging students,
 - create a structure for continual exchange of information and the sharing of successful practices with community members.
- identification of the means by which the community impact sites would develop such as an identified coordinator of such services, a detailed budget, and ways by which the project would be evaluated.

Statewide Training

Training at the state level would be coordinated and held annually in order to:

- bring together community teams from across the state;
- extend knowledge of best practices and validated strategies for working with challenging students;

EXHIBIT 2
DATE 1-12-95
SB

State of Montana

Task Force on Pupil Transportation Finance

Final Report

**SUBMITTED TO STATE SUPERINTENDENT
NANCY KEENAN**

December 16, 1994

**Al McMilin, Chair
Superintendent
Townsend Public Schools
266-5512**

OFFICE OF PUBLIC INSTRUCTION TASK FORCE ON PUPIL TRANSPORTATION FINANCE

CHARGE TO THE TASK FORCE

A. Maintain an adequate, safe, and economical access to education for all Montana students.

1. Transportation services must continue to overcome Montana's rich diversity of geographic, social, and economic access challenges.
2. Optimum safety, as intended by the Highway Safety Act of 1966, and federal standards and guidelines embraced by Montana statutes and standards for the school bus industry, must continue to be supported.
3. Economy of service must be maximized while not diminishing safety and adequacy.

B. Utilize all available resources, including those of the public and private sectors, effectively and productively.

1. **FISCAL:** Present revenues include state general, state equalization account (SEA), county and district property taxes, and parents. These and other sources should be reviewed in light of current money pressures and demands.
2. **DELIVERY:** Existing systems include both district and privately owned school bus fleets, in addition to parent operated vehicles. These and other options not currently in use should be weighed in relation to existing, viable safety and economy parameters. Non-viable and restrictive restraints not consistent with safety and economy should be reviewed for possible removal.

C. Create a funding method which is equitable, simple, and predictable.

Any method of funding school transportation in the future must

1. assure that the cost burden is distributed among districts and responsible providers of pupil transportation services in a fair and responsive manner;
2. be easily understood;
3. require a minimum of documentation and administrative effort for budgeting, disbursement, and monitoring (state, county, district, or other);
4. be capable of providing stability in the level of funding;
5. remove financial incentives for incorporating management practices which are not cost effective nor within the intentions of the model; and
6. be as objective and as automated as possible.

D. Recommend pupil transportation delivery practices consistent with safety and economy.

Of the models and options which are not currently in use, and those which are, the ones that represent the most efficient and productive use of available resources should be identified.

PUPIL TRANSPORTATION TASK FORCE RECOMMENDATIONS

EXECUTIVE SUMMARY

| | |
|--|--|
| TRANSPORTATION SYSTEM | |
| The Task Force (TF) is unanimous in the belief that Montana needs a system to transport students to and from school that includes the use of the yellow school bus. | ▶ No action required. |
| SCHOOL BUS FUNDING FOR HOME-TO-SCHOOL AND BACK | |
| The TF endorses the present state county-supported mileage reimbursement model with the following modifications: | (The TF recommends weighting, spec. ed. and counting be tied together and one not be approved without the others.) |
| <ul style="list-style-type: none"> ◆ Weight student bus ridership to reflect the amount of space they occupy on the bus, including students with disabilities. ◆ No longer deem a bus "full" just because it carries a special education student who's Individualized Education Plan requires transportation as a related service. ◆ Calculate reimbursement by <ul style="list-style-type: none"> ● counting all eligible elementary students, and ● counting only the eligible high school students which ride during a week designated to count riders. | ▶ Included in bill draft. |
| | ▶ Requires change in A.R.M. Does not require change in statute. |
| | ▶ Included in bill draft. |
| INDIVIDUAL ROOM AND BOARD AND TRANSPORTATION CONTRACTS | |
| <ul style="list-style-type: none"> ◆ Make the mileage reimbursement exclusion to the bus stop the same as for the distance to school - 3 miles. Limit all individual contract reimbursements to actual miles transported. ◆ Cap contracts for individual transportation at the level a family would receive for room and board reimbursement. ◆ Increase the rate for room and board from \$5.31 to \$8 per day for the first child and \$3.19 to \$5 for the second and subsequent child(ren). | ▶ Included in bill draft. |
| | ▶ Included in bill draft. |
| | ▶ Included in bill draft. |
| COUNTY TRANSPORTATION COMMITTEE | |
| <ul style="list-style-type: none"> ◆ Adopt operation and procedure guidelines for the county transportation committees. | ▶ Legal parameters of guidelines included in bill draft. |
| ELIGIBILITY FOR SCHOOL BUS RIDE | |
| <ul style="list-style-type: none"> ◆ Make no change to the three-mile requirement. ◆ Initiate study and adopt a provision to make students under three miles, who are exposed to hazardous walking conditions, eligible for transportation. | ▶ No action required. |
| | ▶ OPI will initiate recommended study. |
| COORDINATION OF SERVICES WITH OTHER TRANSPORTATION PROVIDERS | |
| <ul style="list-style-type: none"> ◆ Encourage collaboration between schools and other groups like senior citizen centers. | ▶ Resolution drafted. |
| EQUITY | |
| <ul style="list-style-type: none"> ◆ Replace the county transportation levy with a statewide mill calculated to raise the same amount. | ▶ No action taken. |
| OTHER | |
| <ul style="list-style-type: none"> ◆ Provide regional training and certification workshops for drivers. Require inservice credits for drivers. Incorporate bus riding skills into curriculum for young riders. ◆ Adopt 15 years as the maximum age of a yellow school bus for subsidized bus routes. ◆ Recommend to all school districts that they undertake a yearly, thorough informational/public relations effort regarding pupil transportation. | ▶ OPI will implement recommendations. |
| | ▶ No action. OPI will release as a recommendation. |
| | ▶ No action. OPI will release as a recommendation. |

I. MISSION

The group had as its overall goal to:

"review alternatives and recommend the best means to maintain an adequate, safe and economical access to education in Montana."

Three major areas were researched and discussed.

1. Funding Mechanism
 - a. Equity
 - b. Distribution Method
 - c. Revenues/Expenditures
 - d. Eligibility
 - e. "Loopholes"
 - f. Transportation Options
 - (1) Buses
 - (2) Individual Transportation
 - (3) Room & Board/Tuition
 - (4) Correspondence Courses
 - g. Special Education
2. Efficiency Issues
 - a. Duplication of Services
 - b. Paperwork/Data Collection
 - c. Coordination with Other Transportation Services
 - d. Role of County Transportation Committee
 - e. "Loopholes"
 - f. Equipment/Fuel Purchasing
 - g. Insurance
3. Image
 - a. Selling/Promotion of Service
 - b. Problems - Perception versus Reality
 - c. Politics
 - d. Inservice Needs

Meetings were held on the following dates:

May 18, 1994
June 20, 1994
July 20-21, 1994
August 16-17, 1994
September 8, 1994

II. TRANSPORTATION AND DEMOGRAPHIC DATA

The state of Montana is rich and diverse in its demographic profile. With a population of 839,000 (1993 estimate) scattered throughout 147,046 square miles, the fourth largest in the United States, distances and transportation are major factors for all of its endeavors, including education.

- Size: 147,046 square miles (fourth largest state)
570 miles long and 315 miles wide
- Population Density: 5.6 per square mile
- Geographic Features:
 Western one-third, mountainous and timbered
 Eastern two-thirds, plains with occasional mountains
 Elevation: 1,820 to 12,799 feet above sea level
- Indian Reservations: Seven

| DEMOGRAPHICS/TRANSPORTATION INFORMATION | 1992-1993 | 1993-1994 |
|--|---------------|-----------------------------------|
| General Population | 822,347 | 839,000 |
| Student Population | | |
| Elementary (PreK - 8) | 115,233 | 116,650 |
| Secondary (9-12) | <u>44,737</u> | <u>46,370</u> |
| Total | 159,970 | 163,020 |
| Public School Students per Square Mile | 1.08 | 1.11 |
| Average Number Eligible Students Transported at Public Expense | 55,584 | 56,032 |
| Students Under 3 Miles Transported (This number is not universally reported and is less than the actual number.) | 11,939 | 11,980 |
| Total | 67,523 | 68,012 |
| Number of Miles Traveled Per Year (This does not include activity routes, or routes not requesting reimbursement.) | 18,388,152 | 18,490,140 |
| Number of Individual Transportation Contracts Received by State | 2,336 | 2,344 |
| Estimate of Combined State and County Reimbursement for Individual Transportation Contracts (based on contract rates x 180 days) | 1,112,170 | 1,103,515 |
| Actual Expenditures (includes all transportation fund expenditures reported on districts' trustees reports) | 35,085,570 | (Trustees info not compiled yet.) |
| <u>Transportation Funding Sources</u> (As reported on trustees' reports) | | (Trustees info not compiled yet.) |
| State | 9,581,248 | info not compiled yet.) |
| County | 9,721,766 | |
| District | 15,782,556 | |

| BUS AND DRIVER DATA 1993-1994 | |
|--|------------|
| Qualified School Bus Drivers | 2,894 |
| School Buses By Type: | |
| Type A (Van Conversion under 10,000 lbs GVWR) | 177 |
| Type B (Van Conversion over 10,000 lbs GVWR) | 45 |
| Type C (Conventional Bus) | 1,278 |
| Type D (Transit Style-Flat Front) | 333 |
| No Indication of Type | <u>151</u> |
| TOTAL BUSES | 1,984 |
| School Buses by Owner: | |
| District Owned | 1,046 |
| Contractor Owned | 867 |
| No Indication of Owner | <u>71</u> |
| TOTAL BUSES | 1,984 |
| (These figures do not include over-the-road type passenger coaches used for activity trips.) | |

| ACCIDENT DATA 1992-1993 | |
|------------------------------------|----|
| Number of Accidents by Type | |
| Pedestrian | 1 |
| Collision with other motor vehicle | 75 |
| Collision with fixed object | 8 |
| On-board accidents | 2 |
| Other | 3 |
| TOTAL | 89 |
| Number of Accidents by Severity | |
| Fatal | 0 |
| Injury | 3 |
| Property | 86 |
| TOTAL | 89 |

III. BENEFITS OF PUPIL TRANSPORTATION

After much discussion, the Task Force was unanimous in the belief that Montana needs a pupil transportation system to transport our students to and from school. Based upon the analysis of the following criteria, the current yellow bus fleet in Montana is clearly at the heart of such a system.

A. Safety

The yellow school bus has a proven record of being the safest vehicle on the road. The Task Force believes additional students would be at risk for serious injury and death if the yellow school bus is not used (driving on icy roads, walking in cold weather, increased traffic congestion around schools, etc.).

B. Access to Education

The Task Force believes there are students who would not get to school without it. They believe transportation is directly related to constitutionally mandated access to a free and appropriate public education. The task force reasoned that given the federal government believes transportation is a related service for special education, it follows that it should be a related service for general education too.

C. Equity

All students should have an equal opportunity to get to school. Costs of providing the transportation should also be equalized. (It was an issue in the school equalization lawsuit, but the legislature has not acted on it to date.)

D. Welfare

Some families are physically and economically unable to provide adequate transportation for their children.

E. Geographical Considerations

Montana is a rural state. In some areas, homes and schools can be great distances from one another. The Task Force believes parents should not bear the entire burden of transporting students. For instance, in the case of farming or ranching families, transporting the child to school can take a large portion of the parent's day away from the farm. Clearly, the current system is more efficient than a number of private vehicles travelling the same road.

F. Benefit to the General Public

School busing cuts down the number of cars on the road. It improves traffic flow. It is better for the environment, given the reduction of air pollution resulting from reduced traffic on the road twice a day. As well, it saves precious energy resources.

G. Logistics

School parking areas are not designed to serve the number of cars would be at the school each morning and afternoon if there were no buses. At high schools there could be increased demand for additional parking places.

H. Economics

The Task Force does not believe the private sector could provide services at a lower cost. It also believes there are areas in the state where it is not profitable to provide transportation. Therefore, transportation services would not exist in some areas if providing them were left to the private sector. There was also concern that safety standards might be lower if the provisions of school transportation were left to the private sector with no regulatory oversight. For instance, there would be less control over the quality/training of drivers and the safety features of buses.

I. Efficiency

By pooling resources, busing provides an efficient way to get children to school. It saves time and money for parents/guardians and taxpayers alike.

IV. FUNDING

The Task Force endorses the present state/county supported mileage reimbursement method with the following modifications.

Discussion: Given geographic variations of the state, the group believes a mileage reimbursement system is a fair and equitable way to distribute funds.

A. Method of Distribution

The Task Force decided to endorse the rates in the current mileage reimbursement method. However, they would like the record to note the rate of \$.85 per mile plus \$.0213 per each additional seat in the rated capacity over 45 does not come close to covering current costs.

Discussion: The group discussed adjusting reimbursement rates to reflect differences in conditions for urban versus rural routes or for routes with under 50 percent eligible riders. Some of the issues discussed included, gravel versus paved roads, high numbers of students on short routes versus low numbers of students on long routes, etc. The discussion centered on exploring ways to encourage more efficient use of buses and routes, individual contracts and cut down on abuses of the present system.

The group investigated alternatives for funding buses with low ridership; for instance, sliding scales for reimbursement (buses with less than 24, 15, 12, or 10 riders would receive a lower rate than 85 cents per mile or buses with 20 percent of the rated capacity being eligible riders receiving a lower reimbursement rate, etc.).

It was mentioned that basing the reimbursement rate on the percentage of eligible riders in the rated capacity may not encourage the best possible overall bus purchases for a district. The costs of running larger buses are not necessarily greater than the costs of running smaller buses and it may be uneconomical in the long run to encourage the use of the smallest possible bus. For instance, population growth projections may indicate a large bus should be purchased, or districts may require larger buses to accommodate other activities such as field trips and athletic events; problems may arise from the sizes of buses used by contractors, etc. All these issues should be considered when a district is purchasing a bus.

As well, the idea of reimbursing by student miles was considered. In the end, the Task Force decided that in many ways the present mileage reimbursement model is an equalizer.

B. Weighted Ridership

The Task Force recommends the following system of weighting riders to determine the capacity by which the reimbursement is calculated:

| | | |
|--|----------|-----------------------------|
| Students Grades K-8 = | 1 seat | ($\frac{1}{3}$ bench seat) |
| High School Students | 1½ seats | ($\frac{1}{2}$ bench seat) |
| 1st Wheel Chair = | 12 seats | (4 bench seats) |
| 2nd Wheel Chair = | 9 seats | (3 bench seats) |
| Additional Wheel Chairs = | 6 seats | (2 bench seats) |
| Special Needs (504 or IDEA) = | 3 seats | (1 bench seat) |
| (includes transportation as a related service on the IEP and/or special accommodations required) | | |

While the method above will be used to determine the level of reimbursement, the "rated capacity" posted on the bus will still be used to determine the maximum allowable number of riders.

Discussion: The Task Force believes that reimbursement based on the number of seats on the bus or the "rated capacity" of the bus should better reflect the number of students who actually fit on the bus under different circumstances. The official rated capacity of a bus is usually based on three students per seat. However, it is not realistic to think that three high school students will fit on a school bus bench seat. It would be more realistic to count high school students at a rate of two per seat. Presently, buses carrying special education students are automatically deemed "full" for reimbursement purposes. The Task Force is concerned that to receive full funding, more buses may be designated as "special education" than are needed. The lift equipment and space for the first wheelchair on a bus usually requires the space of four normal bench seats or the equivalent of 12 seats of the bus's rated capacity.

C. Special Education Buses

Given the discussion in Item B above, the Task Force strongly recommends that a special education bus no longer be automatically deemed "full" just because it carries one special ed student with an IEP requirement for transportation.

D. Ridership Reporting (Accountability)

The Task Force recommends determining reimbursement level qualification for grades 9-12 upon eligibility of ridership rather than mere eligibility. To implement this, it recommends taking an actual rider count for one five-day period per year for students in grades 9-12. The number used for reimbursement purposes will be the

day with the highest ridership during the five-day period. Counts will be taken on the morning route only.

The Task Force recommends taking the count during the time period around November 16-22. This is a low activity (sports) time period, and, therefore, represents a higher ridership period.

The Task Force further recommends this provision be directly tied to the weighted ridership recommendation. If the weighted ridership is not used, then this ridership count should also not be used.

It is further recommended that wording consistent with the intent of the following be adopted into Montana law:

All students in grades 9-12 who are assigned to a bus and transported at least once during the reporting period must be counted. All information will be recorded on a TR-1 form. The TR-1 forms are due to the Office of Public Instruction seven working days following the final date of the reporting period.

Eligible transportee counts will be taken on the morning routes for five consecutive days during the reporting period. Counts will be done on the following date:

November 16 - 22, or on 5 days within this general time period which accommodate the least amount of athletic and extra-curricular activities.

Each year the date of the reporting period will be established by the Superintendent of Public Instruction or designee.

The determination of eligible transportees will be based on the highest number of riders during the five days of the reporting period.

To be eligible for funding a student must meet at least one of the following conditions:

- 1. Resides at least 3 miles from school as per MCA 20-10-101.*
- 2. Is a special education student who has transportation as a related service listed on a valid Individualized Education Program (IEP) as per MCA 20-7-442 and ARM 10.16.2502.*
- 3. Qualifies as an eligible transportee because of hazardous walking conditions as determined by the County Transportation Committee and other applicable rules or statutes (if adopted).*

Discussion: The Task Force discussed the pros and cons of requiring schools to count the students that actually ride the bus and basing reimbursement on the number of eligible students that ride rather than on the number of eligible students that might potentially ride. The goal of this count is to base funding on a better representation of who is actually riding the bus. Counting actual riders would help provide explanations and

justification when questions arise about empty buses. The group engaged in a discussion which included concerns about:

- The ability to accomplish the same goal with a ticket-based system
- Seasonality of ridership
- Flu outbreaks during the counting period
- Timing of the counting period (morning or afternoon)
- Small district's ability to call parents and arrange to stack the count in their favor
- The age group that should be counted (7th-12th Grade?)
- The optimum number of counting periods that should be used
- The absence of a couple of students making the difference in the level of funding for a bus route
- Problems that could arise with the count the first year
- Will it really change anything? Will it result in fuller buses? Will it change the perception of the public?
- Ability of OPI to manage with the additional paperwork.

E. Individual Transportation Contracts and Room and Board

The Task Force recommends that the following changes be made to the conditions and stipulations of the Individual Transportation Contract and Room and Board:

- a. **Make the mileage reimbursement exclusion to the bus stop the same as for the distance to the school - 3 miles.**
- b. **Include contract language that the student must actually be living at the address used to calculate the mileage on the contract and that the student must continue to live at the address to continue to receive reimbursement.**
- c. **Increase the reimbursement for room and board from \$5.31 to \$8 per day for the first child and \$3.19 to \$5 for the second and subsequent child(ren).**
- d. **Set the maximum reimbursement that a family can receive for an individual contract to not exceed the rate received for room and board.**

Discussion: Rates for room and board have not been adjusted to reflect inflation for many years. In addition, there are families commuting to schools which have individual contracts for transportation that exceed the amount they would have received in a room and board provision. The Task Force believes it would help avoid misuse and control cost if the state adjusted the room and board provision to a more realistic level and limited individual contract amounts to the level of the room and board provision.

V. COUNTY TRANSPORTATION COMMITTEE

The Task Force recommends the adoption of operation and procedure guidelines for the county transportation committees. It recommends adoption of language not inconsistent with the following which has been adapted from the document used by the Flathead County Transportation Committee:

Philosophy

The goal of the County Transportation Committee is to provide a safe, efficient and economical pupil transportation system within the county and to perform the duties set forth in 20-10-132, MCA, in a consistent and equitable manner.

Definitions

Transportation Service Area: A Transportation Service Area (TSA) defines the geographic area of responsibility for school bus transportation for each district that operates a school bus transportation program.

Bus Route: A bus route is any route approved by the Board of Trustees of the operating district and by the County Transportation Committee.

Route Change: Any change in an approved bus route.

Other definitions are contained in 20-10-101, MCA.

Meetings

Meetings will be called by the County Superintendent as needed, see 20-10-131 MCA.

In order to conduct business, a quorum of the committee must be in attendance. A quorum shall consist of a majority of the membership (20-10-131(3), MCA). Approval of a motion shall require the affirmative vote of a majority of the members present.

Bus Routes

All new routes and route changes must be approved by the County Transportation Committee. In emergency situations, temporary approval may be granted by the County Superintendent. Official action will be taken by the County Transportation Committee.

Any request for the consideration of a new route or for a change in an existing route must include the following:

1. *Route map showing old and new routes*
2. *Description of turnarounds*
3. *Conditions affecting safety*
4. *Total mileage and/or change in mileage*
5. *Approximate total cost*

6. *Rationale*
7. *Number of children to be served*
8. *A copy of the official minutes of the school board meeting at which the trustees approved the new route(s) or route changes*
9. *Other criteria as determined by the local transportation committee*

Transportation Service Areas (TSAs)

Transportation service areas (TSAs) are normally defined by high school or elementary school district boundaries. However, when factors of pupil safety, efficiency or economics are in conflict with this, the county transportation committee may vote to adjust any TSA boundary.

Each TSA will be identified as elementary (grades K-8), high school (grades 9-12) or K-12. The high school TSA will encompass the TSAs of all elementary schools which are assigned to send students to that high school.

Bus routes will not be extended to pick up or discharge students outside their own TSAs unless a written agreement is approved by trustees of the TSAs involved or by direction of the county transportation committee.

When the trustees of two TSAs enter into a written agreement to authorize transportation between TSAs, a copy of that agreement must be submitted to the County Superintendent. Once approved, such agreements will remain in force for the current school year.

Individual Transportation

When an application for increased reimbursement for individual transportation is presented to the county transportation committee, it shall include the following:

1. *A fully completed, signed transportation contract (Form TR-4). There must be sufficient information to make a determination, pursuant to 10.7.116 ARM.*
2. *A copy of the official minutes of the school board meeting at which the trustees acted on the request for increased reimbursement.*

Applications for increased reimbursement due to isolated conditions will be considered and processed in accordance with 20-10-142 and any other pertinent statutes. A majority of a quorum of the county transportation committee must approve the request for increased reimbursement at an official meeting.

Penalties

A violation of any county transportation committee policies may result in a recommendation of temporary or permanent withholding of transportation reimbursement to the school district(s) involved as allowed by 20-10-104. Decisions based on false information will be considered null and void and must be reapproved following the same standards as were applied to the original request.

Discussion: The Task Force discussed at length the transportation problems encountered by students attending school out of their district of residence, including duplication of routes. This discussion included examples of the conflicts between districts arising from one district "raiding" another district and sending a bus to pick up the children in question.

Administrative Rules of Montana, 10.64.701, "Criteria for Establishing Transportation Areas" was read. The Task Force seemed to approve of the rule, but thought it needed to be expanded. The Task Force didn't make any specific recommendations with regard to this rule.

The Task Force determined that the majority of transportation problems should be addressed by the county transportation committee. However, the task force acknowledged that, presently, county transportation committees have varying degrees of effectiveness throughout the state.

Guidelines for county transportation committees would provide for statewide consistency. There would still be an appeals process for disputes.

Changing the composition of the county transportation committee might give it more balance and taxpayer representation. The Task Force was concerned that including more public members on the committee would cause more problems than it would solve. Often public members don't have the background they would need to deal with the issues and it is difficult to get committee members who are committed to the process. It is already difficult to get committee members to attend these meetings; having more public representation would make it even more difficult. The Task Force decided not to recommend changing the makeup of the county transportation committee membership.

VI. ELIGIBILITY

A. Three-mile limit

The Task Force makes no recommendation to change the three-mile eligibility requirements of MCA 20-10-101.

Discussion: The Task Force discussed the pros and cons involved in altering the three-mile limit for determining eligibility for reimbursement. Included in the discussion was debate about three miles being too long of a distance to expect young elementary students to walk. Debate centered around responsibilities of parents, additional costs to the state, county and districts that would arise from lowering the eligibility requirement, the number of new individual transportation contracts that could potentially arise, equity issues with regard to the arbitrariness of the three-mile limit, and specific problems that would arise in districts that have been built with the three-mile limit in mind (Miles City for example). The group discussed changes in society that make placing the burden on parents for getting children to school more difficult than it has been in the past.

B. Hazardous Walking Conditions

The Task Force recommends the state adopt a provision which will allow students who reside under three miles from their school of attendance, but are subject to hazardous walking conditions, to be deemed as eligible transportees and be subject to all the rights and privileges associated with eligible transportees over three miles.

It recommends adoption of language not inconsistent with the intent of the following into Montana law:

The school board of a district shall designate as hazardous those routes which cannot be safely traveled by students who live within the three-mile limit. The designation may recognize hazards such as ongoing construction that exist only part of the time and in these instances the designation shall be applicable only during the time the hazards are found to exist. Such conditions shall be inspected by a representative of the highway patrol. This representative shall determine whether or not the condition is hazardous to students and report it to the County Transportation Committee.

The hazardous route designation must be approved by the County Transportation Committee. If denied, an appeal may be made to the Superintendent of Public Instruction.

If approved, the student is then determined to be an eligible transportee.

Upon determination that a condition is hazardous to such a student, the district school board shall request a determination from the state or local governmental entity having jurisdiction regarding whether the hazard will be corrected and, if so, regarding a projected completion date.

State funds shall be allocated for the transportation of students subjected to such hazards, provided that such funding shall cease upon correction of the hazard or upon the projected completion date, whichever occurs first.

A hazardous route designation applies only during the period the hazard exists and for a maximum of one school year.

Upon passage, the Superintendent of Public Instruction shall establish a statewide task force that will set specific criteria for hazardous walking conditions and present them to the 1997 Legislature for their approval.

Discussion:

Pros

- Safety has always been a top priority with this Task Force. The state should be involved in student safety issues and the state should assist in funding routes where hazards exist.
- Guidelines would assist districts by giving clear direction about what should be considered a hazard. Districts would have something tangible to back up their decisions and explain to parents why routes are determined not to be hazardous.
- Although some districts already adequately recognize and respond to hazards, others do not. This would ensure that the subject is addressed in a more uniform fashion statewide.
- It is good public relations. The demographics of the state are changing. Hazards grow along with population growth. There is evidence that parents are concerned about this issue. School districts need to be responsive to the concerns of parents. It would be a small step toward accommodating the wishes of parents.
- The additional costs for reimbursing routes where real hazards exist would be insignificant.

Cons

- This issue should be left to local control. Districts can best determine whether a condition is hazardous and if a bus route would be appropriate.
- The number of requests for new routes could get out of hand. The discussions among the districts, parents, the county and state about determining when a hazard exists could be politically motivated. Parents could take advantage of the opportunity and use it as a method to make the district form a bus route under the three-mile limit. It could place undue hardships on the district.
- It could be expensive for the state to reimburse the number of additional bus routes this could generate.
- No two people agree what should be considered hazardous. It could be difficult, if not impossible, to develop statewide guidelines for determining when a hazardous condition exists.

VII. COORDINATION OF SERVICES

The Task Force encourages collaboration between schools and other transportation providers such as senior citizens and groups who serve the developmentally disabled. This collaboration may be in sharing resources and/or equipment to meet community and school transportation needs. However, any collaboration needs to be in compliance with the laws and regulations governing transportation.

Discussion:

Concerns

A. Safety

There was concern that it may not be adequately safe for students (especially grade school students) to ride on non-school buses where unknown members of the public could be riding at the same time, where bus drivers may not be aware of each student's individual needs, and where the buses may not have the same safety standards (Guideline 17) as school buses. The mass transit representative explained the requirements and opportunities available to their bus drivers and the requirements are quite similar as the ones required of school bus drivers.

B. Public Service Commission Issues

There was concern that if school buses went into the business of transporting other community groups, they may create unfair public competition for licensed private carriers who transport those groups. Depending on the circumstances, the school districts might violate commerce laws and could be charged. The task force should not encourage these violations.

Still, the majority of the group concluded that the concept of working with other transportation providers is worthwhile. The group is convinced there should be ways to combine resources, that with minor changes on both sides, and with guidance from the Department of Transportation and the Public Service Commission, opportunities for collaboration do exist and should be encouraged. An example might be when a senior citizen's group obtains a grant for a small lift equipped bus, through collaboration the bus could be ordered to meet Montana school bus standards. The district could use it to transport wheelchair bound students and in exchange provide maintenance to the bus and driver labor for the seniors.

VIII. EQUITY

The Task Force recommends elimination of county mill levies for transportation and in their place raising the same amount of money through a statewide mill levy (approximately 6 mills) or some alternative funding source.

Discussion: Alternative funding sources discussed included: a special transportation tax, gas tax, parent/guardian pay, or income tax credit. The group generally agreed that a special transportation tax or gas tax may be viable considerations; however, the group's recommendation is the statewide mill levy.

This discussion also included the suggestion of completely getting the state out of the transportation business, having the parents pay 100 percent or having the county fully fund the program. Questions also arose regarding what would happen to county transportation reserves if the county was completely removed from the equation.

IX. FORMS/INSERVICE

The Task Force recommends that regional workshops be developed to assist in the certification of bus drivers. These workshops would include:

- Department of Transportation on-site bus driver exams.
- Workshops/materials for the written exam.
- First Aid classes.
- Other required training (i.e., drug & alcohol awareness).

The Task Force also recommends that inservice credits be included in the formal requirements for bus driver recertification.

The Task Force further recommends that bus riding skills be incorporated into curriculum for young students.

Discussion: It was suggested that a form be developed for the reporting of information that would be useful to OPI in producing statewide data. For instance, a breakdown of transportation expenses or other items that would assist OPI when people request statewide information on transportation. School district personnel on the task force did not think it would be beneficial to their district to give that kind of information to OPI. In the past, that kind of information at the state level has been used as a justification in budget cutting. For example, District A doesn't need a transportation supervisor; therefore, why should District B? The Task Force voted against recommending the development of an information bank.

X. EQUIPMENT

The Task Force recommends 15 years as the maximum age of a yellow school bus to be used for the transportation of Montana public school students on subsidized bus routes to and from school.

The task force did not want to include recommendations for group equipment purchases at this time.

Issues regarding equipment age include ongoing development of new standards and safer buses, safety issues related to wear and tear and fatigue, and the recommendation of the national Transportation Research Board that all pre-standard (pre-1977) be removed from service as quickly as possible. The task force discussed using some sort of a phase-in of this policy. For instance, by the year 2000 no buses over 15 years old will be used. The task force initially discussed a 10-year maximum, but concluded 15 to be more realistic.

XI. PUBLIC RELATIONS

The Task Force recommends that all school districts undertake a yearly, thorough public relations effort that outlines the scope of operations, costs, benefits, and any anomalies that might cause misunderstanding (i.e., the bus with only a few students on it) of the district's pupil transportation system.

PUPIL TRANSPORTATION TASK FORCE MEMBERSHIP

Al McMilin, Chairman

Phone: 266-5512

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Culbertson Public Schools
Box 516
Culbertson, MT 59218
787-6246
787-6244 FAX

HI LINE

Dan Haugen, Supt.
Chinook Public Schools
PO Box 1059
Chinook, MT 59523
357-2628
357-2238 FAX

4 RIVERS

Al McMilin, Supt.
Townsend Schools
Box N
Townsend, MT 59644
266-3455
266-3448 FAX

SOUTH CENTRAL

Dan Nelson, Former Supt.
Broadview Public Schools
PO Box 106
Broadview, MT 59015
652-0998
667-2195 FAX

CENTRAL

Dennis Coulter, Supt.
Winifred Public Schools
Winifred, MT 59489
462-5349

B. County Superintendents
(One position appointed by MACSS)**MACSS**

Ellen Zook
County Superintendent of Schools
Custer County
1010 Main Street
Miles City, MT 59301
232-7800
232-7803 FAX

C. School Transportation Director/Supervisor/
Mechanic (Two positions appointed by
Montana Association of Pupil Transportation)**MAPT**

Gary Rose, Adm. Ass't.
Kalispell Public Schools
233 First Avenue E.
Kalispell, MT 59901
756-5015
756-4510 FAX

- MAPT
Alex Ferguson, Trans. Supv.
Cascade Public Schools
West End Central Avenue
Cascade, MT 59421
468-2212 WK
468-2700 HM
468-2212 FAX
- D. Montana School Bus Contractors
(One position appointed by MSBCA)
- MSBCA
Dale Duff
Rocky Mountain Transportation
1410 E. Edgewood Dr.
Whitefish, MT 59937
862-2539
862-8706 FAX
- E. Montana School Business Officials
(One position appointed by MASBO)
- MASBO
Warren Gamas
Glasgow Public Schools
Box 28
Glasgow, MT 59230
228-2406
228-2407 FAX
- F. Special Education Directors
(One position appointed by MCASE)
- MCASE
Brad Nimmick
Skyline Center
3300 3rd St. N.E.
Great Falls, MT 59404
791-2270
791-2277 FAX
- G. Parents
(Three positions, one a parent of a special ed student; one "very rural" parent over 35 miles from school; one "short distance" parent, 3-5 miles from school; all appointed by the Montana PTSA) *
- PTSA
Klarissa Jensen
900 Cherry Hill #D
Polson, MT 59860
883-4319
- H. Building Principals
(Two Positions appointed by MAEMP and MASSP) *
- MAEMP
Sharon Walker, Principal
Kessler Elementary School
2420 Choteau St.
Helena, MT 59601
442-0150
- I. School Board Trustee
(One position appointed by MSBA)
- MSBA
Bob Anderson, Executive Director
Montana School Boards Association
No. 1 South Montana
Helena, MT 59601
442-2180
- J. Teachers
(One position appointed by MEA)
- MEA
Scott T. McCulloch
611 Tabriz
Billings, MT 59105
652-7179 WK
248-5226 HM
- K. Headstart
(One position appointed by Headstart)
- HEADSTART
Royal Johnson
Rocky Mountain Development Center
PO Box 1717
Helena, MT 59624
442-7930
- L. Mass Transit
(One position appointed by Montana Transit Association)
- MTA
Orval Meyer, President
Montana Transit Association
630 No. Main
Helena, MT 59601
442-9333

- M. Para-Transit Providers
(Two positions, one appointed by Montana Association for Independent Disabilities Services (MAIDS), and one by the Montana Association of Area Agencies on Aging (M4A).

MAIDS
Dave Sutinen
Quality Life Concepts
PO Box 2506
Great Falls, MT 59403
452-9531

M4A
Randy Barrett, Director
Area VIII Agency on Aging
Box 202
Black Eagle, MT 59414
454-6991

- N. Government
(One from Governor's Task Force on Government appointed by Task Force--One Legislator)

GOVERNOR'S TASK FORCE
Storrs Bishop
PO Box 667
Ennis, MT 59729

MONTANA HOUSE
OF REPRESENTATIVES **
The Honorable Robert Clark
PO Box 216
Ryegate, MT 59074
568-2553

- O. General Public
(One member to be appointed by the Montana Chamber of Commerce)

MONTANA CHAMBER OF COMMERCE
David Owen, President
MT Chamber of Commerce
PO Box 1730
Helena, MT 59624
442-2405

* Some positions remained unfilled by the organization asked to name members.

** The Honorable Robert Clark was not able to attend the meetings, but asked to kept informed of the work of the task force.

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

Education

SUB-COMMITTEE

DATE

Jan 12, 1995
Jan 12, 1995

BILL NO. _____

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