

**MINUTES**

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

**COMMITTEE ON EDUCATION & CULTURAL RESOURCES**

**Call to Order:** By **CHAIRMAN ALVIN ELLIS, JR.**, on March 1, 1995,  
at 3:00 p.m.

**ROLL CALL**

**Members Present:**

Rep. Alvin A. Ellis, Jr., Chairman (R)  
Rep. Peggy Arnott, Vice Chairman (Majority) (R)  
Rep. Vicki Cocchiarella, Vice Chairman (Minority) (D)  
Rep. Matt Denny (R)  
Rep. H.S. "Sonny" Hanson (R)  
Rep. Dan W. Harrington (D)  
Rep. Jack R. Herron (R)  
Rep. Joan Hurdle (D)  
Rep. Bob Keenan (R)  
Rep. Sam Kitzenberg (R)  
Rep. Gay Ann Masolo (R)  
Rep. Norm Mills (R)  
Rep. William Rehbein, Jr. (R)  
Rep. John "Sam" Rose (R)  
Rep. George Heavy Runner (D)  
Rep. Debbie Shea (D)  
Rep. Richard D. Simpkins (R)  
Rep. Diana E. Wyatt (D)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Andrea Merrill, Legislative Council  
Rena Decrevel, Committee Secretary

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

**Committee Business Summary:**

Hearing: SB 140, SB 250, SB 112  
Executive Action: None

**HEARING ON SB 140**

**Opening Statement by Sponsor:**

**SEN. DARYL TOEWS, SD 48, Lustre,** stated that SB 140 was brought  
forward at the request of the Board of Public Education (BPE)

that would put a written reprimand in an administrator's personnel file or teacher's certification file. This would only come after the hearing process was completed.

**Proponents' Testimony:**

**Wayne Buchanan, Board of Public Education,** supported the bill.

**Jack Copps, Deputy Superintendent of the Office of Public Instruction (OPI),** stated that sometimes lesser disciplinary action is needed and this gives one more option.

**Eric Feaver, Montana Education Association (MEA),** said that the MEA feels that a letter of reprimand is a reasonable course of action in cases where a revocation or suspension of a license is too severe. He wanted to add an editorial amendment to make the language on page 1, line 18, consistent with the title.

**Don Waldron, Montana Rural Education Association (MREA), School Administrators of Montana (SAM),** supported the bill.

**Opponents' Testimony:** None

**Informational Testimony:** None

**Questions From Committee Members and Responses:**

**REP. SAM KITZENBERG** asked the sponsor what action is taken against a realtor when they get in trouble and would he get a letter of reprimand. **SEN. TOEWS** replied that the license is suspended immediately and there would possibly be a fine. There is also a letter of reprimand.

**REP. BILL REHBEIN** asked what type of action would invoke a reprimand. **Mr. Buchanan** stated that taking away someone's certificate is too harsh for some circumstances. In any situations where there is a concern the individual is put on notice.

**REP. NORM MILLS** inquired what the negative effect of putting such a letter in someone's file would be and would the file be available to all schools. **Mr. Buchanan** answered that it would put school districts on notice for a period of time that the individual has committed an infraction and if it should reoccur, then the board would take stronger action.

**REP. DIANA WYATT** asked what the difference was between constructive discipline and the letter of reprimand that will be attached to their certificate. **Mr. Buchanan** replied that the letter would be appropriate in cases where infractions would endanger or burden the teacher's certificate and where the only other course of action would be a revocation or suspension.

**REP. PEGGY ARNOTT** asked how many suspensions there are in a year throughout the state of Montana and how many revocations and denials of certificates there are. **Mr. Buchanan** replied that are probably between three and five suspensions a year. He said that there are four pending right now and not more than a dozen a year. **REP. ARNOTT** asked if there were files kept on each teacher or would this require a new system. **Mr. Buchanan** answered that it was a different system than the personnel files and that these files keep track of the serious offenses and charges that would endanger a teacher's certificate.

*{Tape: 1; Side: A; Approx. Counter: 455; Comments: NA.}*

**REP. KITZENBERG** said that he felt there were quite a few anti-teacher bills in this session. He said that there seems to be a need to fingerprint everyone and to give letters of reprimand and asked what is wrong with the teaching profession that these things are needed. **Mr. Feaver** explained that this was a positive step for teachers as the law now only allows the suspension or revocation of a certificate or do nothing. This is an opportunity for the board to recognize that a violation has occurred without making it impossible for the violator to teach again.

**REP. JOAN HURDLE** explained that teachers have access to their personnel files and may examine them to see if there is anything in them that they need to respond to and they do have a right to put an attachment to anything in that file that explains their point of view. She asked if there was anything like that in SB 140.

**Mr. Feaver** said that when it is stated in the bill that the board would give a 30-day written notice to someone who is being considered for disciplinary action, it is implied that the recipient respond to the allegations.

**REP. HURDLE** thought that it was clear that the violator would be notified but it should be included that a teacher may respond in writing and that response would be attached to the letter of reprimand. **Mr. Feaver** responded that it was during the hearing process itself where both parties would have their day in court and would be able to respond.

**REP. MILLS** asked if a copy of the reprimand was sent directly to the teacher and **Mr. Feaver** said that it is not included in the bill but he thought that they would receive a copy.

**CHAIRMAN ELLIS** asked **Mr. Buchanan** to respond to the last two questions also.

**Mr. Buchanan** stated that there will have to be a hearing and a record of that hearing is kept so all the information is on record. The teacher is required to be notified of a letter of

reprimand and that is already set in the Montana Administrative Procedures Act rules.

**REP. DICK SIMPKINS** asked the sponsor if he supported the amendment that **Mr. Feaver** proposed during his testimony. **SEN. TOEWS** said that it was an oversight and he would support the amendment.

**Closing by Sponsor:**

**SEN. TOEWS** explained that the intent of the bill is to be friendly to teachers and to make a situation better instead of worse. He would make the necessary amendment.

*{Tape: 1; Side: A; Approx. Counter: 890; Comments: NA.}*

**HEARING ON SB 250**

**Opening Statement by Sponsor:**

**SEN. LINDA NELSON, SD 49, Medicine Lake,** stated that SB 250 would allow the trustees of a school district to establish a litigation reserve fund when litigation is pending against a district. The trustees could transfer the money from the general fund into the special fund and upon conclusion, the balance would revert back to the general fund. School districts carry error in emission insurance and this would cover any civil penalties they might be facing but it does not cover back wages which the districts are liable for.

*{Tape: 1; Side: B; Approx. Counter: 00; Comments: NA.}*

An amendment was passed out that would put back in the sentence that was amended out on page 1, line 13, to make it plain that the funds will be reduced. **EXHIBIT 1**

**Proponents' Testimony:**

**Don Waldron, Montana Rural Education Association (MREA),** mentioned that the amendment that was added on page 1, line 15, should have left out "within the adopted budget" as it did not fit there and is not necessary. This was noted on the first exhibit. He wanted to change the effective date to be effective upon the passage of the bill. He said that the fiscal impact was very small.

**Chip Ertman, attorney for MREA,** handed out a letter from **David C. Kloker, superintendent of the Nashua School District. EXHIBIT 2** He then handed out a sheet that shows what is not provided for by insurance. **EXHIBIT 3** There are two other ways could be funded. One is to run an emergency or amended budget and run a special levy, but no more than ten mills could be imposed. The other way is to sell bonds and float a bond issue.

**Larry Fasbender, Great Falls Public Schools**, reiterated that the amendment should be removed and the money gotten outside of the general fund.

**Bob Anderson, Montana School Board Association (MSBA)**, said that the bill is non-mandatory for school districts that allows them the flexibility to deal with unexpected high-cost cases.

Opponents' Testimony: None

Informational Testimony: None

Questions From Committee Members and Responses:

**REP. DICK SIMPKINS** mentioned that they were working out of the reserve fund. He asked what the fiscal impact on the state would be.

**Kathy Fabiano, Office of Public Instruction (OPI)**, said that there would be fewer dollars to reappropriate in the next year or that dollars that would otherwise have been put into the district's reserves would be moved into the litigation fund. She did not know how much the districts reappropriated in their general fund. She stated that she would get that information to the committee.

**REP. DIANA WYATT** asked if they were equally able to make the same determination in terms of the ability for a school district to settle a case.

**Mr. Ertman** answered that they do not have that same ability as there is a statute that says any time public funds are utilized to fund a settlement everything that has to do with the settlement are a matter of public record and have to be disclosed.

**REP. BILL REHBEIN** inquired what would happen if a school district lost a lawsuit and would the board be obligated to pay the debt.

**Mr. Ertman** replied that the plaintiffs would not be happy with a large debt having to be paid over a long period of time and they might attach school district property and possibly bankruptcy.

**REP. PEGGY ARNOTT** questioned how much was used up in litigation fees by the school districts in the past year. **Ms. Fabiano** replied that their reports were not that detailed.

**CHAIRMAN ELLIS** asked the sponsor if she had a feeling on the recommended amendment and **SEN. NELSON** replied that she would like to see it go back the way it was originally. He asked how she anticipated it should be funded if it is not funded out of the general fund. **SEN. NELSON** said that they would take every available penny and then if it was needed to float a bond.

{Tape: 1; Side: B; Approx. Counter: 550; Comments: NA.}

Mr. Waldron also answered that the original bill stated that it would be funded from the general fund at the end of the year.

CHAIRMAN ELLIS clarified that some litigation was covered by insurance and asked if getting the figures on what schools spend on litigation would be difficult.

Mr. Ertman replied that it is very difficult because some actions are covered by insurance and some are not. The policy could cost anywhere from \$15,000 to \$25,000.

REP. DAN HARRINGTON inquired if there are policies to cover a dismissal of a teacher that resulted the winning of a suit. He asked if some districts carried more insurance than others.

Mr. Ertman explained that if the action was for lost wages then it would not be covered by any insurance policies. If there were additional grounds then there may be coverage for specific counts but the defense and back wages would not be covered. In some instances the school districts can pay out the exclusions.

REP. SIMPKINS asked if the school districts have looked at another possible way to create an insurance pool.

Mr. Ertman answered that it is happening now and schools are looking at different insurance companies and mandate that they provide more coverage.

REP. GEORGE HEAVY RUNNER asked if maybe they were trying to set up a teacher's "retirement" fund. Mr. Ertman said that he did not think that was going on because if a school district did make a mistake and lost an action they would have to pay for it.

Closing by Sponsor:

SEN. NELSON stated that this was a good practical way to get the dollars as the costs must be covered. It is only when litigation is pending that this would be set up.

{Tape: 1; Side: B; Approx. Counter: 830; Comments: NA.}

HEARING ON SB 112

Opening Statement by Sponsor:

SEN. BARRY STANG, SD 36, St. Regis, said that SB 112 is the result of the efforts to equalize education, and in particular, transportation, during the last three or four legislative sessions. A diverse task force was formed to look into the issue. He walked the committee through the components of the bill.

*{Tape: 2; Side: A; Approx. Counter: 70; Comments: NA.}*

This bill is to make the school districts more accountable for the number of students they are saying they are transporting. There are two amendments that will be offered.

**Proponents' Testimony:**

**Al McMillan, superintendent in Townsend, chairman of the Transportation Task Force, supported SB 112 on behalf of Loren Frasier, School Administrators of Montana (SAM).** He handed out copies of the executive summary from the task force. **EXHIBIT 4** He mentioned that there is no better substitute for the yellow bus systems but there are areas that could be more efficient. He walked the committee through the executive summary and gave a fiscal analysis.

*{Tape: 2; Side: A; Approx. Counter: 505; Comments: NA.}*

**Madalyn Quinlan, Office of Public Instruction (OPI), supported the recommendations of the task force for a more efficient and accountable transportation system.** She handed out and discussed the two amendments. **EXHIBITS 5 and 6**

**Bob Anderson, Montana School Board Association (MSBA), felt that the fiscal note showed an improved savings and commended the task force on their work.**

**Jim Foster, Montana Rural Education Association (MREA), mentioned that there were significant savings but could not tell which schools would save money and which would lose money.** He handed out and discussed the reimbursement change. **EXHIBIT 7** He said that the effective date on the last page should be July 1, 1994 and that the decision by OPI last year would be captured by the amendment so the school districts can be made whole this year.

*{Tape: 2; Side: B; Approx. Counter: 00; Comments: There is noise from the tape recorder and most of what Mr. Lamb said is inaudible. The sound quality is very poor.}*

**Opponents' Testimony:**

**Ben Lamb, assistant superintendent, Great Falls Public Schools, opposed the bill.**

**Informational Testimony:** None

**Questions From Committee Members and Responses:**

**REP. SAM ROSE** asked where it was indicated that students in extracurricular activities would be responsible for their own transportation.

**Mr. McMillan** explained that the studies show there is a minimal period of time that is impacted by activities.

**REP. BILL REHBEIN** asked why there had to be a three-mile limit when there may be children closer than that, but on the route to the school so the bus could just pick them up on the way.

**Mr. Mcmillan** answered that if there is room the students within the three-mile limit may be picked up but they would not be eligible for reimbursement purposes.

**REP. REHBEIN** asked a question that was not audible on the tape.

**Mr. Mcmillan** said that the buses would still be reimbursed for the basic rate of \$.85 a mile. The additional rate beyond the half-full limit would have to be picked up by the local district. There will be some buses that run slightly under half full and once the weight of ridership is added they will be over half full.

**REP. JOAN HURDLE** asked if **Mr. Mcmillan** could address the concern about the week that the count is to take place. He stated that one of the amendments took care of that issue and the week of Thanksgiving will be bypassed. Any week that is chosen will see someone doing something that is keeping them from riding the bus.

**REP. HEAVY RUNNER** asked a question that was not audible on the tape. **Mr. McMillan** responded that the county transportation committee should approve all the routes.

**REP. HURDLE** asked **Mr. Lamb** if he was the director of transportation and he said he was not. She asked if the school district contracted with the transportation company. **Mr. Lamb** said that they contract with two transportation companies.

**REP. JACK HERRON** inquired if there was an update in the bill for costs as they increase. **Mr. McMillan** felt that a renewal or sunset clause would be in order.

**REP. GAY ANN MASOLO** voiced the concern that this could really harm the school transportation budget and there would be more paperwork and more government involvement. **Mr. McMillan** replied that it could effect individual school budgets but any one school district would not be severely impacted by this bill. He said there will be additional paperwork and time required for the system of accountability.

**REP. VICKI COCCHIARELLA** said that she could see the advantages for the rural communities and asked the sponsor what the advantages for the urban districts were. **SEN. STANG** didn't know that there were advantages or disadvantages for urban or rural districts. If any school district was not running the buses efficiently now, then they will be hurt by this bill.



{Tape: 2; Side: B; Approx. Counter: 550; Comments: NA.}

REP. HURDLE and Mr. McMillan reiterated the issue that SEN. STANG just addressed.

REP. SIMPKINS asked what obligates the state of Montana counties or school districts to provide free transportation. Mr. Mcmillan replied that it was the choice of the school district and there was no obligation to provide that service.

REP. SIMPKINS stated that he thought it was not appropriate for the urban population to pay for the transportation service that their children were not allowed to use and had they thought of charging for the use of the bus. Mr. McMillan said that similar issues could be brought up where one group would be paying for a service they were not using but this is the most efficient system in place. He said it is more cost effective to arrange for an individual contract to bring a student to the bus stop than to extend the bus route another ten miles.

REP. SIMPKINS asked if they had to be residents of Montana to be eligible for transportation. SEN. STANG asked if any students on military bases had ever been denied transportation and that they were eligible until somebody said they weren't.

{Tape: 3; Side: A; Approx. Counter: 00; Comments: NA.}

REP. PEGGY ARNOTT asked if the committee had considered moving the limit to five miles and asked what the qualifications were for those people who qualified for room and board under isolated conditions. Mr. McMillan said that it was discussed and decided against it, because there was not a problem or a need to change it.

David Huff, Pupil Transportation Specialist for OPI, explained that the isolation issue is dealt with at the local level. Under adverse road conditions or if specialized equipment was required, they could qualify upon approval by the district and the county transportation committee.

REP. ARNOTT inquired when the funding for public transportation started. Andrea Merrill, Legislative Council, said that it was part of the school's obligation from territorial times for about 80 or 90 years.

CHAIRMAN ELLIS clarified when the effective date was and what the fiscal impact would be. He asked Mr. McMillan what the state's share of transportation is right now. He replied that it was around \$10 million and the county's share was an additional \$10 million.

CHAIRMAN ELLIS asked if the \$.85 rate was adjustable at intervals. Mr. Huff stated that the \$.85 was the base rate. He handed out and explained EXHIBIT 8.

**CHAIRMAN ELLIS** asked if half of the contributions came from the state. **Mr. Huff** explained that it was accurate if the expenses on schedule did not exceed that amount and if they did, then the district picks up the additional expenses.

**REP. NORM MILLS** asked a question that was not audible on the tape.

**Jack Copps, Deputy Superintendent for OPI**, stated that if they were talking about one person in the district it would make sense to enter into an individual contract for transportation.

**Closing by Sponsor:**

**SEN. STANG** mentioned that the legislature decided a long time ago that they were going to provide transportation for the students. Now they want some accountability and efficiency in that system and paperwork goes with accountability. More efficient bus routes would save the state money.

ADJOURNMENT

Adjournment: 5:40 p.m.

  
\_\_\_\_\_  
ALVIN ELLIS, JR., Chairman

  
\_\_\_\_\_  
ANDREA SMALL, Recording Secretary

AE/as

# HOUSE OF REPRESENTATIVES

## Education

ROLL CALL

DATE 3-1-95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Alvin Ellis, Jr., Chairman	X		
Rep. Peggy Arnott, Vice Chairman, Majority	X		
Rep. Vicki Cocchiarella, Vice Chair, Minority	X		
Rep. Matt Denny	X		
Rep. Sonny Hanson	X		
Rep. Dan Harrington	X		
Rep. George Heavy Runner	X		
Rep. Jack Herron	X		
Rep. Joan Hurdle	X		
Rep. Bob Keenan	X		
Rep. Sam Kitzenberg	X		
Rep. Gay Ann Masolo	X		
Rep. Norm Mills	X		
Rep. Bill Rehbein	X		
Rep. Sam Rose	X		
Rep. Debbie Shea	X		
Rep. Dick Simpkins	X		
Rep. Diana Wyatt	X		

EXHIBIT 1  
DATE 7/1/95  
SB 250

March 1, 1995  
Senate Bill No. 250  
Senator Linda Nelson

Amend as follows:

Page One, line 13: Reinstate: (2) At the end of each school fiscal year,

Page One, line 15 and 16: delete last sentence.

Item number 2 would now read: (2) At the end of each school fiscal year, the trustees of a district may transfer money from the general fund, within the adopted budget, to establish the fund.

NOTE: We also question the need for the words on page one, line 15: "within the adopted budget"



# Nashua Public Schools

"Home of the Porcupines"

VALLEY COUNTY SCHOOL DISTRICT 13

Phone: (406) 746-3411 • Fax (406) 746-3458

Box 170 - 222 Mabel

Nashua, Montana 59248

*Our Students and Staff Believe in Quality Education*



## Testimony in favor SB 250

As a Small school superintendent I am very much in favor of Senate Bill 250. This Bill would allow an establishment of a nonbudgeted litigation reserve fund. Such a fund would allow a school to prepare itself for potential loss in litigation. It takes a lot of time to go through the appeals process. At times it may take several years to finish with the litigation. If at the end of that time the district should loose it could mean reimbursement of back pay of over \$100,000 plus benefits. That would account for over 10% of our entire budget.

If we set aside this money in the General fund it must be reappropriate each year and we would then lose GTB money. We now have a maximum limit and we could not hold such a large sum in our general fund and still operate.

If we would use a budget amendment and use our reserves to pay it off it would wipe out our reserves because it is all we are allowed to keep. That would be devastating to us.

If we barrow the money it would cost a great deal in interest at a lending institution of any kind.

Normally, Errors and Omissions insurance will cover settlements but will not cover Back Pay and Benefits.

If we had a reserve fund we could prepare the district and soften the blow. We could set a little money aside each year that the litigation continues.

Working with relatively small, limited budgets it is very difficult to prepare for such a disastrous lose of a case. This law would be a great asset to us.

The money once litigation is ended would be channeled back into the General fund. This would help prepare the district for a loss and if not needed would help the General fund at some future date if the district prevails in the case.

I can only see positive things happening with SB 250. I would ask for your help and support in passing this piece of legislation.

David C. Kloker

*David C. Kloker*  
Superintendent  
Nashua Schools

Declarations.

EXCLUSIONS

EXHIBIT 3

DATE 3/1/95

SB 250

This policy does not apply:

- a) to any claim involving allegations of fraud, dishonesty or criminal acts or omissions; however, the Insured shall be reimbursed for all amounts which would have been collectible under this policy if such allegations are not subsequently proven;
- b) to any claims arising out of (1) false arrest, detention or imprisonment; (2) libel, slander or defamation of character; (3) assault or battery; (4) wrongful entry or eviction, or invasion of any right of privacy;
- c) to any claim arising out of bodily injury to, or sickness, disease or death of any person, or damage to or destruction of any property, including the loss of use thereof;
- d) to any claim seeking non-pecuniary relief; however, the Company shall defend such claims in accordance with Insuring Agreement 2 subject to an aggregate limit of \$100,000. This limit shall be part of the Limit of Liability stated in Item 3 of the Declarations.
- e) to any claim arising out of failure to effect or maintain any insurance or bond;
- f) to any claim arising out of the gaining in fact of any personal profit or advantage to which the Insured is not legally entitled; or to any awards of back salary;
- g) to any fines or penalties imposed by law or other matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed;
- h) to any claim arising out of breach of fiduciary duty, responsibility or obligation in connection with any employee benefit or pension plan;
- i) to any claim brought by one Insured under this policy against another Insured; however, the Company shall defend such claims, other than counterclaims or cross-claims, in accordance with Insuring Agreement 2 subject to an aggregate limit of \$50,000. This limit shall be part of the Limit of Liability stated in Item 3 of the Declarations;
- j) to any claim arising out of discrimination because of race or national origin, or failure to integrate or desegregate the student enrollment or participation in any school district; however, the Company shall defend such claims, other than claims brought by a governmental entity, in accordance with Insuring Agreement 2 subject to an aggregate limit of \$50,000. This limit shall be part of the Limit of Liability stated in Item 3 of the Declarations.

SPECIAL PROVISIONS

1. Limit of Liability.

The total liability of the Company for all damages, defense costs, charges and expenses arising from all claims made against the Insured during the Policy Period and during the discovery period, if applicable, shall not exceed the Limit of Liability stated in Item 3 of the Declarations. The inclusion herein of more than one Insured shall not increase the Company's Limit of Liability.

2. Deductible.

Subject to the Limit of Liability, exclusions and other terms of this policy, the Company shall only be liable for those damages, defense costs, charges and expenses which are in excess of the deductible stated in Item 4 of the Declarations. This deductible shall apply to each Wrongful Act and shall be borne by the Insured and remain uninsured.

**PUPIL TRANSPORTATION TASK FORCE RECOMMENDATIONS**

**EXECUTIVE SUMMARY**

<p style="text-align: center;"><b>TRANSPORTATION SYSTEM</b></p> <p>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.</p>	<p>▶ No action required.</p>
<p style="text-align: center;"><b>SCHOOL BUS FUNDING FOR HOME-TO-SCHOOL AND BACK</b></p> <p>The TF endorses the present state county-supported mileage reimbursement model with the following modifications:</p> <ul style="list-style-type: none"> <li>◆ Weight student bus ridership to reflect the amount of space they occupy on the bus, including students with disabilities.</li> <li>◆ 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.</li> <li>◆ Calculate reimbursement by           <ul style="list-style-type: none"> <li>● counting all eligible elementary students, and</li> <li>● counting only the eligible high school students which ride during a week designated to count riders.</li> </ul> </li> </ul>	<p>(The TF recommends weighting, spec. ed. and counting be tied together and one not be approved without the others.)</p> <p>▶ Included in bill draft.</p> <p>▶ Requires change in A.R.M. Does not require change in statute.</p> <p>▶ Included in bill draft.</p>
<p style="text-align: center;"><b>INDIVIDUAL ROOM AND BOARD AND TRANSPORTATION CONTRACTS</b></p> <ul style="list-style-type: none"> <li>◆ 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.</li> <li>◆ Cap contracts for individual transportation at the level a family would receive for room and board reimbursement.</li> <li>◆ 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).</li> </ul>	<p>▶ Included in bill draft.</p> <p>▶ Included in bill draft.</p> <p>▶ Included in bill draft.</p>
<p style="text-align: center;"><b>COUNTY TRANSPORTATION COMMITTEE</b></p> <ul style="list-style-type: none"> <li>◆ Adopt operation and procedure guidelines for the county transportation committees.</li> </ul>	<p>▶ Legal parameters of guidelines included in bill draft.</p>
<p style="text-align: center;"><b>ELIGIBILITY FOR SCHOOL BUS RIDE</b></p> <ul style="list-style-type: none"> <li>◆ Make no change to the three-mile requirement.</li> <li>◆ Initiate study and adopt a provision to make students under three miles, who are exposed to hazardous walking conditions, eligible for transportation.</li> </ul>	<p>▶ No action required.</p> <p>▶ OPI will initiate recommended study.</p>
<p style="text-align: center;"><b>COORDINATION OF SERVICES WITH OTHER TRANSPORTATION PROVIDERS</b></p> <ul style="list-style-type: none"> <li>◆ Encourage collaboration between schools and other groups like senior citizen centers.</li> </ul>	<p>▶ Resolution drafted.</p>
<p style="text-align: center;"><b>EQUITY</b></p> <ul style="list-style-type: none"> <li>◆ Replace the county transportation levy with a statewide mill calculated to raise the same amount.</li> </ul>	<p>▶ No action taken.</p>
<p style="text-align: center;"><b>OTHER</b></p> <ul style="list-style-type: none"> <li>◆ Provide regional training and certification workshops for drivers. Require inservice credits for drivers. Incorporate bus riding skills into curriculum for young riders.</li> <li>◆ Adopt 15 years as the maximum age of a yellow school bus for subsidized bus routes.</li> <li>◆ Recommend to all school districts that they undertake a yearly, thorough informational/public relations effort regarding pupil transportation.</li> </ul>	<p>▶ OPI will implement recommendations.</p> <p>▶ No action. OPI will release as a recommendation.</p> <p>▶ No action. OPI will release as a recommendation.</p>



as follows:

(a) determine the number of eligible transportees that board the school bus on the route;

(b) multiply the number determined in subsection (4)(a) by two and round off to the nearest whole number; and

(c) use the adjusted rated capacity determined in subsection (4)(b) as the rated capacity of the bus to determine the rate per bus mile traveled from the rate schedule in subsection (2).

(5) The rated capacity is the number of riding positions of a school bus as determined under the policy adopted by the board of public education.""

{Internal References to 20-10-141:

x 20-10-143      x 20-10-144      x 20-10-145      x 20-10-145}

Renumber: subsequent sections

3. Page 11, line 21 and 23.

Strike: "7 through 9"

Insert: "8 through 10"

4. Page 11, lines 25 and 26.

Strike: "date"

Insert: "dates"

Strike: "[This act] is"

Insert: "(1) [Sections 1 through 4, 6 through 11, and 13] are"

Following: line 25

Insert: "(2) [Section 5 and this section] are effective on passage and approval.

NEW SECTION. Section 13. Termination. [Section 5] terminates July 1, 1995."

Amendments to Senate Bill No. 112  
3rd Reading Copy

Requested by Senator Stang  
For the House Committee on Education

Prepared by Andrea Merrill  
February 28, 1995

1. Title, line 13.

Following: "PROVIDING"

Strike: "AN"

Following: "EFFECTIVE"

Strike: "DATE"

Insert: "DATES AND A TERMINATION DATE"

2. Page 6, line 18.

Following: line 17

Insert: "Section 5. Section 20-10-141, MCA, is amended to read:

**"20-10-141. Schedule of maximum reimbursement by mileage rates.** (1) The following mileage rates for school transportation constitute the maximum reimbursement to districts for school transportation from state and county sources of transportation revenue under the provisions of 20-10-145 and 20-10-146. These rates may not limit the amount that a district may budget in its transportation fund budget in order to provide for the estimated and necessary cost of school transportation during the ensuing school fiscal year. All bus miles traveled on routes approved by the county transportation committee are reimbursable. Nonbus mileage is reimbursable for a vehicle driven by a bus driver to and from an overnight location of a school bus when the location is more than 10 miles from the school. A district may approve additional bus or nonbus miles within its own district or approved service area but may not claim reimbursement for the mileage. Any vehicle, the operation of which is reimbursed for bus mileage under the rate provisions of this schedule, must be a school bus, as defined by this title, driven by a qualified driver on a bus route approved by the county transportation committee and the superintendent of public instruction.

(2) The rate per bus mile traveled must be determined in accordance with the following schedule when the number of eligible transportees that board a school bus on an approved route is not less than one-half of its rated capacity:

(a) 85 cents per bus mile for a school bus with a rated capacity of ~~not less than 12 but~~ not more than 45 children; and

(b) when the rated capacity is more than 45 children, an additional 2.13 cents per bus mile for each additional child in the rated capacity in excess of 45 must be added to a base rate of 85 cents per bus mile.

(3) Reimbursement for nonbus mileage provided for in subsection (1) may not exceed 50% of the maximum reimbursement rate determined under subsection (2).

(4) When the number of eligible transportees boarding a school bus on an approved route is less than one-half of its rated capacity, the rate per bus mile traveled must be computed

EXHIBIT 6  
DATE 3/1/95  
SB 112

Amendments to Senate Bill No. 112  
3rd Reading Copy

Requested by Senator Stang  
For the House Committee on Education

Prepared by Madalyn Quinlan  
March 1, 1995

1. Page 11, line 13.  
Following: "first"  
Strike: "Monday"  
Insert: "school day on or"

EXHIBIT 7  
DATE 7/1/95  
SB 112



OFFICE OF PUBLIC INSTRUCTION

STATE CAPITOL  
PO Box 202501  
HELENA MT 59620-2501  
(406) 444-3095

Nancy Keenan  
Superintendent

June 14, 1994

TO: County Superintendents of Schools  
FROM: Gregg Groepper  
SUBJECT: Transportation Reimbursement

**TRANSPORTATION REIMBURSEMENT CHANGE**

As a result of inquiries from the field, it has been brought to our attention that the Office of Public Instruction practice, present and previous, are not in compliance with 20-10-141 (2)(a) MCA.

Therefore, effective FY 95, the Office of Public Instruction will no longer reimburse school districts for buses with an adjusted rated capacity of less than 12. This decision does not apply to special education transportation, nor does it prevent the district from offering individual transportation agreements to qualifying individuals. Districts are also free to provide bus transportation under 20-10-122 MCA without state and county reimbursement.

This change will be included in the next administrative rule hearing of the Office of Public Instruction, tentatively scheduled for late July, 1994.

County transportation committees are advised to plan accordingly. Copies of this memo will be provided to all school districts that received reimbursement for these buses in FY 94.

PUPIL TRANSPORTATION FINANCE TASK FORCE

HANDOUT #1

EXHIBIT 8  
DATE 7/1/95  
SB 112

CURRENT SYSTEM:

1. DISTRICT DETERMINES ROUTES
2. ROUTES APPROVED BY COUNTY TRANSPORTATION COMMITTEE
3. FALL - TR-2 FORMS COMPLETED LISTING ALL ELIGIBLE RIDERS 3 TO A SEAT UP TO THE MAXIMUM SEATING CAPACITY OF THE BUS
4. IF # OF RIDERS = 1/2 OR MORE OF SEATING CAPACITY THEN REIMBURSEMENT IS \$.85 PER MILE TRAVELED EACH DAY FOR THE FIRST 45 PASSENGER SEATING POSITIONS + \$.0213/MI FOR EACH PSP OVER 45 UP TO THE MAXIMUM SEATING CAPACITY OF THE BUS

EXAMPLE:

- 72 PASSENGER BUS (3 TO A SEAT)
- TR-2 SHOWS 51 RIDERS (35 ELEMENTARY & 16 HS)
- BUS CLEARLY HALF FULL

CALCULATION -

$72 - 45 = 27$  PSP ABOVE 45  
 $27 \times \$.0213 = \$.58$   
 $\$.85 + \$.58 = \$1.43$  PER MILE REIMBURSEMENT  
 $\$1.43 \times \#$  OF MILES IN THE ROUTE PER DAY  $\times 180$  DAYS

5. IF # OF RIDERS = LESS THAN 1/2 THE SEATING CAPACITY OF THE BUS THEN ALTERNATIVE FORMULA IS USED TO DETERMINE ADJUSTED RATE CAPACITY AND SUBSEQUENT REIMBURSEMENT RATE

EXAMPLE:

- 72 PASSENGER BUS (3 TO A SEAT)
- TR-2 SHOWS 34 RIDERS (8 ELEMENTARY & 26 HS)

CALCULATION -

$34 \text{ RIDERS} \times 2 = 68$  ADJUSTED RATED CAPACITY  
 $68 - 45 = 23$  PSP ABOVE 45  
 $23 \times \$.0213 = \$.49$   
 $\$.85 + \$.49 = \$1.34$  PER MILE REIMBURSEMENT  
 $\$1.34 \times \#$  OF MILES IN THE ROUTE PER DAY  $\times 180$  DAYS

**PROPOSED SYSTEM:**

1. DISTRICT DETERMINES ROUTES
2. ROUTES APPROVED BY COUNTY TRANSPORTATION COMMITTEE
3. TR-2 FORM LISTS ELIGIBLE RIDERS ON THE APPROVED ROUTE
4. HIGH SCHOOL FALL COUNT WEEK - TO BE COUNTED AS AN ELIGIBLE RIDER FOR REIMBURSEMENT PURPOSES A HIGH SCHOOL STUDENT MUST RIDE AT LEAST ONCE DURING THE FALL COUNT WEEK - ALL ELEMENTARY LISTED ON TR-2 ARE COUNTED AUTOMATICALLY
5. GIVEN THE RESULT OF THE THE FALL COUNT WEEK THE WEIGHTED RIDERSHIP FOR EACH ROUTE IS COMPUTED
6. IF # OF RIDERS COMPUTED UNDER THE WEIGHTED RIDERSHIP FORMULA = 1/2 OR MORE OF THE SEATING CAPACITY OF THE BUS THEN REIMBURSEMENT IS \$.85 PER MILE TRAVELED EACH DAY FOR THE FIRST 45 PSP + \$.0213/MI FOR EACH PSP OVER 45 UP TO THE MAXIMUM CAPACITY OF THE BUS
7. IF # OF RIDERS USING WEIGHTED RIDERSHIP FORMULA = LESS THAN 1/2 THE SEATING CAPACITY OF THE BUS THEN ALTERNATIVE FORMULA IS USED TO DETERMINE REIMBURSEMENT RATE

**EXAMPLE #1:**

- 72 PASSENGER BUS (3 TO A SEAT)
- TR-2 SHOWS 50 RIDERS (35 ELEMENTARY & 16 HS)
- FALL COUNT SHOWS ONLY 12 HS RIDING
- WEIGHTED RIDERSHIP COMPUTED:  
 $35 + (12 \times 1.5) = 53$  - CLEARLY OVER 1/2 SEATING CAPACITY

**CALCULATION -**

$72 - 45 = 27$  PSP ABOVE 45  
 $27 \times \$.0213 = \$.58$   
 $\$.85 + \$.58 = \$1.43$  PER MILE REIMBURSEMENT  
 $\$1.43 \times \#$  OF MILES IN THE ROUTE PER DAY  $\times 180$  DAYS

**EXAMPLE #2:**

- 72 PASSENGER BUS (3 TO A SEAT)
- TR-2 SHOWS 34 RIDERS (8 ELEMENTARY & 26 HS)
- FALL COUNT SHOWS 26 HS RIDING
- WEIGHTED RIDERSHIP COMPUTED  
 $12 + (26 \times 1.5) = 51$  - CLEARLY OVER HALF

**\*\*\* IF WEIGHTED NOT USED 34 RIDERS WOULD HAVE BEEN UNDER HALF AND THE ALTERNATIVE FORMULA WOULD HAVE BEEN USED MAKING REIMBURSEMENT AT THE LOWER RATE.**

HOUSE OF REPRESENTATIVES  
VISITORS REGISTER

Education

COMMITTEE

DATE 3-1-95

BILL NO. SB 140

SPONSOR(S) Sen. Toews

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	Support	Oppose
Don Waldrow	MREA	✓	
Jack Capps	OPZ	✓	
John Malone	M.F.T.	X	
Bob Anderson	MSBA	X	
Calvin Johnson	Breadline S.A.	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HR:1993

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CS-14

HOUSE OF REPRESENTATIVES  
VISITORS REGISTER

Education

COMMITTEE

DATE 3-1-95

BILL NO. SB 250

SPONSOR(S) Sen. Nelson

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NAME AND ADDRESS	REPRESENTING	Support	Oppose
Don Waldron	MBEA	✓	
Bob Annis	MSTA	✓	
Larry Janssen	GFPS	✓	
Calvin Johnson	Georgetown S.D.	✓	

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HOUSE OF REPRESENTATIVES  
VISITORS REGISTER

Education

COMMITTEE

DATE 3-1-95

BILL NO. SB 112 SPONSOR(S) Sen. Stang

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NAME AND ADDRESS	REPRESENTING	Support	Oppose
Don Waldron	MREA	✓	
Ben Lamb	GFPS		✓
Al McMir	Transp Task Force	✓	
Jack Capps	OPI	✓	
Bob Anusca	MSTBA	✓	
Jim Foster	MREA	✓	
Calvin Johnson	Geraldine S.A.	✓	

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