

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 55th LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON EDUCATION

Call to Order: By CHAIRMAN ROYAL C. JOHNSON, on February 6, 1997, at 8:35 AM, in room 312-2 of the State Capitol.

ROLL CALL

Members Present:

Rep. Royal C. Johnson, Chairman (R)
Sen. Daryl Toews, Vice-Chairman (R)
Rep. Don Holland (R)
Sen. Greg Jergeson (D)
Sen. Ken Miller (R)
Rep. Ray Peck (D)

Members Excused: None

Members Absent: None

Staff Present: Sandy Whitney, Legislative Fiscal Division
Connie Jacobs, Committee Secretary

Committee Business Summary:

Hearing(s) & Date(s) Posted: None
Executive Action: HB 576 insurance program and
University System budget
issues.

EXECUTIVE ACTION ON HB 576 (INSURANCE ISSUE) AND MILAGE LANGUAGE FOR THE UNIVERSITY SYSTEM BUDGET ISSUES.

Orientation

CHAIRMAN ROYAL C. JOHNSON called the meeting to order and discussed the need to address HB 576 insurance issues. Language on page G-137 regarding state insurance needed to be reviewed and approved for consideration by full appropriations. **Mr. Rod Sundsted, Office of the Commissioner of Higher Education (OCHE),** described the insurance plan and its implications for the OCHE.

Motion: REP. DON HOLLAND MOVED TO ACCEPT THE LANGUAGE IN RELATION TO HB 576 - INSURANCE PLAN, ON PAGE G-137.

Vote: THE MOTION PASSED UNANIMOUSLY.
{Tape: 1; Side: A; Approx. Time Count: 1-6; Comments: .}

CHAIRMAN JOHNSON explained the reason for the six mill levy in the Executive Budget. Millage and tuition items were considered for executive action.

EXHIBIT 1 (Ms. Sandy Whitney, Legislative Fiscal Analyst)

The following executive action pertained to exhibit 1.

Motion: SEN. DARYL TOEWS MOVED THAT THE SIX-MILL LEVY REVENUE IN THE EXECUTIVE BUDGET (STATE SPECIAL REVENUE) BE DECREASED BY 937,000 IN FISCAL 98 AND 884,000 IN FISCAL 99, IN ACCORDANCE WITH HJR2 CRITERIA, WITH REDUCTIONS IN THE OPERATING BUDGETS OF THE UNITS.

Vote: THE MOTION PASSED, 5-1.
{Tape: 1; Side: A; Approx. Time Count: 11-20; Comments: .}

Motion: SEN. TOEWS MOVED THAT THE MILL LEVY ESTIMATES INCLUDED IN LANGUAGE ALLOWING THE UNIVERSITY SYSTEM TO REQUEST A GENERAL FUND SUPPLEMENTAL APPROPRIATION IF REVENUE IS LESS THAN THAT ESTIMATED, BE CHANGED TO REFLECT A TOTAL APPROPRIATION OF 15,862,000 IN FISCAL 1998 AND 16,216,000 IN FISCAL 1999.

Vote: THE MOTION PASSED UNANIMOUSLY.
{Tape: 1; Side: A; Approx. Time Count: 22; Comments: .}

Motion: SEN. TOEWS MOVED THAT THE TUITION PORTION OF THE FACULTY INCREASES IN THE 1999 BIENNIUM OF 3,751,088 IN FISCAL 1998 AND 7,246,604, IN FISCAL 1999, ON PAGE E-103, BE APPROVED.

Vote: THE MOTION PASSED UNANIMOUSLY.

Motion: SEN. TOEWS MOVED THAT THE TUITION PORTION OF THE FEE WAIVER INCREASES IN THE 1999 BIENNIUM OF 238,612 IN FISCAL 1998 AND 485,005 IN FISCAL 1999 BE APPROVED (PAGE E-103).

Vote: THE MOTION PASSED UNANIMOUSLY.

Motion: SEN. TOEWS MOVED THAT ADDITIONAL TUITION OF 554,601 IN FISCAL 1998 AND 1,290,156 IN FISCAL 1999 BE APPROVED (THIS IS THE APPROPRIATION TO INCREASE 6 PERCENT STUDENT TUITION INCREASES TO THE 6.5 OR 7 PERCENT RANGE).

Vote: THE MOTION PASSED, 5-1.

{Tape: 1; Side: A; Approx. Time Count: 22-30; Comments: .}

There were no motions made on the general fund language, as found on exhibit 1.

EXHIBIT 2 (Ms. Whitney)

The following executive action pertained to exhibit 2.

Motion: REP. PECK MOVED THAT "ITEM ___ INCLUDES 360,660 IN EACH YEAR OF THE BIENNIUM THAT MUST BE TRANSFERRED TO THE ENERGY CONSERVATION PROGRAM ACCOUNT AND USED TO RETIRE THE GENERAL OBLIGATION BONDS SOLD TO FUND ENERGY IMPROVEMENT THROUGH THE STATE BUILDING ENERGY CONSERVATION PROGRAM. THE COSTS OF THIS TRANSFER IN EACH YEAR OF THE BIENNIUM ARE: UNIVERSITY OF MONTANA-MISSOULA, \$203,400; MONTANA STATE UNIVERSITY - NORTHERN, \$153,000; AND WESTERN MONTANA COLLEGE OF THE UNIVERSITY OF MONTANA, \$4,260."

Vote: THE MOTION PASSED UNANIMOUSLY.

Motion: REP. HOLLAND MOVED THAT "TOTAL AUDIT COSTS ARE ESTIMATED TO BE 581,652 FOR THE UNIVERSITY SYSTEM FOR THE BIENNIUM. EACH UNIT SHALL PAY A PERCENTAGE OF THESE COSTS FROM FUNDS OTHER THAN THOSE APPROPRIATED IN ITEM ___".

Vote: THE MOTION PASSED UNANIMOUSLY.

Motion: SEN. TOEWS MOVED THAT "UNIVERSITY SYSTEM UNITS ARE DEFINED IN 17-7-102(17). FOR ALL UNIVERSITY SYSTEM UNITS, EXCEPT THE OFFICE OF THE COMMISSIONER OF HIGHER EDUCATION, ALL FUNDS (OTHER THAN PLANT FUNDS APPROPRIATED IN [LONG-RANGE PLANNING BILL], RELATING TO LONG RANGE BUILDING, AND CURRENT UNRESTRICTED OPERATING FUNDS) ARE APPROPRIATED CONTINGENT ON APPROVAL OF THE COMPREHENSIVE PROGRAM BUDGET BY THE BOARD OF REGENTS BY OCTOBER 1 OF EACH YEAR. FOR ALL UNIVERSITY SYSTEM UNITS EXCEPT THE COMMUNITY COLLEGES, THE AGRICULTURAL EXPERIMENT STATION, THE FOREST AND CONSERVATION EXPERIMENT STATION, THE COOPERATIVE EXTENSION SERVICE, THE BUREAU OF MINES AND GEOLOGY, THE FIRE SERVICES TRAINING SCHOOL, AND THE DISTANCE LEARNING AND RURAL PHYSICIAN RESIDENCY PROGRAMS, ALL FUNDS, OTHER THAN FUNDS APPROPRIATED IN [LONG-RANGE PLANNING BILL] FOR LONG-RANGE BUILDING PROGRAMS, ARE APPROPRIATED AS A LUMP SUM FOR THE BIENNIUM, CONTINGENT UPON APPROVAL OF THE COMPREHENSIVE PROGRAM

BUDGET BY THE BOARD OF REGENTS BY OCTOBER 1 OF EACH YEAR. THE BOARD OF REGENTS SHALL ALLOCATE THE APPROPRIATIONS TO THE INDIVIDUAL UNITS ACCORDING TO BOARD POLICY. THE BUDGET MUST CONTAIN DETAILED REVENUE AND EXPENDITURES AND ANTICIPATED FUND BALANCES OF CURRENT FUNDS, LOAN FUNDS, ENDOWMENT FUNDS AND PLANT FUNDS. AFTER THE BOARD OF REGENTS APPROVES OPERATING BUDGETS, TRANSFERS BETWEEN UNITS MAY BE MADE ONLY WITH THE APPROVAL OF THE BOARD OF REGENTS. REQUESTS FOR TRANSFER AND RELATED JUSTIFICATION MUST BE SUBMITTED TO THE OFFICE OF BUDGET PROGRAM PLANNING AND TO THE LEGISLATIVE FISCAL ANALYST PRIOR TO APPROVAL BY THE BOARD OF REGENTS. ALL MOVEMENT OF FUNDS BETWEEN THE CURRENT UNRESTRICTED SUBFUND AND THE DESIGNATED SUBFUND ACCOUNTS MUST BE CLEARLY IDENTIFIED IN THE STATE BUDGETING AND ACCOUNTING SYSTEM."

Vote: THE MOTION PASSED, 5-1. **REP. RAY PECK** VOTED NO ON THE MEASURE.

Motion: **SEN. GREG JERGESON** MOVED THAT "ALL UNIVERSITY SYSTEM UNITS, EXCEPT THE OFFICE OF THE COMMISSIONER OF HIGHER EDUCATION, SHALL ACCOUNT FOR EXPENDITURES CONSISTENTLY WITHIN PROGRAMS AND FUNDS ACROSS ALL UNITS AND SHALL USE THE NATIONAL CENTER FOR HIGHER EDUCATION MANAGEMENT SYSTEMS PROGRAM CLASSIFICATION STRUCTURE, ALONG WITH THE COLLEGE AND UNIVERSITY BUSINESS ADMINISTRATION (CUBA) SYSTEM, AS A MINIMUM STANDARD FOR ACHIEVING CONSISTENCY."

Vote: THE MOTION PASSED UNANIMOUSLY.

{Tape: 1; Side: A; Approx. Time Count: 33; Comments: .}

Motion: **SEN. TOEWS** MOVED THAT "THE MONTANA UNIVERSITY SYSTEM, EXCEPT THE OFFICE OF THE COMMISSIONER OF HIGHER EDUCATION AND THE COMMUNITY COLLEGES, SHALL PROVIDE ELECTRONICALLY TO THE OFFICE OF BUDGET AND PROGRAM PLANNING AND THE LEGISLATIVE FISCAL ANALYST: 1) AT FISCAL YEAREND, THE ACTUAL PERSONAL SERVICES DATA, WHICH MUST TIE TO THE ACTUAL EXPENDITURES AS RECORDED ON SBAS; AND 2) BY NOVEMBER 1 AND AT FISCAL YEAREND, THE BUDGETED PERSONAL SERVICES DATA, WHICH MUST TIE TO THE OPERATING PLAN FOR EXPENDITURE OF FUNDS APPROPRIATED IN [THIS ACT] AND IN THE PAY PLAN APPROVED BY THE BOARD OF REGENTS. THE PERSONAL SERVICES DATA DESCRIBED IN SUBSECTIONS (1) AND (2) MUST INCLUDE BUT IS NOT LIMITED TO THE FOLLOWING FOR EACH POSITION NUMBER: PROGRAM NUMBER, RESPONSIBILITY CENTER, BUDGETED AND ACTUAL SALARY AND BENEFITS, FUND TYPE, FTE POSITION TITLE AND POSITION TYPE, LONGEVITY DATES AND INCREMENTS, YEARS OF SERVICE, BENEFIT FACTORS, WORKERS COMPENSATION CODE, FINAL ENDING HOURLY SALARY (ACTUALS ONLY), CLASS CODE, AND ALLOCATION PERCENTAGE."

Vote: THE MOTION PASSED UNANIMOUSLY.

{Tape: 1; Side: A; Approx. Time Count: 41; Comments: .}

Motion: SEN. JERGESON MOVED THAT "THE GENERAL FUND APPROPRIATION FOR THE COMMUNITY COLLEGES IS THE STATE SHARE, WHICH IS 51% OF THE BUDGET AMOUNT PER FULL TIME EQUIVALENT STUDENT, AS DETERMINED BY THE LEGISLATURE FOR THE COMMUNITY COLLEGES IN FISCAL YEAR 1998 AND FISCAL YEAR 1999. THE TOTAL UNRESTRICTED BUDGETS FOR THE COMMUNITY COLLEGES MUST BE APPROVED BY THE BOARD OF REGENTS."

Vote: THE MOTION PASSED UNANIMOUSLY.

{Tape: 1; Side: A; Approx. Time Count: 41-44; Comments: .}

{Tape: 1; Side: B; Approx. Time Count: 1-2; Comments: .}

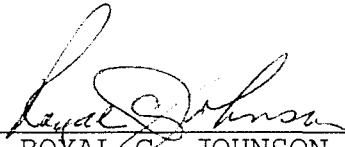
Motion: REP. PECK MOVED THAT "TOTAL AUDIT COSTS ARE ESTIMATED TO BE 64,000 FOR THE COMMUNITY COLLEGES FOR THE BIENNIUM. THE GENERAL FUND APPROPRIATION FOR EACH COMMUNITY COLLEGE PROVIDES 51% OF THE TOTAL AUDIT COST. THE REMAINING 49% OF THESE COSTS MUST BE PAID FROM FUNDS OTHER THAN THOSE APPROPRIATED IN ITEM _____. AUDIT COSTS FOR THE BIENNIUM MAY NOT EXCEED 20,000 EACH FOR DAWSON AND MILES COMMUNITY COLLEGES AND 24,000 FOR FLATHEAD VALLEY COMMUNITY COLLEGE.

Vote: THE MOTION PASSED UNANIMOUSLY.

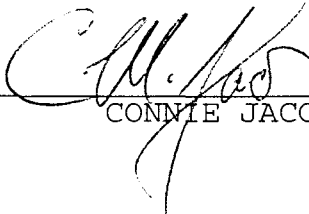
{Tape: 1; Side: B; Approx. Time Count: 6; Comments: .}

ADJOURNMENT

Adjournment: This meeting was adjourned at 9:29 am.



REP. ROYAL C. JOHNSON, Chairman



CONNIE JACOBS, Secretary

RCJ/cj

Note: This meeting was recorded on one (1) 90 minute tape.