

**MINUTES**

**MONTANA SENATE  
55th LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON EDUCATION & CULTURAL RESOURCES**

**Call to Order:** By **CHAIRMAN DARYL TOEWS**, on February 7, 1997, at 3:09 p.m., in Room 402.

**ROLL CALL**

**Members Present:**

Sen. Daryl Toews, Chairman (R)  
Sen. C.A. Casey Emerson, Vice Chairman (R)  
Sen. Steve Doherty (D)  
Sen. Delwyn Gage (R)  
Sen. Wm. E. "Bill" Glaser (R)  
Sen. John R. Hertel (R)  
Sen. Loren Jenkins (R)  
Sen. Mike Sprague (R)  
Sen. Barry "Spook" Stang (D)  
Sen. Mignon Waterman (D)

**Members Excused:** Sen. Debbie Bowman Shea (D)

**Members Absent:** None.

**Staff Present:** Eddye McClure, Legislative Services Division  
Janice Soft, Committee Secretary

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

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: SB 262, SB 241; Posted  
02/03/97  
Executive Action: None

**HEARING ON SB 262**

**Sponsor:** SEN. FRED VAN VALKENBERG, SD 32, Missoula

**Proponents:** Rod Sunsted, Montana University System  
Rosie Keller, University of Montana

**Opponents:** None.

**Opening Statement by Sponsor:**

SEN. FRED VAN VALKENBERG, SD 32, Missoula, said he introduced SB 262 at the request of the Board of Regents to exempt the Board from the requirement to pay a fee for issuance of revenue bonds.

He said SB 262 was appropriate for passage because in 1987 the legislature adopted a proposal to pay for the state-wide audit from non-General Fund sources; however, since then there was a change in financial circumstances and now many of the University System capital projects are funded by revenue bonds. He said there was a considerable difference between the connection of the state-wide audit/revenue bonds and the general state-wide audit/obligation bonds. **SEN. VAN VALKENBERG** maintained the University System paid a substantially disproportionate share of the cost of the state-wide audit because of its reliance on revenue bonds. He suggested it was more appropriate for the General Fund to support the cost of a state-wide audit than it was to assess fees on the revenue bonds. He stated when the University System could not use its resources for its central mission (instruction and support of students), but used them for subsidizing and paying for a mission the legislature deemed appropriate for other purposes, the mission suffered. He asked the Committee to give favorable consideration to SB 262.

**Proponents' Testimony:**

**Rod Sundsted, Montana University System**, said the System had looked closely at current programs with the purpose of improving services to students, i.e. academic changes and more efficiency in administration. He said the question of revenue bonds came up and while it was not a huge amount of money, between \$40 - \$50,000 during the past four or five years, it could have been used for students. **Mr. Sunsted** said the state-wide audit really did not benefit the University System, plus the System was paying more and more of the state obligations. He explained the System currently was paying part of the state-wide audit through the funds -- one-half of the fee was paid through HB 2 and the University System paid 75% of its share through non-General Fund monies.

**Rosie Keller, University of Montana**, said when revenue bonds were issued on behalf of the University, all the groundwork was done by University personnel, i.e. preparation of bond documents, development of presentations for rating agencies, and financial analysis for issuing the debt. She explained these documents contained many issues relative to audit; however, they had never been requested for information relative to the state-wide audit. **Ms. Keller** said the indenture required an annual audit by an independent CPA firm, paid for by the University. She stated the System was again audited by the legislative auditor's office who reviewed the same activity as the independent audit and again, the University paid for it, though a portion was applied to the state-wide audit. She suggested using the independent audit and the audit of the legislative auditors at the University level; not duplicating the same resources at the state-wide level. She said there was no benefit for the University to pay the fees. She urged support for SB 262.

Opponents' Testimony: None.

Questions From Committee Members and Responses: None.

Closing by Sponsor:

SEN. FRED VAN VALKENBERG said a letter from a previous legislative auditor looked at the issue from a neutral perspective and concluded the state-wide audit was a legitimate General Fund cost. He said the University System would continue to be assessed its portion of General Fund costs, but not more than its fair share.

{Tape: 1; Side: A; Approx. Time Count: 3:22 p.m.}

HEARING ON SB 241

Sponsor: SEN. JOHN HARP, SD 42, Kalispell

Proponents: Ryan Manion, Private Citizen (Written Testimony EXHIBIT 1)

Opponents: Steve White, Montana Coalition of Home Educators  
Russ Wahl, Glacier County  
Jen Rebo, Helena  
Linda Darelus, Helena  
Ronald Baar, Manhattan  
Laurie Koutnik, Christian Coalition of Montana  
Dori Nielson, Office of Public Instruction

Informational: Brenda Nordlund, Department of Justice

Opening Statement by Sponsor:

SEN. JOHN HARP, SD 42, Kalispell, referred to (EXHIBIT 2) as the reason for SB 241. He said 16 states had "No Pass - No Drive" legislation and about seven more were considering it; it was effective in some places and in others data was not available.

SEN. HARP said one problem was how to deal with the home schoolers because of the 1981 legislation which supported home schooling; the group feared SB 241 would remove their somewhat autonomous function. He reminded the Committee it was important to not distinguish among the groups, and he wanted to remind the home school group it was not the intent of SB 241 to circumvent the 1981 legislation so he offered amendments SB024101.AEM (EXHIBIT 3). He said SB 241 was requested because the superintendent was concerned about what happened to students when they left school -- their future looked grim, there was concern for their well-being and they would be a potential drain on society. SEN. HARP suggested the current request for an increased corrections budget may not have been so high if legislation like SB 241 was law; at some point, there needed to be a connection between schools and good grades and perhaps privileges of driving would bring that along. He said the

Department of Justice would speak to their concerns, as would others. He reminded the Committee somehow other states had similar legislation; perhaps, it became more improved and workable with time.

**Proponents' Testimony:** Ryan Manion, Private Citizen, submitted written testimony but did not speak. (EXHIBIT 1)

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**Opponents' Testimony:**

Stephen White, Montana Coalition of Home Educators, read his written testimony (EXHIBIT 4).

Russ Wahl, Glacier County, read his written testimony (EXHIBIT 5).

Jen Rebo, Helena, said she was a home schooler and her questions concerned the public schools to private schools, wondering why all students should be penalized for actions of the truants. She was concerned especially for those students who left public school for private apprenticeships -- would the person who was apprenticing them have to come up with some type of grading system. She also wondered if the more capable students would choose to not take more advanced classes, thus ensuring a good grade, rather than taking classes which would stretch their mind but could result in a mediocre grade. She suggested a better solution might be to put the responsibility on the parents of the truants -- pass a law which would allow the parents to withhold the drivers license because of poor grades and attendance.

Linda Darelus, Helena, said she was a home schooler but served on the Enrollment Decline Task Force for the Helena school district. She stated this Task Force found one of the biggest reasons for enrollment decline was discipline, especially in the high schools. She maintained a student who was forced to stay in school when he or she did not want to be there would contribute to discipline problems, making things rougher for the other students.

Ronald Baar, Manhattan, read his written testimony. (EXHIBIT 6)

Laurie Koutnik, Christian Coalition of Montana, said she rose in opposition to SB 241, explaining she understood the intent of the bill but did not think it would solve the conflict's problems. She commended the home schoolers present at the hearing for doing a good job of expressing their concerns. Ms. Koutnik addressed the concern of equal rights under the law, i.e. the law should be the same for both public and private groups. She also said in some households a "C" would be unacceptable because the parents set higher standards for the break in car insurance premiums. She shared stories of foster children who had lived with her family -- youth who needed to drive because of jobs, etc., even

though they were not intellectually or emotionally capable of maintaining a "C" average.

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She asked the definition of a "C", referring to the trend toward outcome-based education in which there were no letter grades. She recommended a DO NOT PASS.

**Dori Nielson, Office of Public Instruction**, said SB 241 placed a heavy burden on the Department of Justice, county superintendents and school districts because lists of students were not normally kept in the manner suggested by SB 241. She referred to ambiguities and flaws in SB 241, making the bill very expensive and burdensome for schools.

**Elizabeth Dunkel, White Sulphur Springs**, submitted written testimony. (EXHIBIT 7)

**Barda Allen, Helena**, submitted written testimony. (EXHIBIT 8)

Informational Testimony:

**Brenda Nordlund, Department of Justice**, stressed the fact that parents had lawful control over whether their children retained drivers licenses. She asked the legislators to give the Department of Justice as many guidelines as they could, should the lawmakers pass SB 241, because the responsibilities outlined in the bill were very different from what the examiners were currently trained to look at. She said SB 241 allowed for the offering of a financial hardship exception to those for whom the suspension would create a financial hardship; therefore, some driving privileges would be retained. **Ms. Nordlund** said drivers examiners were trained to test the competency of the drivers; they were not trained to decide which instance would create a financial hardship for a youth who was not in school. She asked the Committee to give definition regarding financial hardship. She said the Department currently offered very few hardship licenses, and those who held them were under 15 years of age but over 13 years and contributed to the family's finances.

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Questions From Committee Members and Responses:

**SEN. CASEY EMERSON** asked for statistics to show such a bill as SB 241 was valuable in other states. **SEN. JOHN HARP** said it was too early for evidence to show a dramatic change in attendance or academic performance.

**SEN. STEVE DOHERTY** asked if the bill could be amended to simply require attendance at school instead of a "C" average. **SEN. HARP** said the emphasis of SB 241 was to allow some incentive and encouragement through the use of a drivers license, and perhaps

attendance was a good thing to consider. **SEN. DOHERTY** asked why attendance until age 18 was a good idea. **SEN. HARP** said he had talked to a superintendent who had students who, upon reaching 16, boldly announced they were quitting. The superintendent felt if they had been required to stay in until 18, they might have graduated.

**SEN. DELWYN GAGE** asked if any states already having 18 as the compulsory age were adding grades to their statutes. **SEN. HARP** said he did not know. **Eddy McClure** said the grade average in SB 241 was based on Arkansas.

**SEN. JOHN HERTEL** asked if one reason for SB 241 was because of parents who did not set high enough academic standards. **Laurie Koutnik** said she thought so, and explained one of her objections to SB 241 was using the school, the government and Department of Justice be the parents for the children. She suggested it would be better to help parents to be parents. **SEN. HERTEL** suggested the drivers license really was not an incentive and **Ms. Koutnik** agreed. **SEN. HERTEL** asked if driving was a privilege and **Ms. Koutnik** said it was. **SEN. HERTEL** asked if it needed to be earned and **Ms. Koutnik** agreed.

**SEN. MIKE SPRAGUE** asked for the explanation of graduated drivers licenses. **Brenda Nordlund** said youth were given driving privileges over a period of time, starting with a base privilege (driving only with adult), moving to the next tier (time & occupancy restrictions) and full-fledged driving privileges. All tiers would require maintaining good driving behavior. She explained it was a concept born not of educational goals, but of a concern that youth may be immature and inexperienced as drivers.

**SEN. SPRAGUE** asked **Steve White** what he would do in the case of a single mother trying to get a non-cooperative 15 1/2 year old son to attend school, and was told **Mr. White** had been one of those teen-agers. The reason he stayed in school was his peers dropped out in the eighth grade and were no longer so influential. He said he would tell that teenager just because he dropped out of school, didn't mean his life was over. **SEN. SPRAGUE** said he had dealt with such a situation and managed to get the teenager back into school for six months. He explained the teenager was the victim of a parasite and wondered what **Mr. White** would suggest regarding the concern that all efforts should be up front. **Mr. White** said he wondered if SB 241 would make a difference because the 18-year-old compulsory attendance laws did not keep the kids in school and neither would the driving law.

**SEN. LOREN JENKINS** asked what SB 241 would do with a pregnant teenage girl who had to drop out to have her baby. **SEN. HARP** said he did not know. **SEN. JENKINS** asked what would happen to insurance after suspension. **Jim Donaldson, insurance agent**, said his parents would get and sign an exclusion for him which would be in effect for three years. **SEN. JENKINS** asked if the youth

could get any insurance at all and **Mr. Donaldson** said he would go into a high risk pool.

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Closing by Sponsor:

**SEN. JOHN HARP** said sometimes concern for neighbors' children was neglected. He said the interests of the constituent who asked him to carry SB 241 were sincere and he was trying to address a problem. **SEN. HARP** referred to the superintendent's letter which said about 300-400 youth were out of school, roaming the streets. He felt if the problem were continued to be ignored, payment would be made later.

ADJOURNMENT

**Adjournment:** The meeting adjourned at 4:26 p.m.

  
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SEN. DARYL TOEWS, Chairman

  
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JANICE SOFT, Secretary

DT/JS