MINUTES

MONTANA SENATE
59th LEGISLATURE - REGULAR SESSION

COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

Call to Order: By **CHAIRMAN DON RYAN**, on March 2, 2005 at 3:05 P.M., in Room 102 Capitol.

ROLL CALL

Members Present:
Sen. Don Ryan, Chairman (D)
Sen. Gregory D. Barkus (R)
Sen. Jerry W. Black (R)
Sen. Kim Gillan (D)
Sen. Bob Hawks (D)
Sen. Sam Kitzenberg (R)
Sen. Jesse Laslovich (D)
Sen. Jeff Mangan (D)
Sen. Dan McGee (R)
Sen. Bob Story Jr. (R)

Members Excused: Sen. Jim Elliott (D)

Members Absent: None.

Staff Present: Connie Erickson, Legislative Branch
Lois O'Connor, Committee Secretary

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

Committee Business Summary:
Hearing & Date Posted: SB 496, 3/2/2005; HB 20, 3/2/2005; HB 83, 3/2/2005
Executive Action: None.

{Tape: 1; Side: A; Time Counter: 0.8}

HEARING ON SB 496

Opening Statement by Sponsor:

SEN. MIKE COONEY (D), SD 40, said that during a conference with driver education teachers, it came to his attention that state support for drivers education has continued to decline. As a result, the cost of children taking drivers education has reached exorbitant rates (i.e., Missoula's rate is $400 and Helena's is $200). Many families in the state are unable to pay for their children to take drivers education. In addition, in some communities, drivers education has become so costly that they have cut back on offering drivers education. Children in the rural areas find that accessing drivers education is not easy or convenient and may not be offered at all. SB 496 is the result of many conversation with stakeholders to improve the situation.

SEN. COONEY said that SB 496 puts an additional fee on drivers' licenses, renewals, replacements, and identifications that the Drivers License Bureau provides. SB 496 not only enhances statewide drivers education programs for novices but senior citizen drivers as well, such as 55 Alive.

{Tape: 1; Side: A; Time Counter: 7.5}

Proponents' Testimony:

Rick Chiotti, Office of Public Instruction (OPI), and Denise Harris, Triple A (AAA), provided written comments in support of SB 496.

EXHIBIT(eds46a01)
EXHIBIT(eds46a02)

Steve Yeakel, MT Traffic Educators, said that there is danger in the work that traffic educators do, but as they list their concerns, one of the main concerns is that the access is being restricted by cost and reimbursement. He supported SB 496 with the proposed amendments.

Opponents' Testimony: None.

{Tape: 1; Side: A; Time Counter: 12.3}

Informational Testimony:

David Huff, Director, Traffic Education Program, OPI.

Anita Oppedahl, Bureau Chief, Field Operations Bureau, Department of Justice.

{Tape: 1; Side: A; Time Counter: 12.8}

Questions from Committee Members and Responses:

SEN. JEFF MANGAN, SD 12, asked if SB 496's intent was to help families who could not afford to pay for drivers education program since the bill does not explicitly say that. **SEN. COONEY** said that it was his intention that the vast majority of the money raised would support local drivers education programs and decrease costs. It would increase the state share of supporting the drivers education program resulting in a lower cost at the community level. There will also be some money set aside for administrative costs.

SEN. ROBERT STORY, SD 30, asked if the account that currently funds the drivers education program a state special revenue account or a general fund appropriation. **SEN. COONEY** said that it is funded through a state special account, and if SB 496 passes, the Legislature must deal with the issue of the caps. **SEN. STORY** asked is certain things should be funded through special revenue accounts or should they stand for general fund appropriation on their merits. **SEN. COONEY** said that he understands the concern of many legislators when state special revenue accounts proliferate and they lose control over them. However, he felt that there was an appropriate role for state special revenue accounts as long as they are dealt with appropriately. He believed that SB 496 was.

{Tape: 1; Side: A; Time Counter: 17.1}

SEN. STORY asked if money flows into that account from the fees and it becomes a statutory appropriation, is there a chance that the funds will become backed-out general fund and used elsewhere. **Mr. Huff** said that the current funding deposited into the state special revenue account for traffic education comes from drivers licenses. SB 496 is an add-on to what is already being funneled into that account. However, those funds are subject to appropriation. If there was a strong influx of money into the fund, OPI cannot spend more or reimburse schools more than what the Legislature provides in HB 2. This is also true for the administrative side. He added said that the basic drivers license fee is divided on a percentage basis between the MT Highway Patrol, the State Traffic Education Fund, and several other little funds. SB 496 adds a surcharge of $6.00 as a traffic education fee. The funds are then divided up between the senior

fund being established by the bill and the novice driver fund which already exists.

SEN. STORY said that over the years, the Legislature has gotten away from counting vehicles because it simplified the process. It took the total revenue, divided it up, and distributed it on a percentage basis. He asked if the percentage-basis could work in this situation rather than counting drivers licenses. **Ms. Oppedahl** was unsure, but discussions surrounded the surcharge on drivers licenses not vehicles because there are currently many fees on vehicle registrations. **SEN. STORY** said that the Department of Justice is going to take over all of the vehicle revenue when its new computer system comes on line. Is should also visit with the Department of Revenue to see if they want it a stand-alone fee system or a percentage system.

{Tape: 1; Side: A; Time Counter: 22.9}

SEN. GREGORY BARKUS, SD 4, asked why the drivers education programs should not be administered by the Department of Justice. **SEN. COONEY** was unsure why the program was currently administered through OPI. He said that although it could be administered through the Department of Justice, the majority of the drivers education programs throughout the state are offered through the school system. He did not have strong feelings one way or the other about who administers it. However, there are no private companies in Montana who offer a drivers education program unless they are offered in larger cities. The only avenue of getting the program out to the rural areas is through the schools. **SEN. BARKUS** asked about the fiscal note. **SEN. COONEY** said that there is a fiscal note coming, and he did not sign it. It was not that he disagrees with it only that there are proposed amendments that would change the fiscal note. **SEN. BARKUS** asked if SB 496 would be a locally subsidized program by local school districts. **SEN. COONEY** said that if enacted, SB 496 would take the cost of drivers education programs up to 50%. It would not be a self-supported program because parents and students are expected to contribute.

SEN. DANIEL MCGEE, SD 29, said that the cost of drivers education in Missoula is $400 while in Laurel, it is $150. He asked if it would mean that Missoula received $200 while Laurel received $75. **SEN. COONEY** said that he intended that the amount of money collected would pay for 50% of the drivers education program statewide.

SEN. STORY asked how OPI determined how much a school district would receive. **Mr. Huff** said that OPI takes the amount available in the fund and divides it by the number of students taking

driver education. The result is approximately $80 per student. The money is channeled to the school district to offset the costs that they have incurred. The amount is a portion, per student, statewide.

SEN. RYAN asked how the Department of Justice currently handled the payments for duplicate licences. **Ms. Oppedahl** said that a percentage of the payment stays with the Motor Vehicle Division, another percentage goes to drivers' education programs, and some of the money goes to the Highway Patrol. **SEN. RYAN** asked if there was money currently in the senior account and are there insurance discounts for senior drivers education programs . **SEN. COONEY** said that currently, there is no senior account in statute, but there are programs that keep senior driver skills up to par, such as 55 Alive. A senior account would be new part of the driver education programs, and it would help defray the cost to senior drivers. He added that there are no statutes that mandate insurance companies give discounts, although some do if seniors and novice drives have taken drivers education. SB 496 would not impact that.

SEN. HAWKS asked **Ms. Harris** to elaborate on the 55-Alive program for senior or any senior discounts. **Ms. Harris** said that AAA launched a new program called the Road Wise Review that evaluates the driving abilities of seniors based on questions answered. There are certain insurance companies that do provide senior discounts if they go through the 55-Alive and the Road Wise Review programs.

{Tape: 1; Side: B; Time Counter: 7.1}

Closing by Sponsor:

SEN. COONEY said that he hoped that if SB 496 passes, the state will see an appreciable increase in better driving habits by new drivers and additional assistance for Montana's older drivers.

{Tape: 1; Side: B; Time Counter: 8.7}

HEARING ON HB 20

Opening Statement by Sponsor:

REP. SUE DICKENSON (D), HD 25, said that the Montana School for the Deaf and Blind (MSDB) serves the needs of hearing and visually impaired children from all over the state. The School provides teaching, support, and resources so that children with these challenges can be all that they can be. HB 20 revises the process for determining eligibility for admittance to the MSDB.

The change allows flexibility in eligibility guidelines for the School while conforming the rules to the Individuals with Disabilities Education Act (IDEA).

{Tape: 1; Side: B; Time Counter: 10.8}

Proponents' Testimony:

Steve Gettel, Superintendent, Montana School for the Deaf and Blind, provided written comments in support of HB 20.

EXHIBIT(eds46a03)

Rick Chiotti, OPI, said that OPI worked with MSDB on the intended purposes of HB 20, and it complies with IDEA 2004. OPI supports HB 20.

Opponents' Testimony: None.

Informational Testimony: None.

{Tape: 1; Side: B; Time Counter: 13.9}

Questions from Committee Members and Responses:

SEN. BARKUS said that HB 20 has been changed substantially since its introduction. He asked if HB 20's intent was to simply increase the age eligibility from 21 years of age to 22 years of age. **SEN. DICKENSON** said that HB 20 does not increase the age limit. The new language is only clarifying language.

{Tape: 1; Side: B; Time Counter: 15.5}

SEN. STORY asked if HB 20 is taking away rulemaking authority from the Board of Public Education. **Mr. Gettel** said that rulemaking authority fall under a different section of the statute. It takes no rulemaking authority from the Board. The stricken portion of the bill appears in the Board's administrative rules. **SEN. STORY** said that at a previous meeting, the Board told the Committee that administrative rules did not apply to it.

Closing by Sponsor:

REP. DICKENSON said that the revisions in HB 20 brings Montana statute into compliance with IDEA and it will simplify the MSDB's need to simplify the statute to clearly identify eligibility criteria. **SEN. MANGAN** will carry HB 20.

{Tape: 1; Side: B; Time Counter: 19.3}

HEARING ON HB 83

Opening Statement by Sponsor:

REP. MARGARETT CAMPBELL (D), HD 31, said that HB 83 will streamline the process regarding children who are removed from their homes and placed in out-of-district foster care or group homes in another school district. This is currently a state obligation and remains a state obligation under HB 83. She said when a tuition payment for the state or court placement is due, the county takes the tuition off of the top of the 55 mills that it collected and sends the remainder of the 55 mills to the state. HB 83 has no additional cost; it does not raise local, county, or state taxes; and it avoids over or under payments of tuition.

{Tape: 1; Side: B; Approx. Time Counter: 22.9}

Proponents' Testimony:

Joan Anderson, (OPI), provided an overview of a diagram showing state/court placements and out-of-district attendance and written comments in support of HB 83.

EXHIBIT(eds46a04)
EXHIBIT(eds46a05)

{Tape: 2; Side: A; Time Counter: 5.9}

SEN. FRANK SMITH, SD 16, provided a letter from **Patricia Stennes, Superintendent of Schools, Roosevelt County,** in support of HB 83. He said that **Ms. Stennes** felt that HB 83 would cut down on many problems that Roosevelt County has had regarding tuition collections and payments.

EXHIBIT(eds46a06)

{Tape: 2; Side: A; Time Counter: 7.0}

Opponents' Testimony:

Kathryn Pfister, County Superintendent, Musselshell County, provided written comments in opposition to HB 83 and written testimony from **Julia Lillethun, Assistant County Superintendent, Yellowstone County,** in opposition to HB 83.

EXHIBIT(eds46a07)
EXHIBIT(eds46a08)

Informational Testimony: None.

{Tape: 2; Side: A; Time Counter: 15.0}

Questions from Committee Members and Responses:

SEN. BARKUS inquired about the broad variety of tuition payments and the number of students effected in the various counties. **Ms. Anderson** said that many of the children taken from their homes have varying degrees of difficulty in school and other problems that are associated with physical developmental problems. What is seen is the placement of children who may be subject to the normal programs in the school where they are attending. Those rates of tuition are more routine versus children who may have emotional difficulties requiring one-on-one aides or specialized transportation needs. Tuition for special education children that are placed by the state and county is not capped in its rate. It can be close to the actual costs that the district taking the child in are incurring which can be very high while others are in the mid-range of tuition for all schools.

SEN. STORY said that there were 271 students in 34 counties involved in 2003. In 2004, there were almost the same number of students but only 19 counties involved. He asked what happened. **Ms. Anderson** said the differences are the variations in the number of placements made by the state and Court in any given year in any give area. There is also the possibility that the amounts that the counties paid in the first year were inappropriate. Once it was realized through a desk audit, counties chose not to make payments in the second year.

SEN. HAWKS said that because Montana did not have a migrant population, he was having trouble understanding the movement between the two years. **Ms. Anderson** said the Court and state placements in foster care and group homes are often for months at a time, sometimes years at a time. There is no consistency--the numbers of children change, the types of services change, and the placements of children change.

Joyce Decker Wagner, Superintendent of Schools, Lake County, provided testimony that she felt would answer many of the Committee questions.

EXHIBIT(eds46a09)

{Tape: 2; Side: A; Time Counter: 26.2}

Closing by Sponsor:

REP. CAMPBELL offered an proposed amendment for consistency purposes.

EXHIBIT(eds46a10)

REP. CAMPBELL said that under HB 83, the educational decisions of every district will still be made locally. The only change is the tuition payment process. Secondly, HB 83 addresses the efficiency and accuracy of the state's tuition payments and accountability for the state's money. OPI also audits all state tuition payments. The time following up on errors will instead be used to make timely accurate payments. OPI is not requesting additional FTE because it is already being done with current staff.

ADJOURNMENT

Adjournment: 4:35 P.M.

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SEN. DON RYAN, Chairman

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LOIS O'CONNOR, Secretary

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Additional Exhibits:

EXHIBIT(eds46aad0.TIF)