



## Education and Local Government Interim Committee

### 62nd Montana Legislature

#### SENATE MEMBERS

GARY BRANAE--Vice Chair  
TOM FACEY  
BOB HAWKS  
LLEW JONES  
BOB LAKE  
FREDERICK (ERIC) MOORE

#### HOUSE MEMBERS

ELSIE ARNTZEN--Chair  
KRISTIN HANSEN  
EDITH (EDIE) MCCLAFFERTY  
ROBERT MEHLHOFF  
JEAN PRICE  
MATTHEW ROSENDALE

#### COMMITTEE STAFF

LEANNE KURTZ, Lead Staff  
DANIEL WHYTE, Staff Attorney  
CLAUDIA (CJ) JOHNSON, Secretary

# MINUTES

January 23, 2012  
Room 102

Capitol Bldg.  
Helena, Montana

Please note: These minutes provide abbreviated information about committee discussion, public testimony, action taken, and other activities. To the left of each section in these minutes is a time designation indicating the approximate amount of time in hours, minutes, and seconds that has elapsed since the start of the meeting. This time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

Access to an electronic copy of these minutes and the audio or video recording is provided from the Legislative Branch home page at <http://leg.mt.gov>. On the left-side menu of the home page, select *Committees*, then *Interim*. Once on the page for *Interim Committees*, scroll down to the appropriate committee. The written minutes summary, along with the audio and video recordings, are listed by meeting date on the interim committee's web page. You must have Real Player to listen to the audio recording or to view the video.

Hard copies of the exhibits for this meeting are available upon request. Legislative Council policy requires a charge of 15 cents a page for copies of the document.

#### **COMMITTEE MEMBERS PRESENT**

REP. ELSIE ARNTZEN, Chair  
SEN. GARY BRANAE, Vice Chair

SEN. TOM FACEY  
SEN. BOB HAWKS  
SEN. LLEW JONES  
SEN. BOB LAKE  
SEN. FREDERICK (ERIC) MOORE

REP. KRISTIN HANSEN  
REP. EDITH (EDIE) MCCLAFFERTY  
REP. ROBERT MEHLHOFF  
REP. JEAN PRICE  
REP. MATTHEW ROSENDALE

#### **STAFF PRESENT**

LEANNE KURTZ, Lead Staff  
DANIEL WHYTE, Staff Attorney  
CLAUDIA (CJ) JOHNSON, Secretary

## Visitors

Visitors' list, [Attachment #1](#).  
Agenda, [Attachment #2](#).

## COMMITTEE ACTION

The Education and Local Government Interim Committee:

- approved the minutes of the November 17 & 18, 2011, meeting.

## CALL TO ORDER AND ROLL CALL

00:00:03 Rep. Arntzen called the committee to order at 9:02 a.m. The secretary called roll. [Attachment #3](#).

## **Motion**

00:00:59 Sen. Lake moved to accept the minutes from the November 17 and 18, 2011, meeting. The motion **passed** unanimously by voice vote.

## AGENDA

00:01:48 Ms. Kurtz gave an overview of the agenda, and an update of the ELG work plan.

00:04:06 Rep. Arntzen reviewed the issues the committee members wanted brought forth from the November 2011 meeting.

## **Introduction of the new state librarian**

00:04:53 Jennie Stapp introduced herself and gave an overview of her duties, the service the state library provides, and her vision for the library.

## **Local emergency service fees**

00:13:24 Helen Thigpen, Staff Attorney, gave an overview of local government emergency service fees. [Exhibit 1](#) She explained how the fees are used and justified for local governments for reimbursement of costs-- such as firefighters, accident response teams, ambulance, and other local services. She said the majority of municipalities in Montana are self-governing entities and the majority of counties are vested with general powers.

## **Committee comments and questions**

**The committee talked about fees and taxes already paid and user fee concepts applied toward out-of-state non-residents. Local governments review the types of services every 10-years, than local communities vote on those services.**

00:25:50 Sen. Facey  
00:26:12 Rep. Mehlhoff  
00:28:37 Rep. Rosendale  
00:30:42 Sen. Lake  
00:31:49 Sen. Moore  
00:32:30 Sen. Jones  
00:35:09 Sen. Hawks

## **Public Comment**

00:37:00 **Harold Blattie, Executive Director, Montana Association of Counties (MACo)**, gave an explanation of the different jurisdictions in local governments that impose fees and those that do not. He talked about other states that have a fund-base backed on retail sales tax. Mr. Blattie pointed out that the issue here is only fire departments, not ambulance or other service providers.

00:48:10 **Alec Hansen, League of Cities and Towns**, said that most of the fire protection in small cities and towns across Montana are volunteers, they do not get paid. He said the basis of this whole issue is to support the volunteer firefighters.

### **Volunteer firefighters and Workers' Compensation**

00:51:53 Ms. Kurtz gave an update of Workers' Compensation for rural firefighters. She referred to a handout by Pat Murdo, research staff for the Economic Affairs Interim Committee, that summarizes the problem: the DNRC, through the County Co-op Program, enters into agreements with local governments to provide fire suppression equipment. Part of the agreement is that the local government will provide Workers' Compensation coverage for the people operating the equipment, but many counties can not afford that coverage and do not provide it. [Exhibit 2](#)

00:54:29 A subcommittee of the Economic Affairs committee has been formed to work with the stakeholders and work on a tax levy authority for fire districts or counties to provide Workers' Compensation for volunteer firefighters. Sen. Facey said they will have a proposal to present to the committee at its June 2012 meeting.

### **Family transfer subdivision exemption**

00:56:33 Ms. Kurtz distributed a handout and explained family transfer subdivision exemptions. [Exhibit 3](#) She talked about the various types of exemptions, and distributed examples how Lincoln and Gallatin Counties handle their family transfer subdivision exemptions. [Exhibit 4](#)

### **Panel discussion how the subdivision exemption is used by various counties**

01:02:48 **Regina Plettenberg, Ravalli Co. Clerk and Recorder**, explained family transfer regulations followed by Ravalli county. Ms. Plettenberg distributed examples of plats showing how 40 acres parcels have been carved up into pieces by "gifting" to family members and then split into 17 separate tracts to people that are not family. [Exhibit 5](#)

01:08:09 **Tara DePuy, legal counsel representing the Montana Association of Counties and Joint Powers Insurance Authority**, explained her duties and how the association operates. She distributed a copy of her testimony that explains why the 2006 Model Subdivision Regulations are out-of-date. Her handout includes opinions by the Attorney General and several case exemptions. [Exhibit 6](#)

01:28:01 **Glenn Oppel, Montana Association of Realtors**, talked about legislative history regarding concerns of family transfers being used to evade the Subdivision and Platting Act. He talked about evasion regulations that are used by local governments; SB116 - the origination of MCA 76-3-504(1)(p) - the requirement

to adopt evasion criteria that codifies current practice; and he also stated that the evasion criteria of the subdivision exemption is too tight and local governments currently have guidelines to handle this. Mr. Oppel said the Association is ok with MCA 76-3-504(1)(p), because it allows local governments to adopt evasion criteria to deal with issues at the local level. He asked that the committee concentrate its efforts on the subdivision for lease or rent issues.

#### **Committee comments and questions**

**The committee talked about Ravalli county's issues - a resemblance to a "variance" and getting bogged down in politics; SB116 - an attempt to allow local counties to develop their own evasion rule; it is impossible to have a standard set of regulations by definition; Montana needs a good set of guidelines for public health and safety reasons, and that most counties have adopted criteria.**

01:36:26 Sen. Hawks  
01:45:42 Sen. Lake  
01:51:23 Mr. Oppel  
01:53:09 Ms. DePuy  
01:55:36 Rep. Rosendale

#### **Public Comment**

01:59:33 **Charles McCray, Ravalli County**, commented on family transfers.

02:00:59 **Break**

02:14:04 Rep. Arntzen called the committee back to order.

#### **Public safety communications system**

02:14:26 **Warren Dupuis, Chief of Staff, State Information Technology Services Division and Statewide Interoperability Coordinator**, distributed a PowerPoint explaining the public safety communications system and its history. **Exhibit 7**  
Mr. Dupuis talked about the microwave and trunking infrastructure that is currently in place, and said the operating funds are from federal grants.

#### **Committee comments**

02:34:08 Sen. Lake  
02:37:26 Rep. Arntzen

02:40:12 **Jim Smith, representing Montana Sheriffs and Peace Officers Association**, talked about the emergency responders and the inability to communicate across county lines. He said that Lewis and Clark county received a grant from FEMA to upgrade its communication system for emergency responders. Mr. Smith made reference to the Governor's Executive Order No. 13-2011, that establishes the statewide operation of the public safety radio system. **Exhibit 8**

#### **Public Comment**

02:51:01 **Dick Clark, Chief Information Officer, DofA**, said he is available to answer any questions the committee may have.

- 02:51:25 **Leo Dutton, Sheriff, Lewis and Clark County**, stated his views on the communication system, and why he supports it.
- 02:52:07 **Mike McGinley, Commissioner of Beaverhead County, MACo**, said he is chair of the policy development committee, and he hopes the committee can solve any policy issues with the public safety communications system.
- 02:53:35 **Bonnie Lorang, General Manager of MITS, Montana Information System**, said she supports the communication system, and said this is a win-win for local providers.

#### **Committee comments and questions**

**The committee discussed: how Lewis and Clark county was used as the pilot project for the response system; how the system is working; who is using the system; "fleet mapping" - where everyone works together, and how 911 is funded.**

02:55:08 Rep. Hansen

03:02:35 **Lunch**

#### **HB 142 compliance - Fire Services Training School advisory Council (FSTS)**

03:56:07 **Butch Weedon, retired fire chief, and past director of the FSTS**, distributed a handout and explained the operation of the training school. **Exhibit 9** He discussed the statutes governing the training school. **Exhibit 10**

03:55:34 **Gar Wood, Chairman of the Fire Services Training School Advisory Council**, said he is available to answer any questions the committee members may have.

#### **Committee comments and questions**

**The committee discussed the number of firefighters, the shortage of and replacing older firefighters when retirement takes place, reimbursing volunteer fire departments, a fire protection agency is not a fire district, operating funds come from donations and FEMA, and are volunteers being used for emergencies.**

- 04:00:11 Rep. Mehlhoff
- 04:09:04 Mr. Weedon
- 04:09:58 Sen. Lake
- 04:14:21 Rep. Hansen

#### **Montana University System/Office of the Commissioner of Higher Education monitoring**

- 04:24:39 **Sheila Stearns, Commissioner**, introduced Tyler Trevor, Associate Director for Policy Planning and head of Institutional Research, Commissioner Clayton Christian, who will replace Commissioner Stearns when she retires, and John Cech, Deputy Commissioner of Community Colleges and two-year programs.
- 04:27:15 Commissioner Christians identified himself and offered his assistance to the committee.
- 04:30:06 Mr. Trevor gave a PowerPoint updating the University System's progress on

higher education affordability. [Exhibit 11](#)

#### **Committee comments and questions**

**The committee talked about education and "return on investment" back to Montana, tuition and fees, getting degrees and affordability, loan default rate, and dual credits and college credits on-line while in high school.**

- 04:36:07 Rep. Rosendale  
04:37:28 Commissioner Stearns  
04:38:23 Mr. Trevor  
04:51:18 Sen. Facey  
04:58:52 Sen. Hawks  
04:59:22 Rep. Arntzen  
05:02:30 Rep. Mehlhoff  
05:04:45 Sen. Jones
- 05:38:18 **Break**
- 05:55:32 The meeting resumed
- 05:55:56 Pam Joehler, Fiscal Analyst, LFD, gave an update of the Shared Policy Goals and Accountability Measures MUS document. [Exhibit 12](#)
- 06:04:23 Mr. Trevor distributed the MUS Strategic Plan report for 2012 and described how it is consistent with the Shared Policy Goals. [Exhibit 13](#)

#### **OCHE Two-year Education Initiative**

- 06:13:12 **John Cech, Deputy Commissioner of Community and Two-year Colleges**, distributed a PowerPoint showing the primary function of two-year colleges, and explained the two-year initiative. [Exhibit 14](#) He talked about the College!Now program, [Exhibit 15](#), and the role the University System has taken by teaming with businesses and community leaders, K-12 educators, and elected officials regarding a policy initiative.

#### **Committee comments and questions**

**The committee talked about soldiers receiving credits when they return from the war, and the comprehensive two-year college programs that can be transferred.**

- 06:36:59 Rep. Arntzen  
06:45:39 Commissioner Cech  
Rep. McClafferty  
Sen. Facey  
06:57:36 Rep. Hansen  
06:59:37 Commissioner Stearns  
07:01:04 Sen. Branae
- 07:12:22 Ms. Kurtz and the committee discussed what type of information that the committee would request from OCHE for the next ELG meeting on March 22 and 23, 2012.

#### **Reports from members attending Board of Regents meeting**

- 07:20:41 Sen. Lake and Rep. McClafferty said they were not able to attend the meeting.

## Public Comment

- 07:22:42 **Ed Bartlett, lawyer and lobbyist on behalf of the community colleges**, gave an overview of the coordination and communication of the two-year colleges. He commended the OCHE and Commissioner Cech on the great job they are doing.
- 07:25:16 Ms. Kurtz gave a preview of the agenda that will take place on the next day's agenda.
- 07:26:19 Rep. Arntzen recessed the ELG committee at 4:30 p.m.

## January 24, 2012

Visitors List, [Attachment #1](#).  
Agenda, [Attachment #2](#).

## Reconvene

- 00:01:18 Rep. Arntzen called the committee back to order at 8:00 a.m. The secretary called roll. [Attachment #3](#)
- 00:02:07 Ms. Kurtz updated the committee on the day's agenda.

## K-12 Data Systems

- 00:02:56 Madalyn Quinlan talked about the OPI's agenda, and introduced panel members.
- 00:03:59 **Jamie Arris, GEMS Project Manager**, presented a PowerPoint of the OPI's GEMS-Growth and Enhancement of Montana Students program. Ms. Arris said this program is the new data warehouse project, a statewide longitudinal data system that is about to be released. She explained how the program works. [Exhibit 1](#)
- 00:09:56 **Jim Gateson, Administrator of the OPI IT Division**, said the new data warehouse project program will be ready in approximately three weeks from today's meeting, then school users will be able to log on.

## Committee comments and questions

**The committee discussed the Colorado Growth Model in comparison with OPI's new program, where the data comes from and used, and how will it be funded.**

- 00:28:44 Sen. Jones  
Ms. Quinlan
- 00:36:15 Sen. Hawks
- 00:45:52 Sen. Lake  
Sen. Facey
- 00:50:37 **Dennis Parman, Deputy Superintendent, OPI**, talked about assessments and common core standards.
- 00:54:13 **Dan Whyte, Legal Staff, LSD**, discussed local control. He said "Constitutionally

speaking, the local school districts are in charge of their own data, and that local control will always be part of this discussion". He said that school districts like the idea of a statewide system, but they do not want everything to be at the state level. He explained the legal process that requires superintendents to gather, maintain, and distribute data for the GEMS project. Mr. Whyte distributed and explained a handout of student achievement and measuring growth. [Exhibit 2](#)

#### **Committee comments and questions**

**The committee talked about projects at the various schools and measuring how students do in the classroom.**

01:19:53 Sen. Hawks  
01:20:48 Mr. Whyte  
01:21:52 Sen. Jones  
01:28:30 Rep. Arntzen

#### **SJR 28**

##### **K-12 Teacher training, recruitment, and retention**

01:31:35 **Bob Vogel, Montana School Boards Association**, talked about a handout from Ms. Kurtz regarding the study of performance-based K-12 funding that was approved by the ELG committee at its November 18, 2011 meeting. [Exhibit 3](#)

01:39:07 **Marco Ferro, MEA/MFT - Montana Education Association-Montana Federation of Teachers**, talked about what local districts offer to school districts. He said the new data system will help rural schools in student achievement.

01:45:49 **Darrel Rud, Montana Association of School Superintendents**, gave an overview of his duties, the new data system, performance-based accreditation, and how the schools overall are performing well. He talked about the legislature providing more money to the schools to help the schools operate better.

##### **K-12 Teacher training, recruitment, retention**

02:48:57 **Larry Baker, Dean, College of Education, Health & Human Development, Montana State University**, introduced other MSU department members that were present in the audience.

02:51:41 **Roberta "Bobbie" Evans, Dean, College of Education and Human Sciences, University of Montana**, distributed a handout that explains teacher education programs and requirements of students who want to be teachers. [Exhibit 4](#)

#### **Committee comments and questions**

**The committee talked with the Deans about how college student teachers prepare to teach, student teachers receiving mentorship, stipends/compensation for student teachers, students teaching overseas, teachers licensed and certified in Montana, and classroom enrollment expanding.**

02:58:13 Sen. Lake  
03:01:08 Dean Evans  
03:04:48 Dean Baker  
03:05:43 Rep. Rosendale  
03:09:30 Rep. Arntzen



03:11:41 Sen. Facey  
03:21:07 Rep. Hansen  
03:26:41 Sen. Branae  
03:29:52 Sen. Hawks  
03:40:47 Rep. Mehlhoff  
03:45:57 Mr. Parman

#### **Class 5 licenses**

04:00:52 Ms. Quinlan distributed several handout about the number of Montana educators with Class 5 provisional licenses. She explained how the number of educators was produced, [Exhibit 5](#), and the number of entities employing Class 5 licensees. [Exhibit 6](#)

#### **Committee comments and questions**

**The committee talked about the information demonstrating trends, and wanted a report on ACTs testing - how are students doing in math or science. At this time there is no data on individual numbers. OPI is working with the University System to correlate the information.**

#### **Cost estimates to implement Common Core standards**

04:09:51 Kris Wilkinson and Rob Miller, Fiscal Analysts, Legislative Fiscal Division, distributed and talked about a report that explains cost estimates for implementing Common Core standards for mathematics and language arts. [Exhibit 7](#)

#### **Committee comments and questions**

**The committee discussed the cost estimates, on-line classes vs. classroom setting, Class A schools, and computer laboratories.**

04:17:14 Sen. Facey  
04:19:43 Rep. Mehlhoff  
04:21:18 Ms. Wilkinson  
04:25:04 Sen. Hawks

04:26:05 Ms. Wilkinson distributed a handout showing school budgets, percent of schools budgets, and the available reserves for 25 schools that are below budget. [Exhibit 8](#)

#### **Committee comments and questions**

**The committee addressed short falls in schools' budgets, funding Common Core standards and its implementation in July 2013, and the student identifier program.**

04:27:02 Rep. Arntzen  
04:28:12 Rep. Mehlhoff  
04:34:04 Ms. Wilkinson

04:35:05 Mr. Whyte updated the committee on 10.55.09, Administrative Rules of Montana (ARM), adopted January 20, 2012, by BPE, and the lawsuit filed by the Montana Quality Education Coalition regarding funding the inflationary adjustment. Also, BPE adopted the College Ready Standards on November 4, 2011, which is currently in place.

## **Committee comments and questions**

**The committee discussed the lawsuit, and the rules that have been adopted.**

04:36:09 Sen. Moore

04:37:26 Mr. Whyte

## **Report on Board of Public Education (BPE)**

04:38:51 Rep. Hansen reported on the BPE meeting and talked about the discussion regarding Common Core standards for science and social studies. A handout from Ms. Wilkinson reports that the Legislative Fiscal Division concluded that there would not be a fiscal impact associated with implementing the adoption of the student records on July 1, 2013. [Exhibit 9](#)

## **Other Business**

04:40:12 Sen. Hawks requested a report of the Teachers' Retirement System and the state employees PERS - pension system.

04:41:04 Rep. Hansen discussed a letter received from Kathy Preeshl, Business Manager at North Star Public School, Rudyard, Montana, about a 1959 Attorney General (AG) Opinion on administration of student activity accounts. [Exhibit 10](#) & [Exhibit 11](#)  
Rep. Hansen would like the committee to discuss the issue at a future meeting.

04:44:18 Madalyn Quinlan, OPI, discussed the Common Core standards and OPI's participation in the Smarter Balanced Assessment Consortium. She said there will be a technology readiness survey done for the schools that will help to determine how ready Montana schools are regarding the adaptive on-line testing of the GEMS program.

04:46:19 Dennis Parman gave an update on the digital academy. He said with the current funding there is not enough capacity to provide for all high school students to take an on-line course for college classes.

04:50:47 Ms. Kurtz gave an overview of the work plan and the March 22 and 23, 2012, ELG meeting agenda.

## **Adjournment**

05:02:01 Rep. Arntzen adjourned the ELG committee meeting at 12:55 p.m.