



State-Tribal Relations Interim Committee

58th Montana Legislature

SENATE MEMBERS

JOHN BOHLINGER--Chair
EDWARD BUTCHER
KEN HANSEN
CAROLYN SQUIRES

HOUSE MEMBERS

CAROL JUNEAU--Vice Chair
BRUCE MALCOLM
RICK RIPLEY
JONATHAN WINDY BOY

COMMITTEE STAFF

CONNIE ERICKSON, Research Analyst
EDDYE MCCLURE, Staff Attorney
DAWN FIELD, Secretary

MINUTES

September 8, 2004

Room 102, State Capitol
Helena, Montana

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed. Committee tapes are on file in the offices of the Legislative Services Division. **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

SEN. JOHN BOHLINGER, Chair
REP. CAROL JUNEAU, Vice Chair

SEN. EDWARD BUTCHER
SEN. CAROLYN SQUIRES

REP. BRUCE MALCOLM
REP. RICK RIPLEY

COMMITTEE MEMBERS EXCUSED

SEN. KEN HANSEN
REP. JONATHAN WINDY BOY

STAFF PRESENT

CONNIE ERICKSON, Research Analyst
EDDYE MCCLURE, Staff Attorney
DAWN FIELD, Secretary

AGENDA & VISITORS' LIST

Agenda, Attachment #1.
Visitors' list, Attachment #2.

COMMITTEE ACTION

The Committee approved the drafting of:

- LC 7000, as amended;
- LC 7777, as amended; and
- LC 9000, as amended.

CALL TO ORDER AND ROLL CALL

SEN. BOHLINGER called the meeting to order at 8:37 a.m. The secretary noted the roll; SEN. HANSEN and REP. WINDY BOY were excused (ATTACHMENT #3).

CONSIDERATION OF COMMITTEE LEGISLATION FOR 2005

LC 7000 - Dropout Prevention (EXHIBIT #1) -- Connie Erickson, Research Analyst, Legislative Services Division (LSD) discussed the specifics of each section of the bill draft and noted that the proposal will appropriate money to the Office of Public Instruction (OPI) to establish a dropout prevention program. She explained that the Committee must decide how the program will be coordinated and funded.

REP. JUNEAU said the Office of Public Instruction (OPI) and school districts both gather dropout statistics, and that in order for this type of program to be successful, the specific trends and reasons students drop out must be identified and that would require increased coordination and communication between OPI and the school districts.

Madalyn Quinlan, OPI, said that OPI can identify dropout students by gender, racial/ethnic category, and now under No Child Left Behind, whether that student was eligible for free or reduced lunch, is migrant, has disabilities, or is limited English proficient. The issue of identifying a reason why a student dropped out is more difficult. Ms. Quinlan said 22 states have implemented individual student record keeping systems and, while very expensive to implement, they provide an excellent source of data for many federal programs under the No Child Left Behind Act and would provide good data on dropout information also. OPI has hired a consultant to study the feasibility of establishing such a system in Montana and estimate the cost to be approximately \$6 dollars per student. Montana has approximately 150,000 students, so the total would be about \$1 million. She said if the Committee wants OPI to gather very specific data, this would be the best route to go. If the Committee wants general reasons, then the existing system could be modified.

REP. JUNEAU clarified that the bill would not require that OPI or the schools gather data on all of the students, but rather just the students who have left the school system, are listed as dropouts, or identified as "at risk". It may be as simple as making changes in the Montana Completer and Dropout Collection Handbook.

Ms. Quinlan thought the existing system could be modified to do what REP. JUNEAU is suggesting. She said Montana is participating in a national project with the National Center for Education Statistics that is trying to come up with best practices for states, in terms of identifying reasons why students leave. Montana is on the higher end as far as the number of dropout codes used and Ms. Quinlan recommended decreasing the number of codes.

REP. JUNEAU asked if the cost of this type of program would be expensive to implement. Ms. Quinlan said it would not be cost prohibitive to modify the existing data reporting system. She said that the advantage of implementing an individual student record system is that there are at least 20 different on-going projects in Montana that would greatly benefit and be more efficient if the individual student data was available and dropout prevention is one of them.

REP. RIPLEY asked if there is a reason to send the dropout information to the state because the reasons why a student drops out varies from area to area and would require different programs at each individual school. If those schools are already required to collect that information, perhaps the program could be as simple as having OPI provide assistance to the schools in designing their own programs.

SEN. BOHLINGER thought the program should focus on re-engaging the dropouts in the educational process and making education relevant and challenging to them.

Ms. Quinlan clarified that she did not mean to imply that developing this program would have to be expensive. There are lots of data requests that have to do with education where individual student record systems are a key part of answering all of the questions but dropout data is just one part of that. OPI and local school districts already know where the high dropout rates are and at this point, it is still up to the school to take action to address this. Perhaps OPI could target schools based on these numbers and identify reasons once the problem schools are identified.

SEN. BOHLINGER asked if the language in the bill draft was clear enough to provide guidance to OPI to produce the results the Committee is seeking. Ms. Quinlan said it would have to be clarified who would do the tracking and who would be keeping the data. SEN. BOHLINGER said the local level data would provide a clearer picture of why students drop out of school and thought it should be kept at a local level.

REP. JUNEAU said the OPI dropout report from 2001-2002 show that 2,047 Montana students dropped out of grades 7-12, and of those students, 548 were American Indian. This program needs to determine why kids are choosing to leave school and it shouldn't have to be costly or complicated. Ms. Quinlan said many schools have good tracking systems in place but that there are still problems that must be addressed. She thought it would be better to literally track students, rather than simply report numbers.

SEN. BOHLINGER said the amount of a possible appropriation is of concern to the Committee members. Ms. Quinlan said the expense involved would be mainly in creating a staff position who would actually work with schools to address the issues. OPI is in its last year of a three year dropout prevention grant through the Department of Education and the resources available now may not be in place in the future.

SEN. BUTCHER thought the most cost-effective and simplest avenue for addressing this problem would be to have the University System conduct the tracking through a project designed and directed by an education doctoral student. It would be the more effective and successful to have one grad student do the research. He said he could not support the bill proposal.

REP. JUNEAU said the primary purpose of HJR 8 was to identify why American Indian students drop out of school and the State cannot continue to afford to allow American Indian students to continue to drop out at the rate they have in past years. She thought each school should be allowed to design its own program to address the local dropout problem and have the resource person at OPI coordinate and collaborate with the schools to help them develop the programs.

REP. RIPLEY said most Montana schools have the necessary dropout information they need and that what they need help with is developing resources to deal with these students. The local schools should solve their problem and all this bill should do is give them the resources to do that.

SEN. BOHLINGER said the high dropout rate is very alarming to him and comes at a high cost to the family, the community, and the economy.

SEN. MALCOLM said the bill shouldn't be sidetracked by focusing on collecting data. The focus must be on helping the individual school districts help their students. He said the concept was really quite simple and most of the proposed language could be deleted if that was all that was the focus of the bill.

Ms. Erickson agreed with SEN. MALCOLM's assessment and said, referring to Section 1 on page three, everything after the first sentence could be dropped. This would require that the programs exist at the local district level, but that OPI or a designated entity would be available to provide assistance only to those districts that request assistance. It would not be a mandate, but would provide help in identifying programs that would help a particular district.

SEN. MALCOLM said he was not in favor of identifying American Indian students in the bill. When a population is specifically identified, then the risk is that the efforts will be concentrated on that particular population, and schools with a great need may not receive assistance.

REP. RIPLEY asked Ms. Quinlan to explain how the dropout prevention grant that is currently in place in Montana is administered. Ms. Quinlan explained that the grant is from the United States Department of Education to six Montana school districts with a high percentage of American Indian students. It was for a three year period and divided \$250,000 per year among the six participating schools and works to improve dropout rates.

REP. JUNEAU asked Ms. McClure and Ms. Quinlan to develop the specific language of the bill draft. Ms. Erickson said it should be made clear that the programs are to be developed at the district level and that OPI's role would simply be to provide assistance to school districts, if requested, to enhance their existing programs.

SEN. BUTCHER asked why LC 7000 was necessary if there was a federal dropout prevention program already operating in Montana. REP. JUNEAU explained that that federal dropout grant was specifically allocated to six school districts only and could not be used for any other purpose or school.

Ms. McClure proposed language which would basically say, "The Superintendent of Public Instruction shall establish a dropout prevention program to provide information, resources, and technical assistance to those school districts who have identified at-risk students within the

district, and who have asked for assistance from the Office of Public Instruction in enhancing or developing a local program that is designed to keep students who are at risk in that district from dropping out." Ms. Quinlan suggested keeping the language contained in Section 1,. (b)(i) and (b)(ii) (Page 3, EXHIBIT #1).

SEN. BOHLINGER asked if that language was adopted, if the remaining portion of the Section 1. could be eliminated. Ms. McClure thought it could be.

Ms. Quinlan pointed out that an appropriation would be necessary to fund a position, as well as allowing for an operating budget and that a half-time position would be adequate to fulfill the directive of the bill to provide assistance to school districts.

SEN. BOHLINGER asked Ms. Quinlan to be specific about the amount of the needed appropriation. Ms. Quinlan suggested allocating \$25,000 for salary and \$25,000 for an operating budget.

REP. JUNEAU moved to adopt LC 7000, with the revised language, as discussed by the Committee and staff. The motion passed 5-1, with SEN. BUTCHER voting no.

REP. JUNEAU agreed to carry LC 7000 in the 2005 Legislative Session.

LC 7777 - State-Tribal Economic Development Commission (STEDC) (EXHIBIT #2)

Ms. McClure explained the concepts contained in LC 7777, making the State-Tribal Economic Development Commission a permanent commission. Under current statute, It will terminate of June 2005, unless LC 7777 is adopted. Also, proposed language would: remove the repealer language, leave the appropriation language as is, and change the quorum requirement from seven to six members.

SEN. SQUIRES asked if there is any legislative input into the appointment of the board members. Ms. Erickson said this Commission is advisory in nature and the appointments would fall under the Governor's Office.

Ms. McClure said Andy Pool, Department of Commerce, had been provided with a copy of LC 7777, and that the Department had indicated its support.

REP. RIPLEY said while he was impressed with the recent actions of the Commission, he still would like the sunset provision left in the bill to provide incentive for continued action on the Commission's part. If the Commission does not continue to be active, then allow it to expire.

SEN. BUTCHER agreed with REP. RIPLEY and moved to have a sunset provision of 2007 added to LC 7777.

REP. JUNEAU asked about Page 2, Section 2, if the study referenced there has been completed and should be taken out of the bill. Ms. McClure said she would check with the Department of Commerce regarding this. She said it could be taken out through the amendment process, if necessary.

REP. JUNEAU asked if the State-Tribal Economic Development Commission could be asked to report to the State-Tribal Relations Interim Committee. Ms. McClure said the Department of Commerce is required to report to the Economic Affairs Interim Committee but was certain that the Department would be happy to report to the State-Tribal Relations Interim Committee as well.

SEN. BUTCHER's motion to extend the sunset provision in LC 7777 to 2007 passed on a unanimous voice vote.

SEN. BUTCHER moved to adopt LC 7777, as amended. The motion passed on a unanimous voice vote.

The Committee decided not to assign the bill to a Committee member at this time.

LC 7778 - Tribal Business Information Centers (TBIC) (EXHIBIT #3)

Ms. McClure explained that LC 7778 is to allow the State-Tribal Economic Development Commission to set up a Tribal Business Information Center (TBIC) on each of the seven reservations and that they be funded by the state. Currently, three of the original seven federally funded TBICs are still operating in the state. LC 7778 would change the funding source from federal to state funding, and would also allow a TBIC to be established by the Chippewa Tribe. The funding would be equally divided among the Reservations, would be contingent upon each tribe providing matching funds, and would not be contingent on all of the tribes participating. If a tribe did not provide its share of matching funds, no state money would be allocated to that tribe.

Ms. McClure said she would continue to study whether there should be a timing mechanism for when a tribe has to sign up and provide its matching funds.

SEN. BUTCHER suggested clarifying that the amount a tribe could receive is no more than \$40,000 per year. Ms. McClure suggested further that, if there was funding left over because a tribe or tribes had not provided matching funds and were not eligible to participate, then the funds would revert to the general fund.

SEN. MALCOLM agreed that this should be clarified. He also expressed concern that if this program was provided for one segment of the state's population, then it was possible it would have to be offered to the entire population. If that became the case, the cost of providing this program would increase to approximately \$45 million, and be an expense the state could not bear.

SEN. BUTCHER asked if there would be private industry participation. REP. JUNEAU said there is very little private industry on reservations and that encouraging the growth of private industry on reservations is one of the purposes of having the TBICs in place.

SEN. BUTCHER said reservations are in an ideal situation to capitalize on private energy industry because of their sovereign nation status. They would be exempt from many of the environmental requirements and could more easily take advantage of natural resource industries opportunities.

Ms. McClure said she would revise Section 1. Subsection (3) (Page 2, EXHIBIT #3) to reflect that the appropriation must be equally divided among the tribes, with no tribe receiving more than \$40,000 per year and would be contingent upon the tribe providing matching funds. She said she would check on the reversion process and make necessary adjustments.

SEN. SQUIRES moved to adopt LC 7778. The motion failed on a 3-3 vote, with SEN. BUTCHER, SEN. MALCOLM, and REP. RIPLEY voting no (Attachment #4).

Ms. Erickson said LC 7778 could still be carried by an individual legislator, if so desired.

LC 9000 - Funding for Nonbeneficiary Students (EXHIBIT #4)

Ms. Erickson explained that the issue on nonbeneficiary students is a real problem for the tribal colleges and is a frequent topic of discussion with tribal leaders. This bill would increase the amount allowed for a nonbeneficiary student from \$1500 to \$3,024 per student. This number is based on what the state gives the three community colleges.

REP. JUNEAU said the Board of Regents would be asking for \$1500 in their budget request and that this bill proposal would increase that amount.

REP. JUNEAU said information provided by tribal colleges indicates that many nonbeneficiary students benefit from tribal colleges and that these colleges provide an economic development component to reservation communities. She thought it only fair to provide the same amount to the tribal college students as is provided to the other college students in the state.

Ms. McClure explained the stricken language in LC 9000 (Page 3, EXHIBIT #4) and why public money can't be appropriated directly to tribal colleges.

SEN. BUTCHER moved to amend LC 9000 and referred to Page 2, section (3) and would like to add "(a) applies only to courses which are transferable to other community colleges and the University System." The motion to passed unanimously on a voice vote.

REP. RIPLEY moved to adopt LC 9000, as amended. The motion passed on a unanimous voice vote.

REP. RIPLEY agreed to sponsor LC 9000 in the 2005 Legislative Session.

Committee Discussion

REP. JUNEAU said she wished to discuss an issue of concern to her and that she wasn't sure if it would require a rule change or legislation. She stated that it is her opinion that tribal leaders of Montana should be granted the same respect and courtesies that visiting heads of state are granted by the Legislature. Tribal Chairman visiting the Legislature should be granted access to the House or Senate floor and recognized as a Tribal Leader. REP. JUNEAU also suggested that the Chair be allowed to speak to the floor of the House or Senate on issues of importance to that Tribe. It would be a good nation-to-nation builder and would show respect to the Indian nations.

Ms. Erickson said there are rules regarding who has access to the House and Senate and the issue could be addressed by the Rules Committee after the caucuses are held in November.

Ms. McClure said it is up to the House and Senate Leadership to decide who is granted access.

REP. JUNEAU asked if the Committee members would endorse a request to grant this type of access to Tribal Leadership.

SEN. BUTCHER said this matter should be left up to the individual bodies and that he was totally opposed to having a non-elected individual addressing a bill on the floor.

SEN. BOHLINGER thought allowing the tribal leaders access to the floor would show great respect.

REP. JUNEAU moved to endorse the concept of allowing tribal leaders access to the House and Senate floor and to ask the Rules Committee of both houses to consider this request.

REP. RIPLEY asked for clarification on whether the endorsement would include a recommendation that the tribal leaders be given access to the floor and to address the legislative bodies or just to provide access to the House and Senate floors, as a visiting dignitary. REP. JUNEAU said, at this point in time, she was recommending that only the Chairs of the Tribes be allowed access to the floor of the House and Senate.

The motion passed on a unanimous voice vote.

REP. JUNEAU said she would like the State-Tribal Relations Committee to send a letter of support to the Department of Labor and Industry to continue including tribal employment and unemployment data on its website and in reports it produced.

SEN. SQUIRES said she supported this motion but said those numbers are still hidden and impacts the unemployment rate in Montana, affecting the dollar amount allocated for retraining and relocation. The numbers are skewed and she would like more accurate information reported about unemployment on the reservations.

SEN. SQUIRES moved to send a letter to the Department of Labor and Industry, urging it to continue its efforts in including reservation employment and unemployment data. The motion passed on a unanimous voice vote.

ADJOURNMENT

With no further business before the Committee, SEN. BOHLINGER adjourned the meeting at 10:49 a.m.

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