



Quality Schools Interim Committee

59th Montana Legislature

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HOUSE MEMBERS

MONICA LINDEEN--Chair
WILLIAM GLASER
HOLLY RASER
PAT WAGMAN

SENATE MEMBERS

ROBERT STORY--Vice Chair
DAVE LEWIS
DON RYAN
JON TESTER

EX OFFICIO MEMBERS

LINDA MCCULLOCH
KIRK MILLER
DAVID EWER

COMMITTEE STAFF

CONNIE ERICKSON, Research Analyst
CHRIS LOHSE, Research Analyst
EDDYE MCCLURE, Staff Attorney
FONG HOM, Secretary

MINUTES

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.**

September 23, 2005

Capitol Building, Room 137
Helena, Montana

COMMITTEE MEMBERS PRESENT

REP. MONICA LINDEEN, Chair
SEN. ROBERT STORY, Vice Chair

LINDA MCCULLOCH
KIRK MILLER

SEN. DAVE LEWIS
SEN. DON RYAN
SEN. JON TESTER

REP. WILLIAM GLASER
REP. HOLLY RASER
REP. PAT WAGMAN

STAFF PRESENT

CONNIE ERICKSON, Research Analyst
CHRIS LOHSE, Research Analyst
EDDYE MCCLURE, Staff Attorney
FONG HOM, Secretary

Visitors

Visitors' list, Attachment #1.

COMMITTEE ACTION

CALL TO ORDER AND ROLL CALL

- 00:02:42 Chair Lindeen called meeting to order. Committee Secretary took roll visually.
- 00:03:55 Brad Simshaw, OBPP, talked about equalizing school mills (K-12) statewide **(EXHIBIT 1)**.
- 00:33:15 GREG PETESCH, Chief of Legal Division, LSD, gave a brief review of the Supreme Court's analysis of the current school funding formula. He discussed a letter from Mr. Molloy **(EXHIBIT 2)**.

PRESENTATION OF PROPOSED SCHOOL FUNDING MODEL by Chris Lohse, LSD; Nancy Hall, Governor's Office; Jim Standaert, LFD; and Amy Carlson, OBPP

- 01:05:41 CHRIS LOHSE, LSD, provided a presentation **(EXHIBIT 3)** on a proposed funding mechanism, per student entitlement, classroom entitlement, accredited program entitlement, building operation and maintenance entitlement, special education block grants.
- 01:28:17 JIM STANDAERT, LFD, and NANCY HALL, Governor's Office, discussed the per student entitlement **(EXHIBIT 4)**. Mr. Standaert discussed five components **(EXHIBIT 5)**.
- Mr. Standaert discussed Montana Large District Student Teacher Ratios and All Staff to Teacher Ratios, FY04 **(EXHIBIT 6)**.
- 01:59:36 CHRIS LOHSE talked about Classroom Entitlement **(EXHIBIT 7)** and demonstrated how to calculate the number of classrooms.
- 02:27:54 JIM STANDAERT discussed the Accredited Entitlement **(EXHIBIT 8)**.
- 02:45:21 CHAIR LINDEEN recessed for lunch.
- 00:04:35 CHAIR LINDEEN reconvened the meeting at 1:11 p.m.
- 00:07:36 JIM STANDAERT talks about the last two entitlements and referred to Exhibit 8, Accredited Entitlement.
- 00:19:08 JIM STANDAERT discussed the Operation and Maintenance Entitlements **(EXHIBIT 9)**.

PUBLIC COMMENT

- 00:48:34 JACK COPPS, Executive Director of Montana Quality Education Coalition, said that launching a new funding model and putting it on the books is not acceptable.

He presented the MQEC's proposal (**EXHIBIT 10**).

- 01:01:30 ROD SVEE, Superintendent of Billings Schools, said that the formula is not finalized but shows promise.
- 01:04:04 LINDA BRANNON, Montana Indian Impact Schools, said that in the proposal that staff put together is good but Indian Education for All was not mentioned. At Risk does not equal Native American child.
- 01:05:52 TOM BILODEAU, Research Director for MEA/MFT, said that despite all the work that has been done, we still do not know teacher placement, classroom attainment, etc.
- 01:10:28 BOB VOGEL, Montana School Board Association, handed out a copy of MTSBA resolution (**EXHIBIT 11**) and the initial results of MTSBA/MREA health insurance proposal survey by Lance Melton (**EXHIBIT 12**).
- 01:15:31 DR. BRUCE MESSINGER, Superintendent of Helena, made several comments regarding the professional judgment panel and the costs associated with the study.
- 01:17:39 MARY WHITTINGHILL, Montana Taxpayers Association, discussed the proposal.
- 01:19:38 Ms. McCulloch asked Mr. Cobbs if MQEC has a plan for phase-in.
- Ms. McCulloch asked Ms. Whittinghill what kind of money the Montana Taxpayers Association thinks should be put into schools and if the Committee came up with \$200 M that needs to be spent, would the Taxpayers Association support that.
- Sen. Story asked Mr. Vogel if he knew how many districts would have to reopen negotiations on existing salary schedules if money was put into districts on top of what is there now.
- Sen. Story asked Mr. Cobbs if MQEC has a priority on the list of phase-ins that they have; the \$4,000 per certified professional entitlement, what does MQEC use as a rational basis for putting that number into a formula; the number, \$40,000 for increase base entitlement for elementary school, where did MQEC get that number.
- Sen. Story and Mr. Cobbs discussed the court case and the \$40,000.
- 01:57:43 The meeting recessed until 3:15
- 02:17:31 SEN. TESTER asks Ms. McCulloch what OPI's thoughts are on the proposal.

02:22:18 REP. GLASER talked about crisis and deadlines.

02:24:53 REP. LINDEEN asked Rep. Glaser if he had a motion.

02:25:17 REP. WAGMAN discussed the fact that this is the first time that he has heard about a funding mechanism.

02:28:10 SEN. RYAN responds to what Rep. Wagman said and that the proposed model directs the Committee on where to put the money.

02:32:02 REP. WAGMAN talked about devising an ANB formula. Sen. Story has concerns about the hold harmless clause. Ms. McCulloch has a response to Rep. Wagman's discussion.

02:43:13 SEN. LEWIS **moved** to ask staff to draft legis to implement the Rep. Glaser's proposal: \$4,000 per classroom for next school year; \$10,000 per school, \$250 per ANB for O&M, and \$20 million to be distributed in a per capital basis to offset health insurance costs.

02:54:00 Discussion on the motion.

02:56:13 SEN. TESTER said that he will **oppose** Sen. Lewis' motion.

03:01:51 SEN. RYAN said that he will **oppose** Sen. Lewis' motion.

03:06:51 Discussion between Sen. Lewis, Sen. Tester, and Rep. Glaser on the motion.

03:19:54 REP. LINDEEN asked Sen. Lewis for clarification on the \$10,000 per school.

03:22:59 REP. LINDEEN's comments on Rep. Glaser's proposal. She said that she will **oppose** Sen. Lewis' motion.

03:28:27 Roll call vote on Sen. Lewis motion. The motion **failed** with Sen. Story, Sen. Lewis and Rep. Glaser voting yes; Sen. Ryan, Sen. Tester, Rep. Lindeen, Rep. Raser and Rep. Wagman voting no.

03:28:49 SEN. RYAN **moved** to continue working on the proposal and putting numbers on the school model and report back at the next meeting.

03:31:30 Discussion on the motion.

03:42:02 The motion **passed** unanimously.

03:43:30 Meeting adjourned at 4:55 p.m. The next meeting will be September 30, in Room 102, starting at 9:00 a.m. The Working Group will meet on Tuesday.

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