



MONTANA LEGISLATIVE BRANCH

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Legislative Fiscal Analyst
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DATE: February 22, 2006

TO: Legislative Finance Committee

FROM: Jim Standaert, Fiscal Analyst

RE: Public Schools Funding: Update on Special Session Action/Where to From Here?

The Montana Quality Education Coalition (MQEC), plaintiffs in the school funding suit *Columbia Falls et.al. v Montana*, have stated they will submit a school funding status report to the district court in charge of the case probably in late April. This would be coupled with a motion to the district court to order a show-cause hearing at the conclusion of the 2007 legislative session. A show-cause hearing is a procedure to address the compliance of a party against whom declaratory or injunctive relief has been entered.

The school funding status report will document what the legislature has done since the district court's opinion in the Columbia Falls case. It will include a review of SB 152, the funding decisions made by the legislature in the 2005 regular session and in the 2005 special session. The data reviewed will likely include financial analysis at the state level as well as testimony from school districts. The status report will likely acknowledge that progress has been made regarding 1) the definition of a quality K-12 education and 2) the increase in state monies for K-12. According to the attorney for MQEC, the status report will likely say that the full requirements of SB 152 (the regular session bill laying out the components of a quality K-12 education) have not been fully met and that further work and funding is required.

Communications with the Attorney General's office and the Governor's office indicate that they have no plans to file a status report with the district court.