



TO: House Education Committee

FROM: 
Lance L. Melton, Executive Director
Montana School Boards Association

EXHIBIT 2
DATE 1-10-05
HB HB 111

RE: HB 111

DATE: Monday, January 10, 2005

The Montana School Boards Association stands in strong support of HB 111, introduced by Representative Branae. HB 111 is an important component in the Legislature's efforts to ensure a basic system of free quality public elementary and secondary schools in Montana, and specifically addresses a key shortcoming of the current formula by adding an element to fund on the basis of fixed costs. The fixed costs in question, certified educators, provide an essential link to student achievement, and it is very much appropriate to add an element to the funding formula that improves the relation between the formula and student achievement. The single most important factor in student achievement, other than the quality of home life, is quality teaching. Equally important is high quality administrative staff.

HB 111 also provides a partial solution to the flaws in the formula that relate to declining enrollments and will assist the Legislature in crafting a funding formula that can withstand constitutional scrutiny. The finding that our current funding system is unconstitutional was based in part on a finding that the loss of general fund budget authority as student counts decrease is not educationally relevant:

"145. HB667's formula provides for decreasing general fund budget authority as ANB may decrease. This decline in general fund budget authority as a result of declining enrollment, however, does not appear to be rationally related to the economic reality of operating a school district." Columbia Falls Elementary v. State (2004)

HB 111 preserves school districts against the disproportionate loss of budget authority that comes with a formula based exclusively on pupil counts, and ensures that the formula is better related to the economic reality of operating a school district. HB 111 is also funded in its entirety with state dollars, providing a corresponding relief to district property taxes.

MTSBA appreciates Representative Branae's efforts in seeking necessary improvements to the formula by which we fund our public schools. HB 111 provides the Legislature with a means to start addressing the Court's order in an educationally relevant manner without an increase in district taxes. MTSBA respectfully requests your support of HB 111 as introduced.

Thanks