

Esteemed Committee Members,

I am Mike Longbottom, a trustee of the Laurel School Districts. I am completing my 9th year on the Laurel School Board.

In considering the impact that Senate Bill 175 has had on Laurel in particular, I would have to say that because of some undeniably unique circumstances, we have not seen a big difference in our funding. In our case, because of tax protests by a single business that comprises approximately 50% of our tax base (and some \$800,000 in protested taxes for FY13), the increases from Senate Bill 175 to the base aid funding components simply helped offset the loss of tax levy revenues and therefore negated any potential funding increase.

I do not believe there has been much noticeable impact, positive or negative to date for Laurel Public Schools after nearly one year since SB175 was passed. I am certainly hopeful property tax relief will be realized, but until the next budget year begins there is no evidence of it. Moreover in our case, with CHS receiving a reduction in their taxes that burden will then be shifted to the remaining taxpayers thus potentially resulting in a net increase of taxes for those tax payers residing in our districts.

Laurel is fortunate in that an anticipated enrollment increase did help with the revenue for this year and we did realize a slight increase in ANB funding. Between September 1 and January 28th, Laurel has had a net increase of 32 students in the district

As to the "concentric circles" concept of redirecting oil and natural gas production tax revenues, I think it will take a long period of time, if ever, to see any increased funding from that concept yet we are impacted by the growth of various oilfield support

businesses and the influx of families with ties to the Bakken oilfields. This creates a burden on the district that is not considered in the formula. Laurel Schools has no quantifiable evidence that this indirect impact is a result of increased Montana oil and gas production but we are merely relying on anecdotal information from community members and local businesses to help us understand our current situation.

Additionally, Laurel and many other Montana school districts are being impacted by reduced funding from federal sources. We are seeing decreased federal funding for special education, vocational, and E-rate (technology) all of which force us to look at local and state sources of funding.

Thank you for your time and thank you for your efforts on behalf of all of Montana's school children.