

What is the Decennial Study of School Funding?

Prepared for the Constitutional Players Convening

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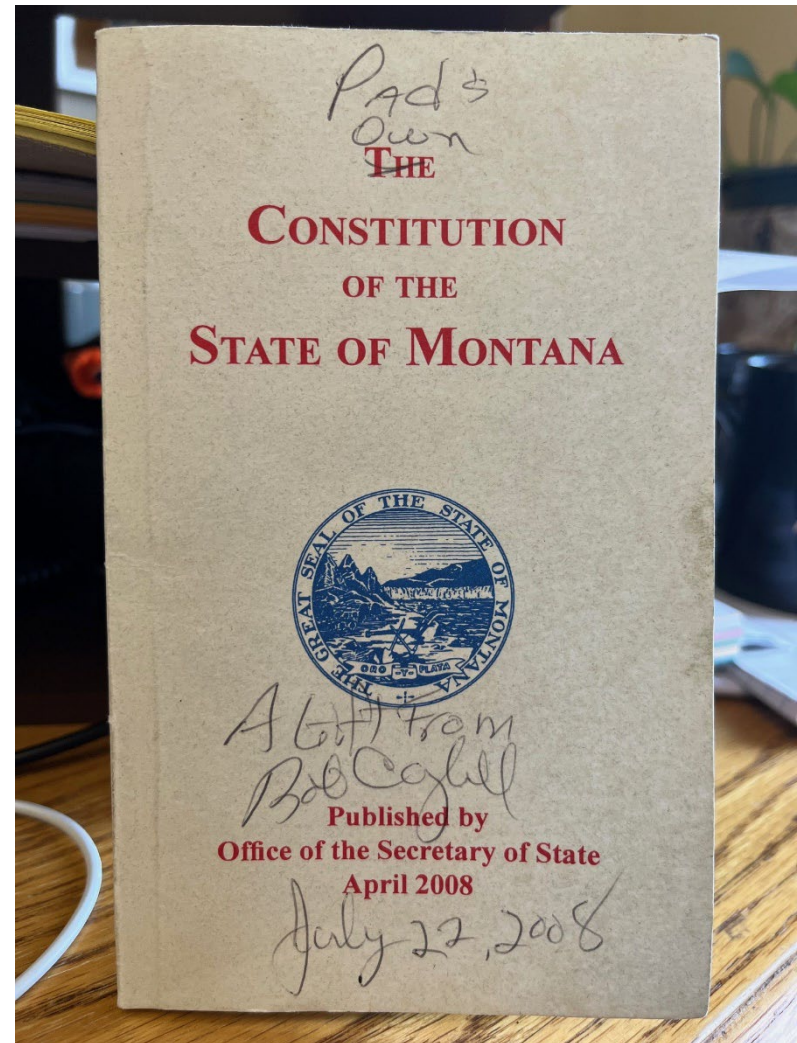
From Article X. Education and Public Lands.

Section 1. Educational goals and duties.

(1) It is the **goal** of the people to establish a system of education which will develop the full educational potential of each person. Equality of educational opportunity is **guaranteed** to each person of the state.

(2) The state recognizes the distinct and unique cultural heritage of the American Indians and is **committed** in its educational goals to the preservation of their cultural integrity.

(3) **The legislature shall provide a basic system of free quality public elementary and secondary schools.** The legislature may provide such other educational institutions, public libraries, and educational programs as it deems desirable. **It shall fund and distribute in an equitable manner to the school districts the state's share of the cost of the basic elementary and secondary school system.**



Columbia Falls V. State 2004

To satisfy Montana Constitution, the State's school finance system must be based upon a determination of the needs and costs of the public school system, and the school finance system must be designed and based upon educationally-relevant factors.

2005 Session

SB 152 established definition of “basic system of free quality public elementary and secondary schools” and “educationally relevant factors” to be used in a funding formula, placed requirements on the legislature in developing a formula, and **required the legislature to study the costs and modify the formula accordingly at least every ten years** (20-9-309, MCA).

Formed a Joint Select Committee on Education Funding to create a new formula

Formed the Quality Schools Interim Committee to create a new formula by December 2005

2005 December Special Session

Added new components to the existing formula; provided other funding for facilities and to bolster retirement systems.

Defining and Funding a ^ABasic System of Free Quality Public Elementary and Secondary Schools

Final Report of the Quality Schools Interim Committee

October 2006

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2011-2012 Interim

The Education and Local Government Committee requested school funding training in preparation for the first “Decennial Study” – it was unclear when exactly the study would take place, who would conduct it, or how it would be formed.

2015 Session

[SB 128](#) was enacted to address the confusion, establishing a School Funding Interim Commission (SFIC), a schedule for formation, membership, and duties (see following slide).

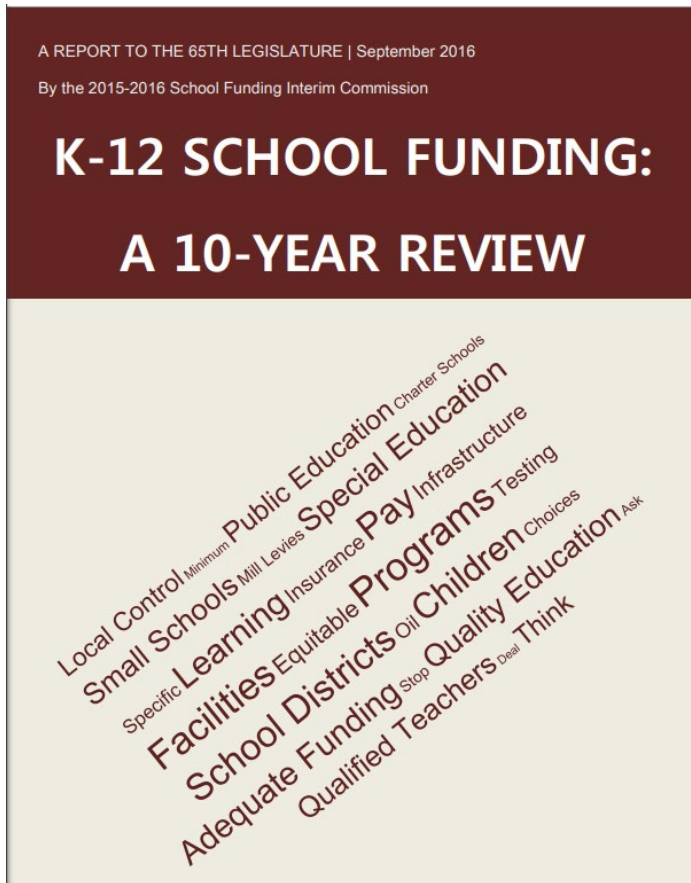
2015-2016 Interim

The commission was formed for the first time and focused its attention on four main topics/areas of concern:

1. Recruitment and Retention
2. School Facilities
3. Special Education and Special Needs
4. District Size, Structure, and Equity

And added a fifth topic, related to recruitment and retention:

5. K-12 Employee Health Benefits



[Final Report of the 2015-16 SFIC](#)

[2015-16 SFIC Website](#)

The School Funding Interim Commission ([5-20-301](#), [MCA](#))

First in 2015-2016 Interim and must be formed “each successive fifth interim” – so, during **2025-2026 Interim**

16 members – 6 House, 6 Senate, 4 public

Duties are:

- conduct a **study** to reassess the educational **needs and costs** related to the basic system of free quality public elementary and secondary schools; and
- if necessary, **recommend** to the following legislature **changes to the state's funding formula**.

What needs to happen?

Funding for the commission included in the budget

Appointments made by leadership at the end of the 2025 Session

What might be nice?

Reviewing both [20-9-309](#) and [5-20-301](#)

Looking at what [HJ 25](#) suggested (part of EDIC’s work plan)

Considering the data needs to support the Commission’s work

Examining what is involved in conducting a cost analysis

