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Education and Local Government Interim Committee

60th Montana Legislature

SENATE MEMBERS

KIM GILLAN
BOB HAWKS
SAM KITZENBERG
RICK LAIBLE
DAVE LEWIS
JIM PETERSON

HOUSE MEMBERS

GARY BRANAE
WANDA GRINDE
ROBIN HAMILTON
BOB LAKE
BILL NOONEY
JOHN WARD

COMMITTEE STAFF

CASEY BARRS, Lead Staff
LEANNE HEISEL, Research Analyst
EDDYE MCCLURE, Staff Attorney
FONG HOM, Secretary
ALAN PEURA, Fiscal Analyst

MINUTES

K-12 Subcommittee

December 13, 2007

Room 137, Capitol Building
Helena, Montana

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.**

Please note: These minutes provide abbreviated information about committee discussion, public testimony, action taken, and other activities. The minutes are accompanied by an audio recording. For each action listed, the minutes indicate the approximate amount of time in hours, minutes, and seconds that has elapsed since the start of the meeting. This time may be used to locate the activity on the audio recording.

An electronic copy of these minutes and the audio recording may be accessed from the Legislative Branch home page at <http://leg.mt.gov>. On the left-side column of the home page, select *Committees*, then *Interim*, and then the appropriate committee.

To view the minutes, locate the meeting date and click on minutes. To hear the audio recording, click on the Real Player icon. Note: You must have Real Player to listen to the audio recording.

COMMITTEE MEMBERS PRESENT

SEN. SAM KITZENBERG
SEN. DAVE LEWIS

REP. WANDA GRINDE
REP. JOHN WARD

LINDA MCCULLOCH
DR. KIRK MILLER
PATTY MYERS
JAN LOMBARDI

STAFF PRESENT

CASEY BARRS, Lead Staff
EDDYE MCCLURE, Staff Attorney
FONG HOM, Secretary

Visitors

Visitors' list, Attachment 1

CALL TO ORDER AND ROLL CALL

00:00:03 Sen. Kitzenberg called the meeting to order at 10:05 a.m. The committee secretary took roll visually. The minutes of the September 25, 2007 meeting were approved as read.

AGENDA

Facilities Inventory Update - Joe Triem, Planning Manager, Architecture and Engineering Division, Department of Administration

00:01:15 Mr. Triem said that Phase I, gathering background data and project setup data, has been completed and Phase II, doing the actual onsite assessments, is underway. He said that facility condition assessments are normally repeated on a three or four-year basis in order to continue assessing budgets, maintenance, and ongoing facility needs.

Questions

00:08:45 Dr. Miller asked Mr. Triem how many people will be in the field and how many people are being trained to accomplish the task? Mr. Triem said that they are going to train a third more than they will have out in the field and they will have roughly 30 people out in the field, distributed between the three different regions. Sen. Kitzenberg asked Mr. Triem if he anticipates any new building construction. Mr. Triem said that they are asking a range of questions, including anticipated projects.

Dr. Miller asked Mr. Triem if he would be considering a definition of functional capacity of those buildings based upon student enrollment. Mr. Triem said that they are doing two surveys; one called a facility condition inventory which will assess what is not there; and a second survey which is called data gathering for educational adequacy analyses that would have to decide what is an appropriate size square foot per student, or what is the appropriate configuration of a school, or what components make up a quality school.

Ms. Myers asked if Mr. Triem how he was going to address the technology needs, whether they have cords running across where students can trip on them, or are the drops placed appropriately in safe places? Mr. Triem said that that is the kind of information that they are gathering; what speed of fiber in the building, the number of classrooms wired for voice and data, type of cable, secure cable and equipment termination rooms, network routers or switches, telephone system, number of classrooms with a telephone, computers, number of computers, internet access, etc.

Full time Kindergarten update - Linda McCulloch, Superintendent of Office of Public Instruction

00:24:46 Superintendent McCulloch gave a progress report on full-time kindergarten (**EXHIBIT 1**). She said that kindergarten enrollments are up for the 2007/2008 school year and they have been increasing over the past five years. Ms.

McCulloch talked about the conference held August 9 and 10, 2007, on full time kindergarten.

Questions

00:34:26

Sen. Kitzenberg asked Superintendent McCulloch if she had any statistics on the number of districts that potentially would show some increase in enrollment, and how does OPI handle sharing that data with the school districts in planning for the future? Superintendent McCulloch said that the school districts are the ones that know what the enrollment projections are their school.

Rep. Grinde asked Superintendent McCulloch if the amount of startup money is adequate for staffing, facilities, or materials that the districts needs. Ms. McCulloch said that the schools wanted to make sure the startup costs stayed in the bill because adding the extras into the classroom would be expensive.

Education spending and tax reform - Sen. Jim Peterson

00:48:30

Sen. Peterson explained that the Revenue and Transportation Interim Committee, of which he chairs, has formed two subcommittees. One is a subcommittee on school funding and property taxes that is a result of SJR 31. The other subcommittee is the property tax reappraisal study that is a result of HB 488. Sen. Peterson said that the K-12 Subcommittee and the SJR 31 Subcommittee should work together because of the funding issue that is being experienced by school districts in Montana.

Questions

00:59:28

Sen. Lewis asked if there was any discussion of school enrollment in the demographic presentation heard at the Revenue and Transportation meeting. Sen. Peterson said that there was to a degree. They looked at the demographics, which is the baby boomer population. He said that the state is replacing itself at about 50% of its population. You can relate that to school enrollment. If 80% of Montana's population in 2020 is in 7 cities, school enrollment in those cities could grow as the population will be concentrated in the urban areas.

Indian Education Achievement Gap - Sen. Carol Juneau

01:09:17

Sen. Juneau gave a presentation on a project that the National Caucus of Native American State Legislators is working on (**EXHIBIT 2**) to give the committee an idea of the data and research that they have looked at regarding the education achievement gap for American Indians.

Questions

01:51:43

Dr. Miller asked Sen. Juneau to clarify the risk ratio statistic, if that was found in the research or in the algorithm that Chris Lohse came up with for the Quality Schools Interim Committee which he used in his research? Sen. Juneau said that she did not know if that risk ratio statistic came from other research or whether it came from Mr. Lohse.

Change in Enrollment - Casey Barrs, Research Analyst, LSD

01:56:20

Mr. Barrs distributed a document prepared by Jim Standaert, Fiscal Analyst, LFD, on enrollment increases or decreases by district (**EXHIBIT 3**).

Oregon Approach to School Funding: Useful for Montana? - Sen. Kitzenberg

- 02:00:20 Sen. Kitzenberg talked about the issue of declining enrollment in the state and the Oregon plan and why the subcommittee should examine the plan to see if Montana should do something similar.
- 02:07:31 Sen. Lewis said that he is interested in the Oregon plan and that he had a discussion with Mr. Barrs about implementing the Oregon plan but decided that a fair amount of money would be involved and that would be difficult for the Legislature to struggle with.
- 02:08:48 Dr. Miller said that he is not sure that it matters what the formula is but how you feed that formula so that it is able to work. He said that he would propose using the research done by three interim committees' work to tweak formulas that might be more equitable or more fair, but it still comes down to whether there enough revenue to produce that adequacy that leads to the definition of quality education which we now have. He said that the true discussion needs to be around revenue and then once the revenue is established, put together a more equitable formula.
- 02:16:22 Superintendent McCulloch said that the Legislature has already put in place the Quality Educator Component that addresses the rural schools funding issues. The Quality Educator Component realizes that no matter what size school, small or large, you have to have a certain number of educators and licensed professionals in that school in order to operate that school.
- 02:18:09 Jan Lombardi, Governor's Office, said that over the last two sessions there have been deliberate attempts in terms of addressing school funding, recognizing that there is declining enrollment and that we need the funding formula to have more fixed components. We are seeing education changing, we are seeing the needs of the state changing, we are seeing demographic shifts and it will be a continuing conversation both with the Executive, the State education agencies and the Legislature.
- 02:24:10 Rep. Grinde said that there should be some discussion about consolidating administration which would allow some flexibility in keeping some of these buildings open. She said that she is not sure exactly how much you have to raise the salaries in some of these small rural communities to attract and retain teachers.
- 02:32:17 There was a discussion from the committee on what possible direction they might like to go:
- putting together a new funding formula;
 - a component for at-risk and declining enrollment;
 - focus on the adequacy of what the funding provides for today's educational needs;
 - looking at the costs of larger districts versus smaller districts and matching those up with the distribution formula that is in place at the present time to see if that is adequate or needs to be changed;
 - look at reorganizing school districts in the state administratively;

- the Supreme Court's decision says that all schools must be adequately funded, that no matter what is decided, the state must still look at funding schools adequately;

Public Comment

02:59:56 **Darrell Rud, School Administrators of Montana**, said that the idea of consolidating administrative services is worth exploring. He said that student achievement is what it is all about right now and in the classroom, the key is the teacher. You cannot have strong student achievement without a strong teacher. To have strong student achievement, you need a strong highly qualified principal to lead that instructional process. For a school district to move forward in a collaborative way with an elected board of trustees, you need a strong superintendent. Student achievement should be the key focus, the second key is maintaining quality education for all kids.

03:03:23 **Ellen Hildy, teacher**, said that she has been looking at the problem of Indian education for a long time. She shared her analysis of her research **(EXHIBIT 4)** with the committee.

Adjournment

03:22:44 Sen. Kitzenberg adjourned the meeting at 1:27 p.m.

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