



SCHOOL ADMINISTRATORS OF MONTANA

Educational Leaders...Advocates for Youth

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November 1, 2017

Honorable Senator Steve Daines
320 Hart Senate Building
Washington D.C. 20510

RE: Response to request for School Administrators of Montana input on federal tax reform

Dear Senator Daines,

Thank you for your letter requesting input from SAM on federal tax reform. SAM leadership, advocating for federal issues, has reviewed your request and offer the following input as Congress considers tax reform.

We first point you to the SAM Federal Advocacy Priorities 2017-18 and the yellow highlighted areas where tax reform may impact, positively or negatively, the federal advocacy priorities of SAM...

SAM Federal Advocacy Priorities 2017-18



SAM Statements of Support for Federal Issues

1. SAM will work with the Montana Congressional Delegation during the reauthorization of any education legislation in support of adequate funding and to ensure that the implementation of the federal legislation is reasonable for Montana school districts.
2. SAM supports implementation (and rule making) of the Every Student Succeeds Act (ESSA) that:
 - Shifts control of schools back to the state and local school districts.
 - Provides adequate funding to support high quality college and career standards implementation.
 - Uses assessment to appropriately measure student performance with the intention of improving teaching and learning for students.
 - Changes the philosophy of NCLB to support and resources for public schools.
3. SAM will work with the Montana Congressional Delegation in support of full federal funding of special education (IDEA).

4. SAM will communicate with the Montana Congressional Delegation regarding our continued opposition to school vouchers, charter schools, public scholarships for private education, tax savings accounts, tuition tax credits, and/or use of public funds for privatization/profitization in any form.
5. SAM supports formula funding and opposes competitive grant programs at the federal level.
6. SAM supports adequate federal (human, time and fiscal) resources for professional learning for administrators and teachers to implement quality college and career standards.
7. SAM will advocate for maintenance of local supervision and control over federal funds allocated to Montana's public schools and oppose provisions in federal/national legislation, regulation or other standards that would denigrate local control of Montana's public schools.
8. SAM will communicate with the Montana Congressional Delegation regarding the concern of Montana school districts over a drop in federal funding for important programs such as Title I and other Title programs, Carl Perkins, Impact Aid, and Medicaid Reimbursement, and the impact these reductions could have on local and state funding of current education priorities.
9. SAM will support additional federal resources for capital or operational programs only to the extent that these programs are not unfunded mandates or under-funded programs.
10. SAM supports a stronger voice for rural education at the federal level that includes:
 - Establishment of an Office of Rural Education Policy within the U.S. Department of Education to recognize the unique challenges facing rural schools.
 - SAM will work with the Montana Congressional Delegation to ensure that the USAC E-rate program stays fully funded to ensure equitable and adequate bandwidth to every student.
 - SAM supports Net Neutrality.
 - Minimization of the reporting requirements of the Office of Civil Rights bi-annual data collection (CRDC) report and REAP Small Rural School Achievement Program application, while providing timely, useful information to Montana schools.
 - Recruitment and retention of quality educators for Montana schools.

You will see the nexus between revenues generated by tax reform and the support of the items emphasized above where the precious tax dollars are used to help Montana children receive a free, appropriate public education in order to reach their full potential as outlined in the Montana Constitution.

Particularly, in the review of some of the proposed tax reform ideas, SAM stands in support of retaining the state and local tax deduction (SALTD). We understand the importance of tax reform, and welcome the work of Congress to do so, without touching the SALTD. We believe one can support both tax reform and SALTD. As an organization representing superintendents, administrators, board members and educators in our nation's schools, we remain opposed to any tax reform proposal that includes elimination of, or compromise on, the state and local tax deduction (SALTD). Our members have a deep commitment to the school systems they run and the students they serve. The current proposal to eliminate SALTD as part of broader tax reform would damage state and local economies and decimate their ability to adequately and appropriately support our nation's education systems. We believe any comprehensive tax reform legislation must preserve this deduction. As one of the six original deductions allowed under the original tax code, SALTD has a long history and is a critical support for investments in infrastructure, public safety, homeownership and, specific to our work, our nation's public schools. You can support both tax reform and preserving this deduction, and for the sake of our nation's educational system, our students and their future, we urge Congress to preserve and protect SALTD.

Impending shortfalls and cuts to education have been proposed in the President's 2018 proposed budget. SAM will continue to "communicate with the Montana Congressional Delegation regarding the concern of Montana school districts over a drop in federal funding for important programs such as Title I and other Title programs, Carl Perkins, Impact Aid, and Medicaid Reimbursement, and the impact these reductions could have on local and state funding of current education priorities". The impacts of federal tax cuts could potentially further impede our ability to meet the federal mandates of providing a free, appropriate public education, and/or place an additional financial burden upon local and state taxpayers.

Further, we are concerned about the potential for implementation of federal tuition tax credits, tax savings accounts, etc. as a result of the new tax reform plan. The President's 2018 proposed budget funnels money out of public education into charter and private schools. With less money to support public education it seems that other funding sources should be used for school choice initiatives. Those initiatives only benefit families who can afford them and they exclude poor students and students with significant disabilities. There is no "choice" option for them, just the expenditure of public funds for unproven privatization, not held to the same accountability measures as the nation's public schools.

The federal government is not fully funding special education at the required level (40%) by law (currently at approximately 16%), and they never have. Adding tax benefits in the tax reform plan further exacerbates the difficulty in providing a free and appropriate public education to students with disabilities without fully funding those services. Additionally, cuts in Title funds impacts students living in poverty as those funds are meant to provide them with opportunities for equitable access. Tax cuts along with funding cuts further tip the scales against our neediest populations.

Senator Daines, on behalf of School Administrators of Montana, we hope this input will be help you to help our nation create tax reform that meets the needs of Montanans and those who support our public schools as the last best institution for providing our nation with a vision of success into the future. Thank you for requesting our input.

Respectfully,

A handwritten signature in blue ink that reads "Kirk J. Miller". The signature is fluid and cursive, with the first name "Kirk" being the most prominent.

Kirk J. Miller, EdD
Executive Director
School Administrators of Montana