

SAM 2017 Legislative Session Summary

65th Montana Legislative Session



June 7, 2017

School Administrators of Montana (SAM) actively pursued advocacy on behalf of our membership on the SAM Legislative Priorities during the 65th Legislative Session. SAM continued to work effectively with the alliance of education associations, [MT-PEC](#) (Montana Public Education Center), to help the legislature understand and support public education in our state. The session began (and quite frankly, ended) with significant attention to the statewide budget where the ending fund balance dropped from a high of \$354 million shortly after the 2015 legislative session down to \$110 million as they entered the session. This significant drop set the stage for most of the dialogue and was the focus of the session. In the end, though challenges continue, SAM considers this legislative session successful in support of our Montana public schools. This report is intended to update you on the actions of the legislature around the [SAM Advocacy Priorities](#) established by the SAM Delegate Assembly and the membership prior to the session.

The SAM Legislative Network 2017 (SAMLN17) was formed prior to the legislative session in order to effectively communicate SAM legislative issues/bills and collect input to allow appropriate representation of SAM issues/bills during the legislative session. [Eighty-five SAM members](#) representing every affiliate region across the state served on the SAMLN17, and through their effort accomplished the successes this session! The [SAMLN17](#) webpage references over 20 SAMLN17 Updates and Weekly Schedules, as well as 8 “Calls to Action” that helped organize the effort of the SAMLN17.

SAM followed and advocated for (or against) 106 bills to the end of the session. These bills and their status are on the [SAM Bills 2017](#) webpage. The [SAM Bills Status By Priority Final Report](#) provides a review of all of the bills sorted by SAM advocacy priority and indicates the stance taken by SAM (Proponent, Opponent, Monitor).

The summary that follows begins with an overview of progress on [SAM’s Advocacy Priorities](#). Next is a brief ‘success by the numbers’ review of bills that were followed by SAM. Thanks to the many SAM members who made contacts to legislators and shared information – this **IS** what made the difference for K-12 education during the 65th Legislative Session.

SAM Legislative Priorities

1. Support Adequate and Equitable Funding for Montana Schools

- As the legislative session began, the revenue shortfall at the state level and the budget issues this caused for the state, required an advocacy priority to support school funding and the current school funding formula’s seven components and the required inflationary increases as established in law (over about 20 years of work to get it to this point). These items were a main focus of SAM’s work throughout the session.
- A complicated blend of bills including [HB 191](#) (Inflation on the components of the school funding formula), [HB 2](#) (General appropriations act) and the coordinating language in [HB 647](#) (Generally revise education funding, implement general appropriations bill) resulted in the fact that school district budget authority was not compromised, all components of the funding formula remain in

effect, and inflation was applied to those components. The success is the fact that the state experienced a shortfall of between \$125-\$200 million, and with PK-12 education being about 33% of the state general fund, would in previous years resulted in cuts to PK-12 education of \$40-\$70 million! The challenge is that the legislature left the capitol with a balanced state budget, did not increase revenues substantially through fees or tax increases, but did transfer the burden of paying for increases to state services to other taxing jurisdictions, like property tax payers in local school districts.

- SAM participated with MT-PEC in writing an analysis of the 2017 Legislative Session with emphasis on the analysis of the Budget and Taxation issues. The following links are reports that provide readers with an overview, state-wide analysis, an individual district budget authority analysis, and finally an individual district GTB phase in for Block Grant analysis. The purpose of providing this review is for SAM members to use it to help your community gain understanding of your school district budget, the elements of the budget where you have local control, and the result of legislative action on your budget and taxation.
 - [2017 Legislative Session Overview of Key Impacts](#)
 - [2017 Legislative Session Biennial Funding Comparison](#)
 - [2017 Legislative Session Budget Authority Analysis](#)
 - [2017 Legislative Session GTB for Block Grant Phase In Analysis](#)

2. Opposition to Privatization with Public Funds

- Two privatization with public funding bills were considered during this session, [HB 423](#) (Create special ed savings accounts) and [HB 376](#) (Establish public charter schools). [HB 423](#) did not make transmittal deadline and [HB 376](#) was killed in the Senate Education Committee only to be blasted to the floor of the Senate on the last 8 days of the session to be used as a bargaining tool for the statewide infrastructure bill. [HB 376](#) did not survive that strategy and was defeated on the House floor for lack of the required 2/3 votes to suspend the rules to hear a bill like this so late in the session.

3. Support Recruitment and Retention of Quality Educators

- Five bills during the session were intended to address recruitment and retention. [HB 119](#) (Revise quality educator loan assistance program) and [SB 115](#) (Revising stipends for national board certified teachers) both passed. Unfortunately, all of the funding for [HB 119](#) was stripped from the bill so the policy is good but provides no additional funds to make a difference in the coming biennium.

4. Support Special Education Funding

- Seven bills to address special education funding were a part of the 65th legislative session. All of those bills except for [HJ 1](#) (Request study of funding for education programs for special needs students) failed during the session. The study will take place in the interim and SAM will be working to get our members to the table for that discussion. SAM and the MCASE advocacy strongly supported [HB 32](#) (Revise school funding related to special education) because the bill addressed both inflation on the special ed allowable costs and an adjustment to assist special ed coops operational costs (as recommended by the Special Ed Coop Funding Task Force in the Interim). In the end, [HB 2](#) (General appropriations act) was amended to include approximately \$1.2 million for special ed allowable cost distribution for the biennium. A bit short of inflation, and no adjustment for special ed cooperatives as outlined and promoted by the Special Ed Coop Funding Task Force. More work needs to be done in this area.

5. Support Facility and Technology Infrastructure

- Twelve bills were followed during the session that would have had an impact on school facilities and technology infrastructure. [SB 307](#) (Revise K-12 school funding laws to address facilities) passed the legislative session. The bill establishes a school major maintenance fund allowing districts to permissively levy (\$15,000 per district plus \$100 per student) to establish the fund and the state contribution will be added to the fund depending on the relative wealth of the district (between 18% and 80% match). This fund requires a resolution by school districts to outline the non-votes levy increases approved by the trustees and list the projects under consideration for the major maintenance fund. The new law provides districts with the ability to establish this major maintenance fund with local contribution and state match, with local control of how and when to use the funds to complete the necessary work in the district. [SB 5](#) (Revise INTERCAP loan program) to allow districts with tax protests or need for temporary facilities to borrow low interest money has passed. [HB 390](#) (Generally revise school funding laws) allows \$2 million in state technology funding to be used as a match for federal E-rate funding (up to \$20 million) for broadband build expanding internet access in Montana schools.

Reviewing the Success in the Session on Bills followed by SAM

The SAM advocacy team (Kirk Miller and Pat Audet) provided testimony on behalf of SAM 83 times on 53 different bills. See the [SAM Testimony Log 2017 Legislative Session](#) to review the details. The following is an overview of the bills by the numbers...

- Bills followed by SAM in which we were either proponent or opponent: 53
- Passage Rate on Bills SAM supported: 19/43 Bills Passed (44.2%)
- Passage Rate on Bills SAM opposed: 1/10 Bills Passed (10.0%)
- Testimony on behalf of SAM was provided 83 times – 70 as proponents, and 12 as opponents and we watched (monitored) bills of interest that were neither, supported or opposed by SAM, 42 times, for a total of 124 instances on bills followed by SAM.

This data indicates that we were effective in playing defense by having only 1 of the 10 opposed bills pass the legislature. This data also indicates that there were many bills that would have improved education for students that we supported, that failed to be passed by the legislature (19 of 43). This supports the opening statements in this report that the major focus of the legislature was on state funding and the budget shortfall.

The [SAM Bills Status By Priority Final Report](#) shows detailed information about the bills SAM followed and their final status in the 65th Legislative session.

Thank you to the SAM members in the SAM Legislative Network 2017, SAM Associate Director Pat Audet, our partners in the MT-PEC, the Governor and his team, and many legislators for committing their time and energy in creating this success for children during the 65th Legislative Session!

Respectfully Submitted,



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