MINUTES

MONTANA SENATE
59th LEGISLATURE - REGULAR SESSION

JOINT SELECT COMMITTEE ON EDUCATION FUNDING

Call to Order: By **CHAIRMAN DON RYAN**, on April 5, 2005 at 3:40 P.M., in Room 350 Capitol.

ROLL CALL

Members Present:
Sen. Don Ryan, Chairman (D)
Rep. Bill E. Glaser (R)
Rep. Holly Raser (D)
Sen. Bob Story Jr. (R)

Members Excused: None.

Members Absent: None.

Staff Present: Connie Erickson, Legislative Branch
Lois O'Connor, Committee Secretary
Jim Standaert, Legislative Branch

Staff Excused: Eddye McClure, Legislative Branch

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Continued Discussion on Education Funding

SEN. DON RYAN, SD 10, said that staff will discuss a technical amendment to the proposed legislation creating the Quality Schools Interim Committee.

{Tape: 1; Side: A; Time Counter: 0.8}

Connie Erickson, Legislative Services Division (LSD), said that staff wanted to ensure that the interim committee could conduct its own needs assessment or use existing studies to complete its assessment. An amendment will be drafted to state "one or more of the following".

Ms. Erickson added that LSD has money left in its Program 21 fund for the Quality Schools Interim Committee to conduct two or three meetings. If a request for proposal (RFP) is drafted for the cost study, the appropriation in HB 2 will not be available until July 1, 2005. However, the RFP contract could be prepared and ready to go.

SEN. ROBERT STORY, SD 30, preferred that the entire $200,000 appropriation for the interim committee be available in this biennium.

{Tape: 1; Side: A; Time Counter: 6.4}

Subcommittee members discussed with staff whether further work be done to the report on school funding reorganization and consolidation and Idaho's support units and how they work. Staff is continuing its work on both issues and will report to the Subcommittee when it is completed.

REP. WILLIAM GLASER, HD 44, provided a graph showing a tentative classroom structure--number of classrooms per accreditation standards - K-2 (up to 20 students per classroom, additional 4 more for an aide and number of classrooms per accreditation standards - 9-12, up to 30 students per classroom).

EXHIBIT(jes72a01)

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Referring to the graph, **SEN. RYAN** said that the classroom units within the high schools start at five units. He said that the Subcommittee needs to review whether there would be a minimum number of students per classroom unit before it increased the five units. **Jack Copps, MT Quality Education Coalition (MQEC),** said that many of the larger high schools would have smaller classes if they are allowed to (i.e., as few as three or four

students in a German III class, for example.) At that point, the unit becomes very inefficient.

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REP. GLASER said the issue is what the state will pay for. He felt the state needed to pay for complying with the accreditation standards, including teacher aides when there is one-half or one-third of a classroom, and then give schools the latitude to do things at the local level that they need to do.

SEN. STORY said that if the Subcommittee continues to work on the classroom unit, it needs to begin thinking about creating K-12 or K-6 and 7-12 districts, particularly in the small high schools where they are using their high school teachers to teach at the 7th and 8th grade levels. He felt that there would be double funding at the junior high level if K-8 and 9-12 districts were created. **REP. HOLLY RASER, HD 98,** said that currently K-12 districts are funded differently than elementary or high school districts, but that this area could be reviewed when determining classroom units for smaller schools.

SEN. RYAN had no problem with the 20 students per classroom, but questioned how to make adjustments when there is less than 20 students in the 1st, 2nd, and 3rd grade levels or multi-grade classrooms. His concern was that if a high school has 30 students and it receives five classroom units, the school will have to wait until it gets another 120 students before another teacher is added.

SEN. STORY requested breakdowns of the number of one-room schools, multi-grade schools, and regular schools within the state.

{Tape: 1; Side: B; Time Counter: 2.1}

Following further discussion, the Subcommittee decided to continue discussing what things need to be considered when planning a new school funding formula; gather more information from schools that have increasing versus declining enrollments and how they handle staffing issues; what parts of the system could be funded locally; whether to under-weight the classroom unit and over-weight ANB, particularly in high schools; to consider the regionalization of staff and administration and how much state support would be needed in each region; and discuss where co-operatives would fit into the system.

{Tape: 1; Side: B; Time Counter: 16.6}

Mr. Copps suggested identifying prototypes of different size schools and make a determination of what kind of student/teacher ratios the Subcommittee wants in order to provide districts with maximum flexibility.

{Tape: 2; Side: A; Time Counter: 0.3}

SEN. STORY said that the system had to allow for adjustments. If the state decides to start funding at the average of 16.5 students per classroom and if the number of students go beyond that, he felt it would leave the state open for legal challenge. **SEN. RYAN** said if the accreditation standards represent the minimum number of students and the state says it will fund 80%, that is not quality. **SEN. STORY** disagreed, stating that if the accreditation standards set a certain number of students to represent the appropriate class size, how can that not be considered quality. He felt that the Board of Public Education thinks the accreditation standards are quality otherwise the standards would not be there.

{Tape: 2; Side: A; Time Counter: 1.3}

REP. GLASER said that the state has numerous districts that have 30 students per classroom. If the Subcommittee decided to move every school to 16.5 students per classroom, it would not necessarily improve the quality of the classrooms that have 20 to 25 students. The Subcommittee must decide what the state will fund, otherwise the state will be funding whatever schools ask for. Teacher aides will be a very important part of the funding formula.

The Subcommittee continued discussing the classroom unit and its components. It requested that staff provide further information on the number of classrooms the state would end up with if it went to the classroom unit model, and provide information on three prototype schools and three funding models for large, medium, and small districts rather than a one-size-fits-all funding model based on the accreditation standards.

{Tape: 2; Side: A; Time Counter: 13.7}

SEN. STORY questioned if the thesis was correct about whether three separate models had to be done for small, medium, and large schools or if a unit over 96 students works the same under the classroom entitlement, with all other issues dealing with classroom size being dealt with in the support services part of the entitlement. He said that the one-room and multi-grade schools would be the hardest to deal with while the elementary schools would be the easiest starting point for the classroom

unit model. The remaining schools, as far as the classroom entitlement is concerned, might be within such a narrow range of funding that it would make no difference what model is used to fund them.

{Tape: 2; Side: A; Time Counter: 16.9}

SEN. RYAN said that the Subcommittee also had to discuss the issue of tax equity as they relate to rich and poor districts; the legalese related to what happens after the state funds to the definition of a basic system of free quality public elementary and secondary schools and local funding efforts become involved; and think about what components they would like to see included in the RFP for the needs assessment.

The Subcommittee will meet April 6, 2005.

ADJOURNMENT

Adjournment: 5:00 P.M.

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SEN. DON RYAN, Chairman

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LOIS O'CONNOR, Secretary

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Additional Exhibits:

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