

School Funding Interim Commission Draft Final Report
Amendment #1 (Sen. Moe) on “Background” section

1. Page 4, line 1.

Strike: **and Beginnings**

Insert: **of the Commission**

2. Page 4.

Strike: lines 3-14

Insert: In Article X, Section 1(3), Montana’s constitution requires the legislature to “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.” Over the past three decades, a number of court decisions have called into question whether the state was meeting this constitutional requirement adequately and equitably. In response to one of these court decisions, Columbia Falls Elementary School District v. State of Montana I, a special 2005 session of the legislature made significant changes to Montana’s school funding measures and enacted 20-9-309 MCA, defining the components of quality in Montana’s basic system of public education. To ensure that Montana’s school funding formula remained current and constitutional over time, the statute also required a decennial study of educational needs costs and the adequacy of the state’s school funding formula to address them.

[Senate Bill No. 128](#) (2015—Hansen) replaced the statute’s provision for a decennial study with the formation of a decennial commission. A similar commission, the Quality Schools Interim Committee, had been established prior to the special session in 2005 and tasked with redesigning Montana’s school funding formula. Although QSIC met frequently, contracted for four adequacy studies, and drafted a bill creating a new funding formula, ultimately they were not able to agree on a proposal to advance to the legislature.¹

Senate Bill 128 formed a new commission, the School Funding Interim Commission, with a new focus. The commission’s duties are to:

3. Pages 4-5.

Strike: line 24 on page 4 through line 11 on page 5

4. Page 5.

Strike: “Because” on line 34 through “costs.” on line 37

5. Page 6.

Strike: lines 3 through 7

¹ For a lengthier description of this background, see pages 10-14 of the [July 2015 Interim Newsletter](#) or the [QSIC Final Report](#). For more information on the history of school funding litigation in Montana, this [webpage](#) has numerous links to the district decisions, Supreme Court appeals, and presentations to legislative interim committees on these cases.

6. Page 6.

Strike: "It" on line 19 through "system." on line 21

7. Page 6.

Strike: ""Is" on line 29 through "opportunity.""

Insert: "Is the state's share distributed in a manner that gives districts an equivalent ability to dedicate the resources necessary to provide their students with equality of educational opportunity?"

8. Page 6.

Strike: "The" on line 33 through "above" on line 35.

Insert: In *Columbia Falls Elementary School District v. State of Montana I* (mentioned above), the district court ruled and the Montana Supreme Court affirmed that the state was not adequately funding its share of the cost of education, in violation of the Montana constitution. Specifically, the school finance system established by the legislature was not based on a determination of the needs and the costs of the public school system or on educationally relevant factors. As noted earlier, the legislature responded by codifying educationally relevant factors in 20-9-309 MCA, by significantly revising its school funding formula, and by significantly increasing state funding for Montana's public schools. (A subsequent court decision, *Columbia Falls Elementary v. State II*, found that these efforts evidenced a good-faith effort on the part of the state of meet its constitutional obligation.)

9. Page 11.

Strike: "**and Topics for "Parking Lot"**

10. Page 11.

Strike: ", placed these topics in a "parking lot," on lines 23 and 24

11. Page 11.

Strike: ""parking lot"" and ""unfinished business"" on lower line 10