### SAM Legislative Update 1 – 1/13/17



#### **Greetings SAM Members!**

The 65<sup>th</sup> Legislative Session is moving quickly and the end of legislative day 10 allows for reporting on happenings and even some editorial about what the actions mean. Week 1 was filled with ceremonial events and the beginning of Committee hearings on bills. Week 2 included action that I would characterize as Budget, Budget, Budget!

### Reportable Happenings

<u>SB 5</u>	<b>№</b> LC0293	Tom Facey (D) SD 50	(S) Scheduled for 3rd Reading	01/12/2017	Revise INTERCAP loan program	Proponent

SAM provided proponent testimony on <u>SB 5</u> on Friday, 1/6/17 on this bill that provides schools with flexibility for facilities funding and tax protest refunds using the INTERCAP loan program. The unanimous "do pass" executive action of the Senate Education and Cultural Resources Committee sent this bill to the floor of the Senate where it passed 3<sup>rd</sup> reading <u>42-8</u> on 1/12/17. So this bill that fits in SAM's Facilities and Technology Structure advocacy priority is on its way over to the House.

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Joint Appropriations			General Appropriations	Nancy Ballance (R) HD	Global Motions to reduce the Governor's
Subcommittee on	HB 2	<u></u>	Act	87	budget by 5% and in some instances
Education	110 2				another 2% for vacancy savings

On Tuesday, 1/10/17, the Joint Appropriations Subcommittee on Education passed 2 global motions to reduce funding for education across the board. These global motions were a result of direction of agreement from the House Appropriations Committee and Senate Finance and Claims Committee to make reduction to the proposed Governor's budget for the biennium. The result of the global motions made reductions to the Governor's budget proposal for education (Section E) of approximately 5%. The reductions for K-12 education in the Governor's budget amounted to approximately \$21.27 million and the Appropriations Subcommittee on Education increased that reduction amount to about \$24 million. Click HERE to review the spreadsheet outlining the actions and refer to line 35010 Office of Public Instruction. Click HERE to see a district-by-district impact of the proposed \$24 million in cuts to state funding for schools. Please be aware that these numbers are not highly accurate as the method for calculating the district-by-district impact was made by approximating the percent an individual district's portion is to the entire state budget for schools times \$24 million. Caution: This measures the impact based on the work of the Appropriations Subcommittee on Education and is not the end game for funding for the session – more of a first volley. We expect the impact to school budgets will be different than this when the session concludes – in fact your advocacy team will work diligently to make changes to this first volley!

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<u>HB 31</u>		· '	(H) Tabled in Committee* (H) Education	 Revise school funding related to special education	Proponent
HB 32		, , , , , , , , , , , , , , , , , , ,	(H) Tabled in Committee* (H) Education	 Revise school funding related to special education	Proponent
<u>HB 33</u>		, , , , , , , , , , , , , , , , , , ,	(H) Tabled in Committee* (H) Education	 Revise school funding related to special education	Proponent

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HB 31, HB 32, and HB 33 are the first bills for funding Special Education (a SAM advocacy priority). The three bills were a result of the work of the School Funding Interim Commission recommendations for funding inflation on the Special Ed component of the funding formula (HB 31), a funding adjustment for special education cooperatives (HB 33), and HB 32 that funds both. SAM and MCASE advocates have been working on these bills for over a year and gave proponent testimony on 1/9/17 along with all of the MT-PEC partners. Unfortunately, on 1/11/17 the House Education committee took executive action tabling all 3 bills on split voting along party lines with the R's voting 10-7 to table. HB 32 fiscal note is approximately \$5.7 million. A confusing message was sent by this action to table in the committee because moments before that same committee unanimously passed HB 191 (see below) with a fiscal note of approximately \$57 million.

нв 191 🔊 🎒	LC2267	Seth Berglee	(H) Hearing (H)	01/11/2017; 3:00 PM,	Provide inflationary increase for	Proponent
		(R) HD 58	Education	Rm 137	ANB funding	

The chair of the House Education Committee, Rep. Seth Berglee (R) carried <u>HB 191</u> which funds inflation on all of the components of the school funding formula with a fiscal note of approximately \$57 million. This bill meets the law for funding schools though providing inflation to the components of the funding formula. SAM and the MT-PEC partners all provided proponent testimony on this advocacy priority. The Committee unanimously approved a "do pass" on this bill with little discussion.

### **Editorial Thoughts**

This information about budgets for education this early in the session is a mixed message. Inflation on the funding formula with a \$57 million price tag appears to be moving easily through the committees while the Appropriations Subcommittee on Education is projecting reductions of \$24 million. My editorial comment on this discrepancy is that resolution of this difference is the story of the 2017 session. These big numbers in the state's general fund must be resolved in order for the rest of the government and the state to operate in the next biennium. So, I believe the work ahead will be to insure school funding complies with the law and receives inflationary increases. The politics and strategies to make that happen will require our SAMLN17 to be engaged to communicate with legislators as they wrestle with balancing the budget and meeting the needs of the citizens of the state. So, our work at SAM over the next many weeks is very important!

#### **General Information**

Please use the SAM website (<a href="www.sammt.org">www.sammt.org</a>) as a resource for all things legislative under 'Announcements', then '2017 Legislative Session'. At SAM we have established the SAM Legislative Network 2017 (SAMLN17) made up of over 70 SAM members representing each affiliate and region our organization. The SAMLN17 has been receiving information via email and web references since day 1 of the session. For any SAM members interested in following the happenings with detailed information you can always go to the <a href="SAM Legislative Network 2017">SAM members interested in following the happenings with detailed information you can always go to the <a href="SAM Legislative Network 2017">SAM member to join the SAMLN17 click HERE!</a>

Click on the items in blue <u>underline</u> font as they are links that will go directly to the item. For a copy of the bills, click on the bill number (e.g. <u>HB 1</u>) or go to <u>LAWS</u>.

All Bills being tracked by SAM can be found on the <u>SAM Bills 2017</u> webpage under <u>SAM General Bills</u>.

<u>Contact a Legislator</u> site is on the <u>Legislative Session</u> webpage. You can use the <u>Online Message Form</u>. You may also watch or listen to <u>Live & Upcoming</u> meetings and hearings. Just click on the meeting or hearing that is on the schedule.

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If you are helping to advocate for education priorities this session please read and follow the <u>SAMLN17 Rules of Conduct for Political Activity and Advocacy</u>.

SAM "How To" Video - Providing Testimony at a Legislative Hearing will help prepare yourself for coming to Helena to provide testimony.

Contact your SAM team if you have questions!

Kirk and Pat