

HOUSE BILL 754

Introduced by Harrington, et al.

2/11	Introduced
2/11	Referred to Education & Cultural Resources
2/12	First Reading
2/12	Fiscal Note Requested
2/16	Fiscal Note Received
2/18	Fiscal Note Printed
2/22	Hearing
2/23	Committee Report--Bill Passed
2/25	Rereferred to Appropriations
3/06	Hearing
3/06	Tabled in Committee

1 House BILL NO. 754
2 INTRODUCED BY Hamminger Fleckenstein
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCLUDE A FUNDING
5 FACTOR FOR THE TEACHER EXPERIENCE LEVEL OF A SCHOOL DISTRICT
6 IN THE FOUNDATION PROGRAM AMOUNT FOR THE DISTRICT; AND
7 PROVIDING A DELAYED EFFECTIVE DATE."
8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 NEW SECTION. **Section 1.** Calculation of total
11 foundation program amount. The total foundation program
12 amount for a district is calculated in the following manner:

13 (1) determine the base foundation program amount in
14 20-9-316 through 20-9-321 for the appropriate school fiscal
15 year by using the ANB of the district as calculated
16 according to 20-9-311 for an elementary school or for a high
17 school district; and

18 (2) multiply the foundation program amount determined
19 in subsection (1) by the appropriate factor in [section
20 2(2)] representing the teacher experience level calculated
21 for the district for the previous school fiscal year.

22 NEW SECTION. **Section 2.** Calculation of district
23 teacher experience level -- factors representing teacher
24 experience level. (1) For the purposes of this section, the
25 following definitions apply:

1 (a) "Teacher" means a person who:
2 (i) holds a valid Montana teacher certificate or
3 specialist certificate that has been issued under the
4 provisions of Title 20; and

5 (ii) is employed by a district as an instructional staff
6 member or as a specialist whose primary duties include
7 direct supervision of pupils rather than direct supervision
8 of other staff members.

9 (b) "Teacher experience" means the total credited
10 experience of a teacher that a district acknowledges for the
11 purposes of placement of the teacher on the adopted pay
12 matrix of the district or as otherwise indicated by the
13 district's written contract with the teacher.

14 (2) The trustees of a district shall determine the
15 teacher experience level and the teacher experience factor
16 to calculate the total foundation program amount for the
17 district under the provisions of [section 1], using the
18 following criteria:

19 (a) Level 1--A district with 65% or more of its
20 teachers having 3 years or less of credited experience is
21 assigned a teacher experience factor of 1.

22 (b) Level 2--A district with 35% or more of its
23 teachers having more than 3 years and not more than 7 years
24 of credited experience is assigned a teacher experience
25 factor of 1.16.



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1 (c) Level 3--A district with more than 65% of its
2 teachers having more than 7 years of credited experience is
3 assigned a teacher experience factor of 1.27.

4 (3) The trustees of the district shall report the
5 following to the county superintendent in the manner
6 provided for school district budget reporting in this title:

7 (a) the district's calculated teacher experience level
8 for the previous school fiscal year; and

9 (b) all documentation used by the district in
10 calculating the teacher experience level for the district.

11 NEW SECTION. **Section 3. Codification instruction.**
12 [Sections 1 and 2] are intended to be codified as an
13 integral part of Title 20, chapter 9, part 3, and the
14 provisions of Title 20, chapter 9, part 3, apply to
15 [sections 1 and 2].

16 NEW SECTION. **Section 4. Effective date.** [This act] is
17 effective July 1, 1992.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0754, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to include a funding factor for the teacher experience level of a school district in the foundation program amount for the district; and providing a delayed effective date.

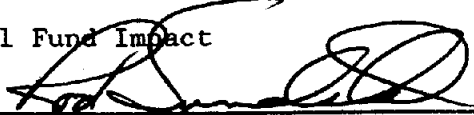
ASSUMPTIONS:

1. Factors developed by LFA for HJR0016 study represent current district teacher experience.
2. HB0384 school equalization revenue estimates are used.
3. Current foundation program schedules are used.
4. Permissive GTB costs increase proportionately to the increase in schedules (a district budgeting a permissive of 35 percent of foundation will continue to do so with increased foundation).
5. The ratio of state cost of permissive GTB to total permissive GTB remains at FY91 level.
6. Executive budget estimates of the current level cost of Foundation and permissive GTB are used.
7. The act is effective beginning in FY93.
8. Other school expenditures including retirement GTB are not affected by the bill.
9. OPI will require .75 FTE administrative assistant grade 12 to process foundation program.

FISCAL IMPACT:

Office of Public Instruction:

<u>Expenditures:</u>	<u>FY '92</u>			<u>FY '93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
FTE		0.75	0.75		0.75	0.75
Personal Services	0	20,000	20,000	0	20,000	20,000
Operating Expenses	0	11,000	11,000	0	13,000	13,000
Equipment	0	10,000	10,000	0	3,000	3,000
Local Assistance - Foundation	348,547,000	348,547,000	0	347,225,000	419,803,000	72,578,000
- Retirement GTB	13,600,000	13,600,000	0	13,600,000	13,600,000	0
- Permissive GTB	<u>31,650,000</u>	<u>31,650,000</u>	<u>0</u>	<u>32,500,000</u>	<u>39,388,000</u>	<u>6,888,000</u>
Total	393,797,000	393,838,000	41,000	393,325,000	473,837,000	80,512,000
<u>Funding:</u>						
General Fund	102,511,000	102,552,000	41,000	129,831,000	210,343,000	80,512,000
School Equalization (02)	<u>291,286,000</u>	<u>291,286,000</u>	<u>0</u>	<u>263,494,000</u>	<u>263,494,000</u>	<u>0</u>
Total	393,797,000	393,838,000	41,000	393,325,000	473,837,000	80,512,000
General Fund Impact			(41,000)			(80,512,000)


 ROD SUNDSTED, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

DAN HARRINGTON, PRIMARY SPONSOR DATE

Fiscal Note for HB0754, as introduced **HB 754**

Fiscal Note Request HB0754, as introduced

Form BD-15

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EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

School districts will receive substantial increased state funding which may either be expended on additional educational costs or used to reduce local revenues in support of schools.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Districts may be expected to respond to the incentive to hire and keep experienced teachers with the result that more districts would qualify for the increased levels of aid. This response will increase the state cost.

TECHNICAL NOTES:

There is no provision for reporting of teacher experience factors to the Office of Public Instruction or their verification prior to the determination of the eligible level of foundation program funding.

APPROVED BY COMM. ON EDUCATION AND CULTURAL RESOURCES

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SECOND READING

HB 754



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