

MINUTES OF THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION
February 2, 1983

The House Appropriations Subcommittee on Education met at 7:00 a.m. on Wednesday, February 2, 1983 in Room 104 of the State Capitol. With Chairman Rep. Esther G. Bengtson presiding, all members were present. Executive Action was taken on OPI's Adult Basic Education budget, and the Historical Society's modified requests. The budget for Public Schools, including Special Education, was heard.

The sponsor of House Bill 105 (Exhibit "A"), Rep. Cal Winslow, explained that the agreement reached had been that the monies would be split 50/50 between Adult Basic Education and the Vo-Techs. He suggested that Adult Basic Education funding as regarded this bill should be reviewed every two years by the Legislature, because there was quite a growth factor built in. Another option would be to change the split to 75/25 in 1985, with the smaller percentage going to Adult Basic Education. He felt there was a need for a 50/50 split at present, however, so five new FTE could be placed in the Vo-Tech. centers in the areas to teach Adult Basic Education. This would replace some of the costs the Vo-Techs. are presently involved in regarding ABE instruction. Rep. Peck pointed out that Adult Education programs were separate from ABE, and were funded locally, where ABE is a State program, and no fees are charged.

Sen. Jacobson moved to put language in HB 105 so that the percentages would be reviewed each session of the Legislature and that the Adult Basic Education centers provide adult basic education to the Vo-Techs. Motion carried unanimously.

Sen. Haffey wanted to know, if the bill passed, would the 50% of the 10% of the interest flow directly into Adult Basic Education, or would the Subcommittee have to make sure that the authority to spend it would be there. Mr. Curt Nichols, LFA, said he believed the money would have to be appropriated.

Mr. Tom Crosser, OBPP, stated that he felt some of the statutory language that mandated the State to pass money through to the local units of government required an appropriation. This had been disputed, however.

Sen. Haffey said a budget amendment could be avoided, if instead of voting in a dollar amount, the Subcommittee approved 50% of 10%.

Discussion took place regarding whether or not the money should be strictly flow-through. Sen. Jacobson wondered if the Vo-Tech. money would be split five ways evenly, or what the proportions would be that went to each of the Vo-Tech. centers. Rep. Peck said he assumed that the currently used grant procedures for

Adult Basic Education, which were based on enrollment, would be used. Chairman Bengtson was in support of getting a formula in place to take care of this issue in a less arbitrary way. It was brought out that the estimated coal tax interest revenue had already been included in OPI's budget, along with the spending authority.

Chairman Bengtson stated that it was the intent of the Subcommittee to distribute the ABE money Statewide, not just to the Vo-Tech. centers.

Mr. Crosser said that OPI should be the party to address regarding a formula for the distribution of the money.

Sen. Jacobson wanted to know what would happen if funds came in at a higher level than the Legislature had approved. Ms. Joehler said there were two options: (1) The statutes could be written to say that all money that is collected would be appropriated; (2) the excess money could be kept in the program until it was appropriated in the following biennium. Mr. Crosser added that the excess money could also be used to reduce the general fund appropriation. It was brought out that the latter language was already in the statutes. Sen. Jacobson was opposed to using the excess money to replace general fund.

Rep. Peck moved to appropriate 50% of the 10% to Adult Basic Education. Motion carried, with Rep. Ernst and Sen. Tveit opposed.

The Historical Society's Original Governor's Mansion budget modification request was then taken up. Ms. Joehler explained that the rent was presently included in the Dept. of Administration budget request. If the Legislative Judicial and Administrative Subcommittee approves the request, the rent for the original governor's mansion is taken care of. However, if the LJA Subcommittee denies it, the rent money of \$32,000 per year will have to be transferred from the Dept. of Administration to the Historical Society.

Security Guards modified request. Rep. Donaldson explained that there were several options: (1) some states have the Highway Patrol take care of this function. (2) The services could be contracted, (3) the Dept. of Administration could handle it, or (4) each agency could do their own guarding. The easiest approach would be contracting, but it is not the optimum one. He suggested that the best solution would be to allow the Historical Society to handle their own security. There is a report coming out regarding the total security of the Capitol, and he suggested that the Committee postpone executive action until the report could be studied.

Rep. Ernst said that he had been asked if the Committee would

reconsider its action on the Secondary Vocational Education budget, and include an inflationary increase. Discussion took place. Rep. Donaldson pointed out that this program would be receiving some increase, assuming that the Foundation Program got an increase. The philosophy in 1981 had been that this was their inflationary increase.

Mr. Bill Cunneen, OPI Adult Education Specialist, spoke. He said he was in support of the decisions the Committee had made regarding ABE. He added that, regarding the amount of money appropriated for the first year, it would take a minimum of \$100,000 to put at least one full-time teacher for ABE in the five Vo-Tech. centers. This would result in a real reduction in what had been presented as part of the OBPP and the LFA budgets. The most logical approach is to reckon on one full-time teacher for each of the five centers. He questioned whether they could get by with less. He submitted that it would cost \$20,000 per teacher. Therefore, they are in effect obtaining \$14,000 less than what had been suggested in the general fund appropriation. If they have to, they will live with this, however.

Chairman Bengtson said that the Subcommittee would like to see ABE come up with a formula. Mr. Cunneen said he could invite field people in to devise a formula. He pointed out that there were problems with trying to ameliorate the differences between small and large districts.

The Committee took a five-minute recess.

The Foundation Program and Special Education budgets were then heard.

Mr. Dave Lewis, OBPP, ran through the process they went through in making their recommendation regarding the Foundation Program. In the last biennium, the 18% and 15% increases in the schedules were the biggest ever. The cost of maintaining the 1983 schedule level for 1984 and 1985 has caused them to use their carry-over funds. The carry-over amount was left in the Foundation Program and used to help fund the 1984-5 recommendation. They are using a one-time carry-over of \$32 million. The LFA approached this differently. They reverted the \$32 million to the general fund and then reappropriated it.

Mr. Lewis stated that all five of the Foundation Program's top revenue sources began to level off in the 1983 biennium: income tax, interest earnings, oil severance tax, corporate income tax, and the coal severance tax, due to the recession. They are asking for a 10% general fund increase, which is the smallest increase since the 1960's. The problem was to set priorities within that overall increase. The University System they felt needed extra funding to cover enrollment

increases. The SRS budget had problems because of the increase in AFDC caseloads, increases in the cost of general assistance, the reduction in federal Medicaid matching, etc., and this required a large commitment of general fund dollars. The combination of a small general fund increase and the preceding problem areas resulted in limitations on what could be done with the funding of the base programs. The OBPP analyzed the effect of the 35% general fund increase in the last biennium, the fact that inflation was running at a lower than anticipated rate than when the increases were approved, and the effect on voted levies, which the rate of increase slowed down, and they felt they could justify a "hold the line" budget which maintained the 1983 schedules into 1984 and 1985. He submitted that this amounted to about a 6% increase in funding. Any increase in the schedules will have to come from the general fund.

Mr. Tom Crosser, OBPP, distributed a copy of their most recent calculations; see Exhibit "B." The new revenue estimates take into consideration the fact that there will be a downturn in oil prices, and the fact that there will be somewhat greater income tax collections than originally estimated. He added that in their original schedules they had not considered the public school portion of the vehicle reimbursement dollars, as the LFA had. This is included in the new schedules.

Curt Nichols, LFA, then gave his analysis. The projection of current level funding is based on the same approach which the LFA used for all State agencies. A 6.5% - 7% increase recognizes the impacts of increased costs only. There is no policy factor included, there is simply a recognition of the maintenance of current level and the current relationship. After inflation is applied and the schedules are increased, then enrollment estimates are used to project the total cost. The total cost of public schools is estimated at \$265.59 million in 1984 and \$283.21 million in 1985. He referred the Committee to P. 605 of the LFA Narrative as regarded the funding of public schools. Because public school funding depends on almost every revenue source available to the State, revenue estimates continually change as legislation is passed by the Legislature. The LFA will be updating the revenue projections and therefore the bottom-line general fund as changes are made. The LFA also presents two issues: (1) the 55-mill permissive levy, and (2) the guaranteed tax base program. In order to maintain current schedules, the LFA estimates that \$22.27 million general fund is needed. Mr. Nichols said that the LFA would have revised estimates on revenue in early March.

The Chairman called on the Office of Public Instruction to address the LFA's issues. Steve Colberg, OPI, spoke. He stated that OPI had made some videotapes: one on what is now Senate Bill

94, another on the change in the permissive levy, and another dealing with the guaranteed tax base, or SB 76. In addition, Bob Stockton, OPI, made a tape explaining the Foundation Program.

The videotape regarding the permissive levy change was shown first. Mr. Colberg distributed some handouts showing the impact in specific districts; see Exhibit "C."

Another videotape was then shown which addressed school financing. An interim committee has been meeting and there are two recommendations, one of which was the issue of the guaranteed tax base, which the videotape addressed.

Rep. Ken Nordtvedt, Bozeman, then spoke up regarding the guaranteed tax base proposal. He submitted that it was a rather radical proposal, with some very serious conceptual fallacies. It would reduce State control over school costs. To talk about the average taxable value per student is the first fallacy. More than 90% of the school children are being taught in districts that would be called poor, because 1/3 of the taxable value wealth is tied up in a handful of counties, and this distorts the averages. The wealthy counties need to be handled by State policy unique to those counties. In school districts that have a lot of agriculture, the taxable value is about twice as much as in non-agricultural districts. Under the guaranteed tax base, they would be entitled to less State aid. He stressed that this was not a reasonable approach, because they were still Montana families paying taxes on their property. Although the mill levies are lower, they are applied against more property. The GTB approach creates an inverse correlation in the State if the resource-rich counties aren't considered. The taxable value per student is inversely related to income. Therefore, the areas of high personal income per capita are the areas of low taxable value. The GTB formula would be subsidizing parts of the State where people are making the highest incomes.

Rep. Nordtvedt submitted that, excluding the resource-rich counties, there is not much variation in the actual dollars being paid by Montanans to support their schools locally through voted levies. He added that another adverse effect of the GTB would be that the local self-interest of school boards in being fiscally responsible would be substantially reduced. He submitted that ultimately, the GTB would violate the constitutional guidelines for school funding. He also pointed out that whatever money was put into the GTB wouldn't be available to increase the Foundation schedules. He submitted that the major defect of the Foundation Program was that the State had let the schedules fall below the cost of basic education. He submitted that the GTB would aggravate this problem.

Mr. Gary Steuerwald, OPI, testified; see Exhibit "D."

Owen Nelson, Montana Education Association, spoke. Their major concern is that the funding should be adequate to assure that the

public schools will be able to operate at the level the local trustees feel is necessary. If the budget schedules are not increased, the voted portion of the budget would increase drastically. They feel a 9% increase would increase the voted portion only slightly, and they feel a 12% increase is justified.

Harold Wenaas, Great Falls, testified. Great Falls public schools will have almost a 2.7% decrease in enrollment. He submitted that the Legislature had never paid the full percentage, because of enrollment drops. A 2.7% enrollment drop translates to a 9.3% increase in the Foundation Program. To maintain the schedule costs them at least another 2.5%. Even at 12% wage increases are only 4%.

Sen. Tveit wanted to know the taxable value per head in elementary schools in Billings and Helena. Mr. Colberg said that the State average was \$21,111. In Billings, the average is \$12,325, and in Helena it is \$8,073. In terms of their access to the wealth of the population, these two districts would be considered poor.

Ken Nordquist, an elementary school principal in Great Falls, spoke. He was also representing the Montana Association of Elementary School Principals. His school has about 560 students; with a 3% reduction in enrollment, a staff reduction won't be warranted. However, it will cost them about \$18,000 from the ANB. If they got a 12% increase in the Foundation Program, they would get about an 1.8% net increase in State monies. Considering the voted levy and a 12% increase, their real income would be substantially less.

The Public Schools hearing was closed.

The Special Education budget was then heard. Pam Joehler, LFA, gave her analysis. The LFA looked at what was budgeted in 1982, taking into consideration any reversions made. She was given an incorrect reversion figure from OPI; instead of receiving the figure for 1982, she received the 1981 figure. This will make a difference of about \$300,000 per year in the LFA figures.

Mr. Crosser said the Executive budget recommended a 4% increase each year of the biennium, based on enrollment increases.

Judy Johnson, Assistant Superintendent, Dept. of Special Services, OPI, gave her presentation; see Exhibit "E." OPI wants to maintain at least what they are currently getting for Special Education. They have asked for a 9% increase in the proposed funding, which amounts to about \$119 more per child currently in Special Education, through the State appropriation. They are also asking for a 9% increase in the Contingency. She submitted that it was the Contingency that was keeping the school districts honest, and was also saving them from what is currently happening. She added that there was about \$3,000 left in the Contingency fund. Deinstitutionalization is currently impacting the school districts.

Dal Curry, OPI, explained what the reversions meant and why it wasn't appropriate to consider them excess budgeting. Many of the reversions come from: (1) if the district has budgeted for an out-of-district placement student they have to assume the child will stay out of the district. Oftentimes these children come home. (2) If a district is unable to fill a position, this appears as a reversion. (3) Reversions are more than offset by the amount of money that local districts are putting into direct Special Education costs. This at least needs to be balanced against the reversions. He submitted that if there ever was fat in the Special Education budget, it has been gone for years.

Questions were then asked. Rep. Donaldson said that in the past there was very little monitoring of special education budgets. He submitted that the administrative structure as regarded special education ten years ago was excessive. Dr. Curry agreed that at one time there were parallel systems, but this has changed. The number of advisor or supervisory staff has decreased significantly. At present almost all costs are related to direct service.

Rep. Donaldson wanted to know if Dr. Curry felt there was any merit to tying special education in to a weighted ANB, and getting away from the present funding structure. He replied that this option had been explored. A weighted ANB system wouldn't markedly change the distribution of funds that presently exists.

Rep. Bengtson wanted to know if all of the out-of-State placements were done by court order. She was told that most of them were, and the judges typically specify that the schools will pay all or part of the costs. Dr. Curry said that typically the children were in custody of SRS or on probation. The judge is petitioned to find a placement for the child. Currently there are eight children that the schools are paying up to \$40,000 for because of court action.

In response to Sen. Jacobson, Ms. Johnson stated that children funded by the contingency are put into regular budget the following year.

Language was submitted to the Committee regarding direct payment of State Special Education funds to Special Education Cooperatives; see Exhibit "F."

Fred Appelman, Montana Council of Administrators of Special Education, spoke; see written testimony Exhibit "G."

Mike Ikard, Special Education Director for Pondera, Toole, Glacier, and Teton Counties, then testified. Their budgets are lower today than they were in 1978-9. (1) The school districts are paying bigger portions of the budget. (2) In addition, their district has cut two positions totally, and reduced eight others from full-time to part-time. They are dealing with the toughest kids. He submitted that if the teachers negotiated for a 0-4% pay

increase, this would wipe out their supply budgets. The districts will end up having to pay bigger and bigger portions of the Special Education budget, because other than supplies, all they budget for is salaries.

Rep. Bengtson wanted to know if the learning resource rooms were being used for remedial work in addition to special education. Mr. Ikard said that legally they could only serve children who had been qualified for special education as learning disabled, etc. When the district is paying additional money, some non-handicapped children may make use of the rooms. Monitoring of this is handled by OPI.

Larry Holmquist, Director of Special Education, Gallatin-Madison County Special Education Cooperative, spoke. See written testimony Exhibit "H."

Shirley DeVoe, Helena Special Education Cooperative, spoke. Their services are open to all children for evaluation. Oftentimes these children aren't reflected in numbers. In their cooperative, 97% of their budget is salaries. In Helena there are a significant number of court placements and she added that a copy of a letter to Judge Bennett would be submitted from her office which questioned the amount of placements and the lack of outside involvement in the decision-making process.

Mike Ainsworth, Director of the Bitterroot Valley Special Education Cooperative spoke; see written testimony Exhibit "I."

Gail Gray, OPI, spoke. Some of the court orders from the local judges have not only mandated that the school district pay educational costs, but have ordered Special Services in Helena to pay court ordered costs. In some cases, the students haven't even been identified as handicapped at that point.

The hearing on Special Education was closed.

The meeting was adjourned at 10:30 a.m.


Rep. Esther G. Bengtson - Chairman

VISITORS' REGISTER

HOUSE Education

SUS - COMMITTEE

BILL work session

Date 2/2/83

SPONSOR Public Schools incl. Special Ed.

NAME	RESIDENCE	REPRESENTING	SUP-PORT	OP-POSE
Tan Marshall	Anaconda	Sch Dist # 10	X	
Bill Ammen	Helena	O.P.I.		
Fred Applegate	MISSOULA	MT. CASE	X	
Mike Amowitz	Stevensville	Harriet Special Ed. Coop	X	
Judy Johnson	Helena	OPI	X	
DARLENE MEDDOK	GREAT FALLS	SCHOOL DIST # 1	X	
Harold W. Maas	Great Falls	Sch Dist # 1	X	
Owen Nelson	Helena	Mont. Educ. Assoc	X	
Dave Lewis	Helena	DB PP	X	
Francis Allen	Helena	OB PP	X	
James Bennett	H. Falls	School Dist # 1		
Ken Hodson	Great Falls	School Dist # 1		
John Zorn	Yuba	School Dist # 14		
Alan Ryan	Sunburst	S.D. # 2		
Dick Sirokman	Valley	S.D. # 18		
Phil Whaley	Conrad	S.D. # 10	✓	
SHIRLEY DE VOE	HELENA	Helena	✓	
Ray Miller		self	✓	
Don Fudge	Helena	Mike Halligan		
Tam Chisbro	Helena	OPI	-	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

WITNESS STATEMENT

Name Samy Holmgren Committee On Appropriation
Address P.O. 1620 Date 2/2/83
Representing Haltain - Madison Support _____
Spec. Ed. Corp
Bill No. Spec. Ed. Appropriation Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. Please support OPI recommendations on Spec. ed. at 9% - 9%
- 2.
- 3.
- 4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

Mandatory program -

Cuts over the years - given very little direction as to what you expect schools to do - perceive as state program. do we cut services - insist on local contribution!

Can't compete for req'd foundation program dollars - There is no money in the general fund

Reversion issue - could be spent if it could be redistributed or if positions could be filled.

No contingency left - 1/2 year to go - and I have a request

Governor - 4% each year

App. by comm. on education and cultural resources

HOUSE BILL NO. 105

INTRODUCED BY WINSLOW, SCHULTZ, DAILY, SANDS, MEMSTAD,

DONALDSON, BENGTON, MARKS, QUILICI, ROUSH, MCCALLUM,

MENAHAN, EUDAILY, LORY, FABREGA, HANNAH, FAGG,

RAMIREZ, CURTISS, ELLIOTT

BY REQUEST OF THE COAL TAX OVERSIGHT SUBCOMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOCATE TO THE POSTSECONDARY VOCATIONAL-TECHNICAL CENTERS AND ADULT BASIC EDUCATION PROGRAMS THAT PORTION OF INTEREST EARNINGS NOW BEING REINVESTED IN THE LOCAL IMPACT AND EDUCATION TRUST FUND; PROVIDING FOR TERMINATION OF THIS PROVISION AFTER APPROXIMATELY 5 YEARS; PROVIDING FOR THE REVISION OF INTEREST EARNINGS AFTER 1988; AMENDING SECTION 90-6-211, MCA; AND PROVIDING EFFECTIVE AND TERMINATION DATES AN EFFECTIVE DATE."

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

SECTION 1. Postsecondary

vocational-technical center AND ADULT BASIC EDUCATION PROGRAMS account established. There is within the earmarked revenue fund a postsecondary vocational-technical center AND ADULT BASIC EDUCATION account. Money is paid into the account under 90-6-211. The state treasurer shall draw warrants payable from this account upon order of the

superintendent of public instruction.

Section 2. Section 90-6-211, MCA, is amended to read: "90-6-211. Disposition of interest from unexpended balance. The unexpended balance in the local impact and education trust fund account shall be invested as provided by statute by the board of investments. Of the income from such investments each year 10% shall be added to the principal of the account to be segregated and held in trust for the purposes of supporting the public schools and university systems of the state paid into the earmarked revenue fund for use by the superintendent of public instruction for purposes of the postsecondary vocational-technical centers AND ADULT BASIC EDUCATION PROGRAMS in the state subject to the budgeting authority of the legislature. WITHIN THE ACCOUNT UNDER SECTION 11, THE REVENUE IS SHARED EQUALLY BETWEEN THE POSTSECONDARY VOCATIONAL-TECHNICAL CENTERS AND THE ADULT BASIC EDUCATION PROGRAMS. Of the remaining 90% of the income from such investments, three-fourths shall be annually paid into the earmarked revenue fund for state equalization aid to public schools of the state and one-fourth each year shall be paid to the board of regents of higher education for use by the institutions of higher learning in the state, subject to the budgeting authority of the legislature. Except as provided in 90-6-205(4), the principal of the local impact and

EXHIBIT "A" 2/2/83 EDUCATION SUBCOM.

1 educational trust fund shall be dedicated to education and
 2 forever remain inviolate and sacred to this purpose as
 3 provided in sections 3 and 10 of Article X of the Montana
 4 constitution."

5 Section 3. Section 90-6-211, MCA, is amended to read
 6 "90-6-211. Disposition of interest from unexpended
 7 balance. The unexpended balance in the local impact and
 8 education trust fund account shall be invested as provided
 9 by statute by the board of investments of the income from
 10 such investments each year. It shall be added to the
 11 principal of the account to be segregated and held in trust
 12 for the purposes of supporting the public schools and
 13 university systems of the state. Of the remaining 90% of
 14 the income from such investments three-fourths shall be
 15 annually paid into the earmarked revenue fund for state
 16 equitization and to public schools of the state and
 17 one-fourth each year shall be paid to the board of regents
 18 of higher education for use by the institutions of higher
 19 learning in the state subject to the budgeting authority of
 20 the legislature. Except as provided in 90-6-205(4) the
 21 principal of the local impact and education trust fund
 22 shall be dedicated to education and forever remain inviolate
 23 and sacred to this purpose as provided in sections 3 and 10
 24 of Article X of the Montana constitution"

25 ~~NEW SECTION~~ Section 4. Effective dates -----

1 terminations--(1) Sections 1 and 2 are effective on duty in
 2 1983 and terminate on October 1, 1988
 3 (2) Section 3 is effective October 1, 1988
 4 ~~NEW SECTION~~ SECTION 3. EFFECTIVE DATE. THIS ACT IS
 5 EFFECTIVE JULY 1, 1983.

-End-

Public School Support
(figures in millions)

	1982	1983	1984	1985
Percent Increase in Schedules	18%	15%	4%	3%
A. Maximum-General Fund Without-a-Vote*	\$223.381	\$253.732	\$260.855	\$267.171
B. County Equalization				
40 mills	81.205	88.180	89.841	91.989
Forest Funds	2.528	2.693	1.499	1.499
Grazing Funds	.131	.120	.120	.120
Elementary Transportation	-2.194	-3.200	-3.410	-3.620
High School Tuition	-.650	-.650	-.650	-.650
Light Vehicle Replcment Fund		4.010	4.010	4.010
Total	81.020	91.153	91.410	93.348
C. State Equalization				
25 % of Income Tax	35.950	38.181	42.080	44.937
25 % of Corporation Tax	10.250	8.907	9.701	11.429
10 % of Coal Tax	4.310	4.121	4.933	6.153
Interest and Income	47.250	36.398	37.819	39.085
U.S. Oil and Gas Royalties	9.690	10.219	11.035	12.571
Coal Trusts - Local Impact	2.380	3.572	5.145	6.012
Total	109.830	101.398	110.713	120.187
District Share of Permissive Levy (nine and six mills)	22.80	22.992	23.425	23.985
Light Vehicle Replcment Funds		1.046	1.046	1.046
Total	22.80	24.038	24.471	25.031
Account Balances Used	9.731	37.143	31.207	0
Total Non-General Fund	223.381	253.732	257.801	238.566
General Fund Appropriation	32.000**	0	3.054	28.605

*Excluding Special Education

31.659

**\$32 million in general fund was appropriated by the 47th Legislature for the Foundation/Permissive Programs. This money was transferred to the earmarked school equalization account in FY82 and is reflected in the "account balance used" column for ensuing years.

February 1, 1983

DISTRICT: Cut Bank
COUNTY: Glacier

	ELEMENTARY:			HIGH SCHOOL:		
	CURRENT FUNDING AMOUNT	MILLS	PROPOSED AMOUNT	CURRENT FUNDING AMOUNT	MILLS	PROPOSED AMOUNT
VOTED	\$ 570,381	17.35	\$ 570,381	\$ 666,082	19.98	\$ 666,082
PERMISSIVE	223,428	6.89	0	120,631	3.72	0
	0		0	0		0
FOUNDATION PROGRAM	529,970		614,426	199,282		208,088
	363,740	25.00	502,712	283,240	15.00	395,065
TOTAL*	\$ 1,687,520	49.24	\$ 1,687,520	\$ 1,269,235	38.70	\$ 1,269,235

* Special education included.

	DISTRICT	COUNTY	DISTRICT	COUNTY
ANB:	708	1974	311	728
TAXABLE VALUE:	32,407,909	44,961,371	32,407,904	44,961,371
TV/ANB:	45,774	22,777	103,871	61,760

DISTRICT: **Great Falls**
 COUNTY: **Cascade**

	ELEMENTARY:			HIGH SCHOOL:		
	CURRENT FUNDING AMOUNT	MILLS	PROPOSED AMOUNT	CURRENT FUNDING AMOUNT	MILLS	PROPOSED AMOUNT
VOTED	\$ 5,450,000	26.98	\$ 5,450,000	\$ 2,979,000	31.55	\$ 2,979,000
PERMISSIVE	678,977	9.00	0	400,683	6.00	0
	1,950,817		0	1,209,429		0
FOUNDATION PROGRAM	8,727,928		10,669,165	5,551,450		6,763,951
	1,787,648	25.00	2,484,305	1,128,995	15.00	1,586,605
TOTAL*	\$ 18,594,470	60.98	\$ 18,594,470	\$ 11,329,558	46.55	\$ 11,329,558

	DISTRICT	COUNTY	DISTRICT	COUNTY
ANB:	8,258	9,326	4,227	4,835
TAXABLE VALUE:	75,341,907	89,473,490	676,780,452	89,473,450
TV/ANB:	9,124	9,594	18,164	18,505

* Special education included.

CONFIDENTIAL
2/2/83
EXHIBIT "D"



OFFICE OF PUBLIC INSTRUCTION

STATE CAPITOL
HELENA, MONTANA 59620
(406) 449-3095

Ed Argenbright
Superintendent

January 31, 1983

Joint Subcommittee on Education
and Cultural Resources
State Capitol, Room 104
Helena, MT 59620

Dear Chairman Bengtson and Members of the Committee:

FOUNDATION PROGRAM

The OBPP is recommending a zero percent increase for both years of the biennium. The LFA is recommending a 6.5 percent increase for FY 84 and 7 percent for FY 85. The Office of Public Instruction is recommending a 9 percent increase for FY 84 and a 9 percent increase for FY 85. While the current level of inflation in the U.S. is at or near 5%, the items which are used to calculate the CPI are not significant factors in the operation of schools. For example, the CPI uses such things as food costs, housing, and automobiles as part of their basis for calculating the percentage of increase. Schools, in their general fund, do not purchase much in the way of food items, housing or automobiles. What schools do pay for are natural gas for heating buildings, electricity for lighting classrooms, teaching supplies for children, and salaries. Utilities, both gas and electricity, have increased over 10 percent; teaching supplies have increased from 10-100 percent in costs; salaries are, in many districts, tied to negotiated contracts which can range from 3 to 18 percent. These factors combine to establish an inflationary factor substantially above that currently reflected in the CPI. OPI is recommending a 9-9 percent increase because, in our estimation, 9 percent is necessary in order to maintain the trend started by the 47th legislature, namely reduction in property taxes. The FY 83 biennial appropriation reduced property taxes. OPI does not feel the 9 percent increase will further decrease property taxes. We feel it should hold them at their current levels.

In summary, OPI is recommending a 9 percent increase in the foundation program for FY 84 and a 9 percent increase for FY 85. Our cost projection takes into consideration taxable valuation and enrollment. In the past, our projection of costs has been within a fraction of 1 percent. In FY 84 the cost is estimated to be \$20.13 million and in FY 85 \$42.02 million. The total cost of the state's share of the foundation program will be \$247.56 million in FY 84 and \$269.45 million in FY 85. This is a \$62.12 million increase for the biennium.

Educ. Subcomm.
2/2/83
EXHIBIT "E"



OFFICE OF PUBLIC INSTRUCTION

STATE CAPITOL
HELENA, MONTANA 59620
(406) 449-3095

Ed Argenbright
Superintendent

January 31, 1983

To: Chairman Bengtson and Members
Joint Subcommittee for Education
and Cultural Resources

From: *Judith A. Johnson*
Judith A. Johnson
Assistant Superintendent
Department of Special Services
Telephone: 449-3693

Attached is statistical information regarding the Special
Education appropriation request.

JAJ:mf

Attachments

Office of Public Instruction
 Ed Argenbright, Superintendent
 State Capitol
 Helena, Montana 59620
 January 5, 1983

SUPERINTENDENT'S PROPOSED FUNDING

	<u>1983-84</u>	<u>1984-85</u>	<u>Total Biennium</u>
APPROPRIATION	\$27,629,172	\$30,115,797	\$57,744,969
CONTINGENCY	545,000	594,050	1,139,050
AUDIOLOGY	780,613	811,837	1,592,450
	<hr/>	<hr/>	<hr/>
TOTAL	\$28,954,785	\$31,521,684	\$60,476,469

GOVERNOR'S PROPOSED FUNDING

	<u>1983-84</u>	<u>1984-85</u>	<u>Total Biennium</u>
APPROPRIATION	\$26,361,779	\$27,416,250	\$53,778,029
CONTINGENCY	500,000	500,000	1,000,000
AUDIOLOGY	795,624	843,362	1,638,986
	<hr/>	<hr/>	<hr/>
TOTAL	\$27,657,403	\$28,759,612	\$56,417,015

LEGISLATIVE FISCAL ANALYST'S PROPOSED FUNDING

	<u>1983-84</u>	<u>1984-85</u>	<u>Total Biennium</u>
APPROPRIATION	\$26,059,600	\$27,623,200	\$53,682,800
CONTINGENCY	500,000	500,000	1,000,000
AUDIOLOGY	718,640	761,760	1,480,400
	<hr/>	<hr/>	<hr/>
TOTAL	\$27,278,240	\$28,884,960	\$56,163,200

SUMMARY

FUNDS AVAILABLE FOR SPECIAL EDUCATION 1977-78 TO 1982-83

SCHOOL YEAR	FY	STATE APPROPRIATION	FEDERAL FUNDS	TOTAL FUNDS	NUMBER OF HANDICAPPED	FUNDS/CHILD
1977-78	'78	\$24,336,595	\$ 170,000	\$24,506,595	9,975	\$2,457
1978-79	'79	29,740,640	396,241	30,136,881	11,030	2,732
1979-80	'80	25,750,362	1,223,462	26,973,824	12,284	2,198
1980-81	'81	22,922,227	2,025,973	24,948,200	12,990	1,921
1981-82	'82	24,254,921	2,357,815	26,612,736	13,906	1,914
1982-83	'83	25,847,864	2,405,723	28,253,587	14,884	1,898

* STATE FUNDS INCLUDE GENERAL APPROPRIATION AND CONTINGENCY

* FEDERAL FUNDS INCLUDE PART B AND PRESCHOOL GRANTS.

* CHILD COUNTS REPORTED HERE ARE DECEMBER 1 COUNTS OR AVERAGES OF OCTOBER 1 AND FEBRUARY 1 COUNTS, THE TOTAL NUMBER OF CHILDREN SERVED EACH YEAR IS CONSIDERABLY HIGHER.

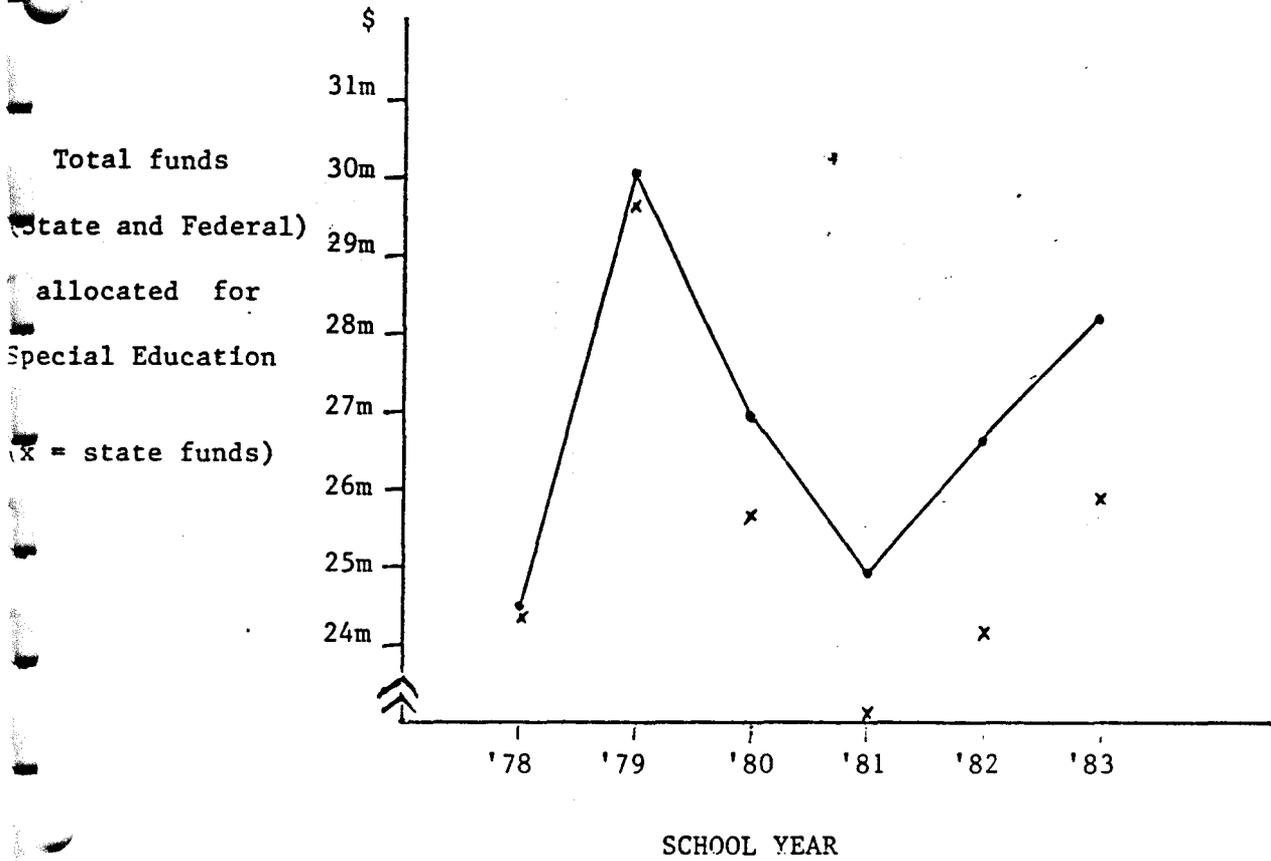
* FUNDS PER CHILD REPRESENT THE TOTAL STATE AND FEDERAL FUNDS AVAILABLE TO LOCAL SCHOOL DISTRICTS FOR SPECIAL EDUCATION PURPOSES DURING THE YEAR.

Graph A presents a summary of the total funds, state and federal, available to local school districts for the past six years. Also depicted is the relative amount of the total that represents state funds.

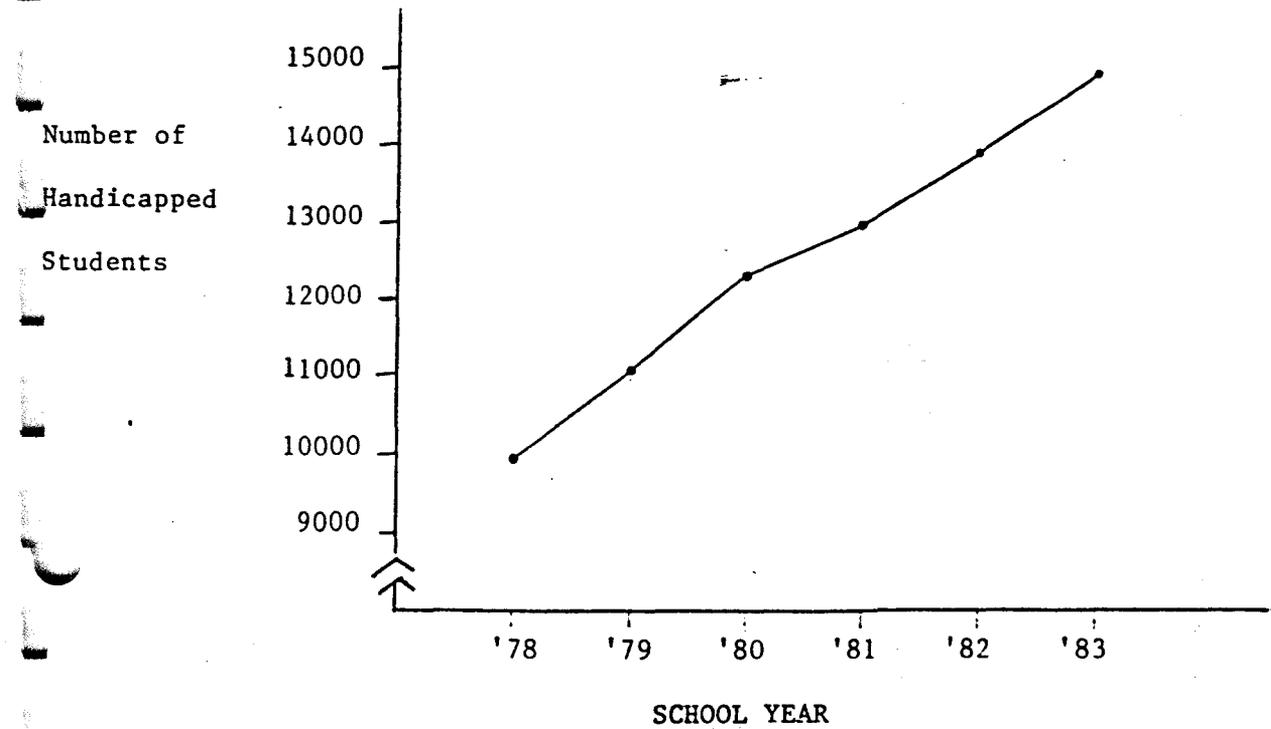
Graph B presents the number of handicapped students being served in special education programs as of December 1 for the past six years.

Graph C presents the average funds available per child for the past six years.

GRAPH A

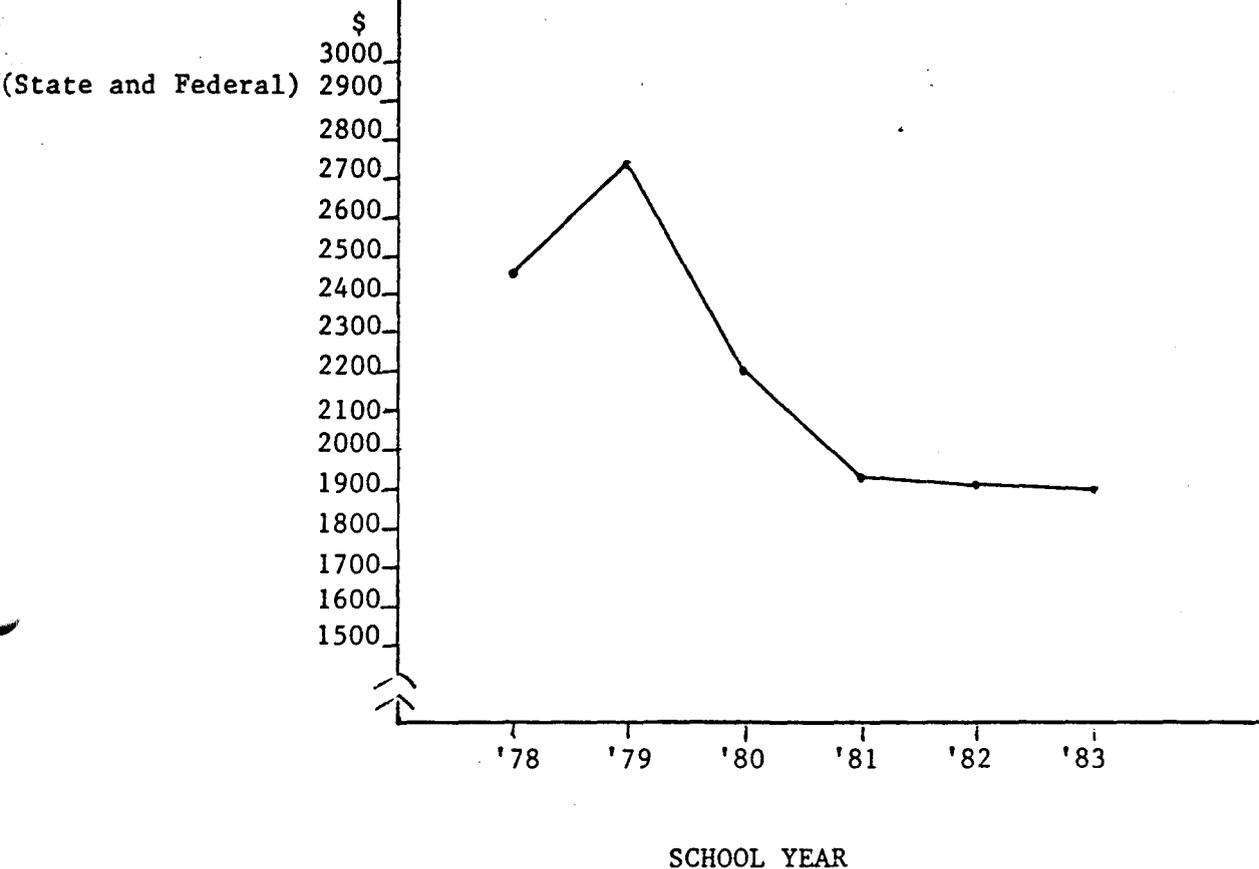


GRAPH B



GRAPH C

Average funds/child

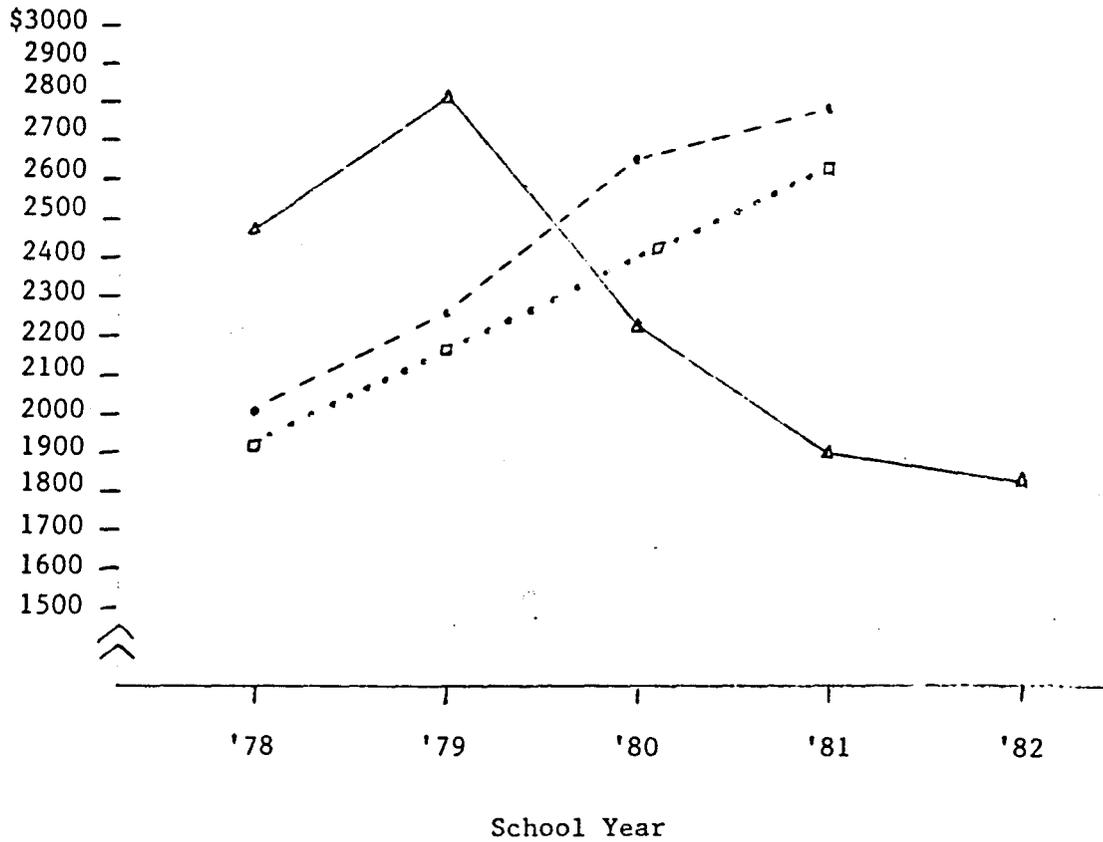


Cost per child comparisons; Δ — Δ (Cost, in dollars, for special education)

•- - -• (Cost for regular education student in Montana)

\square . . . \square (Cost per special education student based on national average as reported in the Rand Study)

Cost per child



1982-83 APPROVED SPECIAL EDUCATION BUDGETS

PROPORTION OF SPECIAL EDUCATION BUDGETS IN PERSONNEL LINE ITEMS

LINE ITEM	ELEM	H. S.	COOP	TOTAL
0212 (TUTORIAL)	\$81,706	\$68,043	-0-	\$149,749
0214 (AIDES)	1,558,717	478,587	83,303	2,120,607
0215 (TEACHERS)	10,949,489	4,444,208	1,695,958	17,089,655
0410 (SUPPORT)	1,252,393	564,952	590,369	2,407,714
0413 (CLERICAL)	207,883	114,275	59,835	381,993
*0610 (CUSTODIAL)			1,777	1,777
1057 (INSURANCE)	758,371	287,760	156,935	1,203,066
	<hr/>	<hr/>	<hr/>	<hr/>
	\$14,808,559	5,957,825	2,588,177	23,354,651
TOTAL ELEM =	\$18,635,001			
H.S. =	6,777,095			
	<hr/>			
TOTAL STATE=	\$25,412,096			

\$23,354,651 PERSONNEL COSTS
 25,412,096 TOTAL SPECIAL EDUCATION COSTS

** 91.9 % OF SPECIAL EDUCATION BUDGETS ARE IN PERSONNEL LINE ITEMS **

OTHER NON PERSONNEL COSTS

LINE ITEM	TOTAL BUDGET	%AGE OF TOTAL
0218 &		
0418 (MILEAGE)	364,486	1.43
0233 (SUPPLIES)	226,569	.90
0241 (TEXTBOOKS)	25,157	.09
0250 (OTHER)	78,806	.31
*0251 (RECRUITMENT)	2,972	.012
0280 (CONTRACT SER)	777,243	3.06
0555 (ROOM & BOARD)	215,878	.85
0650 (OTHER SUPPLIES)	6,358	.03
*0681 (HEAT)	6,895	.03
*0682 (UTILITIES)	23,057	.09
*1056 (RENT)	51,861	.20
1164 (EQUIPMENT)	110,597	.44

* LINE ITEMS ALLOWABLE ONLY FOR COOPS

1982 CHILD COUNT; STUDENTS BY AGE AND DOMINANT HANDICAP

COMPARISON WITH 1981 CHILD COUNT SHOWING NET CHANGE, PERCENTAGE CHANGE, PERCENTAGE OF TOTAL MONTANA ENROLLMENT AND NATIONAL PERCENTAGE

AGE	HH	D	MR	OH	OI	SI	VI	LD	ED	DB	MH	TOTAL
1			1	4	7	19		2	1			34
2	2	1	4	7	1	39	1	4			7	66
3	6		18	1	6	142		13	1		6	193
4	3		28	2	8	250		14	1		16	323
5	11		38	4	4	847	1	53	4		19	985
6	7	4	52	9	9	945	5	234	9		15	1288
7	7	1	90	6	9	867	4	408	23	1	21	1439
8	6	2	78	7	10	615	6	562	39	1	11	1334
9	12	2	94	11	10	387	3	634	52	2	16	1219
10	6	2	96	8	11	268	1	702	59		19	1174
11	10	1	108	7	5	162	3	798	74	1	14	1183
12	14		118	2	8	83	3	752	70		21	1073
13	4		107	12	7	48	5	655	58	2	14	914
14	6		99	12	6	55	7	608	68		14	868
15	6	1	112	12	4	34		558	73		30	834
16	5	3	127	18	4	36	4	477	52	1	20	746
17	3		115	12	9	31	3	444	38		22	679
18	5		95	4		11	1	228	19		14	377
19	1		35		2	3		62	2		10	115
20			20		2	3	1	2			3	31
21			5			1					1	7
22			1					1				2
TOTALS	114	15	1441	138	122	4846	53	7211	643	8	293	14884
12/1/81	96	33	1371	103	91	4521	47	6504	518	3	619	13906
NET CHANGE	18	-18	70	35	31	325	6	707	125	5	-326	978
% CHANGE	19	46	5	34	34	7	13	11	24	167	53	7.0
% TOTAL ENROLLMENT (153,435)	.07	.01	.94	.08	.08	3.16	.03	4.70	.42	.005	.19	9.70
% NATIONAL (1981)	.13		1.74	.19	.12	2.80	.05	4.01	.76	.00	.15	9.94

January 24, 1983

CONTINGENCY REPORT

Funding Allocation

1982-83	1981-82	1980-81	1979-80	
\$501,850	\$500,000	\$518,205	\$500,000	Available
<u>498,055</u>	<u>498,150</u>	<u>518,205</u>	<u>481,795</u>	Approved
\$ 3,795	\$ 1,850	\$ 0	\$ 18,205	Balance

*Total Allocations

97	69	105	120	Awards to schools
----	----	-----	-----	-------------------

Allocations by Category

29	20.45	39	42	Aides
19	15.05	18	16	Teachers
19	14	28	33	OOD Placements
22	13	7	10	Homebound
6	2	10	3	Evaluations

*Some allocations for more than one service

State of Montana
 Office of Public Instruction
 Ed Argenbright, Superintendent
 State Capitol
 Helena, Montana 59620

1981-1982 CONTINGENCY

<u>SCHOOL DISTRICT</u>	<u>REASON</u>	<u>AMOUNT</u>
Lodge Grass El. 27	1 FTE Resource Room Teacher	\$ 15,496
Polson H.S. 23	OOD Placement (Flathead Ind.)	1,390
Missoula El. 1	1 FTE Self-Contained .25 FTE Speech	21,960
Miles City El. 1	.5 Resource Room Aide	2,500
Bozeman El. 7	.5 Self-Contained Teacher	9,815
Corvallis El. 1	OOD Placement (Jamestown, ND)	6,002
Lolo El. 7	.3 FTE Resource Teacher (Coop)	4,372
YBGR 58	Self-Contained Aide	979
Lockwood El. 26	1 Self-Contained Teacher	16,596
Galata El. 21	2 Self-Contained Aides	794
Bainville El. 64	OOD Placement (Richland OTC Sidney, MT)	8,046
Hardin El. 17-H	1 FTE Aide Self-Contained	4,320
Whitefish El. 44	1 FTE Resource Teacher	3,818
Great Falls H.S. A	OOD Placement (YBGR)	6,375
Hellgate El. 4	Homebound	750
Missoula Co. H.S.	1 FTE Resource Aide	2,500
Great Falls H.S. A	1 FTE Resource Aide	2,880
YBGR 58	2 FTE Self-Contained Teachers 3 FTE Self-Contained Aides	60,990
Butte H.S. 1	OOD Placement (Denver, Co)	3,546

Stevensville H.S. 2	Resource Aide	6,500
Whitefish El. 44	Resource Aide	6,360
Great Falls H.S. A	OOD Placement (YBGR)	14,775
Kalispell El. 5	Resource Aide (interpreter)	5,000
Troy El. 1	Self-Contained Aide	4,420
Missoula El. 1	1/2 Resource Room Aide	3,330
Belgrade El. 44	.5 Resource Room Aide	3,140
Worden El. 24	.2 Homebound	720
Plains El. 1	Evaluation	500
Kalispell El. 5	OOD Placement (YBGR)	10,164
Libby El. 4	Homebound	670
Plains El. 1	Resource Room Aide	7,228
Big Timber El. 1	Speech Pathologist (travel)	500
Great Falls H.S. 1	OOD Placement (Jamestown, ND)	6,477
Ekalaka El. 15	Salary for Resource Room Teacher	1,140
Sidney El. 5	Resource Room Aide, .75 FTE	4,700
Lolo El. 7	Independent Evaluation	736
Bigfork H.S. 38	OOD Placement (Tuscon, AZ)	5,604
YBGR 58	Self-Contained Aide	6,335
Drummond El. 11	1 FTE Resource Room Aide	6,715
Helena H.S. 1	.75 FTE Self-Contained Teacher	11,250
Hays Lodge Pole H.S. 50	.5 FTE Resource Room Teacher	6,270
Miles City El. 1	OOD Placement (YBGR)	3,730
Reedpoint El. 9-9	OOD Placement (YBGR)	5,175

Kalispell El. 5	OOD Placement (YBGR)	10,164
Libby El. 4	Homebound (2)	1,467
Libby H.S. 4	Homebound	1,118
Poplar El. 9	Self-Contained Teacher	15,207
Stevensville H.S. 2	Self-Contained Aide	6,500
Laurel H.S. 7	Homebound	396
Thompson Falls El. 2	Homebound	666
Powell Co. H.S.	Itinerant Teacher (Coop)	14,734
Missoula Co. H.S.	Resource Teacher & Homebound	14,230
Miles City El. 1	Physical Therapy Services	1,468
Custer El. 15	Physical Therapy Evaluation	215
Hamilton El. 3	Self-Contained Aide	2,659
Shelby El. 14	Homebound	70
Colstrip El. 19	Resource Room 1 FTE	13,355
Kalispell H.S. 5	1 FTE Resource Room	11,050
Columbia Falls H.S. 6	Homebound	1,608
Thompson Falls El. 2	Resource Room Aide, 1 FTE	5,390
Hot Springs El. 14J	Resource Room Aide, 1 FTE	4,000
Wibaux El. 6	OOD Placement (YBGR)	1,575
Missoula Co. H.S.	Homebound	1,027
Libby H.S. 4	Homebound	222
Great Falls H.S. A	OOD Placement (2) (Larkspur, CO & Jamestown, ND)	17,075
Browning El. 9	Physical Therapy Services	4,000
Whitehall El. 4-47	Itinerant Teacher (Coop)	13,600

Troy El. 1	.5 Resource Aide	2,153
Troy H.S. 1	.5 Resource Aide	2,153
Lolo El. 7	1 FTE Resource Aide	4,764
Powell Co. H.S.	.75 FTE Speech Therapist (Coop)	15,179
Hellgate El. 4	.5 FTE Resource Aide	2,224
Potomac El. 11	.2 FTE Resource Teacher (Coop)	2,523
Stevensville H.S. 2	Homebound	700
Joliet El. 7	Homebound	700
Darcy/Warren El. 3	.5 FTE Psychologist	4,000
Laurel El. 7-70	.5 FTE Itinerant Aide	3,000
Moon Creek El. 43	Additional Funds (Itinerant Aide)	1,896
Lolo El. 7	.2 FTE Resource Teacher	2,086
Troy El. 1	.25 Speech Pathologist	2,678
Cottonwood El. 22	OOD Placement (Billings)	8,150
Deer Park El. 2	.4 FTE Resource Teacher	2,300
YBGR 58	Speech Therapy Services	1,728
Helena H.S. 1	Self-Contained (2 months)	4,312
Deer Lodge El. 1	Evaluation	475
Bainville El. 64	OOD Placement (Richland Ind, Sidney, MT)	765

1982-1983 CONTINGENCY

Plentywood El. 20	OOD Placement (Witchita, KS)	10,726
Bozeman H.S. 7	OOD Placement (YBGR)	1,625

Custer El. 15	OOD Placement (Miles City)	2,700
Missoula Co. H.S.	2 Resource Teachers	32,247
Miles City El. 1	1 Self-Contained Aide 1 Resource Teacher	27,695
Lodge Grass El. 27	1 Resource Teacher	11,200
Forsyth H.S. 4	OOD Placement (Jamestown, ND)	16,453
Kalispell El. 5	.5 Self-Contained	9,370
Arlee El. 8-J	1 Resource Teacher	12,681
Great Falls H.S. A	OOD Placement (Larkspur, CO)	9,720
Darby El. 9	1 Resource Teacher	8,552
Ashland El. 32J	1 Resource Teacher	8,000
Hellgate El. 4	.5 FTE Home/Hospital	5,414
Chinook El. 10	.5 Self-Contained	8,993
Hardin El. 17-H	1 FTE Resource Aide	5,816
YBGR 58	2.5 FTE Self-Contained .2 FTE Speech Pathologist	29,277
Augusta El. 45	.5 FTE Resource Room Aide	3,150
Lodge Grass El. 27	Supervision Speech	1,142
Helena H.S. 1	Additional Salary Self-Contained Teacher	4,437
Superior El. 3	.5 FTE Resource Aide	3,420
Shepherd El. 37	Homebound Aide	1,458
Winnett El. 159	OOD Placement (YBGR)	1,625
Havre H.S. A	OOD Placement (YBGR)	1,523
Bigfork H.S. 38	OOD Placement (Kalispell H.S.) 1 FTE Self-Contained Aide	7,593
Libby H.S. 4	OOD Placement (YBGR)	4,625

Manhattan El. 3	Homebound	1,400
Bridger H.S. 2	.5 FTE Resource Aide	2,160
Sun River El. 97	Homebound	834
Miles City El. 1	Homebound	480
Custer Co. Dist. H.S.	Homebound	972
Lewistown H.S. 1	OOD Placement (YBGR)	4,875
Gallatin Gateway El. 35	OOD Placement (Helena, MT)	6,900
Hamilton El. 2	Homebound	1,939
Absarokee El. 52-C	Cooperative Services	2,650
Alberton El. 2	Homebound	1,500
Boulder El. 7	.2 FTE Resource Aide	2,598
Frazer El. 2	1 FTE Resource Aide	5,500
Browning H.S. 9	Homebound	1,566
Great Falls H.S. A	OOD Placement (YBGR)	1,625
Fergus H.S. 1	OOD Placement (YBGR)	4,970
Kalispell El. 5	Itinerant Teacher 1 FTE	14,980
Ronan El. 30	OOD Placement (Helena, MT)	4,500
Libby El. 4	Homebound	1,944
Missoula Co. H.S.	1 FTE Resource Aide	5,958
Missoula El. 1	1 FTE Resource Aide	600
Libby El. 4	Physical Therapy	1,618
Big Bend El. 17K	Tutor	2,700
Cascade H.S. 3B	Evaluation	2,500
Sun River El. 97	Homebound	960

East Helena El. 9	.25 Homebound	2,106
Lincoln El. 38	.5 Resource Aide	3,031
Missoula Co. H.S.	Aide	3,309
Missoula El. 1	Aide	3,371
Lolo El. 7	1 Resource Teacher	13,725
Laurel El. 7-70	1 Resource Aide	2,945
Pioneer El. 41	Aide	1,708
Independent El. 52	Aide	1,709
Great Falls H.S. A	OOD Placement (YBGR)	11,750
Missoula Co. H.S.	Homebound	606
Hardin El. 17-H	Homebound	1,540
Helena El. 1	1 Self-Contained Teacher 1 Resource Teacher Aide	17,524
Helena H.S. 1	1 Self-Contained Teacher	12,690
Plains El. 1	1 Resource Teacher	11,430
Plentywood El. 20	IEP (2)	2,726
Deer Park El. 2	.4 Resource Teacher	4,154
Joliet El. 7	.5 FTE Aide (Coop)	2,227
Auchard Creek El. 27	.5 Resource Teacher	3,866
Eureka El. 13	Occupational Therapy	3,996
Lame Deer El. 6	1 Resource Teacher	5,070
Colstrip El. 19	1 Self-Contained Teacher	13,292
Rau El. 21	Evaluation	300
West Valley El. 1	Homebound	393
Colstrip El. 19	Homebound	1,248

Miles City El. 1	Homebound	550
Marion El. 54	.5 Resource Aide	2,594
Plains El. 1	Homebound	450
Great Falls El. 1	OOD Placement (Lakewood, CO)	8,328
Browning H.S. 9	Homebound Tutor	981
Sidney El. 5	.5 FTE Speech Pathologist	5,000
Laurel El. 7-70	.5 Resource Aide	2,646
Huntley Project El. 24	Self-Contained Aide	5,763
Sun River El. 97	Homebound	320
Belgrade H.S. 44	OOD Placement (YBGR)	1,768
Stevensville H.S. 2	.5 Resource Teacher Aide	2,100
Granite H.S. 1	1 Resource Teacher Aide	4,880
Victor El. 7	1 Resource Teacher Aide	3,746
Canyon Creek El. 4	.5 Resource Teacher Aide	2,047
Laurel H.S. 7	Homebound	1,070
Seeley Lake El. 34	Self-Contained Aide	903

January 4, 1983

AUDIOLOGY

Appropriation

1980-81	\$634,163
1981-82	688,614
1982-83	750,589

Total 1981-82

Students Screened
97,416

Students Rescreened
22,736

Students Evaluated
3,695

Additional Services

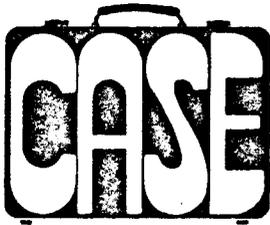
Referrals to doctors, hearing aid dealers, hearing aid, checks, consultation with school personnel and parents, hearing conservation information to students and school.

2/2/83
EXHIBIT "F"

LANGUAGE FOR DIRECT PAYMENT OF STATE SPECIAL EDUCATION FUNDS TO
SPECIAL EDUCATION COOPERATIVE

There is appropriated to the Superintendent of Public Instruction from the earmarked revenue account sufficient funds to pay the Special Education Cooperatives directly, if requested by the participating districts in accordance with Section 20-7-451 (3), MCA.

AK
By S
2-2-83



MONTANA COUNCIL OF ADMINISTRATORS OF SPECIAL EDUCATION

Educ. Jubilo mm.
2/2/83
EXHIBIT "G"

A DIVISION OF THE COUNCIL FOR EXCEPTIONAL CHILDREN
AN AFFILIATE OF SCHOOL ADMINISTRATORS OF MONTANA

Montanas Council of Administration of Special Education (MCASE) supports the Superintendent of Public Instruction's proposed 9% increase in the Special Education for each year of the biennium. MCASE views Superintendent Argenbright's requests as the minimum acceptable level of funding for Special Education programs. Such an increase in funding would enable Montana School District's to maintain the level of services we are currently offering to handicapped students.

The number of handicapped children being served by our state's school districts has increased every school year from 1977-78 through 1982-83. In school year 1977-78, 9,975 handicapped students received special education services in our public schools. By December 1, 1982, over 14,884 students had been identified and are currently receiving Special Education services. Over a six year period, the growth rate in the number of handicapped students receiving benefits from Special Education programs, grew by 4,909 students or by 33%.

On the other hand, state appropriations, over six years, for Special Education programs only has increased by little over 1.5 million dollars, or only by 6% (comparing FY '78 state appropriations to FY '83 appropriations).

A review of the total funds available for Special Education 1977-78 to 1982-83 gives somewhat of a different picture. By adding Federal EHA-Part B Funds to the state appropriation, we arrive at a much larger dollar figure for Special Education. All funds available for Special Education programs, over the same six year periods, has increased by a little less than three and three-quarter million or by 13%.

The number of handicapped students in Montana schools has increased by 33% from 1977-78 through 1982-83. State appropriations for Special Education, minus federal funds for the handicapped, has only increased by 6%. Even when adding federal funds to state appropriations, the gain in Special Education funds is only 13%.

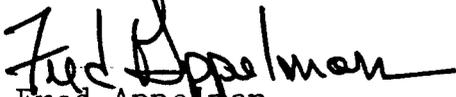
The funding for Special Education programs, in addition to not meeting the increased demands for services, has not kept pace with the increase granted to the school foundation program over the last two years. The school foundation program was granted an 18% and 15% a year increase for the current biennium. The state appropriation for Special Education only grew by 5% for the first year of the biennium and by 6% for the second year of the biennium.

In summary, MCASE urges this committee to support Superintendent Argenbright's funding request for Special Education funding. MCASE views Mr. Argenbright's request as a minimum level, and the Governor's and the Legislative Fiscal Analyst's requests for Special Education funding as unacceptable.

Historically, Montana has not supported Special Education programs to the level the handicapped children of our state have a right to expect. Comparing budget appropriations to the number of handicapped children supports our contention. MCASE urges this committee to provide adequate funding to meet the state's mandate to provide appropriate Special Education services for every eligible student in our public schools.

Thank you.

Sincerely,


Fred Appelman
President

FA/skd

2/2/83

EXHIBIT "H"

Gallatin-Madison Co. Special Education Cooperative



TELEPHONE: 388-6508
~~BELGRADE SCHOOL~~
DISTRICT NO. 44-
P.O. BOX 162
5-SOUTHVIEW AVE.
BELGRADE, MT 59714

February 1, 1983

11 East Main

Joint Appropriation Committee:

In the last two legislative sessions, state special education funds for the public schools have been so significantly limited we are beginning to lose the basic services required by state law.

As the special education appropriation comes up for consideration, I would like to request your support for an appropriate increase in the funding for special education. At the present time, the Office of Public Instruction, Superintendent Ed Argengright seems to be the only one with a reasonable figure at 9%-9% and it may be questionable whether that increase will be adequate considering the losses in previous years. Without an adequate increase local districts in our area will have to make local contributions far and above what they already are allocating or cut badly needed services. I have attached two graphs developed by the Office of Public Instruction which depict quite well the demise of special education the last few years.

Your support would be appreciated.

Larry Holmquist
Director of Special Education

SERVING SCHOOL
DISTRICTS IN
GALLATIN &
EASTERN MADISON
COUNTIES

ITINERANT EDUCATIONAL
& PSYCHOLOGICAL
SERVICES

MATERIALS CENTER

SPECIAL EDUCATION
CONSULTATION
AND
SUPERVISION

INSERVICE
TRAINING

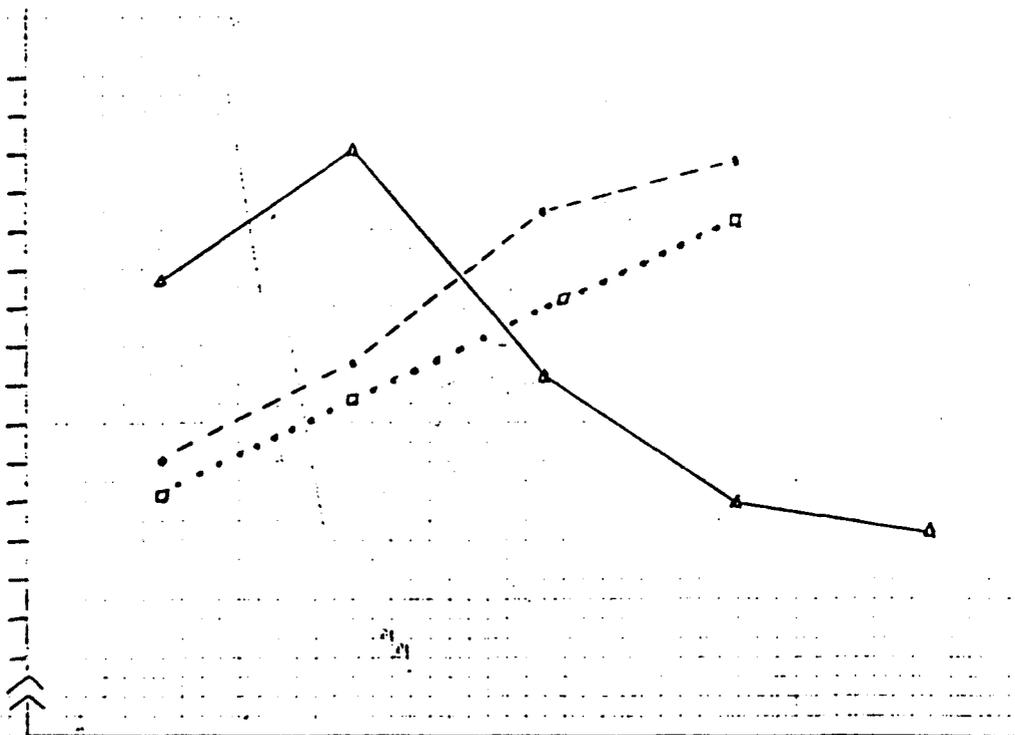
Cost per child comparisons; Δ — Δ (Cost, in dollars, for special education)

•- - -• (Cost for regular education student in Mont

\square \square (Cost per special education student based c
national average as reported in the Rand S

Cost per child

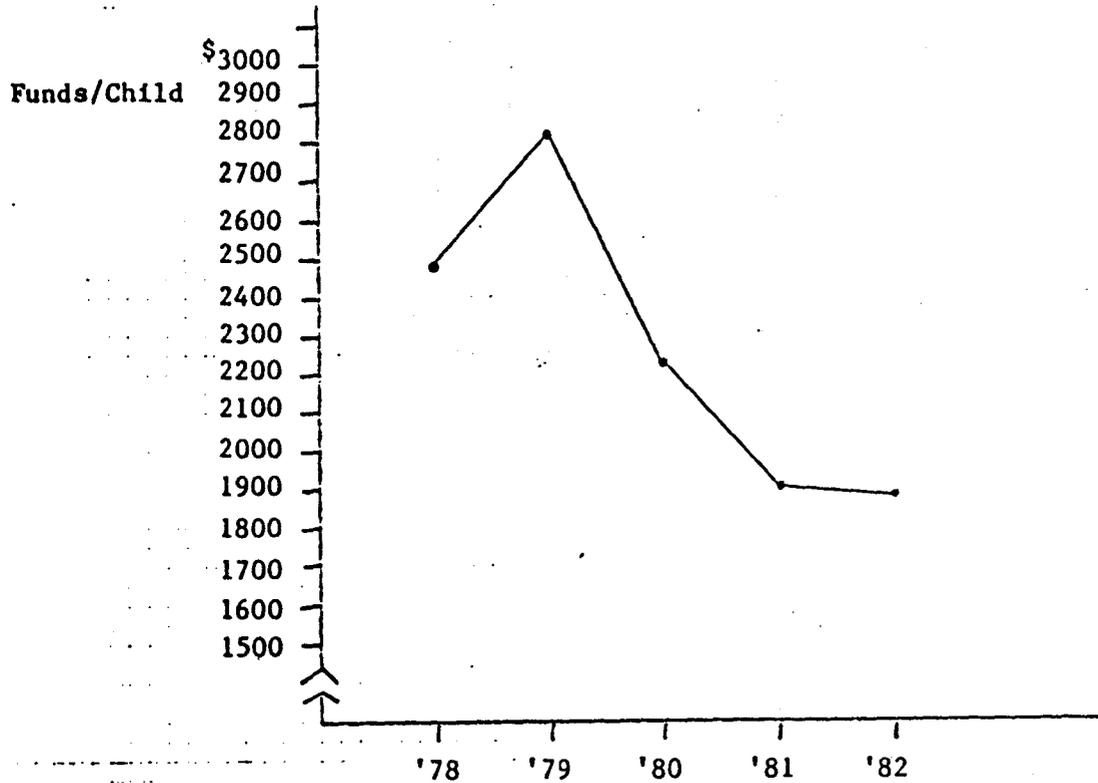
\$3000
2900
2800
2700
2600
2500
2400
2300
2200
2100
2000
1900
1800
1700
1600
1500



'78 '79 '80 '81 '82

School Year

GRAPH C



FUNDS AVAILABLE FOR SPECIAL EDUCATION 1977-78 TO 1981-82

SCHOOL YEAR	FY	STATE APPROPRIATION	FEDERAL FUNDS	TOTAL FUNDS	NUMBER OF HANDICAPPED	FUNDS/CHILD
1977-78	'78	\$24,336,595	\$ 456,251	\$24,792,836	9,975	\$2,435
1978-79	'79	29,740,640	1,283,462	31,024,102	11,030	2,813
1979-80	'80	25,250,362	2,120,973	27,371,335	12,284	2,228
1980-81	'81	22,422,227	2,382,714	24,690,338	12,990	1,901
1981-82	'82	23,754,921	2,429,723	26,184,644	13,906	1,883

* FEDERAL FUNDS INCLUDE PART B, PART D AND PRESCHOOL GRANTS.

* CHILD COUNTS REPORTED HERE ARE DECEMBER 1 COUNTS, TOTAL YEAR COUNTS ARE CONSIDERABLY HIGHER.

* FUNDS PER CHILD REPRESENT THE TOTAL STATE AND FEDERAL FUNDS AVAILABLE FOR SPECIAL EDUCATION PURPOSES DURING THE YEAR.

Corvallis School District #1
Darby School District #9
Lone Rock School District #13
Stevensville School District #2
Victor School District #7
Florence Carlton School District #15-6

Bitterroot Valley
Special Education Cooperative
Box 137
Stevensville, Montana 59870

2/2/83
EXHIBIT "I"

February 2, 1983

House Appropriations Committee
House of Representatives
State Capitol
Helena, Montana 59601

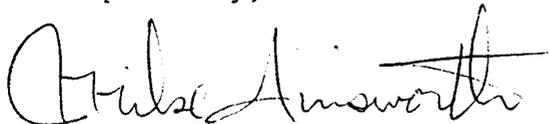
Dear Committee Members:

The Bitterroot Valley Special Education Cooperative would like to take this opportunity to provide written testimony in support of:

1. Superintendent Argenbrights proposed 18% increase in appropriations for Special Education for the ensuing biennium.
2. Distribution of Special Education funds based on recommendations presented to Superintendent Argenbright by the Office of Public Instruction appointed committee on cooperatives (funding based on 3000 ANB service districts).
3. Montana increasing its financial support of school aged handicapped children to the national average expended per school aged handicapped child.

The cooperative and participating school districts appreciate the leadership role and assistance of the committee in providing appropriate educational programs for all of Montana's children.

Respectfully,



Mike Ainsworth, Director
Bitterroot Valley Special Education Cooperative
Box 137
Stevensville, MT. 59870