October 22, 2026

The Honorable Greg Gianforte
Governor of Montana
State Capitol
Helena, MT 59620

RE: Montana K–12 Public Education - Beyond Interim Recommendations to Constitutional Adequacy

Dear Governor Gianforte:

As the collective group of AA Superintendents, we appreciate the work of the bipartisan School Funding Interim Commission (SFIC) and write to address both the immediate opportunities for your upcoming executive budget and the broader, inescapable reality facing public education in Montana.

While we encourage your administration to include three specific SFIC proposals in your November 15 budget—reforming the inflationary adjustment, increasing special education funding, and expanding at-risk student payments—we must be clear: these items represent glaring, immediate opportunities for swift, positive impact across all Montana public schools, but they are merely a baseline starting point, not the ceiling of what our system requires.

Adopting only these three recommendations would fall significantly short of the commission's broader bipartisan recommendations and, more importantly, fall well short of resolving the ongoing constitutional crisis created by current funding levels. As the SFIC's independent adequacy study by Augenblick, Palaich and Associates (APA) demonstrated, Montana's BASE funding falls short of adopted district budgets by approximately $213 million, leading the commission to conclude that current BASE funding is constitutionally inadequate. In our districts, this reality forces local school boards into impossible choices every year—reducing academic programs, cutting essential staff, and relying excessively on local property tax levies just to maintain basic operations.

To capture these immediate opportunities and build a budget starting point that begins to address operational pressures, we recommend the following initial investments be prioritized in your budget proposal:

- **Reform the Inflationary Adjustment (PD 09, INFL):** Remove the 3% cap and minimize the calculation lag so state funding reflects real market conditions rather than compounding lost purchasing power year after year.
- **Increase Special Education Funding (PD 13, SPED COST and PD 10, SPED POOL):** Provide the full $70 million in allowable cost/GTB increases and the $20 million high-cost pool to relieve local taxpayers and school districts, while helping to ensure students with disabilities receive the services they are entitled to under state/federal laws.
- **Expand the At-Risk Student Payment (PD 15, AT RISK):** Phasing in $80 million in FY 2028 and $160 million in FY 2029 to transition to direct student counts, addressing Montana's standing as one of the lowest spenders in the nation for vulnerable students.

Given Montana's rural characteristics, our vast number of school districts—most of which are very small—and an incredibly complex current funding formula, it would be naive to assume a simple solution will be the fix. Even if these key opportunities are captured, the actual lived reality in our schools requires us to go further to meet the state's constitutional obligation to develop the full educational potential of every child. True adequacy and equity require building upon these interim measures by addressing remaining structural gaps, including but not limited to:

- **Dedicated State Support for English Language Learners (ELL):** Correcting the severe formula oversight that leaves Montana as the only state in the country without supplemental state funding for ELL students.
- **Full and Equitable Funding for K–6 Students:** Ending outdated formula distinctions between elementary and secondary grades to fully fund early literacy, intervention, and staffing needs.

- **Middle School Career and Technical Education:** Expanding state CTE funding into middle grades to connect classroom learning with future workforce opportunities early.
- **Competitive Staff Recruitment and Retention:** Adjusting funding formula mechanics to help districts offset sharp regional cost-of-living differences, health insurance costs, and competitive labor market pressures.
- **Relief for Local Property Taxpayers:** Shifting the financial burden of core educational services back to state responsibility, reducing forced reliance on voted local levies.
- **Funding Based on True Educational Need:** Moving away from historical district spending levels—which reflect years of budget cuts—as the baseline measure for what quality education actually costs.

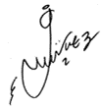
Furthermore, we hear the ongoing pushback by some who argue that simply throwing new money at the system will not result in better outcomes. We want to go on record stating that we deeply understand our roles in the continuous improvement process. We welcome accountability processes that ensure additional school funding is accompanied by assurances that districts are implementing evidence-based practices to drive increases in student achievement.

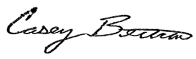
The upcoming executive budget and 2027 legislative session present a critical opportunity for your administration to lead by example. By incorporating these immediate high-impact items into your November 15 budget as an initial floor, and leading the charge for an ongoing and comprehensive study of Montana school funding, you can set a vision that moves Montana from survival-mode funding to constitutional adequacy.

We stand ready to partner with you, your policy advisors, and the Legislature to advance both immediate budget solutions and long-term systemic investments that generations of Montanans will benefit from.

Sincerely,


Dede Semerad, Superintendent Belgrade School District


Dr. Erwin Garcia, Superintendent Billings Public Schools

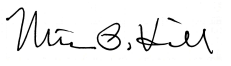

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