

TO: Members of the Montana Senate
Members of the House of Representatives
Secretary of State Brad Johnson
Members of the Montana Supreme Court c/o Clerk of the Court Ed Smith

STATE OF MONTANA
OFFICE OF THE GOVERNOR
PROCLAMATION

CALL TO THE 59TH LEGISLATURE
FOR A SPECIAL SESSION

WHEREAS, pursuant to Article V, section 6 of the Constitution of the State of Montana and § 5-3-101, MCA, the Governor may convene the legislature in special session; and

WHEREAS, pursuant to Article VI, section 11 of the Constitution of the State of Montana, the Governor may convene the legislature whenever he considers it in the public interest; and

WHEREAS, the Montana Supreme Court, in *Columbia Falls Elementary School District No. 6 v. State of Montana*, 2005 MT 69, held that Montana's system for funding its public elementary and secondary schools was unconstitutional in that the funding system was not based on a definition of a quality education and the requirement to recognize the cultural heritage of American Indians was not being fulfilled; and

WHEREAS, the 59th Legislature, through passage of Senate Bill No. 152 (SB 152), defined a "basic system of free quality public elementary and secondary schools," as required by Article X, section 1(3) of the Montana Constitution and the Montana Supreme Court's ruling; and

WHEREAS, the 59th Legislature, for the first time in Montana history, consistent with the Montana Constitution and the Montana Supreme Court's ruling, appropriated in excess of \$3.4 million for the 2006-07 biennium to fund education related to the preservation of the distinct and unique cultural heritage of American Indians; and

WHEREAS, the 59th Legislature increased funding for Montana's K-12 schools by appropriating more than \$88 million in new money for the biennium – an historic increase; and

WHEREAS, the 59th Legislature, through passage of Senate Bill No. 525 (SB 525), established a quality schools interim committee to devise, by December 1, 2005, a funding formula for Montana's public elementary and secondary schools based on the definition of quality education enacted by the 59th Legislature; and

WHEREAS, the quality schools interim committee has accomplished the tasks assigned to it under SB 525, but has not agreed upon any one school funding formula; and

WHEREAS, in addition to the constitutional requirement that the legislature provide a basic system of free quality public elementary and secondary schools, Article VIII, section 9 of the Constitution of the State of Montana requires the state to maintain a balanced budget by directing that legislative appropriations not exceed anticipated revenue; and

WHEREAS, one component of a quality education system is the ability to recruit and retain qualified teachers, and in order to be able to recruit and retain qualified teachers, schools must be able to offer teachers competitive benefit packages; and

WHEREAS, Montana's teachers' retirement system currently has an unfunded liability exceeding \$900,000,000.00; and

WHEREAS, Montana's public retirement system currently has an unfunded liability exceeding \$500,000,000.00; and

WHEREAS, school boards are beginning the process of preparing their budgets for the 2006-07 academic year; and

WHEREAS, the regular session of the 59th Legislature completed its work in eighty-six days anticipating the likelihood of a special legislative session to enact a school funding system based on the definition of a quality education; and

WHEREAS, it is in the public interest of all Montanans that the 59th Legislature convene in special session to consider these matters.

NOW, THEREFORE, I, BRIAN SCHWEITZER, GOVERNOR OF THE STATE OF MONTANA, pursuant to the authority vested in me by the Constitution and laws of the State of Montana, do hereby convene the Fifty-Ninth Legislature in special session, in Helena, at the Capitol, at the hour of 9:00 a.m., the 14th day of December, 2005, and hereby limit the special session to the following subjects:

1. Legislation to enact a funding system for Montana's public elementary and secondary schools that is based on the definition of a quality education contained in SB 152 and that recognizes the cultural heritage of American Indians, in compliance with Article X, section 1 of the Montana Constitution and in fulfillment of the requirements of the Montana Supreme Court's decision in *Columbia Falls Elementary School v. State of Montana*, and that also remains within a balanced budget, as required by Article VIII, section 9 of the Montana Constitution;
2. An appropriation for the funding system enacted by the Legislature in special session in compliance with the Montana Constitution and the Supreme Court's holding;
3. An appropriation of one-time money from the general fund to Montana's public elementary and secondary schools for recognition of the cultural heritage of American Indians and to address the following needs of schools: facility studies, weatherization for long-term energy savings, deferred maintenance, and assistance with utility and transportation energy costs;
4. An appropriation of \$100 million from the general fund to the teachers' retirement system to both reduce the unfunded liability of the system and to help improve Montana's ability to recruit and retain qualified teachers;
5. An appropriation of \$25 million from the general fund to the public retirement system to help reduce the unfunded liability of the system;
6. LC 2006-2, approved by the State Administration and Veterans' Affairs Interim Committee on November 30, 2005;
7. An updated revenue estimate requested by the revenue and transportation committee;
8. Confirmation of the chief water judge and the workers' compensation judge, as required by § 3-1-1013, MCA;
9. Confirmation of the governor's vacancy appointment of the director of the department of public health and human services; and
10. Any appropriations necessary for the operation of the special legislative session.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Montana to be affixed. DONE at the City of Helena, the Capitol, this ____ day of December, in the year of our Lord, two thousand and five.

BRIAN SCHWEITZER
Governor