The joint appropriations subcommittee on education funding level is $42 million below the Governor's Budget for state support for K-12 schools.

<table>
<thead>
<tr>
<th>Appropriation Item</th>
<th>What does it support?</th>
<th>Amount below Governor's Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>K-12 BASE Aid</td>
<td>This is the state's largest appropriation to public schools and supports the operating budgets of K-12 school districts. Without this additional aid, state support will drop below the FY 2011 levels.</td>
<td>$21.24 Million</td>
</tr>
<tr>
<td>At-Risk Student Payment</td>
<td>Provides funding for schools to serve students who are at-risk of not graduating or not reaching grade level expectations. This payment was not funded by the 2009 legislature.</td>
<td>$10 Million</td>
</tr>
<tr>
<td>Special Education</td>
<td>Provides on-going funding to serve students with disabilities at a level that covers inflationary costs.</td>
<td>$5.64 Million</td>
</tr>
<tr>
<td>Pupil Transportation</td>
<td>Provides additional funding to transport students to and from school in areas of residential growth.</td>
<td>$500,000</td>
</tr>
<tr>
<td>School Lunch State Match</td>
<td>This additional money is required as a state match for the National School Lunch Program. Without the match, the state jeopardizes $33 million in federal funding for 5 million school lunches and breakfasts.</td>
<td>$42,937</td>
</tr>
<tr>
<td>Adult Basic Education</td>
<td>This funding supports community programs to help adults pursue their GED, get job retraining skills, or pursue higher education.</td>
<td>$525,000</td>
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<tr>
<td>Programs</td>
<td></td>
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<tr>
<td>Secondary Vocational</td>
<td>Provides funding for career and technical education programs in Montana high schools. Every student in Montana takes at least one technical course.</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Education Programs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gifted &amp; Talented Programs</td>
<td>Provides state grants to local school districts to supplement their educational offerings for gifted students.</td>
<td>$247,000</td>
</tr>
<tr>
<td>In-state residential</td>
<td>Provides funding for education services to students in psychiatric residential treatment facilities who are not Medicaid-eligible.</td>
<td>$764,000</td>
</tr>
<tr>
<td>treatment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>School block grants</td>
<td>State statute requires an inflationary increase of 0.76 percent annually in the school block grants. If the increase is not provided, local property taxpayers will make up the difference.</td>
<td>$1.98 Million</td>
</tr>
</tbody>
</table>
The education subcommittee zeroed-out funding for four key programs. What has been zeroed-out?

- Adult Basic Education
- Secondary Vocational Education
- In-state psychiatric residential treatment for children not eligible for Medicaid
- State support for Gifted & Talented programs

What has not yet been funded at Present Law levels?

- K-12 BASE Aid
- Special Education Maintenance of Effort
- At-Risk Student Payment
- School Block Grants (HB 124 block grants)
- Pupil Transportation
- School Lunch Programs – State Matching Requirement

What about OPI's agency budget? What are the funding cuts and what are the impacts?

- Stipends for National Board Certified Teachers – an additional $27,000 is needed to fully fund this program
- Audiology Services – funding for screening children for hearing impairments is $66,000 below the Governor's budget
- Montana Digital Academy – No funding has been provided for the very successful MT Digital Academy. The Governor's budget included $2.34 Million
- OPI's general fund budget for agency operations has been cut by 6.56% from the FY 2010 funding levels.