

HOUSE BILL NO. 252

INTRODUCED BY L. JONES, W. GALT, S. NOVAK, L. MUSZKIEWICZ, M. NIKOLAKAKOS, P. ELVERUM, L. BENNETT, C. SCHOMER, C. COCHRAN, S. ROSENZWEIG, E. TILLEMANN, D. BEDEY, M. BERTOGLIO, E. BUTTREY, J. FULLER, B. GILLESPIE, E. MATTHEWS, W. MCKAMEY, C. SPRUNGER, J. KASSMIER, G. LAMMERS, S. VINTON, K. WALSH, J. ETCHART, B. BARKER, L. BREWSTER, J. COHENOUR, C. KEOGH, E. KERR-CARPENTER, G. NIKOLAKAKOS, S. MORIGEAU, G. PARRY, L. REKSTEN, M. ROMANO, P. TUSS, J. DARLING

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING SCHOOL FUNDING LAWS; ENHANCING THE SCHOOL FUNDING FORMULA THROUGH INCENTIVES AND A HOUSING COST BUDGET AUTHORITY INCREASE; REVISING THE INCENTIVE TO INCREASE TEACHER BASE SALARIES; ESTABLISHING A NEW INCENTIVE RELATED TO RESOURCE SHARING AMONG SCHOOL DISTRICTS; EXPANDING THE TYPES OF EDUCATIONAL ENTITIES THAT CAN RECEIVE INCENTIVES FOR MEETING STARTING TEACHER PAY BENCHMARKS; RENAMING AND REVISING THE QUALITY EDUCATOR FUNDING COMPONENT; RESTORING FULL FUNDING TO THE ADVANCED OPPORTUNITIES PROGRAM; INCLUDING DISTRICT CLERKS PERFORMING CERTAIN FUNCTIONS IN THE QUALITY EDUCATOR AND QUALIFIED STAFF FUNDING COMPONENT; INCLUDING CERTAIN INDIVIDUALS WORKING UNDER AN EMERGENCY AUTHORIZATION IN THE QUALITY EDUCATOR AND QUALIFIED STAFF FUNDING COMPONENT; ESTABLISHING A NEW K-12 BASE AID "FUTURE READY" FUNDING COMPONENT RELATED TO POSTGRADUATION PREPARATION; PROVIDING INCREASED BUDGET AUTHORITY FOR CERTAIN SCHOOL DISTRICTS IMPACTED BY HIGH HOUSING COSTS FOR USE IN ADDRESSING THOSE COSTS; REQUIRING THE LEGISLATIVE FISCAL ANALYST TO CREATE A SCHOOL FUNDING DATA DASHBOARD; PROVIDING DEFINITIONS; PROVIDING RULEMAKING AUTHORITY; PROVIDING AN APPROPRIATION; AMENDING SECTIONS 20-3-325, 20-6-326, 20-6-812, 20-7-102, 20-7-1404, 20-7-1503, 20-7-1506, 20-7-1602, 20-9-306, 20-9-324, 20-9-327, 20-9-344, AND 20-9-366, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

WHEREAS, the definition of a "basic system of free quality public elementary and secondary schools"

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(c) For a school district qualifying for the shared resource incentive under [section 16], the district must receive additions to the total quality educator and qualified staff payment as described in [section 16].

(19)"Total special education allocation" means the state payment distributed pursuant to 20-9-321 that is the greater of the amount resulting from multiplying \$293.74 for fiscal year 2024 and \$302.55 for each succeeding fiscal year by the statewide current year ANB or the amount of the previous year's total special education allocation."

Section 10. Section 20-9-324, MCA, is amended to read:

"20-9-324. Incentives for ~~school districts~~ educational entities meeting legislative goal for competitive base pay of teachers in public school districts -- definitions. (1) A district, as defined in 20-6-404, ~~An educational entity eligible for a quality educator and qualified staff payment under 20-9-327,~~ must receive an ~~extra-enhanced~~ quality educator and qualified staff payment for ~~certain-all~~ quality educators and qualified staff, calculated as provided in 20-9-306(16), if it meets the legislative goal for competitive base pay of teachers in subsection (2).

(2) The legislative goal for competitive base pay of teachers is a teacher base pay in an educational entity that in the applicable year:

(a) is equal to at least ~~10-11~~ times as much as the quality educator and qualified staff payment amount provided in 20-9-306(16); and

(b) ~~for a school district classified as first class pursuant to Title 20, chapter 6, is not less than 70% of the teacher average pay in the school district~~ is not less than the following percentages of the teacher average pay in the prior fiscal year in the educational entity:

(i) in fiscal year 2026, not less than ~~62%~~ 60%;

(ii) in fiscal year 2027, not less than ~~64%~~ 62%;

(iii) in fiscal year 2028, not less than ~~66%~~ 64%;

(iv) in fiscal year 2029, not less than ~~68%~~ 66%; and

(v) in fiscal year 2030 and succeeding fiscal years, not less than ~~70%~~ 68%.

(3) ~~A district~~ An educational entity seeking an incentive for the subsequent school fiscal year under this section shall, by December 1, provide the data necessary, as determined by the superintendent of public

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1 instruction, to verify_:

2 (a)——that the ~~district~~educational entity has met the legislative goal established in subsection (2) for
3 the current year;~~and~~

4 (b)——~~the number of full-time equivalent teachers that are in the first 3 years of the teacher's teaching~~
5 ~~career in the current year. The first 3 years of a teacher's teaching career do not include a year of teaching~~
6 ~~under an emergency authorization pursuant to 20-4-111.~~

7 (4) For the purposes of this section, the following definitions apply:

8 (a) "Educational entity" means:

9 (i) public school districts, as defined in 20-6-101 and 20-6-701;

10 (ii) special education cooperatives, as described in 20-7-451;

11 (iii) the Montana school for the deaf and blind, as described in 20-8-101;

12 (iv) correctional facilities, as defined in 41-5-103; and

13 (v) the Montana youth challenge program.

14 (b) "Full-time equivalent teacher" means a teacher who is contracted for employment for the entire
15 academic year, fulfilling professional responsibilities throughout all periods of the day when the educational
16 entity offers instruction. This includes time spent preparing for classes, delivering instruction, mentoring others,
17 and performing other duties set forth in the teacher's job description, individual contract, or in the collective
18 bargaining agreement governing the teacher's employment.

19 (a)(c) "Teacher" means an individual who:

20 (i) holds a current class 1, 2, 4, 5, 6, or 7 license issued by the office of public instruction under
21 rules adopted by the board of public education pursuant to 20-4-102; and

22 (ii) is employed by ~~a school district~~an educational entity in an instructional position requiring
23 teacher licensure.

24 (b)(d) "Teacher average pay" means the total compensation paid by ~~a school district~~an educational
25 entity to all of its teachers, not including bonuses, stipends, or extended duty contracts, divided by the total full-
26 time equivalent teachers employed ~~in the district, with full-time equivalence rounded to the nearest tenth~~ by the
27 entity.

28 (e)(e) "Teacher base pay" means the lowest salary for a full-time equivalent beginning teacher for the

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1 current year as incorporated in the ~~district's~~ educational entity's collective bargaining agreement or a
2 memorandum of understanding executed between the entity and the applicable union if the teachers'
3 employment is covered by a collective bargaining agreement pursuant to Title 39, chapter 31, or incorporated in
4 ~~district the entity's~~ policy if the teachers' employment is not covered by a collective bargaining agreement, not
5 including bonuses, stipends, or extended duty contracts."
6

7 **Section 11.** Section 20-9-327, MCA, is amended to read:

8 **"20-9-327. Quality educator and qualified staff payment.** (1) (a) The state shall provide a quality
9 educator ~~payment to~~ and qualified staff payment as calculated in 20-9-306 to the following educational entities:

- 10 (i) public school districts, as defined in 20-6-101 and 20-6-701;
11 (ii) special education cooperatives, as described in 20-7-451;
12 (iii) the Montana school for the deaf and blind, as described in 20-8-101;
13 (iv) correctional facilities, as defined in 41-5-103; and
14 (v) the Montana youth challenge program.

15 (b) A special education cooperative that has not met the requirements of 20-7-454 may not be
16 funded under the provisions of this section except by approval of the superintendent of public instruction.

17 (2) (a) The quality educator and qualified staff payment for special education cooperatives must be
18 distributed directly to ~~those entities~~ special education cooperatives by the superintendent of public instruction.

19 (b) The quality educator and qualified staff payment for the Montana school for the deaf and blind
20 must be distributed to the Montana school for the deaf and blind.

21 (c) The quality educator and qualified staff payment for Pine Hills correctional facility and the
22 facility under contract with the department of corrections for female, as defined in 1-1-201, youth must be
23 distributed to those facilities by the department of corrections.

24 (d) The quality educator and qualified staff payment for the Montana youth challenge program
25 must be distributed to that program by the department of military affairs.

26 (3) (a) ~~The quality educator payment is calculated as provided in 20-9-306, using number of quality~~
27 educators is the number of full-time equivalent educators, as reported to the superintendent of public instruction
28 for accreditation purposes in the previous school year, each of whom: