

- 1 (ii) from 360 to 539 aggregate hours of pupil instruction per school year is counted as half-time
2 enrollment;
- 3 (iii) from 540 to 719 aggregate hours of pupil instruction per school year is counted as three-
4 quarter-time enrollment; and
- 5 (iv) 720 or more aggregate hours of pupil instruction per school year is counted as full-time
6 enrollment.
- 7 (b) Except as provided in subsection (4)(d), enrollment in a program intended to provide fewer than
8 180 aggregate hours of pupil instruction per school year may not be included for the purposes of ANB.
- 9 (c) Enrollment in a self-paced program or course may be converted to an hourly equivalent based
10 on the hours necessary and appropriate to provide the course within a regular classroom schedule.
- 11 (d) A school district may include in its calculation of ANB a pupil who is enrolled in a program
12 providing fewer than the required aggregate hours of pupil instruction required under subsection (4)(a) or (4)(b)
13 if the pupil has demonstrated proficiency in the content ordinarily covered by the instruction as determined by
14 the school board using district assessments. The ANB of a pupil under this subsection (4)(d) must be converted
15 to an hourly equivalent based on the hours of instruction ordinarily provided for the content over which the
16 student has demonstrated proficiency.
- 17 (e) (i) Except as provided in subsection (4)(e)(ii), a pupil in kindergarten through grade 12 who is
18 concurrently enrolled in more than one public school, program, or district may not be counted as more than one
19 full-time pupil for ANB purposes. When a pupil is concurrently enrolled in more than one district, any fractional
20 enrollment under subsection (4)(a) must be attributed first to a pupil's nonresident district.
- 21 (ii) A pupil who participates in a jumpstart program under Title 20, chapter 7, part 18, may be
22 counted as up to 1 1/4 enrollment for ANB purposes. A district shall add one-quarter enrollment for a pupil who
23 participated in an early literacy jumpstart program to the pupil's regular enrollment count under this subsection
24 (4) in both the October and ~~February~~ January enrollment counts following the student's participation in the
25 jumpstart program.
- 26 (5) For a district that is transitioning from a half-time to a full-time kindergarten program, the state
27 superintendent shall count kindergarten enrollment in the previous year as full-time enrollment for the purpose
28 purposes of calculating ANB for the elementary programs offering full-time kindergarten in the current year. For

1 the purposes of calculating the 3-year ANB, the superintendent of public instruction shall count the kindergarten
2 enrollment as one-half enrollment and then add the additional kindergarten ANB to the 3-year average ANB for
3 districts offering full-time kindergarten.

4 (6) When a pupil has been absent, with or without excuse, for more than 10 consecutive school
5 days, the pupil may not be included in the enrollment count used in the calculation of the ANB unless the pupil
6 resumes attendance prior to the day of the enrollment count.

7 (7) (a) The enrollment of preschool pupils, as provided in 20-7-117, may not be included in the
8 ANB calculations.

9 (b) Except as provided in subsection (7)(c), a pupil who has reached 19 years of age by
10 September 10 of the school year may not be included in the ANB calculations.

11 (c) A pupil with disabilities who is over 19 years of age and has not yet reached 21 years of age by
12 September 10 of the school year and who is receiving special education services from a school district pursuant
13 to 20-7-411(4)(a) may be included in the ANB calculations if:

14 (i) the student has not graduated;

15 (ii) the student is eligible for special education services and is likely to be eligible for adult services
16 for individuals with developmental disabilities due to the significance of the student's disability; and

17 (iii) the student's individualized education program has identified transition goals that focus on
18 preparation for living and working in the community following high school graduation since age 16 or the
19 student's disability has increased in significance after age 16.

20 (d) A school district providing special education services pursuant to subsection (7)(c) is
21 encouraged to collaborate with agencies and programs that serve adults with developmental disabilities in
22 meeting the goals of a student's transition plan.

23 (8) The average number belonging of the regularly enrolled pupils for the public schools of a
24 district must be based on the aggregate of all the regularly enrolled pupils attending the schools of the district,
25 except that:

26 (a) the ANB is calculated as a separate budget unit when:

27 (i) a school of the district is located more than 20 miles beyond the incorporated limits of a city or
28 town located in the district and at least 20 miles from any other school of the district, the number of regularly

1 enrolled pupils of the school must be calculated as a separate budget unit for ANB purposes and the district
2 must receive a basic entitlement for the school calculated separately from the other schools of the district;

3 (ii) a school of the district is located more than 20 miles from any other school of the district and
4 incorporated territory is not involved in the district, the number of regularly enrolled pupils of the school must be
5 calculated separately for ANB purposes and the district must receive a basic entitlement for the school
6 calculated separately from the other schools of the district;

7 (iii) the superintendent of public instruction approves an application not to aggregate when
8 geographic barriers exist affecting transportation, such as poor roads, mountains, rivers, or other obstacles to
9 travel, that would result in an unusual hardship to the pupils of the school if they were transported to another
10 school, the number of regularly enrolled pupils of the school must be calculated separately for ANB purposes
11 and the district must receive a basic entitlement for the school calculated separately from the other schools of
12 the district; or

13 (iv) two or more districts consolidate or annex under the provisions of 20-6-422 or 20-6-423, the
14 ANB and the basic entitlements of the component districts must be calculated separately for a period of 3 years
15 following the consolidation or annexation. Each district shall retain a percentage of its basic entitlement for 3
16 additional years as follows:

17 (A) 75% of the basic entitlement for the fourth year;
18 (B) 50% of the basic entitlement for the fifth year; and
19 (C) 25% of the basic entitlement for the sixth year.

20 (b) when a junior high school has been approved and accredited as a junior high school, all of the
21 regularly enrolled pupils of the junior high school must be considered as high school district pupils for ANB
22 purposes;

23 (c) when a middle school has been approved and accredited, all pupils below the 7th grade must
24 be considered elementary school pupils for ANB purposes and the 7th and 8th grade pupils must be considered
25 high school pupils for ANB purposes; or

26 (d) when a school has been designated as nonaccredited by the board of public education
27 because of failure to meet the board of public education's assurance and performance standards, the regularly
28 enrolled pupils attending the nonaccredited school are not eligible for average number belonging calculation

1 purposes, nor will an average number belonging for the nonaccredited school be used in determining the BASE
2 funding program for the district.

3 (9) The district shall provide the superintendent of public instruction with semiannual reports of
4 school attendance, absence, and enrollment for regularly enrolled students, using a format determined by the
5 superintendent.

6 (10) (a) Except as provided in subsections (10)(b) and (10)(c), enrollment in a basic education
7 program provided by the district through any combination of in-person or remote instruction may be included for
8 ANB purposes only if the pupil is offered access to the complete range of educational services for the basic
9 education program required by the accreditation standards adopted by the board of public education.

10 (b) Access to school programs and services for a student placed by the trustees in a private
11 program for special education may be limited to the programs and services specified in an approved individual
12 education plan supervised by the district.

13 (c) Access to school programs and services for a student who is incarcerated in a facility, other
14 than a youth detention center, may be limited to the programs and services provided by the district at district
15 expense under an agreement with the incarcerating facility.

16 (d) This subsection (10) may not be construed to require a school district to offer access to
17 activities governed by an organization having jurisdiction over interscholastic activities, contests, and
18 tournaments to a pupil who is not otherwise eligible under the rules of the organization.

19 (11) A district may include only, for ANB purposes, an enrolled pupil who is otherwise eligible under
20 this title and who is:

21 (a) a resident of the district or a nonresident student admitted by trustees under a student
22 attendance agreement and who is attending a school or an offsite instructional setting of the district;

23 (b) unable to attend school due to a medical reason certified by a medical doctor and receiving
24 individualized educational services supervised by the district, at district expense, at a home or facility that does
25 not offer an educational program;

26 (c) unable to attend school due to the student's incarceration in a facility, other than a youth
27 detention center, and who is receiving individualized educational services supervised by the district, at district
28 expense, at a home or facility that does not offer an educational program;

(d) receiving special education and related services, other than day treatment, under a placement by the trustees at a private nonsectarian school or private program if the pupil's services are provided at the district's expense under an approved individual education plan supervised by the district;

(e) participating in the running start program at district expense under 20-9-706;

(f) receiving educational services, provided by the district, using appropriately licensed district staff at a private residential program or private residential facility licensed by the department of public health and human services;

(g) enrolled in an educational program or course provided at district expense using remote delivery methods, including but not limited to tutoring, distance learning programs, online programs, and technology delivered learning programs. The pupil:

(i) must meet the residency requirements for that district as provided in 1-1-215;

(ii) shall live in the district and must be eligible for educational services under the Individuals With Disabilities Education Act or under 29 U.S.C. 794; or

(iii) must be enrolled in the educational program or course under a mandatory attendance agreement as provided in 20-5-321; or

(iv) must be receiving remote instruction under 20-7-118(1)(c).

(h) a resident of the district attending the Montana youth challenge program or a Montana job corps program under an interlocal agreement with the district under 20-9-707.

(12) A district shall, for ANB purposes, calculate the enrollment of an eligible Montana youth challenge program participant as half-time enrollment.

(13) (a) A district may, for ANB purposes, include in the October and ~~February~~ January enrollment counts an individual who is otherwise eligible under this title and who during the prior school year:

(i) resided in the district;

(ii) was not enrolled in the district or was not enrolled full time; and

(iii) completed an extracurricular activity with a duration of at least 6 weeks.

(b) (i) Except as provided in subsection (13)(b)(ii), each completed extracurricular activity under subsection (13)(a) may be counted as one-sixteenth enrollment for the individual, but under this subsection (13) the individual may not be counted as more than one full-time enrollment for ANB purposes.

(ii) Each completed extracurricular activity lasting longer than 18 weeks may be counted as one-eighth enrollment.

(c) For the purposes of this section, "extracurricular activity" means:

(i) a sport or activity sanctioned by an organization having jurisdiction over interscholastic activities, contests, and tournaments;

(ii) an approved career and technical student organization, pursuant to 20-7-306; or

(iii) a school theater production.

(14) (a) For an elementary or high school district that has been in existence for 3 years or more, the district's maximum general fund budget and BASE budget for the ensuing school fiscal year must be calculated using the current year ANB for all budget units or the 3-year average ANB for all budget units, whichever generates the greatest maximum general fund budget.

(b) For a K-12 district that has been in existence for 3 years or more, the district's maximum general fund budget and BASE budget for the ensuing school fiscal year must be calculated separately for the elementary and high school programs pursuant to subsection (14)(a) and then combined.

(15) The term "3-year ANB" means an average ANB over the most recent 3-year period, calculated by:

(a) adding the ANB for the budget unit for the ensuing school fiscal year to the ANB for each of the previous 2 school fiscal years; and

(b) dividing the sum calculated under subsection (15)(a) by three."

NEW SECTION. Section 2. Effective date. [This act] is effective July 1, 2025.

NEW SECTION. Section 3. Applicability. [This act] applies to school fiscal years beginning and enrollment counts conducted on or after July 1, 2025.

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