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11 **Section 1.** Section 20-9-306, MCA, is amended to read:

12 **"20-9-306. Definitions.** As used in this title, unless the context clearly indicates otherwise, the

13 following definitions apply:

12 **"20-9-306. Definitions.** As used in this title, unless the context clearly indicates otherwise, the
13 following definitions apply:

15 (2) "BASE aid" means:

18 (b) guaranteed tax base aid for an eligible district for any amount up to 35.3% of the basic
19 entitlement, up to 35.3% of the total per-ANB entitlement budgeted in the general fund budget of a district, and
20 40% of the special education allowable cost payment;

22 (d) the total at-risk student payment;

24 (f) the total American Indian achievement gap payment;

26 (h) the special education allowable cost payment.

27 (3) "BASE budget" means the minimum general fund budget of a district, which includes 80% of
28 the basic entitlement, 80% of the total per-ANB entitlement, 100% of the total quality educator payment, 100%

1 of the total at-risk student payment, 100% of the total Indian education for all payment, 100% of the total
 2 American Indian achievement gap payment, 100% of the total data-for-achievement payment, and 140% of the
 3 special education allowable cost payment.

4 (4) "BASE budget levy" means the district levy in support of the BASE budget of a district, which
 5 may be supplemented by guaranteed tax base aid if the district is eligible under the provisions of 20-9-366
 6 through 20-9-369.

7 (5) "BASE funding program" means the state program for the equitable distribution of the state's
 8 share of the cost of Montana's basic system of public elementary schools and high schools, through county
 9 equalization aid as provided in 20-9-331 and 20-9-333 and state equalization aid as provided in 20-9-343, in
 10 support of the BASE budgets of districts and special education allowable cost payments as provided in 20-9-
 11 321.

12 (6) "Basic entitlement" means:

13 (a) for each high school district:

14 (i) ~~\$343,483 for fiscal year 2024 and \$353,787~~ \$364,401 for fiscal year 2026 and \$375,333 for
 15 each succeeding fiscal year for school districts with an ANB of 800 or fewer; and

16 (ii) ~~\$343,483 for fiscal year 2024 and \$353,787~~ \$364,401 for fiscal year 2026 and \$375,333 for
 17 each succeeding fiscal year for school districts with an ANB of more than 800, plus ~~\$17,175 for fiscal year 2024~~
 18 ~~and \$17,690~~ \$18,221 for fiscal year 2026 and \$18,768 for each succeeding fiscal year for each additional 80
 19 ANB over 800;

20 (b) for each elementary school district or K-12 district elementary program without an approved
 21 and accredited junior high school, 7th and 8th grade program, or middle school:

22 (i) ~~\$57,246 for fiscal year 2024 and \$58,963~~ \$60,732 for fiscal year 2026 and \$62,554 for each
 23 succeeding fiscal year for school districts or K-12 district elementary programs with an ANB of 250 or fewer;
 24 and

25 (ii) ~~\$57,246 for fiscal year 2024 and \$58,963~~ \$60,732 for fiscal year 2026 and \$62,554 for each
 26 succeeding fiscal year for school districts or K-12 district elementary programs with an ANB of more than 250,
 27 plus ~~\$2,863 for fiscal year 2024 and \$2,949~~ \$3,037 for fiscal year 2026 and \$3,128 for each succeeding fiscal
 28 year for each additional 25 ANB over 250;

(c) for each elementary school district or K-12 district elementary program with an approved and accredited junior high school, 7th and 8th grade program, or middle school:

(i) for the district's kindergarten through grade 6 elementary program:

(A) ~~\$57,246 for fiscal year 2024 and \$58,963~~ \$60,732 for fiscal year 2026 and \$62,554 for each succeeding fiscal year for school districts or K-12 district elementary programs with an ANB of 250 or fewer; and

(B) ~~\$57,246 for fiscal year 2024 and \$58,963~~ \$60,732 for fiscal year 2026 and \$62,554 for each succeeding fiscal year for school districts or K-12 district elementary programs with an ANB of more than 250, plus ~~\$2,863 for fiscal year 2024 and \$2,949~~ \$3,037 for fiscal year 2026 and \$3,128 for each succeeding fiscal year for each additional 25 ANB over 250; and

(ii) for the district's approved and accredited junior high school, 7th and 8th grade programs, or middle school:

(A) ~~\$114,493 for fiscal year 2024 and \$117,928~~ \$121,466 for fiscal year 2026 and \$125,110 for each succeeding fiscal year for school districts or K-12 district elementary programs with combined grades 7 and 8 with an ANB of 450 or fewer; and

(B) ~~\$114,493 for fiscal year 2024 and \$117,928~~ \$121,466 for fiscal year 2026 and \$125,110 for each succeeding fiscal year for school districts or K-12 district elementary programs with combined grades 7 and 8 with an ANB of more than 450, plus ~~\$5,724 for fiscal year 2024 and \$5,896~~ \$6,073 for fiscal year 2026 and \$6,255 for each succeeding fiscal year for each additional 45 ANB over 450.

(7) "Budget unit" means the unit for which the ANB of a district is calculated separately pursuant to 20-9-311.

(8) "Direct state aid" means 44.7% of the basic entitlement and 44.7% of the total per-ANB entitlement for the general fund budget of a district and funded with state and county equalization aid.

(9) "Maximum general fund budget" means a district's general fund budget amount calculated from the basic entitlement for the district, the total per-ANB entitlement for the district, the total quality educator payment, the total at-risk student payment, the total Indian education for all payment, the total American Indian achievement gap payment, the total data-for-achievement payment, and the greater of the district's special education allowable cost payment multiplied by:

1 (a) 175%; or

2 (b) the ratio, expressed as a percentage, of the district's special education allowable cost
3 expenditures to the district's special education allowable cost payment for the fiscal year that is 2 years
4 previous, with a maximum allowable ratio of 200%.

5 (10) "Over-BASE budget levy" means the district levy in support of any general fund amount
6 budgeted that is above the BASE budget and within the general fund budget limits established in 20-9-308 and
7 calculated as provided in 20-9-141.

8 (11) "Total American Indian achievement gap payment" means the payment resulting from
9 multiplying ~~\$235 for fiscal year 2024 and \$242~~ \$249 for fiscal year 2026 and \$256 for each succeeding fiscal
10 year times the number of American Indian students enrolled in the district as provided in 20-9-330.

11 (12) "Total at-risk student payment" means the payment resulting from the distribution of any funds
12 appropriated for the purposes of 20-9-328.

13 (13) "Total data-for-achievement payment" means the payment provided in 20-9-325 resulting from
14 multiplying ~~\$22.89 for fiscal year 2024 and \$23.58~~ \$24.29 for fiscal year 2026 and \$25.02 for each succeeding
15 fiscal year by the district's ANB calculated in accordance with 20-9-311.

16 (14) "Total Indian education for all payment" means the payment resulting from multiplying ~~\$23.94~~
17 ~~for fiscal year 2024 and \$24.63~~ \$25.37 for fiscal year 2026 and \$26.13 for each succeeding fiscal year times
18 the ANB of the district or \$100 for each district, whichever is greater, as provided for in 20-9-329.

19 (15) "Total per-ANB entitlement" means the district entitlement resulting from the following
20 calculations and using either the current year ANB or the 3-year ANB provided for in 20-9-311:

21 (a) for a high school district or a K-12 district high school program, a maximum rate of ~~\$7,840 for~~
22 ~~fiscal year 2024 and \$8,075~~ \$8,317 for fiscal year 2026 and \$8,567 for each succeeding fiscal year for the first
23 ANB, decreased at the rate of 50 cents per ANB for each additional ANB of the district up through 800 ANB,
24 with each ANB in excess of 800 receiving the same amount of entitlement as the 800th ANB;

25 (b) for an elementary school district or a K-12 district elementary program without an approved and
26 accredited junior high school, 7th and 8th grade program, or middle school, a maximum rate of ~~\$6,123 for fiscal~~
27 ~~year 2024 and \$6,307~~ \$6,496 for fiscal year 2026 and \$6,691 for each succeeding fiscal year for the first ANB,
28 decreased at the rate of 20 cents per ANB for each additional ANB of the district up through 1,000 ANB, with

each ANB in excess of 1,000 receiving the same amount of entitlement as the 1,000th ANB; and

(c) for an elementary school district or a K-12 district elementary program with an approved and accredited junior high school, 7th and 8th grade program, or middle school, the sum of:

(i) a maximum rate of ~~\$6,123 for fiscal year 2024 and \$6,307~~ \$6,496 for fiscal year 2026 and \$6,691 for each succeeding fiscal year for the first ANB for kindergarten through grade 6, decreased at the rate of 20 cents per ANB for each additional ANB up through 1,000 ANB, with each ANB in excess of 1,000 receiving the same amount of entitlement as the 1,000th ANB; and

(ii) a maximum rate of ~~\$7,840 for fiscal year 2024 and \$8,075~~ \$8,317 for fiscal year 2026 and \$8,567 for each succeeding fiscal year for the first ANB for grades 7 and 8, decreased at the rate of 50 cents per ANB for each additional ANB for grades 7 and 8 up through 800 ANB, with each ANB in excess of 800 receiving the same amount of entitlement as the 800th ANB.

(16) "Total quality educator payment" means the payment resulting from multiplying ~~\$3,566 for fiscal year 2024 and \$3,673~~ \$3,783 for fiscal year 2026 and \$3,896 for each succeeding fiscal year by the sum of:

(a) the number of full-time equivalent educators as provided in 20-9-327; and

(b) as provided in 20-9-324, for a school district meeting the legislative goal for competitive base pay of teachers, the number of full-time equivalent teachers that were in the first 3 years of the teacher's teaching career in the previous year.

(17) "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~~ \$311.63 for fiscal year 2026 and \$320.98 for each succeeding fiscal year by the statewide current year ANB or the amount of the previous year's total special education allocation."

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 on or after July 1, 2025.

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