

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING REMITTANCES FOR THE MONTANA SPECIAL
5 NEEDS EQUAL OPPORTUNITY EDUCATION SAVINGS ACCOUNT TO ALLOW A SCHOOL DISTRICT TO
6 ELECT TO HAVE THE OFFICE OF PUBLIC INSTRUCTION PAY THE REMITTANCE AMOUNT IN THE
7 FIRST YEAR OF A STUDENT'S PARTICIPATION IN THE PROGRAM; AMENDING SECTION 20-7-1709,
8 MCA; AND PROVIDING AN EFFECTIVE DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11
12 **Section 1.** Section 20-7-1709, MCA, is amended to read:

13 **"20-7-1709. Montana special needs equal opportunity education savings account -- funding**
14 **and administration.** (1) Following receipt of a signed contract pursuant to 20-7-1705, the superintendent of
15 public instruction shall notify the resident school district of the qualifying student's participation in the program
16 and the amount calculated by dividing the student's ESA student amount by 10.

17 (2) (a) Beginning with the next distribution of BASE aid payments pursuant to 20-9-344 for the
18 months of August through May, the resident school district shall remit to the office of public instruction the
19 amount calculated in subsection (1) for each participating student by no later than the 10th of the month
20 following the BASE aid distribution.

21 (b) A school district may elect to have the office of public instruction provide the amount calculated
22 under subsection (1) in the first year of a student's participation in the program in the school district. In this
23 circumstance:

24 (i) the office of public instruction shall use money from the BASE aid appropriation and account for
25 the money as provided in subsection (4); and

26 (ii) in the first year in which the student is no longer participating in the program in the school
27 district, the office of public instruction shall reduce the school district's BASE aid payment by an amount
28 equivalent to the amount provided by the office of public instruction under this subsection (2)(b), increased by

1 the same inflationary adjustment provided by the legislature for the basic and per-ANB entitlement amounts
2 calculated as provided in 20-9-306 since the student's first year of participation in the program in the school
3 district.

4 (3) The money remitted under subsection (2):

5 (a) must be from the district's general fund;

6 (b) may not include revenue from the guarantee account described in 20-9-622; and

7 (c) must be accounted for under rules adopted by the superintendent of public instruction.

8 (4) The superintendent of public instruction shall account for the money remitted under subsection
9 (2) as follows:

10 (a) 95% of the money must be deposited in accounts within the special needs equal opportunity
11 education savings trust established in 20-7-1710 to be used only for reimbursing parents for the purchase of
12 allowable educational resources pursuant to 20-7-1704; and

13 (b) 5% of the money must be deposited in the office of public instruction special needs equal
14 opportunity ESA administration account established in subsection (7).

15 (5) The office of public instruction shall ensure that the participating student is included in the
16 resident school district's ANB calculation pursuant to 20-9-311 in any year that the student remains otherwise
17 eligible for inclusion and participates in the program. No other school district may count the student for ANB
18 purposes. The participating student is not considered to be enrolled in the resident school district.

19 (6) The office of public instruction shall administer the individual student accounts pursuant to
20 subsection (4)(a) so that:

21 (a) reimbursements are made promptly to parents for the purchase of allowable educational
22 resources for a participating student pursuant to 20-7-1704; and

23 (b) on a student's 24th birthday, the student's account is closed and any remaining funds in the
24 student's account are returned to the guarantee account described in 20-9-622.

25 (7) (a) There is an office of public instruction special needs equal opportunity ESA administration
26 account within the state special revenue fund created in 17-2-102 consisting of 5% of the money remitted to the
27 office of public instruction pursuant to subsection (2).

28 (b) Funds in the office of public instruction special needs equal opportunity ESA administration

1 account are statutorily appropriated, as provided in 17-7-502, to the office of public instruction and must be
2 used for the costs of administering the program."

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

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