

HOUSE BILL NO. 563

INTRODUCED BY K. KELKER

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A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE MONTANA PRESCHOOL GRANT PROGRAM; PROVIDING DEFINITIONS AND ELIGIBILITY FOR THE PROGRAM; CREATING THE BRIGHT START FOR MONTANA KIDS BOARD TO ADMINISTER THE PROGRAM; PROVIDING REQUIREMENTS FOR GRANT ELIGIBILITY AND REPORTING; AMENDING THE DEFINITION OF "ELIGIBLE TRANSPORTEE" TO INCLUDE PRESCHOOL PUPILS; PROVIDING AN APPROPRIATION; AMENDING SECTION 20-10-101, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

NEW SECTION. **Section 1. Purpose.** The purpose of [sections 1 through 5] is to expand high-quality preschool options available to 4-year-old children throughout Montana.

NEW SECTION. **Section 2. Definitions.** As used in [sections 1 through 5], the following definitions apply:

- (1) "Board" means the bright start for Montana kids board established in [section 3].
- (2) "Eligible provider" means a preschool provider that meets the preschool education standards adopted by the board of public education, including licensure, endorsement, assignment and other requirements for teacher qualifications, and is:
  - (a) an elementary school district as defined in 20-6-101;
  - (b) a head start program; or
  - (c) a nonsectarian private provider with a current quality rating of at least three stars in the quality rating improvement system administered by the department of public health and human services.
- (3) "Lead applicant" means an elementary school district as defined in 20-6-101.
- (4) (a) "Preschool pupil" means a child:
  - (i) who has reached 4 years of age by September 10 of the school year;
  - (ii) whose family income is at or below 200% of the federal poverty level; and
  - (iii) who is enrolled in a Montana preschool program funded by a grant awarded under the provisions of

1 this part that offers at least 360 hours of aggregate instruction over the course of a school fiscal year.

2 (b) For the purposes of this title, any reference to the term "pupil" must be construed to include a  
3 preschool pupil as defined in this section unless a contrary intention clearly appears.

4 (5) "Program" means the Montana preschool grant program established in [section 4].

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6 **NEW SECTION. Section 3. Bright start for Montana kids board.** (1) There is a bright start for  
7 Montana kids board allocated to the office of public instruction for administrative purposes only, as provided in  
8 2-15-121.

9 (2) The board consists of five members:

10 (a) the superintendent of public instruction or the superintendent's designee;

11 (b) the director of the department of public health and human services or the director's designee; and

12 (c) three at-large members, appointed by the governor, who are involved in Montana's early childhood  
13 education system.

14 (3) The at-large members shall serve staggered 3-year terms commencing on May 1 of each year of  
15 appointment.

16 (4) The board shall select a presiding officer from among its members.

17 (5) Each member of the board is entitled to reimbursement for expenses as provided in 2-18-501 through  
18 2-18-503.

19 (6) The board may accept contributions, gifts, and grants, in money or otherwise, for use in making  
20 grants authorized in [section 4].

21 (7) The costs incurred by the board in administering the preschool grant program must be kept to a  
22 minimum and must use existing office space, personnel, equipment, and supplies of the office of public instruction  
23 to the extent possible.

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25 **NEW SECTION. Section 4. Montana preschool grant program -- administration.** (1) There is a  
26 Montana preschool grant program administered by the board. The board may adopt policies and procedures  
27 necessary to administer the program, including:

28 (a) the form of the application for a grant;

29 (b) procedures for submitting an application for a grant, including documentation of eligibility required  
30 by this part to be submitted by a lead applicant; and

1 (c) reporting requirements as needed to allow the board to fulfill its obligations under [section 5] while  
2 maintaining the privacy of preschool pupils and their families and otherwise ensuring school districts' and the  
3 board's compliance with the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. 1232g, as amended.

4 (2) Lead applicants may provide preschool services and contract with other eligible providers in the  
5 community to provide preschool services.

6 (3) Upon proper application and subject to the contingent necessity of proration under subsection (6),  
7 lead applicants complying with the definition of "eligible provider" shall receive an annual grant of \$3,000 for each  
8 preschool pupil enrolled in the lead applicant's or a contracted eligible provider's preschool programs.

9 (4) Grants under the program must be deposited into a subfund of the lead applicant's miscellaneous  
10 programs fund established by 20-9-507 and may be used only for the grant-eligible preschool program expenses  
11 of the preschool pupils for whom the grant was received. The expenditure of the money must be reported in the  
12 annual trustees' report as required by 20-9-213.

13 (5) The board shall prescribe the form for applications to participate in the preschool program as  
14 provided in [sections 1 through 5].

15 (6) The board may equally prorate the amount of the grants if the appropriation provided for the program  
16 is not sufficient to provide full funding of the grants of all lead applicants that have submitted a proper application  
17 for a grant under the provisions of this part.

18 (7) The board shall coordinate with other state agencies in support of the preschool grant program  
19 described in [sections 1 through 5].

20 (8) Grants under the program must be distributed no later than August 15 of each year to lead applicants  
21 that submit a proper application for a grant no later than April 1 immediately preceding the school fiscal year to  
22 which the grant applies, except that for the school year beginning July 1, 2017, lead applicants may submit a  
23 grant application by no later than June 15, 2017. The application for a grant must, at a minimum, include:

24 (a) the total number of preschool pupils who have enrolled in the lead applicant's preschool program for  
25 the fiscal year to which the application applies; and

26 (b) a commitment of the lead applicant and any other eligible provider with whom the lead applicant  
27 intends to contract for operation of its program to comply with the conditions of the grant as specified in this part.

28 (9) Actual enrollment of preschool pupils in a lead applicant's preschool program must be computed by  
29 adding a count of regularly enrolled preschool pupils enrolled as of the first Monday in October of the school fiscal  
30 year to a count of regularly enrolled preschool pupils enrolled as of the first Monday in February of the school

1 fiscal year, or the next school day if those dates do not fall on a school day, and dividing the sum by two.

2 (10) If the total number of preschool pupils identified in the lead applicant's application for a grant is  
 3 greater than the actual enrollment, the board shall reduce the amount of the grant to match the actual enrollment  
 4 and the lead applicant shall return any excess funds to the board. Contingent on the availability of funds after  
 5 distribution of grants to lead applicants who have submitted a proper application for a grant, the board may also  
 6 provide prorated increases in a lead applicant's grant during a fiscal year for preschool pupils who enroll after the  
 7 beginning of a school fiscal year. The prorated amount of the grant must be based on the portion of 360 hours  
 8 of aggregate instruction left in the school fiscal year at the time of the preschool pupil's enrollment.

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10 **NEW SECTION. Section 5. Reporting requirements.** On or before January 1 of odd numbered years,  
 11 the board shall report to the governor and the legislature on the preschool grant program. The board's report must  
 12 include:

- 13 (1) the number of preschool pupils served by the program, including the number of preschool pupils:  
 14 (a) whose family incomes are at or below 100% of the federal poverty guidelines;  
 15 (b) whose family incomes are between 100% and 200% of the federal poverty guidelines; and  
 16 (c) who have an individualized education plan under the Individuals With Disabilities Education Act, 20  
 17 U.S.C. 1400, et seq.;
- 18 (2) the effectiveness of the program, including student progress and outcomes; and  
 19 (3) improvements that have been made to the administration and evaluation of the program to improve  
 20 its effectiveness.

21

22 **Section 6.** Section 20-10-101, MCA, is amended to read:

23 **"20-10-101. Definitions.** As used in this title, unless the context clearly indicates otherwise, the following  
 24 definitions apply:

25 (1) "Bus route" means a route approved by the board of trustees of a school district and by the county  
 26 transportation committee.

27 (2) "Eligible transportee" means a public school pupil who:

28 (a) is 5 years of age or older and has not reached the age of 21 on or before September 10 of the current  
 29 school year;

30 (b) is a:

- 1            (i) preschool pupil as defined in [section 2];
- 2            (ii) child enrolled in a free preschool program under 20-7-117; or who
- 3            (iii) is a preschool child with a disability between the ages of 3 and 6;
- 4            ~~(b)~~(c) is a resident of the state of Montana;
- 5            ~~(e)~~(d) regardless of district and county boundaries:
- 6            (i) resides at least 3 miles, over the shortest practical route, from the nearest operating public elementary
- 7 school or public high school, whichever the case may be; or
- 8            (ii) has transportation identified as a related service in an individualized education program as developed
- 9 and implemented in accordance with the Individuals With Disabilities Education Act, 20 U.S.C. 1400, et seq.; and
- 10           ~~(d)~~(e) is considered to reside with a parent or guardian who maintains legal residence within the
- 11 boundaries of the district furnishing the transportation regardless of where the eligible transportee actually lives
- 12 when attending school.
- 13           (3) "Passenger seating position" means, as defined in 49 CFR 571.222, the space on a school bus
- 14 allocated for one passenger.
- 15           (4) (a) "School bus" means, except as provided in subsection (4)(b), any motor vehicle that:
- 16           (i) complies with the bus standards established by the board of public education as verified by the
- 17 department of justice's semiannual inspection of school buses and the superintendent of public instruction; and
- 18           (ii) is owned by a district or other public agency and operated for the transportation of pupils to or from
- 19 school or owned by a carrier under contract with a district or public agency to provide transportation of pupils to
- 20 or from school.
- 21           (b) ~~A school bus~~ The term does not include a vehicle that is:
- 22           (i) privately owned and not operated for compensation under this title;
- 23           (ii) privately owned and operated for reimbursement under 20-10-142;
- 24           (iii) either district-owned or privately owned, designed to carry not more than nine passengers, and used
- 25 to transport pupils to or from activity events or to transport pupils to their homes in case of illness or other
- 26 emergency situations; or
- 27           (iv) an over-the-road passenger coach used only to transport pupils to activity events.
- 28           (5) "Transportation" means:
- 29           (a) a district's conveyance of a pupil by a school bus between the pupil's legal residence or an officially
- 30 designated bus stop and the school designated by the trustees for the pupil's attendance; or

1 (b) "individual transportation" by which a district is relieved of actually conveying a pupil. Individual  
2 transportation may include paying the parent or guardian for conveying the pupil, reimbursing the parent or  
3 guardian for the pupil's board and room, or providing supervised correspondence study or supervised home  
4 study.

5 (6) "Transportation service area" means the geographic area of responsibility for school bus  
6 transportation for each district that operates a school bus transportation program."

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8 **NEW SECTION. Section 7. Appropriation.** There is appropriated \$12 million from the general fund  
9 to the office of public instruction for the biennium beginning July 1, 2017, for the purposes of the preschool grant  
10 program under [sections 1 through 5]. The legislature intends that the appropriation be considered as part of the  
11 ongoing base for the next legislative session.

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13 **NEW SECTION. Section 8. Codification instruction.** [Sections 1 through 5] are intended to be codified  
14 as an integral part of Title 20, chapter 7, and the provisions of Title 20, chapter 7, apply to [sections 1 through 5].  
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16 **NEW SECTION. Section 9. Effective date -- applicability.** [This act] is effective on passage and  
17 approval, and grants under the program may be made for school years beginning on or after July 1, 2017.

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