

HOUSE BILL NO. 127

INTRODUCED BY G. CUSTER

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE DISTRIBUTION SCHEDULE FOR BASE AID; AMENDING SECTION 20-9-344, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 20-9-344, MCA, is amended to read:

"20-9-344. Duties of board of public education for distribution of BASE aid. (1) The board of public education shall administer and distribute the BASE aid and state advances for county equalization in the manner and with the powers and duties provided by law. The board of public education:

(a) shall adopt policies for regulating the distribution of BASE aid and state advances for county equalization in accordance with the provisions of law;

(b) may require reports from the county superintendents, county treasurers, and trustees that it considers necessary; and

(c) shall order the superintendent of public instruction to distribute the BASE aid on the basis of each district's annual entitlement to the aid as established by the superintendent of public instruction. In ordering the distribution of BASE aid, the board of public education may not increase or decrease the BASE aid distribution to any district on account of any difference that may occur during the school fiscal year between budgeted and actual receipts from any other source of school revenue.

(2) The board of public education may order the superintendent of public instruction to withhold distribution of BASE aid from a district when the district fails to:

(a) submit reports or budgets as required by law or rules adopted by the board of public education; or

(b) maintain accredited status because of failure to meet the board of public education's assurance and performance standards.

(3) Prior to any proposed order by the board of public education to withhold distribution of BASE aid or county equalization money, the district is entitled to a contested case hearing before the board of public education, as provided under the Montana Administrative Procedure Act.

(4) If a district or county receives more BASE aid than it is entitled to, the county treasurer shall return



1 the overpayment to the state upon the request of the superintendent of public instruction in the manner prescribed
2 by the superintendent of public instruction.

3 (5) Except as provided in 20-9-347(2), the BASE aid payment must be distributed according to the
4 following schedule:

5 (a) from August to ~~October~~ November of the school fiscal year, to each district 10% of:

6 (i) direct state aid;

7 (ii) the total quality educator payment;

8 (iii) the total at-risk student payment;

9 (iv) the total Indian education for all payment;

10 (v) the total American Indian achievement gap payment; and

11 (vi) the total data-for-achievement payment;

12 (b) from ~~December~~ January to April of the school fiscal year, to each district 10% of:

13 (i) direct state aid;

14 (ii) the total quality educator payment;

15 (iii) the total at-risk student payment;

16 (iv) the total Indian education for all payment;

17 (v) the total American Indian achievement gap payment; and

18 (vi) the total data-for-achievement payment;

19 (c) in ~~November~~ December of the school fiscal year, one-half of the guaranteed tax base aid payment
20 to each district or county that has submitted a final budget to the superintendent of public instruction in
21 accordance with the provisions of 20-9-134;

22 (d) in May of the school fiscal year, the remainder of the guaranteed tax base aid payment to each district
23 or county; and

24 (e) in June of the school fiscal year, the remaining payment to each district of direct state aid, the total
25 quality educator payment, the total at-risk student payment, the total Indian education for all payment, the total
26 American Indian achievement gap payment, and the total data-for-achievement payment.

27 (6) The distribution provided for in subsection (5) must occur by the last working day of each month."
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29 **NEW SECTION. Section 2. Effective date.** [This act] is effective July 1, 2019.

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