HOUSE BILL NO. 442

INTRODUCED BY E. STAFMAN, C. KEOGH, J. HAMILTON, T. RUNNING WOLF, M. CAFERRO, M. THANE,
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A BILL FOR AN ACT ENTITLED: “AN ACT REVISIGN LAWS RELATED TO TAX CREDIT SCHOLARSHIPS
TO INCREASE THE ACCOUNTABILITY OF QUALIFIED EDUCATION PROVIDERS RECEIVING TAX-
BENEFITED SCHOLARSHIPS; REQUIRING THAT QUALIFIED EDUCATION PROVIDERS ADMINISTER
ASSESSMENTS AND MAKE THE RESULTS PUBLICLY AVAILABLE; AMENDING SECTION 15-30-3102,
MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.”

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

Section 1. Section 15-30-3102, MCA, is amended to read:

“15-30-3102. (Temporary) Definitions. As used in this part, the following definitions apply:
(1) "Department" means the department of revenue provided for in 2-15-1301.
(2) "Donation" means a gift of cash.
(3) "Eligible student" means a student who is a Montana resident and who is 5 years of age or
older on or before September 10 of the year of attendance and has not yet reached 19 years of age.
(4) "Innovative educational program" includes any of the following:
(a) transformational learning as defined in 20-7-1602;
(b) advanced opportunity as defined in 20-7-1503;
(c) any program, service, instructional methodology, or adaptive equipment used to expand
opportunity for a child with a disability as defined in 20-7-401;
(d) any courses provided through work-based learning partnerships or for postsecondary credit or
career certification; and
(e) technology enhancements, including but not limited to any expenditure incurred for purposes
specified in 20-9-533.
(5) "Partnership" has the meaning provided in 15-30-2101.
"Pass-through entity" has the meaning provided in 15-30-2101.

"Qualified education provider" means an education provider that:

(a) is not a public school;

(b) (i) is accredited, has applied for accreditation, or is provisionally accredited by a state, regional, or national accreditation organization; or

(ii) is a nonaccredited provider or tutor and has informed the child's parents or legal guardian in writing at the time of enrollment that the provider is not accredited and is not seeking accreditation;

(c) is not a home school as referred to in 20-5-102(2)(e);

(d) satisfies the health and safety requirements prescribed by law for private schools in this state; and

(e) administers a nationally recognized standardized assessment test or criterion-referenced test and:

(i) makes the results available to the child's parents or legal guardian; and

(ii) administers the test for all 8th grade and 11th grade students and provides the overall scores on a publicly accessible private website or provides the composite results of the test to the office of public instruction for posting on the office of public instruction's website; and

(f) qualifies for an exemption from compulsory enrollment under 20-5-102(2)(e) and 20-5-109.

"Small business corporation" has the meaning provided in 15-30-3301.

"Student scholarship organization" means a charitable organization in this state that:

(a) is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. 501(c)(3);

(b) allocates not less than 90% of its annual revenue from donations eligible for the tax credit under 15-30-3111 for scholarships to allow students to enroll with any qualified education provider; and

(c) provides educational scholarships to eligible students without limiting student access to only one education provider.

"Taxpayer" has the meaning provided in 15-30-2101. (Terminates December 31, 2029--secs. 20 and 24(6), Ch. 480, L. 2021.)
NEW SECTION. Section 2. Effective date. [This act] is effective July 1, 2023.

NEW SECTION. Section 3. Termination. [Section 1] terminates December 31, 2029.

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