



GUIDANCE FOR HB 206

Revising Tuition for Out-of-District Placement

1. Introduction

[HB 206 \(2021\)](#) made significant changes to the way tuition rates are *calculated* for all students, how tuition is *paid* for students placed in foster or group homes outside their district of residence, and the *timing* for submission of tuition claims.

HB 206 (2021) has not yet been codified. Montana Legislative Services is working on codifying all the bills passed by the 2021 Legislature. You may search for any bill introduced in the 2021 session [here](#).

2. Effective Date

The effective Date is July 1, 2021.

3. Public School Applicability

HB 206 applies to all K-12 public schools.

4. Tuition Per-ANB Calculation

Regular education rates were previously calculated at 20% of the maximum ANB for the grade of the student and accreditation of the school. Under HB 206 the calculation of tuition is a multi-step process.

The sum of the maximum ANB rate plus the payments for Data for Achievement, Indian Education for All, Instructional Block Grant, and Related Services Block Grant equals the Tuition Per-ANB amount.

The rates for FY's 2021 and 2022 are as follows:

FISCAL YEAR 2021

Grade and Accreditation	Max ANB	Data for Achievement	Indian Education for All	Instructional Block Grant	Related Services Block Grant	Tuition Per-ANB Amount

K-6, non-accredited 7-8	\$5,727.00	\$21.41	\$22.36	\$152.88	\$50.96	\$5,974.61
Accredited 7-8	\$7,333.00	\$21.41	\$22.36	\$152.88	\$50.96	\$7,580.61
9-12	\$7,333.00	\$21.41	\$22.36	\$152.88	\$50.96	\$7,580.61
PK/KH	<i>One-half of the K-6, non-accredited 7-8 rate</i>					\$2,987.31

FISCAL YEAR 2022

Grade and Accreditation	Max ANB	Data for Achievement	Indian Education for All	Instructional Block Grant	Related Services Block Grant	Tuition Per-ANB Amount
K-6, non-accredited 7-8	\$5,813.00	\$21.73	\$22.70	\$156.45	\$52.15	\$6,066.03
Accredited 7-8	\$7,443.00	\$21.73	\$22.70	\$156.45	\$52.15	\$7,696.03
9-12	\$7,443.00	\$21.73	\$22.70	\$156.45	\$52.15	\$7,696.03
PK/KH	<i>One-half of the K-6, non-accredited 7-8 rate</i>					\$3,033.02

5. Tuition Payment

5.1 Parents and Districts for Placement of Non-Resident Students

The tuition rate paid by parents and districts for placement of non-resident students is calculated at 20% of the tuition per-ANB amount. *See* Mont. Code Ann. §20-5-320 and §20-5-321(1)(a-c).

5.2 Foster and Group Home Tuition

The resident district and the state now have a shared responsibility for paying tuition for students placed in foster or group homes outside of the resident district. The resident district is obligated to pay 40% of the Tuition Per-ANB Amount.

5.3 Special Education and Specialized School District Programs

The state is responsible for payment of special education costs and for costs for students in specialized school district programs.

5.4 Funding

Districts may permissively levy in their tuition fund (provided they notice an intent to increase a non-voted levy in accordance with Mont. Code Ann. §20-19-116), the general fund, or another legally available fund.

6. Residency

A child's district of residence is determined in accordance with Mont. Code Ann. §1-1-215. The residence of an unmarried minor is:

- The residence of the minor's parents;
- If one of the parents is deceased or the parents do not share the same residence, the residence of the parent having legal custody;
- If there is a dispute over which parent determines the child's residence, the address of the parent with primary residential custody as determined by the court is the child's residence;
- If there is no court order and no custody arrangement has been made, the resident district is where the student was residing before being placed in foster care, a group home, a hospital, or residential facility.
- The district of residence for a child following the termination of parental rights is the physical location of the district court that ordered the termination in accordance with 40 Opinion Attorney General No. 69 at 277 (1984).
- If parental rights have not been terminated and no information can be found regarding the address of parent/guardian, the district of residence is determined by the physical location of the placing agency.

7. Tuition Timing

7.1 Tuition Claims to OPI

Non-resident school districts must submit tuition claims for foster and group home students to the OPI not later than June 30 following the year of attendance. For example, tuition claims for the 20-21 school year must be received by June 30, 2021.

7.2 Tuition claims to Resident School District

Non-resident school district must submit tuition claims for foster and group home students to the resident school district not later than August 15th following the year of attendance. For example, tuition claims for the 20-21 school year must be received by August 15, 2021. This allows the resident district to include the tuition claims in their ensuing year's budget.

7.3 Payment of School Claims

The district of residence must pay the half of the claim by December 31 and the second half by June 15 in the year following attendance. For example, claims for the 20-21 school year, must be paid by December 31, 2021, and June 15, 2022.

7.4 MAEFAIRS Reports

Districts may run a report from MAEFAIRS to view any tuition claims for which they are assigned as resident district at any time during the school year (MAEFAIRS/Views/Tuition/Foster and Group Home Resident District). This report does not replace any bill submitted to the district of residence by the district of attendance.