

# Transformational Learning Program

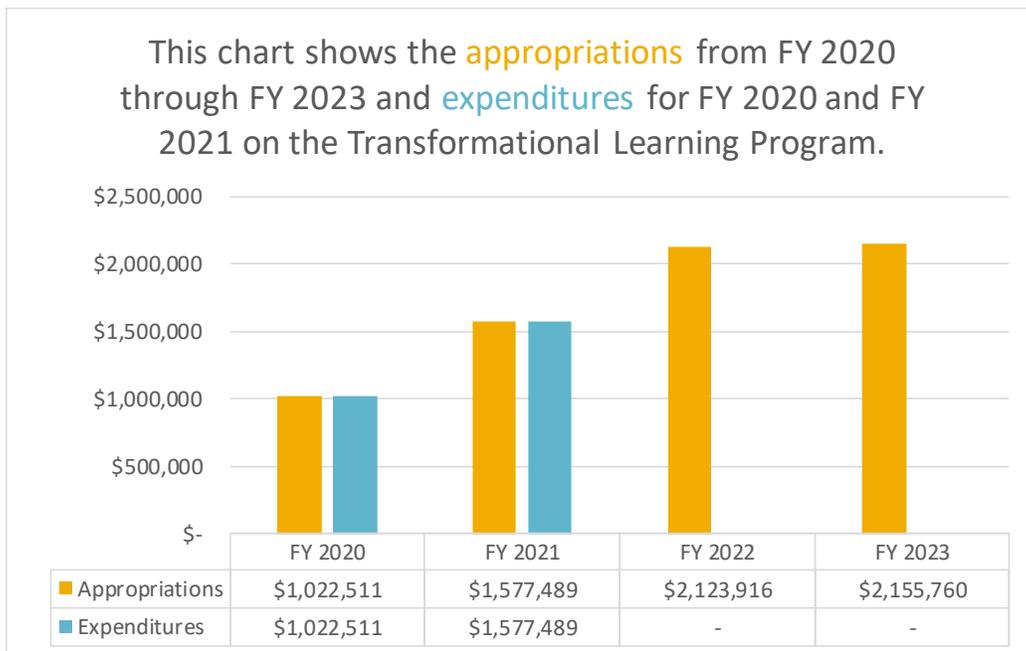
## BACKGROUND

The 2019 Legislature passed and approved HB 351, in which the legislature maintains that several forms of personalized learning are appropriate means to develop the full educational potential of each person. The Office of Public Instruction administers this noncompetitive grant program and has identified several options for school districts to implement transformational learning programs, which include:

- Digital curriculum
- Personalized pacing
- One-on-one professional development coaching
- Project-based learning
- Performance-based assessment

## APPROPRIATIONS AND EXPENDITURES

The following chart shows the appropriations and actual expenditures on the Transformational Learning Program in FY 2020 and FY 2021 as well as the appropriations for the 2023 biennium.



## APPLICABLE STATUTES

This section provides the statutes that are applicable for the Transformational Learning Program. These statutes were amended, as shown below, by the 2021 Legislature. This includes:

- HB 246 (Rep. Bertoglio), which added language to emphasize personalized learning and removed the termination date
- HB 89 (Rep. McKamey), which replaced the first-come, first-served qualification process with a lottery and removed language pertaining to FY 2020 and FY 2021
- SB 57 (Sen. Pomnichowski), which revised reporting requirements

**20-7-1601. ~~(Temporary) Transformational Forms of personalized learning~~ — legislative intent.** The legislature finds and declares pursuant to Article X, section 1, of the 1972 Montana constitution that forms of personalized learning authorized under Montana law, including but not limited to work-based learning pursuant to [section 8], proficiency under 20-9-311, determinations of course equivalency by an elected board of trustees under 20-3-324(18), offsite instruction under 20-7-118, and transformational learning ~~is an~~ are appropriate means of fulfilling the people's goal of developing the full educational potential of each person. The provision of and participation in transformational forms of personalized learning under this part and in compliance with accreditation standards of the board of public education is are constitutionally compliant and protected. The legislature declares that any public or private regulation that discriminates against a district or pupil participating in transformational learning forms of personalized learning referenced in this section is inconsistent with constitutional goals and guarantees under Article X of the Montana constitution. ~~(Terminates June 30, 2027—sec. 7, Ch. 402, L. 2019.)~~

**20-7-1602. (Temporary) Incentives for creation of transformational learning programs.** (1) (a) A school district as defined in 20-6-101 that satisfies the conditions of subsection (2) and is qualified by the board of public education pursuant to subsection ~~(3)~~ (4) is eligible for a 4-consecutive-year provision of the transitional funding and flexibilities in subsections ~~(4) and (5) and (6)~~.

(b) A school district may be qualified by the board of public education for no more than one 4-consecutive-year provision of transitional funding and flexibilities in any 8-year period.

(2) To qualify for the transitional funding and flexibilities in subsections (4) and (5), the board of trustees of a district shall submit an application that has been approved by motion of the board of trustees and signed by the presiding officer to the board of public education for approval of a transformational learning program on a form provided by the superintendent of public instruction. The school board's application must:

(a) identify the number of full-time equivalent educators meeting the criteria of 20-9-327(3) who will participate in the district's transformational learning program, with full-time equivalence calculated and reported by the district based on the planned portion of each qualifying educator's full-time equivalent assignment that is dedicated to the district's transformational learning program;

(b) include the district's definition of proficiency within the meaning of that term as used in 20-9-311(4)(d). The definition must not require seat time as a condition or other element of determining proficiency. The definition must be incorporated in the district's policies and must be used for purposes of determining content and course mastery and other progress, promotion from grade to grade, grades, and graduation for pupils enrolled in the district's transformational learning program.

(c) include a strategic plan with appropriate planning horizons for implementation, measurable objectives to ensure accountability, and planned strategies to:

(i) develop a transformational learning plan for each participating pupil that honors individual interests, passions, strengths, needs, and culture and that is rooted in relationships with teachers, family, peers, and community members;

(ii) embed community-based, experiential, online, and work-based learning opportunities and foster a learning environment that incorporates both face-to-face and virtual connections;

(iii) provide effective professional development to assist employees in transitioning to a transformational learning model; and

(iv) ensure equality of educational opportunity to participate by all pupils of the district.

(3) ~~On an annual basis, the~~ The board of public education shall:

~~(a)~~ establish by rule the opening and closing dates for receipt of applications and annual reports;

~~(b)~~ (4) The board of public education shall:

(a) on an annual basis, qualify districts that submit an application meeting the requirements of subsection (2) for the funding in subsection ~~(4)~~ (5) and the flexibilities in subsection ~~(5)~~ (6) until the annual appropriation is exhausted, after which further applications, including first-time applications and annual reports requesting an expansion of a previously approved plan, are to be deferred for consideration in a subsequent year, in the order of ~~date received~~ a lottery system draw, if and when additional funds become available for distribution; The lottery system shall assign every first-time application or request for expansion of a previously approved plan a number that will be placed into a lottery system draw that will be done by a third party. The applications will be assigned a position in the order in which the numbers are drawn. The drawing will continue until all districts are on the qualification list for the current year funding or deferred for consideration in a subsequent year.

~~(c)~~ (b) require each participating school district to submit an annual report demonstrating continued qualification for funding under this section and including a report of progress toward measurable objectives under the school district's transformational learning plan. The school district shall include any decrease or requested increase in the number of participating full-time equivalent educators under subsection (2)(a) for adjustments to its funding. Any increase in funding based on requested increased levels of participation under subsection (2)(a) must be determined in the order of date in the year in which the request for a funding increase is received and augmented with a lottery system among all first-time applications and annual reports requesting an expansion of a previously approved plan and must be contingent on the availability of funds within any appropriation of the legislature. An application deferred for consideration in a subsequent year due to lack of funding must be annually updated each year after more than 1 full fiscal year has passed from the date of original submission of the application in order for the application to retain its priority by original date received.

~~(d) on or before September 15 of even-numbered years, (c) report in accordance with 5-11-210 to the education interim committee on the progress made by districts as submitted in the annual report and strategic plan operating under approved and funded transformational learning plans.~~

~~(4) (5) (a) Except as provided in subsection ~~(4)~~(d), for~~ For a period of 4 consecutive fiscal years following the fiscal year in which a district is qualified by the board of public education and contingent on continued compliance with annual reporting requirements under subsection ~~(3)~~ (4), the superintendent of public instruction shall provide a transformational learning aid payment to the district equivalent to 50% of the quality educator payment defined in 20-9-306 from the immediate prior fiscal

year multiplied by the number of the district's full-time equivalent educators reported under subsection (2)(a) of this section.

(b) The payment under this subsection ~~(4)~~ (5) must be distributed directly to the school district's flexibility fund established under 20-9-543 ~~no later than June 30 of fiscal year 2020 and~~ by October 1 of each year ~~beginning fiscal year 2021~~ of funding by the superintendent of public instruction. The money must be expended by the district only for the purposes set forth in the district's approved transformational learning program.

(c) ~~For fiscal years 2020 and 2021, a~~ A school district may not receive more than 25% of the total amount of payments made under this subsection (5).

~~(d) Applications qualified by the board of public education in fiscal year 2020 must be funded beginning in fiscal year 2020.~~

~~(5)~~ (6) During each year that a school district remains qualified for funding under subsection ~~(4)~~ (5), the district's trustees may:

(a) if the obligations of transparency set forth in 20-9-116 are met, levy an annual permissive property tax not to exceed 100% of any funds distributed to the district under subsection ~~(4)~~ (5). Proceeds of the levy must be deposited in the district's flexibility fund established under 20-9-543 and must be expended by the district only for the purposes of the district's approved transformational learning plan.

(b) transfer state or local revenue from any budgeted or nonbudgeted fund, other than the debt service fund or retirement fund, to the district's flexibility fund.

~~(6)~~ (7) (a) Any funds transferred pursuant to subsection ~~(5)(b)~~ (6)(b) may be expended by the district solely for the purposes of implementing the district's approved transformational learning plan. Any transfers of funds are not considered expenditures to be applied against budget authority.

(b) Any transfers that are not expended for the purposes of implementing the district's approved transformational learning plan within 2 full school fiscal years after the funds are transferred must be transferred back to the originating fund from which the revenue was transferred.

(c) The intent of subsection ~~(5)(b)~~ (6)(b) and this subsection ~~(6)~~ (7) is to increase the flexibility and efficiency of school districts without an increase in local taxes. In furtherance of this intent, if transfers of funds are made from any school district fund supported by a nonvoted levy, the district may not increase its nonvoted levy for the purpose of restoring the amount of funds transferred.

~~(7)~~ (8) The present law base calculated for K-12 local assistance under Title 17, chapter 7, part 1, must include transformational learning aid as defined in subsection ~~(8)~~ (9).

~~(8)~~ (9) For the purposes of this title, the following definitions apply:

(a) "Transformational learning" means a flexible system of pupil-centered learning that is designed to develop the full educational potential of each pupil that:

- (i) is customized to address each pupil's strengths, needs, and interests;
- (ii) includes continued focus on each pupil's proficiency over content; and
- (iii) actively engages each pupil in determining what, how, when, and where each pupil learns.

(b) "Transformational learning aid" means 50% of the quality educator payment defined in 20-9-306 multiplied by:

~~(i) for fiscal year 2020, 5% of the statewide number of full-time equivalent educators from fiscal year 2019 calculated as provided in 20-9-327;~~

~~———— (ii) for fiscal year 2021, 7.5% of the statewide number of full-time equivalent educators from fiscal year 2020 calculated as provided in 20-9-327; and~~  
~~———— (iii) for fiscal year 2022 and subsequent fiscal years, 10% of the statewide number of full-time equivalent educators from the fiscal year immediately preceding the year to which distribution of transformational aid applies calculated as provided in 20-9-327. (Terminates June 30, 2027—sec. 7, Ch. 402, L. 2019.)~~