

HOUSE BILL NO. 387

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A BILL FOR AN ACT ENTITLED: "AN ACT CREATING THE MONTANA ADVANCED OPPORTUNITY ACT; PROVIDING DEFINITIONS; EXPANDING PERSONALIZED OPPORTUNITIES FOR STUDENTS TO ACCELERATE THEIR CAREER AND COLLEGE READINESS AND REDUCE OUT-OF-POCKET COSTS FOR FAMILIES; EMPOWERING STUDENTS TO ACTIVELY ENGAGE IN FORMING SUCCESSFUL POSTSECONDARY PATHWAYS; PROVIDING EXPANDED FLEXIBILITY AND ADVANCED OPPORTUNITY AID TO DISTRICTS IN SUPPORTING EACH STUDENT'S PATHWAY; AUTHORIZING DISTRICTS TO UTILIZE LIMITED FUNDING IN THE ADULT EDUCATION FUND TO SUPPORT ADVANCED OPPORTUNITIES; PROVIDING RULEMAKING AUTHORITY; PROVIDING AN APPROPRIATION; AMENDING SECTION 20-7-701, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. **Section 1. Short title.** [Sections 1 through 4] may be cited as the "Montana Advanced Opportunity Act".

NEW SECTION. **Section 2. Purpose -- intent.** (1) The purposes of [sections 1 through 4] are to:

- (a) expand personalized career and technical education opportunities for middle school and high school pupils;
- (b) reduce out-of-pocket costs for pupils and families in support of a pupil's postsecondary success;
- (c) empower pupils to actively engage in forming their postsecondary success path; and
- (d) provide expanded flexibility to districts in supporting each pupil's postsecondary success path to align with each pupil's individual interests, passions, strengths, needs, and culture.

(2) The legislature intends to fulfill the purposes under subsection (1) by authorizing elected boards of school districts to develop initiatives using advanced opportunity aid that makes a prudent long-term investment in Montana youth by providing state funding for advanced educational opportunities and individualized pathways

1 for career and postsecondary opportunities for pupils through career and technical education that allow pupils  
2 to accelerate and self-direct their learning.

3  
4 **NEW SECTION. Section 3. Definitions.** As used in [sections 1 through 4], the following definitions  
5 apply:

6 (1) "Advanced opportunity" means any course, exam, experiential, online, or other learning opportunity  
7 that is incorporated in a district's advanced opportunity plan and that is designed to advance each qualifying  
8 pupil's opportunity for postsecondary career and educational success.

9 (2) "Advanced opportunity aid" means, for fiscal years 2021 and beyond:

10 (a) for an elementary district, 3% of the district's total quality educator payment defined in 20-9-306 in the  
11 prior year;

12 (b) for a high school district, 20% of the district's total quality educator payment defined in 20-9-306 in  
13 the prior year; and

14 (c) for a K-12 district, 8.5% of the district's total quality educator payment defined in 20-9-306 in the prior  
15 year.

16 (3) "Advanced opportunity plan" means a plan adopted by a board of trustees of a district that provides  
17 advanced opportunities for the pupils of the district.

18 (4) "District" means a school district as defined in 20-6-101.

19 (5) "Qualifying pupil" means a pupil, as defined in 20-1-101, that is enrolled and admitted by a district  
20 qualified for advanced opportunity aid under [section 4(3)] who is in grades 6 through 12.

21  
22 **NEW SECTION. Section 4. Incentives for creation of advanced opportunity programs.** (1) A district  
23 that satisfies the conditions of subsection (2) and is qualified by the board of public education pursuant to  
24 subsection (3) is eligible for the funding and flexibilities in subsections (4) and (5).

25 (2) (a) To qualify for the funding and flexibilities in subsections (4) and (5), the board of trustees of a  
26 district shall submit an application that has been approved by motion of the board and signed by the presiding  
27 officer to the board of public education for approval of an advanced opportunity program on a form provided by  
28 the superintendent of public instruction.

29 (b) The school board's application must include a strategic plan with appropriate planning horizons for  
30 implementation, measurable objectives to ensure accountability, and planned strategies to:

- 1 (i) develop an advanced opportunity plan for each participating pupil from grades 6 through 12 that  
 2 fosters individualized pathways for career and postsecondary educational opportunities and that honors individual  
 3 interests, passions, strengths, needs, and culture and is supported through relationships among teachers, family,  
 4 peers, the business community, postsecondary education officials, and other community stakeholders;
- 5 (ii) embed community-based, experiential, online, and work-based learning opportunities and foster a  
 6 learning environment that incorporates both face-to-face and virtual connections; and
- 7 (iii) ensure equality of educational opportunity to participate by all qualifying pupils of the district.

8 (3) The board of public education shall:

9 (A) ESTABLISH BY RULE THE OPENING AND CLOSING DATES FOR RECEIPT OF APPLICATIONS AND ANNUAL  
 10 REPORTS;

11 ~~(a)~~(B) no later than January 31, qualify for the subsequent school year nonparticipating districts that  
 12 submit an application meeting the requirements of subsection (2) for the funding in subsection (4) and the  
 13 flexibilities in subsection (5);

14 ~~(b)~~(C) no later than January 31, requalify for the subsequent school year participating districts that submit  
 15 an annual report DEMONSTRATING CONTINUED QUALIFICATION FOR FUNDING UNDER THIS SECTION AND INCLUDING A  
 16 REPORT of progress toward measurable objectives under the district's advanced opportunity plan and any updates  
 17 to the plan;

18 ~~(c)~~(D) limit the districts qualified under subsections ~~(3)(a) and (3)(b)~~ (3)(B) AND (3)(C) based on the  
 19 appropriation available in the subsequent year and on the order of date received, after which further applications  
 20 are to be deferred for consideration in a subsequent year, in the order of date received; ~~and~~ AN APPLICATION  
 21 DEFERRED FOR CONSIDERATION IN A SUBSEQUENT YEAR DUE TO LACK OF FUNDING MUST BE ANNUALLY UPDATED EACH  
 22 YEAR AFTER MORE THAN 1 FULL FISCAL YEAR HAS PASSED FROM THE DATE OF ORIGINAL SUBMISSION OF THE APPLICATION  
 23 IN ORDER FOR THE APPLICATION TO RETAIN ITS PRIORITY BY ORIGINAL DATE RECEIVED.

24 ~~(d)~~(E) on or before September 15 of even-numbered years, report to the education interim committee  
 25 pursuant to 5-11-210 on the progress made by districts operating under approved advanced opportunity plans.

26 The report must address, at a minimum:

- 27 (i) the number of pupils benefiting from advanced opportunity aid;
- 28 (ii) the number and type of credits and certifications or credentials earned by pupils that have been paid  
 29 for by the program;
- 30 (iii) projected growth in the program and funding needs for the next biennium; and

1 (iv) any issues with the program reported by pupils, parents, districts, postsecondary institutions, or  
 2 examination administrators and how these issues are being addressed and whether the issues require legislative  
 3 action.

4 (4) Beginning in fiscal year 2021, the superintendent of public instruction shall provide advanced  
 5 opportunity aid to each district qualified by the board of public education under subsection (3) by October 1. The  
 6 aid under this section must be distributed directly to the school district's flexibility fund under 20-9-543.

7 (5) Advanced opportunity aid may be expended on any qualifying pupil by the district subject to the  
 8 following conditions:

9 (a) at least 60% of a district's annual distribution of advanced opportunity aid must be ~~annually expended~~  
 10 ~~and, if not spent, carried over to the next fiscal year~~ SPENT OR ENCUMBERED to address out-of-pocket costs that  
 11 would otherwise, in the absence of such expenditure, be assumed by a qualifying pupil or the pupil's family as  
 12 a result of participation in an advanced opportunity, ~~including but not limited to:~~ THE TRUSTEES HAVE FULL  
 13 DISCRETION TO ALLOCATE EXPENDITURES AMONG ALL PUPILS OF THE DISTRICT OR ANY SELECT GROUP OF PUPILS, USING  
 14 ANY REASONABLE METHOD THEY CONSIDER APPROPRIATE IN THEIR FULL DISCRETION TO MEET THE INDIVIDUAL NEEDS OF  
 15 EACH PUPIL WHO PURSUES AN ADVANCED OPPORTUNITY. THE TRUSTEES MAY CREATE FREE DISTRICT INITIATIVES OF THEIR  
 16 OWN THAT SATISFY THE CONDITIONS OF THIS SUBSECTION (5)(A). PERMISSIBLE EXPENDITURES INCLUDE:

17 (i) dual credit tuition at any institution under authority of the board of regents;

18 (ii) exam fees used for postsecondary advancement, placement, or credit, including but not limited to  
 19 exam fees associated with the ACT, SAT, CLEP, career advancement, international baccalaureate, and  
 20 advanced placement;

21 (iii) fees charged by and any out-of-pocket costs of any business providing work-based learning  
 22 opportunities to a qualifying pupil of the district, including the cost of workers' compensation insurance for  
 23 work-based learning opportunities;

24 (iv) exam and other fees of any industry-recognized credential or license for which a qualifying pupil is  
 25 eligible as a result of participation in an advanced opportunity; and

26 (v) the costs of participation for qualifying pupils that are identified as necessary, in the discretion of the  
 27 district and upon request of a qualifying pupil, to maximize the benefit of an advanced opportunity for a qualifying  
 28 pupil;

29 (b) advanced opportunity aid remaining that is not expended or carried forward for the purposes of  
 30 subsection (5)(a) may be spent by the district to provide any K-12 career and vocational/technical education

1 course offered by the district.

2 (6) A district qualified for funding under subsection (3) may supplement state funding of advanced  
3 opportunity aid with matched expenditures from its adopted adult education budget, not to exceed 25% of the  
4 district's advanced opportunity aid. The conditions under subsection (5) apply to any matched expenditures  
5 funded under this subsection (6).

6 (7) The present law base calculated for K-12 local assistance under Title 17, chapter 7, part 1, must  
7 include advanced opportunity aid as follows:

8 (a) for fiscal year 2022, an amount sufficient to provide advanced opportunity aid as defined in [section  
9 3] to:

10 (i) 50% of all elementary districts;

11 (ii) 50% of all high school districts; and

12 (iii) 50% of all K-12 districts;

13 (b) for fiscal year 2023, an amount sufficient to provide advanced opportunity aid as defined in [section  
14 3] to:

15 (i) 75% of all elementary districts;

16 (ii) 75% of all high school districts; and

17 (iii) 75% of all K-12 districts;

18 (c) for fiscal year 2024 and subsequent fiscal years, an amount sufficient to provide advanced opportunity  
19 aid as defined in [section 3] to:

20 (i) 100% of all elementary districts;

21 (ii) 100% of all high school districts; and

22 (iii) 100% of all K-12 districts.

23

24 **Section 5.** Section 20-7-701, MCA, is amended to read:

25 **"20-7-701. Definition of adult basic education and adult education.** As used in this title, unless the  
26 context clearly indicates otherwise, the following definitions apply:

27 (1) "Adult basic education" means instruction in basic skills, such as reading, writing, arithmetic, and  
28 other skills required to function in society, offered to persons 16 years of age or older who are not regularly  
29 enrolled, full-time pupils for the purposes of ANB computation. Adult basic education may include any subject  
30 normally offered in the basic curricula of an accredited elementary or secondary school in the state.

