

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 REVISING 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.

1 (6) "Pass-through entity" has the meaning provided in 15-30-2101.

2 (7) "Qualified education provider" means an education provider that:

3 (a) is not a public school;

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

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

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

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

10 ~~and~~

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

12 and:

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

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

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

18 (8) "Small business corporation" has the meaning provided in 15-30-3301.

19 (9) "Student scholarship organization" means a charitable organization in this state that:

20 (a) is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code,
21 26 U.S.C. 501(c)(3);

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

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

26 (10) "Taxpayer" has the meaning provided in 15-30-2101. (Terminates December 31, 2029--secs.
27 20 and 24(6), Ch. 480, L. 2021.)"

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