

Amendment - 1st Reading/2nd House-blue - Requested by: David Bedey - (S) Finance and Claims

- 2025

69th Legislature 2025

Drafter: Pad McCracken,

HB0864.002.001

HOUSE BILL NO. 864

INTRODUCED BY D. BEDEY, B. BARKER, L. JONES, M. NIKOLAKAKOS, E. TILLEMAN, K. WALSH

A BILL FOR AN ACT ENTITLED: "AN ACT IMPLEMENTING THE PROVISIONS OF HOUSE BILL NO. 2; EXPANDING USE OF THE SCHOOL FACILITY AND TECHNOLOGY ACCOUNT; REVISING DEFINITIONS; PROVIDING FOR TRANSFERS TO AND FROM THE COMMUNITY COLLEGE FTE ADJUSTMENT ACCOUNT; INCREASING THE RESIDENT NONBENEFICIARY STUDENT PAYMENT FOR TRIBAL COLLEGES; PROVIDING FOR A STUDY BY THE EDUCATION INTERIM BUDGET COMMITTEE OF INTERLIBRARY RESOURCE SHARING PROGRAMS AND THE STRUCTURE AND ORGANIZATION OF THE OFFICE OF PUBLIC INSTRUCTION; AMENDING SECTIONS 20-9-516, 20-15-310, 20-15-328, AND 20-25-428, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

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

Section 1. Section 20-9-516, MCA, is amended to read:

"20-9-516. School facility and technology account. (1) There is a school facility and technology account in the state special revenue fund provided for in 17-2-102. The purpose of the account is to provide, contingent on appropriation from the legislature, funding for the following in priority order:

- (a) school technology purposes, including but not limited to purposes as provided in 20-9-534; and
- (b) state debt service assistance as provided in 20-9-371.
- (2) There must be deposited in the account:
 - (a) an amount of money equal to the income attributable to the difference between the average sale value of 18 million board feet and the total income produced from the annual timber harvest on common school trust lands during the fiscal year; and
 - (b) the income received from certain lands and riverbeds as provided in 17-3-1003(5).
- (3) If in any fiscal year the amount of revenue in the school facility and technology account is sufficient to fund debt service assistance without a proration reduction pursuant to 20-9-346(2)(b) and if in that

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1 20-9-525; and

2 ~~(b)(d)~~ contingent on appropriation from the legislature, state debt service assistance as provided in
3 20-9-371.

4 (2) There must be deposited in the account:

5 (a) an amount of money equal to the income attributable to the difference between the average
6 sale value of 18 million board feet and the total income produced from the annual timber harvest on common
7 school trust lands during the fiscal year; and

8 (b) the income received from certain lands and riverbeds as provided in 17-3-1003(5);

9 (c) earnings from the school facilities fund within the coal severance tax trust fund as provided in
10 17-5-703; and

11 (d) if applicable, excess interest and income revenue as provided in 20-9-622.

12 (3) (a) The amount of \$1 million a year is statutorily appropriated, as provided in 17-7-502, from
13 the school facility and technology account established in this section for grants for school technology purposes.

14 (b) By the last working day in August, the superintendent of public instruction shall allocate a
15 portion of the \$1 million for school technology purposes to each district based on the ratio that each district's
16 BASE budget bears to the statewide BASE budget amount for all school districts for the purposes of 20-9-533.

17 ~~(3) If in any fiscal year the amount of revenue in the school facility and technology account is~~
18 ~~sufficient to fund debt service assistance without a proration reduction pursuant to 20-9-346 (2)(b) and if in that~~
19 ~~same fiscal year the amount of revenue available in the school major maintenance aid account established in~~
20 ~~20-9-525 will result in a proration reduction in school major maintenance aid pursuant to 20-9-525 (5) for that~~
21 ~~fiscal year, the state treasurer shall transfer any excess funds in the school facility and technology account to~~
22 ~~the school major maintenance aid account not to exceed the amount required to avoid a proration reduction."~~

23
24 COORDINATION SECTION. Section 10. Coordination instruction. If both House Bill No. 251 and
25 [this act] are passed and approved, then [section 2(6)(f) of House Bill No. 251], amending 20-6-805, must be
26 replaced with:

27 "(f) based on the information provided by the office of public instruction in subsection (5)(b), limit

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the estimated total additional state cost attributable to the basic entitlement in the third year of operations for public charter schools newly approved by the board to the amount specified by the legislature in the appropriations act for the purposes of this program; and"

COORDINATION SECTION. **Section 11. Coordination instruction.** If House Bill No. 251, House Bill No. 2, and [this act] are all passed and approved, then the following language must be added to House Bill No. 2 following the Office of Public Instruction appropriations:

"Pursuant to 20-6-805, in approving applications for public charter schools, the Board of Public Education shall ensure that the estimated total additional state cost attributable to the basic entitlement in the third year of operations for public charter schools newly approved by the board does not exceed \$1 million for newly approved public charter schools first eligible to open in school fiscal year 2027 and \$1 million for newly approved public charter schools first eligible to open in school fiscal year 2028."

NEW SECTION. **Section 12. Effective date.** [This act] is effective July 1, 2025.

NEW SECTION. **Section 13. Termination.** [Sections 5 and 6] terminate December 31, 2026.

- END -