



AN ACT REVISING THE QUALITY EDUCATOR LOAN ASSISTANCE PROGRAM; REMOVING THE REQUIREMENTS FOR A QUALIFYING EDUCATOR TO BE TEACHING IN A CRITICAL QUALITY EDUCATOR SHORTAGE AREA; REVISING REPORTING REQUIREMENTS; AMENDING SECTIONS 20-4-502, 20-4-503, AND 20-4-504, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

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

**Section 1.** Section 20-4-502, MCA, is amended to read:

**"20-4-502. Definitions.** For purposes of this part, unless the context requires otherwise, the following definitions apply:

~~(1) "Critical quality educator shortage area" means a specific licensure or endorsement area in an impacted school in which:~~

- ~~(a) in any of the 3 immediate preceding school fiscal years a position was:~~
  - ~~(i) filled through the procedures set forth in 19-20-732, 20-4-106 (1)(e), or 20-4-111;~~
  - ~~(ii) filled from a candidate pool of less than five qualified candidates; or~~
  - ~~(iii) advertised and remained vacant and unfilled due to a lack of qualified candidates for a period in excess of 30 days; or~~
- ~~(b) a vacancy for the current school year was advertised for a period of at least 30 days and the district received less than five applications from qualified candidates.~~

~~(2)(1)~~ "Education cooperative" means a cooperative of Montana public schools as described in 20-7-451.

~~(3)(2)~~ "Educational loans" means all loans made pursuant to a federal loan program, except federal parent loans for undergraduate students (PLUS) loans, as provided in 20 U.S.C. 1078-2.

~~(4)(3)~~ "Federal loan program" means educational loans authorized by 20 U.S.C. 1071, et seq., 20

U.S.C. 1087a, et seq., and 20 U.S.C. 1087aa, et seq.

~~(5)(4)~~ "Impacted school" means:

- (a) a special education cooperative;
- (b) the Montana school for the deaf and blind, as described in 20-8-101;
- (c) the Montana youth challenge program, as established in 10-1-1401;
- (d) a correctional facility, as defined in 41-5-103;
- (e) a public school located on an Indian reservation; and
- (f) a public school that, driving at a reasonable speed for the road surface, is located more than 20 minutes from a Montana city with a population greater than 15,000 based on the most recent federal decennial census.

~~(6)(5)~~ (a) "Quality educator" means a full-time equivalent educator, as reported to the superintendent of public instruction for accreditation purposes in the current school year, who:

- (i) holds a valid certificate under the provisions of 20-4-106 and is employed by an entity listed in subsection ~~(6)(b)~~ (5)(b) in a position that requires an educator license in accordance with administrative rules adopted by the board of public education; or
- (ii) is a licensed professional under 37-8-405, 37-8-415, 37-11-301, 37-15-301, 37-17-302, 37-22-301, 37-23-201, 37-24-301, or 37-25-302 and is employed by an entity listed in subsection ~~(6)(b)~~ of this section (5)(b) to provide services to students.

(b) For purposes of subsection ~~(6)(a)~~ (5)(a), an entity means:

- (i) a school district;
- (ii) an education cooperative;
- (iii) the Montana school for the deaf and blind, as described in 20-8-101;
- (iv) the Montana youth challenge program; and
- (v) a correctional facility, as defined in 41-5-103.

~~(7)(6)~~ "School district" means a public school district, as provided in 20-6-101 and 20-6-701."

**Section 2.** Section 20-4-503, MCA, is amended to read:

**"20-4-503. (Temporary) Critical quality educator ~~shortage areas~~ shortages -- impacted schools.**

(1) The board of public education, in consultation with the office of public instruction, shall:

~~(a) maintain and make publicly available a current list of impacted schools; and~~

~~(b) based on reporting by impacted schools or school districts in which impacted schools are located, identify within each impacted school, critical quality educator shortage areas under 20-4-502(1)(a). The board of public education shall also establish a process for impacted schools to report and qualify, no later than 5 days after submission of a written report on a form developed by the board, a current vacancy for a critical quality educator shortage area under the criteria set forth in 20-4-502(1)(b). Critical quality educator shortage areas qualifying under 20-4-502(1)(b) are eligible for loan repayment assistance independent of the report under subsection (2) of this section.~~

~~(2) The board of public education shall publish by February 1 an annual report listing the critical quality educator shortage areas under 20-4-502(1)(a) in each impacted school. The report must apply to the school year that begins July 1 following the publication of the report in order to assist recruitment by impacted schools.~~

~~(3)(2)~~ A quality educator working at an impacted school in a critical quality educator shortage area is eligible for repayment of all or part of the quality educator's outstanding educational loans existing at the time of application in accordance with the eligibility and award criteria established under this part. If a quality educator is eligible for loan assistance and remains employed in the same impacted school or another impacted school within the same school district and in the same critical quality educator shortage area for which the quality educator was originally eligible, the quality educator remains eligible for a lifetime total of up to 3 years of state-funded loan repayment assistance and an additional 1 year of loan repayment assistance funded by the impacted school or the district under which the impacted school is operated pursuant to 20-4-504(2). Both state-funded loan repayment assistance and locally funded loan repayment assistance under this section are exempt from taxation as specified in 15-30-2110(14).

**20-4-503. (Effective January 1, 2024) Critical quality educator ~~shortage areas~~ shortages -- impacted schools.** (1) The board of public education, in consultation with the office of public instruction, shall:

~~(a) maintain and make publicly available a current list of impacted schools; and~~

~~(b) based on reporting by impacted schools or school districts in which impacted schools are located, identify within each impacted school, critical quality educator shortage areas under 20-4-502(1)(a). The board~~

~~of public education shall also establish a process for impacted schools to report and qualify, no later than 5 days after submission of a written report on a form developed by the board, a current vacancy for a critical quality educator shortage area under the criteria set forth in 20-4-502(1)(b). Critical quality educator shortage areas qualifying under 20-4-502(1)(b) are eligible for loan repayment assistance independent of the report under subsection (2) of this section.~~

~~(2) The board of public education shall publish by February 1 an annual report listing the critical quality educator shortage areas under 20-4-502(1)(a) in each impacted school. The report must apply to the school year that begins July 1 following the publication of the report in order to assist recruitment by impacted schools.~~

~~(3)(2)~~ A quality educator working at an impacted school in a critical quality educator shortage area is eligible for repayment of all or part of the quality educator's outstanding educational loans existing at the time of application in accordance with the eligibility and award criteria established under this part. If a quality educator is eligible for loan assistance and remains employed in the same impacted school or another impacted school within the same school district ~~and in the same critical quality educator shortage area for which the quality educator was originally eligible~~, the quality educator remains eligible for a lifetime total of up to 3 years of state-funded loan repayment assistance and an additional 1 year of loan repayment assistance funded by the impacted school or the district under which the impacted school is operated pursuant to 20-4-504(2)."

**Section 3.** Section 20-4-504, MCA, is amended to read:

**"20-4-504. Loan repayment assistance.** (1) Loan repayment assistance may be provided on behalf of a quality educator who:

(a) is newly hired in an impacted school ~~in a critical quality educator shortage area~~; and  
 (b) has an educational loan that is not in default and that has a minimum unpaid current balance of at least \$1,000 at the time of application.

(2) A quality educator is eligible for state-funded loan repayment assistance for a lifetime total of no more than 3 years and an additional 1 year of loan repayment assistance voluntarily funded by the impacted school or the district under which the impacted school is operated, with the maximum annual loan repayment assistance not to exceed:

- (a) \$3,000 of state-funded loan repayment assistance after the first complete year of teaching in an impacted school;
  - (b) \$4,000 of state-funded loan repayment assistance after the second complete year of teaching in the same impacted school or another impacted school within the same school district;
  - (c) \$5,000 of state-funded loan repayment assistance after the third complete year of teaching in the same impacted school or another impacted school within the same school district; and
  - (d) up to \$5,000 of loan repayment assistance funded by the impacted school or the district under which the impacted school is operated after the fourth complete year of teaching in the same impacted school or another impacted school within the same school district.
- (3) If the funding for state-funded loan repayment assistance in any year is less than the total amount for which Montana quality educators qualify, the superintendent of public instruction shall ~~prorate repayment assistance amounts accordingly~~ prorate repayment assistance amounts accordingly."

**Section 4. Effective date.** [This act] is effective on passage and approval.

- END -

I hereby certify that the within bill,  
SB 70, originated in the Senate.

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Secretary of the Senate

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2023.

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2023.

SENATE BILL NO. 70

INTRODUCED BY S. O'BRIEN

BY REQUEST OF THE EDUCATION INTERIM COMMITTEE

AN ACT REVISING THE QUALITY EDUCATOR LOAN ASSISTANCE PROGRAM; REMOVING THE REQUIREMENTS FOR A QUALIFYING EDUCATOR TO BE TEACHING IN A CRITICAL QUALITY EDUCATOR SHORTAGE AREA; REVISING REPORTING REQUIREMENTS; AMENDING SECTIONS 20-4-502, 20-4-503, AND 20-4-504, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.