



HOUSE BILL 451 OVERVIEW

Rep. Christopher Pope

- HOUSE BILL 451 extends the eligible age of Montana students with disabilities pursuing a high school graduation from the 18 to 21 years.
- HOUSE BILL 451 is voluntary, enabling legislation that allows Montana School Districts to choose to participate, or not, based on their local needs and resources.
- The bill provides funding to participating schools. The Fiscal note states that the additional Annual Number Belonging [ANB] will increase state support for schools by increasing direct state aid, guaranteed tax base aid, the Indian education for all payment, and the Data for Achievement payment.
- The Fiscal Note estimates that 38 Montana students with disabilities would qualify for “current year” ANB status in the 2016 school year. To qualify, a student must be of the ages 19-21, with an Individual Education Plan [IEP], and taking high school graduation credits.
- The Fiscal Note estimates the cost of those qualifying students under the ANB calculation to be \$151,373 in 2016, and \$188,649 in 2017. Note: the estimate assumes that each and every Montana School District will elect to adopt provisions of HB 451 – which may be unlikely in the early years as the program ramps up.
- The Bill will provide eligible Montana students with disabilities with up to three years of additional high school education. For these students, the emphasis will be on Life Skills, preparing the students for the workplace, and for being capable of autonomous or semi-autonomous living.
- Parents testified in hearing that the extra time in high school will make a significant difference to these youth – and their families -- in the effort for these youth to become productive citizens by providing additional opportunity to be in the community, to catch up from missed school due to medical absence, and to have the satisfaction of graduating with their peers.
- Testimony demonstrated a growing for-profit and non-profit support for transitioning students with disabilities into the community and workforce.
- Maine and Montana are the only two states in the Union that by statute deny students with special needs the chance to pursue their high school education and graduation through the age of 21.
- There was no opposition to the bill in hearing.



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

To open, right click on "Select a bill", select Worksheet Object/Edit. To exit, click outside the spreadsheet.

Bill #	HB0451	Title:	Revise funding for students with disabilities
Primary Sponsor:	Pope, Christopher	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

To open the fiscal Summary spreadsheet, right click on the spreadsheet, select Worksheet Object/Edit. To exit the spreadsheet, click outside of the spreadsheet.

	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>
Expenditures:				
General Fund	\$151,375	\$188,649	\$177,197	\$182,634
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	(\$151,375)	(\$188,649)	(\$177,197)	(\$182,634)

Description of fiscal impact: HB 451 includes students with disabilities up to 21 years of age who have not yet met graduation requirements in the calculation of the Average Number Belonging. The cost of approximately \$340,024 over the biennium.

FISCAL ANALYSIS

Assumptions:

1. School districts report enrollment for all students, including those who are 19 years of age or older. For the 2014-2015 school year, schools reported 37 students in October who were between 19 and 21 years of age and had an individualized education plan. These enrollments generate 38 additional high school ANB when they are included in the calculation of average number belonging.
2. In order to be included in the ANB calculation for a district, the student must be receiving special education services from the school district and have not yet graduation requirements.
3. HB 451 is effective on passage and approval and applies to the school fiscal year that begins July 1, 2015. The students who are between 19 and 21 years of age in the 2014-15 school year would generate additional ANB beginning in FY 2016. OPI estimates that “current year” ANB will increase by 38 ANB in FY 2016 and 38 ANB in FY 2017. These increases in current year ANB, in conjunction with 3-year ANB averaging as provided by law, translate into increases in the “budget limitation” ANB of 32 in FY 2016 and 38 in FY 2017. The budget limitation ANB are the counts that determine state support for schools and the general fund budget limits for school districts.
4. OPI estimates that the additional ANB will increase state support for schools by increasing direct state aid, guaranteed tax base aid, the Indian education for all payment, and the Data for Achievement payment.
5. OPI anticipates that a small number of the included students will be American Indian and will generate the American Indian Achievement Gap payment. The cost associated with this payment will be minimal.

To open the spreadsheet below, right click on the spreadsheet, select Worksheet Object/Edit. To exit the spreadsheet, click outside of the spreadsheet.

	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Local Assistance (Direct State	\$99,996	\$119,865	\$114,497	\$118,823
Local Assistance (Guaranteed	\$43,713	\$60,643	\$54,334	\$55,170
Local Assistance (Indian Educa	\$668	\$808	\$817	\$848
Local Assistance (Data for Ach	\$640	\$774	\$783	\$813
Local Assistance (Retirement G	\$6,358	\$6,559	\$6,766	\$6,980
TOTAL Expenditures	\$151,375	\$188,649	\$177,197	\$182,634
<u>Funding of Expenditures:</u>				
General Fund (01)	\$151,375	\$188,649	\$177,197	\$182,634
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	\$151,375	\$188,649	\$177,197	\$182,634
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$151,375)	(\$188,649)	(\$177,197)	(\$182,634)
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0

Effect on County or Other Local Revenues or Expenditures:

1. There is no county impact. However, there could be a \$34,500 local tax impact in FY 2016 and an on-going local tax impact of \$31,000 beginning in FY 2017.
- 2.
- 3.

Long-Term Impacts:

- 1.
- 2.
- 3.

Technical Notes:

- 1.