



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2021 Biennium

Bill #	HB0263	Title:	Revise laws related to Indian language immersion programs in schools
Primary Sponsor:	Windy Boy, Jonathan	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" 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

	<u>FY 2020 Difference</u>	<u>FY 2021 Difference</u>	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>
Expenditures:				
General Fund	\$47,590	\$48,470	\$49,126	\$49,994
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$47,590)</u>	<u>(\$48,470)</u>	<u>(\$49,126)</u>	<u>(\$49,994)</u>

Description of fiscal impact: HB 263 revises the eligibility criteria for the Indian Language Immersion Program, adds the funding to the school districts' budget limits calculations, eliminates appropriation language, and removes the sunset date of June 30, 2019. The cost to the state general fund would be about \$50,000 per year.

FISCAL ANALYSIS

Assumptions:

1. The Cultural Integrity Commitment Act was enacted in SB 272, 2015 Session, to promote innovative, culturally relevant Indian immersion programs for students with the goal of raising student achievement, strengthening families, and preserving and perpetuating Indian language and culture throughout Indian country and Montana.
2. Immersion program is defined in the bill as a program where all participating students receive content area instruction in an Indian language at least 30% of the day in the first year of the program, 40% % of the day in the second year of the program and 50% of the day in the third year of the program.
3. Instruction in Indian language will be provided from teachers who are fully proficient in the languages and the goal of the program is perpetuating cultural integrity and promoting bilingualism and biliteracy.

4. Section 20-7-1403, MCA, defines an eligible district as a district encompassing or adjacent to an Indian reservation. Currently there are 59 districts with at least some portion of the boundary lying within a reservation boundary. Of these, 41 are completely encompassed by the reservation boundary.
5. Additionally, 20-7-1403, MCA, qualifies districts as eligible if the American Indian student enrollment is 10% or greater. OPI has identified 88 districts with 10% or greater American Indian enrollment or 21.67% of the districts in Montana as eligible under this provision.
6. Currently, there are four school districts with Indian Language Immersion Programs, these are; Browning Elementary with two half-time programs, Hardin Elementary with one half-time program, Rock Boy Elementary, and Wyola Elementary with a half-time program servicing.
7. An appropriation of \$45,000 for the 2017 biennium was provided in SB 272. Distributions in FY 2016 totaled \$10,903 and \$33,508 in FY 2017 for a biennial total expenditure of \$44,411.
8. At the present time, the Office of Public Instruction is not aware of any additional districts expressing interest in creating Indian Language Immersion Programs.
9. This act includes payments to schools based on the Indian Education for All payment in 20-9-329, MCA; American Indian Achievement Gap payment in 20-9-330, MCA; and the quality educator payment in 20-9-327, MCA. The payments increase per the inflation rate calculated in 20-9-326, MCA.
10. The present law inflation rates applied to the Indian Education for All, American Indian Achievement Gap, and quality educator payments are 0.91% in FY 2020 and 1.83 % in FY 2021. For the present law budget amounts for these components are set as follows:

<u>Components</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
Indian Education for All	\$21.96	\$22.36	\$22.65	\$23.01
American Indian Achievement Gap	\$216	\$220	\$223	\$227
Quality Educator	\$3,275	\$3,335	\$3,378	\$3,432

11. For purposes of this fiscal note, it is assumed that the four elementary school districts currently providing programs will continue the immersion programs within the elementary school in the 2021 biennium. It will be assumed that there will be four half-time programs, with an enrollment of 95 students attending these programs.
12. It is assumed that each program will have one qualified full-time class 7 licensed educator. Per 20-7-1404, MCA, an additional quality educator payment is provided to the district for each class 7 licensed educator teaching an immersion program.
13. Two additional American Indian Achievement Gap payments are provided in 20-7-1404, MCA, for each Indian student enrolled in an immersion program.
14. The bill also provides two additional Indian Education for All payments for each non-Indian student enrolled in an immersion program. For purposes of this fiscal note, it is assumed all students enrolled in the immersion programs are Indian students, therefore, there would be no additional funding for this payment.
15. Section 2 of the bill provides that eligible districts that increase graduation rates by 5% qualify for additional American Indian Achievement Gap payments participating in the Indian Language Immersion Program. These increases would not be expected to occur in the first three years of the elementary programs.
16. HB 263 removes the sunset date of June 30, 2019, from 20-7-1403, MCA, and 20-7-1404, MCA, making this legislation ongoing.
17. The current language referencing proration of appropriated funding for the payment in 20-7-1404(4), MCA, is struck in this bill eliminating the cap on funding for the Indian Language Immersion Program.
18. Changes in 20-7-1404(2), MCA, would allow the calculation of the Indian Language Immersion Program to be incorporated as a portion of a district's general fund funding formula and would contribute to the calculation of BASE and maximum budget limits described in 20-9-306, MCA.
19. These components of the BASE aid formula are 100% state funded and would have no additional funding impact on local property taxes.

	<u>FY 2020</u> <u>Difference</u>	<u>FY 2021</u> <u>Difference</u>	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Local Assist (Achievement Gap)	\$41,040	\$41,800	\$42,370	\$43,130
Local Assist (Quality Ed)	\$6,550	\$6,670	\$6,756	\$6,864
TOTAL Expenditures	<u>\$47,590</u>	<u>\$48,470</u>	<u>\$49,126</u>	<u>\$49,994</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$47,590	\$48,470	\$49,126	\$49,994
TOTAL Funding of Exp.	<u>\$47,590</u>	<u>\$48,470</u>	<u>\$49,126</u>	<u>\$49,994</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$47,590)	(\$48,470)	(\$49,126)	(\$49,994)

Sponsor's Initials_____
Date_____
Budget Director's Initials_____
Date