



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # HB0392

Title: Generally revise language immersion laws

Primary Sponsor: Windy Boy, Jonathan

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$84,284	\$135,083	\$137,435
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>(\$84,284)</u>	<u>(\$135,083)</u>	<u>(\$137,435)</u>

Description of fiscal impact: HB 392 makes the Indian Language Immersion Program part of BASE Aid funding. This would create an increased state general fund cost of \$84,284 in the 2023 biennium and \$272,518 in the 2025 biennium.

FISCAL ANALYSIS

Assumptions:

1. HB 392 changes the requirements of the amount of time students receive content area instruction in an Indian language from at least 50% per day for all program to allowing a first-year program to provide at least 30% of the day, a second-year program to provide at least 40% of the day, and third and subsequent years would provide at least 50% of the day in an Indian language.
2. The bill also allows that a district operating an Indian language immersion program would be entitled to additional BASE Aid funding in the district school funding formula. Current law allows the funding in addition to the school funding formula.
3. Every student participating in an Indian language immersion program would receive two additional American Indian achievement gap payments. If the district providing an Indian language immersion program improves the district's graduation rate for American Indians by 5% or more from the previous year, the district would

receive three additional American Indian achievement gap payments. Current law allows for every Indian student participating in the program to be counted for this increment, not all students in the program. The table below shows the amount of the American Indian achievement gap payment per ANB per year.

	FY 2022	FY 2023	FY 2024	FY 2025
American Indian Achievement Gap per ANB	\$223	\$229	\$233	\$237

- Current law allows that for every non-Indian student participating in an Indian language immersion program the district would receive an additional Indian education for all payment multiplied by two. That allowance is removed in HB 392. The Indian education for all payment per ANB per year is represented in the following table.

	FY 2022	FY 2023	FY 2024	FY 2025
Indian Education for All per ANB	\$22.70	\$23.28	\$23.70	\$24.14

- Current law allows that for every full-time American Indian language and culture specialist teaching in an Indian language immersion program the district will receive one additional quality educator payment as indicated in the following table.

	FY 2022	FY 2023	FY 2024	FY 2025
Quality Educator Payment	\$3,385	\$3,472	\$3,534	\$3,599

- The American Indian achievement gap, Indian education for all and quality educator components in the school funding formula are all 100% paid by the state.
- Current law appropriates \$48,470 each year from HB 41, 2019 Session, through June 30, 2023. The Office of Public Instruction is directed to prorate that appropriation to the requested needs. HB 392 proposes the funding would become part of BASE Aid funding and the funding would become part of the BASE Aid appropriations.
- HB 392 repeals all sunset dates on the Indian language immersion program and makes it an ongoing program.
- The effective date of HB 329 is July 1, 2021. The Superintendent is required by law, 20-9-369, MCA, to provide budget data to schools by March 1. Data collection to implement the program into the FY 2022 school district budget would have to be March 1, 2021. Therefore, data would be collected in FY 2022 and applied to the school district budgets for schools providing an Indian language immersion program for the district FY 2023 budget.
- Schools providing an Indian language immersion program would continue to be funded by the current appropriation of \$48,470 in HB 2.
- Reporting for this program in FY 2021 indicated two school districts had Indian language immersion programs. There were 231 student achievement gap increments, two Indian education for all increments, and 7.5 quality educator increments requested. The total request was for \$126,742 in FY 2021, however these payments had to be prorated to the \$48,470 appropriation.
- There are no indications of additional programs or increased number of students at this time. The two Indian education for all increments would now be paid as student achievement gap increments per HB 392. The following table represents the changes and additional costs for the Indian language immersion program in HB 392.

	Increments	FY 2023	FY 2024	FY 2025
Decrease Indian Language Immersion appropriation		(\$48,470.00)	\$0.00	\$0.00
American Indian Achievement Gap increments	466.00	\$106,714.00	\$108,578.00	\$110,442.00
Quality Educator increments	7.50	\$26,040.00	\$26,505.00	\$26,992.50
TOTAL new funding		\$84,284.00	\$135,083.00	\$137,434.50

Secretary of State of Montana

13. This bill will have minimal cost for postage and administrative duties. The Office of the Secretary of State does not receive general fund monies for office operations but has agreed to absorb those costs in its existing operating budget.

	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Local Assist (Achievement Gap)	\$0	\$106,714	\$108,578	\$110,442
Local Assist (Quality Educator Pmt)	\$0	\$26,040	\$26,505	\$26,993
Indian Language Immersion Approp	\$0	(\$48,470)	\$0	\$0
TOTAL Expenditures	\$0	\$84,284	\$135,083	\$137,435
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$84,284	\$135,083	\$137,435
TOTAL Funding of Exp.	\$0	\$84,284	\$135,083	\$137,435
<u>Revenues:</u>				
General Fund (01)	\$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)	\$0	(\$84,284)	(\$135,083)	(\$137,435)

Technical Notes:

- Section 3, subsection 11(b) includes students in an Indian language immersion program for the American Indian achievement gap payment however, the part of this statement “multiplied by either 2 or 3 as provided in 20-7-1404(2)(a) and (3)” is not inclusive of all the wording in that statute thus unclear and is repetitive of statute in 20-7-1404. Striking “multiplied by either 2 or 3” would clarify.
- Addition of language in Section 4, subsection (2)(a) changes the meaning of the subsection. It eliminates the clarification of the count used to make the calculation for the American Indian achievement gap payment and now, in HB 392, describes the count for the Indian language immersion program. The language needs to be clear for both counts.

NOT SIGNED BY SPONSOR

Sponsor's Initials

2/18/21
Date

KA
Budget Director's Initials

2/17/21
Date