



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0382 - Revise education laws related to career and technology student organizations (Oblander, Greg)

Status: As Amended in Senate Committee

- 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 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	\$350,000	\$350,000	\$350,000	\$350,000
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$350,000)</u>	<u>(\$350,000)</u>	<u>(\$350,000)</u>	<u>(\$350,000)</u>

Description of fiscal impact: HB 382, as amended, appropriates \$350,000 to seven career and technology student organizations (CTSOs) for the purpose of performance grants. The Office of Public Instruction will need \$20,000 of the first year appropriation to create a grant module in the agency's E-Grants system.

FISCAL ANALYSIS

Assumptions:

- Currently, there is an appropriation of \$553,000 per year in the Office of Public Instruction (OPI) HB 2 budget. HB 382, as amended, directs that this funding is to be a line item in the OPI budget identified as CTSO base funding and is to be distributed in equal payments of \$79,000 to each of the seven CTSO organizations listed in the bill.
- This bill, as amended, appropriates an additional \$350,000 in each year of the 2025 biennium with legislative intent for this to be ongoing base funding. This funding is to be line-item identified for CTSO performance grants.

3. As amended, HB 382 revises 20-7-320, MCA, as follows:
 - a. Adds “distribute performance grants to career and technical student organizations” as a purpose of the program;
 - b. specifically names the CTSOs eligible for funding;
 - c. provides for the equal distribution of the \$553,000 base funding to each CTSO, or \$79,000 per year each, and strikes previous language requiring the base funding be used to fund a state director, broadening the use to be for “operations, management, and expenses”;
 - d. strikes the current statement of the Superintendent of Public Instruction’s duties for this program;
 - e. strikes the current listing of the elements of proposals submitted by CTSOs to the OPI for funding distribution;
 - f. defines a requirement for CTSOs to attest to and provide documentation of \$20,000 in matching funds in order to be eligible to apply for a performance grant;
 - g. caps the maximum award for any one CTSO at 20% of the total,
 - h. requires CTSOs proposals for performance grants to be submitted by June 15 each year;
 - i. defines the required elements of proposals;
 - j. requires the OPI to evaluate and score the proposals using equally weighted metrics in each category of the required elements;
 - k. enables CTSOs to request assistance from OPI;
 - l. overrides the performance grant evaluation process in FY 2024 by directing the OPI to equally distribute the funds among the CTSOs;
 - m. strikes existing listing of purposes for which the funds may be used and reports to be filed with the OPI; and
 - n. requires the Superintendent to report to the Education Interim Committee the funding distributed, and the outcomes reported.
4. The bill, as amended, identifies the seven CTSOs eligible to receive the funding in the bill: Montana HOSA (future health professionals); Montana BPA (Business Professional of America); Montana DECA (Distributive Education Clubs of America); Montana FFA (future farmers of America); Montana TSA (Technology Student Association); SkillsUSA Montana; and Montana FCCLA (Family, Career and Community Leaders of America).
5. The OPI estimates it will cost \$20,000 to create a module in E-grants to support the competitive grant portion of this bill.

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses (OPI)	\$20,000	\$0	\$0	\$0
Performance Grants	\$330,000	\$350,000	\$350,000	\$350,000
TOTAL Expenditures	<u>\$350,000</u>	<u>\$350,000</u>	<u>\$350,000</u>	<u>\$350,000</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$350,000	\$350,000	\$350,000	\$350,000
TOTAL Funding of Exp.	<u>\$350,000</u>	<u>\$350,000</u>	<u>\$350,000</u>	<u>\$350,000</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)	(\$350,000)	(\$350,000)	(\$350,000)	(\$350,000)



Sponsor's Initials

Date



Budget Director's Initials

4-20-23

Date