



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0482 - Provide access to education and supports for children aging out of foster care (Gillette, Jane)

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

	FY 2024 Difference	FY 2025 Difference	FY 2026 Difference	FY 2027 Difference
Expenditures:				
General Fund	\$56,132	\$115,631	\$177,226	\$242,412
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	(\$56,132)	(\$115,631)	(\$177,226)	(\$242,412)

Description of fiscal impact: HB 482 creates the Montana Foster Youth Higher Education Assistance Program to provide educational financial support for eligible students who have aged out of the state's foster system.

FISCAL ANALYSIS

Assumptions:


1. On average, there about 65 youth who age out of foster care across the state each year.
2. For purposes of this fiscal note, it is assumed that 10 of those who age out of foster care would access the Montana Foster Youth Higher Education Assistance Program each year.
3. It is assumed that 3 of the individuals would pursue education in at a 2-year campus and 7 would pursue education at a four-year campus. It is assumed that students would meet to the continued eligibility requirements and complete their degrees in the 2 or 4-year time period and not require additional semesters.
4. The average yearly cost of attendance at a 4-year campus is \$26,654. The average yearly cost of attendance at a 2-year campus is \$4,995 (not including room and board).
5. A 3% inflation factor is applied to the cost of attendance for future fiscal years.

6. The average amount of financial aid awarded at 4-year schools is \$6,000. The average amount of financial aid awarded at 2-year schools is \$4,100. It is assumed that each of the foster care youth would qualify for financial aid.
7. Youth aging out of foster care are eligible for Chafee/ETV federal funding. It is assumed the average support available through this program would be \$5,000 per school year. This funding is available through age 26. For purposes of this fiscal note, it is assumed that students would graduate no later than age 26.
8. Per Section 1(d), grant funds available to the students would be 50% of the net cost of school expenses. The students would be required to seek private scholarships for the other 50%. The table below illustrates the funding of school costs for 2 and 4-year campuses.

	2-year campus	4-year campus
Average Cost of Attendance	\$4,995	\$26,654
Room and Board	\$5,000	(included above)
Federal Financial Aid	(\$4,100)	(\$6,000)
Chafee/ETV Funding	(\$5,000)	(\$5,000)
Net Costs	\$895	\$15,654
50% Private Scholarship	\$447.50	\$7,827
50% Grant (State) Funding	\$447.50	\$7,827

9. Each year an additional 10 students are assumed to received grant funding from the new program.

	<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>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Transfers	\$56,132	\$115,631	\$177,226	\$242,412
TOTAL Expenditures	<u>\$56,132</u>	<u>\$115,631</u>	<u>\$177,226</u>	<u>\$242,412</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$56,132	\$115,631	\$177,226	\$242,412
TOTAL Funding of Exp.	<u>\$56,132</u>	<u>\$115,631</u>	<u>\$177,226</u>	<u>\$242,412</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)	(\$56,132)	(\$115,631)	(\$177,226)	(\$242,412)

			2-16-23
<i>Sponsor's Initials</i>	<i>Date</i>	<i>Budget Director's Initials</i>	<i>Date</i>