



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0749 - Revise Montana digital academy laws (Jones, Llew)

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 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	\$950,000	\$950,000	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$950,000)</u>	<u>(\$950,000)</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 749 modifies the composition of the Montana Digital Academy (MTDA) and expands the list of purposes of this organization. The bill establishes the MTDA Clearinghouse to provide additional choice and flexibility to build local capacity for serving pupils with remote instruction courses, models, and materials. The bill provides an appropriation to the Office of the Commissioner of Higher Education (OCHE) to be passed through to the MTDA.

FISCAL ANALYSIS

Assumptions:



- The bill appropriates \$950,000 annually to OCHE for MTDA to develop a clearinghouse for courses.
- The MTDA estimates the addition of annual ongoing costs of \$472,600 for personal services. This estimate consists of adding the following positions: Clearinghouse Manager, IT and Integration Manager, Data/Billing Specialist, School Trainer and Ambassador, and Tribal Liaison and Ambassador.
- The development of the clearinghouse includes operating expenses of \$95,000 to cover additional computer equipment, software licensing, travel, and access to the learning management system of the Montana University System (MUS).
- MTDA estimates \$250,000 for content development and licensing.

- Approximately, \$127,000 of the appropriation will be utilized to provide options for additional capacity such as with workforce development/Career and Technical Education (CTE) specialty, instructional design, and open education resources.

	<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	<u>\$950,000</u>	<u>\$950,000</u>	<u>\$0</u>	<u>\$0</u>
TOTAL Expenditures	<u>\$950,000</u>	<u>\$950,000</u>	<u>\$0</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	<u>\$950,000</u>	<u>\$950,000</u>	<u>\$0</u>	<u>\$0</u>
TOTAL Funding of Exp.	<u>\$950,000</u>	<u>\$950,000</u>	<u>\$0</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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)	(\$950,000)	(\$950,000)	\$0	\$0

Technical Notes:

- The current HB 2 funding for MTDA is appropriated through the Office of Public Instruction (OPI).
- Funding for the bill is only provided for the 2025 biennium with no indication that the funding should be ongoing or not.

	2-28-23		2-28-23
Sponsor's Initials	Date	Budget Director's Initials	Date