



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: HB0151: Revise educational laws pertaining to recruitment and retention and MSDB

Primary Sponsor: Connie Keogh Status: As Introduced

Included in the Executive Budget       Needs to be included in HB 2       Significant Local Gov Impact

Significant Long-Term Impacts       Technical Concerns       Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<b>FY 2026 Difference</b>	<b>FY 2027 Difference</b>	<b>FY 2028 Difference</b>	<b>FY 2029 Difference</b>
<b>Expenditures</b>				
General Fund (01)	\$0	\$102,336	\$96,312	\$99,192
<b>Revenues</b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>Net Impact</b>	\$0	(\$102,336)	(\$96,312)	(\$99,192)
<b>General Fund Balance</b>				

#### Description of fiscal impact

HB 151 amends various sections of law, making educational sign language interpreters eligible for the quality educator payment and the quality educator loan assistance program. The bill expands the types of entities that can receive TEACH act incentives and allows participation in the teacher residency program. Finally, HB 151 clarifies language permitting the MSDB to transport students by school bus. The estimated state cost of HB 151 is \$102,336 in FY 2027.

### FISCAL ANALYSIS

#### Assumptions

1. HB 151 amends 20-4-502, MCA, to include employees employed by school districts, education cooperatives, the Montana School for the Deaf and Blind (MSDB), the Montana Youth Challenge Program (MYC), or a correctional facility who "provide educational sign language interpreting for deaf and hard-of hearing students who meet the qualifications for educational sign language interpreting established by the Board of Public Education".
2. The full-time equivalent educators qualifying for the quality educator payment (20-9-327, MCA), is expanded to include educational sign language interpreters for deaf and hard-of hearing students. The interpreters must be employed to provide educational sign language interpreting for deaf and hard-of hearing students employed in public school districts, special education cooperatives, MSDB, MYC, or educational correctional facilities. Contracted interpreters and other contracted employees do not qualify.

Components	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Quality Educator	\$3,673	\$3,783	\$3,896	\$4,013	\$4,133

3. For purposes of this fiscal note, there are 8 eligible educational interpreters employed in schools in the state

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who will be newly qualified to receive the quality educator payment in FY 2027, 12 in FY 2028, and 12 in FY 2029.

<b>MSDB</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>Quality Educator Payment</b>	\$3,896	\$4,013	\$4,133
<b>FTE</b>	6	8	8
<b>MSDB additional QE</b>	\$23,376	\$32,104	\$33,064

<b>Other Schools</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>Quality Educator Payment</b>	\$3,896	\$4,013	\$4,133
<b>FTE</b>	2	4	4
<b>Other</b>	\$7,792	\$16,052	\$16,532

<b>TOTAL Additional QE Pmts</b>	<b>\$31,168</b>	<b>\$48,156</b>	<b>\$49,596</b>
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- The Teacher Residency Program defined in 20-4-702, MCA, is amended to define “school district” and “district” to mean educational entities eligible for a quality educator payment. Current law allows this program for school districts only. The amended law would include school districts, MSDB, MYC, and correctional facilities as defined in 41-5-103, MCA.
- For purposes of this fiscal note, it is estimated there would be two additional teachers qualify for funding for the Teacher Residency Program related to changes in HB 151 in each of the years FY 2027 through FY 2029.

	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>Teacher Residency</b>	\$20,000	\$20,000	\$20,000
<b>FTE</b>	2		
<b>MSDB - Residency</b>	\$40,000	\$0	\$0
<b>Other - Residency</b>	\$0	\$0	\$0

- Section 3 of HB 151 allows MSDB to transport students in school buses where current law required transportation certified by the Public Service Commission. The PSC no longer certifies carriers. This will require no additional funding as MSDB has travel funding in their budget.
- The bill amends the TEACH Act incentives participation to include all the entities that qualify for the quality educator payment as amended in the bill. This is a change from current law allowing only public school district to participate to now include public school districts, special education cooperatives; MSDB, educational correctional facilities, and MYC.

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8. The TEACH Act incentives are for the entities with base teacher pay that is 10 times the amount of the quality educator payment to receive one additional quality educator payment for certain quality educators in their first three years of teaching. The following table represents the anticipated quality educator payment payments for the additional interpreters.

	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>TEACH Act - QE Pmt</b>	\$3,896	\$4,013	\$4,133
FTE	6	8	8
MSDB - additional QE Pmt	\$23,376	\$32,104	\$33,064

	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>TEACH Act - QE Pmt</b>	\$3,896	\$4,013	\$4,133
FTE	2	4	4
Other Schools	\$7,792	\$16,052	\$16,532

<b>TOTAL additional QE Pmt</b>	<b>\$31,168</b>	<b>\$48,156</b>	<b>\$49,596</b>
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**Fiscal Analysis Table**

	<b><u>FY 2026 Difference</u></b>	<b><u>FY 2027 Difference</u></b>	<b><u>FY 2028 Difference</u></b>	<b><u>FY 2029 Difference</u></b>
<b><u>Fiscal Impact</u></b>				
<b><u>Expenditures</u></b>				
Personal Services	\$0	\$0	\$0	\$0
Quality Educator Pmt - MSDB	\$0	\$23,376	\$32,104	\$33,064
TEACH Act - MSDB	\$0	\$23,376	\$32,104	\$33,064
Teacher Residency - MSDB	\$0	\$40,000	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$0
Local Assistance	\$0	\$0	\$0	\$0
TEACH Act - Public Schools	\$0	\$7,792	\$16,052	\$16,532
Quality Educator Pmt - Public Schools	\$0	\$7,792	\$16,052	\$16,532
<b>TOTAL Expenditures</b>	<b><u>\$0</u></b>	<b><u>\$102,336</u></b>	<b><u>\$96,312</u></b>	<b><u>\$99,192</u></b>
<b><u>Funding of Expenditures</u></b>				
General Fund (01)	\$0	\$102,336	\$96,312	\$99,192
<b>TOTAL Funding of Expenditures</b>	<b><u>\$0</u></b>	<b><u>\$102,336</u></b>	<b><u>\$96,312</u></b>	<b><u>\$99,192</u></b>
<b><u>Revenues</u></b>				
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				

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General Fund (01)	<u>\$0</u>	<u>(\$102,336)</u>	<u>(\$96,312)</u>	<u>(\$99,192)</u>
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OK  
Sponsor's Initials

1/21/25  
Date

  
Budget Director's Initials

1/20/2025  
Date