



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: SB0278.01: Revise education laws to support advanced opportunities

Primary Sponsor: Sara Novak 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

	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
Expenditures				
General Fund (01)	\$0	\$175,320	\$180,585	\$185,985
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
Net Impact	<u>\$0</u>	<u>(\$175,320)</u>	<u>(\$180,585)</u>	<u>(\$185,985)</u>
General Fund Balance				

Description of fiscal impact

SB 278 defines an advanced opportunities facilitator and allows a school district employing an advanced opportunity facilitator to utilize up to 20% of the advanced opportunity aid payment to the school district to be used to pay the facilitator. The bill also allows the district to receive a quality educator payment for the facilitator. The estimated state cost is \$175,000 beginning in FY 2027 and beyond.

FISCAL ANALYSIS

Assumptions

Office of Public Instruction (OPI)

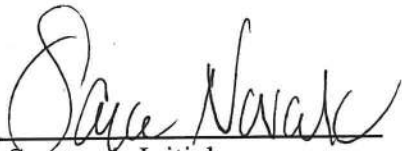
- SB 278, Section 1, creates a definition for an "advanced opportunity facilitator".
- The bill further allows the school district to pay for the costs of employing an "advanced opportunity facilitator" with not more than 20% of the district's annual distribution funding for advanced opportunity aid.
- Section 3 allows districts to count the "advanced opportunity facilitator" to be included in the quality educator payment FTE count for payment of the quality educator payment component of the school funding formula.
- The effective date is set for July 1, 2025. A collection of the newly established advanced opportunity facilitators will need to be collected in the fall of FY 2025. The first year of increased quality educator payments will be FY 2027.
- The present law inflation applied to the Quality Educator Component Payment (20-9-326, MCA) is 3.00% in FY 2026 and 3.00% in FY 2027. For the present law budget, component is set as follows:

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

6. As of FY 2025, there are approximately 90 school districts receiving advanced opportunity aid. For the purposes of this fiscal note, it is assumed that one advanced opportunity facilitator will be hired for each school district with an FTE greater than 40. Based on FY 2025 data, this includes 45 school districts.
7. The estimated increase to the quality educator payment is estimated at $\$3,896 \times 45 = \$175,320$ beginning FY 2027.

Fiscal Analysis Table

	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
Local Assistance	\$0	\$0	\$0	\$0
Quality Educator Payment	\$0	\$175,320	\$180,585	\$185,985
TOTAL Expenditures	\$0	\$175,320	\$180,585	\$185,985
<u>Funding of Expenditures</u>				
General Fund (01)	\$0	\$175,320	\$180,585	\$185,985
TOTAL Funding of Expenditures	\$0	\$175,320	\$180,585	\$185,985
<u>Revenues</u>				
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	\$0	(\$175,320)	(\$180,585)	(\$185,985)



 Sponsor's Initials

2/18/25

 Date



 Budget Director's Initials

2/17/2025

 Date