



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0944 - Establish the Montana in-demand skilled trades investment pilot program (Tuss, Paul)

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	\$557,500	\$557,500	\$557,500	\$557,500
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$557,500)</u>	<u>(\$557,500)</u>	<u>(\$557,500)</u>	<u>(\$557,500)</u>

Description of fiscal impact: HB 944 establishes the Montana in-demand skilled trades investment pilot program with the creation of a multifaceted grant program administered by the Office of the Commissioner of Higher Education (OCHE) in cooperation with school districts and appropriates funding to OCHE.

FISCAL ANALYSIS

Assumptions:

1. A biennial appropriation of \$1,115,000 is given to OCHE to administer the grant program.
2. Section 1 establishes a pilot program for skilled trades with OCHE for Montana trades that are experiencing a workforce shortage. Requirements for the pilot program include cooperation of school districts in developing career and technical pathways, career and technical education (CTE) dual credit opportunities, and engagement in work-based settings.
3. A new grant program will be administered for school districts and postsecondary CTE campuses that provide a last dollar grant of up to \$5,000 a year, not to exceed cost of attendance, and not to exceed \$10,000 for any one student participating in the grant program. If the student does not complete the requirement of the grant the commissioner will convert the grant into a loan.
4. Grants that are awarded to school districts and campuses are considered one time startup grants and must have a matching component and a plan for sustainability of the program in future years.

5. The bill would create additional OCHE personal services expenditures for an existing position of \$35,000 to coordinate and administer the program.
6. Utilizing a current student scholarship software platform, OCHE would incur one-time-costs to create the specific module for this program to award, monitor, and manage loan repayment as well as ongoing costs for software maintenance and coordination of the program at various levels.

	<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>				
Personal Services	\$35,000	\$35,000	\$35,000	\$35,000
Operating Expenses	\$20,000	\$5,000	\$5,000	\$5,000
Transfers	\$502,500	\$517,500	\$517,500	\$517,500
TOTAL Expenditures	<u>\$557,500</u>	<u>\$557,500</u>	<u>\$557,500</u>	<u>\$557,500</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$557,500	\$557,500	\$557,500	\$557,500
TOTAL Funding of Exp.	<u>\$557,500</u>	<u>\$557,500</u>	<u>\$557,500</u>	<u>\$557,500</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)	(\$557,500)	(\$557,500)	(\$557,500)	(\$557,500)

Technical Notes:

7. The amount for transfers would need to be allocated between scholarships for students, grants to school districts, and grants to postsecondary campuses.

_____	_____	_____	_____
<i>Sponsor's Initials</i>	<i>Date</i>	<i>Budget Director's Initials</i>	<i>Date</i>

RO

3-29-23