



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0875 - Establishing the school mental health promotion pilot program (Romano, Melissa)

Status: As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" 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

| | <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 | \$250,000 | \$250,000 | \$250,000 | \$250,000 |
| Revenue: | | | | |
| General Fund | \$0 | \$0 | \$0 | \$0 |
| Net Impact-General Fund Balance: | <u>(\$250,000)</u> | <u>(\$250,000)</u> | <u>(\$250,000)</u> | <u>(\$250,000)</u> |

Description of fiscal impact: HB 875 establishes a school mental health promotion pilot program which is designed to encourage and support schools in implementing innovative, student-led, and locally determined mental health initiatives. The bill provides a \$250,000 general fund appropriation in each year of the 2025 biennium with legislative intent for the appropriation to be included in ongoing base budget.

FISCAL ANALYSIS

Assumptions:

- HB 875 establishes a school mental health promotion pilot program to be administered by the Office of Public Instruction (OPI).
- The OPI must establish an application process which identifies specific mental health needs among students of one or more schools within the district.
- Applications must be developed and supported by students, parents, certified and classified staff, administrators, trustees of the school district, community members, and organizations.
- Applicants must identify and commit to implementing specific mental health promotion activities and a plan to develop a program management team. Applicants must evaluate the effectiveness of the program using specific metrics and establishing a baseline for those metrics prior to implementing mental health promotion activities under the program.
- Program grants shall target districts with the greatest identified need, preparation, and ability to administer an effective mental health promotion program.
- Grant recipients shall submit to OPI by July 15th of even-numbered years a report which provides an accounting of expended grant funds, summary of mental health promotion activities, and an evaluation of the

effectiveness of the program in improving the mental health of students in participating schools. OPI will compile the submitted reports and report to the Education Interim Committee.

7. To comply with the administration and reporting requirements of HB 875, OPI will need 0.25 FTE for a Program Manager with annual salary and benefits of \$20,488 for fiscal years 2024 and 2025. An inflationary increase of 1.5% per year has been added to FY 2026 and FY 2027.
8. HB 875 provides that grants are to be awarded annually to school districts that apply for the program grants. Grants are to be awarded for not less than \$10,000 or more than the lesser of an amount equal to \$25 for every enrolled student in a participating school in the prior school year or \$50,000.
9. School districts awarded grant funding in any grant year must receive the grant for two years and may reapply for a second 2-year grant cycle.
10. As it is unknown how many school districts would apply for grant funds, OPI assumes estimated participation in the program may be determined based on the number of students who are currently receiving mental health services comparative to student enrollment.
11. OPI assumes counties with more than 19% of the enrolled students who are receiving mental health services would elect to apply for the school mental health promotion pilot program grant funds. Assuming these counties elect to apply for grant funds for at least two of their schools, it is estimated that 14 schools would receive grant funding based on the proposed \$250,000 appropriation. Of the 14 schools it is estimated 15,842 students or 11% of the student population would benefit from the mental health program.

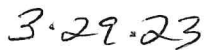
| | <u>FY 2024</u> <u>Difference</u> | <u>FY 2025</u> <u>Difference</u> | <u>FY 2026</u> <u>Difference</u> | <u>FY 2027</u> <u>Difference</u> |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <u>Fiscal Impact:</u> | | | | |
| FTE | 0.25 | 0.25 | 0.25 | 0.25 |
| <u>Expenditures:</u> | | | | |
| Personal Services | \$20,488 | \$20,488 | \$20,795 | \$21,107 |
| Grants | \$229,512 | \$229,512 | \$229,205 | \$228,893 |
| TOTAL Expenditures | <u>\$250,000</u> | <u>\$250,000</u> | <u>\$250,000</u> | <u>\$250,000</u> |
| <u>Funding of Expenditures:</u> | | | | |
| General Fund (01) | \$250,000 | \$250,000 | \$250,000 | \$250,000 |
| TOTAL Funding of Exp. | <u>\$250,000</u> | <u>\$250,000</u> | <u>\$250,000</u> | <u>\$250,000</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) | (\$250,000) | (\$250,000) | (\$250,000) | (\$250,000) |

Technical Notes:

1. HB 875 states in Section 1(3)(c) that a school district receiving grant funds must receive the grant for two years and may reapply for a second 2-year grant cycle; however, the bill terminates Section 1 on June 30, 2027, which is the end of FY 2027. The legislative intent of the \$250,000 appropriation is that the funding will be considered ongoing base funding. Any grants awarded in FY 2027 would not be able to be continued for additional years.



Sponsor's Initials



Date



Budget Director's Initials



Date