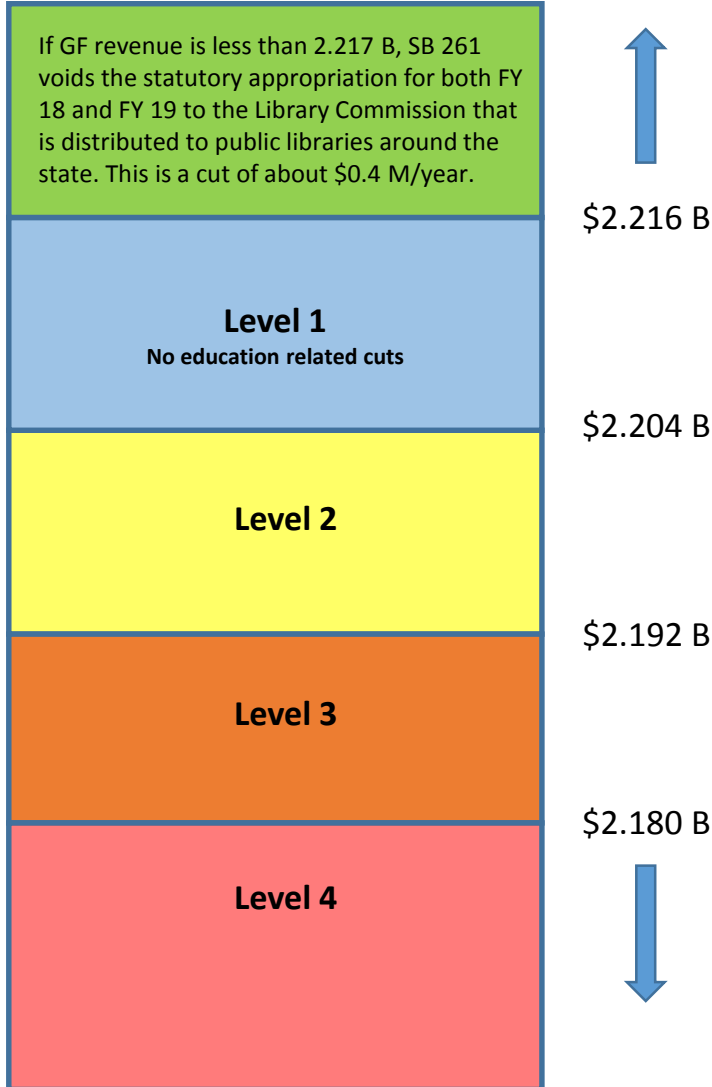


# SB 261 and Budget Reductions Related to Education—FY 2017 Revenue Triggers

prepared for the Education Interim Committee, June 2017, by Pad McCracken, LSD Research Analyst

## FY 2017 GF Revenue as of 8/15/2017



## The budget cuts for the triggers are cumulative

**If GF revenue is less than \$2.204 B (Level 2), almost all HB 2 GF appropriations will be reduced by 0.5% for BOTH FY 18 and FY 19, including the following (some K-12 Local Education Activities are exempted):**

- **OPI State Level Activities including**
  - **Audiological Services; NBCT stipends; MT Digital Academy**
- **K-12 Local Education Activities including**
  - **Advancing Ag Ed**
  - **In-State Treatment**
  - **Secondary Vo-ed (CTE)**
  - **Adult Basic Ed**
  - **Gifted and Talented**
  - **At-Risk Student Payment\***
  - **Special Ed\***
  - **School Food**
- **Additionally these “across-the-board cuts” will reduce all GF line item appropriations to BPE, MSDB, MAC, MSL, MHS, and MUS/OCHE**

**If GF revenue is less than \$2.192 B (Level 3), HB 2 appropriations will be modified for BOTH FY 18 and FY 19:**

- **Montana State Library** (reduced by \$0.67 million/year)
- **Montana Historical Society** (reduced by \$0.61 million/year)

**If GF revenue is less than \$2.180 B (Level 4), the following HB 2 appropriations will be modified for BOTH FY 18 and FY 19:**

- **Secondary Vo-ed** (reduced by \$0.5 M/year to \$1.5 M/year)
- **Data-for achievement payment\*** is suspended (about \$3 M/year)
- **Combined fund block grants** (roughly halved; \$2.8 M/year)
- **Natural resource development K-12 school facilities payment** (delayed until 2020; would’ve provided \$5.8 M in state major maintenance aid in FY 19)

**Level 4 also voids the FY 18 appropriation for the state pay plan (EXEC, JUD, LEG, and MUS) and reduces the appropriation in FY 19.**

\* School district general fund components