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Standard language for fiscal notes for the 2025 Legislative Session school funding when appropriate.
(Assumptions 1-8 would not change in any fiscal note if used unless a bill changes them.)

Assumptions:

1. The average number belonging (ANB) used to determine the general fund budgets for K-12 public schools will be as follows. These estimates are for current year ANB, which is used to calculate the budgeted ANB as determined by 20-9-311(13) and (14).

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
K-6 ANB	83,214	83,633	83,633	83,633	83,657
7-8 ANB	23,222	23,285	23,285	23,285	23,320
9-12 ANB	46,111	45,630	45,630	45,630	46,111
Total	152,547	152,548	152,548	152,548	153,088

2. The number of FTE (including special education cooperatives) generating the quality educator payment is estimated to be:

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
School District FTE	12,993.742	12,993.742	12,993.742	12,993.742	12,993.742
Special Ed Coop FTE	170.870	170.870	170.870	170.870	170.870
Total FTE	13,164.612	13,164.612	13,164.612	13,164.612	13,164.612

3. The present law inflation applied to the Basic and Per-ANB Entitlements, the Quality Educator, Indian Education for All, American Indian Achievement Gap, Data-for-Achievement, At Risk, and the Special Education Allowable Cost Payment components (20-9-326, MCA) is 3.00% in FY 2026 and 3.00% in FY 2027. For the present law budget, entitlements and components are set as follows:

Basic Entitlements	**FY 2025**	**FY 2026**	**FY 2027**	**FY 2028**	**FY 2029**
Elementary Basic	$58,963	$60,732	$62,554	$64,431	$66,364
Middle School Basic	$117,928	$121,466	$125,110	$128,863	$132,729
High School Basic	$353,787	$364,401	$375,333	$386,593	$398,191
Basic Entitlement Increments					
Elementary (each 25 ANB > 250 ANB)	$2,949	$3,037	$3,128	$3,222	$3,319
Middle School (each 45 ANB > 450 ANB)	$5,896	$6,073	$6,255	$6,443	$6,636
High School (each 80 ANB past 800 ANB)	$17,960	$18,221	$18,768	$19,331	$19,991

Per ANB Entitlements	**FY 2025**	**FY 2026**	**FY 2027**	**FY 2028**	**FY 2029**
Elementary Per-ANB	$6,307	$6,496	$6,691	$6,892	$7,099
High School Per-ANB	$8,075	$8,317	$8,567	$8,824	$9,089
Direct State Aid (DSA) Percentage	44.7%	44.7%	44.7%	44.7%	44.7%

Components	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Indian Education for All	$24.63	$25.37	$26.13	$26.91	$27.72
Indian Achievement Gap	$242	$249	$256	$264	$272
Quality Educator	$3,673	$3,783	$3,896	$4,013	$4,133
At Risk	$6,213,340	$6,399,740	$6,591,732	$6,789,484	$6,993,169
Data for Achievement	$23.58	$24.29	$25.02	$25.77	$26.54
Special Education Allowable Cost	$302.55	$311.63	$320.98	$330.61	$340.53

4. Present law (20-9-326, MCA) requires the Superintendent of Public Instruction to include inflationary adjustments for the basic and per-ANB entitlements, and the Quality Educator, Indian Education for All, American Indian Achievement Gap, Data for Achievement, At-Risk and Special Education Allowable Cost components in the recommendations presented to the legislature. These present law adjustments result in the following expenditures:

Payment	FY 2026	FY 2027
Direct State Aid	$551.8 million	$565.3 million
Guaranteed Tax Base Aid	$278.0 million	$292.0 million
County Retirement GTB (w/ $38.5M)	$96.4 million	$138.0 million
Indian Education for All	$3.9 million	$4.0 million
American Indian Achievement Gap	$5.2 million	$5.4 million
Quality Educator (w/ Coop & TEACH)	$52.5 million	$54.1 million
Data for Achievement	$3.7 million	$3.8 million
Special Education Allowable Cost	$47.5 million	$49.0 million

5. The Natural Resources Development payment is estimated to be $12.4 million in FY 2026 and $12.3 million in FY 2027, if all school districts levied to receive the maximum amount of funding. Section 20-9-635, MCA, provides that the appropriation for FY 2024 and beyond be the greater of $10 million, adjusted for inflation in accordance with section 20-9-326, MCA, or 5% of the oil and natural gas production taxes deposited in the state general fund pursuant to 15-36-331(4), MCA. Additionally, state special revenue is appropriated from the school major maintenance account, established in 20-9-525, MCA. Estimated authority is $10.8 million general fund and $12.0 million state special revenue in FY 2026 and $11.2 million general fund and $12.0 million state special revenue in FY 2027.
6. Direct State Aid, GTB, and other school district general fund components are computed with the school funding model used by the Office of Public Instruction, the Legislative Fiscal Division, and the Office of Budget and Program Planning using current statutory entitlements, enrollment estimates, and estimated property tax values.
7. The At-Risk Student payment inflation increase of $186,400 in FY 2026 and $378,392 in FY 2027 will be appropriated in HB 2.
8. The statewide present law taxable valuations are forecast to increase by 15.50% in FY 2026 and 1.07% in FY 2027.

Revenue by account:

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2027
HJ 2 Guarantee Acct	$46.366	$49.476	$53.185	$55.802	$55.802
Major Maintenance Interest	$2.579	$3.475	$5.001	$6.490	$6.490