

HB 924: Generally Revise State Finance Laws

Montana Early Childhood Account, Board, Services, and Activities

AUGUST 5, 2026



DEPARTMENT OF
**PUBLIC HEALTH &
HUMAN SERVICES**

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EXECUTIVE SUMMARY

House Bill 924 (2025 Legislature) established the Montana Growth and Opportunity (GO) Trust and the Montana Early Childhood Account (MECA), providing a new, sustainable financing structure for early childhood initiatives statewide. Section 17 directs funds solely toward eligible early childhood uses, while Section 19 establishes the Montana Early Childhood Account Board (MECA Board) to govern expenditures, ensure accountability, and guide strategic investment.

Fiscal Year 2026 marks the first fiscal year of the MECA Board, with operations beginning in January 2026. Across eight full board meetings (January–June 2026), the board set governance practices, identified statewide priorities, reviewed statutory authority, evaluated trust revenue projections, received updates from committees, established early funding allocations, and developed grant opportunities aligned with HB 924.

IMPLEMENTATION UPDATE

Board Formation and Early Operations

Board appointments were finalized in December 2025, with the first meeting held on January 7, 2026. Lieutenant Governor Juras delivered remarks that reinforced statutory roles and duties as public officers, sustainability considerations, and the need for sustainable, statewide investments.

In January and February 2026, all processes and board leadership structures were established, and the board president and co-chair were elected. Bylaws of the MECA Board were formalized and adopted by the board on February 3, 2026, including the purpose and vision below.

Our purpose

The MECA exists to improve outcomes for Montana’s children from birth through early childhood by investing in a strong, coordinated early care and education system that supports families, providers, and communities.

Our Vision

Montana envisions a future where:

- Young children grow up in safe, stable, and nurturing environments with access to high-quality early care and education that supports their healthy development.

- Families can easily access affordable early childhood services, are supported by a skilled workforce, and can navigate systems with confidence.
- Communities recognize early childhood as a shared responsibility, promote innovation, coordinate resources effectively, and use data and collaboration to improve outcomes for children and families.

Eight board meetings were held from January to July 2026, ranging from one-hour virtual meetings to two in-person meetings spanning one to two days.

MEETING HIGHLIGHTS

JANUARY 7, 2026, MEETING HIGHLIGHTS

Major Accomplishments

- Board convened for the first time
- Board members received orientation on
- House Bill 924
- MECA Responsibilities
- Allowable uses of funds
 - Began initial review of draft bylaws

Board Decisions

- No formal votes taken
- Directed staff to revise and bring updated bylaws to the in-person meeting in February

FEBRUARY 3-4, 2026, MEETING HIGHLIGHTS

Major Accomplishments

- Elected Officers and set 2026 meeting schedule
- Reviewed Early Childhood Strategic Plan
- Identified priorities for future funding

Board Decisions

- Spend \$3.5 million for the rest of FY 2026.
- Approved the bureau chief and program manager charging time to the MECA budget.

FEBRUARY 19, 2026, MEETING HIGHLIGHTS

Major Accomplishments

- Received legislative intent remarks from Senator Laura Smith
- Finalized priority buckets for spending in FY 2026 and FY 2027
- Presented information on Child Care Worker (CCW) Options

Board Decisions

- Tabled CCW options until March meeting

MARCH 11, 2026, MEETING HIGHLIGHTS

Major Accomplishments

- Reviewed CCW pilot data and implementation considerations
- Identified first areas of priority for proposal development
 - Training and incentives for serving children with special needs
 - Quality incentives for providers

Board Decisions

- Amended previous votes on spending \$3.5 million in FY 2026 to spending up to \$3.5 million for the rest of FY 2026.
- Further explore Option 3 of the CCW proposal
- DPHHS staff to develop proposals based on committee work on:
 - Early child care facility improvement
 - Workforce retention incentives

- Developmental screening training

MARCH 26, 2026, MEETING HIGHLIGHTS

Major Accomplishments

- Subcommittees provided updates.
- Special needs training was discussed and moved to final development.
- Quality Incentives Implementation discussed and moved to committee follow-up.
- Appointed an evaluation subcommittee.

Board Decisions

- Develop an in-depth proposal to support child care providers in accessing training to understand and use standardized screening tools more effectively.
- Continue to develop a proposal that strengthens child care capacity and quality through construction, expansion, licensing, and safety grants, and provides targeted stipends to experienced providers, supported by a research study that will guide long-term, data-driven solutions to systemic workforce challenges.

APRIL 16, 2026, MEETING HIGHLIGHTS

Major Accomplishments

- The board received guidance from Lt. Gov. Juras regarding the responsibilities as stewards of the trust to take time to make funding decisions and not rush to spend money.
- The board began development on the Flexible Workforce Support Grant (Option 3 from CCW proposals).

Board Decisions

- Allocated \$1.5 million for statewide implementation of the Special Needs Training Initiative.
- Authorized up to \$200,000 for research and data collection to inform future quality incentive investments.

- Direct the Quality Incentives Committee to continue development of an Infant Toddler Quality Incentive proposal.
- Directed staff to utilize internal evaluation capacity for funded initiatives at 25% of time and effort.
- Created and appointed committee members to develop the flexible workforce support grant.

MAY 21, 2026, MEETING HIGHLIGHTS

Major Accomplishments

- Reviewed multi-year revenue projections and projected trust earnings through FY 2029 based on information provided by the Governor's Office.
- Received implementation updates from all active committees.

Board Decisions

- The board adopted revised grant guidance and application language for the Special Needs Training Initiative.
- The Board authorized the use of a 0.25 full-time internal evaluator from DPHHS to support project evaluation.
- Direction provided to the Flexible Workforce Support Grant to do a fiscal analysis of funding scenarios of \$2M, \$2.5M, and \$3M.
- Direction given to the Quality Initiatives Committee to continue development of a grant proposal focused on infant-toddler support.

JUNE 18, 2026, MEETING HIGHLIGHTS

Major Accomplishments

- Reviewed funding decision framework and adoption.
- Reviewed evaluation methods and processes and approved the internal evaluator
- Strategic budget discussion.
- Flexible Workforce Grant and Infant Toddler Capacity Expansion Grant were reviewed utilizing the funding decision framework.

Board Decisions

- Voted to approve amended language on the Funding Decision Framework.
- Voted to fund a .25 FTE internal evaluator.
- Voted to approve Flexible Workforce Grant.
- Voted to approve Infant and Toddler Capacity Grant.

Please see Appendix A for full meeting minutes.

SUBCOMMITTEE DEVELOPMENT

Four subcommittees were developed based on the bylaws and the board's needs in 2026:

- Special Needs Training Implementation Committee
- Evaluation Committee
- Flexible Workforce Committee
- Quality Incentives for Providers Committee

The purpose of board committees is to support thoughtful and informed decision-making and to enable the exploration of specific topics in greater depth.

Subcommittees are workgroups and do not make final decisions. Their role is to support the board's work by developing well-informed proposals. These groups review information and data, engage in discussion and idea development, and bring forward recommendations for the full board to consider.

The subcommittees drafted grant proposals and reported back to the full board for finalization, implementation, and refining evaluation. Each committee met regularly, and the committee lead reported at each full board meeting.

Below is a synopsis of the committees' work.

- **Quality Incentives for Providers Committee:** Developed and drafted the Early Learning Development Support and Training Grant, \$1M; board approved.

- **Special Needs Training Implementation Committee:** Developed and drafted the Quality incentive: Infant and Toddler Capacity Expansion Grant, board approved \$1.5M.
- **Flexible Workforce Committee:** Designed and drafted a Flexible Workforce Support Grant for FY 2027 implementation; two-year plan to avoid funding cliffs, board approved \$6M over two years.
- **Evaluation Committee:** Approved the workforce evaluation plan and funding; currently working on evaluation planning for all grant opportunities with the evaluation staff and specialist.

FUNDED PROGRAMS AND ACTIVITIES FOR 2027

INITIAL FY 2027 ALLOCATIONS

1. \$1.5M – Early Learning Development Support and Training Grant

The purpose of the grant is to support early childhood providers in building a foundational understanding of how to serve children with developmental differences through participating in professional development opportunities, increasing access to necessary technology, and related staffing costs.

Grant funds may be used to purchase technology that supports participation in virtual or in-person training. Funds may also be used to offset costs associated with staff participation in approved training, including overtime wages or substitute coverage

The procurement process is underway; implementation is planned for FY 2027.

2. \$1M – Quality incentive: Infant and Toddler Capacity Expansion Grant

The goal of the Infant and Toddler Capacity Expansion Grant is to increase access to licensed infant and toddler care across Montana. The project would support providers in meeting infant and toddler state licensing standards while reducing barriers related to facility readiness and program stabilization. This investment is expected to increase Montana's infant and toddler care capacity by reducing start-up costs, supporting new providers through licensing requirements, and expanding access to quality care for families with young children. The maximum award amount is \$10,000 per provider.

The procurement process is underway; implementation is planned for FY 2027.

3. \$6M over two years, \$3M per year - Flexible Workforce Support Grant

The Flexible Workforce Support Grant Program is designed to provide funding to early childhood providers to implement strategies that strengthen and stabilize the workforce. The purpose of this grant program is to support early childhood providers in addressing workforce challenges through flexible, provider-driven solutions, including child care cost assistance for employees, employee benefits support, compensation enhancements, and professional development and education.

The procurement process is underway; implementation is planned for FY 2027.

4. \$200,000 – Research and Data System Expansion

- Contracting with Child Trends for early childhood systems research
- Includes fiscal modeling, data analysis, strategic support

All three grant projects have procurement initiated and have a projected grant application opening date of September 2026.

- Infant–Toddler Expansion Competitive Grant (up to \$1M)
- Special Needs Training Implementation Grant (up to \$1.5M)
- Flexible Workforce Support Grant (up to \$6M over two years, \$3M per year)

FISCAL

TABLE 1: REVENUE AND APPROPRIATIONS

Category	Amount
Beginning Revenue Balance	\$10,000,000
Interest Earned	\$2,991,617.27

TABLE 2: EXPENDITURES TO DATE

Category	Amount
Personnel Services	\$71,181.65
Operating Expenses	\$9,890.57
Contracted Services	\$0.00
Direct Services	\$0.00
Indirect Costs	\$17,012.68
Total Expenses	\$97,960.35

TABLE 3: REMAINING BALANCE

Category	Amount
Remaining Revenue Balance	\$12,893,656.92

EVALUATION

The MECA Board approved funding for the implementation of Montana’s Early Care and Education (ECE) Workforce Research project. The MECA staff will work with Child Trends to implement the research agenda for Montana child care workforce data. The board approved \$200,000 towards the revised research agenda based on earlier work with the Child Care Development Fund and stakeholders. Please see Appendix F for the full research agenda information.

A .25 FTE evaluator employed by the Early Childhood and Family Support Division (ECFSD) will provide evaluation expertise and manage evaluation processes for the three grants. Evaluation plans, performance measures, and annual data collection submission reports will be finalized for all three pilot grants by early in the next fiscal year for the collection of baseline data and ongoing evaluation data through the application and reporting processes.

APPENDICES

APPENDIX A – MECA BOARD MEETING MINUTES

- January 7, 2026- [Meeting Minutes January 2026](#)
- February 3-4, 2026 - [Meeting Minutes February 3-4, 2026](#)
- February 19, 2026- [Meeting Minutes February 19, 2026](#)
- March 11, 2026 - [Meeting Minutes March 11, 2026](#)
- March 26, 2026 - [Meeting Minutes March 26 2026](#)
- April 16, 2026 - [Meeting Minutes April 2026](#)
- May 21, 2026 - [Meeting Minutes May 2026](#)
- June 18, 2026 - [Meeting Minutes June 2026](#)

APPENDIX B – STATUTORY SOURCES

- HB 924 language- [HB 924](#)

APPENDIX C- BY-LAWS

- MECA By-Laws- [MECA Bylaws](#)

APPENDIX D – VISUALS

- Funding Decision Framework- [MECA Funding Decision Framework](#)
- FY26 MECA Timeline - [MECA Board Timeline](#)

APPENDIX E – REPORTING REQUIREMENTS

- HB 924 requires DPHHS to report annually by **September 1** to:
 - Education Interim Committee
 - Children, Families, Health and Human Services Interim Committee on services and activities funded under Section 20.

APPENDIX F - IMPLEMENTATION OF MONTANA'S EARLY CARE AND EDUCATION (ECE) WORKFORCE RESEARCH

- [Implementation of Montana's Early Care and Education \(ECE\) Workforce Research Agenda Rough Budget](#)