

HB 924 (2025) authorized five distinct eligible categories — none ranked above the others. The Board's discretion spans all five.

## PART I — ELIGIBLE USES UNDER MCA 52-2-1003

### Provider Support & Workforce Development

- Technical assistance grants to start or expand childcare businesses
- Grants for postsecondary education, certifications, apprenticeships & continuing education
- (a) • Recruitment and retention grants — workforce benefits, stipends, supplements

Note: Retention bonuses and worker scholarships fall here — authorized, but one sub-category of one category.

### Quality Improvement Initiatives

- (b) • Accreditation support; curriculum development; safety upgrades
- Supports for infants, toddlers & children with special needs

### Affordability Initiatives

- Expansion of licensed before- and after-school care
- (c) • State child care subsidy program expansion
- Temporary assistance for families facing sudden financial hardship

### Innovation Initiatives

- (d) • Community child-care expansion programs
- Early learning & early childhood intervention access programs

### Emergency Assistance & Disaster Relief

- (e) • Programs for impacted child-care facilities

## PART II — ONE-TIME INVESTMENTS vs. ONGOING EXPENDITURES

ONE-TIME / CAPITAL INVESTMENTS	ONGOING / RECURRING EXPENDITURES
<b>Facility safety upgrades &amp; infrastructure</b> Permanent asset — benefit persists after grant ends	<b>Retention bonuses (annual)</b> Effect disappears when funding stops
<b>Business expansion &amp; startup grants</b> Creates new capacity: slots, providers, locations	<b>Childcare worker scholarships (recurring)</b> Requires annual renewal to sustain benefit
<b>Curriculum development &amp; accreditation</b> Quality improvements last indefinitely	<b>Wage stipends (indefinite)</b> Creates dependency on endowment distributions
<b>Workforce training &amp; certification</b> Credentials workers carry permanently	<b>Subsidy program expansion (ongoing)</b> Ongoing entitlement obligation
<b>Technology &amp; data systems</b> Infrastructure that scales without re-funding	<b>Emergency family assistance</b> Legitimate but must be weighed against capital uses

**KEY QUESTION:** Does this build durable system capacity — or create an ongoing obligation the endowment cannot sustain?  
 Research shows returns of up to \$16 for every \$1 invested in quality early childhood infrastructure.

## PART III — PRINCIPLES OF BOARD STEWARDSHIP

- Supplement, not supplant.**  
MECA funds may not replace existing state or federal funding — priority goes to gaps no other stream reaches.
- Consider public comment and other data.**  
In making an informed decision, the Board should consider public comment, other available data, and the interests of impacted parties who may not participate in public comment.
- The Board represents all eligible interests.**  
Advocacy groups represent organized constituencies. The Board represents families, providers, and communities with no organized voice.
- Data drives priorities.**  
The Board must draw from Montana's Early Childhood Strategic Plan and the Prenatal-to-Five Comprehensive Fiscal Analysis.