



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0505	Title:	Promote use of alternative transportation
Primary Sponsor:	Gallik, Dave	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input 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 2008</u> <u>Difference</u>	<u>FY 2009</u> <u>Difference</u>	<u>FY 2010</u> <u>Difference</u>	<u>FY 2011</u> <u>Difference</u>
Expenditures:				
General Fund	\$36,943	\$33,801	\$34,645	\$35,510
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	(\$36,943)	(\$33,801)	(\$34,645)	(\$35,510)

Description of fiscal impact:

HB 505 creates a Travel Reduction Task Force to which the Department of Environmental Quality shall provide staff and related support. State agencies would be required to complete a baseline survey for collecting data on travel by state employees for official work purposes by January 1, 2008 and develop travel reduction plans. Section 5 of the bill mandates a 5% travel reduction by January 1, 2012 based on the baseline survey and a further 5% reduction each subsequent year.

FISCAL ANALYSIS

Assumptions:

1. The 5% reduction in travel costs would not begin until January 1, 2012 (FY 2012).
2. It is assumed that the incentives offered to state employees under Section 4 (5) will not be monetary incentives.
3. There will be no fiscal impact to the Department of Administration, Department of Public Health & Human Services, or the Department of Transportation to have staff members participate on the Travel Reduction Task Force.
4. Many state agencies have already implemented travel reduction policies including teleconferencing, videoconferencing, and internet meetings.

Department of Environmental Quality (DEQ)

5. This bill creates a travel reduction task force in the DEQ.
6. The task force shall develop and distribute a survey to be completed by January 1, 2008.
7. A permanent 0.50 FTE would be needed at DEQ to support this bill. This position would be an environmental science specialist. This 0.50 FTE is part of the required two members from the department.
8. The tasks of this environmental science specialist would include providing general support to the travel reduction task force, assisting in the baseline survey of travel by state employees, assisting state agencies with developing travel reduction plans, putting together educational materials and incentive programs for alternate methods of travel, monitoring the implementation of each agency’s travel reduction plan, measuring the results of these travel plans, developing measures to encourage state employees to commute to and from work in alternative ways, helping develop incentives for alternate travel, and coordinating information about new policies for work-related travel (such as videoconferencing).
9. The travel reduction task force would meet four times a year, with two of those meetings in Helena. Two of the four task meetings annually would be done by videoconference. To use the videoconferencing equipment costs \$105 per hour (<http://itsd.mt.gov/techmt/videoconf.asp#METNETPricing>). Each of the two videoconference meetings would last two hours, resulting in a total cost of \$420 per year for the equipment (\$105 per hour x 2 meetings x 2 hours per meeting). This \$420 per year is included in the operating expenses.
10. Travel expenses needed for the two DEQ members, appointed to the travel reduction task force, total approximately \$332 per year and are included in the operating expenses.

	<u>FY 2008</u> <u>Difference</u>	<u>FY 2009</u> <u>Difference</u>	<u>FY 2010</u> <u>Difference</u>	<u>FY 2011</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
DEQ				
FTE	0.50	0.50	0.50	0.50
<u>Expenditures:</u>				
Personal Services	\$25,215	\$25,215	\$25,845	\$26,491
Operating Expenses	<u>\$11,728</u>	<u>\$8,586</u>	<u>\$8,800</u>	<u>\$9,019</u>
TOTAL Expenditures	<u><u>\$36,943</u></u>	<u><u>\$33,801</u></u>	<u><u>\$34,645</u></u>	<u><u>\$35,510</u></u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$36,943	\$33,801	\$34,645	\$35,510
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$36,943)	(\$33,801)	(\$34,645)	(\$35,510)

Technical Notes:

1. Continuing the 5% reduction in travel each year after 2012, will eventually reduce travel that would not be feasible and could potentially harm programs.
2. The bill could be amended to reflect a cap or limit the number of fiscal years of the reduction, or the law will eventually have to be repealed.

3. It is unclear exactly what agencies are expected to reduce by 5%. The bill discusses a 5% reduction from January 1, 2012 on the travel level from the previous year in Section 5. It would appear that agencies will reduce by 5% each subsequent year the frequency of motor vehicle trips by state employees.
4. Section 1. (2)(d) may present a liability issue to the driver of the van and to the state of Montana.

Montana School for the Deaf & Blind

5. Any reduction in travel costs related to the provision of services to students served by the school would put the school at risk of violating student Individualized Education Plans and potentially Article X, Section 1(3) of the Montana Constitution.

Sponsor's Initials

Date

Budget Director's Initials

Date