



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2015 Biennium

**Bill #** HB0547

**Title:** Agency coordination of permits for large-scale projects

**Primary Sponsor:** Glimm, Carl

**Status:** As Amended in Senate Committee

- Significant Local Gov Impact     
 Needs to be included in HB 2     
 Technical Concerns  
 Included in the Executive Budget     
 Significant Long-Term Impacts     
 Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Description of fiscal impact:** This bill has no fiscal impact to the state.

### FISCAL ANALYSIS

#### Assumptions:

1. HB 547 creates an agency director's or director's designee task force on government acts led by the Governor's Office of Economic Development.
2. Per Section 1 of the bill, participating departments include: Department of Administration, Department of Military Affairs, Department of Revenue, State Board of Education, Department of Labor and Industry, Department of Commerce, Department of Justice, Department of Public Health and Human Services, Department of Corrections, Department of Transportation, Department of Public Service Regulation, Department of Agriculture, Department of Livestock, Department of Natural Resources and Conservation, Department of Fish, Wildlife and Parks, and Department of Environmental Quality.
3. In exercising permitting duties and responsibilities for a large scale project, as defined in Section 2 of the bill, each director or their designee shall provide a list of applicable permits and timelines to the Office of Economic Development.
4. The task force is required to document all relevant notices of turnaround time provided for in 2-15-115, MCA, related to a large scale project and create a timetable of government acts associated with the large scale project. The timetable must be delivered to the developer of a large scale project no later than 45 days

after a request is made by the developer. The list and timelines may not include federal timelines or federal approvals for projects that include a federal partner.

5. It is assumed that activities and responsibilities of the task force can be accomplished within existing resources of these departments.

**Technical Notes:**

1. It's unclear when the 45-day period for establishing the timetable begins. The 45-day period for establishing state action timetables for permitting would need to follow completion of the environmental process, state agency receipt of complete mitigation proposals, and complete permit applications from the developer. If a project is required to go through an EIS or similar environmental process, no agency could commit to permit timetables prior to the completion of that process. The environmental process will also likely recommend mitigations for impacts, and the developer will need to implement those mitigations to obtain permits. In addition, if the EIS has numerous alternatives there may be different permitting requirements depending on the ultimate alternative selected.
2. Section 1, subsection 5, appears to address the uncertainty due to federal process, but it does not recognize that many state actions are tied to the outcome of the federal processes and timelines. Not reporting on federal timelines or approvals doesn't remove the uncertainty that state agencies have with permitting timelines because the state permits needed for a request or proposal are driven by the outcome of the federal process. A state agency cannot accurately comment on the permits required and timeline for permitting during or before completion of the federal process because the project will change during that process. State agencies will have to provide conservative lists and timelines accounting for all potential federal process outcomes, which may result in initial overstatement of the permits and timelines needed for state approvals. This conservative timeline is to ensure that additional permits or extensions aren't needed once the federal process is complete.

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*Sponsor's Initials*

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*Date*

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*Budget Director's Initials*

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*Date*