



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2015 Biennium

Bill # SB0281

Title: Require DEQ collaboration on climate change efforts

Primary Sponsor: Phillips, Mike

Status: As Introduced

- 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>
Expenditures:				
General Fund	\$199,284	\$193,512	\$199,160	\$199,411
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$199,284)</u>	<u>(\$193,512)</u>	<u>(\$199,160)</u>	<u>(\$199,411)</u>

Description of fiscal impact: SB 281 requires the Department of Environmental Quality (DEQ) to collaborate and assist the Montana office dedicated to climatology in its efforts to provide scientifically sound climate information in Montana. The Montana office dedicated to climatology is located at the University of Montana (UM) in Missoula. This proposal would be a new requirement and require additional DEQ and University of Montana FTE in support of report preparation, program collaboration, and systems development.

FISCAL ANALYSIS

DEQ Assumptions:

1. The Montana office dedicated to climatology currently exists and is located at the University of Montana (UM) in Missoula.
2. DEQ would be required to collaborate with UM, provided scientifically sound information, make management and policy recommendations and coordinate with other state agencies and submit a biennial report to the governor and legislature. This work would be completed by two bureaus within DEQ.
3. In meeting the obligations defined in SB 281, DEQ would require an additional 0.50 FTE Environmental Science Specialist in the Air Resources Management Bureau (ARMB) and an additional 0.50 FTE Environmental Science Specialist in the Energy & Pollution Prevention Bureau (EPPB). Personal Services

costs are \$64,830 for FY 2014 and FY 2015, \$65,888 for FY 2016, and \$66,524 for FY 2017. Personal services and operating costs are inflated 1.5% annually starting in FY 2016.

4. Operating costs include office set-up and computers in FY 2014 only and supplies, communications, travel, training, and indirect costs for FY2014 – FY 2017. These costs are \$34,407 in FY 2014, \$27,081 in FY 2015, \$27,506 in FY 2016 and \$27,835 in FY 2017. Total costs are \$99,237 in FY 2014, \$91,911 in FY 2015, \$93,394 in FY 2016, and \$94,359 in FY 2017.
5. SB 281 is a new requirement that is not eligible for state special funding (Air Quality Fees) because these fees are statutorily restricted to activities associated with the issuance of a permit. Therefore, general fund is the assumed funding source.

Montana University System

6. The Montana office dedicated to climatology is located at the University of Montana (UM) in Missoula and currently has a 9-month faculty appointment staffing the office. The UM climatology office currently operates without any state funding.
7. UM would be required to collaborate with DEQ, provided scientifically sound information, and make management and policy recommendations. To provide minimum support services to DEQ, state funding of additional UM staff would be necessary.
8. In meeting the obligations defined in SB 281, UM would require 1.50 FTE (0.25 FTE State Climatologist \$23,575/yr; 1.00 Technical Analyst \$58,238; and 0.25 Graduate Student \$5,434/yr) Personal services and operating costs are inflated 1.5% annually starting in FY 2016.
9. Operating costs include office set-up and computers in FY 2014 only and supplies, communications, travel, these costs are \$12,700 in FY 2014, \$10,600 in FY 2015, 13,400 in FY 2016 and \$11,300 in FY 2017. Total costs are \$100,047 in FY 2014, \$101,601 in FY 2015, \$105,766 in FY 2016, and \$105,052 in FY 2017.
10. State general fund is the assumed funding source for UM.

	<u>FY 2014</u> <u>Difference</u>	<u>FY 2015</u> <u>Difference</u>	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE - DEQ	1.00	1.00	1.00	1.00
FTE - UM	1.50	1.50	1.50	1.50
<u>Expenditures:</u>				
Personal Services - DEQ	\$64,830	\$64,830	\$65,888	\$66,524
Personal Services - UM	\$87,347	\$91,001	\$92,366	\$93,752
Operating Expenses - DEQ	\$34,407	\$27,081	\$27,506	\$27,835
Operating Expenses - UM	\$12,700	\$10,600	\$13,400	\$11,300
TOTAL Expenditures	<u>\$199,284</u>	<u>\$193,512</u>	<u>\$199,160</u>	<u>\$199,411</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$199,284	\$193,512	\$199,160	\$199,411
TOTAL Funding of Exp.	<u>\$199,284</u>	<u>\$193,512</u>	<u>\$199,160</u>	<u>\$199,411</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$199,284)	(\$193,512)	(\$199,160)	(\$199,411)

Sponsor's Initials

Date

Budget Director's Initials

Date