



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2015 Biennium

Bill #	SB0402	Title:	Regulate importing of wild horses or burros
Primary Sponsor:	Van Dyk, Kendall	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" 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 2013</u> <u>Difference</u>	<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>
Expenditures:					
General Fund	\$0	\$15,140	\$21,390	\$21,765	\$22,145
State Special Revenue	\$0	\$3,610	\$3,610	\$3,610	\$3,610
Revenue:					
General Fund	\$0	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$3,610	\$3,610	\$3,610	\$3,610
Net Impact-General Fund Balance	\$0	(\$15,140)	(\$21,390)	(\$21,765)	(\$22,145)

Description of fiscal impact: SB 402 requires the Department of Livestock to regulate wild horses and burros and develop a management plan. The development of a management plan will require contracting with a range management specialist costing \$25,000 per year beginning October 1, 2013 when the bill becomes effective.

FISCAL ANALYSIS

Assumptions:

1. The department cannot reasonably estimate how many wild horses will be imported into Montana each year.
2. Section 1(2)(b) authorizes the department to set a fee for import of wild horses at not less than \$100. This section is not included in the retroactive applicability clause of the bill. To the extent that wild horses are imported into the state after October 1, 2013, this fee could generate additional revenue which would be used to implement the bill.
3. It is known that 715 wild horses are presently in Montana under BLM supervision. These horses would be subject to the per capita fee annual charge of \$5.05 per head generating \$3,610 of state special revenue each year beginning in FY 2014.
4. The bill would not become effective until October 1, 2013, consequently no per capita would be realized in FY 2013.

5. The bill requires the department to develop and adopt a management plan to release wild horses or burros onto private or public land in Montana. The department would contract with a range management specialist at the cost of \$25,000 per year beginning October 1, 2013 to accomplish these required tasks.
6. Per capita fee will not be increased by the department to implement this bill. The department would utilize the per capita fee generated by this bill to fund a portion of the range management specialist contract with the remainder funded by general fund.
7. An inflation factor of 1.5% is applied to operating costs in FY 2016 and FY 2017.

	<u>FY 2013</u> <u>Difference</u>	<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>					
<u>Expenditures:</u>					
Operating Expenses	\$0	\$18,750	\$25,000	\$25,375	\$25,755
TOTAL Expenditures	<u>\$0</u>	<u>\$18,750</u>	<u>\$25,000</u>	<u>\$25,375</u>	<u>\$25,755</u>
<u>Funding of Expenditures:</u>					
General Fund (01)	\$0	\$15,140	\$21,390	\$21,765	\$22,145
State Special Revenue (02)	\$0	\$3,610	\$3,610	\$3,610	\$3,610
TOTAL Funding of Exp.	<u>\$0</u>	<u>\$18,750</u>	<u>\$25,000</u>	<u>\$25,375</u>	<u>\$25,755</u>
<u>Revenues:</u>					
General Fund (01)	\$0	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$3,610	\$3,610	\$3,610	\$3,610
TOTAL Revenues	<u>\$0</u>	<u>\$3,610</u>	<u>\$3,610</u>	<u>\$3,610</u>	<u>\$3,610</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>					
General Fund (01)	\$0	(\$15,140)	(\$21,390)	(\$21,765)	(\$22,145)
State Special Revenue (02)	\$0	\$0	\$0	\$0	\$0

Technical Notes:

1. Section 2 retroactive applicability clause does not include section 1(2) of the bill, which would have allowed the department to apply the \$100 per wild horse or burro already in the state. With 715 known wild horses present in Montana, this is a loss of \$71,500 of potential revenue.
2. The existing wild horses are managed by BLM. It is not clear if the State of Montana can impose a fee on the federal government.

Sponsor's Initials

Date

Budget Director's Initials

Date