



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2019 Biennium

Bill # HB0204

Title: Generally revise laws related to maintenance of fishing access sites

Primary Sponsor: Redfield, Alan

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 2018 Difference</u> | <u>FY 2019 Difference</u> | <u>FY 2020 Difference</u> | <u>FY 2021 Difference</u> |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Expenditures: | | | | |
| General Fund | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue | \$1,227,109 | \$1,353,937 | \$1,203,937 | \$1,203,937 |
| Revenue: | | | | |
| General Fund | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue | \$2,931,250 | \$4,396,876 | \$4,396,876 | \$4,396,876 |
| Net Impact-General Fund Balance: | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

Description of fiscal impact: HB 204 will require the purchase of a \$25 fishing access site (FAS) maintenance decal for each vessel that is operated in Montana. The net impact is an increase to state special revenue funds.

FISCAL ANALYSIS

Assumptions:

Department of Fish, Wildlife & Parks

Revenue

1. There is an estimated 234,500 resident and nonresident vessels in Montana. It is assumed that compliance will be 50% in the FY 2018 and 75% in subsequent years. This will generate revenue of \$2,931,250 in FY 2018 (234,500 vessels x 50% compliance x \$25) and \$4,396,875 ongoing (234,500 vessels x 75% compliance x \$25).
2. Of the \$25 fee, HB 204 requires 50 cents of each decal sold to be remitted to the vendor. This will result in an increase to the general license fund of \$58,625 in FY 2018 (234,500 vessels x 50% compliance x 50 cents) and \$87,938 ongoing (234,500 vessels x 75% compliance x 50 cents).

3. Of the \$25 fee, HB 204 requires \$9.50 to be used to improve and maintain fishing access sites. This will result in an increase to the FAS vehicle registration fund of \$1,113,875 in FY 2018 (234,500 vessels x 50% compliance x \$9.50) and \$1,670,813 ongoing (234,500 vessels x 75% compliance x \$9.50).
4. Of the \$25 fee, HB 204 requires \$10 to be used for the control of noxious weeds at FAS. This will result in an increase to a new state special revenue fund of \$1,172,500 in FY 2018 (234,500 vessels x 50% compliance x \$10) and \$1,758,750 ongoing (234,500 vessels x 75% compliance x \$10).
5. Of the \$25 fee, HB 204 requires \$5 to be used to prevent or control any non-native aquatic invasive species (AIS). This will result in an increase to a new state special revenue fund of \$586,250 in FY 2018 (234,500 vessels x 50% compliance x \$5) and \$879,375 ongoing (234,500 vessels x 75% compliance x \$5).

Expenditures

6. Currently, vendors other than the department sell 85% of licenses. It is assumed that these vendors will sell the same percentage of FAS maintenance decals. This will result in a decrease to the general license fund of \$49,831 in FY 2018 (234,500 vessels x 50% compliance x 85% of sales x 50 cents) and \$74,747 ongoing (234,500 vessels x 75% compliance x 85% of sales x 50 cents).
7. Additional FTE needed for the improvement of FAS maintenance sites. Costs in the first year for 3.75 FTE include:
 - a. Salary: \$179,039 (3.75 FTE)
 - b. Operations cost for latrine pumping, maintenance site repairs, travel and per diem: \$300,000
 - c. Equipment (OTO) for skidsteers, backhoes, and one-ton trucks: \$150,000
 - d. Capital for major maintenance, including upgrades and repairs to boat ramps and other boating facilities: \$200,000
 - e. Total Costs in FY 2018: $\$179,039 + \$300,000 + \$150,000 + \$200,000 = \$829,039$
8. Total Costs in subsequent years:
 - a. Salary: \$256,897 (4.00 FTE)
 - b. Operations cost for latrine pumping, maintenance site repairs, travel and per diem: \$300,000
 - c. Equipment (OTO) for skidsteers, backhoes, and one-ton trucks: \$150,000
 - d. Capital for major maintenance, including upgrades and repairs to boat ramps and other boating facilities: \$200,000
 - e. Total Costs in FY 2019: $\$256,897 + \$300,000 + \$200,000 = \$906,897$
9. The department will contract with counties or private providers for weed control, and will also implement mapping software and equipment to improve weed operation efficiency. This will decrease the state special revenue fund, in revenue assumption number 4, by \$60,000 in FY 2018 and \$100,000 ongoing.
10. The department will need additional FTE for AIS laboratory and monitoring detection. Costs in the first year for 1.5 FTE include:
 - a. Salary: \$111,161
 - b. Operations costs for laboratory supplies and equipment, AIS educational outreach, and public communications = \$200,000
 - c. Total Costs in FY 2018 = $\$111,161 + 200,000 = \$311,161$
11. Total costs in subsequent years:
 - a. Salary: \$111,161
 - b. Operations costs for laboratory supplies and equipment, AIS educational outreach, and public communications = \$200,000
 - c. Total Costs in FY 2018 = $\$111,161 + 200,000 = \$311,161$
12. It is assumed that the department will print decals for 75% of the total resident and nonresident vessels in FY 2018 and 100% ongoing.
13. It will cost \$26,381 in FY 2018 (234,500 vessels x 75% x 15 cents per decal) and \$35,175 ongoing (234,500 vessels x 15 cents per decal) to print the FAS maintenance decals.

14. 17-1-508, MCA, requires analysis of the statutory appropriation relative to the guidance in 17-1-508(3), MCA, to be published in the fiscal note. In reviewing and establishing statutory appropriations, the legislature shall consider the following guidelines.

| | <u>YES</u> | <u>NO</u> |
|--|-------------------|------------------|
| a. The money is from a continuing, reliable, and estimable source. | X | |
| b. The use of the appropriation or the expenditure occurrence is predictable and reliable. | X | |
| c. The authority exists elsewhere. | | X |
| d. An alternative appropriation method is available, practical, or effective. | X | |
| e. It appropriates state general fund money for purposes other than paying for emergency services. | | X |
| f. The money is used for general purposes. | | X |
| g. The legislature wishes to review expenditure and appropriation levels each biennium. | X | |
| h. An expenditure cap and sunset date are excluded. | X | |

| | <u>FY 2018</u> <u>Difference</u> | <u>FY 2019</u> <u>Difference</u> | <u>FY 2020</u> <u>Difference</u> | <u>FY 2021</u> <u>Difference</u> |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <u>Fiscal Impact:</u> | | | | |
| FTE | 5.25 | 5.50 | 5.50 | 5.50 |
| <u>Expenditures:</u> | | | | |
| Personal Services | \$290,200 | \$368,058 | \$368,058 | \$368,058 |
| Operating Expenses | \$586,909 | \$635,879 | \$635,879 | \$635,879 |
| Equipment | \$150,000 | \$150,000 | \$0 | \$0 |
| Capital | \$200,000 | \$200,000 | \$200,000 | \$200,000 |
| TOTAL Expenditures | <u>\$1,227,109</u> | <u>\$1,353,937</u> | <u>\$1,203,937</u> | <u>\$1,203,937</u> |
| <u>Funding of Expenditures:</u> | | | | |
| General Fund (01) | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue (02) | \$1,227,109 | \$1,353,937 | \$1,203,937 | \$1,203,937 |
| TOTAL Funding of Exp. | <u>\$1,227,109</u> | <u>\$1,353,937</u> | <u>\$1,203,937</u> | <u>\$1,203,937</u> |
| <u>Revenues:</u> | | | | |
| General Fund (01) | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue (02) | \$2,931,250 | \$4,396,876 | \$4,396,876 | \$4,396,876 |
| TOTAL Revenues | <u>\$2,931,250</u> | <u>\$4,396,876</u> | <u>\$4,396,876</u> | <u>\$4,396,876</u> |
| <u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u> | | | | |
| General Fund (01) | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue (02) | \$1,704,141 | \$3,042,939 | \$3,192,939 | \$3,192,939 |

Sponsor's Initials

Date

Budget Director's Initials

Date