



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2021 Biennium

**Bill #** SB0015

**Title:** Allow certain state funds to be used for affordable housing infrastructure

**Primary Sponsor:** Boland, Carlie

**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 2020</u> <u>Difference</u>	<u>FY 2021</u> <u>Difference</u>	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>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:**

**Department of Commerce:**

- The same amount of funds would be available for the Big Sky Economic Development Trust Fund (BSTF) program and the Treasure State Endowment Program (TSEP). The distribution of funds available may change leaving fewer funds for traditional program usage, but the overall program funding would not change; hence there would be no fiscal impact.

**Long-Term Impacts:**


- BSTF and TSEP funding is already competitive with insufficient revenue to fund all current project applications. Increasing the number of eligible projects without providing additional funding would add to the application backlog.

**Effect on County or Other Local Revenues or Expenditures:**

1. There would be increased costs for local and tribal governments and water/sewer districts if additional housing projects are funded. Local user fee assessments may need to be modified to cover additional expenses.


**Technical Notes:**

1. As written, the definition of "housing infrastructure" does not appear to be related to the primary statutory priority focus of the TSEP program, which is to solve urgent and serious public health or safety problems that enable local governments to meet state or federal health or safety standards.
2. As written, "infrastructure costs" are not defined. Currently, infrastructure for TSEP is limited to drinking water, wastewater, sanitary sewer, storm sewer, or solid waste systems. The addition of infrastructure costs for housing does not identify if the use of funds would be for individual user connections or equivalent dwelling unit connections of a housing project.
3. As written, the definition of "housing" is not defined as single family, multi-family, housing for elderly, nursing homes, personal-care projects, homeless shelters, or other types of housing. If the definition of housing is broadly interpreted, the use of TSEP funds may be to connect an individual residence to a main line public infrastructure connection.

  
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Sponsor's Initials

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Budget Director's Initials

  
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Date