



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # HB0147

Title: Establish the Montana hunters and anglers community fund

Primary Sponsor: France, Tom

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 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$7,700	\$14,389	\$32,000	\$32,000
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$12,800	\$32,000	\$32,000	\$32,000
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 147 creates a new grant program, the Hunters' and Anglers' Community Fund, providing funds to community projects in areas with a population of less than 7,500. The grant program would be funded by donations of no less than \$10 from persons purchasing a wildlife conservation license or a combination license that includes a conservation license.

FISCAL ANALYSIS

Assumptions:

1. The Department of Fish, Wildlife, and Parks (FWP) currently has four programs funded by donations made during the purchasing process for a hunting or fishing license.
2. Of these four programs, Hunters Against Hunger is the only one for which individuals made a donation of \$10 or more.

3. Because Hunters Against Hunger is the only program with revenue estimates, the department assumes the number of donors for this Community Fund program would be comparable to the Hunters Against Hunger program.
4. In 2020, a total of 3,240 people donated \$10 or more in the Hunters Against Hunger program.
5. Rounding off the above listed number, the department assumes a total of 3,200 people would choose to donate \$10 each to the Hunters’ and Anglers’ Community Fund, for an annual revenue of \$32,000.
6. The bill would be effective March 1st, 2022, the department assumes revenue would be 40% of the annual \$32,000 by fiscal year end of 2022, or \$12,800.
7. Beginning FY 2023, the department assumes annual revenue of \$32,000.
8. The department would allow funds to build during FY 2022 and begin granting funds in FY 2023.
9. The department estimates the annual cost of stickers for donors to be \$7,700 based on a sticker cost of \$1.20 each, \$1.00 each for postage/label/envelopes, and printing stickers for up to 3,500 donors annually.
10. The department assumes no additional FTE would be needed for the administration of this program, as current staff in the Financial Aid and Compliance Bureau would be able to manage the workload.
11. Beginning in FY 2023, the department estimates the seven-member Hunters’ and Anglers’ Community Fund Board created by this bill would meet annually.
12. The department estimates travel expenditures for the seven board members to be \$1,239 for hotel, mileage, and meals.
13. Beginning in FY 2023, the department estimates annual board honorarium costs to be \$350, or \$50 per board member at \$50 each.
14. Beginning FY 2023, the department would grant out remaining funds (revenue minus administrative expenses) to communities.
 - a. For FY2023, the funds available to grant would include the net revenue from FY 2022 (\$12,800 - \$7,700 = \$5,100).
 - b. Beginning FY 2024, the funds available to grant would include the net revenue from FY2023 (\$32,000 - \$9,289 = \$22,711).
15. 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.

YES

NO

	<u>YES</u>	<u>NO</u>
a. The money is from a continuing, reliable, and estimable source.		
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 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$7,700	\$9,289	\$9,289	\$9,289
Grants	\$0			
TOTAL Expenditures	<u>\$7,700</u>	<u>\$9,289</u>	<u>\$9,289</u>	<u>\$9,289</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$7,700	\$14,389	\$32,000	\$32,000
TOTAL Funding of Exp.	<u>\$7,700</u>	<u>\$14,389</u>	<u>\$32,000</u>	<u>\$32,000</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$12,800	\$32,000	\$32,000	\$32,000
TOTAL Revenues	<u>\$12,800</u>	<u>\$32,000</u>	<u>\$32,000</u>	<u>\$32,000</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$5,100	\$17,611	\$0	\$0

Technical Notes:

1. This bill does not specifically state that administrative costs can be paid by the newly created Hunters' and Anglers' Community Fund. General license dollars cannot be used as this program does not benefit fish and wildlife projects. The department does not have existing appropriations that can be used to pay the administrative costs of this program.

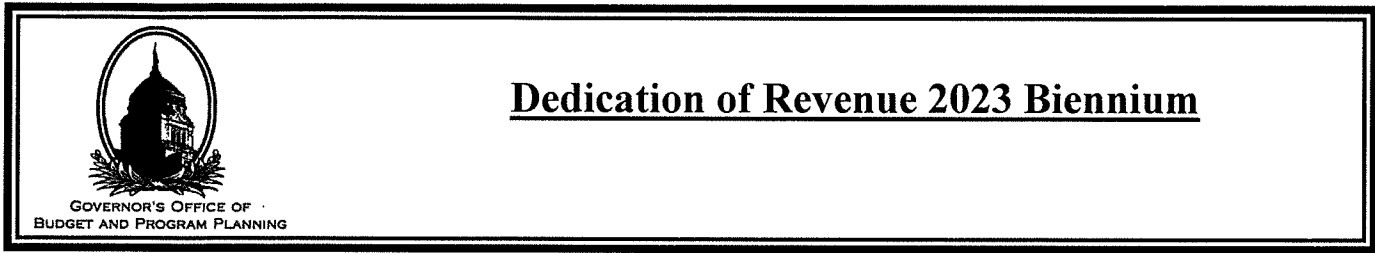
NOT SIGNED BY SPONSOR

Sponsor's Initials

1/19/21
Date

KA
Budget Director's Initials

1/16/21
Date



17-1-507, MCA.

- a) **Are there persons or entities that benefit from this dedicated revenue that do not pay? (please explain)**

Yes, the revenue comes mainly from persons purchasing a wildlife conservation license or a combination license that includes a conservation license. Intended recipients of this grant program are communities with a population of 7,500 or fewer. Community members who did not donate to this fund could benefit if their community received a grant from this program.

- b) **What special information or other advantages exist as a result of using a state special revenue fund that could not be obtained if the revenue were allocated to the general fund?**

Using a state special revenue fund would allow the agency to track revenue and expenditures for the Community Grant program.

- c) **Is the source of revenue relevant to current use of the funds and adequate to fund the program activity that is intended? Yes / No (if no, explain)**

No, the revenue source (hunters and anglers) does not directly correlate to the intended beneficiaries of the funds (communities with populations of 7,500 or fewer).

- d) **Does the need for this state special revenue provision still exist? Yes No (Explain)**

In order for the agency to accurately track the revenue and expenditures, a separate fund is needed.

- e) **Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending? (Please Explain)**

No. The fund would be subject to legislative review and appropriation.

- f) **Does the dedicated revenue fulfill a continuing, legislatively recognized need? (Please Explain)**

The department is unaware of the need for a community grant program as it is not a project that falls within our agency's scope.

- g) **How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency? (Please Explain. Also, if the program/activity were general funded, could you adequately account for the program/activity?)**

The dedicated revenue provision ensures FWP utilizes the dedicated revenue as the legislature intended with the passage of the bill.