



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2023 Biennium

Bill # HB0388

Title: Establish a Montana Health Crisis Preparedness Program

Primary Sponsor: Stafman, Ed

Status: As Amended

- 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 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$10,000,000	\$0	\$0	\$0
Federal Special Revenue	(\$10,000,000)	\$0	\$0	\$0
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$10,000,000	\$0	\$0	\$0
Federal Special Revenue	(\$10,000,000)	\$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:** HB 388 reduces the federal special revenue appropriated to the Department of Public Health and Human Services (DPHHS) in HB 3 by \$10 million for testing, tracing and mitigation. This transfer to the health crisis preparedness state special revenue fund will cause DPHHS to reduce planned expenditures in this federal grant by \$10 million. Further, in years where there is an unspent balance of the \$16 million Governor's Emergency Appropriation, the first \$400,000 would be transferred to health crisis preparedness account instead of the fire suppression fund, thereby reducing the transfer to the fire suppression fund by a like amount.

### FISCAL ANALYSIS

#### Assumptions:

- Section 10 would require \$10 million of the federal special revenue appropriated to DPHHS for testing, tracing and mitigation be transferred to the health crisis preparedness state special revenue fund on July 1, 2021. This will reduce the planned expenditures in DPHHS for this grant by \$10 million.

2. The appropriation established in HB 3 for these funds is \$192.3 million. The actual grant award received by DPHHS for testing, tracing, and mitigations is \$61.5 million. A \$10 million transfer from this grant amounts to over 16% of the total grant award.
3. In years where there is an unspent balance of the \$16 million Governor’s Emergency Appropriation, the first \$400,000 would be transferred to the health crisis preparedness account instead of the fire suppression fund, thereby reducing the transfer to the fire suppression fund by a like amount.
4. 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.		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 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>
<b><u>Fiscal Impact:</u></b>				
<b><u>Expenditures:</u></b>				
Grants	(\$10,000,000)	\$0	\$0	\$0
Transfers	\$10,000,000	\$0	\$0	\$0
<b>TOTAL Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Funding of Expenditures:</u></b>				
State Special Revenue (02)	\$10,000,000	\$0	\$0	\$0
Federal Special Revenue (03)	(\$10,000,000)	\$0	\$0	\$0
<b>TOTAL Funding of Exp.</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Revenues:</u></b>				
State Special Revenue (02)	\$10,000,000	\$0	\$0	\$0
Federal Special Revenue (03)	(\$10,000,000)	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

**Technical Notes:**

1. DPHHS has already submitted a proposed budget to the Centers for Disease Control (CDC). Modifications to this submitted budget will be reviewed by the CDC and may, potentially be disapproved.

**NOT SIGNED BY SPONSOR**

\_\_\_\_\_  
Sponsor's Initials

3/26/21  
Date

KA  
Budget Director's Initials

3-24-21  
Date