



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2023 Biennium

<b>Bill #</b>	HB0522	<b>Title:</b>	Create the Montana military strategic and economic task force
<b>Primary Sponsor:</b>	Buttrey, Edward	<b>Status:</b>	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 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
<b>Expenditures:</b>				
General Fund	\$288,000	\$288,000	\$292,320	\$296,705
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>(\$288,000)</u>	<u>(\$288,000)</u>	<u>(\$292,320)</u>	<u>(\$296,705)</u>

**Description of fiscal impact:** HB 522 establishes a Military Strategic and Economic Impact Task Force concerning retention and development of military installations and force structures to provide economic development opportunities in Montana and allocates the task force to the Department of Commerce for administrative purposes.


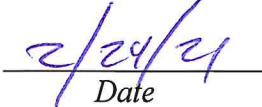
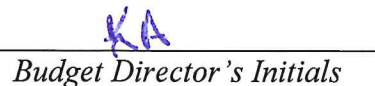
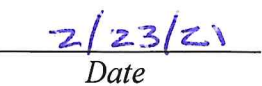
### FISCAL ANALYSIS

#### Assumptions:

- Section 1 of the bill creates the Montana Military Strategic and Economic Impact Task Force and administratively attaches it to the Department of Commerce.
- The task force will be comprised of ten members serving staggered terms and all will be entitled to reimbursement for expenses as provided in 2-18-501 through 2-18-503, MCA.
- The effective date of the bill is July 1, 2021.
- Section 1(4) calls for the task force to examine potential base realignment and closure actions, study the economic and strategic impact of those proposed actions, develop a strategic plan to position the state, as well as the preparation of various reports and presentations.

5. Section 1(6) requires the task force to formulate a budget and submit a copy of that budget to the State Administration and Veterans’ Affairs interim committee by December 31, 2021. It is assumed that the task force will require extensive support from department staff or a consultant to assist in the completion of these tasks.
6. Section 2 of the bill appropriates from the general fund, \$250,000 for the biennium ending June 30, 2023 to conduct the economic impact study and other tasks outlined in Section 1(4), and \$163,000 for each year of the biennium ending June 30, 2023 to establish and administer the task force.
7. For the purposes of this fiscal note the \$250,000 appropriated for the tasks outlined in Section 1(4) will be evenly distributed in both years of the biennium at \$125,000 ( $\$250,000 / 2$ ).
8. The bill does not state the frequency of task force meeting, however for the purposes of this fiscal note it is assumed that the task force will meet once a month beginning in July of 2021.
9. To provide administrative support to the task force in the items outlined above it is assumed that it will require 1.00 FTE.
10. Since this taskforce has no termination date it is assumed that the expenses and funding will carry forward into subsequent biennia at a similar rate.
11. A 1.5% annual inflation rate is applied for the 2025 biennium.

	<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>				
FTE	1.00	1.00	1.00	1.00
<b><u>Expenditures:</u></b>				
Personal Services	\$77,393	\$78,016	\$79,186	\$80,374
Operating Expenses	\$210,607	\$209,984	\$213,134	\$216,331
<b>TOTAL Expenditures</b>	<u>\$288,000</u>	<u>\$288,000</u>	<u>\$292,320</u>	<u>\$296,705</u>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$288,000	\$288,000	\$292,320	\$296,705
<b>TOTAL Funding of Exp.</b>	<u>\$288,000</u>	<u>\$288,000</u>	<u>\$292,320</u>	<u>\$296,705</u>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	(\$288,000)	(\$288,000)	(\$292,320)	(\$296,705)

 _____ Sponsor's Initials	 _____ Date	 _____ Budget Director's Initials	 _____ Date
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