



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2023 Biennium

<b>Bill #</b>	HB0695	<b>Title:</b>	Generally revise environmental laws
<b>Primary Sponsor:</b>	Loge, Denley M	<b>Status:</b>	As Introduced

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           | <input type="checkbox"/> 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	\$84,463	\$0	\$0	\$0
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>(\$84,463)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Description of fiscal impact:** HB 695 allows the Department of Environmental Quality to develop and adopt rules prescribing fees that must be paid by entities wishing to comment on an Environmental Impact Statement (EIS) under the Montana Environmental Policy Act. The process to develop the appropriate fees and adopt administrative rules would require additional resources.

### FISCAL ANALYSIS

#### Assumptions:

#### **Department of Environmental Quality (DEQ)**

- HB 695 allows DEQ to adopt fee rules but does not require the agency to do so. DEQ may choose to adopt fee rules once in the next biennium.
- Prior to initiating a rulemaking process under the Montana Administrative Procedures Act, DEQ would engage with stakeholders to develop an appropriate fee structure. The structure would include mechanisms for determining whether a third party is paying the fee, for rejecting comments provided without the required fee, and for establishing whether payment of the fee constitutes a hardship, as required under the new 75-1-202(2)(b), MCA.

3. Because of the complex nature of charging fees for submitting comments and determining how to address the requirements in the new 75-1-202(2)(b), MCA, DEQ would need 0.50 FTE Environmental Specialist, 0.25 FTE Attorney, and related personal service indirect costs to help develop the fee structure and associated administrative rules for adoption in the first year.
4. Once the rules are adopted, ongoing implementation of the fee program would require 0.25 FTE Environmental Science Specialist. Existing FTE would be reassigned. These costs would be considered costs associated with conducting the EIS process and would be funded from fees collected under the fee program.
5. DEQ does not anticipate significant fiscal impacts from the amendment in 75-6-114, MCA, allowing parties to enter arbitration.
6. Until the structure of this fee program is established, revenue cannot be accurately forecast.

	<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	0.00	0.00	0.00	0.00
<b><u>Expenditures:</u></b>				
Personal Services	\$68,115	\$0	\$0	\$0
Operating Expenses	\$16,348	\$0	\$0	\$0
<b>TOTAL Expenditures</b>	<u>\$84,463</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$84,463	\$0	\$0	\$0
<b>TOTAL Funding of Exp.</b>	<u>\$84,463</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</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)	(\$84,463)	\$0	\$0	\$0

**NOT SIGNED BY SPONSOR**

Sponsor's Initials

Date

Budget Director's Initials

Date