



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill #	HB0159	Title:	Revise governor's power to spend certain unanticipated federal funds
---------------	--------	---------------	--

Primary Sponsor:	Jones, Llew	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
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 195 requires the Governor's Office to provide a plan to the Legislative Finance Committee for the expenditure of certain emergency funds provided to the state from the federal government. The Secretary of State would poll the legislature for approval of the plan. The bill has no fiscal impact.

FISCAL ANALYSIS

Assumptions:

Governor's Office

1. HB 159 requires that when the legislature is not in session, if federal funds are received, in certain circumstances, to address an emergency, that the Governor must submit recommendations for expenditure of the federal funds to the Legislative Finance Committee.
2. Based upon Governor Gianforte's proposed executive budget, if federal funds were received by the state in excess of \$133.7 million for an emergency, the Governor would need to submit an expenditure plan to the Legislative Finance Committee.
3. There has been one instance in at least the past 30 years, where this trigger would have been reached. That instance occurred in FY 2020 with receipt of the CARES Act funding approved by congress and signed by the President related to the COVID 19 Pandemic.
4. The Legislative Finance Committee would meet within 20 days of receipt of the expenditure plan and may make recommendations to the Governor regarding the plan. The Governor shall consider the

recommendations and may revise the proposed expenditure plan. The Legislative Finance Committee would then provide a recommendation to the Senate and the House of Representatives regarding the plan.

5. The Secretary of State would conduct a poll of the legislature regarding whether to accept the plan within 10 days of receiving the Governor's final plan.
6. If the plan is accepted by the legislature, the Governor can proceed with implementing the plan.
7. If the plan is not accepted by the legislature, the Governor can revise the plan and repeat the process, call a Special Session, or not spend the funds.
8. Development, presentation, and implementation of the plan can be completed with existing resources.

Legislative Branch

9. HB 159 Section 2 (3)(b)(ii) states the Legislative Finance Committee shall meet to make recommendations concerning the Governor's plan.
10. Due to the rarity of this level of emergency occurring, it is assumed that the Legislative Finance Committee will not have any additional meetings in the coming two biennia and therefore will incur no additional costs.

Secretary of State's Office

11. The Secretary of State's Office would have minimal fiscal impact if it were required to conduct a poll of the legislature and could accommodate the implementation within existing resources.

JW 1/20/21
Sponsor's Initials Date

KA 1/19/21
Budget Director's Initials Date