



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill #	SB0262	Title:	Revise forest lands taxation advisory committee
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Primary Sponsor:	Cuffe, Mike	Status:	As Introduced
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- 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	\$181,002	\$42,293	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$181,002)</u>	<u>(\$42,293)</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: SB 262 adds members to the forest lands taxation advisory committee and mandates a comprehensive review and evaluation of the Department of Revenue's (DOR) forest land valuation methodology. Implementation of SB 262 will require additional resources at DOR.

FISCAL ANALYSIS

Assumptions:

Department of Revenue

- SB 262 calls for a comprehensive review of forest land appraisal with amendment to 15-44-103, MCA, with new sub (11).
- The department estimates that to complete the review and the work outlined in the bill will require 1.00 FTE in FY 2022 and 0.50 FTE in FY 2023.
- It is estimated that the new mean annual net wood production calculation will cost \$60,000, and contracting out stumpage value calculations each cycle will cost \$10,000. SB 262 also calls for third-party review of the committee's work. This is estimated to cost \$25,000 in contracted services.

<u>Fiscal Impact:</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
Department of Revenue	Difference	Difference	Difference	Difference
FTE	1.00	0.50	0.00	0.00
<u>Expenditures:</u>				
Personal Services	\$75,335	\$38,137	\$0	\$0
Operating Expenses	\$105,667	\$4,156	\$0	\$0
TOTAL Expenditures	<u>\$181,002</u>	<u>\$42,293</u>	<u>\$0</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$181,002	\$42,293	\$0	\$0
TOTAL Funding of Exp.	<u>\$181,002</u>	<u>\$42,293</u>	<u>\$0</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$181,002)	(\$42,293)	\$0	\$0

NO SPONSOR SIGNATURE 2/22 KA 2/22/21
 Sponsor's Initials Date Budget Director's Initials Date