



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0839 - Fund the Great Falls fire training center (Seekins-Crowe, Kerri)

Status: As Amended in House Committee

- 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

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	\$180,000	\$180,000	\$180,000	\$180,000
State Special Revenue	\$200,000	\$200,000	\$200,000	\$200,000
Federal Special Revenue	\$20,000,000	\$0	\$0	\$0
Other - Capital Projects	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$200,000	\$200,000
Federal Special Revenue	\$20,000,000	\$0	\$0	\$0
Other - Capital Projects	0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$180,000)</u>	<u>(\$180,000)</u>	<u>(\$180,000)</u>	<u>(\$180,000)</u>

Description of fiscal impact: HB 839 authorizes the construction of the Montana Public Safety Development Center and includes appropriations for the capital project and the operations and maintenance of the facility. The net impact to the state's general fund is \$180,000 in each of the fiscal years 2024, 2025, 2026 and 2027.

FISCAL ANALYSIS

Assumptions:**Department of Administration**

- Capital projects typically take multiple fiscal years to complete, and the appropriation authority is valid until projects are completed per §17-7-212, MCA.
- Expenditures will span across fiscal years and possibly across biennia. The Department of Administration's Architecture & Engineering Division cannot estimate an expenditure timeline without more information. For the purposes of this fiscal note, however, all expenditures are shown in fiscal year 2024.

Department of Military Affairs

3. Construction of the Montana Public Safety Development Center is anticipated to be completed by the end of fiscal year 2026.
4. The Department of Military Affairs' Disaster and Emergency Services Division will need to hire 1.00 FTE Emergency Specialist in FY 2025. This position will be recruited, trained, and begin the training program development prior to the facility opening, allowing the facility to begin operations upon completion. Once the facility is completed, this position will manage the training center, coordinate trainings and instructors, and perform financial oversight.
5. Estimated costs for the 1.00 FTE are \$96,179 (\$70,720 salary plus \$25,459 benefits) for FY 2024 and 2025, \$97,951 for FY 2026, and \$100,138 for FY 2027. There is also a one-time computer and equipment expense of \$2,842 in FY 2025.
6. The proposed legislation includes a general fund appropriation of \$360,000 each biennium starting in FY 2024 to offset program expansion, operations, and maintenance. This appropriation will not be used in FY 2024 and will only be used to fund the Emergency Specialist position in FY 2025. For the purposes of this fiscal note, this appropriation is split equally between the fiscal years in each biennium.
7. In accordance with 17-7-210 (2), MCA, at the end of each fiscal year following approval of a new facility, but prior to receipt of its certificate of occupancy, the appropriation made pursuant to subsection (1) reverts to its originating fund. Therefore, any general fund amount appropriated for fiscal years 2024 and 2025 in HB 839 that is not used by the department will revert.
8. Beginning in FY 2026, the Montana Public Safety Development Center anticipates it will generate approximately \$200,000 in revenues through course fees, facility rental fees, membership fees, and donations. Revenue generated by the Montana Public Safety Development Center will fund additional program costs, including tactical equipment costs, firing range costs, and other operating and maintenance costs.
9. The proposed legislation includes an appropriation of \$400,000 in state special revenue funding each biennium to provide the department with the authority to spend the revenues earned from course fees, facility rental fees, membership fees, and donations. For purposes of this fiscal note, this appropriation is split equally between the two fiscal years of each biennium. The department does not anticipate any revenue in FY 2024 or FY 2025, prior to completion of the facility.
10. In accordance with 17-7-210 (2), MCA, at the end of each fiscal year following approval of a new facility, but prior to receipt of its certificate of occupancy, the appropriation made pursuant to subsection (1) reverts to its originating fund. Therefore, any state special revenue amount appropriated for fiscal years 2024 and 2025 in HB 839 that is not used by the department will revert.

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	1.00	1.00	1.00
<u>Expenditures:</u>				
Personal Services	\$96,179	\$96,179	\$97,951	\$100,138
Operating Expenses	\$259,821	\$259,821	\$258,049	\$255,862
Equipment	\$24,000	\$24,000	\$24,000	\$24,000
Capital Projects	\$20,000,000	\$0	\$0	\$0
TOTAL Expenditures	<u>\$20,380,000</u>	<u>\$380,000</u>	<u>\$380,000</u>	<u>\$380,000</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$180,000	\$180,000	\$180,000	\$180,000
State Special Revenue (02)	\$200,000	\$200,000	\$200,000	\$200,000
Federal Special Revenue (03)	\$20,000,000	\$0	\$0	\$0
TOTAL Funding of Exp.	<u>\$20,380,000</u>	<u>\$380,000</u>	<u>\$380,000</u>	<u>\$380,000</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$200,000	\$200,000
Federal Special Revenue (03)	\$20,000,000	\$0	\$0	\$0
TOTAL Revenues	<u>\$20,000,000</u>	<u>\$0</u>	<u>\$200,000</u>	<u>\$200,000</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$180,000)	(\$180,000)	(\$180,000)	(\$180,000)
State Special Revenue (02)	(\$200,000)	(\$200,000)	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

Technical Notes:

1. “AND OPERATIONS AND MAINTENANCE OF THE FACILITY” is crossed out in the bill description, but on page 3, line 27, an appropriation is given to DMA for program expansion or operations and maintenance of the facility.
2. House Bill 5, Section 25 as amended by the House Appropriations Committee, contains an appropriation of \$5 million long-range capital development account and \$5 million of federal special revenue for the same project. Section 31 of House Bill 5 voids Section 25 if House Bill 839 is not passed and approved. Currently if both bills passed this project would receive an appropriation in both bills.

NOT SIGNED BY SPONSOR

Sponsor's Initials

Date



Budget Director's Initials

3-31-23

Date