



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:	
HB0051 - Generally revise indemnity provisions (Read, Joe)	
Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input 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 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	\$0	\$0	\$0	\$0
State Special Revenue	\$10,000	\$10,000	\$10,000	\$10,000
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$10,000	\$10,000	\$10,000	\$10,000
Net Impact-General Fund Balance:	\$0	\$0	\$0	\$0

Description of fiscal impact: The proposed legislation authorizes the Department of Livestock to set aside up to \$10,000 of state special revenue into an indemnity special revenue account that is capped at \$100,000. The revenue to support this ongoing expenditure will be derived from livestock producers' annual per-capita fees.

FISCAL ANALYSIS

Assumptions:


1. A state special revenue account will be established to compensate livestock producers for indemnity for depopulation associated with Foreign Animal Diseases or USDA program diseases or for injuries or death as a consequence of required testing by the department.
2. The fund would allow the Department of Livestock to contribute a fixed amount to new fund from other funds in the department to fund the fund losses on an annual basis, and would have a monetary of cap of \$100,000, excluding interest, that could be added to the fund.

3. Payment of indemnity from the fund would be based upon an assessed fair-market value of an animal. Indemnity would be restricted to cattle, sheep, goats, poultry, and alternative livestock. For purposes of this fiscal note, it is assumed that \$10,000 will be paid out each fiscal year.
4. 17-1-508, MCA, requires analysis of the statutory appropriation relative to the guidance in 17-1-508(3), MCA, to be published in the fiscal note. In reviewing and establishing statutory appropriations, the legislature shall consider the following guidelines.

YES **NO**

a. The money is from a continuing, reliable, and estimable source.	x	
b. The use of the appropriation or the expenditure occurrence is predictable and reliable.		x
c. The authority exists elsewhere.		x
d. An alternative appropriation method is available, practical, or effective.		x
e. It appropriates state general fund money for purposes other than paying for emergency services.		x
f. The money is used for general purposes.		x
g. The legislature wishes to review expenditure and appropriation levels each biennium.		x
h. An expenditure cap and sunset date are excluded.	x	

	<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>				
<u>Expenditures:</u>				
Benefits	\$10,000	\$10,000	\$10,000	\$10,000
Transfers	\$10,000	\$10,000	\$10,000	\$10,000
TOTAL Expenditures	<u>\$20,000</u>	<u>\$20,000</u>	<u>\$20,000</u>	<u>\$20,000</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$20,000	\$20,000	\$20,000	\$20,000
TOTAL Funding of Exp.	<u>\$20,000</u>	<u>\$20,000</u>	<u>\$20,000</u>	<u>\$20,000</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$10,000	\$10,000	\$10,000	\$10,000
TOTAL Revenues	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$10,000</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$10,000)	(\$10,000)	(\$10,000)	(\$10,000)

<i>Sponsor's Initials</i>	<i>Date</i>	 <i>Budget Director's Initials</i>	<i>12-28-22</i> <i>Date</i>
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