



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0270 - Extend sunset on natural resource operation funding (Kassmier, Joshua)

Status: As Amended in House Committee

- | | | |
|--|--|--|
| <input checked="" 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 |

	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$1,000,000	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$1,000,000	\$0
Net Impact-General Fund Balance:	\$0	\$0	(\$1,000,000)	\$0

Description of fiscal impact: HB 270 extends the sunset date to June 30, 2026, for transfers from the general fund to the Natural Resource Operations state special revenue account.

FISCAL ANALYSIS

Assumptions:

1. Existing statute authorizes the transfers through June 30, 2025. HB 270 extends the sunset through FY 2026.
2. Appropriations from the account fund the following state functions in state agencies:
 - i. DNRC: Grant accounting; internal controls; financial and legal review; tracking and records management; accrual and accounts payable for the Renewable Resource Grants (HB 6) and the Resource Development Grants (HB 7); and funding for operations of the Flathead Basin Commission and the non-point source pollution projects they are currently working on.
 - ii. MUS: Operational funding for the Montana Bureau of Mines and Geology
 - iii. DEQ: Operations and administrative costs of the Mining Bureau in the Air, Energy, and Mining Division.
3. Expenditures from the account are funded each biennium in HB 2.
4. Transfers are made each fiscal year from the general fund to the account based upon the appropriations in HB 2 less any unencumbered fund balance and less the revenue received from other sources. The

anticipated deficit in the account requiring a general fund transfer is estimated to be \$1,000,000 in fiscal year 2026.

	<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>				
Transfers	\$0	\$0	\$1,000,000	\$0
TOTAL Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$1,000,000</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$1,000,000	\$0
TOTAL Funding of Exp.	<u>\$0</u>	<u>\$0</u>	<u>\$1,000,000</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$1,000,000	\$0
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$1,000,000</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	(\$1,000,000)	\$0
State Special Revenue (02)	\$0	\$0	\$1,000,000	\$0

SL
Sponsor's Initials

2/21/2023
Date

[Signature]
Budget Director's Initials

3-20-23
Date