

Update Montana Unified Volume Cap Bond Allocation Plan Act

Proposed 2021 Session Legislation

Agency Name & No: Department of Commerce - 65010

Priority Number: 1 Filename: 6501-74-001

Short Title: Update MT Unified Volume Cap Bond Allocation Plan Act

Agency Contact Person/Phone: Bruce Brensdal - 841-2844

1. Purpose:

This proposal would modernize The Montana Unified Volume Cap Bond Allocation Plan Act in 17-5-1312, MCA. The basic change would be to delete the set-asides in the allocation to state issuers allowing more flexibility of allocating resources.

2. Background:

Since enacted the allowed use of volume cap per federal law has changed. This would allow the Dept of Administration to allocate this resource to agencies that need it.

3. Fiscal Impact by Fund Type: This impact should be as specific as possible.

No Fiscal Impact

4. Summary Checklist [Check & complete all that apply]--

- Housekeeping Only, Federal Requirement, Audit Recommendation, Major Legislation, Anticipated to be Controversial Legislation, Bill Draft has been included in Legislation Submittal, Supports Submitted EPP Item Number, Local Government Fiscal Impact, Increases/Decreases FTE, Revenue changes (Tax, Fee, Penalty), Leg. has been Submitted in Previous Legislative Sessions, Legislation would affect other state agencies (list: Department of Administration), Special Interest Groups Affected, Other.



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill #	6501-74-001
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Title:	Unified Vol Cap Plan Update
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Primary Sponsor:	Department of Commerce
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Status:	As Proposed
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_____ Significant Local Gov Impact

_____ Include in HB 2

_____ Technical Concerns

_____ Include in the Executive Budget

_____ Significant Long Term Impacts

_____ Dedicated Revenue Form Attached

FISCAL SUMMARY

To open the fiscal Summary spreadsheet, right click on the spreadsheet, select Worksheet Object/Edit. To exit the spreadsheet, click outside of the spreadsheet.

	<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	\$ -	\$ -	\$ -	\$ -
State Special Revenue	\$ -	\$ -	\$ -	\$ -
Federal Special Revenue	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
Revenue:				
General Fund	\$ -	\$ -	\$ -	\$ -
State Special Revenue	\$ -	\$ -	\$ -	\$ -
Federal Special Revenue	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
Net Impact-General Fund Balance	\$ -	\$ -	\$ -	\$ -

Description of fiscal Impact: (In a few short sentences, describe.) This proposal would modernize The Montana Unified Volume Cap Bond Allocation Plan Act in 17-5-1312, MCA. The basic change would be to delete the set-asides in the allocation to state issuers allowing more flexibility of allocating resources. There is no fiscal impact.

FISCAL ANALYSIS

Assumptions:

Department of Commerce (DOC):

1. This proposal would modernize The Montana Unified Volume Cap Bond Allocation Plan Act in 17-5-1312, MCA. The basic change would be to delete the set-asides in the allocation to state issuers allowing more flexibility of allocating resources. There is no fiscal impact to the Department of Commerce.
- 2.
- 3.

To open the spreadsheet below, right click on the spreadsheet, select Worksheet Object/Edit. To exit the spreadsheet, click outside of the spreadsheet.

	<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>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0
Grants	\$0	\$0	\$0	\$0
Transfers	\$0	\$0	\$0	\$0
TOTAL Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$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)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0

Effect on County or Other Local Revenues or Expenditures:

- 1.
- 2.
- 3.

Long-Range Impacts:

- 1.
- 2.
- 3.

Technical Notes:

- 1.
- 2.
- 3.

<u>Sponsor's Initials</u>	<u>Date</u>	<u>Budget Director's Initials</u>	<u>Date</u>
Fiscal note prepared by:		Bruce Brensdal and William Hoffmann	
Agency:		Department of Commerce	
Phone number:		841-2844; 841-2720	

Create Statutory Appropriation for WTG State Special Revenue Account

Proposed 2021 Session Legislation

Agency Name & No: Department of Commerce - 6501

Priority Number: 4 **Filename:** 6501-51-004

Short Title: Create Statutory Appropriation for WTG state special revenue account

Agency Contact Person/Phone: Jennifer Pelej - 841-2896

1. Purpose:

The 02344 Primary Sector Training state special fund was established in FY 2016 as a result of SB 163. Over the last four fiscal years, an average of \$200,000 in authority has been reverted. Since the Work Force Training Grant is on a reimbursement basis, this leads to cash available to be dispersed to assist in expanding Montana's economy, but not having adequate appropriation authority to disperse the funds. Creating a statutory appropriation for the 02344 Primary Sector Training account would solve this problem and ensure that all available funds were able to be utilized for their intended purpose.

2. Background:

The Primary Sector Workforce Training Grant (WTG) is codified in Title 39, Chapter 11, MCA. The WTG is a state-funded program that provides grant funds to new and existing primary sector Montana businesses for training their employees in newly created full-time and part-time jobs. WTG is designed to encourage the creation of good-paying jobs in primary sector businesses. The Department may award workforce training grants to primary sector businesses that provide education or skills-based training, through eligible training providers from the Montana Department of Labor and Industry (MDOLI) eligible training provider list, to employees in new jobs. To be potentially eligible for a grant, an applicant shall demonstrate that at least 50% of the applicant's sales will be from outside of Montana or that the applicant is a manufacturing company with 50% of its sales from companies that have 50% of their sales outside of Montana.

These grant awards are on a reimbursement basis. Therefore, during any year, a business is awarded a grant based upon the number of jobs that they anticipate training that meet the eligibility requirements. The Department then utilizes its current year authority to obligate the indicated funds. The time period to apply for the grant, hire the necessary staff and train them typically exceeds a fiscal year. Once the businesses have trained their employees, then documentation is submitted to the Department of Commerce for reimbursement purposes. The Department then reviews the information to verify whether the terms have been met to receive a payment. Failure to follow the terms of the grant results in reversions back into the state special revenue account.

Since current authority is derived from HB 2 and the average reversions since FY 2016 are \$200,000, it leads to more cash than available authority. Creating a statutory appropriation for 02344 Primary Sector Training would solve this problem to ensure that all available funds were able to be utilized for the intended purpose.

3. Fiscal Impact by Fund Type: *This impact should be as specific as possible.*

There is no fiscal impact to the fund.

4. Summary Checklist [Check & complete all that apply]--

- Housekeeping Only Federal Requirement Audit Recommendation (Audit No.) Major Legislation
- Anticipated to be Controversial Legislation Bill Draft has been included in Legislation Submittal (if available)
- Supports Submitted EPP Item Number: Local Government Fiscal Impact
- Increases FTE, or Decreases FTE by List FTE amount and program
- Increases Existing Revenue Tax Fee Penalty [amount in #3]
- Decreases Existing Revenue Tax Fee Penalty [amount in #3]
- Establishes New Revenue Tax Fee Penalty [amount in #3]
- Leg. has been Submitted in Previous Legislative Sessions (list priority no, LC no, or bill no):
- Legislation would affect other state agencies (list):
- Special Interest Groups Affected (list):
- Other:



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill #	6501-51-004
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Title:	WTG as Statutory Appropriation
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Primary Sponsor:	Department of Commerce
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Status:	As Proposed
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_____ Significant Local Gov Impact

_____ Include in HB 2

_____ Technical Concerns

_____ Include in the Executive Budget

_____ Significant Long Term Impacts

_____ Dedicated Revenue Form Attached

FISCAL SUMMARY

To open the fiscal Summary spreadsheet, right click on the spreadsheet, select Worksheet Object/Edit. To exit the spreadsheet, click outside of the spreadsheet.

	<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	\$ -	\$ -	\$ -	\$ -
State Special Revenue	\$ -	\$ -	\$ -	\$ -
Federal Special Revenue	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
Revenue:				
General Fund	\$ -	\$ -	\$ -	\$ -
State Special Revenue	\$ -	\$ -	\$ -	\$ -
Federal Special Revenue	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
Net Impact-General Fund Balance	\$ -	\$ -	\$ -	\$ -

Description of fiscal Impact: (In a few short sentences, describe.) The proposed legislation would make all the funds in the 02344 Primary Sector Training state special fund a statutory appropriation. There is no fiscal impact.

FISCAL ANALYSIS

Assumptions:

Department of Commerce (DOC):

1. The Department would continue to receive funds into the 02344 Primary Sector Training state special fund via a general fund transfer in HB 2.
2. The Department would continue the allocation and obligation of funds for the Primary Sector Business Workforce Training Act (WTG) based upon grant application awards.
3. These grant awards are on a reimbursement basis. Therefore, during any year, a business is awarded a grant based upon the number of jobs that they anticipate training that meet the eligibility requirements. The Department then utilizes its current year authority to obligate the indicated funds.
4. The time period to apply for the grant, hire the necessary staff and train them typically exceeds a fiscal year.
5. Once the businesses have trained their employees, then documentation is submitted to the Department of Commerce for reimbursement purposes. The Department then reviews the information to verify whether the terms have been met to receive a payment. Failure to follow the terms of the grant results in reversions back into the state special revenue account as businesses are unable to meet their stated criteria.
6. Therefore, since the cash was never disbursed, there results in a lack of authority to spend the reversions.
7. A statutory appropriation would allow the authority to be increased to meet the existing cash available.
8. There is no fiscal impact.

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	<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>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0
Grants	\$0	\$0	\$0	\$0
Transfers	\$0	\$0	\$0	\$0
TOTAL Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$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)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0

Effect on County or Other Local Revenues or Expenditures:

- 1.
- 2.
- 3.

Long-Range Impacts:

- 1.
- 2.
- 3.

Technical Notes:

- 1.
- 2.
- 3.

<i>Sponsor's Initials</i>	<i>Date</i>	<i>Budget Director's Initials</i>	<i>Date</i>
Fiscal note prepared by:		Jenny Pelej, Anna Marie Moe and William Hoffmann	
Agency:		Department of Commerce	
Phone number:		841-2896, 841-2797, 841-2720	

Paycheck Transparency Act

Proposed 2021 Session Legislation

Agency Name & No: Department of Commerce - 6501 (Equal Pay for Equal Work Task Force)

Priority Number: 5 Filename: 6501-81-005

Short Title: Paycheck Transparency Act

Agency Contact Person/Phone: Emilie Ritter Saunders - 841-2557

1. Purpose:

The Paycheck Transparency Act addresses gender wage inequity by allowing greater wage transparency, thus allowing workers to self-enforce against potential pay discrimination. .

2. Background:

Governor Bullock's Equal Pay for Equal Work Task Force was created in 2013 to identify causes of the gender pay gap and develop solutions to address it. Women in Montana earn 73 cents for every \$1 a man earns. The Paycheck Transparency Act can help to narrow the wage gap by increasing opportunities for employees through paycheck transparency. In addition, research shows pay transparency leads to more women being hired and promoted.

3. Fiscal Impact by Fund Type: This impact should be as specific as possible.

See 2019 fiscal note. No fiscal note for HB 547 from 2019 session - Bill Hoffmann.

4. Summary Checklist [Check & complete all that apply]--

- Housekeeping Only Federal Requirement Audit Recommendation (Audit No.) Major Legislation
- Anticipated to be Controversial Legislation Bill Draft has been included in Legislation Submittal (if available)
- Supports Submitted EPP Item Number: Local Government Fiscal Impact
- Increases FTE, or Decreases FTE by List FTE amount and program
- Increases Existing Revenue Tax Fee Penalty [amount in #3]
- Decreases Existing Revenue Tax Fee Penalty [amount in #3]
- Establishes New Revenue Tax Fee Penalty [amount in #3]
- Leg. has been Submitted in Previous Legislative Sessions (list priority no, LC no, or bill no): HB 547
- Legislation would affect other state agencies (list): All
- Special Interest Groups Affected (list):
- Other:

Revise Administration of School Facility and Technology Account

Proposed 2021 Session Legislation

Agency Name & No: Department of Commerce - 6501

Priority Number: Filename:

Short Title: Revise Administration of School Facility and Technology Account

Agency Contact Person/Phone: Jennifer Olson - 841-2773

1. Purpose: The Department of Commerce administers the school facility and technology account (fund 02218) found in 20-9-516, MCA. Both the Department of Commerce and the Office of Public Instruction have authority to expend funds from this account. The Department of Commerce is requesting to move the administration of the fund (02218) to the Office of Public Instruction.

2. Background: The Department of Commerce administers the school facility and technology account (fund 02218) found in 20-9-516, MCA. Both the Department of Commerce and the Office of Public Instruction have authority to expend funds from this account. The Department of Commerce uses the account to expend funds to reimburse schools that have received a grant from the Broadband for Montana Schools program. It is anticipated that the amount of funds accrued for awarded projects will be completed by the end of the 2023 biennium. The Department of Commerce is no longer awarding funds out of this account, but rather the Office of Public Instruction is regularly and actively expending the large majority funds out of the account. Once all project funds are expended for broadband projects, the Department of Commerce will have no reason to administer the fund. It is for these reasons, that the Department of Commerce is requesting to move the administration of the fund to the Office of Public Instruction.

3. Fiscal Impact by Fund Type: This impact should be as specific as possible. There will be no fiscal impact to fund 02218 or the payments that will be made to schools by the Office of Public Instruction. The fiscal impact to the Department of Commerce will be eliminated as the Department will no longer need to administer a fund where another state agency has been given authority to expend funds.

4. Summary Checklist [Check & complete all that apply]--

- Housekeeping Only, Federal Requirement, Audit Recommendation, Major Legislation, Anticipated to be Controversial Legislation, Bill Draft has been included in Legislation Submittal, Supports Submitted EPP Item Number, Local Government Fiscal Impact, Increases/Decreases FTE, Revenue changes (Tax, Fee, Penalty), Leg. has been Submitted in Previous Legislative Sessions, Legislation would affect other state agencies (Office of Public Instruction), Special Interest Groups Affected, Other.



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill #	DOC
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Title:	Revise Administration of School Facility & Technology Account
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Primary Sponsor:	Department of Commerce
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Status:	As Proposed
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_____ Significant Local Gov Impact	_____ Include in HB 2
_____ Technical Concerns	_____ Include in the Executive Budget
_____ Significant Long Term Impacts	_____ Dedicated Revenue Form Attached

FISCAL SUMMARY

To open the fiscal Summary spreadsheet, right click on the spreadsheet, select Worksheet Object/Edit. To exit the spreadsheet, click outside of the spreadsheet.

	<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	\$ -	\$ -	\$ -	\$ -
State Special Revenue	\$ -	\$ -	\$ -	\$ -
Federal Special Revenue	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
Revenue:				
General Fund	\$ -	\$ -	\$ -	\$ -
State Special Revenue	\$ -	\$ -	\$ -	\$ -
Federal Special Revenue	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
Net Impact-General Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Description of fiscal Impact: (In a few short sentences, describe.) The Department of Commerce proposes changing the administering agency of the School Facility & Technology Account found in 20-9-516, MCA to the Office of Public Instruction. There is no fiscal impact to the Department of Commerce or the Office of Public Instruction.

FISCAL ANALYSIS

Assumptions:

Department of Commerce (DOC):

1. The Department of Commerce administers the school facility and technology account (fund 02218) found in 20-9-516, MCA. Both the Department of Commerce and the Office of Public Instruction have authority to expend funds from this account. The Department of Commerce uses the account to expend funds to reimburse schools that have received a grant from the Broadband for Montana Schools program. It is anticipated that the amount of funds accrued for awarded projects will be completed by the end of the 2023 biennium. The Department is no longer awarding funds out of this account (fund 02218), but rather the Office of Public Instruction is regularly and actively expending the large majority funds out of the account. Once all project funds are expended for broadband projects, the Department of Commerce will have no reason to administer the fund. It is for these reasons, that the Department of Commerce is requesting to move the administration of the fund to the Office of Public Instruction.
2. There is no fiscal impact to the Department of Commerce or the Office of Public Instruction.
- 3.

Effect on County or Other Local Revenues or Expenditures:

- 1.
- 2.
- 3.

Long-Range Impacts:

- 1.
- 2.
- 3.

Technical Notes:

- 1.
- 2.
- 3.

<i>Sponsor's Initials</i>	<i>Date</i>	<i>Budget Director's Initials</i>	<i>Date</i>
Fiscal note prepared by:	Jennifer Olson and William Hoffmann		
Agency:	Department of Commerce		
Phone number:	841-2773; 841-2720		

Improve Access to Low-Cost Capital Across Montana Communities

Proposed 2021 Session Legislation

Agency Name & No: Department of Commerce - 6501

Priority Number: 9 Filename: 6501-71-009

Short Title: Improve access to low-cost capital across Montana communities

Agency Contact Person/Phone: Adam Gill - 444-0259

1. Purpose:

Amend Montana Facility Finance Authority (FFA) statute (§90-7-104, MCA) to expand the definition of "eligible facility" to include any structure or building suitable for use by an organization that is exempt from federal income tax under section 501(c)3 of Title 26 of the United States Code. As well as amend §90-7-104(l) to include "a "Project" as defined in §90-5-101, MCA".

2. Background:

Current federal law allows 501(c)3 nonprofits (such as museums, community centers and private colleges) to use tax-exempt financing via a conduit issuer (such as the MFFA). However, there are no conduit issuers authorized to provide statewide access to this market. In addition, under MCA §90-5-101, local governments are granted the ability to serve as a conduit issuer of revenue bonds for a wide range of local economic development projects including, but not limited to higher education, manufacturing and electric generation. However, the complex nature of issuing bonds keeps many local governments from pursuing this financing route.

For over 35 years the MFFA has issued tax-exempt revenue bonds for a long list of institutions, including but not limited to: hospitals, clinics, senior care facilities and prerelease centers and small manufacturers. The MFFA possesses the internal expertise and network of partners to successfully finance these projects, expanding access to low-cost capital or development projects without local governments having to expend additional resources. The expansion of eligible facilities will allow the MFFA to bring lower-cost financing options to Montana communities, encouraging new development projects while lowering borrowing costs.

3. Fiscal Impact by Fund Type: This impact should be as specific as possible.

There will be an initial estimated cost of \$10,000 from Other Funds in FY 2021 and FY 2022 as staff develops the program, markets it, and pursues any needed training for itself or the Board. The fees received from additional bond issuances are expected to exceed the costs from FY 2023 forward. This is based on an estimate of the FFA completing just one small additional bond issue each year, (\$4.00M bond issue each year with a fee of 0.30% (\$4.00M*.0030=\$12,000)). It is possible that there will be larger projects resulting in significantly greater revenue; however, the frequency of those projects is impossible to predict. Since the initial cost of \$10,000 will be paid from FFA's enterprise fund there is no cost to the general fund.

4. Summary Checklist [Check & complete all that apply]--

- Housekeeping Only, Federal Requirement, Audit Recommendation, Major Legislation, Anticipated to be Controversial Legislation, Bill Draft has been included in Legislation Submittal, Supports Submitted EPP Item Number, Local Government Fiscal Impact, Increases/Decreases FTE, Revenue changes (Tax, Fee, Penalty), Leg. has been Submitted in Previous Legislative Sessions, Legislation would affect other state agencies, Special Interest Groups Affected (Local governments, Nonprofits, Contractors, Manufacturers), Other.



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill #	6501-71-009
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Title:	Establish that 501(c) 3 nonprofits are eligible facilities for FFA financing
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Primary Sponsor:	Department of Commerce
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Status:	As Proposed
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<input type="checkbox"/>	Significant Local Gov Impact	<input type="checkbox"/>	Include in HB 2
<input checked="" type="checkbox"/>	Technical Concerns	<input type="checkbox"/>	Include in the Executive Budget
<input checked="" type="checkbox"/>	Significant Long Term Impacts	<input type="checkbox"/>	Dedicated Revenue Form Attached

FISCAL SUMMARY

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	<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	\$ -	\$ -	\$ -	\$ -
State Special Revenue	\$ -	\$ -	\$ -	\$ -
Federal Special Revenue	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
Revenue:				
General Fund	\$ -	\$ -	\$ -	\$ -
State Special Revenue	\$ -	\$ -	\$ -	\$ -
Federal Special Revenue	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
Net Impact-General Fund Balance	\$ -	\$ -	\$ -	\$ -

Description of fiscal Impact: (In a few short sentences, describe.) The proposed legislation authorizes the Facility Finance Authority (FFA) to finance the needs of all 501(C)3 nonprofits as well as any development project that is eligible for conduit financing via a local government. Education of the FFA board and program staff along with structuring and marketing the new program are estimated to cost \$10,000 in enterprise funds for FY 2022 and FY 2023.

FISCAL ANALYSIS

Assumptions:

Department of Commerce (DOC):

1. The legislation authorizes the Facility Finance Authority (FFA) to finance capital costs (buildings and equipment) for a broader range of projects. For the purposes of this fiscal note it is assumed that a \$4.00 million project would be financed in FY 2023, FY 2024, and FY 2025 and produce application fee revenues of \$12,000 each fiscal year ($\$4.00 \text{ million} * .0030 = \$12,000$).
2. While there is potential for much larger projects, which would generate more revenue, the timing and size of the projects are not predictable.
3. Training and education in underwriting for projects not related to medical nonprofits would be required by the board and FFA staff. For the purposes of this fiscal note it is estimated that training, education, structuring and marketing of the new program would cost \$10,000 in enterprise funds for FY 2022 and FY 2023.
4. Assumes an effective date of July 1, 2021.

To open the spreadsheet below, right click on the spreadsheet, select Worksheet Object/Edit. To exit the spreadsheet, click outside of the spreadsheet.

	<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>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$10,000	\$10,000	\$0	\$0
Equipment	\$0	\$0	\$0	\$0
Grants	\$0	\$0	\$0	\$0
Transfers	\$0	\$0	\$0	\$0
TOTAL Expenditures	\$10,000	\$10,000	\$0	\$0

<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other (Proprietary)	\$10,000	\$10,000	\$0	\$0
TOTAL Funding of Exp.	\$10,000	\$10,000	\$0	\$0

<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other (Proprietary)	\$0	\$12,000	\$12,000	\$12,000
TOTAL Revenues	\$0	\$12,000	\$12,000	\$12,000

<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other (Proprietary)	(\$10,000)	\$2,000	\$12,000	\$12,000

Effect on County or Other Local Revenues or Expenditures:

- 1.
- 2.
- 3.

Long-Range Impacts:

1. The expanded authorization may increase the number of bonds issued by the FFA and therefore program revenue.
- 2.
- 3.

Technical Notes:

1. Qualified 501(c)3 bonds are not included under the bond allocation cap for Private Activity Bonds and will not impact the FFA’s share of the volume cap under 17-5-1312(3), MCA.
2. Revenue bonds for other development projects may be included under the bond allocation cap for Private Activity Bonds and would impact the FFA’s share of the volume cap under 17-5-1312(3), MCA.
- 3.

<i>Sponsor’s Initials</i>	<i>Date</i>	<i>Budget Director’s Initials</i>	<i>Date</i>
Fiscal note prepared by:	Adam Gill and William Hoffmann		
Agency:	Department of Commerce		
Phone number:	4440259; 841-2720		

An Act Repealing the Board of Research and Commercialization Technology

Proposed 2021 Session Legislation

Agency Name & No:	Department of Commerce - 6501		
Priority Number:	12	Filename:	6501-51-012
Short Title:	An act repealing the Board of Research and Commercialization Technology		
Agency Contact Person/Phone:	Garrett Norcott - 406 841 2703		

1. Purpose:

This bill is a clean-up bill to correct an oversight from the 66th Legislature (2019).

2. Background:

During the 66th Legislature, HB 52 was passed and signed into law. The bill eliminated the research and commercialization program and its funding by repealing sections 90-3-1001 (Purpose), 90-3-1002 (Research and Commercialization Account), 90-3-1003 (Research and Commercialization Account Use), 90-3-1005 (Meetings - Compensation), and 90-3-1006 (Executive Director - Qualifications), MCA. Unfortunately, the cross-reference to section 2-15-1819, MCA, which creates the Board, was missed and not repealed.

3. Fiscal Impact by Fund Type: *This impact should be as specific as possible.*

No fiscal impact.

4. Summary Checklist [Check & complete all that apply]--

<input checked="" type="checkbox"/> Housekeeping Only	<input type="checkbox"/> Federal Requirement	<input type="checkbox"/> Audit Recommendation (Audit No.)	<input type="checkbox"/> Major Legislation
<input type="checkbox"/> Anticipated to be Controversial Legislation	<input type="checkbox"/> Bill Draft has been included in Legislation Submittal (if available)		
<input type="checkbox"/> Supports Submitted EPP Item Number:	<input type="checkbox"/> Local Government Fiscal Impact		
<input type="checkbox"/> Increases FTE, or <input type="checkbox"/> Decreases FTE by	List FTE amount and program		
<input type="checkbox"/> Increases Existing Revenue	<input type="radio"/> Tax	<input type="radio"/> Fee	<input type="radio"/> Penalty [amount in #3]
<input type="checkbox"/> Decreases Existing Revenue	<input type="radio"/> Tax	<input type="radio"/> Fee	<input type="radio"/> Penalty [amount in #3]
<input type="checkbox"/> Establishes New Revenue	<input type="radio"/> Tax	<input type="radio"/> Fee	<input type="radio"/> Penalty [amount in #3]
<input type="checkbox"/> Leg. has been Submitted in Previous Legislative Sessions (list priority no, LC no, or bill no):			
<input type="checkbox"/> Legislation would affect other state agencies (list):			
<input type="checkbox"/> Special Interest Groups Affected (list):			
<input type="checkbox"/> Other:			