



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: HB0876.01: Sawmill revitalization act

Primary Sponsor: John Fitzpatrick Status: As Introduced

☐ Included in the Executive Budget ☐ Needs to be included in HB 2 ☐ Significant Local Gov Impact

☐ Significant Long-Term Impacts ☐ Technical Concerns ☐ Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
Expenditures					
State Special Revenue (02)	\$6,000,000	(\$6,000,000)	\$0	\$0	\$0
Revenues					
State Special Revenue (02)	\$6,000,000	\$0	\$0	\$0	\$0
Net Impact	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General Fund Balance					

Description of fiscal impact

HB 876 transfers \$6 million from the big sky economic development account at the Department of Commerce to establish a sawmill revitalization loan program at the Board of Investments.

FISCAL ANALYSIS

Assumptions

Department of Commerce

1. Section 1 of the bill requires a transfer of \$6 million from the department's big sky economic development fund to the sawmill revitalization account.
2. The department currently has \$7.5 million earmarked for loans under the Opportunities in Rural Economies loan program which is funded by the big sky economic development fund. To accommodate the transfer the department would reduce the amount of the loans made to businesses under the program by \$5.5 million in FY 2026. The remaining balance of the transfer would be offset by a reduction in the amount of planning grants awarded to businesses under the Opportunities in Rural Economies grant program in FY 2026 by \$500,000.

Board of Investments

3. The Montana Board of Investments (BOI) will loan out the \$6 million as specified to parties with the capacity to revitalize a closed sawmill and return it to commercial operation.
4. Funding from the appropriation that is not spent during the biennium will be transferred back to the big sky economic development fund.

Fiscal Analysis Table

<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
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Fiscal Impact**Expenditures**

Operating Expenses	\$0	(\$5,500,000)	\$0	\$0	\$0
Transfers	\$6,000,000	\$0	\$0	\$0	\$0
Grants	\$0	(\$500,000)	\$0	\$0	\$0
TOTAL Expenditures	\$6,000,000	(\$6,000,000)	\$0	\$0	\$0

Funding of Expenditures

TOTAL Funding of Expenditures	\$0	\$0	\$0	\$0	\$0
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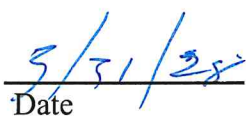
Revenues

State Special Revenue (02)	\$6,000,000	\$0	\$0	\$0	\$0
TOTAL Revenues	\$6,000,000	\$0	\$0	\$0	\$0

Net Impact to Fund Balance (Revenue minus Funding of Expenditures)

State Special Revenue (02)	\$6,000,000	\$0	\$0	\$0	\$0
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 Sponsor's Initials


 Date


 Budget Director's Initials

3/31/2025
 Date