



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: HB0130: Revise state wildland fire policy and funding

Primary Sponsor: Llew Jones 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 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
Expenditures				
State Special Revenue (02)	\$228,000	\$228,000	\$228,000	\$228,000
Revenues				
State Special Revenue (02)	\$0	\$0	\$0	\$0
Net Impact	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General Fund Balance				

Description of fiscal impact

HB 130 requires the Department of Natural Resources and Conservation (DNRC) to take action to suppress wildland fires occurring within five miles of county or state protection boundaries when federal agency fire response is not consistent with 76-13-104, MCA. DNRC anticipates it will incur costs in the state's fire suppression account to suppress wildfires on federal lands, and that it will bill federal agencies for some or all of those costs. Actual costs of specific suppression actions and potential revenues impacting the state's fire suppression fund are difficult to determine.

FISCAL ANALYSIS

Assumptions

Department of Natural Resources and Conservation (DNRC)

1. DNRC's Fire Protection Bureau estimates three fires per year occurring within five miles of the boundary of department or county wildland fire protection for which the federal agency with protection responsibility chooses not to take suppression actions as called for in this bill or as defined by existing agreements and state laws.
2. DNRC estimates aviation-related suppression actions would be initiated by the state on each such fire, as an example, a Type 1 helicopter on a 4-hour shift costs \$38,000 per day. Assuming two days of suppression per fire, that comes to a total cost of \$76,000 per fire. Three such fires per year would result in total costs of \$228,000 per year.
3. DNRC anticipates invoicing the jurisdictional or protecting federal agency for these costs, when appropriate and when allowed under the terms of the Master Cooperative Wildland Fire Management and Stafford Act Response Agreement #23-FI-11015600-048. This interagency agreement, between the State of Montana, DNRC, and the five federal agencies involved in wildland fire suppression in Montana, referred to as the Six Party Agreement, governs wildland fire protection, suppression, and billing procedures between the signatory agencies.

4. Successful initial attack on fires starting on lands outside state protection boundaries has the potential to limit state suppression costs in situations where the fire is likely to cross agency protection boundaries onto lands under state fire protection. Estimating such savings, however, is not possible due to the many variables involved in every fire protection action.

Fiscal Analysis Table

Department of Natural Resources and Conservation

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
Operating Expenses	\$228,000	\$228,000	\$228,000	\$228,000
TOTAL Expenditures	<u><u>\$228,000</u></u>	<u><u>\$228,000</u></u>	<u><u>\$228,000</u></u>	<u><u>\$228,000</u></u>
<u>Funding of Expenditures</u>				
State Special Revenue (02)	\$228,000	\$228,000	\$228,000	\$228,000
TOTAL Funding of Expenditures	<u><u>\$228,000</u></u>	<u><u>\$228,000</u></u>	<u><u>\$228,000</u></u>	<u><u>\$228,000</u></u>
<u>Revenues</u>				
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
State Special Revenue (02)	<u><u>(\$228,000)</u></u>	<u><u>(\$228,000)</u></u>	<u><u>(\$228,000)</u></u>	<u><u>(\$228,000)</u></u>

 1-21-24
Sponsor's Initials Date

 1/20/2025
Budget Director's Initials Date