



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: HB0692.01: Generally revise the SMART Act

Primary Sponsor: Bill Mercer

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>
<b>Expenditures</b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>Revenues</b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>Net Impact</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>General Fund Balance</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### **Description of fiscal impact**

HB 692 revises the State Measurement, Accountability, and Reporting Transparency (SMART) Act by requiring departments to provide annual plans each year and include program-level initiatives in the report. There is no fiscal impact to the state, as most agencies already prepare annual plans, and for those agencies that do not prepare annual plans, the fiscal impact to implement the requirements of this proposed legislation is minimal.

### **FISCAL ANALYSIS**

#### **Assumptions**

The following agencies currently submit an annual plan with associated performance metrics:

#### **Board of Public Education**

1. The Board of Public Education has published an annual report on the board website in accordance with statute.

#### **Commissioner of Higher Education**

2. The proposed legislation does not have a fiscal impact since the Office of the Commissioner of Higher Education currently produces an annual plan with associated performance metrics.

#### **Department of Administration**

3. The Department of Administration (DOA) already completes an annual plan every year. This bill will have no fiscal impact to DOA.

#### **Department of Environmental Quality**

4. The Department of Environmental Quality (DEQ) currently produces the plan annually, even though not required.

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*(continued)*

5. The department's programs all have plans that can easily be included in the overall annual department plan without any fiscal impact.

**Department of Fish, Wildlife, and Parks**

6. The Department of Fish, Wildlife and Parks will publish an annual plan on its website by September 1 of each year and break out the initiatives of the department by program in the annual plan.

**Department of Justice**

7. There is no fiscal impact anticipated to the Montana Board of Crime Control (MBCC) as the MBCC already publishes the items required in the bill.

**Department of Livestock**

8. The Department of Livestock currently publishes program-level annual plans.

**Department of Natural Resources and Conservation**

9. The Department of Natural Resources and Conservation currently publishes an annual report, as required in HB 692, and the department will not incur any additional fiscal impact with the clarifications provided in the bill.

**Department of Transportation**

10. The Montana Department of Transportation already produces annual plans for each program every year.

**Library Commission**

11. There is no fiscal impact to the Montana State Library as this is reporting is already done annually.

**Long Range Building**

12. There is no change to the metrics reported by the Department of Administration's Architecture and Engineering Division.

**Public Service Regulation**

13. The agency is already engaged in the planning function and provides such reports to the legislature annually.

**School for the Deaf and Blind**

14. The Montana School for the Deaf and Blind currently produces an annual plan each year that is published and distributed to all stakeholders.

**Secretary of State's Office**

15. The Office of the Secretary of State currently done strategic planning annually, so there is no fiscal impact to the office from HB 692.

**State Auditor's Office**

16. The State Auditor's Office already completes an annual plan in accordance with 2-12-104, MCA. The office's annual report has been published and made available on the website each year.

**The following agencies can implement the requirements of HB 692 with minimal fiscal impact:**

**Commissioner of Political Practices**

17. The Office of the Commissioner of Political Practices does not anticipate that HB 692 will have any fiscal impact on the agency. The office considers the "annual plan" will continue to require use of only minimal time and resources by agency staff and therefore will have no fiscal impact on the agency.

**Department of Agriculture**

18. There is no fiscal impact for the Department of Agriculture to implement the requirements of this proposed legislation.

**Department of Commerce**

19. The Department of Commerce currently reviews the plan in conjunction with the annual performance report each year and anticipates it can meet the requirements of HB 692 without significant administrative burden.

**Department of Corrections**

20. This bill should have no fiscal impact on the Department of Corrections.

**Department of Justice**

21. The Department of Justice's Division of Criminal Investigation does not anticipate needing additional FTE to ensure the requirements in HB 692 will be met.

**Department of Labor and Industry**

22. The Department of Labor and Industry will utilize existing resources to cover the costs of this bill.

**Department of Military Affairs**

23. The Department of Military Affairs already has this information available and can move from a two-year cycle to an annual reporting cycle with no additional cost.

**Department of Public Health and Human Services**

24. The Department of Public Health and Human Services has determined that moving the plans to an annual basis can be absorbed by current staff.

**Office of Public Instruction**

25. There is no fiscal impact to the Office of Public Instruction from HB 692. The department can publish the SMART Act plans annually, rather than every two years, with existing resources.

**Department of Revenue**

26. The Department of Revenue does not expect to incur significant additional costs because of this bill.

**Governor's Office**

27. There is no fiscal impact to the Governor's Office from HB 692 to prepare this report annually.

**Montana Arts Council**


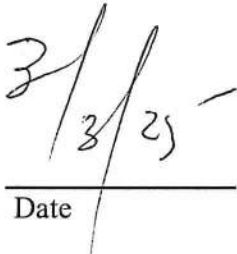

28. The Montana Arts Council will not require any additional resources to provide this report every year instead of every two years.

**Public Defender**

29. Given the Office of Public Defender's planning and reporting processes, the office assumes HB 692's changes will not create any substantial additional reporting burdens or costs.

**Technical Concerns**

1. Section 1(2)(b) of HB 692 references 17-7-711, MCA, that does not exist. The reference to 17-7-711, MCA, should be 17-7-111, MCA.

 _____ Sponsor's Initials	 _____ Date	 _____ Budget Director's Initials	<u>3/3/2025</u> _____ Date
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