



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: **HB0011.02 (005): Providing grants and appropriations through the Montana coal endowment program**

Primary Sponsor: John Fitzpatrick Status: As Amended in House Committee

☒ 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>				
State Special Revenue (02)	\$35,026,741	\$0	\$0	\$0
<b>Revenues</b>				
State Special Revenue (02)	\$35,026,741	\$0	\$0	\$0
<b>Net Impact</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>General Fund Balance</b>				

### Description of fiscal impact

This bill appropriates projects from the Montana Coal Endowment special revenue account to local governments for water, wastewater, solid waste and bridge infrastructure grants. There is also an appropriation from the Montana Coal Endowment Regional Water System special revenue account for the state's share of regional water system projects.

### FISCAL ANALYSIS

#### Assumptions

1. For the purposes of the fiscal note it is assumed that all projects listed in HB 11, Section 1, will be authorized for grants.
2. Grants authorized in HB 11 to Department of Commerce will be funded from the Montana coal endowment special revenue account.
3. Grants authorized in HB 11 to Department of Natural Resources will be funded from the Montana coal endowment regional water special revenue account.
4. The state treasurer shall transfer earnings from the Montana coal endowment funds to the Montana coal endowment special revenue account and the Montana coal endowment regional water special revenue account.
5. Earnings from the Montana coal endowment fund will be sufficient to fully fund the projects authorized in HB 11.
6. For the purposes of the fiscal note, all the projects show as expended in FY 2026. The actual schedule of expenditures will differ.

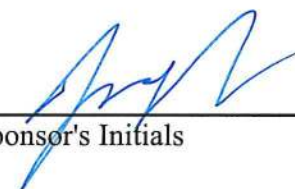
### Fiscal Analysis Table

	<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>
<b><u>Fiscal Impact</u></b>				
<b><u>Expenditures</u></b>				
Grants	\$0	\$0	\$0	\$0
Infrastructure grants	\$19,959,891	\$0	\$0	\$0
Emergency grants	\$150,000	\$0	\$0	\$0
Bridge grants	\$3,416,850	\$0	\$0	\$0
Planning grants	\$1,500,000	\$0	\$0	\$0
Regional Water	\$10,000,000	\$0	\$0	\$0
<b>TOTAL Expenditures</b>	<b>\$35,026,741</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Funding of Expenditures</u></b>				
State Special Revenue (02)	\$35,026,741	\$0	\$0	\$0
<b>TOTAL Funding of Expenditures</b>	<b>\$35,026,741</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Revenues</u></b>				
State Special Revenue (02)	\$35,026,741	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<b>\$35,026,741</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				
State Special Revenue (02)	\$0	\$0	\$0	\$0

**Technical Concerns****Department of Commerce**

The amount appropriated from the Montana coal endowment special revenue account established in 17-5-703(3)(a) to the department of commerce for the biennium beginning July 1, 2025, to finance Montana coal endowment program grants exceeds the total amount of the grants authorized by the amended bill.

<b>Grant Type</b>	<b>Appropriated</b>	<b>Projects Approved</b>
<b>Infrastructure Grants</b>	\$20,287,391	\$19,959,891
<b>Bridge Grants</b>	\$3,544,750	\$3,416,850
<b>Planning Grants</b>	\$1,500,000	\$1,500,000
<b>Emergency Grants</b>	\$150,000	\$150,000
<b>Regional Water</b>	\$10,000,000	\$10,000,000
<b>Total</b>	<b>\$35,482,141</b>	<b>\$35,026,741</b>



Sponsor's Initials

Date



Budget Director's Initials

3/4/2025

Date