



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: **HB0540.01: Allow DOC to contract with private corporations to establish and maintain certain facilities and programs**

Primary Sponsor: Steven Kelly 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 540 removes the phrase "nonprofit Montana", giving the Department of Corrections (DoC) the ability to contract with private corporations to establish and maintain certain facilities and programs. HB 540 will have no fiscal impact to the DoC.

### FISCAL ANALYSIS

#### Assumptions

#### Department of Corrections (DoC)

1. HB 540 revises 53-1-203(1)(c), MCA, removes the phrase "nonprofit Montana", giving the DoC the ability to contract with private corporations to establish and maintain certain facilities and programs.
2. This bill may result in increased competition for DoC contracts. While it is unlikely to result in a reduction to costs, increased competition could result in smaller cost increases in the future.

  
Sponsor's Initials

2/25/25  
Date

  
Budget Director's Initials

2/24/2025  
Date