



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: **HB0736.01: Provide nutrient pollutant loading offsets**

Primary Sponsor: **Steve 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 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				
General Fund (01)	\$155,092	\$156,623	\$160,153	\$159,643
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
Net Impact	<u>(\$155,092)</u>	<u>(\$156,623)</u>	<u>(\$160,153)</u>	<u>(\$159,643)</u>
General Fund Balance				

Description of fiscal impact

HB 736 requires the Department of Environmental Quality (DEQ) to amend Circular DEQ-13 through rulemaking to provide additional nutrient pollutant loading offset options for Montana Pollution Discharge Elimination System permittees.

FISCAL ANALYSIS

Assumptions

Department of Environmental Quality

1. HB 736 requires DEQ to amend Circular DEQ-13, containing Montana's policy for nutrient trading.
2. HB 736 requires DEQ to determine defensible nutrient offset ratios for permitted point source dischargers implementing various listed nonpoint source reduction projects through modeling and load reduction estimation tools.
3. HB 736 requires DEQ to issue or modify discharge permits incorporating nonpoint source offsets implemented by point source dischargers.
4. HB 736 would require 1.0 FTE, Environmental Science Specialist, to develop and administer this program.
5. HB 736 would require water quality testing and lab services, estimated at \$15,000 per year.

Fiscal Analysis Table

Department of Environmental Quality				
	FY 2026 Difference	FY 2027 Difference	FY 2028 Difference	FY 2029 Difference
<u>Fiscal Impact</u>				
FTE	1.00	1.00	1.00	1.00
TOTAL Fiscal Impact	1.00	1.00	1.00	1.00
<u>Expenditures</u>				
Personal Services	\$110,397	\$112,841	\$115,688	\$115,277
Operating Expenses	\$44,695	\$43,782	\$44,465	\$44,366
TOTAL Expenditures	\$155,092	\$156,623	\$160,153	\$159,643
<u>Funding of Expenditures</u>				
General Fund (01)	\$155,092	\$156,623	\$160,153	\$159,643
TOTAL Funding of Expenditures	\$155,092	\$156,623	\$160,153	\$159,643
<u>Revenues</u>				
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	(\$155,092)	(\$156,623)	(\$160,153)	(\$159,643)

NOT SIGNED BY SPONSOR

Sponsor's Initials

Date

Budget Director's Initials

3/3/2025

Date