



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: HB0040: Revise public water supply fee accounts

Primary Sponsor: John 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>
<b>Expenditures</b>				
(02204) Public Water Supply	(\$888,000)	(\$888,000)	(\$888,000)	(\$888,000)
(New) Plan Review Fees	\$888,000	\$888,000	\$888,000	\$888,000
<b>Revenues</b>				
(02204) Public Water Supply	(\$888,000)	(\$888,000)	(\$888,000)	(\$888,000)
(New) Plan Review Fees	\$888,000	\$888,000	\$888,000	\$888,000
<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

#### Department of Environmental Quality

HB 40 has no fiscal impact to the Department of Environmental Quality (DEQ). This bill establishes an additional state special revenue fund for Plan Review fees and Public Drinking Water to be recorded separately.

### FISCAL ANALYSIS

#### Assumptions

#### Department of Environmental Quality

1. This bill does not modify the current fee structure for Plan Review or Public Drinking fees.
2. Public Drinking Water Fees will continue to be deposited in the State Special Revenue fund established in MCA, 75-6-115.
3. A state special revenue fund would be established by 17-2-102, Montana Code Annotated (MCA), known as Public Water Plan Review Fees.
4. Revenues and expenditures will be accurately reflected in the responsible bureaus within the Water Quality Division. Public Drinking Water Fees will be accounted for in the Public Water Supply Bureau and Plan Review Fees will be managed by the Engineering Bureau.
5. The amount of revenue would remain consistent with fees collected in previous years. Table I details revenue by source.

**Table I Revenue by Source**

**Fiscal Note Request - As Introduced**
*(continued)*

Revenue- 02204	2020	2021	2022	2023	2024
Public Water Pan Review Fees	\$ 650,533	\$ 912,708	\$ 1,115,980	\$ 169,623	\$ 587,699
Public water Supply Fees	\$ 649,616	\$ 659,263	\$ 661,760	\$ 675,841	\$ 682,126
<b>Total Revenue</b>	<b>\$ 1,300,149</b>	<b>\$ 1,571,971</b>	<b>\$ 1,777,740</b>	<b>\$ 845,464</b>	<b>\$ 1,269,825</b>

**Fiscal Analysis Table**

<b>Department of Environmental Quality</b>				
	<b><u>FY 2026 Difference</u></b>	<b><u>FY 2027 Difference</u></b>	<b><u>FY 2028 Difference</u></b>	<b><u>FY 2029 Difference</u></b>
<b><u>Fiscal Impact</u></b>				
<b><u>Expenditures</u></b>				
Operating Expenses	\$0	\$0	\$0	\$0
Plan Review Fees	\$888,000	\$888,000	\$888,000	\$888,000
Public Water Supply	(\$888,000)	(\$888,000)	(\$888,000)	(\$888,000)
<b>TOTAL Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Funding of Expenditures</u></b>				
State Special Revenue (02)	\$0	\$0	\$0	\$0
(02204) Public Water Supply	(\$888,000)	(\$888,000)	(\$888,000)	(\$888,000)
(New) Plan Review Fees	\$888,000	\$888,000	\$888,000	\$888,000
<b>TOTAL Funding of Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
State Special Revenue (02)	\$0	\$0	\$0	\$0
<b><u>Revenues</u></b>				
State Special Revenue (02)	\$0	\$0	\$0	\$0
(New) Plan Review Fees	\$888,000	\$888,000	\$888,000	\$888,000
(02204) Public Water Supply	(\$888,000)	(\$888,000)	(\$888,000)	(\$888,000)
<b>TOTAL Revenues</b>	<b>\$0</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
(02204) Public Water Supply	\$0	\$0	\$0	\$0
(New) Plan Review Fees	\$0	\$0	\$0	\$0

  
Sponsor's Initials

1/8/25  
Date

  
Budget Director's Initials

1/7/2025  
Date