



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: **HB0432.01: Revise water laws concerning exceptions to change in appropriation right process**

Primary Sponsor: Julie Darling 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>
Expenditures				
General Fund (01)	\$87,044	\$0	\$0	\$0
State Special Revenue (02)	\$13,006	\$0	\$0	\$0
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Net Impact	<u>(\$87,044)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General Fund Balance				

Description of fiscal impact

HB 432 revises water laws concerning exceptions to the change in the appropriation right process. The Department of Natural Resources and Conservation (DNRC) will require enhancements to the Water Rights Information System (WRIS) to implement the changes in HB 432.

FISCAL ANALYSIS

Assumptions

Department of Natural Resources and Conservation (DNRC)

1. The Water Rights Information System (WRIS) enhancements will be done under DNRC's current IT contract with an amendment for the additional work. It will take approximately 667 hours of contractor time at a rate of \$150 per hour, for an approximate cost of \$100,050 in FY 2026.
2. DNRC assumes that with the changes in HB 432 there is a potential for increased number of applications. However, the department's processing time for those applications will be decreased due to a simplified process. The department will absorb the work with existing staff.
3. The expenses will be funded in alignment with the current funding structure of the Water Rights Bureau in DNRC of 87% general fund and 13% water rights state special revenue.

Fiscal Analysis Table

Department of Natural Resources and Conservation

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
Operating Expenses	\$100,050	\$0	\$0	\$0
TOTAL Expenditures	\$100,050	\$0	\$0	\$0
<u>Funding of Expenditures</u>				
General Fund (01)	\$87,044	\$0	\$0	\$0
State Special Revenue (02)	\$13,006	\$0	\$0	\$0
TOTAL Funding of Expenditures	\$100,050	\$0	\$0	\$0
<u>Revenues</u>				
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	(\$87,044)	\$0	\$0	\$0
State Special Revenue (02)	(\$13,006)	\$0	\$0	\$0



Sponsor's Initials



Date



Budget Director's Initials

2/12/2025

Date