



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: HB0421.01: Increase DNRC fire assessment fees

Primary Sponsor: Steve Gist 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				
State Special Revenue (02)	\$0	\$0	\$0	\$0
Revenues				
State Special Revenue (02)	\$450,000	\$450,000	\$450,000	\$450,000
Net Impact	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General Fund Balance				

Description of fiscal impact

HB 421 raises the cap, or the maximum, for fees the Department of Natural Resources and Conservation (DNRC) may assess forested landowners for fire protection beginning in July 2025. An increase in the cap would allow the agency to collect enough revenue to meet the ongoing HB 2 appropriation supporting the fire protection program.

FISCAL ANALYSIS

Assumptions


Department of Natural Resources and Conservation

1. DNRC is statutorily required to fund approximately 1/3 of its annual base budget for wildland fire protection through the Fire Protection Assessments (FPA) revenue. Assessment rates are set each year at levels projected to generate revenue sufficient to meet the HB 2 legislative appropriation in the FPA fund and in compliance with 76-13-207, MCA.
2. DNRC is no longer able to collect enough revenue to meet the ongoing HB 2 appropriations in the FPA fund. HB 421 raises the maximum cap to meet the approved HB 2 appropriation.
3. DNRC estimates an increase in revenue in FY 2026 and FY 2027 of approximately \$450,000 to meet the requested appropriation in HB 2 and an annual increase in revenue of approximately \$200,000 per year thereafter assuming a 4% increase in appropriation (as estimated from an average appropriation increase over the last seven years).
4. Actual revenues assessed and received would be dependent on the agency's appropriation in FPA fund and the rate assessed up to the maximum set forth in HB 421.

Fiscal Analysis Table

Department of Natural Resources and Conservation

	<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>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
<u>Funding of Expenditures</u>				
<u>Revenues</u>				
State Special Revenue (02)	\$450,000	\$450,000	\$450,000	\$450,000
TOTAL Revenues	\$450,000	\$450,000	\$450,000	\$450,000
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
State Special Revenue (02)	\$450,000	\$450,000	\$450,000	\$450,000


 Sponsor's Initials

2-13-25
 Date


 Budget Director's Initials

2/12/2025
 Date