



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0789 - Revise laws related to the alteration of county boundaries (Hellegaard, Lyn)

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 789 would expand the authorized reasons qualified petitioners can seek to change county boundaries, in current law public safety reasons in Title 7, Chapter 2, Part 28, MCA. The bill also changes the threshold share of petitioners needed to put the matter to a vote in affected counties. This bill has no direct fiscal impact to the state.

FISCAL ANALYSIS

Assumptions:

- Currently, citizens with affected property can petition to have county lines moved if the petitioners are able to gather sufficient valid signatures to put the county line shift on the ballot in the adjoining counties, and the ballot measure passes. The current law reasons for a valid process involve access to public safety services.
- HB 789 expands the valid reasons citizens' can petition for such a county line change to include: access restriction in a legislative district, a perception that taxes are levied without sufficient representation, a perception that taxes paid in the county are not equal to services rendered, or a proposed urban annexation.
- The fiscal impact of the possible changes in county boundaries proposed in this bill are assumed to be minimal and would be absorbed as the part of normal operations at the Office of the Secretary of State, the Department of Natural Resources and Conservation, and the Department of Revenue.

Effect on County or Other Local Revenues or Expenditures:

1. There is potentially a significant cost to affected counties. The comprehensive process for altering county boundaries in Title 7, Chapter 2, Part 28, MCA, requires petition review, an election process, and county commission hearings.
2. If the petitioners cause were successful in the elections in the affected counties, the cost of the re-recording documents from one county to another are unknown.

NOT SIGNED BY SPONSOR

Sponsor's Initials

Date



Budget Director's Initials

2-28-23

Date