



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0920 - Revise capitol complex laws recognizing US senator Thomas Carter (Bedey, David)

Status: As Amended in House Committee

- 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	\$100	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Other - Private Funds	\$ 9,900.00	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$100	\$0	\$0	\$0
Other - Private Funds	\$ 9,900	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$100)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: This bill provides for a bust or plaque commemorating Thomas Carter to be placed in the Capitol. The Montana Historical Society will administer the funds for this purpose, and there is a \$100 general fund transfer to the Montana Historical Society's state special revenue fund in FY 2024. The remainder of the costs for the commemorative bust or plaque will be paid through private donations.

FISCAL ANALYSIS

Assumptions:**Montana Historical Society**

1. The Montana Historical Society (MTHS) is only responsible for the procurement and administration of the funds to create and display the commemorative piece depicting Thomas Carter and is not responsible for raising the private funds.
2. If it is determined that HB 920 requires the MTHS to raise the private funds, there will be personal services, benefits, and additional operating expenses incurred that are not reflected in this fiscal analysis.
3. A plaque will cost approximately \$10,000 if sourced through a plaque company. An artist-designed plaque, however, will cost more. If a bust of the individual is desired, the cost estimate could range from \$50,000 to

\$80,000. These estimates were obtained from the MTHS museum program manager who has experience with procuring similar plaques and busts.

4. For purposes of this fiscal note, it is assumed that sufficient private funds will be raised in FY 2024 to allow MTHS to purchase the plaque.
5. The Montana Historical Society will receive a one-time transfer from the general fund of \$100 in FY 2024 which will be deposited into the new state special revenue fund.

Department of Administration

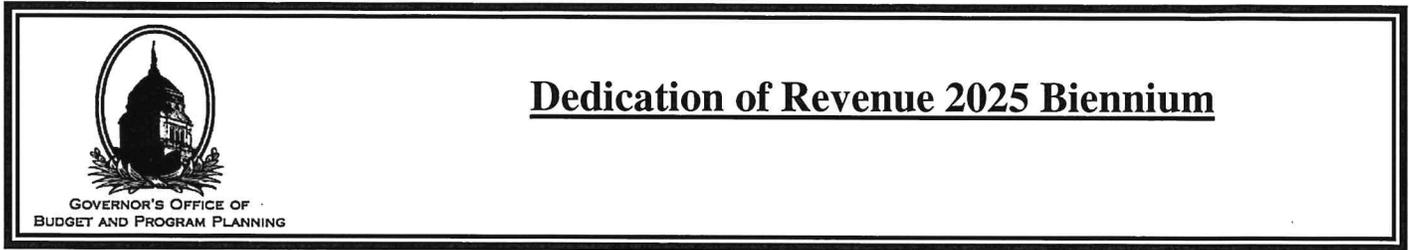
6. All plaques, busts, memorials, etc., require private funding, and this funding should include installation costs. The Department of Administration incurs administrative costs, however, because this process goes through the Capitol Complex Advisory Council and the department oversees the installation.
7. Although these administrative costs are difficult to estimate, it is assumed the amount will be minimal and could be covered from the department’s existing budget.

	<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>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$9,900	\$0	\$0	\$0
Transfers - General Fund	\$100	\$0	\$0	\$0
TOTAL Expenditures	<u>\$10,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$100	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Other - Private Funds	\$9,900	\$0	\$0	\$0
TOTAL Funding of Exp.	<u>\$10,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$100	\$0	\$0	\$0
Other - Private Funds	\$9,900	\$0	\$0	\$0
TOTAL Revenues	<u>\$10,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$100)	\$0	\$0	\$0
State Special Revenue (02)	\$100	\$0	\$0	\$0
Other - Private Funds	\$0	\$0	\$0	\$0

Technical Notes:

1. HB 920 lacks clarity on defining how the private funds will be raised and by which entity or organization.

	<u>4/7/2023</u>		<u>4-6-23</u>
<i>Sponsor's Initials</i>	Date	<i>Budget Director's Initials</i>	Date



17-1-507, MCA.

- a) **Are there persons or entities that benefit from this dedicated revenue that do not pay?** No.
- b) **What special information or other advantages exist as a result of using a state special revenue fund that could not be obtained if the revenue were allocated to the general fund?** A dedicated revenue account provides a means by which to receive and track private funds that may be raised for this activity. Private donations cannot be received in the general fund. Using a dedicated revenue account also ensures the accurate reporting of expenses related to this specific purpose.
- c) **Is the source of revenue relevant to current use of the funds and adequate to fund the program activity that is intended?** Yes, the source of revenue is new and will be separate from current special revenue funds. HB 920 provides a one-time transfer from the general fund of \$100 to establish the special revenue account. This transfer is not sufficient to cover the estimated cost of procuring and installing a commemorative tribute. Based on prior like purchases made by the agency, estimated cost of this tribute ranges from \$10,000-\$100,000, dependent on whether a plaque or a bust would be designed.
- d) **Does the need for this state special revenue provision still exist?** Yes ___ No HB 920, if passed, will create a special revenue account for the purpose of procurement and installation of plaque or other item of tribute in commemoration of Thomas Carter.
- e) **Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending?** No. This dedicated revenue is subject to the provisions of 2-17-807, MCA, providing oversight of the installation of commemorative items of tribute by the Capitol Complex Advisory Council. This revenue source would also be subject to reporting requirements, as provided in 2-17-825, MCA.
- f) **Does the dedicated revenue fulfill a continuing, legislatively recognized need?** No. The dedicated revenue fund, established in HB 920, is solely for the purpose of procuring and installing a commemorative tribute to Thomas Carter. If the item of tribute is not installed by July 1, 2028, then HB 920 (including dedicated revenue account) becomes void.
- g) **How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency?** All expenditures related to the procurement and installation of Thomas Carter's commemorative tribute, including any reasonable administrative costs associated with this activity, will be spent from this special revenue account. Correspondingly, any private funds obtained for this specific purpose will be recorded in the same account.