



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

SB0072 - Revise judicial administration of water rights (Fitzpatrick, Steve)

Status: As Amended in Senate 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	\$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: SB 72 revises statutes related to the water court including the appointment of water judges, provides for appointment of additional water court judges, provides for water court jurisdiction over water distribution, and provides for a water court administrator.

FISCAL ANALYSIS

Assumptions:**Judicial Branch**

- Section 2 of the bill makes the water court permanent. Currently, funding for the water court is estimated to go through 2028. It is assumed that the current staffing and operating level of the water court will not increase because of this section.
- Section 16 of the bill provides for the appointment of additional water judges. It is assumed that there will not be any additional judges appointed until after final decrees are issued, which is several years in the future, therefore estimated costs for additional judges are not included in this fiscal note.

- 3. Section 17 of the bill provides for the position of water court administrator.
- 4. Sections 47 and 50 provide for filing of water commissioner documents related to billing with the water court administrator or the district court clerk court. This function is currently handled by clerks of district court. While documents may be filed with the water court administrator, the water court assumes that clerks of district court will still be used to manage and process collections and disbursements related to water distributions.
- 5. This bill shifts workload from district courts to the water court. There are currently 49 ongoing enforcement actions in Montana. If the water court assumes jurisdiction over all those cases, the caseload will increase by 49 and the district court system’s caseload will decrease by 49. This represents an immaterial fraction of the total caseload handled by both court system presently. The fiscal impact related to this shift is impossible to estimate.

Public Employee Retirement

- 6. This impact statement contemplates an additional 4 judges to participate in Judges’ Retirement System retirement system.
- 7. It is assumed that the actuarial accrued liability and normal cost for each of the new members is equal to the average actuarial accrued liability and normal cost of the current active membership of the JRS.
- 8. Upon occurrence of assumption #7, the funded ratio will drop from 173.90% funded to 169.81% funded.

NO SPONSOR SIGNATURE

Sponsor’s Initials

1/30/23
Date

AO
Budget Director’s Initials

1-26-23
Date