



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0005 - Long-range building appropriations (Hopkins, Mike)

Status: As Introduced - Revised

- 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	\$118,566,543	\$5,566,543	\$5,650,041	\$5,734,792
Major Repair	\$42,883,290	\$42,883,290	\$0	\$0
Capital Development	\$392,754,983	\$392,754,983	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Txfr Capital Development to Major R	\$41,420,091	\$0	\$0	\$0
Capital Development	\$113,000,000	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$118,566,543)</u>	<u>(\$5,566,543)</u>	<u>(\$5,650,041)</u>	<u>(\$5,734,792)</u>

Description of fiscal impact: The long-range building program uses dedicated revenue from various sources to complete major repair and capital development projects for state-owned facilities for all agencies and the university system. Several state agencies also have dedicated revenue or are able to raise funds (e.g., the university system) for specific projects. Capital projects typically take multiple fiscal years to complete, and the appropriation authority is valid until projects are completed per 17-7-212, MCA.

FISCAL ANALYSIS

Assumptions:

1. Major Repair is defined in 17-7-207(7), MCA.
2. Capital Development is defined in 17-7-201(2), MCA

3. In order for new design or construction of capital development projects to occur, the legislature must estimate and appropriate major repair first per 17-7-222(1), MCA, as provided in 17-7-222(2), MCA.
4. Capital Development projects that result in a new facility as defined in 17-7-201(8), MCA, must be funded for program expansion or operations and maintenance or may not be authorized by the legislature unless as provided in 17-7-210, MCA.
5. Operations and Maintenance in Section 3(3) are the amounts for the 2025 biennium, as required and explained in assumption 4. Those amounts are split evenly for each year of the 2025 biennium in this fiscal note. The appropriations will be incorporated into agency base budgets in future biennia.
6. The major repair and capital development project appropriations and authorizations are valid until projects are completed in accordance 17-7-212, MCA. The funding in this fiscal note is shown as expenditures are anticipated occur but are subject to change.
7. Authority-only capital projects do not require an appropriation and are not shown as expenditures. These projects are funded from grants, donations, auxiliary funds, proprietary funds, university funds, or other non-state sources. However, they do require authorization of the legislature.
8. A 1.5% inflation factor is applied to FY 2026 and FY 2027 for operations and maintenance.

	<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>Expenditures:</u>				
Transfer	\$113,000,000	\$0	\$0	\$0
Operations and Maintenance	\$5,566,543	\$5,566,543	\$5,650,041	\$5,734,792
Major Repair	\$42,883,290	\$42,883,290	\$0	\$0
Capital Development	\$392,754,983	\$392,754,983	\$0	\$0
TOTAL Expenditures	\$554,204,816	\$441,204,816	\$5,650,041	\$5,734,792

<u>Funding of Expenditures:</u>				
General Fund (01)	\$118,150,376	\$5,150,376	\$5,227,632	\$5,306,046
Major Repair (02)	\$35,862,800	\$35,862,800	\$0	\$0
Capital Development (03)	\$297,095,172	\$297,095,172	\$0	\$0
State Special Revenue (04)	\$73,153,503	\$73,153,503	\$290,220	\$294,573
Federal Special Revenue (05)	\$29,942,965	\$29,942,965	\$132,190	\$134,172
Other	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	\$554,204,816	\$441,204,816	\$5,650,041	\$5,734,792

<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Major Repair (02)	\$41,420,091	\$0	\$0	\$0
Capital Development (03)	\$113,000,000	\$0	\$0	\$0
TOTAL Revenues	\$154,420,091	\$0	\$0	\$0

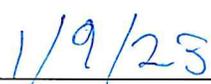
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$118,150,376)	(\$5,150,376)	(\$5,227,632)	(\$5,306,046)
Major Repair (02)	\$5,557,291	(\$35,862,800)	\$0	\$0
Capital Development (03)	(\$184,095,172)	(\$297,095,172)	\$0	\$0
State Special Revenue (04)	(\$73,153,503)	(\$73,153,503)	(\$290,220)	(\$294,573)
Federal Special Revenue (05)	(\$29,942,965)	(\$29,942,965)	(\$132,190)	(\$134,172)

Technical Notes:

- Page 16, line 21, an amendment is needed to correct a reference to a prior session from “section 1” to “section 3”.



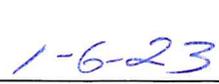
 Sponsor's Initials



 Date



 Budget Director's Initials



 Date