



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0276 - Establish a farm to food bank grant program (Malone, Marty)

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	\$1,000,000	\$0	\$0	\$0
State Special Revenue	\$880,000	\$120,000	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$1,000,000	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$1,000,000)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 276 transfers \$1,000,000 from the general fund a state special revenue fund to establish a Farm to Food Bank Program. The program will establish rules and implement a grant program.

FISCAL ANALYSIS

Assumptions:

- The bill transfers \$1 million from the general fund to a new farm to food bank state special revenue account.
- The bill includes an appropriation for the transfer from the general fund to the state special account, but does not include an appropriation of the state special revenue funds. The state special revenue appropriation would need to be added to HB 276 or HB 2.
- The department is directed to promulgate rules for Farm to Food Bank Program.

4. The Department of Agriculture will award grants in FY 2024, with terms that continue through FY 2025, thus requiring the 1.00 to continue into FY 2025.
5. Department of Agriculture will require 1.00 FTE to administer and monitor awards.
6. The program will terminate on June 30,2025.

	<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	1.00	1.00	0.00	0.00
<u>Expenditures:</u>				
Personal Services	\$70,000	\$70,000	\$0	\$0
Operating Expenses	\$50,000	\$50,000	\$0	\$0
Equipment	\$0	\$0	\$0	\$0
Grants	\$760,000	\$0	\$0	\$0
Transfers	\$1,000,000	\$0	\$0	\$0
TOTAL Expenditures	<u>\$1,880,000</u>	<u>\$120,000</u>	<u>\$0</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$1,000,000	\$0	\$0	\$0
State Special Revenue (02)	\$880,000	\$120,000	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	<u>\$1,880,000</u>	<u>\$120,000</u>	<u>\$0</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$1,000,000	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
TOTAL Revenues	<u>\$1,000,000</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)	\$ (1,000,000)	\$0	\$0	\$0
State Special Revenue (02)	\$120,000	\$ (120,000)	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

Sponsor's Initials

Date

Budget Director's Initials

Date



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Dedication of Revenue 2025 Biennium

17-1-507, MCA.

- a) **Are there persons or entities that benefit from this dedicated revenue that do not pay?**
Yes. Grant awards will be given to eligible applicants who may or may not have paid into the general fund (source of transfer).
- 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?** Use of a state special revenue fund will ensure the monies are spent solely for the specific purposes stated in the proposed law.
- c) **Is the source of revenue relevant to current use of the funds and adequate to fund the program activity that is intended?** Yes / No (if no, explain) Yes
- d) **Does the need for this state special revenue provision still exist?** Yes No
(Explain) To ensure the monies are spent solely for the specific purpose state in the proposed law.
- e) **Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending?** (Please Explain)
No, although the funding is one-time-only, the legislature would still have the ability to readily review all expenses in the state special revenue fund.
- f) **Does the dedicated revenue fulfill a continuing, legislatively recognized need?** (Please Explain) Yes, by strengthening local food economies as well as ensuring Montana food banks and their customers have access to fresh products.
- g) **How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency?** (Please Explain. Also, if the program/activity were general funded, could you adequately account for the program/activity?) The Department of Agriculture's accounting/auditing efficiencies will remain unchanged as it already engages in this type of activity, it will just create a higher volume to account for.