



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

SB0402 - Allow for firefighter hazard pay (Curdy, Willis)

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
State Special Revenue	\$585,000	\$585,000	\$585,000	\$585,000
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$585,000	\$585,000	\$585,000	\$585,000
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: SB 402 requires a 25% increase to a wildland firefighter's base salary when the firefighter is working on an uncontrolled wildfire incident or servicing active helicopter flights in support of a wildfire incident. The funding referenced in the bill is fire suppression account funding in the statutory appropriation as allowed under 76-13-150, MCA.

FISCAL ANALYSIS

Assumptions:

Department of Natural Resources and Conservation (DNRC)

1. It is assumed the balance in the fire suppression fund and related statutory appropriation is sufficient to provide revenue sufficient to cover the estimated expenses described in this fiscal note.
2. Montana's annual statewide fire suppression costs vary widely from year to year. In the 10-year period from 2013 to 2022, fire suppression costs ranged from a low of \$6 million to a high of \$65 million, with a 10-year average of \$26 million.

3. It is impossible to predict the number, size, and cost of future fires. The Fire Protection program of the Department of Natural Resources and Conservation provides estimates of future costs in this fiscal note by analyzing past fire suppression costs and applying estimated percentages of certain cost elements to average total suppression costs for the purpose of estimating fiscal impacts of the bill.
4. Within annual fire suppression costs, the percentage of individual cost elements such as state employees' salary costs varies from year to year. In recent years, an average of 15% of the state's annual fire suppression costs were personal services costs of state employees. Applying the 15% to the average total suppression cost of \$26 million yields an estimate of \$3.9 million in annual average Personal Services costs.
5. Not all Personal Services costs related to the state's fire suppression activities are for wildland firefighters; a portion of these costs are for support personnel in incident management teams or other support positions. However, estimates for the purposes of this fiscal note are based on average total Personal Services costs without breaking out individual state employee positions or roles they may fill on a given fire incident. Implementation of this bill would include the DNRC's usual practices under which supervisors are responsible to verify the nature of an individual's activities and pay rates for time claimed on timesheets and approve or disapprove accordingly.
6. The amount of time an individual wildfire is considered "uncontrolled," or constituting a threat to life, property, or natural resources, and not burning within the confines of firebreaks, varies. Generally, 96% of all fires in Montana are suppressed and contained, or controlled, within the first two days while they are small, under 10 acres. Medium-size fires, from 10 to 300 acres, which make up about 3% of fires in the state, are usually controlled within three to four days. Large fires, over 300 acres and up to many thousands of acres, about 1% of all fires in the state, usually grow that large due to wind and weather conditions beyond the control of firefighters, and thus require more days to bring under control. It is impossible to predict the number of hours or days wildland firefighters will be required to perform their tasks on future fires while the fires are in an uncontrolled status. The DNRC Fire Protection program estimates that approximately 60% of the state's overall suppression costs are expended on fires while they are in an uncontrolled status. Applying the 60% to the average total suppression cost of \$26 million yields an estimate of \$15.6 million in average annual costs for wildfires in uncontrolled status.
7. Combining the 15% of average fire suppression costs spent on Personal Services with the estimated 60% attributable to uncontrolled fires and applying to the \$26 million average annual total yields an estimated average annual cost of \$2.34 million for wildland firefighters' time spent on uncontrolled fires. The proposed pay supplement would be an additional 25% of this figure, or \$585,000; this is the estimated annual cost of implementing the bill. This cost represents an increase of approximately 2.25% to the state's annual average total suppression costs. ($\$26,000,000 * .15 * .60 = \$2,340,000 * .25 = \$585,000 / \$26,000,000 = .0225$)

	<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>				
<u>Expenditures:</u>				
Personal Services	\$585,000	\$585,000	\$585,000	\$585,000
Operating Expenses	\$0	\$0	\$0	\$0
TOTAL Expenditures	\$585,000	\$585,000	\$585,000	\$585,000
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$585,000	\$585,000	\$585,000	\$585,000
TOTAL Funding of Exp.	\$585,000	\$585,000	\$585,000	\$585,000
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$585,000	\$585,000	\$585,000	\$585,000
TOTAL Revenues	\$585,000	\$585,000	\$585,000	\$585,000
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0

Technical Notes:

1. Work performed at a “fire incident helibase servicing active helicopter flights” is not defined, but generally understood to include groundwork beneath a hovering helicopter (participating in ground operations to attach an external load to a helicopter hovering just overhead). This would also include flights undertaken under unusual and adverse conditions (e.g., extreme weather, maximum load, limited visibility, extreme turbulence, or low-level flights involving fixed or tactical patterns) which threaten or severely limit control of the aircraft.
2. It would be extremely difficult to assign separate pay rates for certain hours or minutes of a day when a particular firefighter is physically working on the fire line of an uncontrolled wildfire incident or helibase vs. when they are performing other related duties in close proximity to the fire line or helibase. DNRC would likely need to apply the hazardous duty pay supplement to the entire shift when the person is engaged in the hazardous duty for any portion of that shift.

NO SPONSOR SIGNATURE

	3.28.23		3-28-23
<i>Sponsor's Initials</i>	<i>Date</i>	<i>Budget Director's Initials</i>	<i>Date</i>