

Fiscal Note 2027 Biennium

Bill#/Title:	HB0421.01: In	icrease DNRC fire ass	essment fees		
Primary Sponsor:	Steve Gist		Status:	As Introduced	
☐ Included in the Executive Budget		☐ Needs to be included in HB 2		☐ Significant Local Gov Impact	
☐ Significant Long-Term Impacts		☐ Technical Concerns	8	☐ Dedicated Revenue Form Attached	
		FISCAL SU	JMMARY		
		FY 2026 Difference	FY 2027 Difference	FY 2028 Difference	FY 2029 Difference
Expenditures		Minimum and the Market Company of the Market Company of the Compan			
State Special Rev	venue (02)	\$0	\$0	\$0	\$0
Revenues					
State Special Rev	enue (02)	\$450,000	\$450,000	\$450,000	\$450,000
Net Impact		\$0	\$0	\$0	\$0
General Fund B	alance				

Description of fiscal impact

HB 421 raises the cap, or the maximum, for fees the Department of Natural Resources and Conservation (DNRC) may assess forested landowners for fire protection beginning in July 2025. An increase in the cap would allow the agency to collect enough revenue to meet the ongoing HB 2 appropriation supporting the fire protection program.

FISCAL ANALYSIS

Assumptions

Department of Natural Resources and Conservation

- 1. DNRC is statutorily required to fund approximately 1/3 of its annual base budget for wildland fire protection through the Fire Protection Assessments (FPA) revenue. Assessment rates are set each year at levels projected to generate revenue sufficient to meet the HB 2 legislative appropriation in the FPA fund and in compliance with 76-13-207, MCA.
- 2. DNRC is no longer able to collect enough revenue to meet the ongoing HB 2 appropriations in the FPA fund. HB 421 raises the maximum cap to meet the approved HB 2 appropriation.
- 3. DNRC estimates an increase in revenue in FY 2026 and FY 2027 of approximately \$450,000 to meet the requested appropriation in HB 2 and an annual increase in revenue of approximately \$200,000 per year thereafter assuming a 4% increase in appropriation (as estimated from an average appropriation increase over the last seven years).
- 4. Actual revenues assessed and received would be dependent on the agency's appropriation in FPA fund and the rate assessed up to the maximum set forth in HB 421.

Fiscal Analysis Table

	FY 2026 Difference	FY 2027 Difference	FY 2028 Difference	FY 2029 Difference
Fiscal Impact	2	211010100	<u> </u>	21110101100
Expenditures				
Funding of Expenditures				
Revenues				
State Special Revenue (02)	\$450,000	\$450,000	\$450,000	\$450,000
TOTAL Revenues	\$450,000	\$450,000	\$450,000	\$450,000
Net Impact to Fund Balance (Re	evenue minus Funding	of Expenditures)		
State Special Revenue (02)	\$450,000	\$450,000	\$450,000	\$450,000

Sponsor's Initials

2-13-25 Data

Budget Director's Initials

2/12/2025

Date