



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: HB0769.01: Revise labor law relating to computation of meal allowances

Primary Sponsor: Eric Matthews 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 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
Expenditures				
General Fund (01)	\$13,181	\$13,181	\$13,379	\$13,580
State Special Revenue (02)	\$31,948	\$31,948	\$32,427	\$32,914
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Net Impact	<u>(\$13,181)</u>	<u>(\$13,181)</u>	<u>(\$13,379)</u>	<u>(\$13,580)</u>
General Fund Balance				

Description of fiscal impact

HB 769 creates a meal reimbursement schedule for employees who are in a travel status for more than three continuous hours for a night shift, allowing an allowance for an evening meal, midnight meal, and early morning meal. There is a fiscal impact to the state from this proposed legislation.

FISCAL ANALYSIS

Assumptions

Commissioner of Higher Education

- The bill as proposed would not have a fiscal impact on per diem paid to Montana University System employees with the travel status time changes.

Department of Administration

- Updates required for the SABHRS Financial System to incorporate the changes will be made by existing staff. The costs can be covered with existing resources.

Department of Corrections

- HB 769 adds the times for meal allowances for night shift employees (1)(b) to "night shift hours" with the following time constraints: (i) for the evening meal allowance, between the hours of 12:01 p.m. and 10 p.m.; (ii) for the midnight meal allowance, between the hours of 10:01 p.m. and 3 a.m.; and (iii) for the early morning meal allowance, between the hours of 3:01 a.m. and 12 noon.
- Based on this change, the Department of Corrections (DoC) will reimburse staff working night shift hours when they are in a travel status. The current rules provide meals for a person working in a travel status from 6:00 pm day one (1) until 8:00 am day two (2) would be entitled to dinner on day one (1) and breakfast day two (2). Under the proposed changes that same person would now qualify for reimbursement for the evening, midnight and early morning meals.

5. The DoC assumes the allowance amounts as follows for the new designations:
 - a. Evening - \$16.00
 - b. Midnight - \$9.25
 - c. Early Morning - \$8.25
6. The new proposal means that affected staff will now qualify for the midnight meal reimbursement at a rate of \$9.25.
7. Using data for FY 2022-FY2024, the average number of inmates per year that require overnight supervision off campus is 228. The average number of days that each inmate require supervision off campus is five (5) days.
8. Assuming that 1/4 ($228 \times 25\% = 57$ inmates) of inmates need two (2) officers to supervise per shift and 3/4 ($228 \times 75\% = 171$ inmates) only require one (1) officer to supervise per shift, the cost to DoC for FY 2026 is \$13,181 ($(57 \text{ inmates} \times 5 \text{ days} \times 2 \text{ officers} \times \$9.25/\text{day}) + (171 \text{ inmates} \times 5 \text{ days} \times 1 \text{ officer} \times \$9.25/\text{day})$). In FY 2027 it is $((57 \text{ inmates} \times 5 \text{ days} \times 2 \text{ officers} \times \$9.25/\text{day}) + (171 \text{ inmates} \times 5 \text{ days} \times 1 \text{ officer} \times \$9.25/\text{day}))$.
9. Assuming a 1.5% inflationary factor, FY 2028 would be \$13,379 and FY 2029 would be \$13,580.

Department of Fish, Wildlife, and Parks

10. HB 769 is particular to employees in a travel status that would work through the hours of 12 AM to 10 AM. This will allow these employees to claim a midnight meal.
11. Assuming the Department of Fish, Wildlife and Parks (FWP) Fisheries Division survey employees work nights during nighttime surveys' there are 2,100 individual nights worked per year, with \$8.25 per meal, would equate to \$17,325.00
12. Assuming the FWP Wildlife Division would have 140 shifts for bat studies, this would equate to \$1,155.00
13. The total cost for FWP for "Midnight Meals: would be \$18,480.00 annually. A 1.5% inflationary factor has been applied to this amount for FY 2028 and FY 2029.

Department of Justice

14. Montana highway patrol troopers are eligible for one meal during a 10-hour shift. When working, it is not unusual for shifts to run long, making troops eligible for a second meal.
15. About 70 troopers regularly work night shifts 4 days a week, 52 weeks per year. 10% of shifts end up as overtime making the trooper eligible for a second meal. The midnight meal allowance is equal to the midday meal allowance. ($70 \times 4 \times 52 \times .1 \times 9.25 = \$13,468$)
16. A 1.5% inflation is assumed for FY 2028 and FY 2029.

Department of Public Health and Human Services

17. The changes proposed in HB769 will have a minimal effect on the employees in travel status during the night shift hours and will have minimal impact on the department

Department of Transportation

18. The Montana Department of Transportation (MDT) will be required to make software changes to the department's timesheet system, in order to facilitate the additional meal allowances for night-shift employees.
19. MDT's Information Services Division estimates it will be a 4-week effort to make the necessary software changes, utilizing existing MDT employees.
20. There are MDT employees who work overnight, however any change in per diem amounts paid would depend on both the travel status of the employees overnight as well as the meal allowance rates.
21. MDT cannot determine the fiscal impact as a result of HB 769.

Fiscal Analysis Table

Department of Corrections				
	FY 2026 Difference	FY 2027 Difference	FY 2028 Difference	FY 2029 Difference
Fiscal Impact				
Expenditures				
Operating Expenses	\$13,181	\$13,181	\$13,379	\$13,580
TOTAL Expenditures	\$13,181	\$13,181	\$13,379	\$13,580
Funding of Expenditures				
General Fund (01)	\$13,181	\$13,181	\$13,379	\$13,580
TOTAL Funding of Expenditures	\$13,181	\$13,181	\$13,379	\$13,580
Revenues				
Net Impact to Fund Balance (Revenue minus Funding of Expenditures)				
General Fund (01)	(\$13,181)	(\$13,181)	(\$13,379)	(\$13,580)

Department of Fish, Wildlife, and Parks				
	FY 2026 Difference	FY 2027 Difference	FY 2028 Difference	FY 2029 Difference
Fiscal Impact				
Expenditures				
Operating Expenses	\$18,480	\$18,480	\$18,757	\$19,039
TOTAL Expenditures	\$18,480	\$18,480	\$18,757	\$19,039
Funding of Expenditures				
State Special Revenue (02)	\$18,480	\$18,480	\$18,757	\$19,039
TOTAL Funding of Expenditures	\$18,480	\$18,480	\$18,757	\$19,039
Revenues				
Net Impact to Fund Balance (Revenue minus Funding of Expenditures)				
State Special Revenue (02)	(\$18,480)	(\$18,480)	(\$18,757)	(\$19,039)

Department of Justice				
	FY 2026 Difference	FY 2027 Difference	FY 2028 Difference	FY 2029 Difference
Fiscal Impact				
Expenditures				
Operating Expenses	\$13,468	\$13,468	\$13,670	\$13,875
TOTAL Expenditures	\$13,468	\$13,468	\$13,670	\$13,875
Funding of Expenditures				
State Special Revenue (02)	\$13,468	\$13,468	\$13,670	\$13,875
TOTAL Funding of Expenditures	\$13,468	\$13,468	\$13,670	\$13,875
Revenues				
Net Impact to Fund Balance (Revenue minus Funding of Expenditures)				

Fiscal Note Request - As Introduced

(continued)

State Special Revenue (02)	<u>(\$13,468)</u>	<u>(\$13,468)</u>	<u>(\$13,670)</u>	<u>(\$13,875)</u>
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STATEWIDE SUMMARY

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
Fiscal Impact				
TOTAL Fiscal Impact	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Expenditures				
Operating Expenses	<u>\$45,129</u>	<u>\$45,129</u>	<u>\$45,806</u>	<u>\$46,494</u>
TOTAL Expenditures	<u>\$45,129</u>	<u>\$45,129</u>	<u>\$45,806</u>	<u>\$46,494</u>
Funding of Expenditures				
General Fund (01)	<u>\$13,181</u>	<u>\$13,181</u>	<u>\$13,379</u>	<u>\$13,580</u>
State Special Revenue (02)	<u>\$31,948</u>	<u>\$31,948</u>	<u>\$32,427</u>	<u>\$32,914</u>
TOTAL Funding of Expenditures	<u>\$45,129</u>	<u>\$45,129</u>	<u>\$45,806</u>	<u>\$46,494</u>
Revenues				
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Net Impact to Fund Balance (Revenue minus Funding of Expenditures)				
General Fund (01)	<u>(\$13,181)</u>	<u>(\$13,181)</u>	<u>(\$13,379)</u>	<u>(\$13,580)</u>
State Special Revenue (02)	<u>(\$31,948)</u>	<u>(\$31,948)</u>	<u>(\$32,427)</u>	<u>(\$32,914)</u>

Technical Concerns

1. Per diem rates, as defined in 2-18-501, MCA, are morning meal, midday meal, and evening meal. The rates for evening meal, midnight meal and early morning meal do not exist.
2. There is not a definition for non-night-shift hours or for night-shift hours.



 Sponsor's Initials

3/4/25

 Date



 Budget Director's Initials

3/4/2025

 Date