



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: HB0843.01: Create Montana emergency solutions grant for rapid re-housing

Primary Sponsor: SJ Howell 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>
<b>Expenditures</b>				
General Fund (01)	\$1,000,000	\$1,000,000	\$0	\$0
<b>Revenues</b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>Net Impact</b>	<u>(\$1,000,000)</u>	<u>(\$1,000,000)</u>	<u>\$0</u>	<u>\$0</u>
<b>General Fund Balance</b>				

#### Description of fiscal impact

HB 843 adds a state general fund appropriation of \$1 million to the Department of Public Health and Human Services for FY 2026 and FY 2027 to supplement federal funds received for the Emergency Solutions Grant program for rapid re-housing of individuals experiencing or at risk of experiencing homelessness. The Emergency Solutions Grant provides rapid re-housing services, managed by Human Resource Development Councils (HRDC). Currently, approximately 40% of the Emergency Solutions Grant funds are utilized for rapid re-housing services.

### FISCAL ANALYSIS

#### Assumptions

#### Department of Public Health and Humans Services (department)

- The department would contract the additional \$1 million general fund appropriation for FY 2026 and FY 2027 to the Human Resources Development Council (HRDC) to provide rapid re-housing services as part of the existing Emergency Solutions Grant.

#### Fiscal Analysis Table

#### Department of Public Health and Human Services

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<b>Fiscal Impact</b>				
<b>Expenditures</b>				
Grants	\$1,000,000	\$1,000,000	\$0	\$0
<b>TOTAL Expenditures</b>	<u>\$1,000,000</u>	<u>\$1,000,000</u>	<u>\$0</u>	<u>\$0</u>

**Funding of Expenditures**

General Fund (01)	<u>\$1,000,000</u>	<u>\$1,000,000</u>	<u>\$0</u>	<u>\$0</u>
<b>TOTAL Funding of Expenditures</b>	<b><u>\$1,000,000</u></b>	<b><u>\$1,000,000</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**Revenues**

**Net Impact to Fund Balance (Revenue minus Funding of Expenditures)**

General Fund (01)	<u>(\$1,000,000)</u>	<u>(\$1,000,000)</u>	<u>\$0</u>	<u>\$0</u>
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**Technical Concerns**

1. The bill text combines components of rapid re-housing and homelessness prevention services. Section 1 states the funds are to supplement existing rapid re-housing services of individuals experiencing homelessness or at risk of homelessness. However, Section 2 restricts assistance to the provisions in 24 CFR 576.104 which is only rapid re-housing services and does not include homelessness prevention services in 24 CFR 576.103.
2. Rapid re-housing services currently do not have an income eligibility requirement; however, Section 2 (ii) of the bill adds an 80% area median income (AMI) eligibility requirement for these services. Homelessness prevention services currently have an income eligibility requirement of 30% AMI. The income eligibility of 80% AMI in Section 2 (ii) aligns with homelessness prevention services for those at risk of homelessness as addressed in 24 CFR 576.103.

  
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 Sponsor's Initials

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 Date

  
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 Budget Director's Initials

3/26/2025  
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 Date