



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: SB0161.01: Provide for regulation and sale of aquaculture

Primary Sponsor: Greg Hertz 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</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
Expenditures				
State Special Revenue (02)	\$7,847	\$933	\$956	\$980
Revenues				
State Special Revenue (02)	\$9	\$31	\$31	\$31
Net Impact	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General Fund Balance				

Description of fiscal impact

SB 161 regulates the sale of aquaculture products in Montana. The Department of Agriculture would incur cost for implementation and continued regulation.

FISCAL ANALYSIS

Assumptions

Department of Agriculture

- It is assumed the Department of Agriculture would license aquaculturist as produce dealers.
- Assumed costs associated with the oversight of the aquaculture products will be funded with existing department State Special Revenue funds authorized in 80-3-304, MCA, and fees authorized in 80-3-314, MCA, and 80-3-321, MCA.
- It is assumed there would be a fiscal impact to the department in year 1 for licensing and creating required semiannual reports of 1 existing FTE, 4 hours annually at \$37.93 hourly rate with benefits and 2.5% pay increase for year 1 ($1 \times 4 \times \$37.93 = \151.70), and a 2.5% pay increase for each year thereafter.
- It is assumed that the enforcement inspector would require 3 separate trainings to conduct Best Aquaculture Practices Audits (BAP), and 20 hours of CEUs for each year thereafter.
 - 5 days of online training, 7 hours per day at \$37.93 hourly rate with benefits and 2.5% pay increase ($1 \times 35 \times \$37.93 = \$1,327.38$)
 - 3 days shadow training out-of-state, assuming 5 travel days with 4-night stay. Assumed round trip airfare \$1,000.00, daily out-of-state meal per diem \$63.00 for 5 days is \$315.00, out-of-state lodging rate is \$110.00 for 4 nights is \$440.00, luggage/parking/other travel costs assumed at \$150. Assuming 8 hours/day for 5 days at \$37.93 hourly rate with benefits and 2.5% pay increase ($8 \times 5 \times \$37.93 = \$1,517.00$). Total \$3,422.00
 - 2 days auditor training out-of-state, assuming 4 travel days with 3-night stay. Assumed round trip airfare \$1,000.00, daily out-of-state meal per diem \$63.00 for 4 days is \$252.00, out-of-state lodging rate is

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(continued)

\$110.00 for 3 nights is \$330.00, luggage/parking/other travel costs assumed at \$150. Assuming 8 hours/day for 4 days at \$37.93 hourly rate with benefits and 2.5% pay increase (8*4*\$37.93 = 1,213.60). Total \$2,945.60

5. It is assumed the revenue collected would be .06 cents/50lbs, at 50lbs/week, for 3 aqua culturists total of \$3.12 for year 1 (.06*52*3 = \$9.36) and increasing to 10 aqua culturists thereafter.
6. These assumptions were made based on similar programs managed with the Department of Agriculture.

Fiscal Analysis Table

Department of Agriculture				
	FY 2026 Difference	FY 2027 Difference	FY 2028 Difference	FY 2029 Difference
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
Personal Services	\$4,210	\$933	\$956	\$980
Operating Expenses	\$3,637	\$0	\$0	\$0
TOTAL Expenditures	\$7,847	\$933	\$956	\$980
<u>Funding of Expenditures</u>				
State Special Revenue (02)	\$7,847	\$933	\$956	\$980
TOTAL Funding of Expenditures	\$7,847	\$933	\$956	\$980
<u>Revenues</u>				
State Special Revenue (02)	\$9	\$31	\$31	\$31
TOTAL Revenues	\$9	\$31	\$31	\$31
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
State Special Revenue (02)	(\$7,838)	(\$902)	(\$925)	(\$949)

NO SPONSOR SIGNATURE

Sponsor's Initials

Date

2/24

Budget Director's Initials

2/22/2025

Date

