



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2015 Biennium

Bill #	HB0312	Title:	Revise laws relating to brucellosis surveillance
Primary Sponsor:	Redfield, Alan	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2014</u> <u>Difference</u>	<u>FY 2015</u> <u>Difference</u>	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$260,853	\$370,433	\$280,730	\$371,868
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Description of fiscal impact: HB 312 requires testing and prevalence reduction of brucellosis in livestock and wildlife. HB 312 would require additional FTE and operations costs associated with testing, surveillance, and prevalence reduction in wildlife by the Department of Fish, Wildlife and Parks (FWP).

FISCAL ANALYSIS

Assumptions:

Department of Fish Wildlife and Parks (FWP)

- Livestock have tested positive for brucellosis in three of the last four years. FWP assumes livestock will test positive for brucellosis in three of the next four years (fiscal years 2014, 2015 and 2017).
- When livestock test positive for brucellosis FWP will begin a three-year process to capture and test 100 elk in the area surrounding the location of the positive animal.
- In year one, of the 100 captured, approximately 30 animals will be radioed to monitor movements and birth/abortion events. Captured animals that test positive will be slaughtered on site. Costs for year one of the three-year process are \$200,180 and include:
 - FWP will contract to capture 100 elk at a cost of $100 \times \$850 = \$85,000$
 - GPS collars and vaginal implant transmitters will cost \$57,600
 - Additional costs for supplies including blood kits of \$1,500

- d. Costs for blood testing of \$15,000
 - e. Travel expenses including motor pool and per diem of \$10,000
 - f. Costs for flights to monitor collars and radios of \$27,000.
 - g. Temporary staff for the two week capture period of \$4,080
4. In year-two and three, capture will not include collaring. One hundred animals will be tested and positive animals will be slaughtered on site. Costs for year-two and year-three of the three-year process are \$109,580 each year and include:
- a. FWP will contract to capture 100 elk at a cost of $100 \times \$850 = \$85,000$
 - b. Additional costs for supplies including blood kits of \$1,500
 - c. Costs for blood testing of \$15,000
 - d. Travel expenses including motor pool and per diem of \$4,000
 - e. Temporary staff for the two week capture period of \$4,080
5. The three-year process outlined in assumptions three and four would need to be repeated each time new cattle test positive for brucellosis. As stated in assumption one, FWP assumes there will be new cattle that test positive for brucellosis three out of four years (fiscal years 2014, 2015 and 2017).
6. A positive brucellosis test in cattle in FY 2014 results in year-one costs (occurring in FY 2014) outlined in assumption three and year-three costs (occurring in FY 2015 and FY 2016) outlined in assumption four.
7. A positive brucellosis test in cattle in FY 2015 results in year-one costs (occurring in FY 2015) outlined in assumption three and year-two and three costs (occurring in FY 2016 and FY 2017) outlined in assumption four.
8. FWP would require additional staff to carry out the testing and surveillance requirements of HB 312. FWP would hire 1.00 FTE conservation technician to help coordinate the capture effort, conduct surveillance flights, collar and vaginal implant retrieval and to coordinate prevalence reduction procedures at a cost of \$47,142.
9. Prevalence reduction would be accomplished by adjusting elk distribution, concentration, and group size to minimize elk-to-elk transmission and testing and slaughtering seropositive animals. This would be done through hazing, habitat manipulations, dispersal hunts, and captures detailed in assumptions three and four. FWP would hire a half time herder to assist in hazing and dispersal hunts. Quantification of habitat manipulation is unknown at this point. (0.50 FTE at a cost of \$13,531)

Department of Livestock

10. USDA/APHIS requires testing in the designated surveillance area (DSA). The regulations requiring surveillance in the DSA have recently been updated. Department of Livestock (DOL) staff is presently meeting the requirements of this proposed legislation.
11. The department has an existing FY 2013 HB 2 appropriation for brucellosis testing and surveillance that would be available to meet the livestock testing requirements. Funding for these purposes is proposed in the Executive Budget in HB 2 for FY 2014 and FY 2015 utilizing state general fund.
12. In the event that federal funds become available to DOL for brucellosis testing of livestock, general fund expenditures would be reduced by a like amount in accordance with 17-2-108, MCA.

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
<u>Fiscal Impact:</u>				
FTE	1.50	1.50	1.50	1.50
<u>Expenditures:</u>				
Personal Services	\$60,673	\$60,673	\$61,570	\$62,108
Operating Expenses	\$200,180	\$309,760	\$219,160	\$309,760
TOTAL Expenditures	\$260,853	\$370,433	\$280,730	\$371,868
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$260,853	\$370,433	\$280,730	\$371,868
TOTAL Funding of Exp.	\$260,853	\$370,433	\$280,730	\$371,868
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$260,853)	(\$370,433)	(\$280,730)	(\$371,868)

Technical Notes:

- Line 24 of the bill states Per Capita funds as prescribed in 15-24-922, MCA, may be used to pay these costs after all other funds appropriated to the Department of Livestock for the payment of testing costs have been expended. HB 312 does not include a statutory appropriation so it is unclear how the department would accomplish this.

Sponsor's Initials

Date

Budget Director's Initials

Date