

FISCAL NOTE
SENATE BILL NO. 2179
LC# 25.1036.01000
01/24/2025
Revised - 01/24/2025

1 - State Fiscal Effect

Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2023-2025 Biennium		2025-2027 Biennium		2027-2029 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$(561,000)	\$561,000	\$(570,000)	\$570,000
Expenditures				\$652,300		\$437,300
Appropriations						

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2023-2025 Biennium	2025-2027 Biennium	2027-2029 Biennium
Counties			
Cities			
School Districts			
Townships			

3 - Bill and Fiscal Impact Summary

Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

HB 2179 modifies the allocation of revenue from inspection fees from the state general fund to the department of environmental quality operating fund.
Senate Bill 2179 Section 1 also requires the Department of Environmental Quality (DEQ) to receive legislative appropriation authority for the state.

4 - Fiscal Impact Sections Detail

Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

Section 1 will modify the distribution of revenue received from inspection fees paid by motor vehicle fuel or special fuels dealers.

Section 1 also requires the DEQ to receive legislative appropriation authority for the state fuel inspection program. The state fuel inspections program would require one (1) full-time equivalent position (FTE), a temporary employee, associated program operating costs, and purchase of equipment.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

In enacted, the revenue received from inspection fees will be disbursed to the environmental quality operating fund. The revenue from inspection fees transferred to the general fund has remained relatively stable in recent years with an average increase per year of less than 2%. The state fiscal impact was calculated using a 1.6% rate of change. This will cause an estimated decrease in general fund revenue and an increase in revenue for the department of environmental quality operating fund of \$561,000 in the 2025-2027 biennium and \$570,000 in the 2027-2029 biennium.

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

Senate Bill 2179 Section 1 requires the DEQ to receive legislative appropriation authority for the state fuel inspection program. To fund the state fuel inspection program, the DEQ would need an FTE and funds for a temporary employee in the Salaries and wages line totaling \$338,000. The Salaries and wages would fund a Chemist in the Chemistry Laboratory for fuel analysis and provide funding for a temporary employee to collect fuel samples statewide. In the Operating expenses line the DEQ would need a total of \$99,300 to support the employee operating costs, travel for fuel collection, funds to maintain fuel testing equipment, and laboratory supplies for fuel testing. In the Capital assets line, the DEQ would need \$215,000 to purchase three pieces of equipment including a fuel blending unit and two automatic distillation spectrum units.

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

The DEQ would require appropriation authority for the state fuel inspection program. For the 2025-27 biennium the DEQ would need appropriation authority totaling \$652,300 with Salaries and wage authority of \$338,000, Operating expense authority of \$99,300, and Capital assets authority totaling \$215,000. In addition to fiscal authority, the DEQ would require authority to add one additional FTE.

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