



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: SB0336.02 (002): Revise laws related to short-term rentals

Primary Sponsor: Greg Hertz Status: As Amended in Senate Committee

☐ 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)	\$0	\$0	\$0	\$0
<b>Revenues</b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>Net Impact</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>General Fund Balance</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### Description of fiscal impact

SB 336, as amended in the Senate Local Government Committee revises short-term rental laws regarding zoning by creating a right of use for short term rentals, and grandfathers existing short-term rentals as non-conforming uses when prohibited. The bill clarifies short-term rentals for less than 30 days is a residential use. The amendment clarifies the language in the bill regarding short-term rentals and nonconforming short-term rental property.

### FISCAL ANALYSIS

#### Assumptions

#### Department of Commerce

1. The bill defines short-term rentals are residential property for zoning purposes, but does not exempt them in any way from the lodging facilities use or sales taxes.
2. There would be no significant fiscal impact to the department.

#### Department of Revenue

3. No impact to state revenue is anticipated by the changes in SB 336.

#### Effect on County or Other Local Revenues or Expenditures


#### The Montana League of Cities and Towns

1. SB 336 will require all cities and towns in Montana to modify their ordinances to comply with the short-term rental provisions required in this act. The bill could also impose increased code enforcement activities on cities and towns to ensure compliance with the new ordinance provisions. In general, cities and towns will incur approximately a minimum of \$2,000 to as much as \$30,000 per city and town to comply with the unfunded mandates set forth in this act.

NO SPONSOR SIGNATURE

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Sponsor's Initials

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Budget Director's Initials

3/25/2025  
\_\_\_\_\_  
Date