

Fiscal Note 2027 Biennium

| Bill#/Title: HB0331.01: Generally revise laws relating to marijuana advertising | | | | | |
|---|-----------------------------------|--------------------------------|-----------------------|-----------------------------------|-----------------------|
| Primary Sponsor: | nary Sponsor: Kerri Seekins-Crowe | | 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 SU | JMMARY | | |
| | | FY 2026 Difference | FY 2027 Difference | FY 2028 Difference | FY 2029 Difference |
| Expenditures General Fund (01) | | \$0 | \$0 | | \$0 |
| Revenues General Fund (01) | | \$0 | \$0 | \$0 | \$0 |
| Net Impact General Fund Balance | | \$0 | \$0 | \$0 | \$0 |

Description of fiscal impact

HB 331 prohibits marketing and advertising by licensed marijuana businesses in Montana, including mandating age and residency verification for website users. This bill is not expected to impact marijuana tax revenue collections. The Department of Revenue would not incur additional costs to administer this bill.

FISCAL ANALYSIS

Assumptions

- 1. HB 331 prohibits advertising by marijuana business and places limitations on the language and graphics that licensees may use on their websites and signage.
- 2. The bill repeals the current section of code limiting advertising and providing rule making authority to the Department of Revenue (16-12-211, MCA) and replaces it with new section 2 of this bill.
- 3. The bill does not specify an applicability or effective date so the default effective date of October 1, 2025.
- 4. Marijuana advertising is restricted in Montana under current law, and demand for marijuana has already been well established. It is assumed that this bill would not impact the consumer demand for marijuana in Montana, and consumers ability to purchase marijuana from dispensaries would not be dramatically inhibited. Therefore, marijuana tax revenue collections are not expected to be impacted significantly from the projections in HJ 2.
- 5. The Department of Revenue will have to update rules and licensing forms and provide assist many businesses in coming into compliance, but the department expects to be able to handle these tasks without additional appropriation or FTE.

Sponsor's Initials

Date

Budget Director's Initials

2/6/2025

Date