



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: HB0668.01: Revising alcohol law to prohibit certain licensees from offering gambling

Primary Sponsor: Ed Buttrey

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				
General Fund (01)	\$0	\$0	\$0	\$0
Revenues				
General Fund (01)	(\$21,458)	(\$21,458)	(\$21,458)	(\$21,458)
Net Impact	<u>(\$21,458)</u>	<u>(\$21,458)</u>	<u>(\$21,458)</u>	<u>(\$21,458)</u>
General Fund Balance				

Description of fiscal impact

HB 668 prohibits gambling activities on the premises of any new entity licensed under 16-4-201(8)(c) or 16-4-105(1)(e). For all-beverage licenses and retail on-premises consumption beer and wine licenses this includes any post or a nationally chartered veterans' organization or a lodge of a recognized national fraternal organization. For retail on-premises consumption beer and wine licenses this also includes enlisted persons', noncommissioned officers', or officers' clubs located on a state or federal military reservation. This would result in a loss of revenue to the Montana Lottery (lottery) of approximately \$21,458 annually.

FISCAL ANALYSIS

Assumptions

Department of Administration - Montana State Lottery


1. This bill would prohibit gambling for new establishments with licenses issued under MCA 16-4-201(8)(c). These are establishments like veterans' organization or any lodge of a recognized national fraternal organization.
2. It is assumed that there would be one new establishment that would be in business starting FY 2026.
3. On average, these types of establishments generate \$21,458 in revenue for lottery.
4. This would result in revenue loss of \$21,458 annually each fiscal year that would be set to be transferred to the general fund.

Fiscal Analysis Table

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
<u>Funding of Expenditures</u>				
<u>Revenues</u>				
General Fund (01)	<u>(\$21,458)</u>	<u>(\$21,458)</u>	<u>(\$21,458)</u>	<u>(\$21,458)</u>
TOTAL Revenues	<u>(\$21,458)</u>	<u>(\$21,458)</u>	<u>(\$21,458)</u>	<u>(\$21,458)</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	<u>(\$21,458)</u>	<u>(\$21,458)</u>	<u>(\$21,458)</u>	<u>(\$21,458)</u>

Technical Concerns

1. There is no way of knowing how many new locations may open in the future. As a result, the actual fiscal impact may be understated.


 Sponsor's Initials

2/27/25
 Date


 Budget Director's Initials

2/27/2025
 Date