



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: SB0555.01: Generally revise gambling laws

Primary Sponsor: Vince Ricci

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
State Special Revenue (02)	\$0	\$0	\$0	\$0
Revenues				
General Fund (01)	(\$13,000)	(\$13,000)	(\$13,000)	(\$13,000)
State Special Revenue (02)	\$13,000	\$13,000	\$13,000	\$13,000
Net Impact	<u>(\$13,000)</u>	<u>(\$13,000)</u>	<u>(\$13,000)</u>	<u>(\$13,000)</u>
General Fund Balance				

Description of fiscal impact

SB 555 modifies existing on-line gambling law and would change one type of infraction from a misdemeanor to a felony. Revenue from fines related to this infraction would no longer be deposited in the general fund but rather in an existing state special revenue account.

FISCAL ANALYSIS

Assumptions

Department of Justice

1. SB 555 changes the definition and penalties of existing gambling laws to enhance Gambling Control Division's (GCD) ability to combat illegal online casinos offering their gambling enterprises in Montana. If passed with changes to the disposal of fines and penalties under 23-5-123, GCD would see approximately \$13,000 go into a state special revenue fund instead of the general fund. The revenue estimate comes from FY 2024 actuals.

Department of Corrections

2. SB 555 amends Montana's internet gambling statutes. First, SB 555 updates the definition of "illegal gambling" to include online casinos that allow visitors to gamble with cryptocurrency. It also creates a new felony offense for purposely or knowingly operating any type of illegal internet gambling site within the state's borders, including operating an online gambling site in the state through licensed or unlicensed offshore sources.
3. These changes add a new felony offense that will surely come with convictions, however without information regarding the frequency of individuals operating online gambling sites within the state, it would be difficult to estimate the impact this bill would have on the Department.

Public Defender (OPD)

4. OPD assumes that SB 555's elevation of the offense of Soliciting Participation in Illegal Gambling Activity from a misdemeanor to a felony when allegedly committed by means of an illegal internet gambling site would increase the case weight and cost of any Soliciting Participation in Illegal Gambling Activity cases to which OPD is appointed in future years.
5. However, because OPD has never been appointed to a Soliciting Participation in Illegal Gambling Activity charge, OPD assumes it will not be appointed to any such cases in the coming biennium.
6. OPD, thus, assumes SB 555 would not affect the cases to which OPD is appointed and would have no fiscal impact upon OPD.

Fiscal Analysis Table**Department of Justice**

	FY 2026 Difference	FY 2027 Difference	FY 2028 Difference	FY 2029 Difference
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
<u>Funding of Expenditures</u>				
<u>Revenues</u>				
General Fund (01)	(\$13,000)	(\$13,000)	(\$13,000)	(\$13,000)
State Special Revenue (02)	\$13,000	\$13,000	\$13,000	\$13,000
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	(\$13,000)	(\$13,000)	(\$13,000)	(\$13,000)
State Special Revenue (02)	\$13,000	\$13,000	\$13,000	\$13,000

NO SPONSOR SIGNATURE

Sponsor's Initials

Date

4/3/25



Budget Director's Initials

4/3/2025

Date