



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: HB0639.01: Generally revise gambling laws

Primary Sponsor: Mike Vinton 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)	(\$13,241)	(\$13,241)	(\$13,241)	(\$13,241)
State Special Revenue (02)	\$13,241	\$13,241	\$13,241	\$13,241
Net Impact	<u>(\$13,241)</u>	<u>(\$13,241)</u>	<u>(\$13,241)</u>	<u>(\$13,241)</u>
General Fund Balance				

Description of fiscal impact

HB 639 changes the definition and penalties of existing gambling law to enhance Gambling Control's (GCD) ability to combat illegal online casinos offering their gambling enterprises in Montana. If this bill is adopted as written with changes to the disposal of fines and penalties under 23-5-123, GCD would use these funds for additional investigative and legal expenses created by these cases, of which there are many. Using fine & penalties amount from FY 2024, this would give back approximately \$13,000 to GCD.

FISCAL ANALYSIS

Assumptions

Department of Justice

1. HB 639 will make it a felony instead of a misdemeanor to offer this type of gambling in Montana.
2. In FY 2024, fines and penalties totaled \$13,241. These fine are currently deposited into the general fund but under HB 639 would be deposited in the Gambling Control Division state special revenue fund. Potential increases in fine revenue cannot be determined.

Department of Justice

3. Because HB 639 creates a felony offense, punishable by a fine up to \$50,000 and up to 10 years in prison, there may be an impact to the Department of Corrections inmate count, the caseload of the Office of Public Defender, and the docket of district courts. The impact cannot be determined but is not anticipated to be significant.

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)	(\$13,241)	(\$13,241)	(\$13,241)	(\$13,241)
State Special Revenue (02)	\$13,241	\$13,241	\$13,241	\$13,241
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	(\$13,241)	(\$13,241)	(\$13,241)	(\$13,241)
State Special Revenue (02)	\$13,241	\$13,241	\$13,241	\$13,241

Sponsor's Initials

Date

Budget Director's Initials

2/28/2025

Date