



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: SB0150: Generally revise alcohol and tobacco laws

Primary Sponsor: Wylie Galt 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 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
Expenditures				
General Fund (01)	\$0	\$0	\$0	\$0
Revenues				
General Fund (01)	\$6,000	\$6,000	\$6,000	\$6,000
Net Impact	<u>\$6,000</u>	<u>\$6,000</u>	<u>\$6,000</u>	<u>\$6,000</u>
General Fund Balance				

Description of fiscal impact

SB 150 creates a new cigar bar endorsement with an annual fee of \$200, indicates that only cigars that were purchased at the licensed premises may be smoked, and includes other sales restrictions and business requirements for licensure. SB 150 will generate approximately \$6,000 per year in general fund, with no increase in costs to agencies.

FISCAL ANALYSIS

Assumptions

Department of Revenue (DOR)

1. SB 150 creates a new cigar bar endorsement only available to all-beverage license holders who also hold a gaming or gambling license under Title 23, chapter 5, part 3, 5, or 6.
2. Only cigars purchased at the licensed premises may be smoked in the cigar bar, and the business must generate at least 10% of annual gross revenue from the sale of cigars.
3. The cigar bar endorsement has an annual fee of \$200 and Alcohol Beverage Control Division of DOR anticipates that a approximately 30 licensees in the larger cities/town across Montana will apply for this endorsement generating \$6,000 in additional revenue per fiscal year.
4. DOR would need to update some processes for bill implementation, however those costs could be absorbed as part of the typical business process, with no additional fiscal impact.

Department of Justice (DOJ)

5. Although the Gambling Control Division at the Department of Justice conducts routine and application case related suitability inspections, DOJ does not see this bill causing a fiscal impact. The bill may alter and expand what is inspected but DOJ assumes this can be added to services already provided.

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)	\$6,000	\$6,000	\$6,000	\$6,000
TOTAL Revenues	\$6,000	\$6,000	\$6,000	\$6,000
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	\$6,000	\$6,000	\$6,000	\$6,000



 Sponsor's Initials

1/23/25

 Date



 Budget Director's Initials

1/21/2025

 Date