



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0144 - Generally revise laws related to competitive bidding requirements (Green, Paul)

Status: As Amended in House Committee

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 144 removes the requirement that a competitive bidder must submit an irrevocable letter of credit for their bid to be considered. HB 144 also removes the requirement of the Department of Revenue only being able to publish one license per year by license type that was made available due to a combined quota area split. The bill as amended also revises the new license fee paid for a retail beer license awarded through the competitive bidding process. Amendments to HB 144 change the new license fee from \$25,000 to \$200. This bill is estimated to have no fiscal impact to the Department of Revenue.

FISCAL ANALYSIS

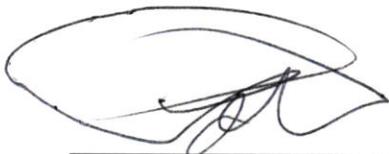
Assumptions:

- HB 144 removes the requirement that competitive bidders must submit an irrevocable letter of credit for their bid to be considered.
- HB 144 also allows the Department of Revenue to publish more than one license per year per license type that were created due to a former combined quota area being split.
- In past offerings of these licenses available due to a quota area split, Belgrade and Columbia Falls are the only quota areas with multiple licenses available that have had interested bidders.
- The Department of Revenue estimates they would offer about two Restaurant Beer and Wine (RBW) licenses a year that are available due to quota splits in those two areas.

Fiscal Note Request – As Introduced

(continued)

5. Any revenue generated from the competitive bidding process is dependent on the Department of Revenue receiving bids; making a license available does not necessarily mean a bid would be received.
6. HB 144 as amended also changes the new license fee paid by a license applicant from \$25,000 to the annual fee for retail beer licenses provided in 16-4-501, MCA. The annual fee for a retail beer license is \$200.
7. Because there are so few split quota areas that have had interested bidders in the license types available, and the impact on revenue is solely dependent on receiving bids, the Department of Revenue estimates this legislation would create little to no fiscal impact.
8. This bill has an immediate effective date.



Sponsor's Initials

20 Jan 23

Date



Budget Director's Initials

1-19-23

Date