



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0358 - Revise property manager license law (Zolnikov, Katie)

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 358 has no fiscal impact for the state.

FISCAL ANALYSIS

Assumptions:

1. HB 358 revises property manager license laws for the Board of Realty Regulation in the Montana Department of Labor and Industry. Although the board will need to revise its rules and update its website, the cost is assumed to be de minimus.

Technical Notes:

1. Section 1(1)(c) is ambiguous as written and may be difficult to interpret or enforce. The provision appears to provide 3 categories of exemption.
2. First, "an owner of the real estate." This would have the effect of completely exempting from property management licensure someone involved in the ownership of the property being leased.
3. Second, "owners who are relatives as provided in subsection (1)(d)." This provision is unclear. The first provision exempts an owner from licensure. This provision excepts relatives of the owner, so long as the relative is also an owner. This appears to duplicate the first provision. That is, to the extent the relative is an owner of the real estate, they are exempt by the first provision. To the extent the relative is not an owner, they are not exempted by the second provisioner either, so it is unclear what the intent of this provision is.

4. Third, “business entities or partnerships owned by the owners of the real estate who are relatives as provided in subsection (1)(d).” This provision is unclear. The first portion of the provision would appear to be attempting to exempt business entity property managers from licensure. However, the end of the provision would require these business entities to be relatives of the real property owners. Because entities may not be relatives of a natural human, the provision would appear to have no effect.

NOT SIGNED BY SPONSOR

Sponsor's Initials

Date



Budget Director's Initials



Date