



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2009 Biennium

|               |        |
|---------------|--------|
| <b>Bill #</b> | SB0088 |
|---------------|--------|

|               |   |
|---------------|---|
| <b>Title:</b> | Extend allocation of funding to heritage preservation and development account |
|---------------|---|

|                         |           |
|-------------------------|-----------|
| <b>Primary Sponsor:</b> | Hawks, B. |
|-------------------------|-----------|

|                |               |
|----------------|---------------|
| <b>Status:</b> | As Introduced |
|----------------|---------------|

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input type="checkbox"/> Include in HB 2               | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

|  | <u>FY 2008<br/>Difference</u> | <u>FY 2009<br/>Difference</u> | <u>FY 2010<br/>Difference</u> | <u>FY 2011<br/>Difference</u> |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>Expenditures:</b>                   |                               |                               |                               |                               |
| General Fund                           | \$ -                          | \$ -                          | \$ -                          | \$ -                          |
| <b>Revenue:</b>                        |                               |                               |                               |                               |
| General Fund                           | \$ -                          | \$ -                          | \$ -                          | \$ -                          |
| <b>Net Impact-General Fund Balance</b> | \$ -                          | \$ -                          | \$ -                          | \$ -                          |

**Description of fiscal Impact:** SB 88 extends the sunset from July 30, 2007 to June 30, 2011 for \$400,000 statutory annual lodging facility use tax funding to the Montana Heritage Preservation Commission. This would reduce funding for other state agencies, tourism regions, and convention and visitor bureaus.

### FISCAL ANALYSIS

#### Assumptions:

#### **Department of Commerce (DOC)**

1. The \$400,000 in annual statutorily appropriated accommodation tax funding of the Montana Heritage Commission terminates on July 1, 2007. The proposed legislation would extend the sunset until June 30, 2011.
2. Under current law, agencies of state government and tourism regions and convention and visitor bureaus are allocated the following percentages of accommodation tax proceeds after the Department of Revenue and general fund are reimbursed.

|  | <u>FY 2008</u><br><u>Difference</u> | <u>FY 2009</u><br><u>Difference</u> | <u>FY 2010</u><br><u>Difference</u> | <u>FY 2011</u><br><u>Difference</u> |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <b><u>Fiscal Impact:</u></b>             |                                     |                                     |                                     |                                     |
| <b><u>Expenditures:</u></b>              |                                     |                                     |                                     |                                     |
| Montana Heritage Commission              | \$ 400,000                          | \$ 400,000                          | \$ 400,000                          | \$ 400,000                          |
| MT Promotion Division (67.5%)            | \$ (270,000)                        | \$ (270,000)                        | \$ (270,000)                        | \$ (270,000)                        |
| Historical Society (1%)                  | \$ (4,000)                          | \$ (4,000)                          | \$ (4,000)                          | \$ (4,000)                          |
| University of Montana (2.5%)             | \$ (10,000)                         | \$ (10,000)                         | \$ (10,000)                         | \$ (10,000)                         |
| Fish, Wildlife, and Parks (6.5%)         | \$ (26,000)                         | \$ (26,000)                         | \$ (26,000)                         | \$ (26,000)                         |
| Tourism Regions, CVB's, and VC's (22.5%) | <u>\$ (90,000)</u>                  | <u>\$ (90,000)</u>                  | <u>\$ (90,000)</u>                  | <u>\$ (90,000)</u>                  |
| <b>TOTAL Expenditures</b>                | <u>\$ -</u>                         | <u>\$ -</u>                         | <u>\$ -</u>                         | <u>\$ -</u>                         |

**Effect on County or Other Local Revenues or Expenditures:**

1. Disbursements to the six tourism regions and eleven convention and visitor bureaus would remain reduced by \$90,000 each year (22.5% of \$400,000) through June 30, 2011.

\_\_\_\_\_  
*Sponsor's Initials*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Budget Director's Initials*

\_\_\_\_\_  
*Date*