



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2015 Biennium

Bill # SB0264

Title: Revise laws related to portable electronics insurance

Primary Sponsor: Arntzen, Elsie

Status: As Introduced

- 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 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$6,000	\$6,000	\$6,000	\$6,000
Federal Special Revenue	\$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: SB 264 regulates portable electronics insurance and requires a vendor selling the insurance to be licensed with the state. SB 264 establishes a fee of \$100 for any vendor under 10 locations and \$1,000 for vendors with more than 10 locations.

FISCAL ANALYSIS

Assumptions:

1. It is unknown how many vendors would sell portable electronic insurance.
2. For this fiscal note, the State Auditor's Office estimates there would be 5 large vendors each paying \$1,000 in licensing fees per year and 10 paying the \$100 licensing fee per year based on other states experience.
3. This legislation has been implemented in 23 other states. According to state reports, these states are licensing approximately 15 vendors, primarily wireless phone providers. Assuming this will be the case for Montana as well, any change to agency workload is expected to be minimal.
4. Revenue from fines from suspended or revoked licenses are unknown at this time.

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$0
TOTAL Expenditures	\$0	\$0	\$0	\$0

<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (0)	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	\$0	\$0	\$0	\$0

<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$6,000	\$6,000	\$6,000	\$6,000
Federal Special Revenue (0)	\$0	\$0	\$0	\$0
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)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$6,000	\$6,000	\$6,000	\$6,000
Federal Special Revenue (0)	\$0	\$0	\$0	\$0

Sponsor's Initials

Date

Budget Director's Initials

Date