



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # HB0668

Title: Generally revise corporation laws regarding tribal entities

Primary Sponsor: Stewart Peregoy, Sharon

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 2022 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Other	unknown	unknown	unknown	unknown
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Other	\$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: As written, the Office of the Secretary of State is unable to estimate the financial costs or revenue associated with compliance required by Section 1 in HB 668.

FISCAL ANALYSIS

Assumptions:

1. It is the Office of the Secretary of State's interpretation that HB 668 Section 1 would apply to Montana Uniform Commercial Code ("UCC") filings for any secured transaction that involves collateral physically located within the boundaries of an Indian reservation, thus subject to jurisdictional laws such as repossession code.
2. Additionally, HB 668 Section 1 would apply to secured transactions involving collateral under the uniform commercial code adopted by tribal jurisdictions.
3. The Secretary of State has entered two Uniform Commercial Code transaction compacts with tribal sovereignties: (1) Crow Tribe; and (2) Chippewa Cree Tribe. HB 668 would require compacts between the Secretary of State and all federally recognized tribal governments to index filings.
4. The Secretary of State would be required to modify or create current Montana UCC filing forms to address collateral situated within Indian country at the time of filing.

- 5. The Secretary of State can absorb the costs of Section 2 and 3.

Shawn Stewart Pappas
Sponsor's Initials
4-1-2021
Date

KA
Budget Director's Initials

3-31-21
Date