



AN ACT REVISING FISCAL NOTE PROCEDURES TO ALLOW FOR A FISCAL NOTE WHEN AN INITIATIVE OR BILL HAS A FISCAL EFFECT ON PRIVATE ENTITIES; ALLOWING THE BUDGET DIRECTOR TO IDENTIFY AND SECURE A QUALIFIED FISCAL ESTIMATING PROVIDER WILLING TO PROVIDE A DRAFT ESTIMATE AT NO COST TO THE STATE; PROVIDING FOR CONTINGENT VOIDNESS; AMENDING SECTIONS 5-4-201 AND 5-4-205, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 5-4-201, MCA, is amended to read:

**"5-4-201. Requirement of fiscal notes with committee reports.** (1) All bills reported out of a committee of the legislature having an effect on the revenues, expenditures, or fiscal liability of the state or of a county or municipality, or of a county or municipality, except appropriation measures carrying specific dollar amounts, shall must include a fiscal note incorporating an estimate of such the effect. Fiscal notes shall be requested by the presiding officer of either house, who shall determine the need for the note at the time of introduction. Fiscal notes must be requested by the presiding officer of either house, who shall determine the need for the note at the time of introduction.

(2) All bills reported out of a committee of the legislature having an effect on the revenues, expenditures, or fiscal liability of a private entity engaged in business in the state, except appropriation measures carrying specific dollar amounts, must include a fiscal note incorporating an estimate of the effect, unless by September 1, 2022, the budget director is unable to identify and secure a qualified fiscal estimating provider in the state, such as the economics department of a college or university, willing to provide a draft estimate at no cost to the state."

**Section 2.** Section 5-4-205, MCA, is amended to read:

**"5-4-205. Contents of notes.** (1) Fiscal notes must, when possible, show in dollar amounts the estimated increase or decrease in revenue or expenditures, costs that may be absorbed without additional funds, and long-range financial implications. A comment or opinion relative to the merits of the bill may not be included in the fiscal note. However, technical or mechanical defects may be noted.

(2) It is the legislature's intent that a fiscal note be prepared as an objective analysis of the fiscal impact of legislation on both government entities and private entities engaged in business in the state as provided in 5-4-201. The fiscal note should represent only the estimate of the revenue and expenditures that would result from the implementation of the legislation, if enacted, and may not in any way reflect the views or opinions of the preparing agencies, the sponsor, or other interested parties. Changes in revenue must be estimated for each reported year based upon appropriate revenue estimating methodologies for the source of revenue described and should reflect a change from the official revenue estimate provided for in 5-5-227. Expenditures must be estimated as the amount required for implementing the legislation, if enacted, in excess of or as a reduction to the present law base level of expenditures in each reported year regardless of whether or not the preparing agency determines that it can absorb the costs in its proposed budget.

(3) The fiscal note must clearly differentiate between facts and assumptions made in the preparation of the fiscal note while maintaining a logical flow of both fact and assumption in presenting how the fiscal impact is determined."

**Section 3. Contingent voidness.** (1) If the budget director is unable to identify and secure a qualified fiscal estimating provider in Montana, such as the economics department of a college or university, willing to provide a draft estimate at no cost to the state as provided in [section 1], then [this act] is void.

(2) The budget director shall notify the code commissioner if the contingency in subsection (1) occurs.

**Section 4. Effective date.** [This act] is effective on passage and approval.

- END -

I hereby certify that the within bill,  
SB 91, originated in the Senate.

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Secretary of the Senate

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2021.

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2021.

SENATE BILL NO. 91

INTRODUCED BY G. VANCE

AN ACT REVISING FISCAL NOTE PROCEDURES TO ALLOW FOR A FISCAL NOTE WHEN AN INITIATIVE OR BILL HAS A FISCAL EFFECT ON PRIVATE ENTITIES; ALLOWING THE BUDGET DIRECTOR TO WORK WITH PRIVATE PARTIES IN DETERMINING THE FISCAL IMPACT IDENTIFY AND SECURE A QUALIFIED FISCAL ESTIMATING PROVIDER WILLING TO PROVIDE A DRAFT ESTIMATE AT NO COST TO THE STATE; PROVIDING FOR CONTINGENT VOIDNESS; AMENDING SECTIONS 5-4-201, 5-4-203, AND 5-4-205, AND 13-27-312, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.