Fiscal Note 2025 Biennium

GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Bill information:
HB0969 - Creating a third-party alcohol delivery license (Zolnikov, Katie)

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

	FY 2024 Difference	FY 2025 Difference	FY 2026 Difference	FY 2027 Difference
Expenditures:				
General Fund	$0	$0	$0	$0
State Special Revenue	$0	$0	$0	$0
Revenue:				
General Fund	$2,500	$2,500	$2,500	$2,500
State Special Revenue	$0	$0	$0	$0
Net Impact-General Fund Balance:	$2,500	$2,500	$2,500	$2,500

Description of fiscal impact: HB 969 creates a third-party delivery license to deliver beer and wine sold by an off-premises retailer. There would be an annual $500 license fee for this delivery license. System changes required to implement this bill would not create additional costs to the Department of Revenue. New third-party delivery license fees would increase general fund revenue by $2,500 each year.

FISCAL ANALYSIS

Assumptions:
1. HB 969 creates a third-party delivery license for the delivery of beer and wine purchased by a consumer from a licensed off-premises retailer only.
2. The bill requires the licensed third-party delivery service company and the licensed off-premises retailer to have a written agreement in place.
3. To be licensed, the third-party delivery service company must apply for the license, pay an initial license fee of $500, and qualify for licensure under the requirements of 16-4-401, MCA.

4. The bill allows drivers to be an employee or independent contractor of the third-party delivery service company but requires the driver to be at least 21 years of age, have a valid driver's license, have not been convicted of a felony or an alcohol-related offense, and must have completed a responsible sales and service training program before making their first delivery.
5. The bill limits the delivery of beer and table wine to the permissible hours for products to be sold at an off-premises license and requires the delivery driver to return the beer and table wine back to the licensed off-premises retailer if the driver is unable to deliver the product for any reason.
6. The bill requires the delivery driver to verify the age and identity of the recipient at the time of delivery and requires the third-party delivery service company to maintain books and records of specific information for each delivery for a period of three years which can be requested by the Department of Revenue.
7. The bill authorizes the Department of Revenue to issue violations to the third-party delivery service company for failing to comply with the new regulations.
8. Both the initial license fee and the annual renewal fee would be $500.
9. It is estimated that five third-party delivery licenses would be sought.
10. The annual fees from these five new licenses would increase revenues by $2,500 each year.
11. System and form updates required to implement this bill would be absorbed through normal updates.

	FY 2024 Difference	FY 2025 Difference	FY 2026 Difference	FY 2027 Difference
Fiscal Impact:				
Expenditures:				
TOTAL Expenditures	$0	$0	$0	$0
Funding of Expenditures:				
General Fund (01)	$0	$0	$0	$0
State Special Revenue (02)	$0	$0	$0	$0
TOTAL Funding of Exp.	$0	$0	$0	$0
Revenues:				
General Fund (01)	$2,500	$2,500	$2,500	$2,500
State Special Revenue (02)	$0	$0	$0	$0
TOTAL Revenues	$2,500	$2,500	$2,500	$2,500
Net Impact to Fund Balance (Revenue minus Funding of Expenditures):				
General Fund (01)	$2,500	$2,500	$2,500	$2,500
State Special Revenue (02)	$0	$0	$0	$0

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Sponsor's Initials	*Date*	*Budget Director's Initials*	*Date*