

SENATE BILL 452

Introduced by Kennedy

2/20	Introduced
2/20	Referred to Finance and Claims
2/21	Fiscal Note Requested
2/21	First Reading
2/23	Fiscal Note Received
2/25	Fiscal Note Printed
3/12	Hearing
3/13	Committee Report--Bill Passed
3/14	2nd Reading Passed
3/15	3rd Reading Passed
	Transmitted to House
3/16	First Reading
3/16	Referred to Judiciary
4/09	Hearing
4/10	Tabled in Committee

1 *Senate* BILL NO. *452*  
 2 INTRODUCED BY *Kenedy*  
 3 BY REQUEST OF THE DEPARTMENT OF INSTITUTIONS

4  
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW EARMARKED  
 6 ALCOHOL TAX REVENUE TO BE USED TO FUND STATE-APPROVED  
 7 "FOR-PROFIT" ALCOHOLISM AND CHEMICAL DEPENDENCY TREATMENT  
 8 PROGRAMS; AMENDING SECTIONS 53-24-108 AND 53-24-206, MCA;  
 9 AND PROVIDING AN EFFECTIVE DATE."

10  
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 **Section 1.** Section 53-24-108, MCA, is amended to read:  
 13 "53-24-108. Utilization of funds generated by taxation  
 14 on alcoholic beverages. (1) Revenue generated by 16-1-404,  
 15 16-1-406, 16-1-408, and 16-1-411 to state-approved private  
 16 nonprofit or public programs whose function is the  
 17 treatment, rehabilitation, and prevention of alcoholism may  
 18 be distributed in either of the following manners:  
 19 (a) as payment of fees for alcoholism services provided  
 20 by state-approved private nonprofit or public alcoholism  
 21 programs and licensed hospitals for detoxification services;  
 22 or  
 23 (b) as grants to state-approved private nonprofit or  
 24 public alcoholism programs.  
 25 (2) State-approved private chemical dependency

1 treatment programs organized for profit are not eligible for  
 2 revenue generated by 16-1-404, 16-1-406, 16-1-408, and  
 3 16-1-411.

4 (3) No person operating a state-approved alcoholism  
 5 program may be required to provide matching funds as a  
 6 condition of receiving a grant under subsection (1) of this  
 7 section.

8 (4) In addition to funding received under this section,  
 9 a person operating a state-approved alcoholism program may  
 10 accept gifts, bequests, or the donation of services or money  
 11 for the treatment, rehabilitation, or prevention of  
 12 alcoholism.

13 (5) No person receiving funding under this section to  
 14 support operation of a state-approved alcoholism program may  
 15 refuse alcoholism treatment, rehabilitation, or prevention  
 16 services to a person solely because of that person's  
 17 inability to pay for those services.

18 (6) A grant made under this section is subject to the  
 19 following conditions:

20 (a) The grant application must contain an estimate of  
 21 all program income, including income from earned fees,  
 22 gifts, bequests, donations, and grants from other than state  
 23 sources during the period for which grant support is sought.

24 (b) Whenever, during the period of grant support,  
 25 program income exceeds the amount estimated in the grant



1 application, the amount of the excess shall be reported to  
2 the grantor.

3 (c) The excess shall be used by the grantee under the  
4 terms of the grant in accordance with one or a combination  
5 of the following options:

6 (i) use for any purpose that furthers the objectives of  
7 the legislation under which the grant was made; or

8 (ii) to allow program growth through the expansion of  
9 services or for capital expenditures necessary to improve  
10 facilities where services are provided.

11 (7) Revenue generated by 16-1-404, 16-1-406, 16-1-408,  
12 and 16-1-411 for the treatment, rehabilitation, and  
13 prevention of alcoholism which has not been encumbered for  
14 those purposes by the counties of Montana or the department  
15 shall be returned to the state special revenue fund for the  
16 treatment, rehabilitation, and prevention of alcoholism  
17 within 30 days after the close of each fiscal year and will  
18 be distributed by the department the following year as  
19 provided in 53-24-206(3)(b)."

20 **Section 2.** Section 53-24-206, MCA, is amended to read:

21 **"53-24-206. Administration of financial assistance.** (1)  
22 The department may apply for and receive grants, allotments,  
23 or allocations of funds or other assistance for purposes  
24 pertaining to the problems of chemical dependency or related  
25 social problems under laws and rules of the United States,

1 any other state, or any private organization.

2 (2) The department may cooperate with any other  
3 government agency or public or private organization in  
4 programs on chemical dependency or related social problems.  
5 In carrying out cooperative programs, the department may  
6 make grants of financial assistance to government agencies  
7 and private organizations under terms and conditions agreed  
8 upon.

9 (3) (a) In administering proceeds derived from the  
10 liquor license tax, the beer license tax, or the wine tax,  
11 the department shall distribute those funds appropriated by  
12 the legislature. Money that is appropriated for distribution  
13 to approved private nonprofit or public programs on a  
14 discretionary basis shall be distributed to those programs  
15 that can demonstrate that:

16 (i) the program is achieving the goals and objectives  
17 mutually agreed upon by the program and the department; and

18 (ii) the receipt of additional funds would be justified.

19 (b) The remainder of the proceeds shall be distributed  
20 to the counties for use by approved private nonprofit or  
21 public programs. The distribution of these proceeds is  
22 statutorily appropriated as provided in 17-7-502 and must be  
23 distributed in the following manner:

24 (i) Eighty-five percent shall be allocated according to  
25 the proportion of each county's population to the state's

1 population according to the most recent United States  
2 census.

3 (ii) Fifteen percent shall be allocated according to the  
4 proportion of the county's land area to the state's land  
5 area.

6 (c) Money distributed under subsection (3) may only be  
7 used for purposes pertaining to the problems of alcoholism."

8 NEW SECTION. **Section 3.** **Effective date.** [This act] is  
9 effective July 1, 1991.

-End-

STATE OF MONTANA - FISCAL NOTE  
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0452, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:


An act to allow earmarked alcohol tax revenue to be used to fund state-approved "for-profit" alcoholism and chemical dependency treatment programs.


ASSUMPTIONS:

1. The proposal allows earmarked alcohol tax revenue to be used to fund for profit alcoholism and chemical dependency treatment programs.
2. This is "clean up" legislation. Current law allows the Department of Institutions to contract with private nonprofit or public programs.

FISCAL IMPACT:

No fiscal impact.

  
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ROD SUNDSTED, BUDGET DIRECTOR      DATE  
Office of Budget and Program Planning

  
\_\_\_\_\_  
JOHN "ED" KENNEDY, JR., PRIMARY SPONSOR      DATE  
Fiscal Note for SB0452, as introduced

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1 application, the amount of the excess shall be reported to  
2 the grantor.

3 (c) The excess shall be used by the grantee under the  
4 terms of the grant in accordance with one or a combination  
5 of the following options:

6 (i) use for any purpose that furthers the objectives of  
7 the legislation under which the grant was made; or

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9 services or for capital expenditures necessary to improve  
10 facilities where services are provided.

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14 those purposes by the counties of Montana or the department  
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3 government agency or public or private organization in  
4 programs on chemical dependency or related social problems.  
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