

1 House BILL NO. 428
 2 INTRODUCED BY Connelly, Ralphy
 3 BY REQUEST OF THE DEPARTMENT OF INSTITUTIONS
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE REVENUE
 6 GENERATED BY THE WINE TAX TO BE UTILIZED IN THE TREATMENT,
 7 REHABILITATION, AND PREVENTION OF ALCOHOLISM; AND AMENDING
 8 SECTIONS 53-24-108 AND 53-24-206, MCA."
 9

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

11 Section 1. Section 53-24-108, MCA, is amended to read:

12 "53-24-108. Utilization of funds generated by taxation
 13 on alcoholic beverages. (1) Revenue generated by 16-1-404,
 14 16-1-406, and 16-1-408, and 16-1-411 to state-approved
 15 private nonprofit or public programs whose function is the
 16 treatment, rehabilitation, and prevention of alcoholism may
 17 be distributed in either of the following manners:

18 (a) as payment of fees for alcoholism services
 19 provided by state-approved private nonprofit or public
 20 alcoholism programs and licensed hospitals for
 21 detoxification services; or

22 (b) as grants to state-approved private nonprofit or
 23 public alcoholism programs.

24 (2) State-approved private chemical programs organized
 25 for profit are not eligible for revenue generated by

1 16-1-404, 16-1-406, and 16-1-408, and 16-1-411.

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

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

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

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

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

22 (b) Whenever, during the period of grant support,
 23 program income exceeds the amount estimated in the grant
 24 application, the amount of the excess shall be reported to
 25 the grantor.

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

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

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

9 (7) Revenue generated by 16-1-404, 16-1-406, and
10 16-1-408, and 16-1-411 for the treatment, rehabilitation,
11 and prevention of alcoholism which has not been encumbered
12 for those purposes by the counties of Montana or the
13 department shall be returned to the state special revenue
14 fund for the treatment, rehabilitation, and prevention of
15 alcoholism within 30 days after the close of each fiscal
16 year and will be distributed by the department the following
17 year as provided in 53-24-206(3)(b)."

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

19 "53-24-206. Administration of financial assistance.

20 (1) The department may apply for and receive grants,
21 allotments, or allocations of funds or other assistance for
22 purposes pertaining to the problems of chemical dependency
23 or related social problems under laws and rules of the
24 United States, any other state, or any private organization.

25 (2) The department may cooperate with any other

1 government agency or private organization in programs on
2 chemical dependency or related social problems. In carrying
3 out cooperative programs, the department may make grants of
4 financial assistance to government agencies and private
5 organizations under terms and conditions agreed upon.

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

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

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

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

22 (i) Eighty-five percent shall be allocated according
23 to the proportion of each county's population to the state's
24 population according to the most recent United States
25 census.

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

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

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB428, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to allow the revenue generated by the wine tax to be utilized in the treatment, rehabilitation, and prevention of alcoholism; and mending sections 53-24-108 and 53-24-206, MCA.

FISCAL IMPACT:

This proposal would have no impact on revenue or the distribution of wine tax revenue by the Department of Revenue to the funds described in 16-1-411, MCA. This proposal has no fiscal impact on the Department of Institutions. Prior to the proposed legislation funds from the wine tax were used for this purpose since they are alcohol related. The proposed legislation specifically puts the wine tax into the statute for clarification.

David L. Hunter DATE 1/26/87

DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

M.E. Connelly DATE 1/26/87

MARY ELLEN CONNELLY, PRIMARY SPONSOR

Fiscal Note for HB428, as introduced.

HB 428

APPROVED BY COMMITTEE
ON TAXATION

1 House BILL NO. 428
2 INTRODUCED BY Connelly
3 BY REQUEST OF THE DEPARTMENT OF INSTITUTIONS
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE REVENUE
6 GENERATED BY THE WINE TAX TO BE UTILIZED IN THE TREATMENT,
7 REHABILITATION, AND PREVENTION OF ALCOHOLISM; AND AMENDING
8 SECTIONS 53-24-108 AND 53-24-206, MCA."
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11 Section 1. Section 53-24-108, MCA, is amended to read:

12 "53-24-108. Utilization of funds generated by taxation
13 on alcoholic beverages. (1) Revenue generated by 16-1-404,
14 16-1-406, and 16-1-408, and 16-1-411 to state-approved
15 private nonprofit or public programs whose function is the
16 treatment, rehabilitation, and prevention of alcoholism may
17 be distributed in either of the following manners:

18 (a) as payment of fees for alcoholism services
19 provided by state-approved private nonprofit or public
20 alcoholism programs and licensed hospitals for
21 detoxification services; or

22 (b) as grants to state-approved private nonprofit or
23 public alcoholism programs.

24 (2) State-approved private chemical programs organized
25 for profit are not eligible for revenue generated by

1 16-1-404, 16-1-406, and 16-1-408, and 16-1-411.

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

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

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

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

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

22 (b) Whenever, during the period of grant support,
23 program income exceeds the amount estimated in the grant
24 application, the amount of the excess shall be reported to
25 the grantor.



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

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

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

9 (7) Revenue generated by 16-1-404, 16-1-406, and
10 16-1-408, and 16-1-411 for the treatment, rehabilitation,
11 and prevention of alcoholism which has not been encumbered
12 for those purposes by the counties of Montana or the
13 department shall be returned to the state special revenue
14 fund for the treatment, rehabilitation, and prevention of
15 alcoholism within 30 days after the close of each fiscal
16 year and will be distributed by the department the following
17 year as provided in 53-24-206(3)(b)."

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

19 "53-24-206. Administration of financial assistance.

20 (1) The department may apply for and receive grants,
21 allotments, or allocations of funds or other assistance for
22 purposes pertaining to the problems of chemical dependency
23 or related social problems under laws and rules of the
24 United States, any other state, or any private organization.

25 (2) The department may cooperate with any other

1 government agency or private organization in programs on
2 chemical dependency or related social problems. In carrying
3 out cooperative programs, the department may make grants of
4 financial assistance to government agencies and private
5 organizations under terms and conditions agreed upon.

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

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

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

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

22 (i) Eighty-five percent shall be allocated according
23 to the proportion of each county's population to the state's
24 population according to the most recent United States
25 census.

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

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

-End-

1 House BILL NO. 421
 2 INTRODUCED BY Connelly
 3 BY REQUEST OF THE DEPARTMENT OF INSTITUTIONS
 4

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

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

11 (5) No person receiving funding under this section to
 12 support operation of a state-approved alcoholism program may
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 15 inability to pay for those services.

16 (6) A grant made under this section is subject to the
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 24 application, the amount of the excess shall be reported to
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LC 0618/01

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

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

-End-

1 HOUSE BILL NO. 428

2 INTRODUCED BY CONNELLY, HAFPEY
3 BY REQUEST OF THE DEPARTMENT OF INSTITUTIONS
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE REVENUE
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-End-