HOUSE BILL NO. 428

INTRODUCED BY CONNELLY, HAFFEY

BY REQUEST OF THE DEPARTMENT OF INSTITUTIONS

IN THE HOUSE

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JANUARY 24, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
FEBRUARY 6, 1987	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
	PRINTING REPORT.
FEBRUARY 10, 1987	SECOND READING, DO PASS.
FEBRUARY 11, 1987	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 94; NOES, 2.
	TRANSMITTED TO SENATE.
	IN THE SENATE
FEBRUARY 12, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON PUBLIC HEALTH, WELFARE & SAFETY.
MARCH 25, 1987	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 28, 1987	SECOND READING, CONCURRED IN.
MARCH 30, 1987	THIRD READING, CONCURRED IN. AYES, 48; NOES, 2.
	RETURNED TO HOUSE.
	IN THE HOUSE

RECEIVED FROM SENATE.

SENT TO ENROLLING.

MARCH 31, 1987

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1	House BILL NO. 421
2	INTRODUCED BY Connelly Ralley
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	REHABILATION, 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	
د ع	public alcoholism programs.

(2) State-approved private chemical programs organized

for profit are not eligible for revenue generated by

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

- (3) No person operating a state-approved alcoholism program may be required to provide matching funds as a condition of receiving a grant under subsection (1) of this section.
- (4) In addition to funding received under this 7 section, a person operating a state-approved alcoholism program may accept gifts, bequests, or the donation of services or money for the treatment, rehabilitation, or 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.
 - (6) A grant made under this section is subject to the following conditions:
 - (a) The grant application must contain an estimate of all program income, including income from earned fees, gifts, bequests, donations, and grants from other than state sources during the period for which grant support is sought.
 - (b) Whenever, during the period of grant support, program income exceeds the amount estimated in the grant application, the amount of the excess shall be reported to the grantor.

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

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- (i) use for any purpose that furthers the objectives of the legislation under which the grant was made; or
- (ii) to allow program growth through the expansion of services or for capital expenditures necessary to improve facilities where services are provided.
- (7) Revenue generated by 16-1-404, 16-1-406, and 16-1-408, and 16-1-411 for the treatment, rehabilitation, and prevention of alcoholism which has not been encumbered for those purposes by the counties of Montana or the department shall be returned to the state special revenue fund for the treatment, rehabilitation, and prevention of alcoholism within 30 days after the close of each fiscal year and will be distributed by the department the following year as provided in 53-24-206(3)(b)."
- Section 2. Section 53-24-206, MCA, is amended to read:
 "53-24-206. Administration of financial assistance.

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

- qovernment agency or private organization in programs on chemical dependency or related social problems. In carrying out cooperative programs, the department may make grants of financial assistance to government agencies and private organizations under terms and conditions agreed upon.
 - (3) (a) In administering proceeds derived from the liquor license tax, or the beer license tax, or the wine tax, the department shall distribute those funds appropriated by the legislature. Money that is appropriated for distribution to approved private nonprofit or public programs on a discretionary basis shall be distributed to those programs that can demonstrate that:
 - (i) the program is achieving the goals and objectives mutually agreed upon by the program and the department; and (ii) the receipt of additional funds would be justified.
 - (b) The remainder of the proceeds shall be distributed to the counties for use by approved private nonprofit or public programs. The distribution of these proceeds is statutorily appropriated as provided in 17-7-502 and must be distributed in the following manner:
 - (i) Eighty-five percent shall be allocated according to the proportion of each county's population to the state's population according to the most recent United States census.

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

(c) Money distributed under subsection (3) may only be
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, BUDGET DIRECTOR
Office of Budget and Program Planning

M-E COUNCILLY PRIMA

DATE 1/26/87

PRIMARY SPONSOK

Fiscal Note for_

HB428, as introduced.

HB 428

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House BILL NO. 421

2 INTRODUCED BY Convelly Rolling

BY REQUEST OF THE DEPARTMENT OF INSTITUTIONS

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 REHABILATION, AND PREVENTION OF ALCOHOLISM; AND AMENDING 8 SECTIONS 53-24-108 AND 53-24-206, MCA."

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

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

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

- (a) as payment of fees for alcoholism services provided by state-approved private nonprofit or public alcoholism programs and licensed hospitals for detoxification services; or
- (b) as grants to state-approved private nonprofit orpublic alcoholism programs.
- (2) State-approved private chemical programs organized
 for profit are not eligible for revenue generated by

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.
 - (4) In addition to funding received under this section, a person operating a state-approved alcoholism program may accept gifts, bequests, or the donation of services or money for the treatment, rehabilitation, or prevention of alcoholism.
 - (5) No person receiving funding under this section to support operation of a state-approved alcoholism program may refuse alcoholism treatment, rehabilitation, or prevention services to a person solely because of that person's 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.

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

- (i) use for any purpose that furthers the objectivesof the legislation under which the grant was made; or
- (ii) to allow program growth through the expansion of services or for capital expenditures necessary to improve facilities where services are provided.
- (7) Revenue generated by 16-1-404, 16-1-406, and 16-1-408, and 16-1-411 for the treatment, rehabilitation, and prevention of alcoholism which has not been encumbered for those purposes by the counties of Montana or the department shall be returned to the state special revenue fund for the treatment, rehabilitation, and prevention of alcoholism within 30 days after the close of each fiscal year and will be distributed by the department the following year as provided in 53-24-206(3)(b)."
- Section 2. Section 53-24-206, MCA, is amended to read:

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

 (1) The department may apply for and receive grants,

 allotments, or allocations of funds or other assistance for

 purposes pertaining to the problems of chemical dependency

 or related social problems under laws and rules of the

 United States, any other state, or any private organization.
 - (2) The department may cooperate with any other

- government agency or private organization in programs on chemical dependency or related social problems. In carrying out cooperative programs, the department may make grants of financial assistance to government agencies and private organizations under terms and conditions agreed upon.
 - (3) (a) In administering proceeds derived from the liquor license tax, or the beer license tax, or the wine tax, the department shall distribute those funds appropriated by the legislature. Money that is appropriated for distribution to approved private nonprofit or public programs on a discretionary basis shall be distributed to those programs that can demonstrate that:
 - (i) the program is achieving the goals and objectives mutually agreed upon by the program and the department; and (ii) the receipt of additional funds would be justified.
 - (b) The remainder of the proceeds shall be distributed to the counties for use by approved private nonprofit or public programs. The distribution of these proceeds is statutorily appropriated as provided in 17-7-502 and must be distributed in the following manner:
 - (i) Eighty-five percent shall be allocated according to the proportion of each county's population to the state's population according to the most recent United States 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-

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3	BY REQUEST OF THE DEPARTMENT OF INSTITUTIONS
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(2) State-approved private chemical programs organized

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2	(3)	No	person	operati	.ng	a sta	ate-ap	proved	a	lcoho	lism
3	program	may	be r	equired	to	prov	ide r	natchin	g fi	unds	as a
ı	condition	of	receiv	ing a gr	ant	under	subse	ection	(1)	of	this
5	section.										

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

- (4) In addition to funding received under this section, a person operating a state-approved alcoholism program may accept gifts, bequests, or the donation of services or money for the treatment, rehabilitation, or prevention of alcoholism.
- (5) No person receiving funding under this section to support operation of a state-approved alcoholism program may refuse alcoholism treatment, rehabilitation, or prevention services to a person solely because of that person's inability to pay for those services.
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 - (2) The department may cooperate with any other

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organizations under terms and conditions agreed upon.

- (3) (a) In administering proceeds derived from the liquor license tax, or the beer license tax, or the wine 7 tax, the department shall distribute those funds appropriated by the legislature. Money that is appropriated for distribution to approved private nonprofit or public 10 11 programs on a discretionary basis shall be distributed to those programs that can demonstrate that: 12
- 13 (i) the program is achieving the goals and objectives mutually agreed upon by the program and the department; and 14 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:
 - (i) Eighty-five percent shall be allocated according to the proportion of each county's population to the state's population according to the most recent United States 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-

-5-

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 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
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- (c) The excess shall be used by the grantee under the terms of the grant in accordance with one or a combination of the following options:
- 4 (i) use for any purpose that furthers the objectives of the legislation under which the grant was made; or 5

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- 18 Section 2. Section 53-24-206, MCA, is amended to read: "53-24-206. Administration of financial assistance. 19 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

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- (i) Eighty-five percent shall be allocated according to the proportion of each county's population to the state's population according to the most recent United States 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
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-End-