

HB 882 INTRODUCED BY REAM, ET AL.  
FEE ON PRESCRIPTIONS TO FUND SCHOOL OF PHARMACY AT  
UNIVERSITY OF MONTANA

3/13 INTRODUCED  
3/13 REFERRED TO APPROPRIATIONS  
3/24 HEARING  
3/24 HEARING  
3/26 TABLED IN COMMITTEE

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 2 INTRODUCED BY House Bill NO. 882  
 3 Beam Fultz  
 4 Kador

5 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A FEE TO BE  
 6 IMPOSED ON EACH PRESCRIPTION FILLED IN MONTANA IN ORDER TO  
 7 FUND EDUCATION IN PHARMACY AND PHYSICAL THERAPY AT THE  
 8 UNIVERSITY OF MONTANA; STATUTORILY APPROPRIATING FEE  
 9 REVENUE; AMENDING SECTION 17-7-502, MCA; AND PROVIDING  
 10 EFFECTIVE AND TERMINATION DATES."

11 WHEREAS, the School of Pharmacy at the University of  
 12 Montana has high-quality but expensive programs in pharmacy  
 13 and physical therapy; and

14 WHEREAS, economic pressures and formula funding have  
 15 forced the Board of Regents to impose budget cuts, including  
 16 the elimination of entire high-cost programs; and

17 WHEREAS, as a high-cost program, the School of Pharmacy  
 18 has been targeted for elimination; and

19 WHEREAS, the School of Pharmacy serves the State of  
 20 Montana and its people by graduating students who work in  
 21 Montana; and

22 WHEREAS, the cost of importing pharmacy and physical  
 23 therapy graduates from out of state or sending Montanans out  
 24 of state for education in pharmacy and physical therapy  
 25 would be greater than educating our own students in-state.

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

3 NEW SECTION. Section 1. Creation of prescription fee.  
 4 (1) Except as otherwise provided in this section, there is a  
 5 fee of 10 cents on each prescription filled in the state.

6 (2) If payment of the prescription fee precludes  
 7 receipt of public funds for the filling of a prescription,  
 8 the fee is waived with respect to that prescription.

9 (3) If the school of pharmacy at the university of  
 10 Montana is eliminated, the fee may not be imposed or  
 11 collected.

12 NEW SECTION. Section 2. Use and appropriation of  
 13 prescription fee. (1) Five percent of the fees collected  
 14 under [section 1] may be used by the department of revenue  
 15 for administration costs in the collection of the fee. The  
 16 remaining amount of fees collected must be deposited  
 17 quarterly in a separate designated account in the current  
 18 unrestricted subfund provided for in 17-2-102.

19 (2) The money in the account is statutorily  
 20 appropriated, as provided in 17-7-502, to the university of  
 21 Montana to support undergraduate and graduate education in  
 22 pharmacy and physical therapy.

23 NEW SECTION. Section 3. Rules governing collection  
 24 and deposit of prescription fee. The department of revenue  
 25 shall adopt rules necessary for the collection and deposit



1 of the prescription fee created in [section 1].

2 Section 4. Section 17-7-502, MCA, is amended to read:

3 "17-7-502. Statutory appropriations -- definition --

4 requisites for validity. (1) A statutory appropriation is an

5 appropriation made by permanent law that authorizes spending

6 by a state agency without the need for a biennial

7 legislative appropriation or budget amendment.

8 (2) Except as provided in subsection (4), to be

9 effective, a statutory appropriation must comply with both

10 of the following provisions:

11 (a) The law containing the statutory authority must be

12 listed in subsection (3).

13 (b) The law or portion of the law making a statutory

14 appropriation must specifically state that a statutory

15 appropriation is made as provided in this section.

16 (3) The following laws are the only laws containing

17 statutory appropriations:

18 (a) 2-9-202;

19 (b) 2-17-105;

20 (c) 2-18-812;

21 (d) 10-3-203;

22 (e) 10-3-312;

23 (f) 10-3-314;

24 (g) 10-4-301;

25 (h) 13-37-304;

1 (i) 15-31-702;

2 (j) 15-36-112;

3 (k) 15-70-101;

4 (l) 16-1-404;

5 (m) 16-1-410;

6 (n) 16-1-411;

7 (o) 17-3-212;

8 (p) 17-5-404;

9 (q) 17-5-424;

10 (r) 17-5-804;

11 (s) 19-8-504;

12 (t) 19-9-702;

13 (u) 19-9-1007;

14 (v) 19-10-205;

15 (w) 19-10-305;

16 (x) 19-10-506;

17 (y) 19-11-512;

18 (z) 19-11-513;

19 (aa) 19-11-606;

20 (bb) 19-12-301;

21 (cc) 19-13-604;

22 (dd) 20-6-406;

23 (ee) 20-8-111;

24 (ff) 23-5-612;

25 (gg) 37-51-501;

1 (hh) 53-24-206;  
 2 (ii) 75-1-1101;  
 3 (jj) 75-7-305;  
 4 (kk) 80-2-103;  
 5 (ll) 80-2-228;  
 6 (mm) 90-3-301;  
 7 (nn) 90-3-302;  
 8 (oo) 90-15-103; and  
 9 (pp) Sec. 13, HB 861, L. 1985; and  
 10 (qq) [section 2].

11 (4) There is a statutory appropriation to pay the  
 12 principal, interest, premiums, and costs of issuing, paying,  
 13 and securing all bonds, notes, or other obligations, as due,  
 14 that have been authorized and issued pursuant to the laws of  
 15 Montana. Agencies that have entered into agreements  
 16 authorized by the laws of Montana to pay the state  
 17 treasurer, for deposit in accordance with 17-2-101 through  
 18 17-2-107, as determined by the state treasurer, an amount  
 19 sufficient to pay the principal and interest as due on the  
 20 bonds or notes have statutory appropriation authority for  
 21 such payments."

22 NEW SECTION. Section 5. Codification instruction.  
 23 Sections 1 through 3 are intended to be codified as an  
 24 integral part of Title 20, chapter 25, part 4, and the  
 25 provisions of Title 20, chapter 25, part 4, apply to

1 sections 1 through 3.

2 NEW SECTION. Section 6. Effective date -- termination  
 3 date. This act is effective July 1, 1987, and terminates  
 4 June 30, 1989.

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