

HOUSE BILL 531

Introduced by Strizich, et al.

2/08	Introduced
2/08	Referred to Appropriations
2/08	First Reading
2/17	Hearing
3/03	Tabled in Committee
3/12	Motion Failed to Take From Committee and Place on 2nd Reading

1
2 INTRODUCED BY House BILL NO. 531
3 Yellowtail
4 BY REQUEST OF THE GAMING ADVISORY COUNCIL

5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE
6 DEPARTMENT OF CORRECTIONS AND HUMAN SERVICES TO DEVELOP AND
7 ADMINISTER A PATHOLOGICAL GAMBLING TREATMENT PROGRAM;
8 DEFINING SERVICES TO BE PROVIDED BY THE PROGRAM; PROVIDING
9 AN APPROPRIATION; AMENDING SECTIONS 23-5-610 AND 23-7-402,
10 MCA; AND PROVIDING AN EFFECTIVE DATE."
11

12 STATEMENT OF INTENT

13 A statement of intent is required for this bill because
14 [section 1] authorizes the department of corrections and
15 human services to adopt rules necessary to administer the
16 pathological gambling treatment program. The legislature
17 intends that the rules address but not be limited to the
18 following:

19 (1) procedures for reimbursing public, community-based
20 agencies and private organizations for providing treatment
21 services to pathological gamblers and persons directly
22 affected by a pathological gambler's behavior;

23 (2) criteria for selecting agencies or organizations to
24 be eligible for reimbursement for providing treatment
25 services;

1 (3) records to be maintained by agencies and
2 organizations receiving reimbursement;

3 (4) criteria for evaluating services provided by
4 agencies and organizations;

5 (5) criteria for determining the persons eligible to
6 receive treatment and rehabilitation for pathological
7 gambling, and the provision of treatment and rehabilitation
8 services based upon ability to pay; and

9 (6) the credential requirements of persons providing
10 treatment and rehabilitation services for persons suffering
11 from pathological gambling.

12
13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

14 NEW SECTION. Section 1. Design and implementation of
15 pathological gambling treatment program. (1) The department
16 of corrections and human services shall design and develop a
17 pathological gambling treatment program. The purpose of the
18 program is to provide for the prevention and treatment of
19 pathological gambling in Montana. In designing and
20 developing the program, the department shall:

21 (a) develop a statewide plan to address the problem of
22 pathological gambling;

23 (b) adopt rules necessary to administer the program;
24 and

25 (c) develop priorities for funding services and develop

1 criteria for distributing program funds.

2 (2) The department shall implement and administer the
3 program for pathological gambling. In administering the
4 program, the department shall:

5 (a) make services available as provided for in [section
6 2];

7 (b) monitor expenditure of funds by agencies and
8 organizations receiving program funding; and

9 (c) evaluate the effectiveness of services provided
10 through the program.

11 **NEW SECTION. Section 2. Program services.** (1) The
12 department of corrections and human services shall make
13 available to pathological gamblers and to persons directly
14 affected by a pathological gambler's behavior a range of
15 services, including outpatient, intensive outpatient, and
16 aftercare services and, on a limited basis, inpatient
17 services to those persons requiring specialized care.

18 (2) In addition to the services required under
19 subsection (1), the department shall:

20 (a) provide prevention and educational services to the
21 general public; and

22 (b) develop a system that requires credentials for
23 service providers, including requirements for training.

24 (3) The department may contract with public,
25 community-based agencies and private organizations to

1 provide the services described in subsections (1) and (2).

2 **Section 3.** Section 23-5-610, MCA, is amended to read:

3 "23-5-610. (Temporary) Video gambling machine gross
4 income tax -- records -- distribution -- quarterly statement
5 and payment. (1) A licensed operator issued a permit under
6 this part shall pay to the department a video gambling
7 machine tax of 15% of the gross income from each video
8 gambling machine licensed under this part. A licensed
9 operator may deduct from the gross income amounts equal to
10 amounts stolen from machines if the amounts are not repaid
11 by insurance and if a law enforcement agency investigated
12 the theft.

13 (2) A licensed operator issued a permit under this part
14 shall keep a record of the gross income from each machine in
15 such a form as the department may require. The records must
16 at all times during the business hours of the licensee be
17 subject to inspection by the department.

18 (3) A licensed operator issued a permit under this part
19 shall, within 15 days after the end of each quarter,
20 complete and deliver to the department a statement showing
21 the total gross income from each video gambling machine
22 licensed to him the operator, together with the total amount
23 due the state as video gambling machine gross income tax for
24 the preceding quarter. The statement must contain other
25 relevant information as the department may require.

1 (4) (a) The department shall forward one-third of the
2 tax collected under subsection (3) and the surtax imposed by
3 23-5-646 to the general fund.

4 (b) The department shall forward the remaining
5 two-thirds of the tax collected under subsection (3) to the
6 treasurer of the county or the clerk, finance officer, or
7 treasurer of the city or town in which the licensed machine
8 is located, for deposit to the county or municipal treasury.
9 Counties are not entitled to proceeds from taxes on income
10 from video gambling machines located in incorporated cities
11 and towns. The two-thirds local government portion of tax
12 collected under subsection (3) is statutorily appropriated
13 to the department as provided in 17-7-502 for deposit to the
14 county or municipal treasury.

15 23-5-610. (Effective on receipt of taxes for calendar
16 quarter ending June 30, 1993) Video gambling machine gross
17 income tax -- records -- distribution -- quarterly statement
18 and payment. (1) A licensed operator issued a permit under
19 this part shall pay to the department a video gambling
20 machine tax of 15% of the gross income from each video
21 gambling machine licensed under this part. A licensed
22 operator may deduct from the gross income amounts equal to
23 amounts stolen from machines if the amounts are not repaid
24 by insurance and if a law enforcement agency investigated
25 the theft.

1 (2) A licensed operator issued a permit under this part
2 shall keep a record of the gross income from each machine in
3 such a form as the department may require. The records must
4 at all times during the business hours of the licensee be
5 subject to inspection by the department.

6 (3) A licensed operator issued a permit under this part
7 shall, within 15 days after the end of each quarter,
8 complete and deliver to the department a statement showing
9 the total gross income from each video gambling machine
10 licensed to him the operator, together with the total amount
11 due the state as video gambling machine gross income tax for
12 the preceding quarter. The statement must contain other
13 relevant information as the department may require.

14 (4) (a) The Except as provided in [section 5], the
15 department shall forward one-third of the tax collected
16 under subsection (3) to the general fund.

17 (b) The department shall forward the remaining
18 two-thirds of the tax collected under subsection (3) to the
19 treasurer of the county or the clerk, finance officer, or
20 treasurer of the city or town in which the licensed machine
21 is located, for deposit to the county or municipal treasury.
22 Counties are not entitled to proceeds from taxes on income
23 from video gambling machines located in incorporated cities
24 and towns. The two-thirds local government portion of tax
25 collected under subsection (3) is statutorily appropriated

to the department as provided in 17-7-502 for deposit to the county or municipal treasury."

Section 4. Section 23-7-402, MCA, is amended to read:

"23-7-402. **Disposition of revenue.** (1) A minimum of 45% of the money paid for tickets or chances must be paid out as prize money. The prize money is statutorily appropriated, as provided in 17-7-502, to the lottery.

(2) Commissions paid to lottery ticket or chance sales agents are not a state lottery operating expense.

(3) That part of all gross revenue not used for the payment of prizes, commissions, and operating expenses, together with the interest earned on the gross revenue while the gross revenue is in the enterprise fund, is net revenue. Except for the amount required to be paid under subsection (5) and except as provided in [section 5], net revenue must be paid quarterly from the enterprise fund established by 23-7-401 to the superintendent of public instruction for distribution as state equalization aid to the public schools of Montana as provided in 20-9-343. The net revenue is statutorily appropriated, as provided in 17-7-502, to the superintendent of public instruction.

(4) The spending authority of the lottery may be increased in accordance with this section upon review and approval of a revised operation plan by the budget office.

(5) ~~(a) For the fiscal year beginning July 1, 1991,~~

~~1-6% of the net revenue derived under subsection (3) must be paid quarterly to the board of crime control;~~

~~(b)(a)~~ For the each fiscal year beginning ~~July 1, 1992,~~ and--thereafter, 9.1% of the net revenue derived under subsection (3), but not to exceed \$1 million in any fiscal year, must be paid to the board of crime control.

~~(c)(b)~~ All money paid to the board of crime control under this subsection (5) must be used to fund state grants to counties for youth detention services as authorized in 41-5-1002. The revenue is statutorily appropriated, as provided in 17-7-502, to the board of crime control."

NEW SECTION. **Section 5. Appropriation.** There is appropriated \$711,140 to the department of corrections and human services for the biennium ending June 30, 1995, to develop and implement the pathological gambling treatment program, provided for in [section 1], from the following accounts:

(1) before any distribution provided for in 23-5-610, \$136,867 each quarter from the video gambling machine gross income tax account;

(2) after the distribution provided for in 23-7-402(5), but before any other distribution provided for in 23-7-402, \$33,068 each quarter from the Montana lottery enterprise fund; and

(3) from the board of horseracing special revenue

1 account, \$5,689.

2 NEW SECTION. **Section 6.** Effective date. [This act] is
3 effective July 1, 1993.

4 NEW SECTION. **Section 7.** Codification instruction.
5 [Sections 1 and 2] are intended to be codified as an
6 integral part of Title 53, and the provisions of Title 53
7 apply to [sections 1 and 2].

-End-