

SENATE BILL 327

Introduced by Kennedy

2/05	Introduced
2/05	Referred to Finance & Claims
2/05	First Reading
2/16	Hearing
2/18	Committee Report--Bill Not Passed
2/18	Adverse Committee Report Adopted
2/19	Motion Failed to Reconsider Adoption of Adverse Committee Report

1 Senate BILL NO. 327  
2 INTRODUCED BY Kennedy  
3 BY REQUEST OF THE DEPARTMENT OF CORRECTIONS AND  
4 HUMAN SERVICES

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

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

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

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

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

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

1 (2) State-approved private chemical dependency  
2 treatment programs organized for profit are not eligible for  
3 revenue generated by 16-1-404, 16-1-406, 16-1-408, and  
4 16-1-411.

5 (3) No A person operating a state-approved alcoholism  
6 program may not be required to provide matching funds as a  
7 condition of receiving a grant under subsection (1) ~~of--this~~  
8 section.

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

14 (5) No A person receiving funding under this section to  
15 support operation of a state-approved alcoholism program may  
16 not refuse alcoholism treatment, rehabilitation, or  
17 prevention services to a person solely because of that  
18 person's inability to pay for those services.

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

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

25 (b) Whenever, during the period of grant support,

1 program income exceeds the amount estimated in the grant  
2 application, the amount of the excess shall must be reported  
3 to the grantor.

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

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

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

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

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

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

1 social problems under laws and rules of the United States,  
2 any other state, or any private organization.

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

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

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

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

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

25 (i) Eighty-five percent shall must be allocated

1 according to the proportion of each county's population to  
2 the state's population according to the most recent United  
3 States census.

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

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

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

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