

## 1 SENATE BILL NO. 355

2 INTRODUCED BY B. HAMLETT

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4 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE MONTANA UNIVERSITY SYSTEM  
5 ASSISTANCE PROGRAM TO BE FUNDED FROM PRIVATE DONATIONS; ESTABLISHING PROCEDURES  
6 AND REQUIREMENTS FOR THE BOARD OF REGENTS TO ADMINISTER THE PROGRAM; CREATING A  
7 STATE SPECIAL REVENUE ACCOUNT; AMENDING SECTION 20-25-426, MCA; AND PROVIDING AN  
8 EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

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12 **NEW SECTION. Section 1. Montana university system assistance program -- purpose -- duties**

13 **of board of regents.** (1) There is a Montana university system assistance program administered by the board  
14 of regents through the office of the commissioner of higher education. The program must allow a private donor  
15 to make tax deductible contributions by cash, check, or money order that benefit a qualifying institution and  
16 students of these public institutions.

17 (2) As part of the program, the board of regents shall:

18 (a) provide a donor with a receipt that reflects the contribution in sufficient detail for the donor to claim  
19 any applicable credits or deductions for state and federal income tax purposes;

20 (b) deposit donations to the program in the state special revenue account established by [section 2];

21 (c) develop procedures and forms that enable a donor to make contributions by cash, check, or money  
22 order for the benefit of a specific qualifying institution. If a donor does not select an institution, the donation must  
23 be allocated on an equal basis to all qualifying institutions by dividing the total donation by the number of  
24 qualifying institutions.

25 (d) develop procedures and forms that enable a donor to select the percentage of the donation that will  
26 be used by a qualifying institution for building projects, educational programs, and academic scholarships. If a  
27 donor does not make a selection, the donation may be used for the general support, maintenance, or  
28 improvement of the institution as provided in 17-3-1001(2).

29 (e) maintain adequate records to account for contributions that are allocated to each specific qualifying  
30 institution and any donor selection preference;

1 (f) provide each qualifying institution with a schedule showing the total donations credited to the  
2 institution at the end of each fiscal year; and

3 (g) distribute donor contributions to the qualifying institution's endowment fund as provided in [section  
4 2].

5 (3) For the purposes of this section and [section 2], "qualifying institution" means:

6 (a) a Montana community college that is part of a community college district, defined and organized as  
7 provided in 20-15-101; and

8 (b) a unit of the Montana university system, as described in 20-25-201, or any of its affiliated campuses.

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10 **NEW SECTION. Section 2. Voluntary contribution account for Montana's universities, colleges**

11 **of technology, and community colleges.** (1) There is an account in the state special revenue fund established  
12 by 17-2-102 to be known as the Montana university system assistance account. The board of regents shall  
13 deposit donations to the Montana university system assistance program in the account as provided in [section  
14 1].

15 (2) All donations must be from a private source and may not be expended for any purpose other than  
16 for the benefit of qualifying institutions.

17 (3) Earnings in the account are allocable to each qualifying institution in proportion to each qualifying  
18 institution's share of the account balance.

19 (4) The board of regents shall distribute donor contributions to the qualifying institution's endowment  
20 fund. A distribution may not exceed the institution's allocation and must be used for the purpose established by  
21 the donor as provided in [section 1(2)(d)]. The distributions are derived from a private nonstate source and are  
22 payable without an appropriation pursuant to 17-8-101.

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24 **Section 3.** Section 20-25-426, MCA, is amended to read:

25 **"20-25-426. Donations, grants, gifts.** All donations, grants, gifts, or devises ~~shall~~ must be made to each  
26 unit in its legal name or to the Montana university system assistance program established by [section 1]. If made  
27 to any officer or board of the unit, ~~they shall~~ the donations, grants, gifts, or devises must be immediately  
28 transferred to the unit."

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30 **NEW SECTION. Section 4. Codification instruction.** [Sections 1 and 2] are intended to be codified

1 as an integral part of Title 20, chapter 25, and the provisions of Title 20, chapter 25, apply to [sections 1 and 2].

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3 NEW SECTION. **Section 5. Effective date.** [This act] is effective July 1, 2011.

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5 NEW SECTION. **Section 6. Applicability.** [This act] applies to the 2011 academic year and subsequent  
6 academic years.

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