



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

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

Section 1. Montana university system assistance program -- purpose -- duties of board of regents.

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

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

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

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

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

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

(e) maintain adequate records to account for contributions that are allocated to each specific qualifying

institution and any donor selection preference;

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

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

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

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

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

Section 2. Voluntary contribution account for Montana's universities, colleges of technology, and community colleges. (1) There is an account in the state special revenue fund established by 17-2-102 to be known as the Montana university system assistance account. The board of regents shall deposit donations to the Montana university system assistance program in the account as provided in [section 1].

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

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

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

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

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

Section 4. Codification instruction. [Sections 1 and 2] are intended to be codified as an integral part of Title 20, chapter 25, and the provisions of Title 20, chapter 25, apply to [sections 1 and 2].

Section 5. Effective date. [This act] is effective July 1, 2011.

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

- END -

I hereby certify that the within bill,
SB 0355, originated in the Senate.

Secretary of the Senate

President of the Senate

Signed this _____ day
of _____, 2011.

Speaker of the House

Signed this _____ day
of _____, 2011.

SENATE BILL NO. 355

INTRODUCED BY B. HAMLETT

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