

1 HOUSE BILL NO. 166

2 INTRODUCED BY A. CURTIS

3

4 A BILL FOR AN ACT ENTITLED: "AN ACT REDIRECTING STATE LOTTERY NET REVENUE FROM THE
5 GENERAL FUND TO AN ACCOUNT IN THE STATE SPECIAL REVENUE FUND TO PROVIDE FOR
6 SCHOLARSHIPS TO CERTAIN POSTSECONDARY INSTITUTIONS; AMENDING SECTIONS 20-26-103,
7 20-26-203, AND 23-7-402, MCA; AND PROVIDING AN EFFECTIVE DATE."

8

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

10

11 NEW SECTION. **Section 1. Scholarship fund created -- source of funding -- use of fund.** (1) There
12 is an account in the state special revenue fund established by 17-2-102 for the purposes of providing scholarships
13 to students enrolled in public postsecondary institutions.

14 (2) There must be deposited in the account state lottery net revenue transferred from the state lottery fund
15 pursuant to 23-7-402(3).

16 (3) Money in the account is available by appropriation in the general appropriations act and may be used
17 only for the purposes of providing scholarships to students enrolled in public postsecondary institutions in
18 accordance with the provisions of part 1 and this part.

19

20 **Section 2.** Section 20-26-103, MCA, is amended to read:21 **"20-26-103. Definitions.** As used in parts 1 and 2, the following definitions apply:

22 (1) "Postsecondary institution" includes the units of the university system and any private postsecondary
23 institution.

24 (2) "Program advisory council" means the student loan advisory council created by 2-15-1520.

25 (3) "Public postsecondary institution" means:

26 (a) a unit of the Montana university system listed in 20-25-201;

27 (b) a Montana community college, defined and organized as provided in 20-15-101; or

28 (c) an accredited tribal community college located in the state of Montana.

29 ~~(3)~~(4) "Resident student" means a person who was a resident of Montana prior to enrolling and who is
30 attending a qualified postsecondary institution or public postsecondary institution within Montana."

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

Section 3. Section 20-26-203, MCA, is amended to read:

"20-26-203. Deposit of moneys money. Funds Except as provided in [section 1], funds received by the commissioner of higher education for the resident student financial assistance program, including funds for the administration of parts 1 and 2, ~~shall~~ must be deposited in the state 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. Net revenue must be transferred quarterly from the enterprise fund established by 23-7-401 to the ~~state general fund~~ account in the state special revenue fund established by 17-2-102 to be used for scholarships to students enrolled in public postsecondary institutions as provided in [section 1].

(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 office of budget and program planning."

NEW SECTION. **Section 5. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 20, chapter 26, part 2, and the provisions of Title 20, chapter 26, part 2, apply to [section 1].

NEW SECTION. **Section 6. Effective date.** [This act] is effective July 1, 2013.

- END -