

HOUSE BILL NO. 291  
INTRODUCED BY M. LINDEEN

A BILL FOR AN ACT ENTITLED: "AN ACT RETAINING THE FUNDING LEVEL OF COUNTY PROGRAMS FOR CHEMICAL DEPENDENCY AT \$1 MILLION A YEAR; RETAINING SERVICES FOR TREATMENT AND REHABILITATION FOR PERSONS WITH CO-OCCURRING MENTAL ILLNESS AND CHEMICAL DEPENDENCY THROUGH THE USE OF ALCOHOL TAXES; AMENDING SECTION 53-24-108, MCA; REPEALING SECTION 6, CHAPTER 470, LAWS OF 2001; AND PROVIDING AN EFFECTIVE DATE."

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

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

**"53-24-108. (Temporary) Use of funds generated by taxation on alcoholic beverages.** (1) Revenue generated by 16-1-404, 16-1-406, and 16-1-411 and allocated to the department to be used as matching funds for the Montana medicaid program and to be used in state-approved private or public programs whose function is the treatment, rehabilitation, and prevention of alcoholism, which for the purposes of this section includes chemical dependency, may be distributed in any of the following ways:

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

(b) as grants to state-approved private or public alcoholism programs; or

(c) as matching funds for the Montana medicaid program administered by the department that are used for the treatment of alcoholism, chemical dependency, and related illnesses.

(2) (a) Services provided by funding under this chapter may include treatment and rehabilitation for persons with co-occurring mental illness and chemical dependency.

(b) The department shall distribute at least \$1 million to state-approved chemical dependency programs during fiscal year 2003. During fiscal year 2003, the department may use other sources of funding to meet its obligations under this subsection (2)(b). At least \$730,000 of funds distributed under this subsection (2)(b) must be derived from revenue generated by 16-1-404, 16-1-406, and 16-1-411 and must be distributed to counties, as provided in 53-24-206(3)(b), for the private or public programs approved pursuant to 53-24-208. The remaining balance may consist of a combination of funds generated by taxation on alcoholic beverages and other funds available to the department.

(3) A person operating a state-approved alcoholism program may not be required to provide matching funds as a condition of receiving a grant under subsection (1).

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

(5) A person receiving funding under this section to support operation of a state-approved alcoholism program may not refuse alcoholism treatment, rehabilitation, or prevention services to a person solely because of that person's inability to pay for those services.

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

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

(b) Whenever, during the period of grant support, program income exceeds the amount estimated in the grant application, the amount of the excess must be reported to the grantor.

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

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

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

(7) Revenue generated by 16-1-404, 16-1-406, and 16-1-411 for the treatment, rehabilitation, and prevention of alcoholism that has not been encumbered for those purposes by the counties of Montana or the department must be returned to the state special revenue fund for the treatment, rehabilitation, and prevention of alcoholism within 30 days after the close of each fiscal year and must be distributed by the department the following year as provided in 53-24-206(3)(b). (Terminates July 1, 2003--~~sec. 6, Ch. 470, L. 2001~~; sec. 3, Ch. 21, Sp. L. August 2002.)

**53-24-108. (Effective July 1, 2003) Use of funds generated by taxation on alcoholic beverages.** (1) Revenue generated by 16-1-404, 16-1-406, and 16-1-411 and allocated to the department to be used in state-approved private or public programs whose function is the treatment, rehabilitation, and prevention of alcoholism, which for the purposes of this section includes chemical dependency, may be distributed in any of the following ways:

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

(b) as grants to state-approved private or public alcoholism programs; or

(c) as matching funds for the Montana medicaid program administered by the department that are used for alcoholism and chemical dependency programs.

(2) After providing funding pursuant to 53-24-206(3)(b) of at least \$1 million a year, services provided by funding under this chapter may include treatment and rehabilitation for persons with co-occurring mental illness and chemical dependency, but the total amount expended may not exceed \$1.3 million in each biennium.

~~(2)~~(3) A person operating a state-approved alcoholism program may not be required to provide matching funds as a condition of receiving a grant under subsection (1).

~~(3)~~(4) In addition to funding received under this section, a person operating a state-approved alcoholism program may accept gifts, bequests, or the donation of services or money for the treatment, rehabilitation, or prevention of alcoholism.

~~(4)~~(5) A person receiving funding under this section to support operation of a state-approved alcoholism program may not refuse alcoholism treatment, rehabilitation, or prevention services to a person solely because of that person's inability to pay for those services.

~~(5)~~(6) A grant made under this section is subject to the following conditions:

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

(b) Whenever, during the period of grant support, program income exceeds the amount estimated in the grant application, the amount of the excess must be reported to the grantor.

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

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

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

~~(6)~~(7) Revenue generated by 16-1-404, 16-1-406, and 16-1-411 for the treatment, rehabilitation, and prevention of alcoholism that has not been encumbered for those purposes by the counties of Montana or the department must be returned to the state special revenue fund for the treatment, rehabilitation, and prevention

of alcoholism within 30 days after the close of each fiscal year and must be distributed by the department the following year as provided in 53-24-206(3)(b)."

NEW SECTION. **Section 2. Repealer.** Section 6, Chapter 470, Laws of 2001, is repealed.

NEW SECTION. **Section 3. Effective date.** [This act] is effective July 1, 2003.

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