



AN ACT REVISING THE ALLOCATION AND USE OF A PORTION OF TOBACCO SETTLEMENT PROCEEDS FUNDS FOR THE BIENNIUM BEGINNING JULY 1, 2003; TRANSFERRING TOBACCO SETTLEMENT PROCEEDS FUNDS TO A PREVENTION AND STABILIZATION ACCOUNT IN THE STATE SPECIAL REVENUE FUND TO BE USED BY THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES TO FINANCE, ADMINISTER, AND PROVIDE HEALTH AND HUMAN SERVICES; AUTHORIZING THE USE OF TOBACCO SETTLEMENT PROCEEDS FUNDS TO PROVIDE MATCHING FUNDS FOR THE MEDICAID PROGRAM; ESTABLISHING THE PREVENTION AND STABILIZATION ACCOUNT AND ALLOCATING ACCOUNT PROCEEDS; APPROPRIATING FUNDS FROM THE PREVENTION AND STABILIZATION ACCOUNT; AMENDING SECTION 17-6-606, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.

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

**Section 1.** Section 17-6-606, MCA, is amended to read:

**"17-6-606. Tobacco settlement accounts -- purpose -- uses.** (1) The purpose of this section is to dedicate a portion of the tobacco settlement proceeds to fund a statewide comprehensive tobacco disease prevention program designed to:

- (a) discourage children from starting use of tobacco;
- (b) assist adults in quitting use of tobacco;
- (c) provide funds for the children's health insurance program; ~~and~~
- (d) provide funds for the comprehensive health association programs; and
- (e) fund human services programs.

(2) An amount equal to 32% of the total yearly tobacco settlement proceeds received after June 30, 2003, must be deposited in a state special revenue account. Subject to subsection (5), the funds referred to in this subsection may be used only for funding a statewide tobacco prevention program designed to prevent children from starting tobacco use and to help adults who want to quit tobacco use and for funding human services programs. The department of public health and human services shall manage the tobacco prevention program and shall adopt rules to implement the program. In adopting rules, the department shall consider the

standards contained in Best Practices for Comprehensive Tobacco Control Programs--August 1999 or its successor document, published by the U.S. department of health and human services, centers for disease control and prevention.

(3) An amount equal to 17% of the total yearly tobacco settlement proceeds received after June 30, 2003, must be deposited in a state special revenue account. Subject to subsection (5), the funds referred to in this subsection may be used only for:

(a) matching funds to secure the maximum amount of federal funds for the Children's Health Insurance Program Act provided for in Title 53, chapter 4, part 10; ~~and~~

(b) programs of the comprehensive health association provided for in Title 33, chapter 22, part 15, with funding use subject to 33-22-1513; and

(c) matching funds to secure the maximum amount of federal funds for the medicaid program.

(4) Funds deposited in a state special revenue account, as provided in subsection (2) or (3), that are not appropriated within 2 years after the date of deposit must be transferred to the trust fund.

(5) The legislature shall appropriate money from the state special revenue accounts provided for in this section ~~for tobacco disease prevention~~, for the programs referred to in the subsection establishing the account; and for funding the tobacco prevention advisory board.

(6) Programs funded under this section that are private in nature may be funded through contracted services."

**Section 2. Prevention and stabilization account -- allocation of proceeds.** (1) There is a prevention and stabilization account in the state special revenue fund provided for in 17-2-102. Money in the account must be used by the department of public health and human services to finance, administer, and provide health and human services.

(2) (a) Funds in the prevention and stabilization account must be used for the following programs in order of priority:

(i) prescription drugs for adults with a serious and disabling mental illness eligible for programs initiated pursuant to 53-21-702(2) and (3);

(ii) child care for low-income families;

(iii) the Montana initiative for the abatement of mortality in infants administered pursuant to 50-19-301;

(iv) independent living;

- (v) extended employment;
- (vi) child support enforcement state matching funds;
- (vii) stabilization of rates for medicaid mental health services;
- (viii) medicaid hospice services;
- (ix) home health therapy services;
- (x) poison control; and
- (xi) AIDS funds.

(b) Funds remaining after allocations to the priorities in subsection (2)(a) may be expended for other programs as directed in 17-6-606(1).

(c) Appropriations from the prevention and stabilization account for programs listed in subsection (2)(a) are restricted for the use specified and may not be transferred to other programs pursuant to 17-7-139.

**Section 3. Fund transfer.** There is transferred from the state special revenue account provided for in 17-6-606(2) to the state special revenue account established in [section 2] \$5,831,360 for fiscal year 2004 and \$6,057,600 for fiscal year 2005.

**Section 4. Appropriations from prevention and stabilization account.** (1) The following amounts are biennial appropriations from the prevention and stabilization account for the 2005 biennium:

- (a) mental health services and prescription drugs for programs established pursuant to 53-21-702(2) and (3), \$6,500,000;
- (b) child care, \$2,000,000;
- (c) the Montana initiative for the abatement of mortality in infants program, \$1,100,000;
- (d) independent living services, \$457,532;
- (e) extended employment services, \$541,278;
- (f) child support enforcement, \$1,263,678;
- (g) mental health medicaid service rates, \$800,000;
- (h) medicaid hospice services, \$340,000;
- (i) medicaid home health therapy services, \$68,000;
- (j) poison control, \$77,908; and
- (k) AIDS funding, \$84,000.

(2) Funds remaining in the prevention and stabilization account after these appropriations have been made may be used to fund appropriations from the prevention and stabilization account that are authorized in House Bill No. 2.

**Section 5. Codification instruction.** [Section 2] is intended to be codified as an integral part of Title 53, chapter 6, and the provisions of Title 53, chapter 6, apply to [section 2].

**Section 6. Coordination instruction.** If House Bill No. 722 and [this act] are both passed and approved and if both bills create a prevention and stabilization account in the state special revenue fund to be used by the department of public health and human services to finance, administer, and provide health and human services, the code commissioner shall codify the accounts as a single section.

**Section 7. Effective date.** [This act] is effective July 1, 2003.

**Section 8. Termination.** [Section 1] terminates June 30, 2005.

- END -

I hereby certify that the within bill,  
SB 0485, originated in the Senate.

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Secretary of the Senate

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2019.

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2019.

SENATE BILL NO. 485

INTRODUCED BY COBB, E. CLARK

BY REQUEST OF THE HOUSE JOINT APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN  
SERVICES

AN ACT REVISING THE ALLOCATION AND USE OF A PORTION OF TOBACCO SETTLEMENT PROCEEDS FUNDS FOR THE BIENNIUM BEGINNING JULY 1, 2003; TRANSFERRING TOBACCO SETTLEMENT PROCEEDS FUNDS TO A PREVENTION AND STABILIZATION ACCOUNT IN THE STATE SPECIAL REVENUE FUND TO BE USED BY THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES TO FINANCE, ADMINISTER, AND PROVIDE HEALTH AND HUMAN SERVICES; AUTHORIZING THE USE OF TOBACCO SETTLEMENT PROCEEDS FUNDS TO PROVIDE MATCHING FUNDS FOR THE MEDICAID PROGRAM; ESTABLISHING THE PREVENTION AND STABILIZATION ACCOUNT AND ALLOCATING ACCOUNT PROCEEDS; APPROPRIATING FUNDS FROM THE PREVENTION AND STABILIZATION ACCOUNT; AMENDING SECTION 17-6-606, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.