

HOUSE BILL NO. 309

INTRODUCED BY M. DUNWELL

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4 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A HOUSING IN NEED TO SUCCEED PROGRAM TO  
5 PROVIDE HOUSING ASSISTANCE TO CERTAIN LOW-INCOME INDIVIDUALS WITH A CRIMINAL  
6 CONVICTION; REQUIRING THE BOARD OF HOUSING TO ADMINISTER THE PROGRAM AND TO ADOPT  
7 RULES; REQUIRING THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES AND THE  
8 DEPARTMENT OF CORRECTIONS TO VERIFY CERTAIN ELIGIBILITY INFORMATION AND COLLECT  
9 CERTAIN DATA; INCREASING THE SALES AND USE TAX ON THE BASE RENTAL CHARGE FOR A RENTAL  
10 VEHICLE; REVISING THE ALLOCATION OF PROCEEDS FROM THE TAX; AMENDING SECTIONS 7-14-112,  
11 15-68-102, AND 15-68-820, MCA; AND PROVIDING EFFECTIVE DATES AND AN APPLICABILITY DATE."

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

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15 NEW SECTION. **Section 1. Definitions.** As used in [section 2] and this section, the following definitions  
16 apply:

- 17 (1) "Board" means the board of housing created in 2-15-1814.
- 18 (2) "Contracted facility" means:
  - 19 (a) a facility that contracts with the department of public health and human services to provide treatment,
  - 20 services, or transitional housing to adults with developmental disabilities or mental illnesses or both, including
  - 21 but not limited to a mental health facility, as defined in 53-21-102, or a residential facility, as defined in 53-20-102;
  - 22 or
  - 23 (b) a prerelease or community corrections facility that contracts with the department of corrections.
- 24 (3) "Facility" means a state prison, the Montana state hospital, or a contracted facility.
- 25 (4) "Low-income" means when household incomes do not exceed 80% of the median income in the area,
- 26 as determined by the United States department of housing and urban development, with adjustments for smaller
- 27 or larger families.
- 28 (5) "Program" means the housing in need to succeed program established in [section 2].
- 29 (6) "State prison" has the meaning provided in 53-30-101(3)(c).

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1            **NEW SECTION. Section 2. Housing in need to succeed account -- use -- rulemaking.** (1) There  
2 is a housing in need to succeed account in the state special revenue fund. Money must be deposited in the  
3 account pursuant to 15-68-820(2)(b). Money in the account must be used by the board to provide housing  
4 assistance to low-income individuals with a criminal conviction through the program and to provide for a landlord  
5 mitigation fund.

6            (2) The board shall establish a housing in need to succeed program. To be eligible to receive housing  
7 assistance through the program, an individual must:

8            (a) be released directly from a facility; and

9            (b) be disqualified from eligibility for other state or federally subsidized housing or voucher programs due  
10 to a criminal conviction and:

11           (i) be low-income and disabled; or

12           (ii) be low-income and have children that will reside with the individual.

13           (3) (a) Prior to release from a facility, an individual must submit a program application to board in a  
14 format determined by the board.

15           (b) After an application is submitted to the board, the department of public health and human services  
16 shall verify that the individual is low-income and, if required, disabled. The department of corrections shall verify  
17 that the individual has a criminal conviction. The verification process may be performed by either or both  
18 departments before the individual submits an application. The board shall determine, if required, that the  
19 individual submitting the application has children.

20           (4) (a) Of the amount deposited in the account, the board shall use \$50,000 each fiscal year to create  
21 and maintain a landlord mitigation fund. The funds must be used for rental unit repairs or for damages to the unit  
22 caused by a tenant in the program.

23           (b) The remaining funds in the account must be used to provide eligible individuals with one or more of  
24 the following types of assistance:

25           (i) first and last month's rent;

26           (ii) damage or cleaning deposits; and

27           (iii) the difference between the individual's total monthly rent and the amount the individual is required  
28 by subsection (5) to contribute towards rent.

29           (5) An individual granted assistance shall contribute 25% of the individual's monthly income to rent.

30           (6) The board shall adopt rules to implement the provisions of this section. The rules must:

1 (a) develop application and verification processes to request assistance and determine eligibility for  
2 program assistance;

3 (b) establish procedures to disburse financial assistance to an individual and money from the landlord  
4 mitigation fund, including a procedure to disburse money directly to a landlord;

5 (c) ensure that the funds that remain in the account after the amount specified in subsection (4)(a) is  
6 subtracted are split evenly between individuals specified in (2)(b)(i) and (2)(b)(ii);

7 (d) require any remaining funds in the account at the end of a fiscal year that are not in the landlord  
8 mitigation fund to be distributed to eligible individuals through the program; and

9 (e) establish the type of data that the department of public health and human services and the  
10 department of corrections must collect to assist the board in determining the program's efficacy.

11 (7) The department of public health and human services and the department of corrections shall collect  
12 the data required by the board pursuant to subsection (6)(e). The board shall annually review the data to evaluate  
13 the program's efficacy.

14

15 **Section 3.** Section 7-14-112, MCA, is amended to read:

16 **"7-14-112. Senior citizen and persons with disabilities transportation services account -- use.** (1)  
17 There is a senior citizen and persons with disabilities transportation services account in the state special revenue  
18 fund. Money must be deposited in the account pursuant to 15-68-820(2)(a).

19 (2) The account must be used to provide operating funds or matching funds for operating grants pursuant  
20 to 49 U.S.C. 5311 to counties, incorporated cities and towns, tribal governments, urban transportation districts,  
21 or nonprofit organizations for transportation services for persons 60 years of age or older and for persons with  
22 disabilities.

23 (3) (a) Subject to the conditions of subsection (3)(b), the department of transportation is authorized to  
24 award grants to counties, incorporated cities and towns, tribal governments, urban transportation districts, and  
25 nonprofit organizations for transportation services using guidelines established in the state management plan for  
26 the purposes described in 49 U.S.C. 5310 and 5311.

27 (b) Priority for awarding grants must be determined according to the following factors:

28 (i) the most recent census or federal estimate of persons 60 years of age or older and persons with  
29 disabilities in the area served by a county, incorporated city or town, tribal government, urban transportation  
30 district, or nonprofit organization;

1 (ii) the annual number of trips provided by the transportation provider to persons 60 years of age or older  
2 and to persons with disabilities in the transportation service area; and

3 (iii) the coordination of services as required in subsection (4).

4 (4) In awarding grants, the department of transportation shall give preference to proposals that:

5 (a) include participation in a local transportation advisory committee;

6 (b) address and document the transportation needs within the community, county, and service area or  
7 region;

8 (c) identify all other transportation providers in the community, county, and service area or region;

9 (d) explain how services are going to be coordinated with the other transportation providers in the service  
10 area or region by creating a locally developed transportation coordination plan;

11 (e) indicate how services are going to be expanded to meet the unmet needs of senior citizens and  
12 disabled persons within the community, county, and service area or region who are dependent upon public transit;

13 (f) include documentation of coordination with other local transportation programs within the community,  
14 county, and service area or region, including:

15 (i) utilization of existing resources and equipment to maximize the delivery of service; and

16 (ii) the projected increase in ridership and expansion of service;

17 (g) invite school districts to participate or be included in the transportation coordination efforts within the  
18 community, county, and service area or region; and

19 (h) at a minimum, comply with the provisions in subsections (4)(b) through (4)(f)."  
20

21 **Section 4.** Section 15-68-102, MCA, is amended to read:

22 **"15-68-102. Imposition and rate of sales tax and use tax -- exceptions.** (1) A sales tax of the  
23 following percentages is imposed on sales of the following property or services:

24 (a) 3% on accommodations and campgrounds;

25 (b) ~~4%~~ 10% on the base rental charge for rental vehicles.

26 (2) The sales tax is imposed on the purchaser and must be collected by the seller and paid to the  
27 department by the seller. The seller holds all sales taxes collected in trust for the state. The sales tax must be  
28 applied to the sales price.

29 (3) (a) For the privilege of using property or services within this state, there is imposed on the person  
30 using the following property or services a use tax equal to the following percentages of the value of the property

1 or services:

2 (i) 3% on accommodations and campgrounds;

3 (ii) ~~4%~~ 10% on the base rental charge for rental vehicles.

4 (b) The use tax is imposed on property or services that were:

5 (i) acquired outside this state as the result of a transaction that would have been subject to the sales tax  
6 had it occurred within this state;

7 (ii) acquired within the exterior boundaries of an Indian reservation within this state as a result of a  
8 transaction that would have been subject to the sales tax had it occurred outside the exterior boundaries of an  
9 Indian reservation within this state;

10 (iii) acquired as the result of a transaction that was not initially subject to the sales tax imposed by  
11 subsection (1) or the use tax imposed by subsection (3)(a) but which transaction, because of the buyer's  
12 subsequent use of the property, is subject to the sales tax or use tax; or

13 (iv) rendered as the result of a transaction that was not initially subject to the sales tax or use tax but that  
14 because of the buyer's subsequent use of the services is subject to the sales tax or use tax.

15 (4) For purposes of this section, the value of property must be determined as of the time of acquisition,  
16 introduction into this state, or conversion to use, whichever is latest.

17 (5) The sale of property or services exempt or nontaxable under this chapter is exempt from the tax  
18 imposed in subsections (1) and (3).

19 (6) Lodging facilities and campgrounds are exempt from the tax imposed in subsections (1)(a) and  
20 (3)(a)(i) until October 1, 2003, for contracts entered into prior to April 30, 2003, that provide for a guaranteed  
21 charge for accommodations or campgrounds."

22

23 **Section 5.** Section 15-68-820, MCA, is amended to read:

24 **"15-68-820. Sales tax and use tax proceeds.** (1) Except as provided in subsection (2), all money  
25 collected under this chapter must, in accordance with the provisions of 17-2-124, be deposited by the department  
26 into the general fund.

27 (2) ~~(a) Twenty-five~~ Ten percent of the revenue collected on the base rental charge for rental vehicles  
28 under 15-68-102(1)(b) and 15-68-102(3)(a)(ii) must be deposited in the state special revenue fund to the credit  
29 of the senior citizen and persons with disabilities transportation services account provided for in 7-14-112.

30 (b) (i) Sixty percent of the revenue collected on the base rental charge for rental vehicles under

1 15-68-102(1)(b) and 15-68-102(3)(a)(ii) must be deposited in the state special revenue fund to the credit of the  
2 housing in need to succeed account provided for in [section 2].

3 (ii) If the amount credited to the housing in need to succeed account is less than the previous fiscal year,  
4 the difference must be transferred from the general fund and deposited in the account provided for in [section 2]."

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6 **NEW SECTION. Section 6. Codification instruction.** [Sections 1 and 2] are intended to be codified  
7 as an integral part of Title 90, chapter 6, part 1, and the provisions of Title 90, chapter 6, part 1, apply to [sections  
8 1 and 2].

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10 **NEW SECTION. Section 7. Effective dates.** (1) Except as provided in subsection (2), [this act] is  
11 effective July 1, 2017.

12 (2) [Sections 1 and 2(2) through (7)] are effective October 1, 2017.

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14 **NEW SECTION. Section 8. Applicability.** [This act] applies to rental car sales and use taxes levied  
15 after June 30, 2017.

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