A BILL FOR AN ACT ENTITLED: “AN ACT PROVIDING FOR PSYCHIATRIC OPPORTUNITY ZONES; ALLOWING LOCAL GOVERNMENT INCENTIVES FOR MENTAL HEALTH PROFESSIONALS PRACTICING IN A PSYCHIATRIC OPPORTUNITY ZONE; PROVIDING AN INCOME TAX CREDIT FOR MENTAL HEALTH PROFESSIONALS PRACTICING IN A PSYCHIATRIC OPPORTUNITY ZONE; AMENDING SECTIONS 5-5-225 AND 53-21-1002, MCA; AND PROVIDING EFFECTIVE DATES AND AN APPLICABILITY DATE.”

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

NEW SECTION. Section 1. Psychiatric opportunity zones -- designation. (1) No later than June 30 of each even-numbered year, the department shall provide the children, families, health, and human services interim committee with a list of communities or counties to be designated as psychiatric opportunity zones in an effort to enhance mental health services in the communities or counties.

(2) Mental health professionals practicing in a psychiatric opportunity zone are eligible for any local incentives offered pursuant to [section 2] and for the psychiatric opportunity zone tax credit provided for in [section 3].

(3) The department shall consider the following factors in making its recommendations for communities and counties to receive designation as a psychiatric opportunity zone:

(a) whether a community or county is located in a mental health professional shortage area as designated by the health resources and services administration of the United States department of health and human services;

(b) the number of attempted and completed suicides during the past 2 years in the community or county; and

(c) the unmet need for mental health services in the community or county. Indications of unmet need include but are not limited to the number of individuals detained in a city or county jail because community mental health treatment was unavailable and the number of community or county residents transported to the
Montana state hospital for an emergency or court-ordered detention.

(4) The department shall explain the reasons it is recommending a community or county be designated as a psychiatric opportunity zone. The department may recommend that a community or county be removed from the list of designated psychiatric opportunity zones if the department believes the community or county has mental health services sufficient to meet the needs of the community or county.

(5) No later than September 15 of each even-numbered year, the children, families, health, and human services interim committee shall consider and decide whether to recommend legislation designating one or more communities or counties as a psychiatric opportunity zone or removing a community or county from the list of designated zones. If the committee decides to recommend legislation designating a community or county as a psychiatric opportunity zone, the legislation must also include the amount of the tax credit provided for in [section 3].

NEW SECTION. Section 2. Psychiatric opportunity zone incentives. (1) The governing body of a city, town, or county in an area designated as a psychiatric opportunity zone pursuant to [section 1] may offer incentives as determined appropriate by the local government to obtain and retain the services of mental health professionals in the city or county.

(2) The incentives may be made available only to the following mental health professionals:

(a) a physician licensed under Title 37, chapter 3;
(b) a professional counselor licensed under Title 37, chapter 23;
(c) a psychologist licensed under Title 37, chapter 17;
(d) a social worker licensed under Title 37, chapter 22;
(e) an advanced practice registered nurse, as provided for in 37-8-202, with a clinical specialty in psychiatric mental health nursing; or
(f) a physician assistant licensed under Title 37, chapter 20, with a clinical specialty in psychiatric mental health.

NEW SECTION. Section 3. Psychiatric opportunity zone tax credit. (1) An individual taxpayer who is a mental health professional holding a license as specified in this section is allowed a credit against taxes...
otherwise due under this chapter if, during the tax year, the individual actively practiced in the mental health field in a psychiatric opportunity zone designated by the legislature following the process provided for in [section 2].

(2) The tax credit:

(a) may not exceed 50% of the mental health professional's income tax liability; and

(b) must be established by the legislature based on legislation proposed by the children, families, health, and human services interim committee.

(3) If the amount of the credit exceeds the taxpayer's income tax liability, the amount of the excess may not be refunded to the taxpayer. The credit may not be claimed if the taxpayer has no tax liability.

(4) The following mental health professionals may claim the tax credit:

(a) a physician licensed under Title 37, chapter 3;

(b) a professional counselor licensed under Title 37, chapter 23;

(c) a psychologist licensed under Title 37, chapter 17;

(d) a social worker licensed under Title 37, chapter 22;

(e) an advanced practice registered nurse, as provided for in 37-8-202, with a clinical specialty in psychiatric mental health nursing; or

(f) a physician assistant licensed under Title 37, chapter 20, with a clinical specialty in psychiatric mental health.

Section 4. Section 5-5-225, MCA, is amended to read:

"5-5-225. Children, families, health, and human services interim committee. (1) The children, families, health, and human services interim committee has administrative rule review, draft legislation review, program evaluation, and monitoring functions for the department of public health and human services and the entities attached to the department for administrative purposes.

(2) The committee shall consider and decide each interim whether to pursue legislation designating psychiatric opportunity zones as provided in [section 2]."

Section 5. Section 53-21-1002, MCA, is amended to read:
"53-21-1002. Duties of department. The department:

1. shall take cognizance of matters affecting the mental health of the citizens of the state;
2. (1) shall initiate mental health care and treatment, prevention, and research as can best be
accomplished by community-centered services. The department shall initiate and operate services in
cooperation with local agencies, service area authorities, mental health professionals, and other entities
providing services to persons with mental illness.
3. (2) shall specifically address:
   (a) provider contracting;
   (b) service planning;
   (c) preadmission screening and discharge planning;
   (d) quality management;
   (e) utilization management and review;
   (f) consumer and family education; and
   (g) rights protection;
4. (3) shall collect and disseminate information relating to mental health;
5. (4) shall prepare and maintain a comprehensive plan to develop public mental health services in the
state and to establish service areas;
6. (5) must receive from agencies of the United States and other state agencies, persons or groups of
persons, associations, firms, or corporations grants of money, receipts from fees, gifts, supplies, materials, and
contributions for the development of mental health services within the state;
7. (6) shall establish qualified provider certification standards by rule, which may include requirements
for national accreditation for mental health programs that receive funds from the department;
8. (7) shall perform an annual review and evaluation of mental health needs and services within the
state by region and evaluate the performance of programs that receive funds from the department for
compliance with federal and state standards;
9. (8) shall make recommendations on the designation of psychiatric opportunity zones as provided in
[section 2]:
10. (9) shall coordinate state and community resources to ensure comprehensive delivery of services
to children with emotional disturbances, as provided in Title 52, chapter 2, part 3; and

(11) shall coordinate the establishment of service area authorities, as provided in 53-21-1006, to collaborate with the department in the planning and oversight of mental health services in a service area."

NEW SECTION. Section 6. Codification instruction. (1) [Sections 1 and 2] are intended to be codified as an integral part of Title 53, chapter 21, part 10, and the provisions of Title 53, chapter 21, part 10, apply to [sections 1 and 2].

(2) [Section 3] is intended to be codified as an integral part of Title 15, chapter 30, part 23, and the provisions of Title 15, chapter 30, part 23, apply to [section 3].

NEW SECTION. Section 7. Effective dates. (1) Except as provided in subsection (2), [this act] is effective July 1, 2021.

(2) [Section 1] is effective January 1, 2024.


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