

HOUSE BILL NO. 263

INTRODUCED BY P. INGRAHAM

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A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THAT FUNDS FROM CIGARETTE TAXES RECEIVED BY THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES TO SUPPORT THE OPERATION AND MAINTENANCE OF OPERATING STATE VETERANS' NURSING HOMES MUST BE DISTRIBUTED TO THOSE NURSING HOMES IN EQUAL SHARES; AMENDING SECTIONS 10-2-417 AND 16-11-119, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 10-2-417, MCA, is amended to read:

"10-2-417. Use of funds generated by taxation on cigarettes. (1) Revenue generated by 16-11-119 and allocated to the department of public health and human services for veterans' nursing homes must be used to support the operation and maintenance of the operating Montana veterans' nursing homes programs in equal shares.

(2) The legislature shall appropriate from the account established in 16-11-119(1)(a) the funds required for the operation and maintenance of the Montana veterans' nursing homes."

Section 2. Section 16-11-119, MCA, is amended to read:

"16-11-119. Disposition of taxes. (1) Cigarette taxes collected under the provisions of 16-11-111 must, in accordance with the provisions of 17-2-124, be deposited as follows:

(a) 8.3% or \$2 million, whichever is greater, in the state special revenue fund to the credit of the department of public health and human services for the operation and maintenance of state veterans' nursing homes; The department of public health and human services shall distribute the funds received under this subsection in equal shares to any operating state veterans' nursing homes in Montana.

(b) for fiscal years beginning July 1, 2011, and ending June 30, 2015, 1.2% in the state special revenue fund to the credit of the account established in section 2, Chapter 461, Laws of 2009, for the construction of the state veterans' home in southwestern Montana;

(c) 2.6% in the long-range building program account provided for in 17-7-205;



1 (d) 44% in the state special revenue fund to the credit of the health and medicaid initiatives account
2 provided for in 53-6-1201; and

3 (e) the remainder to the state general fund.

4 (2) If money in the state special revenue fund for the operation and maintenance of state veterans'
5 nursing homes exceeds \$2 million at the end of the fiscal year, the excess must be transferred to the state
6 general fund.

7 (3) The taxes collected on tobacco products, other than cigarettes, must in accordance with the
8 provisions of 17-2-124 be deposited as follows:

9 (a) one-half in the state general fund; and

10 (b) one-half in the state special revenue fund account for health and medicaid initiatives provided for in
11 53-6-1201."

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13 NEW SECTION. **Section 3. Effective date.** [This act] is effective July 1, 2013.

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