

SENATE BILL NO. 409

INTRODUCED BY D. ZOLNIKOV

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS RELATED TO THE DEPARTMENT OF COMMERCE; REVISING LAWS RELATED TO LODGING FACILITY USE TAX REVENUES; REQUIRING THE DEPARTMENT OF COMMERCE TO USE THE LODGING FACILITY USE TAX REVENUE FOR SPECIFIC PURPOSES; EXPANDING THE SCOPE OF THE EMERGENCY LODGING FOR VICTIMS OF DOMESTIC VIOLENCE OR HUMAN TRAFFICKING PROGRAM AND MAKING IT PERMANENT; AMENDING SECTIONS 15-65-121, 44-4-1505, AND 44-4-1506, MCA; AMENDING SECTION 12, CHAPTER 563, LAWS OF 2021, AND SECTION 10, CHAPTER 758, LAWS OF 2023; REPEALING SECTION 90-1-122, MCA; AND PROVIDING EFFECTIVE DATES."

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

**Section 1.** Section 15-65-121, MCA, is amended to read:

~~"15-65-121. (Temporary) Distribution of tax proceeds. (1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 17-2-124, be deposited in an account in the state special revenue fund to the credit of the department. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 17-2-124 and as provided in subsections (2)(a) through (2)(j) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The department shall distribute the portion of the 4% that was paid with federal funds to the department of administration for return to the federal government and deposit 30% of the amount deducted less the portion paid with federal funds in the state general fund.~~

~~(2) The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation, deposited in the state general fund, distributed to agencies that paid the tax with federal funds, or deposited in the heritage preservation and development account must be transferred to an~~

1 submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be  
2 allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county,  
3 resort area, or resort area district is located.

4 (4) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual  
5 marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism  
6 corporation may be used by the department of commerce for tourism promotion and promotion of the state as a  
7 location for the production of motion pictures and television commercials.

8 (5) The tax proceeds received that are transferred to a state special revenue account pursuant to  
9 subsections ~~(2)(a) through (2)(c), (2)(e), and (2)(f)~~ ~~(2)(a), (2)(b), and (2)(d) through (2)(h)~~ ~~(2)(A) THROUGH (2)(C)~~  
10 ~~AND (2)(E) THROUGH (2)(I)~~ are statutorily appropriated to the entities as provided in 17-7-502.

11 (6) The tax proceeds received that are transferred to ~~the invasive species state special revenue~~  
12 ~~account~~ state special revenue accounts pursuant to subsection ~~(2)(d)~~ and to the Montana historical  
13 ~~interpretation state special revenue account pursuant to subsection (2)(h)~~ ~~(2)~~ are subject to appropriation by the  
14 legislature."

15  
16 **Section 2.** Section 44-4-1505, MCA, is amended to read:

17 **"44-4-1505. ~~(Temporary)~~ Emergency lodging and recovery program for victims of domestic**  
18 **violence or human trafficking -- grants-reimbursement -- rulemaking -- definitions.** (1) There is an  
19 emergency lodging and recovery program for licensed establishments located in the state to assist designated  
20 organizations in providing short-term lodging and recovery assistance in the state to individuals and families  
21 that are victims of domestic violence or human trafficking.

22 (2) (a) Subject to the provisions of this section, participating establishments may ~~submit a grant~~  
23 ~~application to enroll in the emergency lodging and recovery program. Participating establishments may seek~~  
24 ~~reimbursement from~~ the department of justice for providing emergency lodging and recovery assistance to an  
25 individual or family who is in immediate need of shelter based on being a victim of domestic violence or human  
26 trafficking.

27 (b) In order to be eligible for ~~the grant~~ reimbursement, the individual or family must be referred to  
28 the establishment by a designated organization.

(3) ~~Grant funds~~ Funds for the program are provided from funding in the emergency lodging and recovery for victims of domestic violence or human trafficking state special revenue account provided for in 44-

4-1506. ~~The grant~~ Reimbursement for short-term lodging and recovery assistance:

(a) is equal to ~~the lesser of~~ the average daily rate or the state rate for each night lodging was provided at no cost to the individual or the referring organization;

(b) is limited to a maximum of 5 nights' lodging and associated costs for each individual or family ~~for each calendar year;~~

(c) may be claimed ~~only~~ for lodging, recovery assistance, and associated costs provided in the state; and

(d) is exempt from the lodging and facility use tax imposed by 15-65-111 or the sales tax and use tax on accommodations imposed by 15-68-102.

(4) Participating establishments may offer lodging based on availability of rooms.

(5) The department of justice shall maintain a registry of designated organizations and shall provide a list of approved organizations to establishments on request. The department of justice shall seek comment from appropriate statewide nonprofit organizations when developing and updating the registry.

(6) ~~The grants~~ Funds provided in this section are ~~subject to available funding and are not~~ guaranteed. ~~The grant does~~ Funds may not apply to the costs of providing lodging to an individual who is displaced by a major disaster declared by the president under 42 U.S.C. 5170 or 5191 and who receives financial assistance for temporary housing under 42 U.S.C. 5174.

(7) The department of justice may adopt rules, prepare forms, and maintain records that are necessary to implement and administer this section.

(8) As used in this section, the following definitions apply:

(a) (i) "Average daily rate" means the total amount of lodging receipts received by the establishment during the night of the emergency stay without regard to local and state taxes received divided by the number of rooms the establishment received compensation for during the night of the emergency stay.

(ii) The term does not include grant money received pursuant to this section.

(b) "Designated organization" means a charitable organization or government entity approved by the department of justice to make referrals for emergency lodging.

(c) "Establishment" means a person or entity that makes sales of accommodations as defined in 15-68-101.

(d) "Recovery assistance" means services designed to assist victims of crime by providing direct support, including emotional and psychological counseling, crisis intervention, and safety planning, aimed at stabilizing the victims' lives and helping them navigate the criminal justice system.

~~(d)(e)~~ "State rate" means the rate the state pays for state employees in travel status that is adopted by the department of administration. ~~(Terminates June 30, 2027—sec. 10, Ch. 758, L. 2023.)~~

**Section 3.** Section 44-4-1506, MCA, is amended to read:

**"44-4-1506. ~~(Temporary)~~ Emergency lodging and recovery for victims of domestic violence or human trafficking account.** (1) There is an emergency lodging and recovery for victims of domestic violence or human trafficking account in the state special revenue fund. The account is administered by the department of justice.

(2) The revenue allocated to the account as provided in 15-65-121~~(2)(f)(2)(k)~~ (2)(L) must be deposited in the account and distributed as provided in 44-4-1505.

(3) Money in the account is statutorily appropriated, as provided in 17-7-502, to the department of justice to provide grants to licensed establishments that provide short-term lodging and recovery assistance in the state to individuals and families that are victims of domestic violence or human trafficking pursuant to 44-4-1505. ~~(Terminates June 30, 2027—sec. 10, Ch. 758, L. 2023.)~~

**Section 4.** Section 12, Chapter 563, Laws of 2021, is amended to read:

**"Section 12. Termination.** (1) [Sections 4 through 5 and 6] terminate June 30, 2027.

(2) [Section 4] terminates June 30, 2025."

**Section 5.** Section 10, Chapter 758, Laws of 2023, is amended to read:

**"Section 10. Termination.** (1) [Sections 1 through Section 6] terminate—terminates June 30, 2027.

(2) [Section 3] terminates June 30, 2025."