

1 SENATE BILL NO. 522

2 INTRODUCED BY D. ZOLNIKOV

3

4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE DISTRIBUTION OF REVENUE FROM THE  
5 LODGING AND FACILITIES USE TAX TO PROVIDE GRANTS TO LODGING ESTABLISHMENTS THAT  
6 PROVIDE VICTIMS OF DOMESTIC VIOLENCE OR HUMAN TRAFFICKING WITH SHORT-TERM LODGING;  
7 CREATING AN EMERGENCY LODGING PROGRAM TO ASSIST VICTIMS OF DOMESTIC VIOLENCE OR  
8 HUMAN TRAFFICKING THAT IS ADMINISTERED BY THE DEPARTMENT OF ~~PUBLIC HEALTH AND~~  
9 ~~HUMAN SERVICES~~ JUSTICE; PROVIDING THAT A GRANT IS NOT SUBJECT TO STATE  
10 ACCOMMODATION TAXES; CREATING A STATE SPECIAL REVENUE ACCOUNT; PROVIDING  
11 DEFINITIONS; PROVIDING A STATUTORY APPROPRIATION; PROVIDING RULEMAKING AUTHORITY;  
12 AMENDING SECTIONS 15-65-121, 15-68-101, 17-7-502, AND 90-1-135, MCA; AND PROVIDING AN  
13 EFFECTIVE DATE, ~~AND AN APPLICABILITY DATE,~~ AND A TERMINATION DATE."

14

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

16

17 NEW SECTION. Section 1. Emergency lodging program for victims of domestic violence or  
18 human trafficking -- grants -- rulemaking -- definitions. (1) There is an emergency lodging program for

19 licensed establishments located in the state to assist designated ~~charitable~~ organizations in providing short-  
20 term lodging in the state to individuals and families that are victims of domestic violence or human trafficking.

21 (2) (a) Subject to the provisions of this section, participating establishments may submit a grant  
22 application to the department OF JUSTICE for providing emergency lodging to an individual or family who is in  
23 immediate need of shelter based on being a victim of domestic violence or human trafficking.

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

26 (3) Grant funds for the program are provided from funding in the emergency lodging for victims of  
27 domestic violence or human trafficking state special revenue account provided for in [section 2]. The grant:

28 (a) is equal to the lesser of the average daily rate or the state rate for each night lodging was

1            NEW SECTION. Section 2. Emergency lodging for victims of domestic violence or human  
2 **trafficking account.** (1) There is an emergency lodging for victims of domestic violence or human trafficking  
3 account in the state special revenue fund. The account is administered by the department OF JUSTICE.

4            (2)        The revenue allocated to the account as provided in 15-65-121(2)(f) must be deposited in the  
5 account and distributed as provided in [section 1].

6            (3)        Money in the account is ~~subject to legislative appropriation and must be used~~ statutorily  
7 appropriated, as provided in 17-7-502, to the department of justice to provide grants to licensed establishments  
8 that provide short-term lodging in the state to individuals and families that are victims of domestic violence or  
9 human trafficking pursuant to [section 1].

10

11            **Section 3.** Section 15-65-121, MCA, is amended to read:

12            "**15-65-121. (Temporary) Distribution of tax proceeds.** (1) The proceeds of the tax imposed by 15-  
13 65-111 must, in accordance with the provisions of 17-2-124, be deposited in an account in the state special  
14 revenue fund to the credit of the department. The department may spend from that account in accordance with  
15 an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing  
16 the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of  
17 17-2-124 and as provided in subsections (2)(a) through ~~(2)(i)~~ (2)(j) of this section, the department shall  
18 determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of  
19 that amount from the tax proceeds received each reporting period. The department shall distribute the portion  
20 of the 4% that was paid with federal funds to the agency that made the in-state lodging expenditure and deposit  
21 30% of the amount deducted less the portion paid with federal funds in the state general fund.

22            (2)        The balance of the tax proceeds received each reporting period and not deducted pursuant to  
23 the expenditure appropriation, deposited in the state general fund, distributed to agencies that paid the tax with  
24 federal funds, or deposited in the heritage preservation and development account must be transferred to an  
25 account in the state special revenue fund to the credit of the department of commerce for tourism promotion  
26 and promotion of the state as a location for the production of motion pictures and television commercials, to the  
27 emergency lodging for victims of domestic violence or human trafficking account, to the Montana historical  
28 interpretation state special revenue account, to the Montana historical society, to the university system, to the

1 state-tribal economic development commission, and to the department of fish, wildlife, and parks, as follows:

2 (a) 1% to the Montana historical society to be used for the installation or maintenance of roadside  
3 historical signs and historic sites;

4 (b) 2.5% to the university system for the establishment and maintenance of a Montana travel  
5 research program;

6 (c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks  
7 that have both resident and nonresident use;

8 (d) 1.4% to the invasive species state special revenue account established in 80-7-1004;

9 (e) ~~60.3%~~60.2% to be used directly by the department of commerce;

10 (f) 0.1% to the emergency lodging for victims of domestic violence or human trafficking account  
11 established in [section 2];

12 (f)(g) (i) except as provided in subsection ~~(2)(f)(ii)~~ (2)(g)(ii), 22.5% to be distributed by the department  
13 to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the  
14 total proceeds collected statewide; and

15 (ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county,  
16 resort area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional  
17 nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area  
18 district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-  
19 county, resort area, or resort area district;

20 (g)(h) 0.5% to the state special revenue account provided for in 90-1-135 for use by the state-tribal  
21 economic development commission established in 90-1-131 for activities in the Indian tourism region;

22 (h)(i) 2.6% to the Montana historical interpretation state special revenue account established in 22-3-  
23 115; and

24 (i)(j) 2.7% or \$1 million, whichever is less, to the Montana heritage preservation and development  
25 account provided for in 22-3-1004. The Montana heritage preservation and development commission shall  
26 report on the use of funds received pursuant to this subsection ~~(2)(i)~~ (2)(j) to the legislative finance committee  
27 on a semiannual basis, in accordance with 5-11-210.

28 (3) If a city, consolidated city-county, resort area, or resort area district qualifies under 15-68-

1 820(5)(b)(iii) or this section for funds but fails to either recognize a nonprofit convention and visitors bureau or  
2 submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be  
3 allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county,  
4 resort area, or resort area district is located.

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

9 (5) The tax proceeds received that are transferred to a state special revenue account pursuant to  
10 subsections (2)(a) through (2)(c), (2)(e), and ~~(2)(f)~~ (2)(g) are statutorily appropriated to the entities as provided  
11 in 17-7-502. The tax proceeds received that are transferred to the emergency lodging for victims of domestic  
12 violence or human trafficking account pursuant to subsection (2)(f) are subject to the appropriation provisions in  
13 [section 2].

14 (6) The tax proceeds received that are transferred to the invasive species state special revenue  
15 account pursuant to subsection (2)(d), to the Montana historical interpretation state special revenue account  
16 pursuant to subsection ~~(2)(h)~~ (2)(i), and to the Montana heritage preservation and development account  
17 pursuant to subsection ~~(2)(i)~~ (2)(j) are subject to appropriation by the legislature. (Terminates June 30, 2027--  
18 sec. 12, Ch. 563, L. 2021.)

19 **15-65-121. (Effective July 1, 2027) Distribution of tax proceeds.** (1) The proceeds of the tax  
20 imposed by 15-65-111 must, in accordance with the provisions of 17-2-124, be deposited in an account in the  
21 state special revenue fund to the credit of the department. The department may spend from that account in  
22 accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting  
23 and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with  
24 the provisions of 17-2-124 and as provided in subsections (2)(a) through ~~(2)(h)~~ (2)(i) of this section, the  
25 department shall determine the expenditures by state agencies for in-state lodging for each reporting period  
26 and deduct 4% of that amount from the tax proceeds received each reporting period. The department shall  
27 distribute the portion of the 4% that was paid with federal funds to the agency that made the in-state lodging  
28 expenditure and deposit 30% of the amount deducted less the portion paid with federal funds in the state

1 general fund. The amount of \$400,000 each year must be deposited in the Montana heritage preservation and  
2 development account provided for in 22-3-1004.

3 (2) The balance of the tax proceeds received each reporting period and not deducted pursuant to  
4 the expenditure appropriation, deposited in the state general fund, distributed to agencies that paid the tax with  
5 federal funds, or deposited in the heritage preservation and development account must be transferred to an  
6 account in the state special revenue fund to the credit of the department of commerce for tourism promotion  
7 and promotion of the state as a location for the production of motion pictures and television commercials, to the  
8 emergency lodging for victims of domestic violence or human trafficking account, to the Montana historical  
9 interpretation state special revenue account, to the Montana historical society, to the university system, to the  
10 state-tribal economic development commission, and to the department of fish, wildlife, and parks, as follows:

11 (a) 1% to the Montana historical society to be used for the installation or maintenance of roadside  
12 historical signs and historic sites;

13 (b) 2.5% to the university system for the establishment and maintenance of a Montana travel  
14 research program;

15 (c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks  
16 that have both resident and nonresident use;

17 (d) 1.4% to the invasive species state special revenue account established in 80-7-1004;

18 (e) ~~63%~~62.9% to be used directly by the department of commerce;

19 (f) 0.1% to the emergency lodging for victims of domestic violence or human trafficking account  
20 established in [section 2].

21 (f)(g) (i) except as provided in subsection ~~(2)(f)(ii)~~ (2)(g)(ii), 22.5% to be distributed by the department  
22 to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the  
23 total proceeds collected statewide; and

24 (ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county,  
25 resort area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional  
26 nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area  
27 district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-  
28 county, resort area, or resort area district;

1 (g)(h) 0.5% to the state special revenue account provided for in 90-1-135 for use by the state-tribal  
2 economic development commission established in 90-1-131 for activities in the Indian tourism region; and

3 (h)(i) 2.6% to the Montana historical interpretation state special revenue account established in 22-3-  
4 115.

5 (3) If a city, consolidated city-county, resort area, or resort area district qualifies under 15-68-  
6 820(5)(b)(iii) or this section for funds but fails to either recognize a nonprofit convention and visitors bureau or  
7 submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be  
8 allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county,  
9 resort area, or resort area district is located.

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

14 (5) The tax proceeds received that are transferred to a state special revenue account pursuant to  
15 subsections (2)(a) through (2)(c), (2)(e), and ~~(2)(f)~~ (2)(g) are statutorily appropriated to the entities as provided  
16 in 17-7-502. The tax proceeds received that are transferred to the emergency lodging for victims of domestic  
17 violence or human trafficking account pursuant to subsection (2)(f) are subject to the appropriation provisions in  
18 [section 2].

19 (6) The tax proceeds received that are transferred to the invasive species state special revenue  
20 account pursuant to subsection (2)(d) and to the Montana historical interpretation state special revenue account  
21 pursuant to subsection ~~(2)(h)~~ (2)(i) are subject to appropriation by the legislature."

22

23 **Section 4.** Section 15-68-101, MCA, is amended to read:

24 **"15-68-101. Definitions.** For purposes of this chapter, unless the context requires otherwise, the  
25 following definitions apply:

26 (1) (a) "Accommodations" means short-term rentals or individual sleeping rooms, suites, camping  
27 spaces, or other units offered for overnight lodging periods of less than 30 days to the general public for  
28 compensation.

1 (14) "Seller" means a person that makes sales of accommodations or rental vehicles, including an  
2 online hosting platform.

3 (15) (a) "Service" means an activity that is engaged in for another person for consideration and that  
4 is distinguished from the sale or lease of accommodations or rental vehicles. Service includes activities  
5 performed by an online hosting platform.

6 (b) In determining what a service is, the intended use, principal objective, or ultimate objective of  
7 the contracting parties is irrelevant.

8 (16) "Short-term rental" means any individually or collectively owned single-family house or dwelling  
9 unit or any unit or group of units in a condominium, cooperative, timeshare, or owner-occupied residential home  
10 that is offered for a fee for 30 days or less.

11 (17) "Short-term rental marketplace" means a person that provides a platform through which a seller  
12 or the authorized agent of the seller offers a short-term rental to an occupant.

13 (18) "Timeshare" means any facility for which multiple parties or individuals own a right to use the  
14 facility for lodging purposes, and these parties or individuals do not hold claim to ownership of the physical  
15 property."  
16

17 **Section 5.** Section 17-7-502, MCA, is amended to read:

18 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory  
19 appropriation is an appropriation made by permanent law that authorizes spending by a state agency without  
20 the need for a biennial legislative appropriation or budget amendment.

21 (2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with  
22 both of the following provisions:

23 (a) The law containing the statutory authority must be listed in subsection (3).

24 (b) The law or portion of the law making a statutory appropriation must specifically state that a  
25 statutory appropriation is made as provided in this section.

26 (3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120; 5-  
27 11-407; 5-13-403; 5-13-404; 7-4-2502; 7-4-2924; 7-32-236; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-2-  
28 807; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-3-802; 10-3-1304; 10-4-304; 10-4-310; 15-1-121; 15-1-218;

1 15-31-165; 15-31-1004; 15-31-1005; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121; 15-70-101; 15-  
2 70-130; 15-70-433; 16-11-119; 16-11-509; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-215; 18-11-  
3 112; 19-3-319; 19-3-320; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-  
4 506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622; [20-15-328]; 20-26-617; 20-26-1503; 22-  
5 1-327; 22-3-116; 22-3-117; [22-3-1004]; 23-4-105; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 30-10-  
6 1004; 37-43-204; 37-50-209; 37-54-113; 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; [\[section 2\]](#); 44-12-213;  
7 44-13-102; 46-32-108; 50-1-115; 53-1-109; 53-6-148; 53-9-113; 53-24-108; 53-24-206; 60-5-530; 60-11-115;  
8 61-3-321; 61-3-415; 67-1-309; 69-3-870; 69-4-527; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 75-26-308; 76-  
9 13-150; 76-13-151; 76-13-417; 76-17-103; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518; 80-11-1006;  
10 81-1-112; 81-1-113; 81-7-106; 81-7-123; 81-10-103; 82-11-161; 85-2-526; 85-20-1504; 85-20-1505; [85-25-  
11 102]; 87-1-603; 87-5-909; 90-1-115; 90-1-205; 90-1-504; 90-6-331; and 90-9-306.

12 (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,  
13 paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued  
14 pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of  
15 Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined  
16 by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have  
17 statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the  
18 inclusion of 19-20-604 terminates contingently when the amortization period for the teachers' retirement  
19 system's unfunded liability is 10 years or less; pursuant to sec. 73, Ch. 44, L. 2007, the inclusion of 19-6-410  
20 terminates contingently upon the death of the last recipient eligible under 19-6-709(2) for the supplemental  
21 benefit provided by 19-6-709; pursuant to sec. 5, Ch. 383, L. 2015, the inclusion of 85-25-102 is effective on  
22 occurrence of contingency; pursuant to sec. 6, Ch. 423, L. 2015, the inclusion of 22-3-116 and 22-3-117  
23 terminates June 30, 2025; pursuant to sec. 12, Ch. 55, L. 2017, the inclusion of 37-54-113 terminates June 30,  
24 2023; pursuant to sec. 4, Ch. 122, L. 2017, the inclusion of 10-3-1304 terminates September 30, 2025;  
25 pursuant to sec. 1, Ch. 213, L. 2017, the inclusion of 90-6-331 terminates June 30, 2027; pursuant to secs. 5, 8,  
26 Ch. 284, L. 2017, the inclusion of 81-1-112, 81-1-113, and 81-7-106 terminates June 30, 2023; pursuant to sec.  
27 1, Ch. 340, L. 2017, the inclusion of 22-1-327 terminates July 1, 2023; pursuant to sec. 10, Ch. 374, L. 2017,  
28 the inclusion of 76-17-103 terminates June 30, 2027; pursuant to sec. 5, Ch. 50, L. 2019, the inclusion of 37-50-

1 209 terminates September 30, 2023; pursuant to sec. 1, Ch. 408, L. 2019, the inclusion of 17-7-215 terminates  
 2 June 30, 2029; pursuant to secs. 11, 12, and 14, Ch. 343, L. 2019, the inclusion of 15-35-108 terminates June  
 3 30, 2027; pursuant to sec. 7, Ch. 465, L. 2019, the inclusion of 85-2-526 terminates July 1, 2023; pursuant to  
 4 sec. 5, Ch. 477, L. 2019, the inclusion of 10-3-802 terminates June 30, 2023; pursuant to secs. 1, 2, 3, Ch. 139,  
 5 L. 2021, the inclusion of 53-9-113 terminates June 30, 2027; pursuant to sec. 8, Ch. 200, L. 2021, the inclusion  
 6 of 10-4-310 terminates July 1, 2031; pursuant to secs. 3, 4, Ch. 404, L. 2021, the inclusion of 30-10-1004  
 7 terminates June 30, 2027; pursuant to sec. 5, Ch. 548, L. 2021, the inclusion of 50-1-115 terminates June 30,  
 8 2025; pursuant to secs. 5 and 12, Ch. 563, L. 2021, the inclusion of 22-3-1004 is effective July 1, 2027; and  
 9 pursuant to sec. 15, Ch. 574, L. 2021, the inclusion of 46-32-108 terminates June 30, 2023.)"

11 **Section 6.** Section 90-1-135, MCA, is amended to read:

12 **"90-1-135. Special revenue accounts.** (1) There is a state special revenue account in the state  
 13 treasury for the receipt of state and private funds and a federal special revenue account in the state treasury for  
 14 the receipt of federal funds for expenditure by the state-tribal economic development commission established in  
 15 90-1-131.

16 (2) Money in the state special revenue account from proceeds distributed under 15-65-  
 17 121(2)(g)(2)(h) is to be used for activities for the Indian tourism region, defined in 15-65-101.

18 (3) Except as provided in subsection (2), money in the accounts established in subsection (1) must  
 19 be used to pay:

20 (a) the commission's administrative costs;

21 (b) the salary, benefits, and administrative expenses of the tribal business center coordinator and  
 22 the federal grants coordinator; and

23 (c) the costs of conducting or commissioning and periodically updating or otherwise modifying a  
 24 comprehensive assessment of economic development needs and priorities on each of the Indian reservations  
 25 in the state.

26 (4) Money in the accounts that is not expended for the purposes identified in subsection (2) or (3)  
 27 may be used for other purposes that the commission considers prudent or necessary.

28 (5) Interest and income earned on the money in the accounts must be deposited in the accounts

1 for the commission's use."

2  
3 NEW SECTION. Section 7. Codification instruction. [Sections 1 and 2] are intended to be codified  
4 as an integral part of Title ~~50~~ 44, chapter ~~54~~ 4, part ~~4~~ 15, and the provisions of Title ~~50~~ 44, chapter ~~54~~ 4, part ~~4~~  
5 15, apply to [sections 1 and 2].

6  
7 NEW SECTION. Section 8. Effective date. [This act] is effective July 1, 2023.

8  
9 NEW SECTION. Section 9. Applicability. [This act] applies to sales of accommodations or  
10 campgrounds that occur on or after [the effective date of this act] and to the use of accommodations or  
11 campgrounds on or after [the effective date of this act], even if the sale occurred before [the effective date of  
12 this act].

13  
14 NEW SECTION. Section 10. TERMINATION. [SECTIONS 1 THROUGH ~~5~~ 6] TERMINATE JUNE 30, 2027.

15 - END -