



AN ACT REVISING FUNDING FOR MEDICAID AND HEALTH AND SUPPORT SERVICES TO CHILDREN AND TO ADULTS WHO ARE AGED, BLIND, OR DISABLED; ALLOWING TOBACCO SETTLEMENT PROCEEDS AND STATE SPECIAL REVENUE FUNDS TO BE USED FOR CERTAIN MEDICAID AND HEALTH AND SUPPORT SERVICES; AND AMENDING SECTIONS 17-6-606 AND 53-4-1115, MCA.

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

**Section 1.** Section 17-6-606, MCA, is amended to read:

**"17-6-606. Tobacco settlement accounts -- purpose -- uses.** (1) The purpose of this section is to dedicate a portion of the tobacco settlement proceeds to fund statewide programs for tobacco disease prevention and other health and support services designed to:

- (a) discourage children from starting use of tobacco;
- (b) assist adults in quitting use of tobacco; and
- (c) provide funds for the children's health insurance program; and
- (d) provide assistance to children and adults who are aged, blind, or disabled.

(2) An amount equal to 32% of the total yearly tobacco settlement proceeds received after June 30, 2003, must be deposited in a state special revenue account. Subject to subsection (5), the funds referred to in this subsection may be used only for funding statewide programs for tobacco disease prevention designed to prevent children from starting tobacco use and to help adults who want to quit tobacco use. The department of public health and human services shall manage the tobacco disease prevention programs and shall adopt rules to implement the programs. In adopting rules, the department shall consider the standards contained in Best Practices for Comprehensive Tobacco Control Programs--August 1999 or its successor document, published by the U.S. department of health and human services, centers for disease control and prevention.

(3) An amount equal to 17% of the total yearly tobacco settlement proceeds received after June

30, 2003, must be deposited in a state special revenue account. Subject to subsection (5), the funds referred to in this subsection may be used only:

- (a) for matching funds to secure the maximum amount of federal funds for:
  - (i) the Children's Health Insurance Program Act provided for in Title 53, chapter 4, part 10;
  - (ii) home visiting through the maternal, infant, and early childhood program established in 42 U.S.C. 711 or Title IV-E prevention services;
  - (iii) the medicaid section 1115 waiver 0148.R07.00 for Montana residents who are elderly or physically disabled; and
  - (iv) the medicaid section 1115 waiver 0208.R07.00 to provide home and community-based services for individuals with developmental disabilities; and
- (b) to fund services for infants and toddlers with disabilities provided for in 34 CFR 303.13 and through the department of public health and human services' family education support program.

(4) Funds deposited in a state special revenue account, as provided in subsection (2) or (3), that are not appropriated within 2 years after the date of deposit must be transferred to the trust fund.

(5) The legislature shall appropriate money from the state special revenue accounts provided for in this section for programs for tobacco disease prevention, for the programs referred to in the subsection establishing the account, and for funding the tobacco prevention advisory board.

(6) Programs funded under this section that are private in nature may be funded through contracted services."

**Section 2.** Section 53-4-1115, MCA, is amended to read:

**"53-4-1115. Special revenue account.** (1) There is an account in the state special revenue fund to the credit of the department for the purposes provided in subsection (2). There must be paid into the account the amounts collected under 33-2-708(3)(b). Any interest or income derived from the account must be deposited in the account.

(2) Money in the account may be used only to:

(a) ~~is to be used solely to~~ cover the number of additional enrollees in the plan that exceeds the number of enrollees as of November 4, 2008, within the limits provided in 53-4-1004, 53-6-131, and this part,

and to cover the costs of enrollment, including premium assistance, under 53-4-1108(1), and to pay administrative costs associated with expanded eligibility, and to establish and maintain a reserve; and

(b) ~~may be used only to match federal funds available under:~~

(i) the children's health insurance program and the Montana medicaid program;

(ii) home visiting through the maternal, infant, and early childhood program established in 42 U.S.C. 711 or Title IV-E prevention services;

(iii) the medicaid section 1115 waiver 0148.R07.00 for Montana residents who are elderly or physically disabled; and

(iv) the medicaid section 1115 waiver 0208.R07.00 to provide home and community-based services for individuals with developmental disabilities; and

(c) to fund services for infants and toddlers with disabilities provided for in 34 CFR 303.13 and through the department of public health and human services' family education support program.

(3) The unexpended balance of an appropriation from the account must remain in the account and may be used only for the purposes stated in subsection (2).

(4) The special revenue account does not affect and is not exclusive of any other sources of funding for the programs described in 53-4-1104(2), including the special revenue account provided for in 53-4-1012.

(5) If the department determines that there is insufficient funding for the purposes of subsection (2), it may reduce eligibility requirements for participants in the children's health insurance program as provided in 53-4-1004(4)."

- END -

I hereby certify that the within bill,  
HB 576, originated in the House.

---

Chief Clerk of the House

---

Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2025.

---

President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2025.

HOUSE BILL NO. 576

INTRODUCED BY J. GILLETTE, M. CAFERRO

AN ACT REVISING FUNDING FOR MEDICAID AND HEALTH AND SUPPORT SERVICES TO CHILDREN AND TO ADULTS WHO ARE AGED, BLIND, OR DISABLED; ALLOWING TOBACCO SETTLEMENT PROCEEDS AND STATE SPECIAL REVENUE FUNDS TO BE USED FOR CERTAIN MEDICAID AND HEALTH AND SUPPORT SERVICES; AND AMENDING SECTIONS 17-6-606 AND 53-4-1115, MCA.