

1 HOUSE BILL NO. 408

2 INTRODUCED BY S. KERNS

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR PSYCHIATRIC OPPORTUNITY ZONES;
5 ALLOWING LOCAL GOVERNMENT INCENTIVES FOR MENTAL HEALTH PROFESSIONALS PRACTICING
6 IN A PSYCHIATRIC OPPORTUNITY ZONE; PROVIDING AN INCOME TAX CREDIT FOR MENTAL HEALTH
7 PROFESSIONALS PRACTICING IN A PSYCHIATRIC OPPORTUNITY ZONE; AMENDING SECTIONS 5-5-
8 225 AND 53-21-1002, MCA; AND PROVIDING EFFECTIVE DATES AND AN APPLICABILITY DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11
12 NEW SECTION. **Section 1. Psychiatric opportunity zones -- designation.** (1) No later than June
13 30 of each even-numbered year, the department shall provide the children, families, health, and human
14 services interim committee with a list of communities or counties to be designated as psychiatric opportunity
15 zones in an effort to enhance mental health services in the communities or counties.

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

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

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

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

26 (c) the unmet need for mental health services in the community or county. Indications of unmet need
27 include but are not limited to the number of individuals detained in a city or county jail because community
28 mental health treatment was unavailable and the number of community or county residents transported to the

1 Montana state hospital for an emergency or court-ordered detention.

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

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

12

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

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

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

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

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

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

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

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

26

27 **NEW SECTION. Section 3. Psychiatric opportunity zone tax credit.** (1) An individual taxpayer who
28 is a mental health professional holding a license as specified in this section is allowed a credit against taxes

1 otherwise due under this chapter if, during the tax year, the individual actively practiced in the mental health
2 field in a psychiatric opportunity zone designated by the legislature following the process provided for in [section
3 2].

4 (2) The tax credit:

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

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

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

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

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

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

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

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

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

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

19

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

21 **"5-5-225. Children, families, health, and human services interim committee.** (1) The children,
22 families, health, and human services interim committee has administrative rule review, draft legislation review,
23 program evaluation, and monitoring functions for the department of public health and human services and the
24 entities attached to the department for administrative purposes.

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

27

28 **Section 5.** Section 53-21-1002, MCA, is amended to read:

1 **"53-21-1002. Duties of department.** The department:

2 (1) shall take cognizance of matters affecting the mental health of the citizens of the state;

3 (2) shall initiate mental health care and treatment, prevention, and research as can best be

4 accomplished by community-centered services. The department shall initiate and operate services in

5 cooperation with local agencies, service area authorities, mental health professionals, and other entities

6 providing services to persons with mental illness.

7 (3) shall specifically address:

8 (a) provider contracting;

9 (b) service planning;

10 (c) preadmission screening and discharge planning;

11 (d) quality management;

12 (e) utilization management and review;

13 (f) consumer and family education; and

14 (g) rights protection;

15 (4) shall collect and disseminate information relating to mental health;

16 (5) shall prepare and maintain a comprehensive plan to develop public mental health services in the
17 state and to establish service areas;

18 (6) must receive from agencies of the United States and other state agencies, persons or groups of
19 persons, associations, firms, or corporations grants of money, receipts from fees, gifts, supplies, materials, and
20 contributions for the development of mental health services within the state;

21 (7) shall establish qualified provider certification standards by rule, which may include requirements
22 for national accreditation for mental health programs that receive funds from the department;

23 (8) shall perform an annual review and evaluation of mental health needs and services within the
24 state by region and evaluate the performance of programs that receive funds from the department for
25 compliance with federal and state standards;

26 (9) shall make recommendations on the designation of psychiatric opportunity zones as provided in
27 [section 2];

28 ~~(9)~~(10) shall coordinate state and community resources to ensure comprehensive delivery of services

1 to children with emotional disturbances, as provided in Title 52, chapter 2, part 3; and
2 ~~(40)(11)~~ shall coordinate the establishment of service area authorities, as provided in 53-21-1006, to
3 collaborate with the department in the planning and oversight of mental health services in a service area."
4

5 **NEW SECTION. Section 6. Codification instruction.** (1) [Sections 1 and 2] are intended to be
6 codified as an integral part of part of Title 53, chapter 21, part 10, and the provisions of Title 53, chapter 21, part
7 10, apply to [sections 1 and 2].

8 (2) [Section 3] is intended to be codified as an integral part of Title 15, chapter 30, part 23, and the
9 provisions of Title 15, chapter 30, part 23, apply to [section 3].
10

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

13 (2) [Section 1] is effective January 1, 2024.
14

15 **NEW SECTION. Section 8. Applicability.** [This act] applies to tax years beginning after December
16 31, 2023.
17

- END -