MINUTES

MONTANA HOUSE OF REPRESENTATIVES
59th LEGISLATURE - REGULAR SESSION

FREE CONFERENCE COMMITTEE ON HOUSE BILL 146

Call to Order: By **CHAIRMAN BRENT R. CROMLEY**, on April 14, 2005 at 10:30 A.M., in Room 472 Capitol.

ROLL CALL

Members Present:
Sen. Brent R. Cromley, Chairman (D)
Rep. George Everett (R)
Rep. Dave Gallik (D)
Rep. Christopher Harris (D)
Rep. Roger Koopman (R)
Sen. Jesse Laslovich (D)
Sen. Jim Shockley (R)

Members Excused: None.

Members Absent: None.

Staff Present: Britt Nelson, Committee Secretary
Valencia Lane, Legislative Branch

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing & Date Posted: HB 146, 4/13/2005
Executive Action:

HEARING ON HB 146

Opening Statement by Sponsor:

REP. DAVE GALLIK (D), HD 79, opened the hearing on **HB 146,** Civil false claims act.

The Senate Standing Committee Report on HB 146 was provided at the beginning of the meeting.

EXHIBIT(frh80hb0146a01)

REP. CHRISTOPHER HARRIS, HD 66, BOZEMAN commented that the Justice Department had approved SEN. GALLIK'S version of the bill which left only the criminal portions of HB 40. He thought that it would be helpful to make a comparison of what HB 146 would do and what HB 40 would do and make sure that they had not left anything out. He claimed that in the event that REP. GALLIK'S bill superceded his for the civil portion he would not challenge the use of HB 146. Exhibit 2 is a copy of HB 40.

EXHIBIT(frh80hb0146a02)

SEN. CROMLEY asked if the statue addressed in HB 40 covered both civil and criminal claims. An issue which he put forth was that his understanding of the Reverse False Claim Act was that the False Claim Act allowed the State to collect money that was fraudulently claimed. However, the Federal District Court held that the State could not collect money which was withheld. The Reverse False Claim Act said that this applied to all claims in which a corporation or an entity had withheld money which they owed to the State. He clarified that his question was: "Does REP. GALLIK'S bill also correct that situation?"

{Tape: 1; Side: A; Approx. Time Counter: 0 - 3.4}

REP. GALLIK responded that HB 146 was concerned with the repealing section of 17-8-231, MCA. He informed the Committee that this is where the concern was because 17-8-231 was also included within HB 40 and was amended in HB 40. This caught his attention because if they were going to repeal 17-8231 with HB 146 then it would necessarily do away with the entirety of Section 1 of HB 40. He thought that the appropriate thing to do would be to get rid of the repeal.

Valencia Lane interjected that she had drafted the amendments in conjunction with Ally Bovington. According to Ally they wanted to place the repealer back into HB 146, repeal 17-8-231. The reason for this is if they didn't, there would be a conflict

between 17-8-231 and HB 146. With the repealer in place, civil false claims will be addressed by HB 146 and HB 40 will address only criminal claims and liability. She mentioned that it was by the recommendation of the Attorney General's Office to replace the repealer in HB 146 with the intention that HB 40 would then address only criminal claims.

{Tape: 1; Side: A; Approx. Time Counter: 3.4 - 7.5}

CHAIRMAN CROMLEY clarified that in HB 40, Section 1 would be take out and Section 2 would remain.

REP. HARRIS asked where in HB 146 there was the language from Section 1 of HB 40.

Ms. Lane replied that she did not know if the language was identical. She insisted that Section 1 of HB 40 was intended to do the same thing as the entirety of HB 146.

{Tape: 1; Side: A; Approx. Time Counter: 7.5 - 9}

CHAIRMAN CROMLEY observed that HB 146 did not address the reverse false claims on the civil side.

REP. KOOPMAN stated that in Section 3 of HB 146, Subsections D and E, lines 13-18 the bill dealt with the holding of government property.

REP. GALLIK commented it appeared to him that included in HB 146 was Section 1 of HB 40; except he did not see the penalty amount included in HB 40.

SEN. CROMLEY indicated that it was included on the very last line on Page 1 of HB 40: "...or for the purpose of concealing, avoiding, or decreasing an obligation to pay a false or fraudulent claim, bill, account, voucher...."

{Tape: 1; Side: A; Approx. Time Counter: 9 - 12.2}

SEN. SHOCKLEY asked if anyone had discussed the fact that it might be argued that the 17-8-231 might be considered one solution to a false claim and that HB 146 be considered another solution and the State would be forced to take the lesser, which would be 17-8-231.

CHAIRMAN CROMLEY responded that they would have to consider this issue if they left 17-8-231 in existence. He expressed that the potential problem was why it's repeal was being considered.

REP. HARRIS asked if HB 146 was available to the government.

Ms. Lane replied that it was present on Page 4, Lines 4-6, new Section 5. She claimed that the lines were deliberately placed in the bill by the Department of Justice. These lines allow the Department of Justice to act on its own without waiting for a private party to file suit.

REP. HARRIS commented that he thought that HB 40 was better worded when it came to reverse false claims. He recommended they keep the repealer but take some of the language from Subsection B and plug it into HB 146. He claimed they could repeal Section 1 of HB 40 and take some of its language and place it into HB 146.

CHAIRMAN CROMLEY wanted to know if they wanted to have both a procedure for filing a claim and a procedure for a penalty. He thought this might bring in the argument poised by SEN. SHOCKLEY. He did not see the need for a civil penalty if the State or a person could file the claim.

REP. KOOPMAN questioned if withholding money that is owed back to the government rises to the same level as defrauding through a false claim. In HB 146 it would go up to a $10,000 penalty plus double or treble the damages. In the case of withholding money or property owed to the government the penalty would not exceed $2,000 and only double damages. He was inclined to think that they should be the same. He asked REP. HARRIS if he felt that the penalties should be less for withholding government property.

{Tape: 1; Side: A; Approx. Time Counter: 12.2 - 19.8}

CHAIRMAN CROMLEY questioned if REP KOOPMAN was referring to HB 40 and the penalty associated with the bill.

REP. KOOPMAN agreed that he was discussing the penalty from HB 40. He reiterated that the penalty for the reverse false claim in HB 40 would be $2,000 and double damages.

Ms. Lane stated that the question presently was concerning the repealer in HB 146.

CHAIRMAN CROMLEY expressed that his impression was that the gist of HB 40 Section 1 was fairly well covered in HB 146. His inclination was to leave the repealer in place.

REP. GALLIK agreed with CHAIRMAN CROMLEY because he thought that there were other issues given the fact that there were potentially conflicting provisions if they take some of the language out of Section 1, HB 40. This would arise because that

section specifically indicates that the penalty section would be $2,000 plus the amount of damages sustained as opposed to what could potentially happen under the provisions of Section 5, HB 146. He agreed that by following CHAIRMAN CROMLEY'S suggestion they would avoid that potential problem. He expressed concern over the potential double jeopardy issues which might arise if they were not to repeal the section of HB 40. It appeared to him that if they were going to have a penalty, even if it said a civil penalty, that would really be a civil penalty for the purposes of a determination of double jeopardy when that civil penalty is more in dollars than the criminal penalty.

{Tape: 1; Side: A; Approx. Time Counter: 18.2 - 23.9}

REP. HARRIS thought that the language from HB 40, "concealing, avoiding or decreasing an obligation to pay or transmit money or property to a State agency or its contractors" was superior and should be placed in HB 146. He was concerned with the language present in HB 146 which stated "...delivered less property or money than the amount for which the person receives a certificate or receipt." He mentioned that a person might not get a certificate or receipt in every transaction.

CHAIRMAN CROMLEY clarified that REP. HARRIS wanted to take the language he had just read from Hb 40 and put it into Section 3 of HB 146, then repeal Section 1 of HB 40 and leave the civil penalties.

Alley Bovington, Assistant Attorney General with the Department of Justice, noted that in HB 146 under Section 3, Subsection G, was the false claims language. She claimed that if they took REP. HARRIS' language proposal, instead of inserting another subsection under Section 3, they could just strike the language in Subsection G that they did not like and then replace it with the language from HB 40. As far as the discussion they have had about the repeal of Section 1 of HB 40, she explained that they had made that decision because when these bills were up before Senate Judiciary, there was concern that if both of the bills passed there would be conflicting penalty sections. They thought that the easiest way to address that, since HB 146 would address both a false claim and a reverse false claim, was to just have one section of the law dealing with it rather than have two different sections with different penalty provisions.

{Tape: 1; Side: A; Approx. Time Counter: 23.9 - 29.1}

CHAIRMAN CROMLEY clarified that the suggestion was that Section 3, Subsection G of HB 146 would then be stricken and then the language would read: "...knowingly or not knowingly concealing,

avoiding or decreasing an obligation to pay or transmit money or property to a State agency or its contractors."

Ms. Lane asserted that the wording was almost identical with the exception of 'or its contractors.'

REP. HARRIS agreed and suggested that they input 'or its contractors' to Subsection G.

Motion: REP. HARRIS moved that HB 146 BE AMENDED Page 2, Line 22 Following: "entity", Insert: "or its contractors."

Discussion:

REP. HARRIS wanted to be absolutely clear that HB 146 was equally available to governmental prosecutors.

REP. GALLIK affirmed this statement.

SEN. SHOCKLEY directed the Committee to look at Page 4, Line 4 of HB 146, new Section 5.

REP. HARRIS noted that this section contemplated that the citizen moves in and tries to prosecute the false claim and that if an intervening government attorney seeks a dismissal of a private citizens civil action the private citizen must be notified. He claimed that this section indicated that a private citizen had to move first and then a governmental agency could intervene and move second. This language was present in New Section 7.

{Tape: 1; Side: A; Approx. Time Counter: 29.1 - 34.2}

Ms. Lane interjected that New Section 5 was the section which needed to be looked at. She claimed that the Senate Judiciary Committee had specifically addressed that so the Department of Justice could act on its own and not wait to have a citizen bring the charges forth.

Vote: Motion carried unanimously by voice vote.

REP. KOOPMAN read Section 3 of HB 146, Subsection H: "...as a beneficiary of an inadvertent submission of a false claim to the government entity subsequently discovering the false claim and failing to disclose the false claim to the governmental entity within a reasonable time after discovery of the false claim." He expressed concern over the use of the words 'reasonable time.' He also mentioned the standard of 30 days in regard to Section A. He thought that they should make the reasonable time more specific. He was inclined to set a specific standard of 30, 60

or 90 days rather than have it remain 'reasonable time.' He asked REP. GALLIK what the reasoning had been for using that language.

{Tape: 1; Side: B; Approx. Time Counter: 0 - 2.8}

REP. GALLIK explained that the rationale was to gain uniformity with the Federal False Claims Act and those of the states surrounding Montana. The reason why the term was used was because in many areas of the law, when there are situations which would produce facts, particular to each case, it would allow the judge to make a determination based upon the argument of council regarding the reasonableness under those particular facts.

{Tape: 1; Side: B; Approx. Time Counter: 2.9 - 4.1}

SEN. SHOCKLEY viewed the issue as an affirmative defense, where the burden would be on the accused party to say that it was inadvertent. However, there would be a problem of proving when the fraud had been discovered. He was sympathetic to REP. KOOPMAN'S position, but he reiterated that they would have to establish when the defendant had discovered the error and then submitted a false claim.

CHAIRMAN CROMLEY was inclined to agree with SEN. SHOCKLEY because there were circumstances where an employee was indirectly receiving a benefit and there was a question of time of discovery. He felt that leaving a reasonable period was more flexible and better equipped to deal with the varying situations.

{Tape: 1; Side: B; Approx. Time Counter: 4.1 - 6.1}

REP. KOOPMAN followed up by asking about Section 3 Lines 3-5, HB 146. These lines dealt with the times when the court may not assess the $10,000 penalty in addition to the course of double or triple damages. The bill lays out criteria all of which need to be satisfied in order for the court to not automatically levee up to $10,000. He read Section C: "...at the time the person furnished the government attorney with the information about the act a criminal prosecution, civil action or administrative action had not been commenced with respect to the act and the person did not have an actual knowledge of the existence of an investigation into the act." He wondered if Section C was necessary. He thought that they should strike Subsection C.

REP. GALLIK asserted that the wording of this section was also closely related to the Federal False Claims Act. He cited Line 5 which stated, "...and the person did not have actual knowledge of the existence of an investigation into the act." He informed the

Committee that if a person had knowledge of the investigation then they would decide to avoid the penalties. He claimed that this would be a last minute out for the perpetrator to avoid something which they should not be able to do if they had actual knowledge.

{Tape: 1; Side: B; Approx. Time Counter: 6.1 - 11}

REP. KOOPMAN saw it both ways because he thought that they should try to create an incentive for them to come forward and he did not think that they should be rewarded. He mentioned Subsection 5, Line 11: "...private citizen or government entity may not file a complaint or civil action..." and Subsection A: "...against a governmental entity or an officer or employee of a governmental entity arising from conduct of the employee or officer related to the officer or employees service to the government entity." He was unsure why there was language in the bill which indicated that there couldn't be any complaint or civil action against a government employee that was some way involved in the fraud. He wondered about cases of conspiracy where an employee of the government is complicit in defrauding the government and would be sharing in the money that was being falsely collected.

{Tape: 1; Side: B; Approx. Time Counter: 11 - 15.1}

REP. GALLIK again stated that the wording was very similar to the Federal False Claims Act. He thought that the ability to go after someone who is a government employee is found in other sections of law.

REP. KOOPMAN asked if REP. GALLIK was satisfied that the situation which he presented would be fully prosecutable and that the penalties would be sufficient in those situations.

REP. GALLIK stated that he was satisfied.

REP HARRIS felt that REP. KOOPMAN had been making a good point because the wording could confer more immunity than they might intend. He knew that it was based on the Federal False Claims Act but he thought that they could change Section 5, Subsection A to say "...within the scope of the employees duties." This would mean that if the employee was engaged in corruption they would receive no immunity but if they were doing their job then they would be fine.

{Tape: 1; Side: B; Approx. Time Counter: 15.1 - 18.7}

REP. CROMLEY stated that when he first say this section was that it was ruling out a government employee bringing a suite based

upon services within his or her service to the governmental entity. He cited Line 12 which said "...may not file a claim against a government entity." The way it was worded seemed that it was not just an employee but a government entity. When he first saw this he thought that the intent was that an employee who knew about or was involved with fraud could not file a claim. He thought that maybe it should read "against a governmental entity, officer or employee of a governmental entity rising from the complainants."

REP. HARRIS suggested that they strike the language "a government entity or" and add "against a officer or employee of a governmental entity arising from the conduct of the officer or employee within the scope of the officer or employees duties to the government entity."

{Tape: 1; Side: B; Approx. Time Counter: 18.7 - 22.1}

REP. GALLIK noted that it was a policy decision they could make. He claimed that the decision at the time the bill was drafted was that there would not be under this particular cause of action an action against a governmental entity because there were other actions available to just that. This decision was based upon the Federal False Claims Act.

Ms. Bovington informed the Committee that the language needed to be in the bill because there were other statutes in the law which dealt with the government being defrauded by its own employees or officers. She claimed that the section being discussed was trying to avoid the use of the Civil False Claims Act as a process to harass government agencies. She mentioned the problems this would create in the realm of complaint processes. They did not want to open up the False Claims Process to have an overwhelming amount of complaints that could not be processed.

{Tape: 1; Side: B; Approx. Time Counter: 22.1 - 26.5}

CHAIRMAN CROMLEY was unsure of the intent of the subsection. He thought that it was to prevent suites by government employees arising from acts which they were involved in.

Ms. Bovington clarified that the intent was that private citizens may not file complaints against governmental entities although they could file on behalf of a governmental entity.

SEN. SHOCKLEY asked Ms. Bovington to give him an example of how Lines 12-13 on Page 3 would open the litigation door any wider in the guard/prisoner situation.

Ms. Bovington had no opposition to REP. HARRIS' language. She thought that he had captured what the intent of the language had been.

Ms. Lane clarified that REP. HARRIS had two parts to his motion: 1) strike "a governmental entity or" from Line 12, and 2) strike "related to the officer or employees service" and insert "within the scope of the employee or officers duties..." She noted that the Department was not objecting to the second change of language but did not want to lose the governmental entity.

{Tape: 1; Side: B; Approx. Time Counter: 26.5 - 33}

REP. HARRIS referred to Line 11. He wanted to know if the language would preclude the Department of Justice, since it was a governmental entity.

Ms. Lane suggested that at the end of Line 11 after "civil action" they insert "under this act" or "under provisions of Section 1-12." The reason she gave for having governmental entity there was because it was present all the way through the bill.

REP. HARRIS asked if there was an unintended result. He claimed that it could be used to prevent governmental entities from suing.

REP. GALLIK clarified that it meant a governmental entity could not sue in cases limited to subsections A, B and C.

Motion: SEN. SHOCKLEY moved that HB 146 BE AMENDED TO STRIKE "OR GOVERNMENTAL ENTITY" FROM LINE 11, SECTION 5, PAGE 3.

Discussion:

REP. HARRIS agreed with SEN. SHOCKLEY because these restrictions were meant to be on private citizens.

Vote: Motion carried unanimously by voice vote.

{Tape: 1; Side: B; Approx. Time Counter: 33 - 41.2}

SEN. HARRIS thought that the change of language might need to be made in other areas of the bill.

Motion: REP. HARRIS moved that HB 146 BE AMENDED TO READ LINES 12-13, PAGE 3 "AGAINST AN OFFICER OR EMPLOYEE OF A GOVERNMENTAL

ENTITY ARISING FROM THE CONDUCT BY THE OFFICER OR EMPLOYEE WITHIN THE SCOPE OF THE OFFICERS OR EMPLOYEES DUTIES TO THE GOVERNMENTAL ENTITY."

Discussion:

REP. KOOPMAN expressed support for REP HARRIS' motion. He wanted to know if by adding "in the scope of," would persons functioning in the areas of their job description in a corrupt manner be protected. He wondered if it was unnecessary to place 'proper' or some other qualifier in order to make it work.

CHAIRMAN CROWLEY agreed with the other changes but did not think that they should get rid of "governmental entity."

REP. HARRIS withdrew his motion without objection.

Substitute Motion/Vote: REP. HARRIS made a substitute motion that HB 146 BE AMENDED TO READ ON PAGE 3, LINE 12 "CONDUCT OF AN OFFICER OR EMPLOYEE WITHIN THE SCOPE OF THE OFFICER'S OR EMPLOYEE'S DUTIES TO THE GOVERNMENTAL ENTITY." The motion carried unanimously by voice vote.

REP. KOOPMAN wanted to know how a private citizen can take action when they have knowledge that another private citizen has defrauded the government. He wanted to know if their standing was because of the fact that they are a tax payer.

{Tape: 2; Side: A; Approx. Time Counter: 0 - 5.2}

SEN. SHOCKLEY claimed that it was the whole purpose of the bill.

REP. HARRIS repeated that the whole purpose of the bill was to allow individual citizens the ability to unveil corruption.

REP. KOOPMAN wanted to see a way in which they could provide incentive to government employees to discover corruption.

REP. GALLIK interjected that there was an incentive. He returned to Page 3, Subsection 5 under D Lines 24-28. He cited that it spelled out what a current or former government employee must do.

REP. KOOPMAN was concerned with the concept of the private party being a co-plaintiff or not being a co-plaintiff or becoming the only complainer. He went through the three scenarios possible. He was not sure why there needed to be a co-plaintiff. He also mentioned that the amount of money available to co-plaintiffs in Section 10 was significantly lower than the amount available in

Subsection 2 which was 25%-50% then in Subsection 1 which was 10%-15% if the individual is not involved in the action as a co-plaintiff. He was confused because in Subsection 2 there was no reference to a plaintiff or a co-plaintiff. He didn't think that there was a need for the co-plaintiff category. He referenced Section 6, Subsection 3.

REP. GALLIK left the room at 11:35 A.M.

{Tape: 2; Side: A; Approx. Time Counter: 5.2 - 14.9}

SEN. SHOCKLEY did not understand the problem. He cited that Page 4, Lines 4-5, Section 5 allowed the government the option to take over the damages.

REP. KOOPMAN reiterated that his question was concerned with the fact that if a person came forward, they would either cooperate with the government and give them the information or the government would decide not to go forward and the individual would take on the issue along with the expenses. In the later case they should receive a higher amount of damages but he restated that there was no need for the co-plaintive category.

{Tape: 2; Side: A; Approx. Time Counter: 14.9 - 19.2}

REP. HARRIS responded that he agreed that there was a lack of coverage for the co-plaintive's reimbursement. However, when it came to the need for a co-plaintive situation he felt that it was needed. He gave an example of the need for the co-plaintiff category.

CHAIRMAN CROMLEY noted that they were missing a section for the reimbursement amount awarded to co-plaintiffs.

Ms. Lane commented that the way the bill was originally drafted in Section 5 anticipated that there would be a complaint first by an individual and then the government could choose to sue. She thought that the intentions of the amendments were to allow the government to proceed on its own without having to wait for an individual to complain.

{Tape: 2; Side: A; Approx. Time Counter: 19.2 - 24}

REP. HARRIS interjected that there was a natural gap between 10%-15% and 25%-50%. He suggested that the gap be used for the percentage interval for awarding a co-plaintiff.

Ms. Bovington agreed with REP. HARRIS. She thought that Section 10 was aimed at only citizen complaints.

CHAIRMAN CROMLEY pointed out that Subsection 1, Line 17 stated "an action filed by a governmental entity."

Ms. Bovington clarified that this only applied to actions filed by the government under Section 6. She noted that Section 5 dealt with the governmental entity finding corruption and filing a complaint.

{Tape: 2; Side: A; Approx. Time Counter: 24 - 27.2}

SEN. SHOCKLEY thought that the figures 25%-50% on Line 25, Page 2 were there so that the judge could decide how much the private citizen deserved in a co-plaintiff situation.

REP. KOOPMAN suggested that they include additional language in Subsection 2 making it clear that it was referring to both individuals filing complaints or are co-plaintiffs. He wanted to include co-plaintiff in Category 2 and broaden the range to 15%-50% so that the judge can make the decision.

Motion: SEN. SHOCKLEY moved that HB 146 BE AMENDED TO READ ON LINE 22, PAGE 5 READ "15%" INSTEAD OF "25%."

Discussion:

SEN. SHOCKLEY claimed that this substitution would allow the judge flexibility to make the decision if a citizen was a plaintiff or a co-plaintiff.

{Tape: 2; Side: A; Approx. Time Counter: 27.2 - 32.5}

Substitute Motion/Vote: REP. HARRIS made a substitute motion on HB 146. REP. HARRIS moved that HB 146 BE AMENDED ON PAGE 5, LINE 21 FOLLOWING "PRIVATE CITIZEN" INSERT "EITHER AS PLAINTIFF OR AS CO-PLAINTIFF." AND ON LINE 22 STRIKE "25%" AND INSERT "15%." Substitute motion carried 5-1 by voice vote with SEN. LASLOVICH voting no.

{Tape: 2; Side: A; Approx. Time Counter: 32.5 - 36.6}

Motion: REP. KOOPMAN moved that HB 146 BE AMENDED ON NEW SECTION 11, PAGE 6 , LINES 18-19. HE MOVED TO STRIKE THE WORDS "AND THAT THE COURT FINDS WERE CLEARLY FRIVOLOUS OR BROUGHT SOLELY FOR HARASSMENT PURPOSES." HE MOVED TO RETURN IT TO THE ORIGINAL LANGUAGE WHICH CAME OUT OF THE HOUSE COMMITTEE.

Discussion:

CHAIRMAN CROMLEY clarified that the movement would allow attorney's fees against the loser in any case. He was opposed to this primarily because he thought it was deterrent to the purpose of the bill.

{Tape: 2; Side: A; Approx. Time Counter: 36.6 - 41}

SEN. DAN WEINBERG, SD 2, WHITEFISH, related a story of a friend who had filed one of the largest false claim judgment in U.S. history. He thought that the whole object of having this section was to create the incentive to bring individuals forward with these judgments so that the State could get its money back. He felt that the previous amendment had taken away some of that incentive. He asserted that if the frivolous language was removed than all of the incentive would be removed and the bill would be useless. He encouraged the Committee to leave the language in the bill.

{Tape: 2; Side: A; Approx. Time Counter: 41 - 46.8}

SEN. KOOPMAN did not think that removing the frivolous language would destroy the bill or take away incentives. He thought that it would create a higher threshold containing the effects of bad press and false claims. He felt that the removal of this language would save money for the State because it would not have to pay out to as many co-plaintiffs.

REP HARRIS opposed the motion on the basis that there were already rules in place that would safe guard the prevention of any false filing.

CHAIRMAN CROMLEY indicated that there might be instances where a case was dismissed even though it was a good claim where an individual deserved to have their fees covered.

REP. GALLIK returned at 11:55 A.M.

{Tape: 2; Side: B; Approx. Time Counter: 0 - 8}

Vote: Motion failed 2-5 by voice vote with REP. KOOPMAN and REP. EVERETT voting aye.

Motion/Vote: REP. HARRIS moved that HB 146 BE ADOPTED AS AMENDED. Motion carried 6-1 by voice vote with REP. KOOPMAN voting no.

<u>Motion/Vote</u>: REP. GALLIK moved ADJOURNMENT. Motion carried unanimously.

ADJOURNMENT

Adjournment: 12:00 A.M.

_____
SEN. BRENT CROMLEY, Chairman

_____
BRITT NELSON, Secretary

GE/BC/bn

Additional Exhibits:

EXHIBIT(frh80hb0146aad0.PDF)