SENATE JOURNAL
63RD LEGISLATURE
SIXTY-SEVENTH LEGISLATIVE DAY

Helena, Montana — Senate Chambers
March 28, 2013 — State Capitol

Senate convened at 10:00 a.m. President Essmann presiding. Invocation by Father Jerry Lowney. Pledge of Allegiance to the Flag.

Roll Call. All members present, except Senators Augare and Phillips, excused. Quorum present.

Katy Kemmick, member of an all-girl band from Billings, and one of the Senate pages for the past week, played guitar and sang for the Senate.

BILLS AND JOURNALS (Buttrey, Chair): 3/28/2013

Correctly printed: **SB 280**, **SB 381**, **SB 384**, **SB 405**, **SB 406**, **SJR 25**, **HB 9**, **HB 106**, **HB 116**, **HB 117**, **HB 118**, **HB 127**, **HB 170**, **HB 208**, **HB 217**, **HB 256**, **HB 287**, **HB 297**, **HB 322**, **HB 359**, **HB 415**, **HB 488**, **HB 513**, **HB 522**, **HB 566**, **HJR 5**, **HJR 9**.
Correctly engrossed: **SR 32**, **HB 104**, **HB 299**, **HB 388**, **HB 451**, **HB 502**.
Correctly enrolled: **SB 125**, **SB 165**, **SB 185**, **SB 224**, **SB 259**, **SB 316**.
Examined by the sponsor and found to be correct: **SB 45**, **SB 48**, **SB 116**, **SB 125**, **SB 165**, **SB 185**, **SB 194**, **SB 224**, **SB 259**, **SB 316**, **SR 5**, **SR 6**, **SR 11**, **SR 17**, **SR 25**, **SR 27**.
Transmitted to the House: **SB 178**, **SB 375**, **HB 71**, **HB 283**, **HB 328**, **HB 402**, **HB 455**, **HB 462**.
Signed by the Speaker at 5:00 p.m., March 27, 2013: **SB 128**, **SB 134**, **SB 137**, **SB 139**, **SB 172**, **SB 230**, **SB 249**, **SB 270**, **SB 293**, **SB 312**.
Delivered to the Governor at 12:15 p.m., March 28, 2013: **SB 128**, **SB 134**, **SB 137**, **SB 139**, **SB 172**, **SB 230**, **SB 249**, **SB 270**, **SB 293**, **SB 312**.

REPORTS OF STANDING COMMITTEES

BUSINESS, LABOR, AND ECONOMIC AFFAIRS (Sonju, Chair): 3/22/2013
SR 35, be adopted. Report adopted.
SR 36, be adopted. Report adopted.
SR 37, be adopted. Report adopted.
SR 38, be adopted. Report adopted.
SR 39, be adopted. Report adopted.

BUSINESS, LABOR, AND ECONOMIC AFFAIRS (Sonju, Chair): 3/27/2013
HB 259, be amended as follows:

1. Title, line 11.
Following: "FOR"

Insert: "CERTIFICATION OR"

2. Page 1, line 17.
Strike: "**Relevant**" through "**licensure**"
Insert: "Military training or experience to satisfy licensing or certification requirements -- rulemaking"

3. Page 1, line 18.
Following: "provide that"
Strike: "licensing"
Insert: "certification or licensure"

4. Page 1, line 22.
Following: "(2)"
Insert: "(a)"
Following: "for"
Insert: "certification or"
Following: "board"
Strike: ","

5. Page 1, line 24.
Following: "relevant"
Insert: "certification or"

6. Page 1, following line 24.
Insert: "(b) The department and each licensing board shall, upon presentation of satisfactory evidence by an applicant for certification or licensure, accept education, training, or service completed by an individual as a member of the armed forces or reserves of the United States, the national guard of a state, or the military reserves toward the qualifications to receive the license or certification."

And, as amended, be concurred in. Report adopted.

BUSINESS, LABOR, AND ECONOMIC AFFAIRS (Sonju, Chair): 3/28/2013
SB 400, introduced bill, be amended as follows:

1. Title, page 1, line 5.
Following: "ACT; ESTABLISHING"
Insert: "LICENSING AND OTHER"

2. Title, page 1, line 9.
Strike: "AND PROVIDING A PENALTY"
Insert: "EXPANDING THE EXISTING RULEMAKING AUTHORITY OF THE DEPARTMENT OF LABOR AND INDUSTRY; AND AMENDING SECTIONS 37-60-101, 37-60-103, 37-60-202, 37-60-301, 37-60-303, 37-60-304, 37-60-405, AND 46-9-510, MCA"

3. Page 1, line 13.
Strike: "8"
Insert: "5"

4. Page 1, line 16.
Strike: "8"
Insert: "5"

5. Page 1, line 18.
Following: "means"
Insert: "a surety or"
Strike: "by the commissioner" through "33-17-211"
Insert: "as a surety insurance producer under Title 33, chapter 17"

6. Page 1, line 24.
Following: "(3)"
Insert: "(a)"
Strike: ":"
Insert: "a person who is licensed under Title 37, chapter 60, and who is employed by or"

7. Page 1, line 25.
Strike: "(a) a person who is"
Strike: "depositor of bail"
Insert: "surety"

8. Page 1, line 26.
Strike: "investigate, keep under surveillance, locate, or"
Insert: "apprehend and"

9. Page 1, lines 27.
Following: "officer"
Insert: "."
Strike: "; and"

10. Page 1, lines 28 through 30.
Strike: subsection (b) in its entirety
Insert: "(b) A bail fugitive recovery agent who is in the course of apprehending and arresting a bail fugitive may conduct an investigation as provided in 37-60-101(21)(b) without being licensed as a private investigator."

11. Page 2, line 1.
Strike: ""Depositor of bail""
Insert: ""Surety""

12. Page 2, line 4.

Following: "**fugitive**"
Insert: "**-- title reserved**"

13. Page 2, line 6.
Strike: "bail bond agent,"
Strike: ", or a depositor of bail"
Following: "."
Insert: "If a bail bond agent or a surety apprehends, detains, or arrests a bail fugitive, the bail bond agent or surety must be licensed as a bail fugitive recovery agent."

14. Page 2, line 7.
Following: "prohibit"
Strike: "the surrender of a defendant or"
Following: "pursuant to"
Insert: "46-6-502 or a surrender under"

15. Page 2, line 8.
Following: "46-9-510"
Insert: "unless the person arrested is a bail fugitive"

16. Page 2.
Following: line 8
Insert: "(3) A person may not use the title of bail fugitive recovery agent or bounty hunter unless the person is licensed as a bail fugitive recovery agent under Title 37, chapter 60."

17. Page 2, line 10 through line 23.
Strike: section 4 in its entirety
Renumber: subsequent sections

18. Page 2, line 25.
Following: "**authority**"
Insert: "**-- out-of-state requirements**"
Following: "**authority.**"
Insert: "(1)"

19. Page 2, line 27.
Strike: "depositor of bail"
Insert: "surety"

20. Page 2, line 29.
Strike: "(1)"
Insert: "(a)"
Renumber: subsequent subsections

21. Page 3.

Following: line 3
Insert: "(2) An out-of-state bail fugitive recovery agent shall, in addition to having the documentation required under subsection (1), notify the board of licensure with another state during the time the out-of-state bail fugitive recovery agent is operating in this state or provide documentation to the board of having a contract with a bail bond agent in Montana."

22. Page 3, line 17.
Strike: "depositor of bail"
Insert: "surety"

23. Page 3, line 23 through line 29.
Strike: section 7 through section 8 in their entirety
Insert: "Section 6. Section 37-60-101, MCA, is amended to read:

"37-60-101. Definitions. As used in this chapter, the following definitions apply:

(1) "Alarm response runner" means an individual employed by an electronic security company, a contract security company, or a proprietary security organization to respond to security alarm system signals.

(2) "Armed" means an individual who at any time wears, carries, or possesses a firearm in the performance of professional duties.

(3) "Armed carrier service" means any person or security company who transports or offers to transport under armed private security guard from one place to another any currency, documents, papers, maps, stocks, bonds, checks, or other items of value that require expeditious delivery.

(4) "Armed private investigator" means a private investigator who at any time wears, carries, or possesses a firearm in the performance of the individual's duties.

(5) "Armed private security guard" means an individual employed by a contract security company or a proprietary security organization whose duty or any portion of whose duty is that of a security guard, armored car service guard, or carrier service guard and who at any time wears or carries a firearm in the performance of the individual's duties.

(6) "Armored car service" means any person or security company who transports or offers to transport under armed private security guard from one place to another any currency, jewels, stocks, bonds, paintings, or other valuables of any kind in a specially equipped motor vehicle that offers a high degree of security.

(7) "Bail bond agent" has the meaning provided in [section 2].

(8) "Bail fugitive" has the meaning provided in [section 2].

(9) "Bail fugitive recovery agent", also known as a bounty hunter, has the meaning provided in [section 2]. A bail fugitive recovery agent is not required to be licensed as a private investigator but may conduct activities under subsection (21)(b) of this section for the purposes of apprehending or arresting a bail fugitive for surrender to the appropriate court, detention facility, or peace officer.

~~(7)~~(10) "Board" means the board of private security provided for in 2-15-1781.

~~(8)~~(11) "Branch office" means any office of a licensee within the state, other than its principal place of business within the state.

~~(9)~~(12) "Contract security company" means any person who undertakes to provide a private

security guard, alarm response runner, armored car service, street patrol service, or armed carrier service on a contractual basis to another person who exercises no direction and control over the performance of the details of the services rendered.

~~(10)~~(13) "Department" means the department of labor and industry provided for in 2-15-1701.

~~(11)~~(14) (a) "Electronic security company" means a person who sells, installs, services, or maintains a security alarm system and who undertakes to hire, employ, and provide alarm response runners and security alarm installers on a contractual basis to another person who does not exercise direction and control over the performance of the services rendered.

(b) The term does not include a person whose primary business is that of a locksmith and who may also install closed-circuit television cameras and battery-operated door devices.

~~(12)~~(15) "Firearms course" means the course approved by the board and conducted by a firearms instructor.

~~(13)~~(16) "Firearms instructor" means an individual who has been approved by the board to instruct firearms courses in the use of weapons.

~~(14)~~(17) "Insurance adjuster" means a person employed by an insurance company, other than a private investigator, who for any consideration conducts investigations in the course of adjusting or otherwise participating in the disposal of any claims in connection with a policy of insurance but who does not perform surveillance activities or investigate crimes against the United States or any state or territory of the United States.

~~(15)~~(18) "Licensee" means a person licensed under this chapter.

~~(16)~~(19) "Paralegal" or "legal assistant" means a person qualified through education, training, or work experience to perform substantive legal work that requires knowledge of legal concepts and that is customarily but not exclusively performed by a lawyer and who may be retained or employed by one or more lawyers, law offices, governmental agencies, or other entities or who may be authorized by administrative, statutory, or court authority to perform this work.

~~(17)~~(20) "Person" means an individual, firm, company, association, organization, partnership, or corporation.

~~(18)~~(21) "Private investigator" means a person other than an insurance adjuster who for any consideration makes or agrees to make any investigation with reference to:

(a) crimes against the United States or any state or territory of the United States;

(b) the identity, habits, conduct, business, occupation, honesty, integrity, trustworthiness, efficiency, loyalty, activity, movement, location, affiliations, associations, transactions, reputation, or character of any person;

(c) the location, disposition, or recovery of lost or stolen property;

(d) the cause or responsibility for fires, libels, losses, accidents, or injury to persons or property; or

(e) gathering evidence to be used before any court, board, officer, or investigating committee.

~~(19)~~(22) "Private security guard" means an individual employed or assigned duties to protect a person or property or both a person and property from criminal acts and whose duties or any portion of whose duties include but are not limited to the prevention of unlawful entry, theft, criminal mischief, arson, or trespass on private property or the direction of the movements of the public in public areas.

~~(20)~~(23) "Process server" means a person described in 25-1-1101(1).

~~(21)~~(24) "Proprietary security organization" means any person who employs a private

security guard, alarm response runner, armored car service, street patrol service, or armed carrier service on a routine basis solely for the purposes of that person and exerts direction and control over the performance of the details of the service rendered.

~~(22)~~(25) "Resident manager" means the person appointed to exercise direct supervision, control, charge, management, or operation of each office located in this state where the business of the licensee is conducted.

~~(23)~~(26) (a) "Security alarm installer" means an individual who sells, installs, services, or maintains security alarm systems to detect and signal unauthorized intrusion, movement, break-in, or criminal acts and is employed by an electronic security company.

(b) The term does not include a person whose primary business is that of a locksmith and who may also install closed-circuit television cameras and battery-operated door devices.

~~(24)~~(27) (a) "Security alarm system" means an assembly of equipment and devices or a single device or a portion of a system intended to detect or signal or to both detect and signal unauthorized intrusion, movement, or criminal acts at a location.

(b) The term does not include systems that monitor temperature, humidity, or any other atmospheric condition not directly related to the detection of an unauthorized intrusion or criminal act at a location.

~~(25)~~(28) "Security company" means an electronic security company, a proprietary security organization, or a contract security company.

~~(26)~~(29) "Street patrol service" means a person providing patrols by means of foot, vehicle, or other method of transportation using public streets, thoroughfares, or property in the performance of the person's duties and responsibilities.

~~(27)~~(30) "Unarmed private investigator" means a private investigator who does not wear, carry, or possess a firearm in the performance of the individual's duties.

~~(28)~~(31) "Unarmed private security guard" means an individual who is employed by a contract security company or a proprietary security organization, whose duty or any portion of whose duty is that of a private security guard, armored car service guard, or alarm response runner, and who does not wear, carry, or possess a firearm in the performance of those duties.""

Insert: "Section 7. Section 37-60-103, MCA, is amended to read:

"37-60-103. Purpose. The purpose of this chapter is to increase the levels of integrity, competency, and performance of security companies and their employees who are required to be licensed, firearms instructors, private investigators, bail fugitive recovery agents, and process servers to safeguard the public health, safety, and welfare against illegal, improper, or incompetent actions committed by security companies and their licensed employees, firearms instructors, private investigators, or process servers.""

Insert: "Section 8. Section 37-60-202, MCA, is amended to read:

"37-60-202. Rulemaking power. The board shall adopt and enforce rules:

(1) fixing the qualifications of resident managers, licensees, holders of identification cards, and process servers, in addition to those prescribed in Title 25, chapter 1, part 11, and in this chapter, necessary to promote and protect the public welfare;

(2) establishing, in accordance with 37-1-134, application fees for original licenses and identification cards, and providing for refunding of any fees;

(3) (a) requiring approval of the board prior to the establishment of branch offices of any licensee; and

(b) establishing qualification requirements and license fees for branch offices identified in

subsection (3)(a);

(4) for the certification of private investigator, private security guard, security alarm installer, ~~and~~ alarm response runner, and bail fugitive recovery agent training programs, including the certification of firearms training programs;

(5) for the licensure of firearms instructors;

(6) for the approval of weapons;

(7) requiring licensees, except process servers, to file an insurance policy with the board; and

(8) providing for the issuance of probationary identification cards for private investigators and security alarm installers who do not meet the requirements for age, employment experience, or written examination.""

Insert: "Section 9. Section 37-60-301, MCA, is amended to read:

"37-60-301. License required -- process server registration required. (1) (a) Except as provided in 37-60-105, it is unlawful for any person to act as or perform the duties, as defined in 37-60-101, of a contract security company, a proprietary security organization, an electronic security company, a branch office, a private investigator, a security alarm installer, an alarm response runner, a resident manager, a certified firearms instructor, ~~or~~ a private security guard, or a bail fugitive recovery agent without having first obtained a license from the board.

(b) Except as provided in 25-1-1101(2), it is unlawful for any person to act as or perform the duties of a process server for more than 10 services of process in a calendar year without being issued a certificate of registration by the board.

(2) It is unlawful for any unlicensed person to act as, pretend to be, or represent to the public that the person is licensed as a contract security company, a proprietary security organization, an electronic security company, a branch office, a private investigator, a security alarm installer, an alarm response runner, a resident manager, a certified firearms instructor, ~~or~~ a private security guard, or a bail fugitive recovery agent.

(3) A person appointed by the court as a confidential intermediary under 42-6-104 is not required to be licensed under this chapter. A person who is licensed under this chapter is not authorized to act as a confidential intermediary, as defined in 42-1-103, without meeting the requirements of 42-6-104.

(4) A person who knowingly engages an unlicensed contract security company, proprietary security organization, electronic security company, branch office, private investigator, security alarm installer, alarm response runner, resident manager, certified firearms instructor, ~~or~~ private security guard, or bail fugitive recovery agent is guilty of a misdemeanor punishable under 37-60-411.

(5) A bail bond agent, a surety, or a person licensed as a private investigator may not apprehend or make an arrest of a bail fugitive unless licensed as a bail fugitive recovery agent under this chapter.""

Insert: "Section 10. Section 37-60-303, MCA, is amended to read:

"37-60-303. License or registration qualifications. (1) Except as provided in subsection (7)(a), an applicant for licensure under this chapter or an applicant for registration as a process server under this chapter is subject to the provisions of this section and shall submit evidence that the applicant:

(a) is at least 18 years of age;

(b) is a citizen of the United States or a legal, permanent resident of the United States;

(c) has not been convicted in any jurisdiction of any felony or any crime involving moral turpitude or illegal use or possession of a dangerous weapon, for which a full pardon or similar relief has not been granted;

(d) has not been judicially declared incompetent by reason of any mental defect or disease or, if so declared, has been fully restored;

(e) is not suffering from habitual drunkenness or from narcotics addiction or dependence;

(f) is of good moral character; and

(g) has complied with other experience qualifications as may be set by the rules of the board.

(2) In addition to meeting the qualifications in subsection (1), an applicant for licensure as a private security guard, security alarm installer, ~~or~~ alarm response runner, or bail fugitive recovery agent shall:

(a) complete the requirements of a training program certified by the board and provide, on a form prescribed by the department, written notice of satisfactory completion of the training; and

(b) fulfill other requirements as the board may by rule prescribe.

(3) In addition to meeting the qualifications in subsection (1), each applicant for a license to act as a private investigator shall submit evidence under oath that the applicant:

(a) is at least 21 years of age;

(b) has at least a high school education or the equivalent;

(c) has not been dishonorably discharged from any branch of the United States military service; and

(d) has fulfilled any other requirements as the board may by rule prescribe.

(4) The board may require an applicant to demonstrate by written examination additional qualifications as the board may by rule require.

(5) An applicant for a license as a private security patrol officer, ~~or~~ private investigator, or bail fugitive recovery agent who will wear, carry, or possess a firearm in performance of the applicant's duties shall submit written notice of satisfactory completion of a firearms training program certified by or satisfactory to the board, as the board may by rule prescribe.

(6) Except for an applicant subject to the provisions of subsection (7)(a), the board shall require a background investigation of each applicant for licensure or registration under this chapter that includes a fingerprint check by the Montana department of justice and the federal bureau of investigation.

(7) (a) A firm, company, association, partnership, limited liability company, corporation, or other entity that intends to engage in business governed by the provisions of this chapter must be incorporated under the laws of this state or qualified to do business within this state and must be licensed by the board or, if doing business as a process server, must be registered by the board.

(b) Individual employees, officers, directors, agents, or other representatives of an entity described in subsection (7)(a) who engage in duties that are subject to the provisions of this part must be licensed pursuant to the requirements of this part or, if doing business as a process server, must be registered by the board.""

Insert: "Section 11. Section 37-60-304, MCA, is amended to read:

"37-60-304. Licenses and registration -- application form and content. (1) An application for a license or for a certificate of registration as a process server must be submitted to the department and accompanied by the application fee set by the board.

(2) An application must be made under oath and must include:

(a) the full name and address of the applicant;

(b) the name under which the applicant intends to do business;

(c) a statement as to the general nature of the business in which the applicant intends to engage;

(d) a statement as to whether the applicant desires to be licensed as a contract security company, a proprietary security organization, an electronic security company, a branch office, a certified firearms instructor, a private investigator, a security alarm installer, an alarm response runner, a resident manager, ~~or~~ a private security guard, or a bail fugitive recovery agent or registered as a process server;

(e) except for an applicant pursuant to 37-60-303(7)(a), one recent photograph of the applicant, of a type prescribed by the department, and one classifiable set of the applicant's fingerprints;

(f) a statement of the applicant's age and experience qualifications, except for an applicant pursuant to 37-60-303(7)(a); and

(g) other information, evidence, statements, or documents as may be prescribed by the rules of the board.

(3) The board shall verify the statements in the application.

(4) The submittal of fingerprints is a prerequisite to the issuance of a license or certificate of registration to an applicant, other than an applicant under 37-60-303(7)(a), by means of fingerprint checks by the Montana department of justice and the federal bureau of investigation.""

Insert: "Section 12. Section 37-60-405, MCA, is amended to read:

"37-60-405. Approval of weapons. The weapons to be carried by armed licensees or holders of identification cards as private security personnel, ~~or~~ private investigators, or bail fugitive recovery agents licensed under this chapter must be approved by the board.""

Insert: "Section 13. Section 46-9-510, MCA, is amended to read:

"46-9-510. Surrender of defendant. (1) At any time before the forfeiture of bail or within 90 days after forfeiture:

(a) the defendant may surrender to the court or any peace officer of this state; or

(b) the surety ~~company~~ licensed as a bail fugitive recovery agent under Title 37, chapter 60, or acting through a licensed bail fugitive recovery agent may arrest the defendant and surrender the defendant to the court, any peace officer, or any detention center facility of this state.

(2) The peace officer or detention center facility shall detain the defendant in custody as upon commitment and shall file a certificate, acknowledging the surrender, in the court having jurisdiction of the defendant. The court shall then order the bail exonerated.""

Renumber: subsequent section

24. Page 4, line 1.
Strike: "8"
Insert: "5"

25. Page 4, line 2.
Strike: "8"
Insert: "5"

And, as amended, do pass. Report adopted.

EDUCATION AND CULTURAL RESOURCES (Peterson, Chair): 3/22/2013
SR 29, be adopted. Report adopted.

FISH AND GAME (Brenden, Chair): 3/26/2013
SB 397, do pass. Report adopted.

LOCAL GOVERNMENT (Buttrey, Chair): 3/27/2013
HB 446, be concurred in. Report adopted.
HB 546, be concurred in. Report adopted.

NATURAL RESOURCES (Vincent, Chair): 3/27/2013
SB 396, do pass. Report adopted.
SB 401, do pass. Report adopted.
HB 392, be concurred in. Report adopted.
HB 533, be concurred in. Report adopted.
HB 547, be amended as follows:

1. Page 1.
Following: line 23
Insert: "(5) The list of applicable permits and timelines may not include federal timelines or federal approvals for projects that include a federal partner."

And, as amended, be concurred in. Report adopted.

HB 564, be concurred in. Report adopted.

STATE ADMINISTRATION (Arthun, Chair): 3/22/2013
SR 23, be adopted. Report adopted.

STATE ADMINISTRATION (Arthun, Chair): 3/27/2013
SR 22, **preliminary report**, be adopted. Report adopted.
SR 24, **not** be adopted. Report adopted.
HB 30, be concurred in. Report adopted.
HB 46, be concurred in. Report adopted.
HB 78, be concurred in. Report adopted.
HB 95, be concurred in. Report adopted.
HB 122, be concurred in. Report adopted.
HB 145, be concurred in. Report adopted.
HB 320, be concurred in. Report adopted.
HB 410, be concurred in. Report adopted.
HB 448, be concurred in. Report adopted.
HB 461, be concurred in. Report adopted.
HB 498, be concurred in. Report adopted.
HB 552, be concurred in. Report adopted.

HB 554, be amended as follows:

1. Page 2, line 5 through line 11.
Strike: line 5 through line 11 in their entirety
Insert: "(c) Unused employer contributions must be transferred to an account as provided in 2-18-703 for a legislator who is a state employee and who has contributions paid for by another agency when the legislature is not in session."

And, as amended, be concurred in. Report adopted.

TAXATION (Tutvedt, Chair): 3/27/2013
SB 282, introduced bill, be amended as follows:

1. Title, page 1, line 20 through line 21.
Strike: "15-31-907" on page 1, line 20 through "15-31-908," on line 21

2. Page 2, line 24.
Strike: "and"

3. Page 2, line 26.
Following: "income"
Insert: "; and
(g) a deduction for an income distribution from an estate or trust to a beneficiary that was included in the federal taxable income of an estate or trust in accordance with sections 651 and 661 of the Internal Revenue Code, 26 U.S.C. 651 and 661"

4. Page 3, line 3.
Strike: "(iii) tribal source income;"

5. Page 3, line 12.
Strike: "and"

6. Page 3, line 15.
Following: "residence"
Insert: ";
(f)(i) except as provided in subsection (3)(f)(ii), the first $3,830 of all pension and annuity income received as defined in 15-30-2101 for each taxpayer filing singly, head of household, or married filing separately and the first $7,660 of all pension and annuity income in the case of married taxpayers filing jointly;
(ii) for pension and annuity income described under subsection (3)(f)(i), as follows:
(A) each taxpayer filing singly, head of household, or married filing separately shall reduce the total amount of the exclusion provided in subsection (3)(f)(i) by $2 for every $1 of federal adjusted gross income in excess of $31,920 as shown on the taxpayer's return;
(B) in the case of married taxpayers filing jointly, if both taxpayers are receiving pension or annuity income or if only one taxpayer is receiving pension or annuity income, the exclusion

claimed as provided in subsection (3)(f)(i) must be reduced by $2 for every $1 of federal adjusted gross income in excess of $63,840 as shown on their joint return;

(g) a deduction for an income distribution from an estate or trust to a beneficiary in accordance with sections 651 and 661 of the Internal Revenue Code, 26 U.S.C. 651 and 661, recalculated according to subsections (2) and (3)(a) through (3)(e); and

(h) for each taxpayer that has attained the age of 65, an additional subtraction calculated pursuant to subsection (4).

(4)(a) Except as provided in subsection (4)(c), each taxpayer that has attained the age of 65 before the close of the taxpayer's tax year is entitled to elect an additional subtraction from federal taxable income under subsection (4)(a)(i) or (4)(a)(ii) equal to:

(i) (A) $2,600 for each taxpayer filing singly, head of household, or married filing separately or, in the case of married taxpayers filing jointly, if only one spouse has attained the age of 65;

(B) subject to subsection (4)(b), $5,200 in the case of married taxpayers filing jointly if both spouses have attained the age of 65; or

(ii) (A) up to $5,200 of premium payments for medical care and long-term care insurance premium payments as provided in subsection (4)(d) for each taxpayer filing singly, head of household, or married filing separately or, in the case of married taxpayers filing jointly, if only one spouse has attained the age of 65;

(B) subject to subsection (4)(b), up to $10,400 of premium payments for medical care and long-term care insurance premium payments as provided in subsection (4)(d) in the case of married taxpayers filing jointly if both spouses have attained the age of 65.

(b) Married taxpayers filing jointly who have both attained the age of 65 by the close of the taxpayers' tax year shall use the same election and are not entitled to split the elections in subsection (4)(a)(i) and (4)(a)(ii).

(c) The election amounts in subsections (4)(a)(i) and (4)(a)(ii) are reduced as follows:

(i) each taxpayer filing singly, head of household, or married filing separately or, in the case of married taxpayers filing jointly, if only one spouse has attained the age of 65 shall reduce the total amount of the subtraction provided in subsection (4)(a)(i) and (4)(a)(ii) by $1 for every $10 of federal adjusted gross income in excess of $50,000 as shown on the taxpayer's return;

(ii) in the case of married taxpayers filing jointly if both spouses have attained the age of 65, the taxpayers shall reduce the total amount of the subtraction provided in subsection (4)(a)(i) and (4)(a)(ii) by $1 for every $10 of federal adjusted gross income in excess of $100,000 as shown on the taxpayer's return.

(d) For the purpose of subsection (4)(a)(ii):

(i) a subtraction is allowed only to the extent that the amount was not already excluded as a deduction or expense in determining federal taxable income or claimed as a credit under 15-30-2366;

(ii) "long-term care insurance premium payments" means long-term care insurance policies or certificates that provide coverage primarily for any qualified long-term care services, as defined in 26 U.S.C. 7702B(c), for the benefit of the taxpayer; and

(iii) "premium payments for medical care" means premium payments made by the taxpayer for coverage of the taxpayer's insurance for medical care, as defined in 26 U.S.C. 213(d).

(5) By November 1 of each year, the department shall multiply the amount of pension and annuity income contained in subsection (3)(f)(i), the subtractions from federal taxable income for taxpayers that have attained the age of 65 contained in subsections (4)(a)(i) and (4)(a)(ii), and the federal adjusted gross income amounts in subsection (3)(f)(ii), (4)(c)(i) and (4)(c)(ii) by the inflation

factor for that tax year, but using the year 2014 consumer price index, and round the results to the nearest $10. The resulting amounts are effective for that tax year and must be used as the basis for the exemption determined under subsection (3)(f) and the subtraction from federal taxable income determined under subsection (4)(a)"

7. Page 8, line 22.
Strike: "a single"
Insert: "one"

8. Page 13, line 16.
Strike: "5.9%"
Insert: "6%"

9. Page 13, line 19.
Strike: "5.9%"
Insert: "6%"

10. Page 13, line 23.
Strike: "5.9%"
Insert: "6%"

11. Page 13, line 27.
Strike: "5.9%"
Insert: "6%"

12. Page 13, line 28.
Following: "reduced"
Insert: "by 1.5%"

13. Page 13, line 29 through page 14, line 3.
Strike: ", as follows:" on page 13, line 29 through "subsection (1)" on page 14, line 3

14. Page 14, line 4 through line 7.
Strike: subsection (3) in its entirety
Insert: " (3) In applying the rates in effect under subsection (1) and the rate reduction for net capital gain income under subsection (2), Montana taxable income is divided into an ordinary income category and a net capital gain category. The rate of tax applied toward each category is calculated as follows:

(a) Ordinary income is taxed first by applying the 4% rate up to the limit of the 4% rate bracket determined under subsection (1) and at the 6% rate to the extent that ordinary income exceeds the 4% rate bracket.

(b) Net capital gain income is taxed after applying the rates in subsection (1) to all ordinary income as provided in subsection (3)(a), and the total amount of ordinary income subject to tax in subsection (3)(a) is the starting point for determining the rates that are applied toward net capital gain income. The rate of tax applied toward net capital gain income is calculated as follows:

(i) If the total amount of Montana taxable income is less than or equal to the amount of income subject to tax at the 4% rate bracket determined under subsection (1), then net capital gain income is taxed at a 2.5% rate.

(ii) If the total amount of ordinary income is less than the amount of income subject to tax at the 4% rate bracket determined under subsection (1) and the total amount of Montana taxable income exceeds the amount of income subject to tax at the 4% rate bracket determined under subsection (1), then all ordinary income is subject to tax at the 4% rate bracket and net capital gain income is taxed as follows:

(A) The ordinary income subject to tax in subsection (3)(b)(ii) is subtracted from the amount of income subject to tax at the 4% rate bracket under subsection (1), and the difference from this calculation equals the amount of net capital gain income taxed at a 2.5% rate.

(B) All remaining net capital gain income that remains after applying the tax rates to the ordinary income and net capital gain income in subsection (3)(b)(ii)(A) is taxed at a 4.5% rate.

(iii) If ordinary income equals or exceeds the amount of income subject to tax at the 6% rate bracket under subsection (1), then all net capital gain income is taxed at a 4.5% rate."

15. Page 14, line 8.
Following: "(4)"
Insert: "(a)"

16. Page 14, line 9.
Following: "nearest"
Insert: ": (i)"
Following: "$100"
Insert: "for the joint bracket under subsection (1)(a);

(ii) $25 for the head of household bracket under subsection (1)(b); and

(iii) $50 for the separate return brackets under subsections (1)(c) and (1)(d)"

17. Page 14, line 10.
Following: line 9
Insert: "(b)"

18. Page 14, line 12.
Following: line 11
Insert: "(5) For the purposes of this section, the term “ordinary income” means Montana taxable income less net capital gain income."

19. Page 14, line 16.
Strike: "federal taxable"
Insert: "total"

20. Page 14, line 17.
Following: "~~from all sources~~"
Insert: "from all sources"

21. Page 15, line 14.
Following: "nonresident"
Insert: "for any part of the tax year"

22. Page 15, line 18.
Strike: "and"
Insert: "or"

23. Page 17, line 1.
Following: "trust"
Insert: "as adjusted in [section 1]"

24. Page 22, line 14.
Following: "(1)"
Insert: "(a)"

25. Page 22, line 24.
Following: line 23
Insert: "(b) A taxpayer that is not required to file a federal income tax return shall file a Montana return if the taxpayer has Montana taxable income after taking into consideration the additions and subtractions to federal taxable income in [section 1]."

26. Page 36, line 6 through page 37, line 26.
Strike: section 32 through section 33 in their entirety
Renumber: subsequent sections

27. Page 46, line 22.
Following: "~~state,~~"
Insert: "state,"
Following: "county~~,~~"
Insert: ","
Following: "for~~:~~"
Insert: ":
(a) a benefit or annuity received in excess of the amount determined pursuant to [section 1]; or
(b)"

28. Page 46, line 29.
Following: "~~**taxation and**~~"
Insert: "**taxation and**"

29. Page 47, line 1.
Following: "~~(2)~~"
Insert: "(1) The amount determined pursuant to [section 1] of benefits received under this part is exempt from state, county, and municipal taxation.

(2)"

30. Page 47, line 5.
Following: "~~**and taxation**~~"
Insert: "**and taxation**"
Following: "~~(1)~~"
Insert: "(1)"

31. Page 47, line 12.
Following: "~~taxation.~~"
Insert: "(2) The amount determined pursuant to [section 1] of benefits received under this part is exempt from state, county, and municipal taxation."

32. Page 47, line 15.
Following: "~~**and taxation**~~"
Insert: "**and taxation**"
Following: "~~(1)~~"
Insert: "(1)"

33. Page 47, line 21.
Following: "~~taxation.~~"
Insert: "(2) The amount determined pursuant to [section 1] of benefits received under this part is exempt from state, county, and municipal taxation."

34. Page 47, line 28.
Following: "~~state,~~"
Insert: "state,"
Following: "county~~,~~"
Insert: ","
Following: "~~Montana~~"
Insert: "of the state of Montana"
Following: "except for~~:~~"
Insert: ":"

35. Page 48, line 1.
Following: "~~(b)~~"
Insert: "(a) a retirement allowance received in excess of the amount determined pursuant to [section 1]; or
(b)"

36. Page 48, line 13.
Following: "~~15-30-2110(2)(c),~~"
Insert: "except for a retirement allowance received in excess of the amount determined pursuant to [section 1],"
Following: "~~state,~~"

Insert: "state,"
Following: "county,"
Insert: ","

And, as amended, do pass. Report adopted.

SB 394, do pass. Report adopted.
SB 398, introduced bill, be amended as follows:

1. Title, page 1, line 5 through line 6.
Strike: "CREATING" on page 1, line 5 through "IMPROVEMENTS;" on line 6

2. Title, page 1, line 7.
Following: "RESIDENTIAL"
Insert: "AND COMMERCIAL"
Following: "PROPERTY,"
Insert: "AND"

3. Title, page 1, line 8.
Strike: ", AND CLASS SEVENTEEN COMMERCIAL PROPERTY"

4. Title, page 1, line 15.
Strike: "15-6-156, 15-6-229,"
Insert: "15-6-211,"
Strike: "15-7-202,"

5. Title, page 1, line 16.
Strike: "15-10-420,"
Strike: "15-24-2101, 15-24-2102, 15-24-3001, 15-24-3201,"

6. Page 1, line 22 through page 2, line 17.
Strike: section 1 in its entirety
Renumber: subsequent sections

7. Page 5, line 13.
Following: "15-6-134,"
Insert: "or"
Strike: ", or [section 1]"

8. Page 6, line 7 through line 9.
Strike: subsection (c) in its entirety
Renumber: subsequent subsections

9. Page 6, line 15.
Strike: "(4)"

Insert: "(3)"

10. Page 6, line 17.
Strike: subsection (3) in its entirety
Renumber: subsequent subsections

11. Page 6, line 18.
Strike: "(1)(d)"
Insert: "(1)(c)"

12. Page 6, line 21 through page 9, line 6.
Strike: section 4 in its entirety
Insert: "Section 3. Section 15-6-134, MCA, is amended to read:

"15-6-134. Class four property -- description -- taxable percentage. (1) Class four property includes:

(a) subject to 15-6-222 and subsections (1)(f) and (1)(g) of this section, all land, except that specifically included in another class;

(b) subject to 15-6-222 and subsections (1)(f) and (1)(g) of this section, all improvements, including trailers, manufactured homes, or mobile homes used as a residence, except those specifically included in another class;

(c) the first $100,000 or less of the ~~taxable~~ market value of any improvement on real property, including trailers, manufactured homes, or mobile homes, and appurtenant land not exceeding 5 acres owned or under contract for deed and actually occupied for at least 7 months a year as the primary residential dwelling of one or more qualified claimants~~:~~

~~(i) for tax year 2009, whose federal adjusted gross income did not exceed the thresholds established in subsection (2)(b)(i); or~~

~~(ii) for tax years after tax year 2009,~~ whose total household income did not exceed the thresholds established in subsection (2)(b)(i);

(d) all golf courses, including land and improvements actually and necessarily used for that purpose, that consist of at least nine holes and not less than 700 lineal yards;

(e) subject to 15-6-222(1), all improvements on land that is eligible for valuation, assessment, and taxation as agricultural land under 15-7-202, including 1 acre of real property beneath improvements on land described in 15-6-133(1)(c). The 1 acre must be valued at market value.

(f) (i) single-family residences, including trailers, manufactured homes, or mobile homes;

(ii) rental multifamily dwelling units;

(iii) appurtenant improvements to the residences or dwelling units, including the parcels of land upon which the residences and dwelling units are located and any leasehold improvements; and

(iv) vacant residential lots; and

(g) (i) commercial buildings and the parcels of land upon which they are situated; and

(ii) vacant commercial lots.

(2) Class four property is taxed as follows:

(a) Except as provided in 15-24-1402, 15-24-1501, 15-24-1502, and 15-24-2101, property described in subsections (1)(a), (1)(b), ~~and (1)(e) through~~ and (1)(g) of this section is taxed at~~:~~

~~(i) 2.93% of its taxable market value in tax year 2009;~~
~~(ii) 2.82% of its taxable market value in tax year 2010;~~
~~(iii) 2.72% of its taxable market value in tax year 2011;~~
~~(iv) 2.63% of its taxable market value in tax year 2012;~~
~~(v) 2.54% of its taxable market value in tax year 2013; and~~
~~(vi) 2.47%~~ 1.94% of its ~~taxable~~ market value in tax years beginning after ~~2013~~ December 31, 2014.

(b) (i) Property qualifying under the property tax assistance program in subsection (1)(c) is taxed at the rate provided in subsection ~~(2)(a)~~ (2)(d) of its ~~taxable~~ market value multiplied by a percentage figure based on the income for the preceding calendar year of the owner or owners who occupied the property as their primary residence and determined from the following table:

Income Single Person	Income Married Couple Head of Household	Percentage Multiplier
$0 - $6,000	$0 - $8,000	20%
$6,001 - $9,200	$8,001 - $14,000	50%
$9,201 - $15,000	$14,001 - $20,000	70%

(ii) The income levels contained in the table in subsection (2)(b)(i) must be adjusted for inflation annually by the department. The adjustment to the income levels is determined by:

(A) multiplying the appropriate dollar amount from the table in subsection (2)(b)(i) by the ratio of the PCE for the second quarter of the year prior to the year of application to the PCE for the second quarter of 1995; and

(B) rounding the product thus obtained to the nearest whole dollar amount.

(iii) "PCE" means the implicit price deflator for personal consumption expenditures as published quarterly in the Survey of Current Business by the bureau of economic analysis of the U.S. department of commerce.

(c) Property described in subsection (1)(d) is taxed at one-half the taxable percentage rate established in subsection (2)(a).

(d) Except as provided in 15-24-1501, property described in subsection (1)(c), (1)(e), and (1)(f) of this section is taxed on its market value at a tax rate equal to 67.5% of the tax rate established in subsection (2)(a) beginning after December 31, 2014.

(3) Within the meaning of comparable property, as defined in 15-1-101, property assessed as commercial property is comparable only to other property assessed as commercial property and property assessed as other than commercial property is comparable only to other property assessed as other than commercial property.

(4) (a) As used in this section, "qualified claimants" means one or more owners who:

(i) occupied the residence as their primary residence for more than 7 months during the preceding calendar year;

(ii) had combined income for the preceding calendar year that does not exceed the threshold provided in subsection (2)(b); and

(iii) file a claim for assistance on a form that the department prescribes on or before April 15 of the year for which the assistance is claimed.

(b) For the purposes of subsection (1)(c), total household income is the income as reported on the tax return or returns required by Title 15, chapter 30 or 31, for the year in which the assistance is being claimed excluding losses, depletion, and depreciation and before any federal or state adjustments to income. In cases in which the claimant is not required to file a tax return

under Title 15, chapter 30 or 31, household income means the household's total income as it would have been calculated under this subsection (4)(b) if the claimant had been required to file a return.

(c) The combined income of two or more owners who are qualified claimants:

(i) may not exceed the married couple and head of household thresholds provided in subsection (2)(b); and

(ii) determines the amount of tax reduction under subsection (2)(b).""

13. Page 9, line 8 through page 11, line 6.
Strike: section 5 through section 6 in their entirety
Insert: "Section 4. Section 15-6-211, MCA, is amended to read:

"15-6-211. Certain disabled or deceased veterans' residences exempt. (1) Subject to subsection (7), a residence and appurtenant land, not to exceed 5 acres, on which it is built that is owned and occupied by a veteran or a veteran's spouse is exempt from property taxation as provided in this section if the veteran:

(a) was killed while on active duty or died as a result of a service-connected disability; or

(b) if living:

(i) was honorably discharged from active service in any branch of the armed services; and

(ii) is currently rated 100% disabled or is paid at the 100% disabled rate by the U.S. department of veterans affairs for a service-connected disability, as verified by official documentation from the U.S. department of veterans affairs.

(2) Property qualifying under subsection (1) is taxed at the rate provided in ~~15-6-134(2)(a)~~ 15-6-134(2)(d) multiplied by a percentage figure based on income and determined from the following table:

Income Single Person	Income Married Couple Head of Household	Percentage Multiplier
$0 - $30,000	$0 - $36,000	0%
$30,001 - $33,000	$36,001 - $39,000	20%
$33,001 - $36,000	$39,001 - $42,000	30%
$36,001 - $39,000	$42,001 - $45,000	50%

(3) The property tax exemption under this section remains in effect as long as the property is the primary residence owned and occupied by the veteran or, if the veteran is deceased, by the veteran's spouse and the spouse:

(a) is the owner and occupant of the house;

(b) is unmarried; and

(c) has obtained from the U.S. department of veterans affairs a letter indicating that the veteran was rated 100% disabled or was paid at the 100% disabled rate by the U.S. department of veterans affairs for a service-connected disability at the time of death or that the veteran died while on active duty or as a result of a service-connected disability.

(4) Property qualifying under subsection (3) is taxed at the rate provided in 1~~5-6-134(2)(a)~~ 15-6-134(2)(d) multiplied by a percentage figure based on income and determined from the following table:

Income Surviving Spouse	Percentage Multiplier
$0 - $25,000	0%

$25,001 - $28,000 20%
$28,001 - $31,000 30%
$31,001 - $34,000 50%

(5) For the purposes of the exemption under this section, the income referred to in subsections (2) and (4) is the taxpayer's federal adjusted gross income for the preceding calendar year, as reported on the taxpayer's federal income tax return. A taxpayer who is not required to file a federal income tax return for the preceding calendar year shall determine the taxpayer's federal adjusted gross income as if the taxpayer had filed a return and shall provide other evidence of income as required by the department.

(6) (a) The income levels contained in the tables in subsections (2) and (4) must be adjusted for inflation annually by the department. The adjustment to the income levels is determined by:

(i) multiplying the appropriate dollar amount from the table by the ratio of the PCE for the second quarter of the year prior to the year of application to the PCE for the second quarter of 2002; and

(ii) rounding the product obtained in subsection (6)(a)(i) to the nearest dollar amount.

(b) "PCE" means the implicit price deflator for personal consumption expenditures as published quarterly in the Survey of Current Business by the bureau of economic analysis of the U.S. department of commerce.

(7) A claim for exemption on a form prescribed by the department must be filed with the department on or before April 15 of the year for which the exemption is claimed.""

Renumber: subsequent sections

14. Page 12, line 19.
Following: "~~and~~"
Insert: "and"

15. Page 12, line 20.
Strike: "and" through "[section 1],"

16. Page 12, line 22.
Following: "~~and~~"
Insert: "and"

17. Page 12, line 22 through line 23.
Strike: "and class" on page 12, line 22 through "[section 1]," on line 23

18. Page 13, line 15.
Strike: "or class seventeen property under [section 1]"

19. Page 15, line 2.
Strike: "and [section 1]"

20. Page 16, line 7.
Following: "~~and~~"

Insert: "and"

21. Page 16, line 7 through line 8.
Strike: ", and" on page 16, line 7 through "section" on line 8

22. Page 16, line 9.
Following: "15-6-134,"
Insert: "and"

23. Page 16, line 9 through line 10.
Strike: ", and class" on page 16, line 9 through "1]" on line 10

24. Page 16, line 27.
Following: "~~and~~"
Insert: "and"
Strike: ", and seventeen"

25. Page 17, line 6.
Following: line 5
Insert: "and"
Strike: ", and seventeen"

26. Page 22, line 3 through page 24, line 17.
Strike: section 15 in its entirety
Renumber: subsequent sections

27. Page 25, line 6.
Following: "~~and commercial~~"
Insert: "and commercial"

28. Page 25, line 6 through line 7.
Strike: "and class seventeen" on page 25, line 6 through "[section 1]" on line 7

29. Page 26, line 16.
Following: "~~and~~"
Insert: "and"

30. Page 26, line 16 through line 17.
Strike: ", and" on page 26, line 16 through "[section 1]" on line 17

31. Page 27, line 1.
Strike: subsection (g) in its entirety

32. Page 27, line 8 through page 29, line 22.
Strike: section 17 in its entirety

Renumber: subsequent sections

33. Page 31, line 20 through page 36, line 2.
Strike: section 20 through section 23 in their entirety
Renumber: subsequent sections

34. Page 37, line 20.
Strike: "on January 1 of each tax year after 2016"
Insert: "thereafter on January 1 of the first year of each 2-year cycle"

35. Page 41, line 1 through line 2.
Strike: section 29 in its entirety
Renumber: subsequent sections

36. Page 41, line 4.
Strike: "[Sections 9, 29, and 31]"
Insert: "[Sections 7 and 22]"

37. Page 41, line 6.
Strike: "[Sections 1 through 8 and 10 through 28]"
Insert: "[Sections 1 through 6 and 8 through 20]"

38. Page 41, line 8.
Strike: "[Section 9]"
Insert: "[Section 7]"

And, as amended, do pass. Report adopted.

MESSAGES FROM THE GOVERNOR

March 27, 2013

The Honorable Jeff Essmann
President of the Senate
State Capitol
Helena, Montana 59620

Dear President Essmann:

On Wednesday, March 27, 2013, I signed the following Senate bills:

Senate Bill 21 - Arthun
Senate Bill 35 - Keane
Senate Bill 55 - Kaufmann

Senate Bill 92 - Olson
Senate Bill 104 - Webb
Senate Bill 211 - Moore
Senate Bill 213 - Larsen
Senate Bill 343 - Arntzen

These bills were delivered to the Secretary of State's Office today.

Sincerely,

STEVE BULLOCK
Governor

MESSAGES FROM THE OTHER HOUSE

House bills passed and transmitted to the Senate for concurrence: 3/27/2013

HB 15, introduced by McClafferty
HB 218, introduced by Ankney
HB 574, introduced by Edmunds
HB 579, introduced by Hagan
HB 588, introduced by Harris
HB 609, introduced by Connell

March 28, 2013

Dear President Essmann:

Pursuant to Joint Rule 20-10, the House requests consent of the Senate for a recess of four calendar days. The reason for this recess being the celebration of the Easter holiday.

Sincerely,

Mark Blasdel
Speaker of the House
Montana House of Representatives

FIRST READING AND COMMITMENT OF BILLS

The following Senate resolutions were introduced, read first time, and referred to committee:

SR 43, introduced by T. Brown (by request of the Senate Agriculture, Livestock, and Irrigation

Standing Committee), referred to Agriculture, Livestock and Irrigation.
SR 44, introduced by Peterson (by request of the Senate Education and Cultural Resources Standing Committee), referred to Education and Cultural Resources.
SR 45, introduced by Peterson (by request of the Senate Education and Cultural Resources Standing Committee), referred to Education and Cultural Resources.
SR 46, introduced by Peterson (by request of the Senate Education and Cultural Resources Standing Committee), referred to Education and Cultural Resources.
SR 47, introduced by Peterson (by request of the Senate Education and Cultural Resources Standing Committee), referred to Education and Cultural Resources.
SR 48, introduced by Peterson (by request of the Senate Education and Cultural Resources Standing Committee), referred to Education and Cultural Resources.

SECOND READING OF BILLS
(COMMITTEE OF THE WHOLE)

Senator Wittich moved the Senate resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Senator Jent in the chair.

Mr. President: We, your Committee of the Whole, having had under consideration business on second reading, recommend as follows:

SB 148 - **House Amendments** - Senator L. Jones moved House amendments to **SB 148** be **not** concurred in. Motion carried as follows:

Yeas: Arntzen, Arthun, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Windy Boy, Wittich, Mr. President.
Total 48

Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: Augare, Phillips.
Total 2

HB 12 - Senator Jergeson moved **HB 12** be concurred in. Motion carried as follows:

Yeas: Arntzen, Arthun, Barrett Debby, Barrett Dick, Blewett, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane,

Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Ripley, Rosendale, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vuckovich, Wanzenried, Webb, Windy Boy.
Total 40

Nays: Boulanger, Fielder, Priest, Sales, Vincent, Walker, Wittich, Mr. President.
Total 8

Absent or not voting: None.
Total 0

Excused: Augare, Phillips.
Total 2

HB 205 - Senator Vincent moved consideration of **HB 205** be passed for the day. Without objection, so ordered.

HB 84 - Senator Caferro moved **HB 84** be concurred in. Motion carried as follows:

Yeas: Arntzen, Arthun, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Windy Boy, Wittich, Mr. President.
Total 48

Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: Augare, Phillips.
Total 2

SB 369 - Senator Facey moved **SB 369** do pass. Motion carried as follows:

Yeas: Arntzen, Arthun, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Windy Boy, Wittich, Mr. President.
Total 48

Nays: None.

Total 0

Absent or not voting: None.
Total 0

Excused: Augare, Phillips.
Total 2

SB 355 - Senator Hamlett moved **SB 355** do pass. Motion carried as follows:

Yeas: Arntzen, Arthun, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Windy Boy, Wittich, Mr. President.
Total 48

Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: Augare, Phillips.
Total 2

Senator Peterson excused at this time.

HB 465 - Senator Vuckovich moved **HB 465** be concurred in. Motion carried as follows:

Yeas: Arthun, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Murphy, Olson, Rosendale, Sesso, Stewart-Peregoy, Taylor, Tutvedt, Van Dyk, Vuckovich, Wanzenried, Windy Boy.
Total 33

Nays: Arntzen, Jackson, Moore, Priest, Ripley, Sales, Sonju, Thomas, Tropila, Vincent, Walker, Webb, Wittich, Mr. President.
Total 14

Absent or not voting: None.
Total 0

Excused: Augare, Peterson, Phillips.
Total 3

Senator Peterson present at this time.

SB 386 - Senator Facey moved **SB 386** do pass. Motion carried as follows:

Yeas: Arntzen, Arthun, Barrett Debby, Barrett Dick, Blewett, Boulanger, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Rosendale, Sesso, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vuckovich, Walker, Wanzenried, Windy Boy, Mr. President.
Total 41

Nays: Brenden, Ripley, Sales, Sonju, Vincent, Webb, Wittich.
Total 7

Absent or not voting: None.
Total 0

Excused: Augare, Phillips.
Total 2

HB 124 - Senator Webb moved **HB 124** be concurred in. Motion carried as follows:

Yeas: Arntzen, Arthun, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Wanzenried, Webb, Windy Boy.
Total 43

Nays: D. Brown, Taylor, Walker, Wittich, Mr. President.
Total 5

Absent or not voting: None.
Total 0

Excused: Augare, Phillips.
Total 2

SB 240 - Senator Tutvedt moved **SB 240** do pass. Motion carried as follows:

Yeas: Arntzen, Arthun, Barrett Debby, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Driscoll, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Windy Boy, Wittich, Mr. President.

Total 43

Nays: Barrett Dick, Blewett, Caferro, Facey, Kaufmann.
Total 5

Absent or not voting: None.
Total 0

Excused: Augare, Phillips.
Total 2

HB 66 - Senator Taylor moved **HB 66** be concurred in. Motion carried as follows:

Yeas: Arntzen, Arthun, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Rosendale, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Mr. President.
Total 43

Nays: Hamlett, Ripley, Sales, Windy Boy, Wittich.
Total 5

Absent or not voting: None.
Total 0

Excused: Augare, Phillips.
Total 2

SB 120 - **House Amendments** - Senator Buttrey moved House amendments to **SB 120** be concurred in. Motion carried as follows:

Yeas: Arntzen, Arthun, Augare, Barrett Debby, Barrett Dick, Boulanger, Brenden, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Webb, Windy Boy, Wittich, Mr. President.
Total 45

Nays: Blewett, D. Brown, Tropila, Wanzenried.
Total 4

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

SB 26 - **House Amendments** - Senator Jergeson moved House amendments to **SB 26** be **not** concurred in. Motion carried as follows:

Yeas: Arntzen, Arthun, Augare, Barrett Debby, Barrett Dick, Blewett, Boulanger, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sesso, Stewart-Peregoy, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Wanzenried, Webb, Windy Boy, Mr. President.
Total 41

Nays: Brenden, D. Brown, Jackson, Sales, Sonju, Taylor, Walker, Wittich.
Total 8

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

SB 11 - **House Amendments** - Senator Caferro moved House amendments to **SB 11** be concurred in. Motion carried as follows:

Yeas: Arntzen, Arthun, Augare, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Windy Boy, Wittich, Mr. President.
Total 49

Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

SB 18 - **House Amendments** - Senator Hamlett moved House amendments to **SB 18** be concurred in. Motion carried as follows:

Yeas: Arntzen, Arthun, Augare, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, D.

Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Windy Boy, Wittich, Mr. President.
Total 49

Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

SB 122 - **House Amendments** - Senator Facey moved House amendments to **SB 122** be concurred in. Motion carried as follows:

Yeas: Arntzen, Arthun, Augare, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Windy Boy, Wittich, Mr. President.
Total 49

Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

SB 133 - **House Amendments** - Senator Rosendale moved House amendments to **SB 133** be concurred in.

SB 133 - **House Amendments** - Senator Driscoll made a **substitute motion** that House amendments to **SB 133** be **not** concurred in. Motion carried as follows:

Yeas: Arthun, Augare, Barrett Dick, Blewett, T. Brown, Buttrey, Caferro, Driscoll, Facey, Hamlett, Jent, Jergeson, Kaufmann, Keane, Larsen, Lewis, Malek, Olson, Peterson, Ripley, Sesso, Stewart-Peregoy, Tropila, Tutvedt, Van Dyk, Vuckovich, Wanzenried, Windy Boy, Mr. President.
Total 29

Nays: Arntzen, Barrett Debby, Boulanger, Brenden, D. Brown, Fielder, Jackson, Jones, Moore, Murphy, Priest, Rosendale, Sales, Sonju, Taylor, Thomas, Vincent, Walker, Webb, Wittich.
Total 20

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

Senator Wittich moved the committee **rise and report**. Motion carried. Committee arose. Senate resumed. President Essmann presiding. Chair Jent moved the Committee of the Whole report be adopted. Report adopted as follows:

Yeas: Arntzen, Arthun, Augare, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Windy Boy, Wittich, Mr. President.
Total 49

Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

THIRD READING OF BILLS

The following bills having been read three several times, title and history agreed to, were disposed of in the following manner:

HB 217 concurred in as follows:

Yeas: Arntzen, Arthun, Barrett Debby, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Fielder, Jackson, Jones, Lewis, Moore, Murphy, Olson, Priest, Ripley, Rosendale, Sales, Sonju, Taylor, Thomas, Vincent, Walker, Webb, Wittich, Mr. President.
Total 27

Nays: Augare, Barrett Dick, Blewett, Caferro, Driscoll, Facey, Hamlett, Jent, Jergeson, Kaufmann, Keane, Larsen, Malek, Peterson, Sesso, Stewart-Peregoy, Tropila, Tutvedt, Van Dyk, Vuckovich, Wanzenried, Windy Boy.

Total 22

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

HB 297 concurred in as follows:

Yeas: Arntzen, Arthun, Barrett Debby, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Fielder, Jackson, Jent, Jones, Lewis, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sonju, Taylor, Thomas, Tutvedt, Vincent, Walker, Webb, Wittich, Mr. President.
Total 30

Nays: Augare, Barrett Dick, Blewett, Caferro, Driscoll, Facey, Hamlett, Jergeson, Kaufmann, Keane, Larsen, Malek, Sesso, Stewart-Peregoy, Tropila, Van Dyk, Vuckovich, Wanzenried, Windy Boy.
Total 19

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

HB 359 concurred in as follows:

Yeas: Arntzen, Barrett Debby, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Fielder, Jackson, Lewis, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sonju, Taylor, Thomas, Tutvedt, Vincent, Walker, Webb, Wittich, Mr. President.
Total 27

Nays: Arthun, Augare, Barrett Dick, Blewett, Caferro, Driscoll, Facey, Hamlett, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Malek, Sesso, Stewart-Peregoy, Tropila, Van Dyk, Vuckovich, Wanzenried, Windy Boy.
Total 22

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

HB 502 concurred in as follows:

Yeas: Arntzen, Arthun, Augare, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Olson, Peterson, Priest, Ripley, Rosendale, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Wanzenried, Webb, Windy Boy, Wittich, Mr. President.
Total 45

Nays: D. Brown, Murphy, Sales, Walker.
Total 4

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

HB 127 concurred in as follows:

Yeas: Arntzen, Arthun, Augare, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, T. Brown, Buttrey, Caferro, Driscoll, Facey, Hamlett, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Wanzenried, Windy Boy.
Total 41

Nays: D. Brown, Fielder, Jackson, Sales, Walker, Webb, Wittich, Mr. President.
Total 8

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

HB 170 concurred in as follows:

Yeas: Arntzen, Arthun, Barrett Debby, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Keane, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sonju, Taylor, Thomas, Tutvedt, Vincent, Vuckovich, Walker, Wanzenried, Webb, Wittich, Mr. President.
Total 37

Nays: Augare, Barrett Dick, Caferro, Driscoll, Facey, Kaufmann, Larsen, Sesso,

Stewart-Peregoy, Tropila, Van Dyk, Windy Boy.
Total 12

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

HB 256 concurred in as follows:

Yeas: Arntzen, Arthun, Barrett Dick, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Wanzenried, Webb, Windy Boy.
Total 44

Nays: Augare, Barrett Debby, Walker, Wittich, Mr. President.
Total 5

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

HB 106 concurred in as follows:

Yeas: Arntzen, Arthun, Augare, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Windy Boy, Mr. President.
Total 47

Nays: Sales, Wittich.
Total 2

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

HB 388 concurred in as follows:

Yeas: Arntzen, Arthun, Augare, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Windy Boy, Wittich, Mr. President.
Total 49

Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

HB 451 concurred in as follows:

Yeas: Arntzen, Arthun, Augare, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Windy Boy, Wittich, Mr. President.
Total 48

Nays: D. Brown.
Total 1

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

HB 513 concurred in as follows:

Yeas: Arntzen, Arthun, Barrett Debby, Blewett, Boulanger, Brenden, T. Brown, Buttrey, Driscoll, Fielder, Hamlett, Jackson, Jergeson, Jones, Keane, Larsen, Lewis, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Taylor, Thomas, Tropila, Tutvedt, Vincent, Vuckovich, Walker, Webb, Wittich, Mr. President.
Total 37

Nays: Augare, Barrett Dick, D. Brown, Caferro, Facey, Jent, Kaufmann, Malek,

Stewart-Peregoy, Van Dyk, Wanzenried, Windy Boy.
Total 12

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

HJR 9 concurred in as follows:

Yeas: Arntzen, Arthun, Augare, Barrett Debby, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Fielder, Hamlett, Jackson, Jones, Keane, Larsen, Lewis, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Vincent, Vuckovich, Walker, Webb, Windy Boy, Wittich, Mr. President.
Total 41

Nays: Barrett Dick, Facey, Jent, Jergeson, Kaufmann, Malek, Van Dyk, Wanzenried.
Total 8

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

HB 189 concurred in as follows:

Yeas: Arntzen, Augare, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Murphy, Olson, Peterson, Priest, Ripley, Sesso, Stewart-Peregoy, Taylor, Tropila, Tutvedt, Van Dyk, Vuckovich, Windy Boy.
Total 36

Nays: Arthun, D. Brown, Moore, Rosendale, Sales, Sonju, Thomas, Vincent, Walker, Wanzenried, Webb, Wittich, Mr. President.
Total 13

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

HB 508 concurred in as follows:

Yeas: Arntzen, Arthun, Augare, Barrett Debby, Barrett Dick, Blewett, Boulanger, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Driscoll, Facey, Fielder, Hamlett, Jackson, Jent, Jergeson, Jones, Kaufmann, Keane, Larsen, Lewis, Malek, Moore, Murphy, Olson, Peterson, Priest, Ripley, Rosendale, Sales, Sesso, Sonju, Stewart-Peregoy, Taylor, Thomas, Tropila, Tutvedt, Van Dyk, Vincent, Vuckovich, Walker, Wanzenried, Webb, Windy Boy, Wittich, Mr. President.
Total 49

Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: Phillips.
Total 1

REPORTS OF STANDING COMMITTEES

EDUCATION AND CULTURAL RESOURCES (Peterson, Chair): 3/27/2013
SB 374, introduced bill, be amended as follows:

1. Page 2, line 20.
Strike: "for-profit" through "organization,"

2. Page 2, line 21.
Strike: ", school" through "entity"

3. Page 2, line 22.
Strike: "educational" through "or"

4. Page 5, line 12.
Following: "."
Insert: "The total number of public charter schools for which the commission may act as authorizer is five for fiscal year 2014, and this number must increase by five for each subsequent fiscal year."

5. Page 5, line 13.
Strike: "register"
Insert: "apply"

6. Page 5, line 15.
Strike: "[section 6]"
Insert: "an authorizer"

7. Page 6, line 12.
Strike: the first "and"
Following: "nonrenewal"
Insert: ", and school closure"

8. Page 7, line 11.
Following: line 11
Insert: "(v) addressing the dropout rate;"
Renumber: subsequent subsections

9. Page 13, line 13.
Strike: "substantial educational services,"
Strike: "or both,"

10. Page 14, line 3.
Following: line 3
Insert: "(11) If a public charter school proposal does not contain the elements required in this section, the authorizer may consider the proposal nonresponsive and reject the proposal without the process described in subsection (12)."
Renumber: subsequent subsections

11. Page 14, line 15 through line 16.
Strike: "Within" on line 15 through "proposal." on line 16
Insert: "The authorizer shall approve or deny the charter proposal within 60 days after the filing of a charter proposal, except the commission has up to 120 days if more than three proposals have been submitted to the commission within 30 days. The commission shall notify the applicant of the expected timeline for approval or denial.
(b)"
Renumber: subsequent subsections

12. Page 17, line 17.
Following: "attendance"
Insert: ", dropout, promotion, and graduation rates"

13. Page 17, line 19.
Following: line 19
Insert: "(g) attainment of accreditation from a regionally or nationally recognized accreditation agency;"
Renumber: subsequent subsections

14. Page 17, line 21.
Strike: "performance"
Insert: "elections, performance,"

15. Page 20, line 26.

Following: "reason, the"
Insert: "nonrestricted distributable"

16. Page 20, line 28.
Following: "school,"
Insert: "then to public school districts to which students previously attending the closed charter school are returning on a prorated per-pupil basis,"

17. Page 21, line 21.
Following: line 21
Insert: "(e) The founding governing board of a public charter school may not be in place for longer than 3 years of operation, at which time the governing board must be elected by a process outlined in the charter school bylaws. The election process must include the following:

(i) parents and guardians of students enrolled in the school shall nominate candidates for the governing board;

(ii) if the number of nominees is equal to the number of vacancies, no election is required;

(iii) if the number of nominees is greater than the number of vacancies, the election must be decided by the qualified electors of the district as part of the next regular school election; and

(iv) the terms of board members must be staggered to ensure continuity on the governing board."

18. Page 21, line 22.
Following: "created"
Insert: "with fewer than 12 students or"

19. Page 21, line 29.
Following: line 29
Insert: "(3) A public charter school shall function as a local educational agency. A public charter school is responsible for meeting the requirements of a local educational agency under applicable federal, state, and local laws, including those relating to special education."
Renumber: subsequent subsections

20. Page 22, line 25.
Following: line 25
Insert: "(b) A public charter school shall establish and publish a grievance policy that includes contact information for the school's authorizer and the commission."
Renumber: subsequent subsections

21. Page 23, line 2.
Following: line 2
Insert: "(f) A public charter school shall establish purchasing
procedures that include a competitive bidding process for purchases or contracts exceeding

$50,000.

(g) Members of the public charter school governing board and school administrators shall disclose private financial interests, if any exist, prior to taking official action."

22. Page 23, line 4.
Strike: "the qualification of"
Insert: "federally defined highly qualified"

23. Page 23, line 14.
Following: line 13
Insert: "(e) A public charter school shall maintain a record of the qualifications of each teacher employed by the school."

24. Page 23, line 15 through line 17.
Strike: subsection (1) in its entirety
Renumber: subsequent subsections

25. Page 23, line 30.
Following: "equal to"
Insert: "65% of"
Following: "total"
Insert: "annual"

26. Page 24, line 1.
Strike: "for the previous school year"
Insert: ", not to exceed $8,000"

27. Page 24, line 2.
Following: "figure"
Insert: "based on the most current available data"

28. Page 24, line 7.
Strike: subsection (e) in its entirety
Renumber: subsequent subsections

29. Page 24, line 10.
Strike: subsection (h) in its entirety
Renumber: subsequent subsections

30. Page 24, line 12.
Strike: subsection (j) in its entirety
Renumber: subsequent subsections

31. Page 24, line 17.
Strike: subsection (o) in its entirety

Renumber: subsequent subsections

32. Page 24, line 18.
Following: "acquisition;"
Insert: "and"

33. Page 24, line 19 through line 22.
Strike: ";" on line 19 through "agreement" on line 22

And, as amended, do pass. Report adopted.

HB 182, be concurred in. Report adopted.
HB 240, be amended as follows:

1. Title, page 1, line 7 through line 8.
Strike: "PROHIBITING" on line 7 through "EXCEPTIONS;" on line 8

2. Title, page 1, line 12.
Strike: "AN IMMEDIATE"
Insert: "A DELAYED"

3. Page 2, line 12.
Strike: "6"
Insert: "5"

4. Page 3, line 5 through line 20.
Strike: section 4 in its entirety
Renumber: subsequent sections

5. Page 3, line 22.
Strike: "**Firearms permitted**"
Insert: "**Regulation of firearms prohibited**"

6. Page 3, line 22 through line 23.
Strike: "subsection" on line 22 through "(2)" on line 23
Insert: "subsections (2) and (3)"

7. Page 4, line 11.
Following: line 11
Insert: "(3) The board of regents or a unit of the university system may regulate or restrict the possession, carrying, transportation, or storage of firearms upon or within university system property if the board of regents or a unit of the university system designs and implements a "campus carry" program in which a person who applies for and is granted a "campus carry" permit is allowed to possess, carry, transport, and store a firearm upon or within university system property."

8. Page 4, line 14.
Strike: "6"
Insert: "5"

9. Page 4, line 20.
Strike: "6"
Insert: "5"

10. Page 5, line 23.
Strike: "6"
Insert: "5"

11. Page 5, line 25.
Strike: "6"
Insert: "5"

12. Page 6, line 1.
Strike: "on passage and approval"
Insert: "January 1, 2014"

And, as amended, be concurred in. Report adopted.

HB 286, be amended as follows:

1. Title, page 1, line 7.
Following: "TRIBE"
Insert: "LOCATED WITHIN THE BOUNDARIES OF THE STATE OF MONTANA"

2. Page 1, line 24.
Following: "tribe"
Insert: "located within the boundaries of the state of Montana"

And, as amended, be concurred in. Report adopted.

HB 301, be amended as follows:

1. Title, page 1, line 4.
Following: "DISTRICT"
Insert: ", A K-12 DISTRICT,"

2. Title, page 1, line 5 through line 6.
Strike: "TO 100%" on line 5 through "TAXATION" on line 6

3. Page 1, line 17.
Strike: "100%"

Insert: "80%"

4. Page 1, line 23.
Strike: "is up to 100%"
Insert: "regardless of whether the general obligation bonds finance elementary program improvements or high school program improvements, is the sum of 80%"

5. Page 1, line 23.
Following: "property"
Insert: "in its elementary program"
Following: "taxation"
Insert: "and 80% of the taxable value of the property in its high school program subject to taxation"

6. Page 1, line 25.
Strike: "The"
Insert: "Unless the maximum amount calculated under subsection (1)(a) yields a greater amount, the"

7. Page 1, line 30.
Strike: "50%"
Insert: "80%"

8. Page 2, line 1.
Following: "district,"
Insert: "unless the maximum amount calculated under subsection (1)(b) yields a greater maximum amount,"

9. Page 2, line 2.
Strike: "50%"
Insert: "80%"

10. Page 3, line 10.
Strike: "100%"
Insert: "80%"

And, as amended, be concurred in. Report adopted.

HB 313, be concurred in. Report adopted.
HJR 14, be concurred in. Report adopted.

EDUCATION AND CULTURAL RESOURCES (Peterson, Chair): 3/28/2013
SR 32, be adopted. Report adopted.

JUDICIARY (Murphy, Chair): 3/28/2013
SB 387, introduced bill, be amended as follows:

1. Title, page 1, line 13.
Following: ";"
Insert: "CLARIFYING THE STANDING REQUIREMENT FOR THE FILING OF ETHICS COMPLAINTS;"
Following: "SECTIONS"
Insert: "2-2-136,"

2. Page 2.
Following: line 28
Insert: "Section 4. Section 2-2-136, MCA, is amended to read:

"2-2-136. Enforcement for state officers, legislators, and state employees -- referral of complaint involving county attorney. (1) (a) A person alleging a violation of this part by a state officer, legislator, or state employee may file a complaint with the commissioner of political practices <u>if the person has standing to file the complaint</u>. The commissioner does not have jurisdiction for a complaint concerning a legislator if a legislative act is involved in the complaint. The commissioner also has jurisdiction over complaints against a county attorney that are referred by a local government review panel pursuant to 2-2-144 or filed by a person directly with the commissioner pursuant to 2-2-144(6). The commissioner may request additional information from the complainant or the person who is the subject of the complaint to make an initial determination of whether the complaint states a potential violation of this part.

(b) The commissioner may dismiss a complaint <u>when the person who filed the complaint has failed to demonstrate standing or may dismiss a complaint</u> that is frivolous, does not state a potential violation of this part, or does not contain sufficient allegations to enable the commissioner to determine whether the complaint states a potential violation of this part. If the issues presented in a complaint have been addressed and decided in a prior decision and the commissioner determines that no additional factual development is necessary, the commissioner may issue a summary decision without holding an informal contested case hearing on the complaint.

(c) Except as provided in subsection (1)(b), if the commissioner determines that the complaint states a potential violation of this part, the commissioner shall hold an informal contested case hearing on the complaint as provided in Title 2, chapter 4, part 6. The commissioner shall issue a decision based upon the record established before the commissioner.

<u>(d) A person has standing to allege a violation when the person:</u>

<u>(i) alleges a past, present, or threatened injury to a property right or a civil right; and</u>

<u>(ii) alleges an injury that is distinguishable from an injury to the public generally, although the injury does not need to be exclusive to the person alleging the injury.</u>

(2) (a) Except as provided in subsection (2)(b), if the commissioner determines that a violation of this part has occurred, the commissioner may impose an administrative penalty of not less than $50 or more than $1,000.

(b) If the commissioner determines that a violation of 2-2-121(4)(b) has occurred, the commissioner may impose an administrative penalty of not less than $500 or more than

$10,000.

(c) If the violation was committed by a state employee, the commissioner may also recommend that the employing state agency discipline the employee. The employing entity of a state employee may take disciplinary action against an employee for a violation of this part, regardless of whether the commissioner makes a recommendation for discipline. The commissioner may assess the costs of the proceeding against the person bringing the charges if the commissioner determines that a violation did not occur or against the officer or employee if the commissioner determines that a violation did occur.

(3) A party may seek judicial review of the commissioner's decision, as provided in chapter 4, part 7, of this title, after a hearing, a dismissal, or a summary decision issued pursuant to subsection (1)(b).

(4) Except for records made public in the course of a hearing held under subsection (1) and records that are open for public inspection pursuant to Montana law, a complaint and records obtained or prepared by the commissioner in connection with an investigation or complaint are confidential documents and are not open for public inspection. The complainant and the person who is the subject of the complaint shall maintain the confidentiality of the complaint and any related documents released to the parties by the commissioner until the commissioner issues a decision. However, the person who is the subject of a complaint may waive, in writing, the right of confidentiality provided in this subsection. If a waiver is filed with the commissioner, the complaint and any related documents must be open for public inspection. The commissioner's decision issued after a hearing is a public record open to inspection.

(5) When a complaint is filed, the commissioner may issue statements or respond to inquiries to confirm that a complaint has been filed, to identify against whom it has been filed, and to describe the procedural aspects and status of the case.

(6) The commissioner may adopt rules to carry out the responsibilities and duties assigned by this part.""

Renumber: subsequent sections

3. Page 3, line 26 through line 28.
Strike: subsection (1) in its entirety
Insert: "(1) A corporation may not make a contribution to a candidate or candidate’s campaign and may not make a contribution to a political committee, including but not limited to a political party committee, unless the political committee segregates the contribution in an account that is separate from those accounts used to make direct contributions to candidates and candidates' campaign committees and the contribution is used as an independent expenditure.

(2) A candidate or candidate's committee may not accept or receive a corporate contribution described in subsection (1)."
Renumber: subsequent subsections

4. Page 10, line 11.
Following: "record"
Strike: remainder of line 11 through "campaign" on line 12

5. Page 10, line 14.
Following: "record"
Strike: "or" through "campaign" on line 15

And, as amended, do pass. Report adopted.

FIRST READING AND COMMITMENT OF BILLS

The following Senate bills were introduced, read first time, and referred to committees:

SB 407, introduced by Thomas, Brenden, referred to Public Health, Welfare and Safety.
SB 408, introduced by Olson, Sonju, Tutvedt, referred to Public Health, Welfare and Safety.

The following House bills were introduced, read first time, and referred to committees:

HB 15, introduced by McClafferty (by request of the Department of Commerce, the Office of Budget and Program Planning), referred to Finance and Claims.
HB 218, introduced by Ankney, Olson, Rosendale, Shaw, referred to Finance and Claims.
HB 574, introduced by Edmunds, Schwaderer, MacDonald, referred to Agriculture, Livestock and Irrigation.
HB 579, introduced by Hagan, Ankney, Blasdel, Buttrey, Edmunds, Fitzpatrick, Hansen, Hollenbaugh, Knudsen, Larsen, Mehlhoff, O'Hara, Olson, Pierson, Price, Vance, Wagoner, Wanzenried, Welborn, Zolnikov, referred to Business, Labor, and Economic Affairs.
HB 588, introduced by Harris, referred to Fish and Game.
HB 609, introduced by Connell, referred to Fish and Game.

MOTIONS

SB 240 - Senator Ripley moved **SB 240** be re-referred to the Finance and Claims committee. Without objection, so ordered.

SB 369 - Senator Ripley moved **SB 369** be re-referred to the Finance and Claims committee. Without objection, so ordered.

HB 12 - Senator Ripley moved **HB 12** be re-referred to the Finance and Claims committee. Without objection, so ordered.

SPECIAL ORDERS OF THE DAY

Senators Larsen and Buttrey asked the Senate to acknowledge the ongoing sacrifices of Sergeant Bowe Bergdahl, a soldier from Hailey, Idaho, whose grandparents live in Kalispell. Sergeant Bergdahl has been a captive of a Taliban-aligned network since June 2009.

Negotiations for his release have been unsuccessful. Today is Sergeant Bergdahl's 27th birthday, his fourth spent in captivity. Senators Larsen and Buttrey asked the Senate to remember Sergeant Bergdahl during this holiday week.

Senator Wittich moved the Senate consent to the House request that the Legislature adjourn for four days over the Easter holiday. Without objection, so ordered.

Senator Taylor thanked the pages for their service this week.

ANNOUNCEMENTS

Committee meetings were announced by the committee chairs.

Majority Leader Wittich moved that the Senate adjourn until 1:30 p.m., Tuesday, April 2, 2013, the sixty-eighth legislative day. Motion carried.

Senate adjourned at 11:47 a.m.

MARILYN MILLER
Secretary of the Senate

JEFF ESSMANN
President of the Senate