

**HOUSE JOURNAL  
SIXTY-EIGHTH LEGISLATIVE DAY**

Helena, Montana  
March 26, 1999

House Chambers  
State Capitol

House convened at 12:00 p.m. Mr. Speaker in the Chair. Invocation by Representative Curtiss. Pledge of Allegiance to the Flag.

Roll Call. All members present except Representatives Gallus and Simon. Quorum present.

Mr. Speaker introduced the pages and honorary pages of the week:

Matt Ashmore, Great Falls  
Melanie Brumwell, Dutton  
Abby Ehlert, Winifred  
Chris Mood, Seeley Lake  
Alyson Nagy, Lakeside  
Amy Robertus, Park City  
Sarah Scott, Billings  
Holly Silk, Harlem  
Kevin Staples, Bozeman  
Ryan Stoner, Outlook  
Nick Thomas, Helena  
Woody Johnson, New York City (honorary)  
Louise Johnson, New York City (honorary)  
Rita DiSanti, Bozeman (honorary)

**REPORTS OF STANDING COMMITTEES**

**BILLS** (Rehbein, Chairman): 3/26/1999  
Correctly printed: **HB 674, SB 186, SB 195, SB 217, SB 251, SB 258, SB 271, SB 353, SB 372, SB 435, SB 446, SB 453, SB 490, SJR 10.**  
Correctly engrossed: **HB 513, HB 654, HB 657, HB 659.**  
Examined by the sponsor and found to be correct: **HB 598, HB 632, HJR 1, HJR 13, HJR 14, HJR 17.**  
Signed by the Speaker at 8:58 a.m., March 26, 1999: **HB 27, HB 300, HB 429, HB 539.**

**AGRICULTURE** (Barnett, Chairman): 3/26/1999  
**SB 361**, be amended as follows:

1. Page 22, lines 4 and 8.

**Strike:** "board"

**Insert:** "commission"

2. Page 22, line 9.

**Strike:** "board's"

**Insert:** "commission"

3. Page 10, line 26.

**Following:** "RECORDKEEPING."

**Insert:** "exterior fencing,"

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

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**BUSINESS AND LABOR** (Simon, Chairman):  
**HB 515**, introduced bill, be amended as follows:

3/25/1999

1. Title, page 1, line 9 through line 10.

**Strike:** "REQUIRING" on line 9 through "BIDDERS" on line 10

**Insert:** "PROVIDING FOR AN INTERIM STUDY OF THE EFFECTS OF COMPETITION BY STATE  
POLITICAL SUBDIVISIONS WITH THE PRIVATE SECTOR"

2. Page 1, lines 14, 17, and 25.

**Strike:** "6"

**Insert:** "5"

3. Page 1, line 19.

**Strike:** ", including institutions of higher education,"

4. Page 1, line 20, 21, and 22.

**Strike:** "or services"

5. Page 1, line 21.

**Strike:** "for a fee"

6. Page 1, line 22 through line 23.

**Strike:** "The" on line 22 through "." on line 23

7. Page 1, line 29.

**Strike:** "and institutions of higher education"

8. Page 2, lines 11 and 12.

**Strike:** "or institution of higher education"

9. Page 2, line 15.

**Strike:** "[section 5] or subsections"

**Insert:** "subsection"

**Strike:** "and (4) of this section"

10. Page 2, line 16.

**Strike:** ":"

11. Page 2, line 17.

**Strike:** "(a)"

12. Page 2, line 18.

**Strike:** "or services"

13. Page 2, line 18 through line 21.

**Strike:** ";" on line 18 through "enterprise" on line 21

14. Page 2, line 22.

**Strike:** "[section 5] and subsections"

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**Insert:** "subsection"

**Strike:** "and (4) of this section"

15. Page 2, line 23 through line 24.

**Strike:** "or services" on line 23 through "services" on line 24

16. Page 2, line 25.

**Strike:** "or services"

17. Page 2, line 25 through line 26.

**Strike:** "or if" on line 25 through "enterprise" on line 26

18. Page 3, line 4.

**Strike:** "or services"

19. Page 3, line 6 through line 16.

**Strike:** subsection (4) in its entirety

20. Page 3, line 18 through page 4, line 23.

**Strike:** Section 5 in its entirety

**Renumber:** subsequent sections

21. Page 4, line 26.

**Strike:** "6"

**Insert:** "5"

**Strike:** "or by an adverse decision under [section 4(4)(c)]"

22. Page 5, lines 9, 14, 20, and 22.

**Strike:** "6"

**Insert:** "5"

23. Page 5, line 9 through 10.

**Strike:** "or" on line 9 through "entity" on line 10

24. Page 5, following line 18.

**Insert:** "NEW SECTION. **Section 6. Study of government competition with private sector.** The legislative council shall designate an appropriate legislative interim committee to study the issue of government competition by political subdivisions of this state with the private sector. The study must include an examination of the impact on the private sector of the provision of services, manufacturing, construction, and maintenance and repair by governmental entities in this state and an examination of the feasibility and desirability of privatizing specific services, manufacturing, construction, and maintenance and repair activities conducted by political subdivisions. The appropriate committee shall prepare for submission to the 57th legislature a report of its findings and any recommendations or proposed legislation."

**Renumber:** subsequent sections

And, as amended, do pass. Report adopted.

**HB 516**, introduced bill, be amended as follows:

1. Title, line 4.

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**Following:** the second "AN ACT"

**Insert:** "REQUESTING AN INTERIM STUDY OF THE ADVISABILITY OF RETAINING OR"

2. Title, lines 6 and 7.

**Following:** ";" on line 6

**Strike:** "AND" on line 6 through ";" on line 7

3. Title, line 7.

**Following:** "PROVIDING AN"

**Insert:** "IMMEDIATE"

**Following:** "EFFECTIVE DATE"

**Strike:** "AND" through "DATE"

4. Page 1.

**Following:** line 7

**Insert:** "WHEREAS, there have been allowed, as a matter of public policy, certain tax exemptions to a variety of nonprofit and charitable entities; and

WHEREAS, it appears to be an increasingly frequent phenomenon that some tax-exempt nonprofit and charitable entities are becoming engaged in commercial activities that are in direct or indirect competition with entities that are not exempt from taxation; and

WHEREAS, the original and philosophical reasons for allowing certain tax exemptions to certain nonprofit and charitable entities may no longer exist or may have been amplified over time; and

WHEREAS, at a minimum, public policy reasons for allowing certain tax exemptions to certain tax-exempt nonprofit and charitable entities should be revisited by state policymakers; and

WHEREAS, section 15-31-102 (3), MCA, provides that tax- exempt entities must be taxed upon any "unrelated business taxable income" as defined by section 512 of the Internal Revenue Code of 1954; and

WHEREAS, the State of Montana has relied upon the federal rulings, regulations, and statutes defining "unrelated business taxable income" for purposes of determining the tax liability of nonprofit organizations in Montana; and

WHEREAS, the Legislature has not recently reviewed the status of the state's reliance upon the federal determination of "unrelated business taxable income"; and

WHEREAS, the Legislature recognizes that many Montana nonprofit organizations that engage in commercial activities producing "unrelated business taxable income" for federal tax purposes are paying tax to the State of Montana with regard to this income; and

WHEREAS, the Legislature also recognizes that certain tax- exempt entities may not fully understand the extent to which "unrelated business taxable income" is computed for federal tax purposes and, therefore, may be failing to pay the unrelated business income tax as required by section 15-31-102(3), MCA; and

WHEREAS, the Legislature believes that it is in the best interest of the citizens of the State of Montana, including tax-exempt, nonprofit, and charitable entities, to investigate and develop a sound understanding by the Legislature of the effect and level of compliance with the present law and to determine whether any specific statutory provisions that differ from the federal treatment of unrelated business taxable income should be implemented within the state."

5. Page 1, line 11.

**Strike:** "Nonprofit"

**Insert:** "Study of tax-exempt status of nonprofit"

6. Page 1, lines 11 and 12.

**Following:** "charities" on line 11

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**Strike:** "--" through "status" on line 12

7. Page 1, line 12.

**Strike:** "A"

**Insert:** "The legislative council is requested to assign to the revenue and taxation interim committee a study of the advisability of diverging from the present treatment of taxing the unrelated business taxable income of"

**Following:** "nonprofit"

**Strike:** "corporation"

**Insert:** "corporations"

**Strike:** "an institution"

**Insert:** "institutions"

8. Page 1, line 13.

**Strike:** "engages"

**Insert:** "engage"

**Following:** "enterprise"

**Insert:** "."

**Strike:** "may forfeit"

**Insert:** "The"

**Following:** "status"

**Strike:** "as"

**Insert:** "to be examined are the exemptions"

9. Page 1, line 14.

**Following:** "15-31-102"

**Insert:** "."

10. Page 1, lines 14 and 15.

**Strike:** "for" on line 14 through "enterprise" on line 15

**Insert:** "As one element only, the study must focus on the effectiveness of the state's current reliance upon 15-31-102(3) in order to tax the income generated by a tax-exempt entity's commercial enterprise and for any real or personal property or portion of real or personal property used by a tax-exempt entity in conducting the commercial enterprise generating the unrelated business taxable income"

11. Page 1, line 16.

**Strike:** "this section"

**Insert:** "the study"

12. Page 1, lines 29 and 30.

**Following:** "(4)" on line 29

**Strike:** remainder of line 29 through line 30

**Insert:** "In conducting the study, the committee shall review the effects of certain exemptions from unrelated business taxable income provided by the Internal Revenue Code and applicable state and federal regulations."

13. Page 2.

**Following:** line 7

**Insert:** "(8) The committee:

(a) may request assistance from the staff of any division of the legislative branch or from any agency of state

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government;

(b) may invite dialogue regarding the advisability of exemption from certain taxes with:

(i) tax-exempt nonprofit and charitable entities;

(ii) for-profit entities that are not tax exempt;

(iii) local government officials; or

(iv) any other person, group, or entity believed to have useful information or insights on the subjects within the purview of the committee; and

(c) shall compile its findings and conclusions in a report to the 57th legislature, as provided in 5-11-210. The report may identify options for further legislative consideration and may contain recommendations, including draft legislation, if considered advisable by the committee. The report must be prepared and available for distribution prior to November 1, 2000."

14. Page 2, line 9 through page 9, line 8.

**Strike:** section 2 through section 6 in their entirety

**Renumber:** subsequent sections

15. Page 9, line 10.

**Strike:** "July 1, 1999"

**Insert:** "on passage and approval"

16. Page 9, line 12 through line 14.

**Strike:** section 8 in its entirety

And, as amended, do pass. Report adopted.

**SB 482**, be amended as follows:

1. Title, line 4.

**Strike:** "ESTABLISHING"

**Insert:** "REQUESTING AN INTERIM STUDY OF MORTGAGE LENDING AND THE ADVISABILITY OF REQUIRING"

2. Title, lines 5 through 9.

**Strike:** the first "PROVIDING" on line 5 through ";" on line 9

3. Page 1.

**Following:** line 9

**Insert:** "WHEREAS, the activities of lenders and brokers and the offering of financing for residential real property have a direct and immediate impact upon the housing industry, the neighborhoods and communities of this state, homeowners, and potential homeowners; and

WHEREAS, the Legislature finds that, for the protection of the citizens of this state and the stability of the Montana economy, reasonable standards governing the business practices of residential mortgage lenders and mortgage brokers are prudent public policy; and

WHEREAS, the Legislature also finds that the obligations of lenders and mortgage brokers to consumers in connection with making, soliciting, processing, placing, or negotiating a residential mortgage loan warrant minimal but mindful regulation of the residential mortgage lending process, including the solicitation, application, and making of a residential mortgage loan; and

WHEREAS, the Legislature also finds that it needs to develop greater expertise and understanding of the practices and safeguards that exist within the residential mortgage lending industry, particularly in the context

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of the needs of mortgage borrowers for clear, accurate, and complete information regarding residential mortgage transactions.

4. Page 1, line 13 through page 18, line 20.

**Strike:** everything after the enacting clause

**Insert:** "NEW SECTION. Section 1. Study of mortgage lending.

(1) The legislative council is requested to assign to the appropriate interim committee a study of residential mortgage lending. The study must focus on:

- (a) necessary protections for consumers seeking residential mortgage loans;
- (b) determining if the residential mortgage lending industry is operating fairly, honestly, and efficiently and free from deceptive and anticompetitive practices;
- (c) the current regulation of the residential mortgage lending industry and how current regulations:
  - (i) benefit Montana citizens by ensuring the availability of residential mortgage funding;
  - (ii) benefit responsible providers of residential mortgage loans and services; and
  - (iii) avoid or, at least, minimize requirements inconsistent with legitimate and responsible business practices in the residential mortgage lending industry;
- (d) the advisability of legislatively imposing additional, clearer, fewer, or different requirements or restrictions on the mortgage lending industry; and
- (e) the advisability of imposing or revising the licensure of residential mortgage lenders.

(2) If the study described in subsection (1) is assigned to an interim committee, the interim committee assigned to conduct the study shall complete its work on the study no later than September 15, 2000, and shall have prepared and distributed, as provided in 5-11-210, a report of its findings and conclusions. The report may include options for further legislative consideration, which may include recommendations in the form of proposed legislation.

NEW SECTION. Section 2. Authority to accept donations -- appropriation. (1) The legislative council may accept gifts, grants, or other donations for the purpose of conducting the study provided for in [section 1].

(2) All gifts, grants, or donations received under subsection (1) must be deposited in a separate account and must be accounted for separately from other funds.

(3) There is appropriated \$40,000 from the account established in subsection (2) to the legislative council for the purposes of conducting the study provided for in [section 1]. This appropriation is biennial.

(4) Any funds remaining in the account on June 30, 2001, that are not obligated for the purposes of the study provided for in [section 1], must be refunded to the donors of the funds in the proportion that each donor's donation bears to the total donations received.

NEW SECTION. Section 3. Effective date. [This act] is effective July 1, 1999.

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

**FISH, WILDLIFE AND PARKS** (Wagner, Chairman):

3/26/1999

**HB 389**, introduced bill, be amended as follows:

1. Title, line 7.

**Following:** "DATE"

**Insert:** "AND A TERMINATION DATE"

2. Page 6, line 12.

**Insert:** "NEW SECTION. Section 10. Termination. [This act] terminates July 1, 2004."

And, as amended, do pass. Report adopted.

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**SB 59**, be amended as follows:

1. Title, line 7.

**Following:** "HUNT;"

**Insert:** "ESTABLISHING AN ADDITIONAL LICENSE DRAWING FEE APPLICABLE TO HUNTING LICENSE APPLICANTS WHO CHOOSE TO PARTICIPATE IN A COMMISSION-ADOPTED PREFERENCE SYSTEM FOR A SPECIES;"

2. Title, line 8.

**Strike:** "\$25"

**Insert:** "\$8"

3. Title, line 9.

**Following:** "PERMITS;"

**Strike:** "AND"

**Following:** "87-1-301,"

**Insert:** "87-2-113,"

4. Title, line 10.

**Following:** "MCA"

**Insert:** "; AND PROVIDING A DELAYED EFFECTIVE DATE"

5. Page 2, line 23.

**Insert:** "**Section 2.** Section 87-2-113, MCA, is amended to read:

"**87-2-113. Drawing fee.** (1) When the department determines a drawing is necessary prior to issuance of hunting licenses for any game species during a hunting season, it shall collect a \$3 per species drawing fee with each application submitted.

(2) If an applicant participates in a preference system adopted by the commission for a species, the department shall collect an additional drawing fee of \$1 to fund the administration of the preference system.

(3) This fee Drawing fees collected pursuant to this section must be deposited in the state special revenue fund to the credit of the department as set forth in 87-1-601.

~~(3)~~(4) The payment of a drawing fee confers no hunting rights or privileges.

~~(4)~~(5) The commission may waive the provisions of subsection (1) when a drawing is required for a special season under 87-1-304."

**Renumber:** subsequent sections

6. Page 6, line 21.

**Strike:** "\$25"

**Insert:** "\$8"

7. Page 7, line 7.

**Strike:** "\$25"

**Insert:** "\$8"

8. Page 7, line 22.

**Strike:** "\$25"

**Insert:** "\$8"

9. Page 9, line 9.



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**Strike:** "\$25"  
**Insert:** "\$8"

10. Page 9, line 25.  
**Strike:** "\$25"  
**Insert:** "\$8"

11. Page 10, line 11.  
**Strike:** "\$25"  
**Insert:** "\$8"

12. Page 11, line 30 through page 12, line 3.  
**Strike:** section 13 in its entirety  
**Insert:** "NEW SECTION. Section 14. Effective date. [This act] is effective October 1, 2000."

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

**JUDICIARY** (Clark, Chairman):  
**SB 186**, be amended as follows:

3/25/1999

1. Title, line 6.

**Following:** " ; "

**Insert:** "PROVIDING FOR REVOCATION OF A PERMIT FOR REFUSAL TO TAKE A TEST;"

2. Page 1, line 17.

**Strike:** "reasonable grounds"

**Insert:** "probable cause"

3. Page 1, line 17 through line 18.

**Strike:** "OR ESTABLISHMENT" on line 17 through "SOLD" on line 18

**Insert:** "in which alcoholic beverages are sold, dispensed, and consumed under a license issued under Title 16 for the sale of alcoholic beverages for consumption on the premises"

4. Page 1, line 24.

**Strike:** "it may be inferred"

**Insert:** "there is a rebuttable presumption"

5. Page 1, line 27.

**Strike:** "it may be inferred"

**Insert:** "there is a rebuttable presumption"

6. Page 1, line 28.

**Strike:** "Either inference is rebuttable by other evidence."

7. Page 1, line 30 through page 2, line 1.

**Strike:** "TIME" on page 1, line 30 through "LESS" on page 2, line 1

**Insert:** "6 months, and if the license expires before the end of that 6-month period, a renewal license may not be applied for until the 6-month period expires"

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

**SB 236**, be concurred in. Report adopted.

**SB 251**, be amended as follows:

1. Title, line 9.

**Following:** "PROGRAMS;"

**Insert:** "ALLOWING NONMANDATORY PORTIONS OF SENTENCES TO BE SUSPENDED FOR A PERIOD OF UP TO 6 MONTHS PENDING CHEMICAL DEPENDENCY TREATMENT;"

2. Page 3, line 26.

**Strike:** "60 days"

**Insert:** "6 months"

3. Page 4, line 9.

**Strike:** "1 year"

**Insert:** "6 months"

4. Page 6, line 14.

**Strike:** "ALCOHOL OR DRUG"

**Insert:** "chemical dependency"

5. Page 6, line 19.

**Following:** "ASSESSMENT"

**Strike:** " "

**Insert:** "and"

6. Page 6, line 19 through line 20.

**Following:** "COURSE" on line 19

**Strike:** remainder of line 19 through the first "TREATMENT" on line 20

7. Page 6, line 22.

**Following:** "ATTEND"

**Strike:** "THE"

**Insert:** "a treatment"

8. Page 6, line 22 through line 23.

**Following:** "AS THE" on line 22

**Strike:** remainder of line 22 through "SUBSECTION" on line 23

**Insert:** "treatment services are provided by a certified chemical dependency counselor"

9. Page 7, line 24.

**Strike:** "ALCOHOL OR DRUG"

**Insert:** "chemical dependency"

10. Page 8, line 5 through line 6.

**Following:** "conviction" on line 5

**Strike:** remainder of line 5 through "(8)" on line 6

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

**SB 257**, be concurred in. Report adopted.

**SB 258**, be amended as follows:

1. Title, page 1, line 10.

**Strike:** "PROVIDING A CONTINGENT VOIDNESS PROVISION;"

2. Title, page 1, line 11.

**Following:** "PROVIDING"

**Insert:** "AN IMMEDIATE"

**Strike:** "DATES"

**Insert:** "DATE"

3. Page 1, line 18.

**Strike:** the first "by"

**Insert:** "at the request of"

4. Page 2, line 19.

**Strike:** "may"

**Insert:** "shall"

5. Page 2, line 20.

**Strike:** the first "by"

**Insert:** "at the request of"

6. Page 2, line 26.

**Strike:** "may"

**Insert:** "shall"

7. Page 2, line 27.

**Strike:** "by"

**Insert:** "at the request of"

8. Page 3, line 15 through line 22.

**Strike:** section 4 through section 5 in their entirety

**Renumber:** subsequent section

9. Page 3, line 24.

**Strike:** "dates"

**Insert:** "date"

**Strike:** "(1)" through "[this"

**Insert:** "[This"

10. Page 1, line 26.

**Strike:** subsection (2) in its entirety

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

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**SB 372**, be amended as follows:

1. Page 7, line 26.

**Strike:** the first " " "

**Insert:** "and:

(a) there are no children from the relationship born before or during the marriage or adopted by the parties during the marriage; or

(b)"

**Strike:** the second " " "

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

**LOCAL GOVERNMENT** (Ahner, Chairman):

3/26/1999

**SB 269**, be amended as follows:

1. Page 3, line 9.

**Following:** "assessment"

**Insert:** "-- who considered owner -- sufficient protest to bar proceedings"

2. Page 3, line 12.

**Strike:** "treasurer"

**Insert:** "clerk and recorder"

3. Page 3, line 13.

**Following:** "resolution"

**Insert:** "and not later than the July 15 preceding the county's next fiscal year"

4. Page 3, following line 13.

**Insert:** "(3) At any time within 30 days after the date of the first publication of the notice of proposed assessments, any owner of property to be assessed for the costs of making the improvements may make written protest against the levy of assessments. The protest must be in writing, identify the property in the district owned by the protestor, and be signed by all owners of the property. The protest must be delivered to the secretary of the district not later than 5 p.m. of the last day of the 30-day period provided for in this subsection. The secretary shall endorse the date and hour of receipt on the protest.

(4) If the board of directors finds that a protest with respect to the method or methods of assessment described in the resolution of intention is made by the owners of property in the district to be assessed for more than 50% of the cost of improvements, the board of directors may not use the method or methods of assessment described in the resolution of intention."

5. Page 3, line 16.

**Following:** "secretary"

**Insert:** "and the county clerk and recorder"

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

**NATURAL RESOURCES** (Tash, Chairman):

3/26/1999

**SB 344**, be concurred in. Report adopted.

**STATE ADMINISTRATION** (Brainard, Chairman):

3/26/1999

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**SB 233**, be amended as follows:

1. Title, page 1, line 4.

**Following:** "A"

**Insert:** "DISCRETIONARY"

2. Title, page 1, lines 5 and 6.

**Strike:** "A" on line 5 through "DELAYED" on line 6

**Insert:** "AN"

**Strike:** "AN APPLICABILITY" on line 6

**Insert:** "A TERMINATION"

3. Page 2, line 30.

**Strike:** "either a FULL-TIME county attorney or a"

4. Page 3, line 1.

**Strike:** "FULL-TIME county attorney or AND"

5. Page 3, line 2.

**Following:** "attorney"

**Insert:** "as a deputy county attorney"

6. Page 3, line 3.

**Strike:** "EITHER a FULL-TIME county attorney or a"

**Strike:** "FULL-TIME county"

7. Page 3, line 4.

**Strike:** "attorney or AND"

8. Page 3, line 5.

**Strike:** "EITHER a FULL-TIME county attorney"

9. Page 3, line 6.

**Strike:** "or"

10. Page 3, line 7.

**Strike:** "FULL-TIME county attorney or AND"

11. Page 3, line 9 through line 14.

**Strike:** subsection (ii) in its entirety

**Insert:** "(ii) A county with a full-time county attorney may pay its full-time county attorney the same longevity increase that is provided for under subsection (3)(d)(i) for deputy county attorneys."

12. Page 4, line 29.

**Strike:** "-- APPLICABILITY"

13. Page 4, line 30.

**Strike:** "2000" through "DATE"

**Insert:** "1999"

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14. Page 4.

**Following:** line 30

**Insert:** "NEW SECTION. Section 4. Termination. [This act] terminates July 1, 2001."

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

**SB 496**, be amended as follows:

1. Title, page 1, line 6 through line 11.

**Strike:** "THE DISTRIBUTION" on line 6 through "GOVERNOR" on line 11

**Insert:** "PETITION SIGNATURE REQUIREMENTS FOR A STATUTORY INITIATIVE FROM 5 PERCENT OF ELECTORS IN ONE-THIRD OF THE LEGISLATIVE DISTRICTS TO 5 PERCENT OF ELECTORS IN ONE-THIRD OF THE COUNTIES BUT NOT MORE THAN 20 PERCENT OF THE SIGNATURES MAY BE FROM ANY ONE COUNTY AND TO DETERMINE THE NUMBER OF QUALIFIED ELECTORS IN EACH COUNTY BASED ON THE NUMBER IN EACH COUNTY WHO VOTED FOR GOVERNOR IN THE LAST ELECTION"

2. Page 1, line 19.

**Strike:** "one-half"

**Insert:** "one-third"

3. Page 1, line 21.

**Following:** the first "state"

**Insert:** ", except that no more than 20% of those signatures may be from any one county"

4. Page 1, lines 26 and 27.

**Following:** "each" on line 26

**Strike:** remainder of line 26 through "district" on line 27

**Insert:** "area in which signatures are required to be gathered for ballot measures"

5. Page 1, lines 28 through 30.

**Strike:** "For" on line 28 through "." on line 30

6. Page 2, line 6 through line 7.

**Strike:** "REQUIRING" on line 6 through "INITIATIVES" on line 7

**Insert:** "requiring signatures for statutory initiatives to be from one-third of counties not one-third of legislative districts but only 20% allowed from any one county"

7. Page 2, line 9 through line 11.

**Strike:** "REQUIRING" on line 9 through "INITIATIVES" on line 11

**Insert:** "requiring signatures for statutory initiatives to be from one-third of counties not one-third of legislative districts but only 20% allowed from any one county"

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

**TAXATION** (Hibbard, Chairman):

3/26/1999

**HB 174**, introduced bill, be amended as follows:

1. Title, page 1, line 5.

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**Strike:** "ELECTRIC"

2. Title, page 1, line 6.

**Strike:** "UTILITIES"

**Insert:** "ELECTRICAL GENERATION FACILITIES"

3. Title, page 1, line 7 through line 9.

**Strike:** "A" on line 7 through "8 PERCENT" on line 9

**Insert:** "CLASS THIRTEEN PROPERTY TO INCLUDE ELECTRICAL GENERATION FACILITIES; PROVIDING A DEFINITION OF "ELECTRICAL GENERATION FACILITIES"; PROVIDING AN EXCEPTION FOR QUALIFYING SMALL POWER PRODUCTION FACILITIES; TAXING ALL ELECTRICAL GENERATION FACILITIES THAT WERE PREVIOUSLY TAXED UNDER CLASS NINE AS CLASS THIRTEEN PROPERTY; TAXING CLASS THIRTEEN PROPERTY AT 6 PERCENT OF ITS MARKET VALUE"

4. Title, page 1, line 9.

**Strike:** "0.25"

**Insert:** "0.015"

5. Title, page 1, line 10.

**Strike:** "EXCISE"

**Insert:** "WHOLESALE ENERGY TRANSACTION"

**Strike:** "CONSUMPTION"

**Insert:** "TRANSMISSION"

**Following:** "ELECTRICITY"

**Insert:** "IN THE STATE"

6. Title, page 1, line 10 through line 19.

**Strike:** "ALLOWING" on line 10 through "TAX;" on line 19

**Insert:** "PROVIDING EXEMPTIONS FROM THE WHOLESALE ENERGY TRANSACTION TAX; ALLOWING THE ELECTRIC ENERGY PRODUCERS' LICENSE TAX TO BE ITEMIZED ON A CUSTOMER'S BILL;"

**Strike:** "EXCISE" on line 19

**Insert:** "WHOLESALE ENERGY TRANSACTION"

7. Title, page 1, line 20.

**Strike:** "AND" through "REVENUE"

8. Title, page 1, line 24.

**Strike:** "15-6-137,"

**Strike:** "15-32-107,"

9. Title, page 1, line 25.

**Strike:** "15-51-101,"

**Strike:** "15-51-103,"

**Strike:** "AND"

**Following:** "20-9-406,"

**Insert:** "AND 69-8-211,"

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10. Title, page 1, line 25 through line 26.  
**Strike:** "PROVIDING" on line 25 through ";" on line 26  
**Strike:** "AND AN"  
**Insert:** ", "  
**Strike:** "DATE"  
**Insert:** "DATES, AND A TERMINATION DATE"

11. Page 1, line 30 through page 32, line 15.  
**Strike:** everything after the enacting clause  
**Insert:** "NEW SECTION. Section 1. Short title. [Sections 1 through 14] may be cited as the "Electrical Generation Tax Reform Act". "

**Insert:** "NEW SECTION. Section 2. Legislative findings and declaration of purpose. (1) The legislature finds that the restructuring of the electric utility industry in Montana implemented by Chapter 505, Laws of 1997, including the unbundling of services and the provision that allows Montana customers to choose their supplier of electricity and related services in a competitive market, renders the existing method of property taxation of the electric utility industry an impediment to competition.

(2) The legislature further finds that the restructuring of the electric utility industry necessitates changes to the existing system of property taxation that include reducing the tax rate applied to electrical generation facilities and imposing a replacement tax in order to:

(a) avoid placing a supplier engaged in the business of generating, supplying, or selling electricity at a competitive advantage or disadvantage;

(b) preserve the revenue base of the existing property tax system for taxing jurisdictions in the state;

(c) minimize the shift in tax burden and the imposition of a higher tax burden on consumers of electricity; and

(d) minimize additional administrative costs and the burden of compliance.

(3) The legislature further finds that a reduction in the property tax rates applied to electrical generation facilities must be replaced by a wholesale energy transmission tax imposed on each kilowatt hour of electricity transmitted in the state.

(4) The legislature further finds that existing property tax rates applied to electrical transmission and distribution systems are appropriate for a regulated function.

(5) The legislature therefore declares that there is a compelling public need to modify the existing system of property taxation of electrical generation facilities and to impose a wholesale energy transaction tax on kilowatt hours of electricity transmitted in the state to ensure competitive neutrality and to provide replacement revenue to taxing jurisdictions in the state. "

**Insert:** "NEW SECTION. Section 3. Definitions. As used in [sections 1 through 14], unless the context requires otherwise, the following definitions apply:

(1) "Customer" or "purchaser" means a person who acquires for consideration electricity for use or consumption and not for resale.

(2) "Distribution services provider" means a person controlling or operating distribution facilities for distribution of electricity to the public. A distribution services provider includes a purchaser who takes electricity directly from a transmission line and a purchaser who generates electricity for the purchaser's own use but does not include electricity generated by the purchaser for noncommercial use or for agricultural use.

(3) "Person" means an individual, estate, trust, receiver, cooperative association, corporation, limited liability company, firm, partnership, joint venture, syndicate, or other entity, including any gas or electric utility owned or operated by a county, municipality, or other political subdivision of the state.

(4) "Transmission services provider" means a person controlling or operating transmission facilities as that term is defined in 69-8-103."

**Insert:** "NEW SECTION. Section 4. Wholesale energy transaction tax -- rate of tax -- exemptions -- cost recovery. (1)(a) Except as provided in subsection (3), a wholesale energy transaction tax is imposed upon electricity transmitted within the state as provided in this section. The tax is imposed at a rate of 0.015 cent per kilowatt hour



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of electricity transmitted by a transmission services provider in the state.

(b) For electricity produced in the state for delivery outside of the state, the taxpayer is the person owning or operating the electrical generation facility producing the electricity. The transmission services provider shall collect the tax from the person based upon the kilowatt hours introduced onto transmission lines from the electrical generation facility. The amount of kilowatt hours subject to tax must be reduced by 5% to compensate for transmission line losses.

(c) For electricity produced in the state for delivery within the state, the taxpayer is the distribution services provider. The transmission services provider shall collect the tax based upon the amount of kilowatt hours of electricity delivered to the distribution services provider. The taxpayer may apply for a refund for overpayment of taxes pursuant to [section 13].

(d) For electricity produced outside the state for delivery inside the state, the taxpayer is the distribution services provider. The transmission services provider shall collect the tax based upon the amount of kilowatt hours of electricity delivered to the distribution services provider.

(e) For electricity delivered to a distribution services provider that is a rural electric cooperative for delivery to purchasers that have opted for customer choice under the provisions of Title 69, chapter 8, part 3, the taxpayer is the distribution services provider. The transmission services provider shall collect the tax based on the amount of kilowatt hours of electricity delivered to the distribution services provider that is attributable to customers that have opted for customer choice.

(f) For electricity delivered to a distribution services provider that prior to May 2, 1997, was owned by a public utility as defined in 69-3-101, the tax is imposed on the successor distribution services provider. The transmission services provider shall collect the tax based upon the amount of kilowatt hours of electricity delivered to the distribution services provider.

(2) (a) If more than one transmission services provider transmits electricity, the last transmission services provider transmitting or delivering the electricity shall collect the tax.

(b) If the transmission services provider is an agency of the United States government, the distribution services provider receiving the electricity shall self-assess the tax subject to the provisions of [sections 1 through 14].

(c) If an electrical generation facility located within the state produces electricity for sale inside and outside the state, sales within the state are considered to have come from electricity produced within the state for purposes of the tax imposed by this section.

(3) (a) Electricity transmitted through the state that is not produced or delivered in the state is exempt from the tax imposed by this section.

(b) Electricity produced in the state by an agency of the of the United States government for delivery outside of the state is exempt from the tax imposed by this section.

(c) Electricity delivered to a distribution services provider that is a municipal utility described in 69-8-103(5)(b) or a rural electric cooperative organized under the provisions of Title 35, chapter 18, is exempt from the tax imposed by this section.

(d) Electricity delivered to a purchaser that receives its power directly from a transmission or distribution facility owned by an entity of the United States government on or before May 2, 1997, or electricity that is transmitted exclusively on transmission or distribution facilities owned by an entity of the United States government on or before May 2, 1997, is exempt from the tax imposed by this section.

(e) Electricity delivered by a distribution services provider to a customer with loads of 1,000 kilowatts or greater that was first served by a public utility after December 31, 1996, is exempt from the tax imposed by this section, provided that the customer purchases the electricity pursuant to a contract or contracts that establish the purchase price or prices of electricity. The exemption allowed by this subsection (3)(e) does not apply to electricity purchased under a renewal or extension of an existing contract or existing contracts.

(4) A distribution services provider is allowed to recover the tax imposed by this section and the administrative costs to comply with [sections 1 through 14] in its rates."

**Insert: "NEW SECTION. Section 5. Multistate exemption.** A person, upon proof that the person has paid a tax in another state on the transmission of electricity, is allowed a credit against the tax imposed by [sections 1

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through 14] if the tax has been paid in another state."

**Insert: "NEW SECTION. Section 6. Collection of wholesale energy transaction tax -- disposition of revenue.**

(1) A transmission services provider shall collect the tax imposed under [section 4] from the taxpayer and pay the tax collected to the department. If the transmission services provider collects a tax in excess of the tax imposed by [section 4], both the tax and the excess must be remitted to the department.

(2) A self-assessing distribution services provider is subject to the provisions of [sections 1 through 14].

(3) The wholesale energy transaction tax collected under [sections 1 through 14] must be deposited in the general fund."

**Insert: "NEW SECTION. Section 7. Returns -- payment -- authority of department.** (1) On or before the 30th day of the month following the end of the calendar quarter in which the tax imposed by [sections 1 through 14] is payable, a return, on a form provided by the department, and payment of the tax for the preceding calendar quarter must be filed with the department.

(2) Each person engaged in transmitting electricity in this state that is subject to the tax under [sections 1 through 14] shall file a return.

(3) (a) A person required to collect and pay to the department the tax imposed by [sections 1 through 14] shall keep records, render statements, make returns, and comply with the provisions of [sections 1 through 14] and the rules prescribed by the department. Each return or statement must include the information required by the rules of the department.

(b) For the purpose of determining compliance with the provisions of [sections 1 through 14], the department is authorized to examine or cause to be examined any books, papers, records, or memoranda relevant to making a determination of the amount of tax due, whether the books, papers, records, or memoranda are the property of or in the possession of the person filing the return or another person. In determining compliance, the department may use statistical sampling and other sampling techniques consistent with generally accepted auditing standards. The department may also:

(i) require the attendance of a person having knowledge or information relevant to a return;

(ii) compel the production of books, papers, records, or memoranda by the person required to attend;

(iii) implement the provisions of 15-1-703 if the department determines that the collection of the tax is or may be jeopardized because of delay;

(iv) take testimony on matters material to the determination; and

(v) administer oaths or affirmations.

(4) Pursuant to rules established by the department, returns may be computer-generated and electronically filed."

**Insert: "NEW SECTION. Section 8. Examination of return -- adjustments -- delivery of notices and demands.** (1) If the department determines that the amount of tax due is different from the amount reported, the amount of tax computed on the basis of the examination conducted pursuant to [section 7] constitutes the tax to be paid.

(2) If the tax due exceeds the amount of tax reported as due on the taxpayer's return, the excess must be paid to the department within 30 days after notice of the amount and demand for payment is mailed or delivered to the person making the return unless the taxpayer files a timely objection as provided in 15-1-211. If the amount of the tax found due by the department is less than that reported as due on the return and has been paid, the excess must be credited or, if no tax liability exists or is likely to exist, refunded to the person making the return.

(3) The notice and demand provided for in this section must contain a statement of the computation of the tax and interest and must be:

(a) sent by mail to the taxpayer at the address given in the taxpayer's return, if any, or to the taxpayer's last-known address; or

(b) served personally upon the taxpayer.

(4) A taxpayer filing an objection to the demand for payment is subject to and governed by the uniform tax review procedure provided in 15-1-211."

**Insert: "NEW SECTION. Section 9. Penalties and interest for violation.** (1) (a) A person who fails to file a return as required by [section 7] must be assessed a penalty as provided in [section 1 of House Bill No. 132]. The

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department may waive the penalty as provided in 15-1-206.

(b) A person who fails to file the return required by [section 7] and to pay the tax before the due date must be assessed penalty and interest as provided in [section 1 of House Bill No. 132]. The department may waive any penalty pursuant to 15-1-206.

(2) A person who purposely fails to pay the tax when due must be assessed an additional penalty as provided in [section 1 of House Bill No. 132]."

**Insert: "NEW SECTION. Section 10. Authority to collect delinquent taxes.** (1) (a) The department shall collect taxes that are delinquent as determined under [sections 1 through 14].

(b) If a tax imposed by [sections 1 through 14] or any portion of the tax is not paid when due, the department may issue a warrant for distraint as provided in Title 15, chapter 1, part 7.

(2) In addition to any other remedy, in order to collect delinquent taxes after the time for appeal has expired, the department may direct the offset of tax refunds or other funds that are due to the taxpayer from the state, except wages subject to the provisions of 25-13-614 and retirement benefits.

(3) As provided in 15-1-705, the taxpayer has the right to a review on the tax liability prior to any offset by the department.

(4) The department may file a claim for state funds on behalf of the taxpayer if a claim is required before funds are available for offset."

**Insert: "NEW SECTION. Section 11. Interest on deficiency -- penalty.** (1) Interest accrues on unpaid or delinquent taxes as provided in [section 1 of House Bill No. 132]. The interest must be computed from the date on which the return and tax were originally due.

(2) If the payment of a tax deficiency is not made within 60 days after it is due and payable and if the deficiency is due to negligence on the part of the taxpayer but without fraud, the penalty imposed by [section 1(1)(c) of House Bill No. 132] must be added to the amount of the deficiency."

**Insert: "NEW SECTION. Section 12. Limitations.** (1) Except in the case of a person who purposely or knowingly, as those terms are defined in 45-2-101, files a false or fraudulent return violating the provisions of [sections 1 through 14], a deficiency may not be assessed or collected with respect to a month or quarter for which a return is filed unless the notice of additional tax proposed to be assessed is mailed to or personally served upon the taxpayer within 5 years from the date on which the return was filed. For purposes of this section, a return filed before the last day prescribed for filing is considered to be filed on the last day.

(2) If, before the expiration of the 5-year period prescribed in subsection (1) for assessment of the tax, the taxpayer consents in writing to an assessment after expiration of the 5-year period, a deficiency may be assessed at any time prior to the expiration of the period consented to."

**Insert: "NEW SECTION. Section 13. Refunds -- interest -- limitations.** (1) A claim for a refund or credit as a result of overpayment of taxes collected under [sections 1 through 14] must be filed within 5 years of the date on which the return was due, without regard to any extension of time for filing.

(2) (a) Interest on an overpayment must be paid or credited at the same rate as the interest rate charged on [unpaid taxes as provided in [section 1 of House Bill No. 132]].

(b) Except as provided in subsection (2)(c), interest must be paid from the date on which the return was due or the date of overpayment, whichever is later. Interest does not accrue during any period in which the processing of a claim is delayed more than 30 days because the taxpayer has not furnished necessary information.

(c) The department is not required to pay interest if:

(i) the overpayment is refunded or credited within 6 months of the date on which a claim was filed; or

(ii) the amount of overpayment and interest does not exceed \$1."

**Insert: "NEW SECTION. Section 14. Administration -- rules.** The department shall:

(1) administer and enforce the provisions of [sections 1 through 14];

(2) cause to be prepared and distributed forms and information that may be necessary to administer the provisions of [sections 1 through 14]; and

(3) adopt rules that may be necessary or appropriate to administer and enforce the provisions of [sections 1

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through 14]."

**Insert: "NEW SECTION. Section 15. Electrical generation property tax reduction -- reimbursement to local taxing jurisdictions -- statutory appropriation.** (1) (a) The department shall calculate the amount of revenue lost to each local taxing jurisdiction, using current year mill levies, because of the reduction in facilities tax rates from 12% to 6% applied to electrical generation facilities described in [section 27]. The department shall total the amounts for all taxing jurisdictions within the county that had electrical generation facilities on January 1, 1997.

(b) The calculation must be based on the number of mills levied in each jurisdiction for the current tax year. The amount of the reimbursement is equal to the difference of the amount determined by multiplying 12% of the assessed value of the electrical generation facilities described in [section 27] in the local taxing jurisdiction by the current tax year mill levy in the jurisdiction and the amount determined by multiplying 6% of the assessed value of the electrical generation facilities described in [section 27] in the taxing jurisdiction by the current tax year mill levy in the jurisdiction.

(2) Each fiscal year, beginning in the fiscal year beginning July 1, 2000, as reimbursement for loss of facilities tax revenue, the department shall biannually remit to each county treasurer 50% of the amount of county property tax revenue lost because of the rate reduction of electrical generation facilities from 12% to 6%, as determined under subsection (1). The payment must be made on or before November 30 and May 31 of each fiscal year, as adjusted by the result of dissolved or combined taxing jurisdictions, as provided for in subsection (5).

(3) Upon receipt of the reimbursement from the department, the county treasurer shall distribute the reimbursement to each taxing jurisdiction as calculated by the department.

(4) (a) For the purposes of this section and subject to subsection (5), "local taxing jurisdiction" means a jurisdiction levying mills against electrical generation facilities and includes but is not limited to a county, city, consolidated county and city government, school district, community college district, tax increment financing district, and miscellaneous taxing district. The term includes countywide mills levied for equalization of retirement under 20-9-501 or transportation under Title 20, chapter 10, part 1.

(b) The term does not include county or state school equalization levies provided for in 20-9-331, 20-9-333, and 20-9-360 or the 6-mill university levy. It also does not include any state levy for welfare programs provided for in 53-2-813.

(5) The following apply to taxing jurisdictions that were altered after tax year 1999:

(a) A taxing jurisdiction that existed in tax year 1999 and that no longer exists is not entitled to reimbursement under this section.

(b) A taxing jurisdiction that existed in tax year 1999 and that is split into two or more taxing jurisdictions or that is annexed to or is consolidated with another taxing jurisdiction is entitled to reimbursement based on the portion of 1999 taxable value within each new taxing jurisdiction. The department shall determine the portion of 1999 taxable value located in each taxing jurisdiction.

(c) A taxing jurisdiction that did not exist in tax year 2000 is not entitled to reimbursement under this section unless the jurisdiction was created as described in subsection (5)(b).

(6) The amounts necessary for the administration of this section are statutorily appropriated, as provided in 17-7-502, from the general fund to reimburse eligible taxing jurisdictions for reductions in tax rates on electrical generation facilities."

**Insert: "Section 16. Section 7-1-2111, MCA, is amended to read:**

**"7-1-2111. Classification of counties.** (1) For the purpose of regulating the compensation and salaries of all county officers, not otherwise provided for, and for fixing the penalties of officers' bonds, the counties of this state must be classified according to the taxable valuation of the property in the counties upon which the tax levy is made, except for vehicles subject to taxation under 61-3-504, as follows:

- (a) first class--all counties having a taxable valuation of \$50 million or more;
- (b) second class--all counties having a taxable valuation of \$30 million or more and less than \$50 million;
- (c) third class--all counties having a taxable valuation of \$20 million or more and less than \$30 million;
- (d) fourth class--all counties having a taxable valuation of \$15 million or more and less than \$20 million;
- (e) fifth class--all counties having a taxable valuation of \$10 million or more and less than \$15 million;

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- (f) sixth class--all counties having a taxable valuation of \$5 million or more and less than \$10 million;
- (g) seventh class--all counties having a taxable valuation of less than \$5 million.

(2) As used in this section, "taxable valuation" means the taxable value of taxable property in the county as of the time of determination plus:

- (a) that portion of the taxable value of the county on December 31, 1981, attributable to automobiles and trucks having a rated capacity of three-quarters of a ton or less;
- (b) that portion of the taxable value of the county on December 31, 1989, attributable to automobiles and trucks having a manufacturer's rated capacity of more than three-quarters of a ton but less than or equal to 1 ton;
- (c) that portion of the taxable value of the county on December 31, 1997, attributable to buses, trucks having a manufacturer's rated capacity of more than 1 ton, and truck tractors;
- (d) that portion of the taxable value of the county on December 31, 1997, attributable to trailers, pole trailers, and semitrailers with a declared weight of less than 26,000 pounds;
- (e) the value provided by the department of revenue under 15-36-324(13); ~~and~~
- (f) 50% of the taxable value in the county on December 31, 1999, attributable to electrical generation property under 15-6-141; and

~~(f)(g)~~ 6% of the taxable value of the county on January 1 of each tax year."

**Insert:** "Section 17. Section 7-7-107, MCA, is amended to read:

**"7-7-107. Limitation on amount of bonds for city-county consolidated units.** (1) Except as provided in 7-7-108, ~~no~~ a city-county consolidated local government may not issue bonds for any purpose ~~which that~~, with all outstanding indebtedness, ~~may exceed~~ exceed 39% of the taxable value of the property ~~therein in the local government~~ subject to taxation, as ascertained by the last assessment for state and county taxes, plus an additional 50% of the taxable value attributable to electrical generation property under 15-6-141 within the local government for tax year 1999, multiplied by 39%.

(2) The issuing of bonds for the purpose of funding or refunding outstanding warrants or bonds is not the incurring of a new or additional indebtedness but is merely the changing of the evidence of outstanding indebtedness."

**Insert:** "Section 18. Section 7-7-2101, MCA, is amended to read:

**"7-7-2101. Limitation on amount of county indebtedness.** (1) A county may not become indebted in any manner or for any purpose in an amount, including existing indebtedness, in the aggregate exceeding 23% of the total of the taxable value of the property in the county subject to taxation; plus:

- (a) the value provided by the department of revenue in 15-36-324(13), as ascertained by the last assessment for state and county taxes previous to the incurring of the indebtedness; ~~plus;~~
- (b) an additional 50% of the taxable value attributable to electrical generation property under 15-6-141 within the county for tax year 1999, multiplied by 23%; and

~~(c) for indebtedness to be incurred during fiscal year 1997, an additional 11% of the taxable value of class eight property within the county for tax year 1995, for indebtedness to be incurred during fiscal year 1998, an additional 22% of the taxable value of class eight property within the county for tax year 1995, and for indebtedness to be incurred during fiscal years 1999 through 2008, an additional 33% of the taxable value of class eight property within the county for tax year 1995, in each case of class eight property, multiplied by 23%.~~

(2) A county may not incur indebtedness or liability for any single purpose to an amount exceeding \$500,000 without the approval of a majority of the electors of the county voting at an election to be provided by law, except as provided in 7-7-2402, 7-21-3413, and 7-21-3414.

(3) This section does not apply to the acquisition of conservation easements as set forth in Title 76, chapter 6."

**Insert:** "Section 19. Section 7-7-2203, MCA, is amended to read:

**"7-7-2203. Limitation on amount of bonded indebtedness.** (1) Except as provided in subsections (2) ~~through~~ ~~(4)~~ and (3), a county may not issue general obligation bonds for any purpose that, with all outstanding bonds and warrants except emergency bonds, will exceed 11.25% of the total of the taxable value of the property in the county; plus:

- (a) the value provided by the department of revenue under 15-36-324(13), to be ascertained by the last

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assessment for state and county taxes prior to the proposed issuance of bonds, ~~plus;~~

~~(b) for general obligation bonds to be issued during fiscal year 1997, an additional 11% of the taxable value of class eight property within the county for tax year 1995, for general obligation bonds to be issued during fiscal year 1998, an additional 22% of the taxable value of class eight property within the county for tax year 1995, and for general obligation bonds to be issued during fiscal years 1999 through 2008, an additional 33% of the taxable value of class eight property within the county for tax year 1995, in each case of class eight property, multiplied by 11.25%; and~~

~~(c) an additional 50% of the taxable value attributable to electrical generation property under 15-6-141 within the county for tax year 1999, multiplied by 11.25%.~~

~~(2) In addition to the bonds allowed by subsection (1), a county may issue bonds that, with all outstanding bonds and warrants, will not exceed 27.75% of the total of the taxable value of the property in the county subject to taxation, plus the value provided by the department of revenue under 15-36-324(13), when necessary to do so, to be ascertained by the last assessment for state and county taxes, plus, for bonds to be issued during fiscal year 1997, an additional 11% of the taxable value of class eight property within the county for tax year 1995, and for bonds to be issued during fiscal year 1998, an additional 22% of the taxable value of class eight property within the county for tax year 1995.~~

~~(3)(2) In addition to the bonds allowed by subsections subsection (1) and (2), a county may issue bonds for the construction or improvement of a jail detention center that will not exceed 12.5% of the taxable value of the property in the county subject to taxation, plus the adjustments permitted by 7-7-2101 subsection (1).~~

~~(4)(3) The limitation in subsection (1) does not apply to refunding bonds issued for the purpose of paying or retiring county bonds lawfully issued prior to January 1, 1932, or to bonds issued for the repayment of tax protests lost by the county."~~

**Insert: "Section 20.** Section 7-7-4201, MCA, is amended to read:

**"7-7-4201. Limitation on amount of bonded indebtedness.** (1) Except as otherwise provided, a city or town may not issue bonds or incur other indebtedness for any purpose in an amount that with all outstanding and unpaid indebtedness will exceed 28% of the taxable value of the property in the city or town subject to taxation, to be ascertained by the last assessment for state and county taxes, ~~plus;~~

~~(a) for bonds to be issued or other indebtedness to be incurred during fiscal year 1997, an additional 11% of the taxable value of class eight property within the city or town for tax year 1995, for bonds to be issued or other indebtedness to be incurred during fiscal year 1998, an additional 22% of the taxable value of class eight property within the city or town for tax year 1995, and for bonds to be issued or other indebtedness to be incurred during fiscal years 1999 through 2008, an additional 33% of the taxable value of class eight property within the city or town for tax year 1995, in each case of class eight property, multiplied by 28%; and~~

~~(b) an additional 50% of the taxable value attributable to electrical generation property under 15-6-141 within the city or town for tax year 1999, multiplied by 28%.~~

~~(2) The issuing of bonds for the purpose of funding or refunding outstanding warrants or bonds is not the incurring of a new or additional indebtedness but is merely the changing of the evidence of outstanding indebtedness.~~

~~(3) The limitation in subsection (1) does not apply to bonds issued for the repayment of tax protests lost by the city or town."~~

**Insert: "Section 21.** Section 7-7-4202, MCA, is amended to read:

**"7-7-4202. Special provisions relating to water and sewer systems.** (1) Notwithstanding the provisions of 7-7-4201, for the purpose of constructing a sewer system, procuring a water supply, or constructing or acquiring a water system for a city or town that owns and controls the water supply and water system and devotes the revenue from the water supply and water system to the payment of the debt, a city or town may incur an additional indebtedness by borrowing money or issuing bonds.

(2) The additional total indebtedness that may be incurred by borrowing money or issuing bonds for the construction of a sewer system, for the procurement of a water supply, or for both of the purposes, including all indebtedness that is contracted and that is unpaid or outstanding, may not in the aggregate exceed ~~55% over and above~~ of the 28%, debt limitation referred to in 7-7-4201, of the taxable value of the property in the city or town

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subject to taxation, to be ascertained by the last assessment for state and county taxes, plus;

~~(a) for indebtedness to be incurred during fiscal year 1997, an additional 11% of the taxable value of class eight property within the city or town for tax year 1995, for indebtedness to be incurred during fiscal year 1998, an additional 22% of the taxable value of class eight property within the city or town for tax year 1995, and for indebtedness to be incurred during fiscal years 1999 through 2008, an additional 33% of the taxable value of class eight property within the city or town for tax year 1995, in each case of class eight property, multiplied by 55%; and~~

~~(b) an additional 50% of the taxable value attributable to electrical generation property under 15-6-141 within the city or town for tax year 1999, multiplied by 55%."~~

**Insert: "Section 22.** Section 7-14-2524, MCA, is amended to read:

**"7-14-2524. Limitation on amount of bonds issued -- excess void.** (1) Except as otherwise provided in 7-7-2203, 7-7-2204, and this section, a county may not issue bonds that, with all outstanding bonds and warrants except emergency bonds, will exceed 11.25% of the total of the taxable value of the property in the county; plus;

(a) the value provided by the department of revenue under 15-36-324(13). The taxable property and the amount of taxes levied on new production, production from horizontally completed wells, and incremental production must be ascertained by the last assessment for state and county taxes prior to the issuance of the bonds.

~~(b) an additional 50% of the taxable value attributable to electrical generation property under 15-6-141 within the county for tax year 1999, multiplied by 11.25%.~~

(2) A county may issue bonds that, with all outstanding bonds and warrants, will exceed 11.25% but will not exceed 22.5% of the total of the taxable value of the property; plus an additional 50% of the taxable value attributable to electrical generation property under 15-6-141 within the county for tax year 1999, multiplied by the amount that exceeds 11.25% but does not exceed 22.5%, plus the value provided by the department of revenue under 15-36-324(13) when necessary for the purpose of replacing, rebuilding, or repairing county buildings, bridges, or highways that have been destroyed or damaged by an act of God or by a disaster, catastrophe, or accident.

(3) The value of the bonds issued and all other outstanding indebtedness of the county may not exceed 22.5% of the total of the taxable value of the property within the county, ~~plus the value provided by the department of revenue under 15-36-324(13),~~ as ascertained by the last preceding general assessment as adjusted in this section."

**Insert: "Section 23.** Section 7-14-2525, MCA, is amended to read:

**"7-14-2525. Refunding agreements and refunding bonds authorized.** (1) Whenever the total indebtedness of a county exceeds 22.5% of the total of the taxable value of the property in the county, ~~plus the value provided by the department of revenue under 15-36-324(13) as adjusted in 7-14-2524,~~ and the board determines that the county is unable to pay the indebtedness in full, the board may:

(a) negotiate with the bondholders for an agreement under which the bondholders agree to accept less than the full amount of the bonds and the accrued unpaid interest in satisfaction of the bonds;

(b) enter into the agreement;

(c) issue refunding bonds for the amount agreed upon.

(2) These bonds may be issued in more than one series, and each series may be either amortization or serial bonds.

(3) The plan agreed upon between the board and the bondholders must be embodied in full in the resolution providing for the issuance of the bonds."

**Insert: "Section 24.** Section 7-16-2327, MCA, is amended to read:

**"7-16-2327. Indebtedness for park purposes.** (1) Subject to the provisions of subsection (2), a county park board, in addition to powers and duties now given under law, may contract an indebtedness in behalf of a county, upon the credit of the county, in order to carry out its powers and duties.

(2) (a) The total amount of indebtedness authorized to be contracted in any form, including the then-existing indebtedness, may not at any time exceed 13% of the total of the taxable value of the taxable property in the county, as ascertained by the last assessment for state and county taxes previous to the incurring of the indebtedness, plus;

~~(i) the value provided by the department of revenue under 15-36-324(13), ascertained by the last assessment for state and county taxes previous to the incurring of the indebtedness; and~~

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(ii) an additional 50% of the taxable value attributable to electrical generation property under 15-6-141 within the county for tax year 1999, multiplied by 13%.

(b) Money may not be borrowed on bonds issued for the purchase of lands and improving the land for any purpose until the proposition has been submitted to the vote of those qualified under the provisions of the state constitution to vote at the election in the affected county and a majority vote is cast in favor of the bonds."

**Insert: "Section 25.** Section 7-16-4104, MCA, is amended to read:

**"7-16-4104. Authorization for municipal indebtedness for various cultural, social, and recreational purposes.** (1) A city or town council or commission may contract an indebtedness on behalf of the city or town, upon the credit of the city or town, by borrowing money or issuing bonds:

(a) for the purpose of purchasing and improving lands for public parks and grounds;

(b) for procuring by purchase, construction, or otherwise swimming pool facilities, athletic fields, skating rinks, playgrounds, museums, a golf course, a site and building for a civic center, a youth center, or any combination of these facilities; and

(c) for furnishing, equipping, repairing, or rehabilitating a swimming pool facility, athletic field, skating rink, playground, museum, golf course, civic center, or youth center.

(2) The total amount of indebtedness authorized to be contracted in any form, including the then-existing indebtedness, may not at any time exceed 16.5% of the taxable value of the taxable property of the city or town, as ascertained by the last assessment for state and county taxes previous to the incurring of the indebtedness, plus an additional 50% of the taxable value attributable to electrical generation property under 15-6-141 within the city or town for tax year 1999, multiplied by 16.5%. Money may not be borrowed for any purpose on bonds issued for the purchase of lands and improving the land until the proposition has been submitted to the vote of the qualified electors of the city or town and a majority vote is cast in favor of the proposition."

**Insert: "Section 26.** Section 15-6-141, MCA, is amended to read:

**"15-6-141. Class nine property -- description -- taxable percentage.** (1) Class nine property includes:

(a) centrally assessed allocations of an electric power companies' allocations company or centrally assessed allocations of an electric power company that owns or operates transmission or distribution facilities or both, including, if congress passes legislation that allows the state to tax property owned by an agency created by congress to transmit or distribute electrical energy, allocations of properties constructed, owned, or operated by a public agency created by the congress to transmit or distribute electric energy produced at privately owned generating facilities, not including rural electric cooperatives. However, rural electric cooperatives' property used for the sole purpose of serving customers representing less than 95% of the electric consumers located within the incorporated limits of a city or town of more than 3,500 persons in which a centrally assessed electric power company also owns property is included. For purposes of this subsection (1)(a), "property used for the sole purpose" does not include a headquarters, office, shop, or other similar facility.

(b) allocations for centrally assessed natural gas companies having a major distribution system in this state; and

(c) centrally assessed companies' allocations except:

(i) ~~electric power and natural gas companies'~~ electrical generation facility property included in class thirteen;

(ii) property owned by cooperative rural electric and cooperative rural telephone associations and classified in class five;

(iii) property owned by organizations providing telephone communications to rural areas and classified in class seven;

(iv) railroad transportation property included in class twelve; and

(v) airline transportation property included in class twelve.

(2) Class nine property is taxed at 12% of market value."

**Insert: "NEW SECTION. Section 27. Class thirteen property -- description -- taxable percentage.** (1) Except as provided in subsections (2)(a) through (2)(d), class thirteen property includes:

(a) electrical generation facilities of a centrally assessed electric power company;

(b) electrical generation facilities owned or operated by an exempt wholesale generator or an entity certified



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as an exempt wholesale generator pursuant to section 32 of the Public Utility Holding Company Act of 1935, 15 U.S.C. 79z-5a; and

(c) noncentrally assessed electrical generation facilities owned or operated by any electrical energy producer.

(2) Class thirteen property does not include:

(a) property owned by cooperative rural electric cooperative associations classified under 15-6-135;

(b) property owned by cooperative rural electric cooperative associations classified under 15-6-137;

(c) allocations of electric power company property under 15-6-141; and

(d) electrical generation facilities included in another class of property.

(3) (a) For the purposes of this section, "electrical generation facilities" means any combination of a physically connected generator or generators, associated prime movers, and other associated property, including appurtenant land and improvements and personal property, that are normally operated together to produce electric power. The term includes but is not limited to generating facilities that produce electricity from coal-fired steam turbines, oil or gas turbines, or turbine generators that are driven by falling water.

(b) The term does not include electrical generation facilities used for noncommercial purposes or exclusively for agricultural purposes.

(c) The term also does not include a qualifying small power production facility, as that term is defined in 16 U.S.C. 796(17), that is owned and operated by a person not primarily engaged in the generation or sale of electricity other than electric power from a small power production facility and classified under 15-6-134 and 15-6-138.

(4) Class thirteen property is taxed at 6% of its market value."

**Insert: "Section 28.** Section 15-51-102, MCA, is amended to read:

**"15-51-102. Payment of tax -- ~~not to~~ may be set out itemized on customers' bills.** The license tax ~~shall~~ must be remitted with the statement and paid on or before the 30th day of the month after each calendar quarter. ~~No A customer's bill; or statement, or account rendered or given any customer by any organization affected by the provisions of this chapter shall set out or contain as a separate item any amount on account or by reason of the license tax imposed by this chapter~~ may contain an itemized amount of the tax imposed by 15-51-101."

**Insert: "Section 29.** Section 17-7-502, MCA, is amended to read:

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

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

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

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

(3) The following laws are the only laws containing statutory appropriations: 2-17-105; 3-5-901; 5-13-403; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-111; [section 15]; 15-23-706; 15-30-195; 15-31-702; 15-36-324; 15-36-325; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 16-1-404; 16-1-406; 16-1-411; 16-11-308; 17-3-106; 17-3-212; 17-3-222; 17-6-101; 17-7-304; 18-11-112; 19-3-319; 19-6-709; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 20-8-107; 20-8-111; 20-26-1503; 22-3-1004; 23-5-136; 23-5-306; 23-5-409; 23-5-610; 23-5-612; 23-5-631; 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 39-71-907; 39-71-2321; 42-2-105; 44-12-206; 44-13-102; 50-4-623; 53-6-703; 53-24-206; 67-3-205; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 77-1-131; 80-2-103; 80-2-222; 80-4-416; 81-5-111; 82-11-161; 85-20-402; 87-1-513; 90-3-301; 90-4-215; 90-6-331; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments.

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(In subsection (3): pursuant to sec. 7, Ch. 567, L. 1991, the inclusion of 19-6-709 terminates upon death of last recipient eligible for supplemental benefit; pursuant to sec. 7(2), Ch. 29, L. 1995, the inclusion of 15-30-195 terminates July 1, 2001; pursuant to sec. 5, Ch. 461, L. 1997, the inclusion of 77-1-131 terminates October 1, 2003; and pursuant to secs. 13, 16(1), Ch. 549, L. 1997, the inclusion of 90-3-301 terminates July 1, 1999.)

**17-7-502. (Effective July 1, 2008) Statutory appropriations -- definition -- requisites for validity.** (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

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

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

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

(3) The following laws are the only laws containing statutory appropriations: 2-17-105; 3-5-901; 5-13-403; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; [section 15]; 15-23-706; 15-30-195; 15-31-702; 15-36-324; 15-36-325; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 16-1-404; [16-1-406;] 16-1-411; 16-11-308; 17-3-106; 17-3-212; 17-3-222; 17-5-404; 17-5-804; 17-6-101; 17-7-304; 18-11-112; 19-3-319; 19-6-709; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-205; 19-19-305; 19-19-506; 20-8-107; 20-9-361; 20-26-1503; 22-3-1004; 23-5-136; 23-5-306; 23-5-409; 23-5-610; 23-5-612; 23-5-631; 23-7-301; 23-7-402; 32-1-537; 37-43-204; 37-51-501; 39-71-503; 39-71-907; 39-71-2321; 42-2-105; 44-12-206; 44-13-102; 50-4-623; 50-5-232; 50-40-206; 53-6-150; 53-6-703; 53-24-206; 60-2-220; 67-3-205; 75-1-1101; 75-5-1108; 75-6-214; 75-5-1108; 75-6-214; 75-11-313; 77-1-505; 80-2-103; 80-2-222; 80-4-416; 81-5-111; 82-11-136; 82-11-161; 85-1-220; 85-20-402; 87-1-513; 90-4-215; 90-6-331; 90-7-220; 90-7-221; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 7, Ch. 567, L. 1991, the inclusion of 19-6-709 terminates upon death of last recipient eligible for supplemental benefit; and pursuant to sec. 68(2), Ch. 422, L. 1997, this version becomes effective July 1, 2008.)"

**Insert: "Section 30.** Section 20-9-406, MCA, is amended to read:

**"20-9-406. Limitations on amount of bond issue.** (1) (a) Except as provided in subsection ~~(1)(e)~~ (1)(d), the maximum amount for which an elementary district or a high school district may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is 45% of the taxable value of the property subject to taxation, to be ascertained by the last-completed assessment for state, county, and school taxes previous to the incurring of the indebtedness, plus;

~~(i) for bonds to be issued during fiscal year 1997, an additional 11% of the taxable value of class eight property within the district for tax year 1995, for bonds to be issued during fiscal year 1998, an additional 22% of the taxable value of class eight property within the district for tax year 1995, and for bonds to be issued during fiscal years 1999 through 2008, an additional 33% of the taxable value of class eight property within the district for tax year 1995, in each case of class eight property, multiplied by 45%; and~~

~~(ii) an additional 50% of the taxable value attributable to electrical generation property under 15-6-141 within the district for tax year 1999, multiplied by 45%.~~

(b) Except as provided in subsection ~~(1)(e)~~ (1)(d), the maximum amount for which a K-12 school district, as formed pursuant to 20-6-701, may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is up to 90% of the taxable value of the property subject to taxation, to be ascertained by the last-completed assessment for state, county, and school taxes previous to the incurring of the indebtedness, plus;

~~(i) for bonds to be issued during fiscal year 1997, an additional 11% of the taxable value of class eight property~~

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~~within the district for tax year 1995, for bonds to be issued during fiscal year 1998, an additional 22% of the taxable value of class eight property within the district for tax year 1995, and for bonds to be issued during fiscal years 1999 through 2008, an additional 33% of the taxable value of class eight property within the district for tax year 1995, in each case of class eight property, multiplied by 90%; and~~

(ii) an additional 50% of the taxable value attributable to electrical generation property under 15-6-141 within the district for tax year 1999, multiplied by 90%.

(c) The total indebtedness of the high school district with an attached elementary district must be limited to the sum of 45% of the taxable value of the property for elementary school program purposes and 45% of the taxable value of the property for high school program purposes, adjusted as provided in this section.

~~(e)~~(d) (i) The maximum amount for which an elementary district or a high school district with a district mill value per elementary ANB or per high school ANB that is less than the corresponding statewide mill value per elementary ANB or per high school ANB may become indebted by the issuance of bonds, including all indebtedness represented by outstanding bonds of previous issues and registered warrants, is 45% of the corresponding statewide mill value per ANB times 1,000 times the ANB of the district. For a K-12 district, the maximum amount for which the district may become indebted is 45% of the sum of the statewide mill value per elementary ANB times 1,000 times the elementary ANB of the district and the statewide mill value per high school ANB times 1,000 times the high school ANB of the district.

(ii) If mutually agreed upon by the affected districts, for the purpose of calculating its maximum bonded indebtedness under this subsection ~~(+)(e)~~ (1)(d), a district may include the ANB of the district plus the number of students residing within the district for which the district or county pays tuition for attendance at a school in an adjacent district. The receiving district may not use out-of-district ANB for the purpose of calculating its maximum indebtedness if the out-of-district ANB has been included in the ANB of the sending district pursuant to the mutual agreement.

(2) The maximum amounts determined in subsection (1), however, may not pertain to indebtedness imposed by special improvement district obligations or assessments against the school district or to bonds issued for the repayment of tax protests lost by the district. All bonds issued in excess of the amount are void, except as provided in this section.

(3) When the total indebtedness of a school district has reached the limitations prescribed in this section, the school district may pay all reasonable and necessary expenses of the school district on a cash basis in accordance with the financial administration provisions of this chapter.

(4) Whenever bonds are issued for the purpose of refunding bonds, any money to the credit of the debt service fund for the payment of the bonds to be refunded is applied toward the payment of the bonds and the refunding bond issue is decreased accordingly."

**Insert: "Section 31.** Section 69-8-211, MCA, is amended to read:

**"69-8-211. Public utilities -- transition costs and charges -- rate moratorium.** (1) Subject to the provisions of this section, the commission shall allow recovery of the following categories of transition costs:

(a) the unmitigable costs of qualifying facility contracts, including reasonable buyout or buydown costs, for which the contract price of generation is above the market price for generation;

(b) the unmitigable costs of energy supply-related regulatory assets and deferred charges that exist because of current regulatory practices and that can be accounted for up to the effective date of the commission's final order regarding a public utility's transition plan, including costs, expenses, and reasonable fees related to issuing of transition bonds;

(c) the unmitigable transition costs related to public utility-owned generation and other power purchase contracts, except that recovery of those costs is limited to the amount accruing during the first 4 years after the commission enters an order pursuant to 69-8-202(3); and

(d) other transition costs as may qualify for recovery under this section.

(2) Transition costs as determined by the commission upon an affirmative showing by a public utility must meet the following requirements:

(a) Transition costs must reflect all reasonable mitigation by the public utility, including but not limited to good

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faith efforts to renegotiate contracts, buying out or buying down contracts, and refinancing through transition bonds.

(b) The value of all generation-related assets and liabilities and electricity supply costs must be reasonably demonstrable and must be considered on a net basis, and methods for determining value must include but are not limited to:

- (i) estimating future market values of electricity and ancillary services provided by the assets;
- (ii) appraisal by independent third-party professionals; or
- (iii) a competitive bid sale.

(c) Investments and power purchase contracts must have been previously allowed in rates or, if not previously in rates, must be determined to be used and useful to ratepayers in connection with the commission's approval of the utility's transition plan.

(d) Unless otherwise provided for in this chapter, only costs related to existing investments and power purchase contracts identified in subsection (2)(c) and costs arising from those investments and power purchase contracts may be included as transition costs.

(3) (a) On commission approval of the amount of a public utility's transition costs, those costs must be recovered through the imposition of a transition charge.

(b) A transition charge may not be collected from customers for:

(i) new or additional loads of 1,000 kilowatts or greater that were first served by the public utility after December 31, 1996; or

(ii) loads served by that customer's own generation.

(c) Subject to commission approval, a utility and a customer may agree to alter the customer's transition charge payment schedule. Public utilities may file with the commission tariffs for electric service rates that foster economic development or retention of existing customers within the state, including generally available rate schedules. Transition charges are the only charges that may be imposed upon a customer class to recover transition costs under this section. A separate exit fee may not be charged.

(4) Transition charges must be imposed within a transition cost recovery period approved by the commission on a case-by-case basis. Except for transition costs recovered under subsection (1)(c), categories of transition costs may have varying transition cost recovery periods.

(5) Approval of transition costs and collection of those transition costs through transition charges is a settlement of all transition costs claims by a public utility. A public utility seeking to recover transition costs through any means not authorized by this chapter may not collect transition charges with respect to these transition costs.

(6) Except as provided in subsection (7), public utilities shall implement a rate moratorium during the transition period as follows:

(a) From July 1, 1998, through June 30, 2000, public utilities may not charge rates higher than those rates in effect on July 1, 1998.

(b) From July 1, 2000, through June 30, 2002, and only for those customers subject to the provisions of 69-8-201(1)(b), public utilities may not increase that increment of rates normally allocated to electric supply-related costs above the increment associated with electric supply-related costs reflected in rates in effect on July 1, 1998. Beginning on July 1, 2000, public utilities may propose increases to those increments of rates normally allocated to transmission and distribution costs.

(7) Excepted from the provisions of subsection (6) are:

(a) increased costs related to universal system benefits programs greater than those currently in rates, including the treatment of universal system benefits program costs as an expense;

(b) increased costs necessary to implement full customer choice, including but not limited to metering, billing, and technology. Those costs must be recovered from the customers on whose behalf the increased costs are incurred.

(c) subject to commission approval, an extraordinary event resulting in either:

(i) a 4% annual revenue requirement increase from July 1, 1998, through June 30, 2000; or

(ii) an 8% power supply-related annual revenue requirement increase from July 1, 2000, through June 30, 2002;

(d) ~~portions of the increase or decrease in the annual state and local property tax expense that are greater than the payment or adjustment that results from applying the industry-recognized rates of inflation to the increase or~~

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~~decrease in the state and local property tax expense reflected in rates as of~~ has occurred since May 2, 1997.

(8) Notwithstanding subsections (6) and (7), during the transition period, public utilities may not charge rates or collect costs that include costs reallocated to transition costs at a level higher than the public utility would reasonably expect to recover in rates had the current regulatory system remained intact.

(9) Public utilities shall apply savings resulting under 69-8-503 toward the rate moratorium pursuant to subsection (6).

(10) During the 4-year transition period, public utilities may accelerate the amortization of accumulated deferred investment tax credits associated with transmission, distribution, and the general plant as an adjustment to earnings if electric earnings fall below 9.5% earned return on average equity. The public utility may include the flow through of investment tax credits so that the public utility's earned return on equity is maintained at 9.5%. Accumulated deferred investment tax credits amortized under this subsection may not be reflected in operating income for ratemaking purposes.

(11) The commission shall issue the accounting orders necessary to align rate moratorium timing and requirements to actual transition bonds savings."

**Insert: "NEW SECTION. Section 32. Codification instruction.** (1) [Sections 1 through 14] are intended to be codified as an integral part of Title 15, and the provisions of Title 15 apply to [sections 1 through 14].

(2) [Section 15] is intended to be codified as an integral part of Title 15, chapter 1, part 1, and the provisions of Title 15, chapter 1, part 1, apply to [section 15].

(3) [Section 27] is intended to be codified as an integral part of Title 15, chapter 6, part 1, and the provisions of Title 15, chapter 6, part 1, apply to [section 27]."

**"NEW SECTION. Section 33. Coordination instruction.** If House Bill No. 132 is not passed and approved then:

(1) the bracketed language referring to unpaid taxes in [section 13(2)(a) of this act] is void and the phrase "delinquent taxes" must be inserted; and

(2) [sections 9 and 11 of this act] must read as follows:

**Insert: "NEW SECTION. Section 9. Penalties and interest for violation.** (1) (a) If a person, without purposely or knowingly violating any requirement imposed by [sections 1 through 14], fails to file a return and pay the tax on or before the due date, there must be imposed a penalty of 5% of the balance of debt unpaid with respect to the return as of the date due, but the penalty for failure to file a return by its due date may not be less than \$20. The department may abate the penalty if the person establishes that the failure to file on time was due to reasonable cause and was not due to neglect by the taxpayer.

(b) If a person, without purposely or knowingly violating any requirement imposed by [sections 1 through 14], fails to pay a debt on or before the due date, there must be added to the debt a penalty of 10% of the debt, but not less than \$20, and interest must accrue on the debt at a rate of 1% for each month or fraction of a month for the entire period that the debt remains unpaid. The department may abate the penalty if the person establishes that the failure to pay was due to reasonable cause and was not due to neglect by the taxpayer. The department shall adopt rules that define reasonable cause.

(2) If a person purposely or knowingly violates any requirement imposed by [sections 1 through 14] by failing to file a return or to pay a debt, there must be added to the debt an additional amount equal to 25% of the debt, but not less than \$50, and interest at 1% for each month or fraction of a month during which the debt remains unpaid."

**Insert: "NEW SECTION. Section 11. Interest on deficiency -- penalty.** (1) Interest accrues on unpaid or delinquent taxes at the rate of 1% for each month or fraction of a month during which the taxes remain unpaid. The interest must be computed from the date on which the return and tax were originally due.

(2) If the payment of a tax deficiency is not made within 60 days after it is due and payable and if the deficiency is due to negligence on the part of the taxpayer but without fraud, there must be added to the amount of the deficiency a penalty of 10% of the tax, but in no case less than \$25."

**Insert: "NEW SECTION. Section 34. Saving clause.** [This act] does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act]."

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**Insert:** "NEW SECTION. Section 35. Severability. If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications."

**Insert:** "NEW SECTION. Section 36. Effective dates. (1) Except as provided in subsection (2), [this act] is effective January 1, 2000.

(2) For the purposes of promulgating administrative rules under [section 14], [section 14 and this section] are effective on passage and approval."

**Insert:** "NEW SECTION. Section 37. Applicability. (1) [Sections 1 through 14, 26 through 29, and 31] apply to tax years beginning after December 31, 1999.

(2) [Sections 15 through 25 and 30] apply to fiscal years beginning after June 30, 2000."

**Insert:** "NEW SECTION. Section 38. Termination. [Section 4(3)(e)] terminates January 1, 2003."

And, as amended, do pass. Report adopted.

**SB 308**, be concurred in. Report adopted.

**MESSAGES FROM THE SENATE**

House joint resolution concurred in and returned to the House:

3/25/1999

**HJR 28**, introduced by Grinde

**MESSAGES FROM THE GOVERNOR**

March 25, 1999

The Honorable John Mercer  
Speaker of the House  
State Capitol  
Helena, Montana 59620

Dear Representative Mercer:

Please be informed that I have signed **House Bill 136** sponsored by Representative C. Williams, **House Bill 154** sponsored by Representative Gallus, **House Bill 173** sponsored by Representative Somerville, **House Bill 474** sponsored by Representative Hibbard et al., and **House Bill 561** sponsored by Representative Gallus et al. on March 25, 1999.

Sincerely,

MARC RACICOT  
Governor

March 25, 1999

The Honorable Bruce Crippen  
President of the Senate  
State Capitol  
Helena MT 59620

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The Honorable John Mercer  
Speaker of the House  
State Capitol  
Helena MT 59620

Dear President Crippen and Speaker Mercer:

In accordance with the power vested in me as Governor by the Constitution and laws of the State of Montana, I hereby return Senate Bill 200, "AN ACT STIMULATING ECONOMIC GROWTH AND ENCOURAGING BUSINESS RETENTION; PROVIDING PROGRESSIVE EXEMPTION FROM TAXATION OF CLASS EIGHT PROPERTY; PROVIDING LIMITED REPORTING REQUIREMENTS FOR EXEMPT BUSINESS EQUIPMENT; REDUCING INCREMENTALLY THE TAX RATE ON CLASS SIX PROPERTY FROM 4 PERCENT TO 1 PERCENT BEGINNING IN TAX YEAR 1999; ELIMINATING THE PROPERTY TAX ON CLASS SIX PROPERTY IN 2002; REIMBURSING LOCAL TAXING JURISDICTIONS FOR THE PHASED-IN RATE REDUCTION AND ELIMINATION OF CLASS SIX PROPERTY; REVISING THE INDEBTEDNESS LIMITATIONS OF LOCAL TAXING JURISDICTIONS TO OFFSET CLASS SIX PROPERTY TAX RATE REDUCTIONS; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTIONS 7-7-107, 7-7-108, 7-7-2101, 7-7-2203, 7-14-2524, 7-14-2525, 7-16-2327, 15-1-101, 15-6-136, 15-6-201, 15-6-207, 15-8-301, 15-24-301, 15-24-303, 15-24-902, 15-24-903, 15-24-904, 15-24-922, 17-7-502, 20-9-406, 81-7-303, AND 81-7-603, MCA; REPEALING SECTIONS 15-6-136, 15-6-138, 15-24-901, 15-24-920, 15-24-926, 15-24-927, AND 15-24-931, MCA; AND PROVIDING EFFECTIVE DATES AND APPLICABILITY DATES" for the following reasons.

For the last six years, the legislative branch and the executive branch have worked together to eliminate the structural fiscal imbalance that we inherited in 1993. Now as our revenue growth allows us to provide additional tax relief, we must insure that it is done in a reasonable and responsible manner.

The fiscal impact of SB200 for the 2001 biennium is reasonable and responsible. However, even though I am a strong supporter of further business equipment tax reductions, I cannot in good conscience approve the level of tax relief for the 2003 and future bienniums without reasonable assurance that sufficient revenue growth will occur as a result of our tax relief efforts and be available to prevent a future structural imbalance.

For these reasons, I am proposing amendments which would set a smaller tax exemption level, begin the tax rate reductions earlier and provide for a trigger mechanism to allow tax rate reductions in tax year 2002 and subsequent tax years if the targeted General Fund revenue growth is achieved. The targeted revenue growth will allow us the opportunity to provide additional tax relief while maintaining the State's fiscal integrity.

Sincerely,

MARC RACICOT  
Governor

1. Title, line 11.

**Following:** "PROVIDING"

**Insert:** "A PHASED-IN RATE REDUCTION AND A"

2. Title, line 13.

**Following:** "EQUIPMENT;"

**Insert:** "PROVIDING EXEMPTIONS FOR CLASS SIX PROPERTY;"

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3. Title, line 14.

**Strike:** "1999"

**Insert:** "2000"

4. Title, line 15.

**Strike:** "2002"

**Insert:** "2003"

5. Title, line 16.

**Following:** "PROPERTY;"

**Insert:** "REIMBURSING LOCAL TAXING JURISDICTIONS FOR THE EXEMPTIONS AND PHASED-IN  
RATE REDUCTION FOR CLASS EIGHT PROPERTY;"

6. Title, line 21.

**Following:** "15-6-136,"

**Insert:** "15-6-138,"

7. Title, line 23.

**Strike:** "15-6-138,"

8. Page 1, line 30.

**Strike:** "1999, 2000, and 2001"

**Insert:** "2000, 2001, and 2002"

9. Page 2, line 11.

**Strike:** "1998" in both places

**Insert:** "1999" in both places

10. Page 2, line 13.

**Strike:** "1998" in both places

**Insert:** "1999" in both places

11. Page 2, line 17.

**Strike:** "1998"

**Insert:** "1999"

12. Page 2, line 18.

**Strike:** "1998"

**Insert:** "1999"

13. Page 2, line 19.

**Strike:** "1998"

**Insert:** "1999"

14. Page 2, line 20.

**Strike:** "1998"

**Insert:** "1999"

15. Page 2, line 22.



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**Strike:** "1998" in both places  
**Insert:** "1999" in both places

16. Page 2, line 24.  
**Strike:** "1998"  
**Insert:** "1999"

17. Page 2, line 25.  
**Strike:** "1998"  
**Insert:** "1999"

18. Page 2, line 26.  
**Strike:** "1999"  
**Insert:** "2000"

19. Page 2, line 27.  
**Strike:** "2000"  
**Insert:** "2001"

20. Page 2, line 28.  
**Strike:** "2001"  
**Insert:** "2002"

21. Page 3, line 3.  
**Strike:** "1998, 1999, 2000, and 2001"  
**Insert:** "1999, 2000, 2001, and 2002"

22. Page 3, line 4.  
**Strike:** "2002"  
**Insert:** "2003"

23. Page 3, line 5.  
**Strike:** "2002"  
**Insert:** "2003"

24. Page 3, line 6.  
**Strike:** "1998" in both places  
**Insert:** "1999" in both places

25. Page 3, line 7.  
**Strike:** "1999"  
**Insert:** "2000"

26. Page 3, line 23.  
**Strike:** "1998"  
**Insert:** "1999"

27. Page 3, line 24.  
**Strike:** "1998"

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**Insert:** "1999"

28. Page 3, line 26.

**Strike:** "1998"

**Insert:** "1999"

29. Page 3, line 28.

**Strike:** "1998"

**Insert:** "1999"

30. Page 3, line 29.

**Strike:** "1998"

**Insert:** "1999"

31. Page 3, line 30.

**Strike:** "1998"

**Insert:** "1999"

32. Page 4, lines 20 and 21.

**Following:** "facilities" on line 20

**Strike:** remainder of line 20 through "PROPERTY" on line 21

33. Page 4, line 22.

**Following:** "~~and~~"

**Insert:** "and"

34. Page 4, lines 23 through 29.

**Following:** "facility" on line 23

**Strike:** remainder of line 23 through "2003" on line 29

35. Page 11, line 17.

**Strike:** "2000"

**Insert:** "2001"

36. Page 11, line 18.

**Strike:** "1998"

**Insert:** "1999"

**Strike:** "20%"

**Insert:** "9%"

37. Page 11, line 21.

**Strike:** "2001"

**Insert:** "2002"

38. Page 11, line 22.

**Strike:** "1998"

**Insert:** "1999"

**Strike:** "40%"

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**Insert:** "26%"

39. Page 11, line 25.

**Strike:** "2002"

**Insert:** "2003"

40. Page 11, line 26.

**Strike:** "1998"

**Insert:** "1999"

**Strike:** "60%"

**Insert:** "43%"

41. Page 11, line 29.

**Strike:** "2003"

**Insert:** "2004"

42. Page 11, line 30.

**Strike:** "1998"

**Insert:** "1999"

43. Page 12, line 1.

**Strike:** "80%"

**Insert:** "60%"

44. Page 12, line 2.

**Strike:** "AND"

45. Page 12, line 3.

**Following:** line 2

**Insert:** "(e) for bonds to be issued during fiscal year 2005, an additional 77% of the taxable value of former class eight property within the local government for tax year 1999, multiplied by 39%; and"

**Renumber:** subsequent subsection

46. Page 12, line 3.

**Strike:** "2004"

**Insert:** "2006"

47. Page 12, line 4.

**Strike:** "100%"

**Insert:** "94%"

48. Page 13, line 5.

**Strike:** "2000"

**Insert:** "2001"

49. Page 13, line 6.

**Strike:** "1998"

**Insert:** "1999"

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**Strike:** "20%"  
**Insert:** "9%"

50. Page 13, line 8.  
**Strike:** "2001"  
**Insert:** "2002"

51. Page 13, line 9.  
**Strike:** "1998"  
**Insert:** "1999"  
**Strike:** "40%"  
**Insert:** "26%"

52. Page 13, line 11.  
**Strike:** "2002"  
**Insert:** "2003"

53. Page 13, line 12.  
**Strike:** "1998"  
**Insert:** "1999"  
**Strike:** "60%"  
**Insert:** "43%"

54. Page 13, line 14.  
**Strike:** "2003"  
**Insert:** "2004"

55. Page 13, line 15.  
**Strike:** "1998"  
**Insert:** "1999"

56. Page 13, line 16.  
**Strike:** "80%"  
**Insert:** "60%"

57. Page 13, line 17.  
**Strike:** "AND"

58. Page 13, line 18.  
**Following:** line 17

**Insert:** "(g) for indebtedness to be incurred during fiscal year 2005, an additional 77% of the taxable value of former class eight property within the county for tax year 1999, multiplied by 23%; and"  
**Renumber:** subsequent subsection

59. Page 13, line 18.  
**Strike:** "2004"  
**Insert:** "2006"

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60. Page 13, line 19.

**Strike:** "100%"

**Insert:** "94%"

61. Page 14, line 10.

**Strike:** "2000"

**Insert:** "2001"

62. Page 14, line 11.

**Strike:** "1998"

**Insert:** "1999"

63. Page 14, line 12.

**Strike:** "20%"

**Insert:** "9%"

64. Page 14, line 14.

**Strike:** "2001"

**Insert:** "2002"

65. Page 14, line 15.

**Strike:** "1998"

**Insert:** "1999"

66. Page 14, line 16.

**Strike:** "40%"

**Insert:** "26%"

67. Page 14, line 18.

**Strike:** "2002"

**Insert:** "2003"

68. Page 14, line 19.

**Strike:** "1998"

**Insert:** "1999"

69. Page 14, line 20.

**Strike:** "60%"

**Insert:** "43%"

70. Page 14, line 22.

**Strike:** "2003"

**Insert:** "2004"

71. Page 14, line 23.

**Strike:** "1998"

**Insert:** "1999"

72. Page 14, line 24.

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**Strike:** "80%"  
**Insert:** "60%"

73. Page 14, line 25.  
**Strike:** "AND"

74. Page 14, line 26.  
**Following:** line 25  
**Insert:** "(g) for general obligation bonds to be issued during fiscal year 2005, an additional 77% of the taxable value of former class eight property within the county for tax year 1999, multiplied by 11.25%; and"  
**Renumber:** subsequent subsection

75. Page 14, line 26.  
**Strike:** "2004"  
**Insert:** "2006"

76. Page 14, line 27.  
**Strike:** "100%"  
**Insert:** "94%"

77. Page 15, line 23.  
**Strike:** "2000"  
**Insert:** "2001"

78. Page 15, line 24.  
**Strike:** "1998"  
**Insert:** "1999"  
**Strike:** "20%"  
**Insert:** "9%"

79. Page 15, line 26.  
**Strike:** "2001"  
**Insert:** "2002"

80. Page 15, line 27.  
**Strike:** "1998"  
**Insert:** "1999"  
**Strike:** "40%"  
**Insert:** "26%"

81. Page 15, line 29.  
**Strike:** "2002"  
**Insert:** "2003"

82. Page 15, line 30.  
**Strike:** "1998"  
**Insert:** "1999"  
**Strike:** "60%"

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**Insert:** "43%"

83. Page 16, line 2.

**Strike:** "2003"

**Insert:** "2004"

84. Page 16, line 3.

**Strike:** "1998"

**Insert:** "1999"

85. Page 16, line 4.

**Strike:** "80%"

**Insert:** "60%"

86. Page 16, line 5.

**Strike:** "AND"

87. Page 16, line 6.

**Following:** line 5

**Insert:** "(f) for fiscal year 2005, an additional 77% of the taxable value of former class eight property within the county for tax year 1999, multiplied by 11.25%; and"

**Renumber:** subsequent subsection

88. Page 16, line 6.

**Strike:** "2004"

**Insert:** "2006"

**Strike:** "100%"

**Insert:** "94%"

89. Page 17, line 13.

**Strike:** "2000"

**Insert:** "2001"

90. Page 17, line 14.

**Strike:** "1998"

**Insert:** "1999"

**Strike:** "20%"

**Insert:** "9%"

91. Page 17, line 16.

**Strike:** "2001"

**Insert:** "2002"

92. Page 17, line 17.

**Strike:** "1998"

**Insert:** "1999"

**Strike:** "40%"

**Insert:** "26%"

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93. Page 17, line 19.

**Strike:** "2002"

**Insert:** "2003"

94. Page 17, line 20.

**Strike:** "1998"

**Insert:** "1999"

**Strike:** "60%"

**Insert:** "43%"

95. Page 17, line 22.

**Strike:** "2003"

**Insert:** "2004"

96. Page 17, line 23.

**Strike:** "1998"

**Insert:** "1999"

97. Page 17, line 24.

**Strike:** "80%"

**Insert:** "60%"

98. Page 17, line 25.

**Strike:** "AND"

99. Page 17, line 26.

**Following:** line 25

**Insert:** "(vi) for fiscal year 2005, an additional 77% of the taxable value of former class eight property within the county for tax year 1999, multiplied by 13%; and"

**Renumber:** subsequent subsection

100. Page 17, line 26.

**Strike:** "2004"

**Insert:** "2006"

**Strike:** "100%"

**Insert:** "94%"

101. Page 22, line 1.

**Strike:** "1998"

**Insert:** "1999"

102. Page 22, line 2.

**Strike:** "1999"

**Insert:** "2000"

103. Page 22, line 3.

**Strike:** "2000"

**Insert:** "2001"



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104. Page 22, line 4.

**Strike:** "2001"

**Insert:** "2002"

105. Page 22, line 5.

**Insert:** "**Section 12.** Section 15-6-138, MCA, is amended to read:

**"15-6-138. Class eight property -- description -- taxable percentage.** (1) Class eight property includes:

- (a) all agricultural implements and equipment;
- (b) all mining machinery, fixtures, equipment, tools that are not exempt under 15-6-201(1)(r), and supplies except those included in class five;
- (c) all manufacturing machinery, fixtures, equipment, tools that are not exempt under 15-6-201(1)(r), and supplies except those included in class five;
- (d) all goods and equipment that are intended for rent or lease, except goods and equipment that are specifically included and taxed in another class;
- (e) special mobile equipment as defined in 61-1-104;
- (f) furniture, fixtures, and equipment, except that specifically included in another class, used in commercial establishments as defined in this section;
- (g) x-ray and medical and dental equipment;
- (h) citizens' band radios and mobile telephones;
- (i) radio and television broadcasting and transmitting equipment;
- (j) cable television systems;
- (k) coal and ore haulers;
- (l) theater projectors and sound equipment; and
- (m) all other property that is not included in any other class in this part, except that property that is subject to a fee in lieu of a property tax.

(2) As used in this section, "coal and ore haulers" means nonhighway vehicles that exceed 18,000 pounds per axle and that are primarily designed and used to transport coal, ore, or other earthen material in a mining or quarrying environment.

(3) "Commercial establishment" includes any hotel; motel; office; petroleum marketing station; or service, wholesale, retail, or food-handling business.

(4) Class eight property is taxed at:

~~(a) 7% of its market value for tax year 1997; and~~

~~(b) 6% of its market value for tax years beginning after December 31, 1997;~~

(b) 6% of its assessed value for tax year 2000; and

(c) 5% of its assessed value for tax year 2001.

(5) If the state general fund revenue for the fiscal year ending June 30, 2001, exceeds the total general fund revenue for the prior fiscal year by more than 4%, then the tax rate for class eight property will be reduced by 1% each year, beginning with tax year 2002, until the rate reaches zero.

(6) For purposes of subsections (4)(b) and (4)(c), the term "assessed value" means the market value of the property less the allowable exemption provided in subsection (7).

(7) The following amount of class eight property is exempt for each taxpayer by county:

(a) \$5,000 for tax years 2000 and 2001; and

(b) \$7,500 for tax years beginning after December 31, 2001.

(8) If a taxpayer owns or possesses class eight property in more than one local government taxing jurisdiction, as defined in [section 26], the taxpayer's exemption must be allocated among each jurisdiction in proportion to the market value of the class eight property present in each taxing jurisdiction."

**Renumber:** subsequent sections

106. Page 34, line 9.

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**Strike:** "24"  
**Insert:** "26"

107. Page 35, line 7.  
**Strike:** "24"  
**Insert:** "26"

108. Page 36, line 10.  
**Strike:** "2000"  
**Insert:** "2001"

109. Page 36, line 11.  
**Strike:** "1998"  
**Insert:** "1999"  
**Strike:** "20%"  
**Insert:** "9%"

110. Page 36, line 13.  
**Strike:** "2001"  
**Insert:** "2002"

111. Page 36, line 14.  
**Strike:** "1998"  
**Insert:** "1999"  
**Strike:** "40%"  
**Insert:** "26%"

112. Page 36, line 16.  
**Strike:** "2002"  
**Insert:** "2003"

113. Page 36, line 17.  
**Strike:** "1998"  
**Insert:** "1999"  
**Strike:** "60%"  
**Insert:** "43%"

114. Page 36, line 19.  
**Strike:** "2003"  
**Insert:** "2004"

115. Page 36, line 20.  
**Strike:** "1998"  
**Insert:** "1999"

116. Page 36, line 21.  
**Strike:** "80%"  
**Insert:** "60%"

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117. Page 36, line 22.

**Strike:** "AND"

118. Page 36, line 23.

**Following:** line 22

**Insert:** "(vi) for bonds to be issued during fiscal year 2005, an additional 77% of the taxable value of former class eight property within the district for tax year 1999, multiplied by 45%; and"

**ReNUMBER:** subsequent subsection

119. Page 36, line 23.

**Strike:** "2004"

**Insert:** "2006"

120. Page 36, line 24.

**Strike:** "100%"

**Insert:** "94%"

121. Page 37, line 7.

**Strike:** "2000"

**Insert:** "2001"

122. Page 37, line 8.

**Strike:** "1998"

**Insert:** "1999"

**Strike:** "20%"

**Insert:** "9%"

123. Page 37, line 10.

**Strike:** "2001"

**Insert:** "2002"

124. Page 37, line 11.

**Strike:** "1998"

**Insert:** "1999"

**Strike:** "40%"

**Insert:** "26%"

125. Page 37, line 13.

**Strike:** "2002"

**Insert:** "2003"

126. Page 37, line 14.

**Strike:** "1998"

**Insert:** "1999"

**Strike:** "60%"

**Insert:** "43%"

127. Page 37, line 16.

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**Strike:** "2003"  
**Insert:** "2004"

128. Page 37, line 17.  
**Strike:** "1998"  
**Insert:** "1999"

129. Page 37, line 18.  
**Strike:** "80%"  
**Insert:** "60%"

130. Page 37, line 19.  
**Strike:** "AND"

131. Page 37, line 20.  
**Following:** line 19  
**Insert:** "(vi) for bonds to be issued during fiscal year 2005, an additional 77% of the taxable value of former class eight property within the district for tax year 1999, multiplied by 90%; and"  
**Renumber:** subsequent subsection

132. Page 37, line 20.  
**Strike:** "2004"  
**Insert:** "2006"

133. Page 37, line 21.  
**Strike:** "100%"  
**Insert:** "94%"

134. Page 40, line 15.  
**Following:** "EXEMPTION"  
**Insert:** "and rate reduction"

135. Page 40, line 17.  
**Following:** " \_ "  
**Insert:** "The reimbursement provided in this section is in addition to other statutory reimbursements."

136. Page 40, line 19.  
**Following:** "EXEMPTION"  
**Insert:** "and tax rate reduction"

137. Page 40, line 26.  
**Following:** "ESTIMATED"  
**Insert:** "taxes that would have been assessed against"  
**Strike:** "REVENUE COLLECTIONS"  
**Insert:** "property"  
**Following:** "TOTAL"  
**Insert:** "taxes assessed against"

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138. Page 40, line 27.

**Strike:** "REVENUE COLLECTED"

**Insert:** "property"

139. Page 40, line 28.

**Following:** "ESTIMATED"

**Insert:** "taxes that would have been assessed against"

**Strike:** "REVENUE COLLECTIONS"

**Insert:** "property"

140. Page 41, line 4.

**Strike:** "OF 6%"

**Insert:** "provided in 15-6-138 for the current tax year"

141. Page 41, line 5.

**Following:** "BY"

**Strike:** "THE"

**Insert:** "each"

142. Page 41, line 7.

**Strike:** "THAT IMPOSES SIMILAR MILLS, FOR INSTANCE IN TWO ELEMENTARY SCHOOL DISTRICTS"

143. Page 41, line 8.

**Strike:** "THE SIMILAR TAXING JURISDICTIONS"

**Insert:** "each taxing jurisdiction"

144. Page 41, lines 11 and 12.

**Following:** "JURISDICTION" on line 11

**Strike:** remainder of line 11 through "DISTRICTS." on line 12

**Insert:** "means a local government rather than a state taxing jurisdiction that levied mills against property described in 15-6-138, including county governments, incorporated city and town governments, consolidated county and city governments, local elementary and high school districts, local community college districts, miscellaneous districts, and special districts. The term includes countywide mills levied for equalization of school retirement or transportation, but does not include tax increment financing districts. The term also does not include county or state school equalization levies provided for in 20-9-331, 20-9-333, and 20-9-360 or the university levy provided for in [section 1 of Senate Bill No. 79]. It also does not include any state levy for welfare programs provided for in 53-2-813."

145. Page 41, line 30.

**Strike:** "(1)"

146. Page 42, line 2.

**Strike:** subsection (2) in its entirety

147. Page 42, line 5.

**Strike:** "24"

**Insert:** "26"

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148. Page 42, line 6.

**Strike:** "24"

**Insert:** "26"

149. Page 42, line 25.

**Strike:** "3"

**Strike:** "through"

150. Page 42, line 26.

**Strike:** "9"

**Following:** "11,"

**Insert:** "12, 15,"

**Strike:** "21,"

**Following:** "22,"

**Insert:** "23,"

**Strike:** "27"

**Insert:** "28"

**Strike:** "29"

**Insert:** "30"

151. Page 42, line 27.

**Strike:** "31"

**Insert:** "32"

152. Page 42, line 28.

**Strike:** "[SECTIONS 2(1)(C), 14, AND 24 25]"

**Insert:** "[Sections 3 through 9 and 23]"

**Strike:** "January"

**Insert:** "July"

153. Page 42, lines 29 and 30.

**Following:** "SECTIONS" on line 29

**Strike:** remainder of line 29 through "26(1)" on line 30

**Insert:** "2, 10, 13, 14, 16 through 21, and 24 through 27"

154. Page 43, line 1.

**Strike:** "2002"

**Insert:** "2003"

155. Page 43, line 2.

**Strike:** "12(1)(AA)"

**Insert:** "13(1)(aa)"

**Strike:** "JANUARY 1, 2004"

**Insert:** "if the tax rate in [section 12], amending 15-6-138, reaches zero"

156. Page 43, lines 4 and 5.

**Strike:** section 31 in its entirety

**Insert:** "NEW SECTION. Section 32. Coordination. If [LC 1924]is passed and approved, then [sections 1 and

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26 of this act] are void."

**SECOND READING OF BILLS  
(COMMITTEE OF THE WHOLE)**

Representative Grinde moved the House resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Representative Pavlovich in the chair.

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

**HJR 34** - Representative Tuss moved **HJR 34** be adopted. Motion carried as follows:

Ayes: Adams, Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Jore, Juneau, Kasten, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Pavlovich, Peck, Quilici, Raney, Rehbein, Rose, Ryan, Schmidt, Shockley, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Vick, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook.  
Total 97

Noes: Orr.  
Total 1

Voted Absentee: Gallus, Aye.

Excused: Simon.  
Total 1

Absent or not voting: Mr. Speaker.  
Total 1

**SB 452** - Representative Tropila moved **SB 452** be concurred in. Motion carried as follows:

Ayes: Adams, Ahner, J. Andersen, S. Anderson, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Jore, Juneau, Kasten, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Orr, Pavlovich, Peck, Quilici, Raney, Rehbein, Rose, Ryan, Shockley, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Vick, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook.  
Total 94

Noes: None.  
Total 0

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Voted Absentee: Gallus, Aye.

Excused: Simon.

Total 1

Absent or not voting: Barnett, Gillan, Schmidt, Tuss, Mr. Speaker.

Total 5

**HB 660** - Representative Menahan moved **HB 660** do pass.

**HB 660** - Representative Menahan moved **HB 660**, second reading copy, be amended as follows :

1. Page 2, line 12.

**Strike:** "\$3 million"

**Insert:** "\$1"

Amendment adopted as follows:

Ayes: Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Juneau, Kasten, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Orr, Pavlovich, Peck, Quilici, Raney, Rose, Ryan, Schmidt, Shockley, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Vick, Wagner, Williams, Witt, Wyatt, Younkin, Zook.

Total 93

Noes: Adams, Jore, Rehbein, Walters.

Total 4

Excused: Gallus, Simon.

Total 2

Absent or not voting: Mr. Speaker.

Total 1

Motion that **HB 660**, as amended, do pass carried as follows:

Ayes: Ahner, Barnett, Barnhart, Beck, E. Bergsagel, Bookout-Reinicke, Brown, Buzzas, E. Clark, P. Clark, Cobb, Dale, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hibbard, Hurdle, Juneau, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCulloch, McKenney, Menahan, Molnar, Mood, Ohs, Pavlovich, Peck, Quilici, Raney, Rose, Ryan, Schmidt, Shockley, Sliter, Smith, Squires, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Williams, Witt, Wyatt, Younkin, Zook.

Total 70

Noes: Adams, J. Andersen, S. Anderson, P. Bergsagel, Bitney, Brainard, R. Clark, Curtiss, Davies, Fuchs, Hedges, Holden, Jackson, Johnson, Jore, Kasten, McCann, McGee, Noennig, Orr, Rehbein, Soft, Somerville, Story, Vick,



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Wagner, Walters.  
Total 27

Voted Absentee: Gallus, Aye.

Excused: Simon.  
Total 1

Absent or not voting: Kitzenberg, Mr. Speaker.  
Total 2

**HB 670** - Representative Eggers moved **HB 670** do pass.

**HB 670** - Representative Eggers moved **HB 670**, second reading copy, be amended as follows :

1. Title, page 1, line 7.

**Following:** "ESTABLISHING"

**Strike:** "A"

**Following:** "REVENUE"

**Strike:** "ACCOUNT"

**Insert:** "ACCOUNTS"

2. Page 5, line 17.

**Following:** "(3)"

**Strike:** "The legislature further requires that state"

**Insert:** "State"

3. Page 5, line 18.

**Following:** "commission"

**Insert:** "may"

4. Page 5, line 25.

**Strike:** "shall"

**Insert:** "may"

5. Page 5, line 26.

**Strike:** "as determined by the commission"

6. Page 6, line 4.

**Strike:** "account"

**Insert:** "accounts"

7. Page 6, line 5.

**Strike:** "federal,"

**Following:** "state"

**Strike:** ", "

**Following:** "funds"

**Insert:** "and an account in the state treasury for the receipt of federal funds"

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8. Page 6, line 7.

Page 6, line 14.

Page 6, line 16 in two places

Page 6, line 18 in two places

**Strike:** "account"

**Insert:** "accounts"

9. Page 6, line 22.

**Following:** "to the"

**Insert:** "state special revenue"

10. Page 6, line 30.

**Following:** "from the"

**Insert:** "state special revenue"

11. Page 7.

**Following:** line 2

**Insert:** "(3) Money received in federal programs or grants that is deposited in the federal special revenue account established in [section 7] is appropriated in an amount not to exceed \$2 million to the state-tribal economic commission for purposes consistent with [this act]."

**Renumber:** subsequent subsection

Amendment adopted as follows:

Ayes: Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bookout-Reinicke, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Juneau, Kasten, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Mood, Noennig, Ohs, Orr, Pavlovich, Peck, Quilici, Raney, Rose, Ryan, Schmidt, Sliter, Smith, Soft, Somerville, Squires, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Walters, Williams, Witt, Wyatt, Younkin, Zook.

Total 85

Noes: Adams, Brainard, Davies, Fuchs, Jore, Rehbein, Shockley, Story, Vick, Wagner.

Total 10

Excused: Gallus, Simon.

Total 2

Absent or not voting: Bitney, Molnar, Mr. Speaker.

Total 3

Motion that **HB 670**, as amended, do pass carried as follows:

Ayes: Barnett, Barnhart, Beck, Bitney, Bookout-Reinicke, Brown, Buzzas, P. Clark, Cobb, Dell, Eggers, Erickson, Ewer, Facey, Gallus, Galvin-Halcro, Gillan, Golie, Guggenheim, Gutsche, Hagener, Haines, Harper, Harrington, Hibbard, Hurdle, Juneau, Kitzenberg, Krenzler, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, Menahan, Noennig, Ohs, Pavlovich, Peck, Quilici, Raney, Rose, Ryan, Schmidt, Sliter, Smith, Soft, Squires, Stovall, Swanson, Taylor, Thomas, Trexler, Tropila, Tuss, Williams, Wyatt, Younkin.

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Total 60

Noes: Adams, Ahner, J. Andersen, S. Anderson, E. Bergsagel, P. Bergsagel, Brainard, E. Clark, R. Clark, Curtiss, Davies, Fisher, Grinde, Hanson, Hedges, Holden, Jackson, Johnson, Jore, Kasten, Lawson, McGee, McKenney, Molnar, Mood, Orr, Rehbein, Shockley, Somerville, Story, Tash, Vick, Wagner, Walters, Witt, Zook.

Total 36

Voted Absentee: Gallus, Aye.

Excused: Simon.

Total 1

Absent or not voting: Dale, Fuchs, Mr. Speaker.

Total 3

**SB 107** - Representative Tuss moved **SB 107** be concurred in. Motion carried as follows:

Ayes: Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Hurdle, Jackson, Johnson, Juneau, Kasten, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Matthews, McCann, McCulloch, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Pavlovich, Quilici, Raney, Rose, Ryan, Schmidt, Shockley, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Walters, Williams, Witt, Wyatt, Younkin, Zook, Mr. Speaker.

Total 85

Noes: Adams, E. Bergsagel, P. Bergsagel, Cobb, Curtiss, Holden, Jore, McGee, Orr, Peck, Rehbein, Vick, Wagner.

Total 13

Voted Absentee: Gallus, Aye.

Excused: Simon.

Total 1

Absent or not voting: Masolo.

Total 1

Representative Tropila assumed the chair.

Representative Simon present at this time.

**SB 419** - Representative Pavlovich moved **SB 419** be concurred in. Motion carried as follows:

Ayes: Ahner, S. Anderson, Barnett, Beck, Bitney, Bookout-Reinicke, E. Clark, Dale, Dell, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Gutsche, Hanson, Harrington, Hibbard, Hurdle, Juneau, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCulloch, McKenney, Menahan, Molnar, Mood, Ohs, Pavlovich, Quilici, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Squires, Story, Stovall, Swanson, Tash, Trexler, Tropila, Tuss, Williams, Witt, Wyatt, Younkin, Zook.

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Total 59

Noes: Adams, J. Andersen, Barnhart, E. Bergsagel, P. Bergsagel, Brainard, Brown, Buzzas, P. Clark, R. Clark, Cobb, Curtiss, Davies, Eggers, Erickson, Guggenheim, Hagener, Haines, Harper, Hedges, Holden, Jackson, Johnson, Jore, Kasten, McCann, McGee, Noennig, Orr, Peck, Raney, Rehbein, Rose, Soft, Somerville, Taylor, Thomas, Vick, Wagner, Walters, Mr. Speaker.

Total 41

Voted Absentee: Gallus, Aye.

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**SB 13** - Representative Sliter moved **SB 13** be concurred in. Motion carried as follows:

Ayes: Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Holden, Hurdle, Jackson, Johnson, Juneau, Kasten, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Mood, Noennig, Ohs, Pavlovich, Peck, Quilici, Raney, Rehbein, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Vick, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook, Mr. Speaker.

Total 95

Noes: Adams, Jore, Molnar, Orr.

Total 4

Voted Absentee: Gallus, Aye.

Excused: None.

Total 0

Absent or not voting: Hibbard.

Total 1

Representative Pavlovich reassumed the chair.

**SB 199** - Representative Mangan moved **SB 199** be concurred in.

**SB 199** - Representative Mangan moved consideration of **SB 199** be placed at the bottom of the second reading board for the purpose of amendment. Motion carried.

**SB 478** - Representative Tuss moved **SB 478** be concurred in. Motion carried as follows:

Ayes: Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, Bookout-Reinicke, Brainard,

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Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Juneau, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Pavlovich, Peck, Quilici, Raney, Rose, Ryan, Schmidt, Shockley, Simon, Smith, Soft, Somerville, Squires, Stovall, Swanson, Tash, Thomas, Trexler, Tropila, Tuss, Walters, Williams, Witt, Wyatt, Younkin, Zook.  
Total 86

Noes: Adams, P. Bergsagel, Jore, Kasten, McGee, Orr, Rehbein, Taylor, Wagner.  
Total 9

Voted Absentee: Gallus, Aye.

Excused: None.  
Total 0

Absent or not voting: Bitney, Sliter, Story, Vick, Mr. Speaker.  
Total 5

**SB 404** - Representative Noennig moved **SB 404** be concurred in. Motion carried as follows:

Ayes: Adams, Ahner, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Juneau, Kasten, Kitzenberg, Krenzler, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Pavlovich, Peck, Quilici, Raney, Rehbein, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook.  
Total 94

Noes: Jore, Lawson, Orr, Vick.  
Total 4

Voted Absentee: Gallus, Aye.

Excused: None.  
Total 0

Absent or not voting: J. Andersen, Mr. Speaker.  
Total 2

**SB 416** - Representative Shockley moved **SB 416** be concurred in. Motion carried as follows:

Ayes: Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Jore, Juneau, Kasten, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Masolo, Matthews, McCann, McCulloch, McGee,

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McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Orr, Pavlovich, Quilici, Raney, Rehbein, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Somerville, Squires, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tuss, Vick, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook.

Total 91

Noes: Adams, Grinde, Mangan, Peck, Smith, Tropila.

Total 6

Voted Absentee: Gallus, Aye.

Excused: None.

Total 0

Absent or not voting: Soft, Story, Mr. Speaker.

Total 3

**SB 488** - Representative Brown moved **SB 488** be concurred in. Motion carried as follows:

Ayes: Adams, Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Juneau, Kasten, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Pavlovich, Peck, Quilici, Raney, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Vick, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook.

Total 94

Noes: Grinde, Jore, Orr, Rehbein.

Total 4

Voted Absentee: Gallus, Aye.

Excused: None.

Total 0

Absent or not voting: Tuss, Mr. Speaker.

Total 2

**SB 276** - Representative D. McGee moved **SB 276** be concurred in. Motion carried as follows:

Ayes: Adams, Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Jore, Juneau, Kasten, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Noennig, Ohs, Orr, Pavlovich, Peck, Quilici, Raney, Rehbein, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Vick, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook.

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Total 97

Noes: None.  
Total 0

Voted Absentee: Gallus, Aye.

Excused: None.  
Total 0

Absent or not voting: Brown, Mood, Mr. Speaker.  
Total 3

**SB 371** - Representative Ohs moved **SB 371** be concurred in. Motion carried as follows:

Ayes: Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Jore, Juneau, Kasten, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Orr, Pavlovich, Peck, Quilici, Raney, Rehbein, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Vick, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook.  
Total 95

Noes: None.  
Total 0

Voted Absentee: Gallus, Aye.

Excused: None.  
Total 0

Absent or not voting: Adams, Gillan, Kitzenberg, Soft, Mr. Speaker.  
Total 5

**SB 434** - Representative Mood moved **SB 434** be concurred in. Motion carried as follows:

Ayes: Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Juneau, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Mood, Noennig, Ohs, Pavlovich, Peck, Quilici, Raney, Rehbein, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Thomas, Trexler, Tropila, Tuss, Vick, Williams, Witt, Wyatt, Younkin, Zook, Mr. Speaker.  
Total 90

Noes: Adams, P. Bergsagel, Curtiss, Jore, Kasten, Molnar, Orr, Taylor, Wagner, Walters.

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Total 10

Voted Absentee: Gallus, Aye.

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**SB 154** - Representative Fuchs moved **SB 154** be concurred in. Motion carried as follows:

Ayes: Adams, Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Jore, Juneau, Kasten, Kitzenberg, Lawson, Lenhart, Lindeen, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Orr, Pavlovich, Quilici, Raney, Rehbein, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Vick, Wagner, Walters, Williams, Witt, Younkin, Zook, Mr. Speaker.

Total 94

Noes: Cobb, Hagener, Krenzler, Mangan, Peck, Wyatt.

Total 6

Voted Absentee: Gallus, Aye.

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**SB 122** - Representative G. Beck moved **SB 122** be concurred in. Motion carried as follows:

Ayes: Adams, Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Jore, Juneau, Kasten, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Orr, Pavlovich, Peck, Quilici, Raney, Rehbein, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Vick, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook, Mr. Speaker.

Total 99

Noes: None.

Total 0

Voted Absentee: Gallus, Aye.



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Excused: None.  
Total 0

Absent or not voting: Guggenheim.  
Total 1

**HB 409** - Representative Ewer moved **HB 409** do pass.

**HB 409** - Representative Tuss moved **HB 409**, second reading copy, be amended as follows :

1. Page 3, line 9.  
**Strike:** "solar,"  
**Following:** "wind"  
**Strike:** ", or hydropower"

2. Page 3, line 10.  
**Strike:** "25"  
**Insert:** "12.5"

Representative Tuss withdrew the amendment.

**SB 409** - Representative Tuss moved **SB 409**, second reading copy, be amended as follows :

1. Page 3, line 10.  
**Strike:** "25"  
**Insert:** "50"

Amendment adopted as follows:

Ayes: J. Andersen, S. Anderson, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bookout-Reinicke, Brainard, Brown, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Eggers, Erickson, Ewer, Facey, Fuchs, Galvin-Halcro, Gillan, Golie, Guggenheim, Gutsche, Haines, Hanson, Harper, Hibbard, Holden, Hurdle, Johnson, Juneau, Kitzenberg, Lenhart, Lindeen, Masolo, Matthews, McCann, McCulloch, McGee, Noennig, Raney, Rehbein, Ryan, Schmidt, Shockley, Soft, Somerville, Squires, Stovall, Swanson, Tash, Taylor, Trexler, Tropila, Tuss, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook.  
Total 63

Noes: Adams, Ahner, Barnett, Bitney, Buzzas, Dale, Davies, Dell, Fisher, Grinde, Harrington, Hedges, Jackson, Kasten, Krenzler, Lawson, Mangan, McKenney, Molnar, Mood, Ohs, Orr, Pavlovich, Peck, Quilici, Rose, Simon, Sliter, Smith, Story, Thomas, Vick, Mr. Speaker.  
Total 33

Excused: Gallus.  
Total 1

Absent or not voting: Hagener, Jore, Menahan.  
Total 3

Motion that **SB 409**, as amended, be concurred in carried as follows:

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Ayes: Adams, Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Juneau, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Orr, Pavlovich, Peck, Quilici, Raney, Rehbein, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Vick, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook, Mr. Speaker.  
Total 98

Noes: Kasten.  
Total 1

Voted Absentee: Gallus, Aye.

Excused: None.  
Total 0

Absent or not voting: Jore.  
Total 1

Representative Tropila assumed the chair.

**SB 367** - Representative Sliter moved **SB 367** be concurred in. Motion carried as follows:

Ayes: Adams, Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Jore, Juneau, Kasten, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, Menahan, Molnar, Mood, Noennig, Ohs, Orr, Peck, Quilici, Raney, Rehbein, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Vick, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook, Mr. Speaker.  
Total 96

Noes: Kitzenberg, McKenney, Soft.  
Total 3

Voted Absentee: Gallus, Aye.

Excused: None.  
Total 0

Absent or not voting: Pavlovich.  
Total 1

**SB 137** - Representative Pavlovich moved **SB 137** be concurred in. Motion carried as follows:

Ayes: Adams, Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, Bitney, Bookout-Reinicke,

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Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Juneau, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Pavlovich, Peck, Quilici, Raney, Rose, Ryan, Shockley, Simon, Sliter, Smith, Soft, Somerville, Squires, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook, Mr. Speaker.

Total 91

Noes: P. Bergsagel, Cobb, Jore, Kasten, Orr, Rehbein, Vick.

Total 7

Voted Absentee: Gallus, Aye.

Excused: None.

Total 0

Absent or not voting: Schmidt, Story.

Total 2

Representative Pavlovich reassumed the chair.

**SB 356** - Representative Juneau moved **SB 356** be concurred in. Motion carried as follows:

Ayes: S. Anderson, Barnett, Barnhart, Beck, Bookout-Reinicke, Brainard, Brown, Buzzas, P. Clark, R. Clark, Cobb, Dell, Eggers, Erickson, Ewer, Facey, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Johnson, Juneau, Kitzenberg, Krenzler, Lenhart, Lindeen, Matthews, McCann, McCulloch, Menahan, Mood, Noennig, Ohs, Pavlovich, Quilici, Raney, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Soft, Somerville, Squires, Stovall, Swanson, Tash, Taylor, Trexler, Tropila, Tuss, Williams, Wyatt, Younkin, Zook, Mr. Speaker.

Total 70

Noes: Adams, Ahner, J. Andersen, E. Bergsagel, P. Bergsagel, Bitney, E. Clark, Dale, Davies, Hanson, Jackson, Jore, Kasten, Lawson, Masolo, McGee, McKenney, Molnar, Orr, Rehbein, Story, Thomas, Vick, Wagner, Walters, Witt.

Total 26

Voted Absentee: Gallus, Aye.

Excused: None.

Total 0

Absent or not voting: Curtiss, Fisher, Mangan, Peck.

Total 4

Representative Grinde moved the committee rise and report. Motion carried. Committee arose. House resumed. Mr. Speaker in the chair. Chairman Pavlovich moved the Committee of the Whole report be adopted. Report adopted as follows:

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Ayes: Adams, Ahner, J. Andersen, S. Anderson, Barnett, Beck, E. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Dale, Davies, Dell, Eggers, Erickson, Ewer, Facey, Fuchs, Galvin-Halcro, Gillan, Guggenheim, Gutsche, Hagener, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Juneau, Kasten, Kitzenberg, Lawson, Lenhart, Lindeen, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Quilici, Raney, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Soft, Somerville, Squires, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Vick, Wagner, Walters, Williams, Wyatt, Younkin, Zook, Mr. Speaker.  
Total 82

Noes: Barnhart, P. Bergsagel, Golie, Jore, Rehbein, Story.  
Total 6

Excused: Gallus.  
Total 1

Absent or not voting: Curtiss, Fisher, Grinde, Haines, Krenzler, Mangan, Orr, Pavlovich, Peck, Smith, Witt.  
Total 11

**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 386** passed as follows:

Ayes: Adams, Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, E. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Fisher, Fuchs, Gallus, Golie, Grinde, Haines, Hanson, Harper, Hedges, Hibbard, Holden, Jackson, Johnson, Jore, Kasten, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Masolo, McGee, McKenney, Menahan, Molnar, Mood, Noennig, Ohs, Orr, Pavlovich, Quilici, Raney, Rehbein, Rose, Schmidt, Shockley, Simon, Sliter, Smith, Soft, Somerville, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Vick, Wagner, Walters, Williams, Witt, Wyatt, Younkin, Zook, Mr. Speaker.  
Total 79

Noes: Buzzas, P. Clark, Eggers, Erickson, Ewer, Facey, Galvin-Halcro, Gillan, Guggenheim, Gutsche, Hagener, Harrington, Hurdle, Juneau, Mangan, Matthews, McCann, McCulloch, Peck, Ryan, Squires.  
Total 21

Voted Absentee: Gallus, Aye.

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**HB 513** passed as follows:

Ayes: Ahner, J. Andersen, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke,

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Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Eggers, Ewer, Facey, Fisher, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Johnson, Kasten, Kitzenberg, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McKenney, Menahan, Mood, Noennig, Ohs, Pavlovich, Peck, Quilici, Raney, Rehbein, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Soft, Somerville, Squires, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Vick, Walters, Williams, Witt, Wyatt, Younkin, Zook, Mr. Speaker.  
Total 86

Noes: Adams, S. Anderson, Erickson, Fuchs, Jackson, Jore, Krenzler, McGee, Molnar, Orr, Story.  
Total 11

Voted Absentee: Gallus, Aye.

Excused: None.  
Total 0

Absent or not voting: Juneau, Tuss, Wagner.  
Total 3

**HB 654** passed as follows:

Ayes: S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, Bitney, Bookout-Reinicke, Buzzas, P. Clark, Curtiss, Dale, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Harper, Harrington, Hedges, Hibbard, Hurdle, Jackson, Juneau, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Noennig, Ohs, Orr, Pavlovich, Peck, Quilici, Raney, Rose, Ryan, Schmidt, Shockley, Simon, Smith, Soft, Somerville, Squires, Stovall, Swanson, Tash, Thomas, Trexler, Tropila, Tuss, Walters, Williams, Witt, Wyatt, Younkin, Zook, Mr. Speaker.  
Total 77

Noes: Adams, Ahner, J. Andersen, P. Bergsagel, Brainard, Brown, E. Clark, R. Clark, Cobb, Davies, Fuchs, Hanson, Holden, Johnson, Jore, Kasten, Mood, Rehbein, Sliter, Story, Taylor, Vick, Wagner.  
Total 23

Voted Absentee: Gallus, Aye.

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**HB 657** passed as follows:

Ayes: Adams, Ahner, J. Andersen, S. Anderson, Barnett, Barnhart, Beck, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, E. Clark, P. Clark, R. Clark, Cobb, Curtiss, Dale, Davies, Dell, Erickson, Ewer, Facey, Fisher, Fuchs, Gallus, Gillan, Golie, Grinde, Guggenheim, Gutsche, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Jackson, Johnson, Jore, Juneau, Kasten, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar,

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Mood, Noennig, Ohs, Orr, Pavlovich, Peck, Quilici, Raney, Rehbein, Rose, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Tuss, Vick, Wagner, Walters, Williams, Witt, Younkin, Zook, Mr. Speaker.

Total 94

Noes: Buzzas, Eggers, Galvin-Halcro, Hagener, Hurdle, Wyatt.

Total 6

Voted Absentee: Gallus, Aye.

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**HB 659** passed as follows:

Ayes: J. Andersen, Barnhart, Beck, Bookout-Reinicke, Buzzas, P. Clark, Curtiss, Dell, Eggers, Erickson, Ewer, Facey, Fisher, Gallus, Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Hurdle, Jackson, Juneau, Kitzenberg, Krenzler, Lenhart, Lindeen, Mangan, Matthews, McCulloch, McGee, McKenney, Menahan, Noennig, Ohs, Orr, Pavlovich, Peck, Quilici, Raney, Rose, Ryan, Schmidt, Shockley, Simon, Smith, Somerville, Squires, Story, Stovall, Swanson, Tash, Thomas, Trexler, Tropila, Tuss, Walters, Williams, Witt, Wyatt, Zook, Mr. Speaker.

Total 69

Noes: Adams, Ahner, S. Anderson, Barnett, E. Bergsagel, P. Bergsagel, Bitney, Brainard, Brown, E. Clark, R. Clark, Cobb, Dale, Davies, Fuchs, Holden, Johnson, Jore, Kasten, Lawson, Masolo, McCann, Molnar, Mood, Rehbein, Sliter, Soft, Taylor, Vick, Wagner, Younkin.

Total 31

Voted Absentee: Gallus, Aye.

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**MOTIONS**

Representative Cobb moved that the House reconsider its action on **HB 131**, 3rd reading on Legislative Day 67. Motion failed as follows:

Ayes: Cobb, Ewer, Fuchs, Juneau, Mangan, Noennig, Tuss.

Total 7

Noes: Adams, Ahner, J. Andersen, S. Anderson, Barnett, Beck, E. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, Buzzas, E. Clark, P. Clark, R. Clark, Curtiss, Dale, Davies, Dell, Eggers, Erickson, Facey, Fisher, Gallus,

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Galvin-Halcro, Gillan, Golie, Grinde, Guggenheim, Gutsche, Hagener, Haines, Hanson, Harper, Harrington, Hedges, Hibbard, Holden, Hurdle, Jackson, Johnson, Jore, Kasten, Kitzenberg, Krenzler, Lawson, Lenhart, Lindeen, Masolo, Matthews, McCann, McCulloch, McGee, McKenney, Menahan, Molnar, Mood, Ohs, Orr, Pavlovich, Peck, Quilici, Raney, Rehbein, Ryan, Schmidt, Shockley, Simon, Sliter, Smith, Soft, Somerville, Squires, Story, Stovall, Swanson, Tash, Taylor, Thomas, Trexler, Tropila, Vick, Wagner, Walters, Williams, Witt, Wyatt, Zook, Mr. Speaker.

Total 89

Excused: None.

Total 0

Absent or not voting: Barnhart, P. Bergsagel, Rose, Younkin.

Total 4

Representative Grinde moved that **HB 670** be rereferred to the Committee on Appropriations. Motion carried as follows:

Ayes: Adams, Ahner, J. Andersen, S. Anderson, Barnhart, E. Bergsagel, P. Bergsagel, Bitney, Bookout-Reinicke, Brainard, Brown, E. Clark, R. Clark, Curtiss, Dale, Davies, Fisher, Fuchs, Gillan, Grinde, Haines, Hanson, Hedges, Hibbard, Holden, Jackson, Johnson, Jore, Kasten, Kitzenberg, Lawson, Lenhart, Lindeen, Masolo, Matthews, McCann, McGee, McKenney, Molnar, Mood, Noennig, Ohs, Orr, Pavlovich, Peck, Rehbein, Rose, Shockley, Simon, Sliter, Soft, Somerville, Story, Stovall, Tash, Taylor, Thomas, Trexler, Tropila, Vick, Wagner, Walters, Witt, Younkin, Zook, Mr. Speaker.

Total 66

Noes: Barnett, Beck, Buzzas, P. Clark, Cobb, Dell, Eggers, Erickson, Ewer, Facey, Gallus, Galvin-Halcro, Golie, Guggenheim, Gutsche, Hagener, Harper, Harrington, Hurdle, Juneau, Krenzler, Mangan, McCulloch, Menahan, Quilici, Raney, Ryan, Schmidt, Smith, Squires, Swanson, Tuss, Williams, Wyatt.

Total 34

Excused: None.

Total 0

Absent or not voting: None.

Total 0

Representative Quilici moved that the rules be suspended to allow the late introduction of a House joint resolution. Motion carried.

Representative Tash moved that the rules be suspended to allow the late introduction of a House joint resolution. Motion carried.

Representative Golie moved that his name be removed as a cosponsor on **SB 361**. There being no objections, so ordered.

Representative Ewer requested on **HB 386**, 3rd reading today, that his vote be changed from yes to no. There being no objections, so ordered.

Representative Smith requested on **SB 356**, 2nd reading today, that his vote be shown as yes. There being no

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objections, so ordered.

**ANNOUNCEMENTS**

Committee meetings were announced by committee chairmen.

Majority Leader Grinde moved that the House adjourn until 8:00 a.m., Saturday, March 27, 1999. Motion carried.

House adjourned at 3:10 p.m.

MARILYN MILLER  
Chief Clerk of the House

JOHN MERCER  
Speaker of the House