

**SENATE JOURNAL
SIXTY-SEVENTH LEGISLATIVE DAY**

Helena, Montana
March 25, 1999

Senate Chambers
State Capitol

Senate convened at 1:00 p.m. President Crippen presiding. Invocation by Pastor Loren Gustafson from Our Redeemers Lutheran Church. Pledge of Allegiance to the Flag.

Roll Call. All members present. Quorum present.

Mr. President: We, your committee on Bills and Journal, having examined the daily journal for the sixty-sixth legislative day, find the same to be correct.

Miller, Chairman

REPORTS OF STANDING COMMITTEES

BILLS AND JOURNAL (Miller, Chairman): 3/25/1999
Correctly printed: HB 212, HB 229, HB 244, HB 308, HB 325, HB 338, HB 382, HB 524, HB 555, HJR 28.
Correctly engrossed: SJR 15, HB 6, HB 71, HB 115, HB 203, HB 207, HB 257, HB 302, HB 374, HB 586, HB 614.
Correctly enrolled: SB 15, SB 40, SB 240, SB 374.
Examined by the sponsor and found to be correct: SB 15, SB 40, SB 240, SB 374.
Signed by the President at 2:00 p.m., March 25, 1999: SB 64, SB 70, SB 235, SB 288, SB 348, SB 364, SB 369, SB 386, SB 415, SB 438, SB 457, SB 466, SJR 3, SJR 12.

BUSINESS AND INDUSTRY (Hertel, Chairman): 3/24/1999
HB 277, be concurred in. Report adopted.
HB 337, be amended as follows:

1. Title, page 1, line 14.

Following: "SECTIONS"

Insert: "18-4-132,"

2. Page 1, following line 18.

Insert: "**Section 1.** Section 18-4-132, MCA, is amended to read:

"18-4-132. Application. (1) This chapter applies to expenditure of public funds irrespective of their source, including federal assistance money, by this state acting through a governmental body, as defined in 18-4-123, under any contract. This chapter does not apply to either grants or contracts between the state and its political subdivisions or other governments, except as provided in part 4. This chapter also applies to the disposal of state supplies. This chapter or rules adopted pursuant to this chapter do not prevent any governmental body or political subdivision from complying with the terms and conditions of any grant, gift, bequest, or cooperative agreement.

(2) This chapter does not apply to construction contracts.

(3) This chapter does not apply to expenditures of or the authorized sale or disposal of equipment purchased with money raised by student activity fees designated for use by the student associations of the university system.

(4) This chapter does not apply to contracts entered into by the Montana state lottery that have an aggregate value of less than \$250,000.

(5) This chapter does not apply to employment of:

(a) a registered professional engineer, surveyor, real estate appraiser, or registered architect;

(b) a physician, dentist, pharmacist, or other medical, dental, or health care provider;

(c) an expert witness hired for use in litigation, a hearings officer hired in rulemaking and contested case

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proceedings under the Montana Administrative Procedure Act, or an attorney as specified by executive order of the governor;

- (d) consulting actuaries;
- (e) a private consultant employed by the student associations of the university system with money raised from student activity fees designated for use by those student associations;
- (f) a private consultant employed by the Montana state lottery;
- (g) a private investigator licensed by any jurisdiction; or
- (h) a claims adjuster.

(6)(a) This chapter does not apply to electric and other energy purchase contracts or other acquisition contracts by the university of Montana or the Montana state university, as defined in 20-25-201.

(b) Any savings accrued by the university of Montana or Montana state university in the purchase or acquisition of energy must be retained by the board of regents of higher education for university allocation and expenditure."

Renumber: subsequent sections

3. Page 6, line 15.

Strike: "6"

Insert: "7"

4. Page 6, line 25.

Strike: "4"

Insert: "5"

5. Page 7, line 8.

Strike: "4"

Insert: "5"

6. Page 8, line 30.

Following: "access"

Insert: "--reciprocity"

7. Page 9, following line 7.

Insert: "A distribution services provider or the distribution services provider's affiliates may not use another distribution services provider's facilities in the state of Montana to sell electricity to customers in the state of Montana unless the first distribution services provider or the distribution services provider's affiliates offer comparable and nondiscriminatory access to the distribution services provider's distribution facilities within the state of Montana."

8. Page 9, line 25.

Strike: "January 1, 2000"

Insert: "September 1, 1999"

9. Page 9, line 30.

Strike: "6"

Insert: "7"

10. Page 10, line 5.

Strike: "5"

Insert: "6"

11. Page 11, lines 12 and 14.

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Strike: "4 through 6"

Insert: "5 through 7"

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

HB 504, be amended as follows:

1. Title, page 1, line 7.

Following: "PREMIUMS"

Insert: "UNLESS THE EMPLOYER HAS HAD IN PLACE AN EMPLOYER-SPONSORED GROUP HEALTH BENEFIT PLAN IN THE 12 MONTHS PRECEDING THE REIMBURSEMENT"

2. Page 1, line 25.

Strike: "This"

Insert: "Unless prohibited by a written opinion from a federal agency, by final regulations implementing Public Law 104-191, or by a ruling by a court of competent jurisdiction, this"

3. Page 1, line 27.

Following: "."

Insert: "However, this part does not apply to an individual health benefit plan if the employer making the direct or indirect reimbursement for any portion of the premium has had in place an employer-sponsored group health benefit plan in the 12 months preceding the reimbursement."

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

HB 558, be concurred in. Report adopted.

HB 581, be concurred in. Report adopted.

HB 641, be amended as follows:

1. Page 1, line 30.

Following: "issue"

Insert: "plumbing"

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

HJR 6, be concurred in. Report adopted.

HJR 15, be concurred in. Report adopted.

HJR 24, be concurred in. Report adopted.

EDUCATION AND CULTURAL RESOURCES (Toews, Chairman):

3/25/1999

HB 528, be concurred in. Report adopted.

HB 584, be amended as follows:

1. Title, page 1, line 5.

Following: "USE"

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Insert: "PURSUANT TO PROCEDURES IMPLEMENTED BY THE OFFICE OF PUBLIC INSTRUCTION TO ENSURE ADEQUATE NOTICE OF THE AVAILABILITY OF STATE SURPLUS PROPERTY AND EQUAL ACCESS AND FAIR DISTRIBUTION OF THE PROPERTY TO SCHOOL DISTRICTS"

2. Page 2, line 15.

Following: "use"

Insert: "pursuant to procedures implemented by the office of public instruction to ensure adequate notice of the availability of surplus state property and equal access and fair distribution of the property to school districts"

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

FISH AND GAME (Mesaros, Chairman):
HB 20, be amended as follows:

3/24/1999

1. Title, line 8.

Following: "DAM"

Insert: "; CREATING THE WARM WATER GAME FISH SURCHARGE AND WARM WATER GAME FISH STAMP THAT WILL ALLOW A LICENSEE TO FISH IN DESIGNATED WATERS FOR WARM WATER GAME FISH; DEDICATING SURCHARGE REVENUE; CREATING AN ACCOUNT AND PROVIDING FOR ADMINISTRATION OF THE ACCOUNT BY THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS; PROHIBITING THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS FROM USING FOR THE HATCHERY MORE MONEY THAN IS IN THE ACCOUNT ESTABLISHED FOR THE HATCHERY; AND PROVIDING A CONTINGENT VOIDNESS PROVISION"

2. Page 1, line 29.

Strike: "[section 2 1 of LC 78]"

Insert: "[section 2]"

3. Page 2, line 1.

Strike: "SECTION 1 OF LC 78"

Insert: "[section 2]"

4. Page 2.

Following: line 1

Insert: "NEW SECTION. Section 2. Warm water game fish surcharge and stamp -- warm water game fish defined -- account established -- dedication of account revenue to Fort Peck multispecies fish hatchery. (1) A person who is required to be licensed in order to fish in Montana and who desires to fish for warm water game fish in waters listed pursuant to subsection (9) shall, upon purchase of a Class A, Class B, Class B-4, or Class A-8 fishing license, pay a warm water game fish surcharge of \$5. The surcharge is in addition to the license fee established for each class of license and entitles the holder to fish for warm water game fish as authorized by the department. Payment of the surcharge must be indicated by placement of a warm water game fish stamp on the fishing license.

(2) A warm water game fish stamp is valid for the license year in which it is purchased.

(3) Revenue from the warm water game fish surcharge must be placed in the account created in subsection (5) and may be used only for the purposes set out in subsection (7).

(4) As used in this section, "warm water game fish" includes but is not limited to all species of the genera Stizostedion, Esox, Micropterus, and Lota and includes largemouth bass (*Micropterus salmoides*), smallmouth bass (*Micropterus dolomieu*), walleye (*Stizostedion vitreum*), sauger (*Stizostedion canadense*), black crappie (*Pomoxis nigromaculatus*), white crappie (*Pomoxis annularis*), channel catfish (*Ictalurus punctatus*), yellow perch (*Perca*

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flavescens), northern pike (*Esox lucius*), and tiger muskellunge.

(5) There is an account into which must be deposited:

(a) all proceeds from the warm water game fish surcharge established in subsection (1); and

(b) money received by the department in the form of gifts, grants, reimbursements, or appropriations from any source intended to be used for the Fort Peck multispecies fish hatchery.

(6) The department shall administer the account within the state special revenue fund established in 17-2-102.

(7) Subject to the provisions of subsection (8), revenue collected under subsection (5) must be used by the department for the construction, operation, maintenance, and personnel costs of the Fort Peck multispecies fish hatchery established in [section 1], which may include a cost-share agreement with the federal government for construction of the Fort Peck multispecies fish hatchery, and beginning October 1, 2005, for the costs incurred in eradicating illegally introduced warm water species from Montana waters. No more than 15% of available revenue may be dedicated to eradication efforts.

(8) The department may not use any funds for the hatchery authorized in [section 1] other than those in the account provided for in subsection (5).

(9) The department shall prepare a list of all waters into which fish from the Fort Peck multispecies fish hatchery will be planted. The waters designated in the list are the only waters for which a warm water game fish stamp is required."

Insert: "NEW SECTION. Section 3. Contingent voidness. If federal funds are not committed for the purposes of [this act] by June 30, 2001, then [this act] is void."

Renumber: subsequent sections

5. Page 2, line 3.

Strike: "[Section 1] is"

Insert: "[Sections 1 and 2] are"

6. Page 2, line 5.

Strike: "[section 1]"

Insert: "[sections 1 and 2]"

7. Page 2, line 7 through line 8.

Strike: section 3 in its entirety

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

HB 314, be amended as follows:

1. Title, line 7.

Following: "THAT"

Strike: "DEFERRED"

Following: "MAINTENANCE"

Strike: "PROJECTS"

2. Title, line 8.

Strike: "BE COMPLETED BEFORE"

Insert: "HAVE PRIORITY OVER"

Following: "DEVELOPMENT"

Strike: "OR IMPROVEMENT PROJECTS ARE UNDERTAKEN"

3. Page 2, line 1.

Strike: "cease the development and improvement of"

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Insert: "place maintenance as a priority over additional development at all"

4. Page 2, line 2 through line 3.

Strike: "until" on line 2 through "performed" on line 3

5. Page 2, line 6.

Following: " ; "

Insert: "or"

6. Page 2, line 7.

Strike: subsection (3)(b) in its entirety

7. Page 2, line 8.

Strike: "(c)"

Insert: "(b)"

8. Page 2, line 9.

Following: "parks"

Insert: "; or

(c) at the discretion of the department of fish, wildlife, and parks, projects on the Missouri reach of the Missouri-Madison hydropower project, undertaken pursuant to the federal energy regulatory commission's hydropower relicensing requirements and in conjunction with private entities, political subdivisions of the state of Montana, and federal agencies"

9. Page 2, line 24.

Following: the first "facilities"

Insert: ", including electric lines or facilities, "

Following: "REPLACEMENT OF"

Insert: "those"

10. Page 4.

Following: line 9

Insert: "NEW SECTION. Section 4. Codification instruction. [Sections 1 through 3] are intended to be codified as an integral part of Title 23, chapter 1, part 1, and the provisions of Title 23, chapter 1, part 1, apply to [sections 1 through 3]."

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

HB 316, be concurred in. Report adopted.

HB 435, be amended as follows:

1. Title, line 8.

Strike: "AND"

Following: "MCA"

Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 2.

Following: line 13

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Insert: "NEW SECTION. Section 2. Effective date. [This act] is effective on passage and approval."

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

HB 629, be concurred in. Report adopted.

HJR 4, be concurred in. Report adopted.

JUDICIARY (Grosfield, Chairman):

3/24/1999

HB 396, be amended as follows:

1. Title, line 7 through line 8.

Following: the first "PASSENGERS" on line 7

Strike: remainder of line 7 through "REPORTS" on line 8

2. Page 2, line 6.

Following: "off"

Strike: "of"

3. Page 2, line 7.

Following: "ride"

Insert: "after getting off or exiting the ride"

4. Page 2, line 19.

Following: "place"

Strike: "near the entrance to each ride"

Insert: "on the amusement ride grounds"

5. Page 2, line 20.

Following: "passenger"

Insert: "and operator"

Following: "[section 4]"

Insert: "and this section"

6. Page 2, line 21.

Following: "sign"

Insert: "near the entrance to each ride"

7. Page 2, line 30.

Strike: "-- ASSUMPTION OF RISK"

8. Page 3, line 12 through line 13.

Strike: subsection (e) in its entirety

Renumber: subsequent subsections

9. Page 3, line 25 through line 27.

Strike: subsection (3) in its entirety

10. Page 3, line 30.

Strike: "shall"

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Insert: "is encouraged to"

Following: "injury"

Strike: "in writing"

11. Page 4, line 1.

Following: "premises"

Strike: remainder of line 1 through "event the"

Insert: ". The"

12. Page 4, line 2.

Following: "shall"

Insert: "if possible"

Strike: "90 days"

Insert: "6 months"

Following: the second "injury"

Strike: "if possible"

13. Page 4, line 9 through line 10.

Strike: subsection (b) in its entirety

Insert: "(b) The operator shall provide to the person who was injured and who has filed an injury report:

(i) the individual operator's name, current address, and telephone number;

(ii) a brief description of the ride, the maintenance schedule for the ride, the manufacturer of the ride, and a history of any injuries on the ride; and

(iii) the names, current addresses, and telephone numbers of all known witnesses to the injury."

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

HB 527, be concurred in. Report adopted.

HJR 5, be amended as follows:

1. Title, line 5.

Strike: "MEMORIALIZING"

Insert: "URGING"

2. Page 1, line 22 through line 27.

Strike: line 22 through line 27 in their entirety

3. Page 2, line 2 through line 4.

Strike: line 2 in its entirety through "Congress; and" on line 4

4. Page 2, line 8.

Following: "Constitution"

Insert: "; and

WHEREAS, there are problems with instant check systems, compilations of information on citizens, and fees levied for the checks"

5. Page 2, line 12 through line 14.

Strike: subsection (1) in its entirety

Insert: "(1) That until the problems with the implementation of the law are resolved, the Senate and the House of

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Representatives of the State of Montana urge the repeal of the Brady Law.

(2) That in the event that Congress refuses to repeal the Brady Law, Congress is urged to develop an "opt-out" amendment to the law to allow states such as Montana to be exempted from the requirements of the law."

Renumber: subsequent subsections

6. Page 2, line 15.

Strike: "belligerent"

7. Page 2, line 16 through line 17.

Following: "Constitution," on line 16

Strike: remainder of line 16 through "doctrine," on line 17

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

TAXATION (Devlin, Chairman):

3/24/1999

SB 184, introduced bill, be amended as follows:

1. Title, page 1, lines 6 and 7.

Following: ";" on line 6

Strike: remainder of line 6 through ";" on line 7

Insert: "PROVIDING AN EXEMPTION FOR A PORTION OF THE VALUE OF CERTAIN CLASS FOUR PROPERTY; PHASING IN THE VALUE CHANGE IN CLASS FOUR PROPERTY OVER 4 YEARS; PHASING IN A RATE REDUCTION FOR CLASS TEN PROPERTY; PROVIDING FOR PERIODIC REAPPRAISAL ON A 6-YEAR CYCLE AND THE PHASING IN OF NEW VALUES;"

2. Title, page 1, line 23.

Following: "15-1-402,"

Insert: "15-2-302, 15-6-134, 15-6-143, 15-6-201, 15-7-103, 15-7-111,"

Following: "15-7-403,"

Insert: "15-8-111,"

3. Title, page 1, line 24.

Strike: "15-24-922,"

4. Title, page 1, line 27.

Strike: "20-9-501, 20-10-144, 20-10-146,"

5. Title, page 2, lines 1 through 4.

Following: "76-15-623," on line 1

Strike: remainder of line 1 through "81-7-202," on line 4

6. Title, page 2, line 6.

Following: the first "MCA;"

Insert: "AMENDING SECTION 1, SENATE BILL NO. 79, 1999;"

7. Page 2, line 12.

Following: "calculate"

Insert: "and impose up to"

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8. Page 2, line 13.

Strike: "collected"

Insert: "imposed"

Following: "year"

Insert: "plus that number of mills applied to the value of improvements or newly taxable property in the governmental unit"

9. Page 2, lines 16 through 29.

Strike: subsections (3) and (4) in their entirety

Insert: "(3) Subsection (1) does not apply to the BASE budget levy defined in 20-9-306, the county levy for retirement provided for in 20-9-501, or the county levy for transportation provided for in 20-10-144."

10. Page 77, line 12.

Following: line 11

Insert: "**Section 139.** Section 15-2-302, MCA, is amended to read:

"15-2-302. Direct appeal from department decision to state tax appeal board -- hearing. (1) A person may appeal to the state tax appeal board a final decision of the department of revenue involving:

- (a) property centrally assessed under chapter 23;
- (b) classification of property as new industrial property;
- (c) any other tax, other than the property tax, imposed under this title; or
- (d) any other matter in which the appeal is provided by law.

(2) (a) Except as provided in subsection (2)(b), the appeal is made by filing a complaint with the board within 30 days following receipt of notice of the department's final decision. The complaint must set forth the grounds for relief and the nature of relief demanded. The board shall immediately transmit a copy of the complaint to the department.

(b) An appeal from the department's determination of whether wages earned by an unemployment insurance benefit claimant were properly reported to the department is initiated by filing a complaint with the board within 10 days following receipt of notice of the department's final determination. The board shall promptly mail a copy of the complaint to each interested party at the last-known address of each party.

(3) The department shall file with the board an answer within 30 days following filing of a complaint, or in cases involving a determination of whether wages earned by an unemployment insurance benefit claimant were properly reported to the department, any interested party, as defined in 15-30-257(1)(e), and the department may file an answer with the board within 10 days after receipt of a copy of the complaint filed with the board; and at that time mail a copy to the complainant. The answer must set forth the department's response to each ground for and type of relief demanded in the complaint.

(4) (a) Except as provided in subsection (4)(b), the board shall conduct the appeal in accordance with the contested case provisions of the Montana Administrative Procedure Act.

(b) (i) In an appeal regarding the determination of whether wages earned by an unemployment insurance claimant were properly reported to the department, the appeal must be conducted informally and may, in the discretion of the board, be conducted by telephone or other electronic means. The appeal is not a contested case under provisions of the Montana Administrative Procedure Act. The board, in conducting the hearing or making its decision, is not bound by the Montana Rules of Evidence.

(ii) The board shall make its final decision within 45 days of the date the appeal is received by the board.

(5) The decision of the state tax appeal board is final and binding upon all interested parties unless reversed or modified by judicial review. Proceedings for judicial review of a decision of the state tax appeal board under this section are subject to the provisions of 15-2-303 and the Montana Administrative Procedure Act to the extent that it does not conflict with 15-2-303.

(6) Sections 15-6-134 and 15-7-111 may not be construed to prevent the department from implementing an order to change the valuation of property."

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Insert: "Section 140. Section 15-6-134, MCA, is amended to read:

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

(a) subject to 15-6-201(1)(z) and (1)(aa) and subsections (1)(f) and (1)(g) of this section, all land, except that specifically included in another class;

(b) subject to 15-6-201(1)(z) and (1)(aa) and subsections (1)(f) and (1)(g) of this section, all improvements, including trailers, manufactured homes, or mobile homes used as a residence, except those specifically included in another class;

(c) the first \$100,000 or less of the taxable market value of any improvement on real property, including trailers, manufactured homes, or mobile homes, and appurtenant land not exceeding 5 acres owned or under contract for deed and actually occupied for at least 7 months a year as the primary residential dwelling of any person whose total income from all sources, including net business income and otherwise tax-exempt income of all types but not including social security income paid directly to a nursing home, is not more than \$15,000 for a single person or \$20,000 for a married couple or a head of household, as adjusted according to subsection (2)(b)(ii). For the purposes of this subsection (1)(c), net business income is gross income less ordinary operating expenses but before deducting depreciation or depletion allowance, or both.

(d) all golf courses, including land and improvements actually and necessarily used for that purpose, that consist of at least nine holes and not less than 3,000 lineal yards; ~~and~~

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

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

(ii) rental multifamily dwelling units; and

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

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

(2) Class four property is taxed as follows:

(a) (i) Except as provided in 15-24-1402 or 15-24-1501 and subsection (2)(a)(ii) of this section, property described in subsections (1)(a), (1)(b), ~~and (1)(e)~~, (1)(f), and (1)(g) of this section is taxed at ~~3.86%~~ 3.794% of its taxable market value in tax year 1999.

(ii) The taxable percentage rate in subsection (2)(a)(i) must be adjusted downward by subtracting ~~0.022~~ 0.0835% percentage points each year until the tax rate is equal to or less than ~~2.78%~~ 3.46%.

(b) (i) Property qualifying under the property tax assistance program in subsection (1)(c) is taxed at the rate provided in subsection (2)(a)(ii) of its market value multiplied by a percentage figure based on income and determined from the following table:

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

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

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

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

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

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

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

Insert: "Section 141. Section 15-6-143, MCA, is amended to read:

"15-6-143. Class ten property -- description -- taxable percentage. (1) Class ten property includes all forest lands as defined in 15-44-102.

(2) Class ten property is taxed at 0.79% of its forest productivity value in tax year 1999, and the rate is reduced by 0.11% each year until the property is taxed at 0.35% of its forest productivity value. "

Insert: "Section 142. Section 15-6-201, MCA, is amended to read:

"15-6-201. Exempt categories. (1) The following categories of property are exempt from taxation:

(a) except as provided in 15-24-1203, the property of:

(i) the United States, except:

(A) if congress passes legislation that allows the state to tax property owned by the federal government or an agency created by congress; or

(B) as provided in 15-24-1103;

(ii) the state, counties, cities, towns, and school districts;

(iii) irrigation districts organized under the laws of Montana and not operating for profit;

(iv) municipal corporations;

(v) public libraries; and

(vi) rural fire districts and other entities providing fire protection under Title 7, chapter 33;

(b) buildings, with land that they occupy and furnishings in the buildings, that are owned by a church and used for actual religious worship or for residences of the clergy, together with adjacent land reasonably necessary for convenient use of the buildings;

(c) property used exclusively for agricultural and horticultural societies, for educational purposes, and for nonprofit health care facilities, as defined in 50-5-101, licensed by the department of public health and human services and organized under Title 35, chapter 2 or 3. A health care facility that is not licensed by the department of public health and human services and organized under Title 35, chapter 2 or 3, is not exempt.

(d) property that is:

(i) owned and held by an association or corporation organized under Title 35, chapter 2, 3, 20, or 21;

(ii) devoted exclusively to use in connection with a cemetery or cemeteries for which a permanent care and improvement fund has been established as provided for in Title 35, chapter 20, part 3; and

(iii) not maintained and operated for private or corporate profit;

(e) property that is owned or property that is leased from a federal, state, or local governmental entity by institutions of purely public charity if the property is directly used for purely public charitable purposes;

(f) evidence of debt secured by mortgages of record upon real or personal property in the state of Montana;

(g) public museums, art galleries, zoos, and observatories that are not used or held for private or corporate profit;

(h) all household goods and furniture, including but not limited to clocks, musical instruments, sewing machines, and wearing apparel of members of the family, used by the owner for personal and domestic purposes or for furnishing or equipping the family residence;

(i) truck canopy covers or toppers and campers;

(j) a bicycle, as defined in 61-1-123, used by the owner for personal transportation purposes;

(k) motor homes;

(l) all watercraft;

(m) motor vehicles, land, fixtures, buildings, and improvements owned by a cooperative association or nonprofit corporation organized to furnish potable water to its members or customers for uses other than the irrigation of agricultural land;

(n) the right of entry that is a property right reserved in land or received by mesne conveyance (exclusive

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of leasehold interests), devise, or succession to enter land with a surface title that is held by another to explore, prospect, or dig for oil, gas, coal, or minerals;

(o) (i) property that is owned and used by a corporation or association organized and operated exclusively for the care of persons with developmental disabilities, persons with mental illness, or persons with physical or mental impairments that constitute or result in substantial impediments to employment and that is not operated for gain or profit; and

(ii) property that is owned and used by an organization owning and operating facilities that are for the care of the retired, aged, or chronically ill and that are not operated for gain or profit;

(p) all farm buildings with a market value of less than \$500 and all agricultural implements and machinery with a market value of less than \$100;

(q) property owned by a nonprofit corporation that is organized to provide facilities primarily for training and practice for or competition in international sports and athletic events and that is not held or used for private or corporate gain or profit. For purposes of this subsection (1)(q), "nonprofit corporation" means an organization that is exempt from taxation under section 501(c) of the Internal Revenue Code and incorporated and admitted under the Montana Nonprofit Corporation Act.

(r) the first \$15,000 or less of market value of tools owned by the taxpayer that are customarily hand-held and that are used to:

(i) construct, repair, and maintain improvements to real property; or

(ii) repair and maintain machinery, equipment, appliances, or other personal property;

(s) harness, saddlery, and other tack equipment;

(t) a title plant owned by a title insurer or a title insurance producer, as those terms are defined in 33-25-105;

(u) timber as defined in 15-44-102;

(v) all trailers as defined in 61-1-111, semitrailers as defined in 61-1-112, pole trailers as defined in 61-1-114, and travel trailers as defined in 61-1-131;

(w) all vehicles registered under 61-3-456;

(x) (i) buses, trucks having a manufacturer's rated capacity of more than 1 ton, and truck tractors, including buses, trucks, and truck tractors apportioned under Title 61, chapter 3, part 7; and

(ii) personal property that is attached to a bus, truck, or truck tractor that is exempt under subsection (1)(x)(i); ~~and~~

(y) motorcycles and quadricycles;

(z) the following percentage of the market value of residential property as described in 15-6-134(1)(f):

(i) 16% for tax year 1999;

(ii) 21% for tax year 2000;

(iii) 26% for tax year 2001; and

(iv) 30% for tax year 2002 and succeeding tax years; and

(aa) the following percentage of the market value of commercial property as described in 15-6-134(1)(g):

(i) 6.5% for tax year 1999;

(ii) 9% for tax year 2000;

(iii) 11% for tax year 2001; and

(iv) 13% for tax year 2002 and succeeding tax years.

(2) (a) For the purposes of subsection (1)(e), the term "institutions of purely public charity" includes any organization that meets the following requirements:

(i) The organization qualifies as a tax-exempt organization under the provisions of section 501(c)(3), Internal Revenue Code, as amended.

(ii) The organization accomplishes its activities through absolute gratuity or grants. However, the organization may solicit or raise funds by the sale of merchandise, memberships, or tickets to public performances or entertainment or by other similar types of fundraising activities.

(b) For the purposes of subsection (1)(g), the term "public museums, art galleries, zoos, and observatories"

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means governmental entities or nonprofit organizations whose principal purpose is to hold property for public display or for use as a museum, art gallery, zoo, or observatory. The exempt property includes all real and personal property reasonably necessary for use in connection with the public display or observatory use. Unless the property is leased for a profit to a governmental entity or nonprofit organization by an individual or for-profit organization, real and personal property owned by other persons is exempt if it is:

- (i) actually used by the governmental entity or nonprofit organization as a part of its public display;
- (ii) held for future display; or
- (iii) used to house or store a public display.

(3) The following portions of the appraised value of a capital investment in a recognized nonfossil form of energy generation or low emission wood or biomass combustion devices, as defined in 15-32-102, are exempt from taxation for a period of 10 years following installation of the property:

- (a) \$20,000 in the case of a single-family residential dwelling;
- (b) \$100,000 in the case of a multifamily residential dwelling or a nonresidential structure."

Insert: "Section 143. Section 15-7-103, MCA, is amended to read:

"15-7-103. Classification and appraisal -- general and uniform methods. (1) It is the duty of the department of revenue to implement the provisions of 15-7-101 through 15-7-103 by providing:

- (a) for a general and uniform method of classifying lands in the state for the purpose of securing an equitable and uniform basis of assessment of ~~said~~ lands for taxation purposes;
- (b) for a general and uniform method of appraising city and town lots;
- (c) for a general and uniform method of appraising rural and urban improvements;
- (d) for a general and uniform method of appraising timberlands.

(2) All lands ~~shall~~ must be classified according to their use or uses and graded within each class according to soil and productive capacity. In ~~such~~ the classification work, use ~~shall~~ must be made of soil surveys and maps and all other pertinent available information.

(3) All lands must be classified by parcels or subdivisions not exceeding 1 section each, by the sections, fractional sections, or lots of all tracts of land that have been sectionized by the United States government, or by metes and bounds, whichever yields a true description of the land.

(4) All agricultural lands must be classified and appraised as agricultural lands without regard to the best and highest value use of adjacent or neighboring lands.

(5) In any periodic revaluation of taxable property completed under the provisions of 15-7-111 ~~after January 1, 1986~~, all property classified in 15-6-134 must be appraised on the taxable portion of its market value in the same year. The department shall publish a rule specifying the year used in the appraisal.

(6) All sewage disposal systems and domestic use water supply systems of all dwellings may not be appraised, assessed, and taxed separately from the land, house, or other improvements in which they are located. In no event may the sewage disposal or domestic water supply systems be included twice by including them in the valuation and assessing them separately."

Insert: "Section 144. Section 15-7-111, MCA, is amended to read:

"15-7-111. Periodic revaluation of certain taxable property. (1) The department of revenue shall administer and supervise a program for the revaluation of all taxable property within classes three, four, and ten. All other property must be revalued annually. The revaluation of class three, four, and ten property is complete on December 31, 1996. The amount of the change in valuation from the 1996 base year for each property in classes three, four, and ten must be phased in each year at the rate of ~~2%~~ 25% of the ~~total~~ change in valuation from December 31, 1998, to the appropriate percentage of taxable market value for each class.

(2) The department shall value and phase in the value of newly constructed, remodeled, or reclassified property in a manner consistent with the valuation within the same class and the values established pursuant to subsection (1). The department shall adopt rules for determining the assessed valuation and phased-in value of new, remodeled, or reclassified property within the same class.

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(3) Beginning January 1, ~~2007~~ 2001, the department of revenue shall administer and supervise a program for the revaluation of all taxable property within classes three, four, and ten. A comprehensive written reappraisal plan must be promulgated by the department. The reappraisal plan adopted must provide that all class three, four, and ten property in each county is revalued by January 1, ~~2010~~ 2003, and each succeeding ~~3~~ 6 years. The resulting valuation changes must be phased in for each year until the next reappraisal. If a percentage of change for each year is not established, then the percentage of phase in for each year is 16.66%. The department shall furnish a copy of the plan and all amendments to the plan to the board of county commissioners of each county."

Renumber: subsequent sections

11. Page 77, line 26.

Insert: "Section 146. Section 15-8-111, MCA, is amended to read:

"**15-8-111. Assessment -- market value standard -- exceptions.** (1) All taxable property must be assessed at 100% of its market value except as otherwise provided.

(2) (a) Market value is the value at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts.

(b) If the department uses construction cost as one approximation of market value, the department shall fully consider reduction in value caused by depreciation, whether through physical depreciation, functional obsolescence, or economic obsolescence.

(c) Except as provided in subsection (3), the market value of special mobile equipment and agricultural tools, implements, and machinery is the average wholesale value shown in national appraisal guides and manuals or the value before reconditioning and profit margin. The department shall prepare valuation schedules showing the average wholesale value when a national appraisal guide does not exist.

(3) The department may not adopt a lower or different standard of value from market value in making the official assessment and appraisal of the value of property, except:

(a) the wholesale value for agricultural implements and machinery is the average wholesale value category as shown in Guides 2000, Northwest Region Official Guide, published by the North American equipment dealers association, St. Louis, Missouri. If the guide or the average wholesale value category is unavailable, the department shall use a comparable publication or wholesale value category.

(b) for agricultural implements and machinery not listed in an official guide, the department shall prepare a supplemental manual in which the values reflect the same depreciation as those found in the official guide; and

(c) as otherwise authorized in Titles 15 and 61.

(4) For purposes of taxation, assessed value is the same as appraised value.

(5) The taxable value for all property is the percentage of market or assessed value established for each class of property.

(6) The assessed value of properties in 15-6-131 through ~~15-6-133~~ 15-6-134 and 15-6-143 is as follows:

(a) Properties in 15-6-131, under class one, are assessed at 100% of the annual net proceeds after deducting the expenses specified and allowed by 15-23-503 or, if applicable, as provided in 15-23-515, 15-23-516, 15-23-517, or 15-23-518.

(b) Properties in 15-6-132, under class two, are assessed at 100% of the annual gross proceeds.

(c) Properties in 15-6-133, under class three, are assessed at 100% of the productive capacity of the lands when valued for agricultural purposes. All lands that meet the qualifications of 15-7-202 are valued as agricultural lands for tax purposes.

(d) Properties in 15-6-134, under class four, are assessed at 100% of market value minus any portion of market value that is exempt from taxation under 15-6-201(1)(z) and (1)(aa).

~~(d)~~(e) Properties in 15-6-143, under class ten, are assessed at 100% of the forest productivity value of the land when valued as forest land.

(7) Land and the improvements on the land are separately assessed when any of the following conditions occur:

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- (a) ownership of the improvements is different from ownership of the land;
- (b) the taxpayer makes a written request; or
- (c) the land is outside an incorporated city or town."

Renumber: subsequent sections

12. Page 80, line 22 through page 81, line 11.

Strike: section 147 in its entirety

Renumber: subsequent sections

13. Page 103, line 15 through page 109, line 16.

Strike: sections 176 through 178 in its entirety

Renumber: subsequent sections

14. Page 130, line 19 through page 141, line 5.

Strike: sections 215 through 235 in their entirety

Renumber: subsequent sections

15. Page 151, line 28.

Insert: "Section 235. Section 1, Senate Bill No. 79, 1999, is amended to read:

"Section 1. Tax levy for university system. Subject to the provisions of 20-25-423 and [section 1], there is levied upon the taxable value of all real estate and personal property subject to taxation in the state of Montana 6 mills or so much of 6 mills as is necessary to raise the amount appropriated by the legislature from the state special revenue fund for the support, maintenance, and improvement of the Montana university system, as provided in referendum measure No. 113, passed by a vote of the people at the general election held November 3, 1998. The funds raised from the levy must be deposited in the state special revenue fund."

Renumber: subsequent sections

And, as amended, do pass. Report adopted.

SB 424, introduced bill, be amended as follows:

1. Title, line 8.

Following: "SECTIONS"

Insert: "15-30-171,"

Following: "15-30-172"

Insert: ", "

2. Page 1, line 12.

Insert: "Section 1. Section 15-30-171, MCA, is amended to read:

"15-30-171. Residential property tax credit for elderly -- definitions. As used in 15-30-171 through 15-30-179, the following definitions apply:

(1) "Claim period" means the tax year for individuals required to file Montana individual income tax returns and the calendar year for individuals not required to file returns.

(2) "Claimant" means a person who is eligible to file a claim under 15-30-172.

(3) "Department" means the department of revenue.

(4) "Gross household income" means all income received by all individuals of a household while they are members of the household.

(5) "Gross rent" means the total rent in cash or its equivalent actually paid during the claim period by the renter or lessee for the right of occupancy of the homestead pursuant to an arm's-length transaction with the landlord.

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(6) "Homestead" means:

(a) a single-family dwelling or unit of a multiple-unit dwelling that is subject to property taxes in Montana and as much of the surrounding land, but not in excess of 1 acre, as is reasonably necessary for its use as a dwelling; or

(b) a single-family dwelling or unit of a multiple-unit dwelling that is rented from a county or municipal housing authority as provided in Title 7, chapter 15.

(7) "Household" means an association of persons who live in the same dwelling, sharing its furnishings, facilities, accommodations, and expenses. The term does not include bona fide lessees, tenants, or roomers and boarders on contract.

(8) "Household income" means the amount obtained by subtracting \$6,300 from gross household income.

(9) "Income" means federal adjusted gross income, without regard to loss, as that quantity is defined in the Internal Revenue Code of the United States, plus all nontaxable the following income to the extent it was not included in determining federal adjusted gross income, including but not limited to:

(a) the gross amount of any pension or annuity, including Railroad Retirement Act benefits and veterans' disability benefits;

(b) the amount of capital gains excluded from adjusted gross income;

(c) alimony;

(d) support money;

(e) nontaxable strike benefits;

(f) cash public assistance and relief;

(g) payments and interest on federal, state, county, and municipal bonds; ~~and~~

(h) all payments received under federal social security except social security income paid directly to a nursing home; and

(i) proceeds from the sale or other transfer of a capital asset, the gain on which was not recognized, remaining after subtracting the following:

(A) the property's adjusted basis;

(B) payment of any indebtedness encumbering the property; and

(C) the costs of sale.

(10) "Property tax billed" means taxes levied against the homestead, including special assessments and fees but excluding penalties or interest during the claim period.

(11) "Rent-equivalent tax paid" means 15% of the gross rent."

Renumber: subsequent sections

3. Page 2, line 28.

Strike: "80%"

Insert: "40%"

4. Page 2, line 29.

Strike: "60%"

Insert: "30%"

5. Page 2, line 30.

Strike: "40%"

Insert: "20%"

6. Page 3, line 1.

Strike: "20%"

Insert: "10%"

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And, as amended, do pass. Report adopted.

SB 532, do pass. Report adopted.

MESSAGES FROM THE GOVERNOR

March 24, 1999

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

Dear Senator Crippen:

Please be informed that I have signed **Senate Bill 60** sponsored by Senator M. Halligan, **Senate Bill 90** sponsored by Senator S. Stang, **Senate Bill 165** sponsored by Senator Lynch et al., **Senate Bill 189** sponsored by Senator Berry, **Senate Bill 351** sponsored by Senator G. Jergeson et al., and **Senate Bill 394** sponsored by Senator J. Tester et al. on March 24, 1999.

Sincerely,

MARC RACICOT
Governor

MOTIONS

SB 529 - Senator G. Jergeson moved that SB 529 be taken from the committee on Taxation, printed and placed on the second reading board the sixty-eighth legislative day, March 26, 1999. SB 529 is a constitutional amendment concerning how the legislature deals with taxes. Motion carried.

HB 115 - Senator C. Christiaens moved that HB 115 be taken from the second reading board this legislative day and rereferred to the committee on Finance and Claims, as the fiscal note is substantial and he would like an explanation from the department. Motion carried.

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:

SB 57, as amended by the House, passed as follows:

Yeas: Bartlett, Beck, Berry, Bishop, Bohlinger, Christiaens, Cocchiarella, Cole, Crismore, DePratu, Devlin, Doherty, Eck, Ekegren, Ellingson, Ellis, Franklin, Glaser, Grimes, Grosfield, Halligan, Hargrove, Harp, Hertel, Holden, Jabs, Jergeson, Keating, Keenan, Lynch, Mahlum, McCarthy, McNutt, Mesaros, Miller, Mohl, Nelson, Roush, Shea, Sprague, Stang, Swysgood, Taylor, Tester, Thomas, Toews, Waterman, Wells, Wilson, Mr. President.

Total 50

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Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: None.
Total 0

HJR 28 concurred in as follows:

Yeas: Bartlett, Beck, Berry, Bishop, Bohlinger, Christiaens, Cocchiarella, Cole, Crismore, DePratu, Devlin, Doherty, Eck, Ekegren, Ellingson, Ellis, Franklin, Glaser, Grimes, Grosfield, Halligan, Hargrove, Harp, Hertel, Holden, Jabs, Jergeson, Keating, Keenan, Lynch, Mahlum, McCarthy, McNutt, Mesaros, Miller, Mohl, Nelson, Roush, Shea, Sprague, Stang, Swysgood, Taylor, Tester, Thomas, Toews, Waterman, Wells, Wilson, Mr. President.
Total 50

Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: None.
Total 0

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

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

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

SB 322 - Senator Waterman spoke on SB 322, and then the committee reverted to the body of the bill for amendments.

SB 322 - Senator M. Waterman moved SB 322, second reading copy, be amended as follows :

1. Title, line 6.

Following: "AUTHORITY;"

Insert: "PROVIDING RULEMAKING AUTHORITY;"

2. Title, line 8.

Following: ";"

Insert: "PENALTIES AND"

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3. Page 1, line 14.

Page 1, line 17.

Page 1, line 28.

Page 7, line 28.

Page 8, line 4.

Page 10, line 1.

Page 11, line 12.

Page 11, line 19.

Page 11, line 21

Strike: "10" or "10"

Insert: "11"

4. Page 1, line 27.

Strike: "40%"

Insert: "20%"

5. Page 3, line 19.

Page 7, line 24.

Strike: "7"

Insert: "8"

6. Page 4, line 9.

Following: the first "THE"

Insert: "charitable"

7. Page 4, line 15.

Following: "entities;"

Insert: "(b) whether the proceeds of the proposed nonprofit healthcare conversion transaction will be used consistently with the trust under which the assets are held by the nonprofit healthcare entity;"

Renumber: subsequent subsections

8. Page 4, line 19.

Strike: "AND"

9. Page 4, line 24.

Strike: " "

Insert: ";

(e) whether healthcare providers will be offered the opportunity to invest or own an interest in the acquiring entity or a related party and whether procedures or safeguards are in place to avoid a conflict of interest in patient referrals; and

(f) any other criteria that the attorney general considers necessary to determine whether the nonprofit healthcare entity will receive full and fair market value for the assets that are intended to be transferred, as required in rules adopted by the attorney general under [section 7]."

10. Page 6, line 24.

Insert: "NEW SECTION. Section 7. Rulemaking authority. The attorney general may adopt administrative rules that are considered appropriate and may establish protocols by rule that are necessary to implement [sections 1 through 11]. The rules must include but are not limited to:

(1) specifying the form and content of the written notice, required documents, and supplemental

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information;

(2) developing procedures under which information may be considered proprietary business information or trade secrets; and

(3) determining the scope and work product required to be performed by an expert or consultant retained for services on behalf of the attorney general pursuant to [section 8]."

Renumber: subsequent sections

11. Page 7, line 26.

Strike: "REMEDIES"

Insert: "Penalties -- remedies."

12. Page 8, line 11.

Following: "~~++~~"

Insert: " (3) The attorney general may initiate proceedings against any person to recover from the person any charitable assets held by the person as a result of improper inurement created by a transaction subject to [sections 1 through 11]. In an action under this subsection, in addition to recovery of any charitable assets held as a result of private inurement, the court may impose a civil penalty against a member of a governing board, an officer, or an employee of a nonprofit for up to twice the amount of any private inurement received by the member of the governing board, officer, or employee as a result of a willful violation of [sections 1 through 11] or a willful violation of a duty imposed by 35-2-416(1) or 35-2-441(1). It is a defense to liability for the penalty provided in this section that the member of the governing board, officer, or employee of the nonprofit participated in the transaction in the reasonable exercise of business judgement or that the transaction was approved under 35-2-418(2) or (3)."

Renumber: subsequent subsections

13. Page 8, line 16.

Following: "~~and~~"

Insert: "penalties and"

14. Page 8, line 21 through line 28.

Strike: section 10 in its entirety

Insert: "NEW SECTION. Section 11. Judicial review. A party to a nonprofit healthcare conversion transaction may appeal, in the manner provided in Title 2, chapter 4, part 7, a final decision by the attorney general disapproving or approving with conditions a nonprofit healthcare conversion transaction."

Renumber: subsequent sections

Amendment **failed** as follows:

Yeas: Bartlett, Christiaens, Cocchiarella, Doherty, Eck, Ellingson, Franklin, Halligan, Jergeson, McCarthy, Nelson, Roush, Stang, Tester, Waterman.

Total 15

Nays: Beck, Berry, Bishop, Bohlinger, Cole, Crismore, DePratu, Devlin, Ekegren, Ellis, Glaser, Grimes, Grosfield, Hargrove, Harp, Hertel, Holden, Jabs, Keating, Keenan, Lynch, Mahlum, McNutt, Miller, Mohl, Shea, Sprague, Swysgood, Taylor, Thomas, Toews, Wells, Wilson, Mr. President.

Total 34

Absent or not voting: Mesaros.

Total 1

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Excused: None.
Total 0

SB 322 - Senator Christiaens moved SB 322, second reading copy, be amended as follows :

1. Page 1, line 27.

Strike: "40%"

Insert: "20%"

Amendment **failed** as follows:

Yeas: Bartlett, Christiaens, Cocchiarella, Doherty, Eck, Ellingson, Franklin, Halligan, Jergeson, McCarthy, Nelson, Roush, Stang, Tester, Waterman.

Total 15

Nays: Beck, Berry, Bishop, Bohlinger, Cole, Crismore, DePratu, Devlin, Ekegren, Ellis, Glaser, Grimes, Grosfield, Hargrove, Harp, Hertel, Holden, Jabs, Keating, Keenan, Lynch, Mahlum, McNutt, Mesaros, Miller, Mohl, Shea, Sprague, Swysgood, Taylor, Thomas, Toews, Wells, Wilson, Mr. President.

Total 35

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 322 - Senator M. Waterman moved SB 322 do pass. Motion **failed** as follows:

Yeas: Bartlett, Christiaens, Doherty, Eck, Franklin, Grimes, Grosfield, Halligan, Jergeson, Lynch, McCarthy, Nelson, Roush, Shea, Stang, Tester, Waterman, Wilson.

Total 18

Nays: Beck, Berry, Bishop, Bohlinger, Cocchiarella, Cole, Crismore, DePratu, Devlin, Ekegren, Ellingson, Ellis, Glaser, Hargrove, Harp, Hertel, Holden, Jabs, Keating, Keenan, Mahlum, McNutt, Mesaros, Miller, Mohl, Sprague, Swysgood, Taylor, Thomas, Toews, Wells, Mr. President.

Total 32

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 322 - Senator F. Thomas moved that SB 322 be indefinitely postponed. Motion carried as follows:

Yeas: Beck, Berry, Bishop, Bohlinger, Cole, Crismore, DePratu, Devlin, Ekegren, Ellis, Glaser, Grimes, Grosfield, Hargrove, Harp, Hertel, Holden, Jabs, Keating, Keenan, Mahlum, McNutt, Mesaros, Miller, Mohl, Sprague, Swysgood, Taylor, Thomas, Toews, Wells, Mr. President.

Total 32

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Nays: Bartlett, Christiaens, Cocchiarella, Doherty, Eck, Ellingson, Franklin, Halligan, Jergeson, Lynch, McCarthy, Nelson, Roush, Shea, Stang, Tester, Waterman, Wilson.

Total 18

Absent or not voting: None.

Total 0

Excused: None.

Total 0

HB 111 - Senator D. Grimes moved HB 111 be concurred in. Motion carried unanimously.

Senator Crippen moved that House Amendments to Senate Bills on the second reading board this day be placed below HJR 7 on the second reading board. Motion carried.

Senator Grosfield excused at this time.

SB 164 - Senator K. Mesaros moved SB 164 do pass. Motion carried unanimously.

SB 531 - Senator T. Beck moved SB 531 do pass. Motion carried unanimously.

SB 533 - Senator G. Devlin moved SB 533 do pass. Motion carried unanimously.

SJR 16 - Senator G. Jergeson moved SJR 16, second reading copy, be amended as follows :

1. Page 1, line 28.

Strike: "and"

2. Page 1, line 30.

Following: "located"

Insert: "; and (5) a pilot project establishing a system of vouchers for students to give to the faculty of their choice at the University of Montana-Missoula School of Law"

Amendment **adopted** with Senator Bartlett voting nay.

SJR 16 - Senator K. Miller moved SJR 16, as amended, be adopted. Motion carried as follows:

Yeas: Beck, Berry, Christiaens, Cole, Crismore, Eck, Ekegren, Ellingson, Ellis, Franklin, Grimes, Halligan, Hargrove, Harp, Holden, Jabs, Keating, Lynch, Mahlum, Mesaros, Miller, Roush, Sprague, Swysgood, Thomas, Toews, Wells, Wilson.

Total 28

Nays: Bartlett, Bishop, Bohlinger, Cocchiarella, DePratu, Devlin, Doherty, Hertel, Jergeson, Keenan, McNutt, Mohl, Nelson, Shea, Stang, Taylor, Tester, Waterman, Mr. President.

Total 19

Absent or not voting: Glaser, McCarthy.

Total 2

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Excused: Grosfield.
Total 1

HB 81 - Senator D. Grimes moved HB 81 be concurred in. Motion carried unanimously.

HB 153 - Senator D. Berry moved HB 153 be concurred in. Motion carried with Senator Wells voting nay.

HB 283 - Senator S. Doherty moved HB 283 be concurred in. Motion carried unanimously.

HB 296 - Senator A. Bishop moved HB 296 be concurred in. Motion carried unanimously.

HB 421 - Senator B. McCarthy moved HB 421 be concurred in. Motion carried with Senators Grimes and Mohl voting nay.

HB 486 - Senator B. McCarthy moved HB 486 be concurred in. Motion carried unanimously.

HB 506 - Senator T. Beck moved consideration of HB 506 be passed for the day. Motion carried.

HB 523 - Senator F. Thomas moved HB 523 be concurred in. Motion carried unanimously.

Senator Grosfield present at this time.

HJR 7 - Senator J. Wells moved HJR 7 be concurred in. Motion carried as follows:

Yeas: Beck, Berry, Cole, Crismore, DePratu, Devlin, Ekegren, Ellis, Glaser, Grimes, Grosfield, Hargrove, Harp, Hertel, Holden, Jabs, Keating, Keenan, Lynch, Mahlum, McNutt, Mesaros, Miller, Mohl, Sprague, Swysgood, Taylor, Thomas, Toews, Wells, Wilson, Mr. President.
Total 32

Nays: Bartlett, Bishop, Bohlinger, Christiaens, Cocchiarella, Doherty, Eck, Ellingson, Franklin, Halligan, Jergeson, McCarthy, Nelson, Roush, Shea, Stang, Tester, Waterman.
Total 18

Absent or not voting: None.
Total 0

Excused: None.
Total 0

HB 71 - Senator Crippen moved consideration of HB 71 be passed for the day. Motion carried.

SB 63 - House Amendments - Senator L. Nelson moved House amendments to SB 63 be concurred in. Motion carried unanimously.

SB 71 - House Amendments - Senator L. Nelson moved House amendments to SB 71 be concurred in. Motion carried unanimously.

SB 124 - House Amendments - Senator T. Beck moved House amendments to SB 124 be concurred in. Motion carried unanimously.

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SB 207 - House Amendments - Senator G. Roush moved House amendments to SB 207 be concurred in. Motion carried unanimously.

SB 239 - House Amendments - Senator G. Roush moved House amendments to SB 239 be concurred in. Motion carried unanimously.

SJR 5 - House Amendments - Senator J. Tester moved House amendments to SJR 5 be concurred. Motion carried unanimously.

SB 169 - House Amendments - Senator M. Taylor moved House amendments to SB 169 be **not** concurred in. Motion carried unanimously.

SB 210 - House Amendments - Senator J. Lynch moved House amendments to SB 210 be concurred in. Motion carried unanimously.

SB 439 - House Amendments - Senator J. Hertel moved House amendments to SB 439 be concurred in. Motion carried unanimously.

Senator Harp moved the committee rise and report. Motion carried. Committee arose. Senate resumed. President Crippen in the chair. Chairman Holden moved the Committee of the Whole report be adopted. Report adopted.

SPECIAL ORDERS OF THE DAY

SR 4 - Senator M. Cole moved that the nominations transmitted by the Governor be concurred in, confirmed, and consented to by the Senate in accordance with Senate Resolution 4, and that the ayes and nays be spread upon the Journal. Motion carried as follows:

Yeas: Bartlett, Beck, Berry, Bishop, Bohlinger, Christiaens, Cocchiarella, Cole, Crismore, DePratu, Devlin, Doherty, Eck, Ekegren, Ellingson, Ellis, Franklin, Glaser, Grimes, Grosfield, Halligan, Hargrove, Harp, Hertel, Holden, Jabs, Jergeson, Keating, Keenan, Lynch, Mahlum, McCarthy, McNutt, Mesaros, Miller, Mohl, Nelson, Roush, Shea, Sprague, Stang, Swysgood, Taylor, Tester, Thomas, Toews, Waterman, Wells, Wilson, Mr. President.

Total 50

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: None.

Total 0

**A PROCLAMATION OF THE SENATE AND THE HOUSE OF
REPRESENTATIVES OF THE STATE OF MONTANA**

WHEREAS, the Montana State University-Northern wrestling program contributes many fine wrestling coaches to high schools throughout Montana; and

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WHEREAS, the National Association of Intercollegiate Athletics administers wrestling competition among colleges throughout the entire United States; and

WHEREAS, for the second consecutive year the collegiate wrestling team of the Montana State University-Northern has captured the NAIA championship in nationwide competition;

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the MSU-Northern Lights Wrestling Team, paced by individual champions Turk Lords and Mark Lane and coached by David Ray, is hereby honored and commended for their national achievement and the recognition they have brought to the State of Montana; and

BE IT FURTHER RESOLVED, that the original of this resolution be delivered to the Chancellor of MSU-Northern for proper display on the MSU-Northern campus.

BRUCE CRIPPEN
President of the Senate

JOHN A. MERCER
Speaker of the House of Representatives

STEVE DOHERTY
Senate Minority Leader

EMILY SWANSON
House Minority Leader

JOHN TESTER
Senator, District 45

TONI HAGENER
Representative, District 90

GREG JERGESON
Senator, District 46

RAY PECK
Representative, District 91

MATT McCANN
Representative, District 92

Senator Jergeson moved the Montana State University-Northern Wrestling Program Proclamation be adopted. Motion carried as follows:

Yeas: Bartlett, Beck, Berry, Bishop, Bohlinger, Christiaens, Cocchiarella, Cole, Crismore, DePratu, Devlin, Doherty, Eck, Ekegren, Ellingson, Ellis, Franklin, Glaser, Grimes, Grosfield, Halligan, Hargrove, Harp, Hertel, Holden, Jabs, Jergeson, Keating, Keenan, Lynch, Mahlum, McCarthy, McNutt, Mesaros, Miller, Mohl, Nelson, Roush, Shea, Sprague, Stang, Swysgood, Taylor, Tester, Thomas, Toews, Waterman, Wells, Wilson, Mr. President.
Total 50

Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: None.
Total 0

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MOTIONS

HB 660 - Senator Harp moved that the rules be suspended to allow the late transmittal of HB 660 into the Senate. HB 660 deals with the retirement incentive/benefits for laid off MSH employees and would have a fiscal impact on the state. Motion carried as follows:

Yeas: Beck, Berry, Bishop, Bohlinger, Christiaens, Cocchiarella, Cole, Crismore, DePratu, Devlin, Doherty, Eck, Ekegren, Ellingson, Ellis, Franklin, Glaser, Grimes, Grosfield, Halligan, Hargrove, Harp, Hertel, Holden, Jabs, Jergeson, Keating, Keenan, Lynch, Mahlum, McCarthy, McNutt, Mesaros, Miller, Mohl, Nelson, Roush, Shea, Sprague, Stang, Swysgood, Taylor, Tester, Thomas, Toews, Waterman, Wells, Mr. President.

Total 48

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: Bartlett, Wilson.

Total 2

HB 670 - Senator Harp moved that the rules be suspended to allow the late transmittal of HB 670 into the Senate. HB 670 deals with establishing a state tribal economic development act, and would have a fiscal impact on the state. Motion carried as follows:

Yeas: Bartlett, Beck, Berry, Bishop, Bohlinger, Christiaens, Cocchiarella, Cole, Crismore, DePratu, Devlin, Doherty, Eck, Ekegren, Ellingson, Ellis, Franklin, Glaser, Grimes, Grosfield, Halligan, Hargrove, Harp, Hertel, Holden, Jabs, Jergeson, Keating, Keenan, Lynch, Mahlum, McCarthy, McNutt, Mesaros, Miller, Mohl, Nelson, Roush, Shea, Sprague, Stang, Swysgood, Taylor, Tester, Thomas, Toews, Waterman, Wells, Mr. President.

Total 49

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: Wilson.

Total 1

ANNOUNCEMENTS

Committee meetings were announced by committee chairmen.

Majority Leader Harp moved that the Senate adjourn until 1:00 p.m., Friday, March 26, 1999. Motion carried.

Senate adjourned at 3:14 p.m.

ROSANA SKELTON

BRUCE CRIPPEN

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Secretary of Senate

President of the Senate