

**HOUSE JOURNAL  
57<sup>TH</sup> LEGISLATURE  
EIGHTY-EIGHTH LEGISLATIVE DAY**

Helena, Montana  
April 19, 2001

House Chambers  
State Capitol

House convened at 11:00 a.m. Mr. Speaker in the Chair. Invocation by Representative Davies. Pledge of Allegiance to the Flag.

Roll Call. All members present. Quorum present.

**REPORTS OF STANDING COMMITTEES**

**BILLS** (Bookout-Reinicke, Chairman):  
Correctly engrossed: **SJR 21, SJR 22.**

4/19/2001

**REPORTS OF SELECT COMMITTEES**

FREE CONFERENCE COMMITTEE  
on House Bill 41  
Report No. 1, April 19, 2001

Mr. Speaker and Mr. President:

We, your Free Conference Committee on **House Bill 41**, met April 18, 2001, and considered:

1. Senate Committee on Finance amendments to third reading copy, dated March 20, 2001.

We recommend that **House Bill 41** (reference copy – salmon) be amended as follows:

1. Title, page 1, line 11.

**Following:** "~~FUND;~~"

**Insert:** "PROVIDING FOR THE DEPOSIT OF STATE SCHOOL FUND REVENUE INTO A SUBFUND OF THE STATE GENERAL FUND; PROVIDING FOR THE DEPOSIT IN THE STATE GENERAL FUND OF PROCEEDS FROM THE SALE OF PROPERTY USED IN THE THEFT OR TRANSPORTATION OF STOLEN LIVESTOCK;"

2. Title, page 1, line 12.

**Strike:** "STATE SCHOOL FUND REVENUE"

**Insert:** "TIMBER HARVEST FUNDS"

3. Title, page 1, line 14.

**Following:** "ACQUISITION;"

**Insert:** "ELIMINATING THE REQUIREMENTS FOR REVIEWS OF DEDICATED REVENUE PROVISIONS AND STATUTORY APPROPRIATIONS BY THE LEGISLATIVE FINANCE COMMITTEE;"

4. Title, page 1, line 15.

**Following:** "~~82-4-311~~"

**Insert:** "17-1-505, 17-1-508,"

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**Following:** "20-9-343,"

**Strike:** "AND"

**Following:** "20-9-534,"

**Insert:** "81-5-110, AND 81-5-111,"

5. Page 5, following line 10.

**Insert:** "**Section 1.** Section 17-1-505, MCA, is amended to read:

**"17-1-505. Review of dedicated revenue provisions.** ~~(1) Each interim, the legislative finance committee shall review dedicated revenue provisions based upon procedures established under subsection (4) and the principles of revenue dedication set forth in 17-1-507 to ensure that legislative policy is clearly stated:~~

~~(2)(1)~~ The legislature recognizes that dedicated revenue provisions are subject to review by:

(a) the office of budget and program planning in the development and implementation of the executive budget and analysis of legislation;

(b) the legislative fiscal division in analyzing the executive budget;

(c) the legislative services division in drafting legislation;

(d) the legislative auditor in auditing agencies; and

(e) the department of administration in performing the functions provided for in 17-2-106 and 17-2-111.

~~(3)(2)~~ To avoid unnecessary use of dedicated revenue provisions, the entities listed in subsection ~~(2)~~ (1) shall, in the course of current duties, consider the principles in 17-1-507 and the criteria listed in this subsection for each new or existing dedicated revenue provision. A dedicated revenue provision should not give a program or activity an unfair advantage for funding. The expenditures from a dedicated revenue provision must be based on requirements for meeting a legislatively established outcome. Statutorily mandated programs or activities funded through dedicated revenue provisions from general revenue sources must be reviewed to the same extent as programs or activities funded from the general fund. The use of a dedicated revenue provision may be justified if it satisfies one or more of the following:

(a) The program or activity funded provides direct benefits for those who pay the dedicated tax, fee, or assessment, and the tax, fee, or assessment is commensurate with the costs of the program or activity.

(b) The use of the dedicated revenue provision provides special information or other advantages that could not be obtained if the revenue were allocated to the general fund.

(c) The dedicated revenue provision provides program funding at a level equivalent to the expenditures established by the legislature.

(d) The dedicated revenue provision involves collection and allocation formulas that are appropriate to the present circumstances and current priorities in state government.

(e) The dedicated revenue provision does not impair the legislature's ability to scrutinize budgets, control expenditures, and establish priorities for state spending.

(f) The dedicated revenue provision results in an appropriate projected ending fund balance.

(g) The dedicated revenue provision fulfills a continuing, legislatively recognized need.

(h) The dedicated revenue provision does not result in accounting or auditing inefficiency.

~~(4) The committee shall establish procedures to facilitate a biennial review and evaluation of dedicated revenue provisions.~~

~~(5) Upon completion of the review, the committee shall report a summary of its findings to the legislature, including its recommendation of termination or extension, with or without modification, of the dedicated revenue provision."~~

**Insert:** "**Section 2.** Section 17-1-508, MCA, is amended to read:

**"17-1-508. Review of statutory appropriations.** ~~(1) Each interim, the legislative finance committee shall, based upon procedures established pursuant to subsection (5), review statutory appropriations that are contained in the sections listed in 17-7-502 to eliminate those that no longer fulfill a legislative need and to ensure that legislative policy is clearly stated concerning the use of statutory appropriations:~~

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~~(2)~~(1) Each biennium, the office of budget and program planning shall, in development of the executive budget, review and identify instances in which statutory appropriations in current law do not appear consistent with the guidelines set forth in subsection ~~(3)~~ (2).

~~(3)~~(2) The review of statutory appropriations must determine whether a statutory appropriation meets the requirements of 17-7-502. A statutory appropriation from a continuing and reliable source of revenue may not be used to fund administrative costs. In reviewing and establishing statutory appropriations, the legislature shall consider the following guidelines. A statutory appropriation may be considered appropriate if:

- (a) the fund or use requires an appropriation;
- (b) the money is not from a continuing, reliable, and estimable source;
- (c) the use of the appropriation or the expenditure occurrence is not predictable and reliable;
- (d) the authority does not exist elsewhere;
- (e) an alternative appropriation method is not available, practical, or effective;
- (f) other than for emergency purposes, it does not appropriate money from the state general fund;
- (g) the money is dedicated for a specific use;
- (h) the legislature wishes the activity to be funded on a continual basis; and
- (i) when feasible, an expenditure cap and sunset date are included.

~~(4)~~(3) The office of budget and program planning shall prepare a fiscal note for each piece of legislation that proposes to create or amend a statutory appropriation. It shall, consistent with the guidelines in this section, review each of these pieces of legislation. Its findings concerning the statutory appropriation must be contained in the fiscal note accompanying that legislation.

~~(5) The legislative finance committee shall establish procedures to facilitate a biennial review and evaluation of statutory appropriations. Upon completion of the review, the committee shall report a summary of its findings to the legislature, including a recommendation for terminating, extending, or modifying the statutory appropriations reviewed."~~

**Renumber:** subsequent sections

6. Page 5, line 28.

**Strike:** "81-5-111;"

7. Page 6, line 16.

**Following:** "into"

**Insert:** "a subfund of"

**Following:** "general"

**Strike:** "special revenue"

**Insert:** "general"

8. Page 7, lines 5 and 6.

**Following:** "~~fund~~"

**Strike:** remainder of line 5 through "fund" on line 6

**Insert:** "paid into a subfund of the state general fund"

9. Page 7, line 8.

**Following:** "20-9-342"

**Strike:** "must" through "account"

10. Page 7, line 11.

**Following:** "~~to be~~"

**Strike:** "must be paid into"

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**Insert:** "to"

11. Page 7, line 12.

**Following:** "account"

**Insert:** "in the state special revenue fund"

12. Page 7, line 14.

**Following:** "20-9-342"

**Strike:** "must" through "account"

13. Page 7, following line 23

**Insert:** "**Section 7.** Section 81-5-110, MCA, is amended to read:

**"81-5-110. Sale at public auction -- retention of property.** (1) Vehicles, equipment, and personalty forfeited under 81-5-109 may be sold at public auction in the manner of sales of personal property under execution and may be sold by any sheriff, livestock inspector, or other peace officer.

(2) The department may retain the vehicles, equipment, and personalty forfeited under 81-5-109 for official use by the department, including personnel training. If the department retains forfeited property that it determines to be suitable for everyday use by department personnel, the department shall reduce similar property purchases accordingly.

(3) Money forfeited under 81-5-109 must be ~~placed in the special revenue account created in 81-5-111(2) for use by the department for personnel training or enforcement purposes~~ deposited in the state general fund."

**Insert:** "**Section 8.** Section 81-5-111, MCA, is amended to read:

**"81-5-111. Disposition of proceeds -- special revenue account.** (1) After deducting the expenses of retaining the vehicle, equipment, or personalty and the cost of the sale, the officer making the sale or the department, if it retains the vehicle, equipment, or personalty, shall pay all liens to the extent that the balance of sale proceeds permit, according to the lien priorities that are established by intervention or otherwise. A lien must be bona fide and have been created without the lien or having any notice or reasonable cause to believe that the vehicle, equipment, or personalty was being or was to be used for the theft or illegal transportation.

(2) ~~There is an account in the state special revenue fund: The proceeds from the sale of vehicles, equipment, and personalty provided for in 81-5-110 must be deposited in the account, are statutorily appropriated, as provided in 17-7-502, and must be used by the department for personnel training or enforcement purposes~~ state general fund."

**Insert:** "**NEW SECTION. Section 9. Coordination instruction.** If House Bill No. 41 and Senate Bill No. 495 are both passed and approved, then:

(1) [section 1(1)] of Senate Bill No. 495 must read as follows:

"(1) As used in [sections 1 through 3], "distributable revenue" means, except for that portion of revenue described in 20-9-343(3)(a)(ii), 77-1-607, and 77-1-613, 95% of all revenue from the management of school trust lands and the permanent fund, including timber sale proceeds, lease fees, interest, dividends, and net realized capital gains."

(2) [section 3(1)] of Senate Bill No. 495 must read as follows:

"(1) There is a guarantee account in a subfund of the state general fund. The guarantee account is intended to stabilize the long-term growth of the permanent fund and to maintain a constant and increasing distributable revenue stream. All realized capital gains and all distributable revenue must be deposited in the guarantee account. Except as provided in subsection (2), the guarantee account must be distributed to school districts through the basic and per-ANB entitlements."

**Renumber:** subsequent section

For the House:

Witt, Chairman

For the Senate:

Keenan, Chairman

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Tropila  
Vick

Jergeson  
Miller

FREE CONFERENCE COMMITTEE  
on House Bill 146  
Report No. 1, April 18, 2001

Mr. Speaker and Mr. President:

We, your Free Conference Committee on **House Bill 146**, met April 18, 2001, and considered:

1. Senate Committee on Judiciary amendments to third reading copy, dated March 27, 2001:

We recommend that **House Bill 146** (reference copy – salmon) be amended as follows:

1. Title, line 6 through line 8.

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

**Strike:** remainder of line 6 through "DELINQUENTS;" on line 8

2. Title, line 9.

**Strike:** "41-5-121, 41-5-122, 41-5-123, 41-5-124,"

**Following:** "41-5-203,"

**Strike:** "41-5-205,"

**Following:** "41-5-206,"

**Strike:** "41-5-1512,"

3. Title, line 10.

**Strike:** "41-5-1513, 52-5-109,"

4. Page 2, line 27.

**Following:** "private"

**Insert:** ", physically secure"

5. Page 2, line 27 through line 28.

**Following:** "facility" on line 27

**Strike:** remainder of line 27 through "offenses" on line 28

**Insert:** "under contract with the department and operated solely for the purpose of housing adjudicated delinquent youth"

6. Page 7, line 21 through page 10, line 22.

**Strike:** section 2 through section 5 in their entirety

**ReNUMBER:** subsequent sections

7. Page 11, line 21 through page 12, line 6.

**Strike:** section 7 in its entirety

**ReNUMBER:** subsequent sections

8. Page 14, line 21 through page 18, line 11.

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**Strike:** section 9 through section 11 in their entirety

**Renumber:** subsequent sections

9. Page 18, line 21.

**Following:** "returned to"

**Strike:** "the"

**Insert:** "a"

**Following:** "facility"

**Strike:** "from which the youth was released"

10. Page 18, line 23.

**Following:** line 22

**Insert:** "(2) Pending the hearing on a violation and pending the department's decision, a youth may not be detained except when the youth's detention or care is required to protect the person or property of the youth or of others or when the youth may abscond or be removed from the community. The department shall determine the place and manner of detention pursuant to 41-5-348 and is responsible for the cost of the detention. Procedures for taking a youth into custody and detention of a youth charged with violation of the youth's parole agreement are as provided in 41-5-321."

**Renumber:** subsequent subsections

11. Page 19, line 11.

**Following:** "a"

**Strike:** "recommendation to the department"

**Insert:** "decision"

12. Page 19, line 12.

**Following:** "this"

**Strike:** "recommendation"

**Insert:** "decision"

13. Page 19, line 23 through line 28.

**Strike:** subsection (7) in its entirety

**Renumber:** subsequent subsections

14. Page 19, line 29.

**Following:** "decision"

**Strike:** "is"

**Following:** "made"

**Insert:** "under subsection (6) is"

**Following:** "youth to"

**Strike:** "the"

**Insert:** "a"

15. Page 19, line 29 through line 30.

**Following:** "facility" on line 29

**Strike:** remainder of line 29 through "released" on line 30

16. Page 20, line 2 through line 4.

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**Strike:** subsection (9) in its entirety

**Insert:** "(9) If a decision is made under subsection (6) to revoke the parole of a youth who was placed in and released from an alternative facility under 41-5-355 because of overcrowding in a state youth correctional facility, the youth may be placed in a state youth correctional facility if the state youth correctional facility is no longer overcrowded."

17. Page 20, line 6 through page 28, line 17.

**Strike:** section 13 through section 23 in their entirety

Renumber: subsequent sections

For the House:

Shockley, Chairman  
Callahan  
Wolery

For the Senate:

Grimes, Chairman  
Halligan  
McNutt

FREE CONFERENCE COMMITTEE  
on House Bill 124  
Report No. 1, April 19, 2001

Mr. Speaker and Mr. President:

We, your Free Conference Committee on **House Bill 124**, met April 18, 2001, and considered:

1. Senate Committee on taxation amendments to third reading copy, dated April 9, 2001; and
2. Senate Committee of the Whole amendments to second house, second reading copy, dated April 10, 2001.

We recommend that **House Bill 124** (reference copy – salmon) be amended as follows:

1. Title, page 1, line 12.

**Strike:** "OFFSET PROPERTY TAX REDUCTIONS"

**Insert:** "REPLACE REIMBURSEMENTS AND TO ACCOUNT FOR REVENUE ALLOCATIONS; CALCULATING ENTITLEMENTS BY DEDUCTING DISTRICT COURT COSTS AND PUBLIC ASSISTANCE COSTS"

2. Title, page 1, line 24.

**Following:** "EXPENSES;"

**Insert:** "PROVIDING FOR FUND TRANSFERS FROM THE GENERAL FUND TO STATE AGENCIES TO ACCOUNT FOR REVISED REVENUE ALLOCATIONS; INCLUDING STATE PAYMENTS IN LIEU OF TAXES FOR STATE LAND IN THE ENTITLEMENT SHARE CALCULATION; PROVIDING FOR CERTAIN UNIFORM VEHICLE FEES; RETAINING VEHICLE FEES, ALCOHOL TAXES, AND GAMBLING TAXES AT THE STATE LEVEL; REVISING THE FUNDING METHOD FOR PROVIDING PUBLIC ASSISTANCE; CONVERTING CERTAIN SPECIAL LEVIES INTO FEES; PROVIDING FOR BLOCK GRANTS FOR SCHOOL DISTRICTS; PROVIDING FOR BLOCK GRANTS TO COUNTIES FOR DISTRIBUTION TO SCHOOL DISTRICTS FOR PURPOSES OF COUNTYWIDE SCHOOL TRANSPORTATION AND COUNTYWIDE SCHOOL RETIREMENT; APPROPRIATING MONEY FOR SCHOOL DISTRICT BLOCK GRANTS, COUNTYWIDE SCHOOL TRANSPORTATION BLOCK GRANTS, COUNTYWIDE SCHOOL RETIREMENT BLOCK GRANTS, AND DISTRICT COURT

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EXPENSES;"

3. Title, page 1, line 25.

**Following:** "~~3-5-901,~~"

**Insert:** "3-2-714, 3-5-901,"

4. Title, page 1, line 26.

**Strike:** "~~7-6-2324,~~"

5. Title, page 1, line 27.

**Following:** "~~7-6-2523,~~"

**Insert:** "7-6-2523,"

6. Title, page 2, line 7.

**Following:** "~~10-2-603,~~"

**Insert:** "10-2-501, 10-2-603,"

7. Title, page 2, line 8.

**Strike:** "~~15-1-111, 15-1-112,~~"

**Following:** "~~15-1-501,~~"

**Insert:** "15-1-501,"

8. Title, page 2, line 10.

**Following:** "~~17-3-222,~~"

**Insert:** "15-16-117, 15-24-303, 15-24-902, 15-24-904, 15-24-921, 15-24-922, 15-24-925, 15-30-121, 15-31-114, 16-1-404, 16-1-406, 16-1-411,"

9. Title, page 2, line 10.

**Following:** "~~19-6-709,~~"

**Insert:** "19-6-709,"

10. Title, page 2, line 11.

**Following:** "~~20-9-141,~~"

**Insert:** "20-9-141,"

11. Title, page 2, line 12.

**Following:** "~~20-10-146,~~"

**Insert:** "20-9-331, 20-9-333, 20-9-501, 20-10-144, 20-10-146,"

**Following:** "~~20-25-1002,~~"

**Insert:** "20-25-1002,"

12. Title, page 2, line 14.

**Following:** "~~25-1-201,~~"

**Insert:** "23-2-508, 23-2-510, 23-2-512, 23-2-518, 23-2-611, 23-2-612, 23-2-615, 23-2-616, 23-2-803, 23-2-804, 23-2-811, 23-2-812, 23-2-814, 23-2-818, 23-5-610, 25-1-201,"

13. Title, page 2, line 15.

**Following:** "~~42-2-105,~~"



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**Insert:** "40-4-215, 40-4-226, 41-3-1122, 42-2-105,"

14. Title, page 2, line 16.

**Following:** "~~53-3-116,~~"

**Insert:** "52-6-105, 53-2-207, 53-2-301, 53-2-304, 53-2-612, 53-3-115, 53-3-116,"

15. Title, page 2, line 19.

**Following:** "~~67-3-205,~~"

**Insert:** "61-1-102, 61-3-203, 61-3-321, 61-3-325, 61-3-332, 61-3-406, 61-3-411, 61-3-412, 61-3-426, 61-3-431, 61-3-457, 61-3-465, 61-3-509, 61-3-524, 61-3-527, 61-3-707, 61-3-738, 61-9-312, 61-10-130, 61-10-148, 61-10-225, 67-3-205,"

16. Title, page 2, line 20.

**Following:** "~~75-10-533,~~"

**Insert:** "72-16-909, 72-16-912, 75-10-533,"

**Following:** "~~76-13-201,~~"

**Insert:** "76-13-201,"

17. Title, page 2, line 25.

**Following:** "~~81-7-202,~~"

**Insert:** "77-1-502, 77-1-503, 77-1-504, 80-2-201, 80-2-203, 80-2-204, 80-2-205, 80-2-206, 80-2-207, 80-2-209, 80-2-221, 80-2-222, 80-2-224, 80-2-225, 80-2-226, 80-2-228, 80-2-229, 80-2-230, 80-2-231, 80-2-232, 80-2-244, 80-7-814, 80-7-815, 80-7-816, 80-7-822, 81-6-101, 81-6-104, 81-6-106, 81-6-204, 81-6-205, 81-6-209, 81-6-210, 81-7-104, 81-7-113, 81-7-114, 81-7-118, 81-7-201, 81-7-202,"

18. Title, page 2, line 27.

**Following:** "~~2001~~"

**Insert:** ", AND SECTION 5, CHAPTER 95, LAWS OF 2001"

19. Title, page 2, line 28.

**Strike:** "~~3-5-404,~~" on line 28

20. Title, page 2, line 30.

**Strike:** "~~AND~~"

21. Title, page 3, line 4.

**Following:** "~~87-1-604,~~"

**Insert:** "15-31-701, 15-31-702, 17-3-214, 20-25-1007, 52-1-110, 53-2-302, 53-2-306, 53-2-322, 53-2-610, 53-2-801, 53-2-802, 53-2-803, 53-2-811, 53-2-812, 53-2-813, 53-4-246, 53-4-247, 61-3-508, 61-3-510, 61-3-511, 61-3-512, 76-1-405, 76-1-407, 77-1-505, 77-1-506, 77-1-507, 80-2-223, AND 80-7-810,"

**Strike:** "~~, AND SECTIONS 66(2) AND 68(2), CHAPTER 422, LAWS OF 1997~~"

22. Title, page 3, line 5.

**Strike:** "~~AN~~"

**Following:** "~~APPLICABILITY~~"

**Insert:** "DATES AND A RETROACTIVE APPLICABILITY"

23. Page 6, line 5 through line 7.

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**Strike:** "THE" on line 5 through "1999." on line 7

**Insert:** "The department shall estimate the total amount of revenue that each local government received from the following sources for the fiscal year ending June 30, 2001:

(a) personal property tax reimbursements pursuant to sections 167(1) through (5) and 169(6), Chapter 584, Laws of 1999;

(b) vehicle and boat taxes and fees pursuant to:

(i) Title 23, chapter 2, part 5;

(ii) Title 23, chapter 2, part 6;

(iii) Title 23, chapter 2, part 8;

(iv) 61-3-321;

(v) Title 61, chapter 3, part 5, except for 61-3-509(3), as that subsection read prior to the amendment of 61-3-509 in 2001, and 61-3-537; and

(vi) Title 61, chapter 3, part 7;

(c) gaming revenue pursuant to Title 23, chapter 5, part 6, except for the permit fee in 23-5-612(2)(a);

(d) district court fees pursuant to:

(i) 25-1-201, except those fees in 25-1-201(1)(d), (1)(g), and (1)(j);

(ii) 25-1-202;

(iii) 25-1-1103;

(iv) 25-9-506;

(v) 25-9-804; and

(vi) 27-9-103;

(e) certificate of ownership fees for manufactured homes pursuant to 15-1-116;

(f) financial institution taxes pursuant to Title 15, chapter 31, part 7;

(g) coal severance taxes allocated for county land planning pursuant to 15-35-108;

(h) all beer, liquor, and wine taxes pursuant to:

(i) 16-1-404;

(ii) 16-1-406; and

(iii) 16-1-411;

(i) late filing fees pursuant to 61-3-201;

(j) title and registration fees pursuant to 61-3-203;

(k) disabled veterans' flat license plate fees and purple heart license plate fees pursuant to 61-3-332;

(l) county personalized license plate fees pursuant to 61-3-406;

(m) special mobile equipment fees pursuant to 61-3-431;

(n) single movement permit fees pursuant to 61-4-310;

(o) state aeronautics fees pursuant to 67-3-101; and

(p) department of natural resources and conservation payments in lieu of taxes pursuant to Title 77, chapter 1, part 5.

(2)(a) From the amounts estimated in subsection (1) for each county government, the department shall deduct fiscal year 2001 county government expenditures for district courts, less reimbursements for district court expenses, and fiscal year 2001 county government expenditures for public welfare programs to be assumed by the state in fiscal year 2002.

(b) The amount estimated pursuant to subsections (1) and (2)(a) is each local government's base year component. The sum of all local governments' base year components is the base year entitlement share pool.

(3)(a) Beginning with fiscal year 2002 and in each succeeding fiscal year, the base year entitlement share pool must be increased annually by a growth rate as provided for in this subsection (3). The amount determined through the application of annual growth rates is the entitlement share pool for each fiscal year. For fiscal years 2002 and 2003, the growth rate is 3%. Beginning with calendar year 2004, by October 1 of each even-numbered year, the department shall calculate the growth rate of the entitlement share pool for each year of the next biennium in the

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following manner:

(i) The department shall calculate the average annual growth rate of the Montana gross state product, as published by the bureau of economic analysis of the United States department of commerce, for the following periods:

(A) the last 4 calendar years for which the information has been published; and

(B) the 4 calendar years beginning with the year before the first year in the period referred to in subsection

(3)(a)(i)(A).

(ii) The department shall calculate the average annual growth rate of Montana personal income, as published by the bureau of economic analysis of the United States department of commerce, for the following periods:

(A) the last 4 calendar years for which the information has been published; and

(B) the 4 calendar years beginning with the year before the first year in the period referred to in subsection

(3)(a)(ii)(A).

(b) (i) For fiscal year 2004 and subsequent fiscal years, the entitlement share pool growth rate for the first year of the biennium must be the following percentage of the average of the growth rates calculated in subsections (3)(a)(i)(B) and (3)(a)(ii)(B):

(A) for counties, 54%;

(B) for consolidated local governments, 62%; and

(C) for incorporated cities and towns, 70%.

(ii) The entitlement share pool growth rate for the second year of the biennium must be the following percentage of the average of the growth rates calculated in subsections (3)(a)(i)(A) and (3)(a)(ii)(A):

(A) for counties, 54%;

(B) for consolidated local governments, 62%; and

(C) for incorporated cities and towns, 70%."

**Renumber:** subsequent subsections

24. Page 6, lines 9 and 10.

**Following:** "~~and~~" on line 9

**Insert:** "and"

**Strike:** ", A SCHOOL" on line 9 through "MILLS" on line 10

25. Page 6, line 15.

**Strike:** "THE TERM DOES NOT INCLUDE THE STATE."

**Insert:** "A local government does not include a tax increment financing district provided for in subsection (6). For purposes of calculating the base year component for a county or consolidated local government, the department shall include the revenue listed in subsection (1) for all special districts within the county or consolidated local government. The county or consolidated local government is responsible for making an allocation from the county's or consolidated local government's share of the entitlement share pool to each special district within the county or consolidated local government in a manner that reasonably reflects each special district's loss of revenue sources listed in subsection (1)."

26. Page 6, line 16.

**Following:** "~~(A)~~"

**Insert:** "(a)"

**Strike:** "local government entitlements"

**Insert:** "entitlement share pools"

27. Page 6, line 17.

**Following:** "~~(6)~~"

**Insert:** "and the block grants provided for in subsection (6)"

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28. Page 6, line 18.

**Following:** "governments."

**Insert:** "Each local government is entitled to a pro rata share of each year's entitlement share pool based on the local government's base component in relation to the base year entitlement share pool."

29. Page 9, line 13.

**Following:** line 12

**Insert:** "(b) (i) For fiscal year 2002, the growth amount is the difference between the fiscal year 2002 entitlement share pool and the base year entitlement share pool. For fiscal year 2003 and each succeeding fiscal year, the growth amount is the difference between the entitlement share pool in the current fiscal year and the entitlement share pool in the previous fiscal year. The growth factor in the entitlement share must be calculated separately for:

(A) counties;

(B) consolidated local governments; and

(C) incorporated cities and towns.

(ii) In each fiscal year, the growth amount for counties must be allocated as follows:

(A) 50% of the growth amount must be allocated based upon each county's percentage of the base year entitlement share pool for all counties; and

(B) 50% of the growth amount must be allocated based upon the percentage that each county's population bears to the state population not residing within consolidated local governments as determined by the latest interim year population estimates from the Montana department of commerce as supplied by the United States bureau of the census.

(iii) In each fiscal year, the growth amount for consolidated local governments must be allocated as follows:

(A) 50% of the growth amount must be allocated based upon each consolidated local government's percentage of the base year entitlement share pool for all consolidated local governments; and

(B) 50% of the growth amount must be allocated based upon the percentage that each consolidated local government's population bears to the state's total population residing within consolidated local governments as determined by the latest interim year population estimates from the Montana department of commerce as supplied by the United States bureau of the census.

(iv) In each fiscal year, the growth amount for incorporated cities and towns must be allocated as follows:

(A) 50% of the growth amount must be allocated based upon each incorporated city's or town's percentage of the base year entitlement share pool for all incorporated cities and towns; and

(B) 50% of the growth amount must be allocated based upon the percentage that each city's or town's population bears to the state's total population residing within incorporated cities and towns as determined by the latest interim year population estimates from the Montana department of commerce as supplied by the United States bureau of the census.

(v) In each fiscal year, the amount of the entitlement share pool not represented by the growth amount is distributed to each local government in the same manner as the entitlement share pool was distributed in the prior fiscal year.

(vi) For fiscal year 2002, an amount equal to the district court costs identified in subsection (2) must be added to each county government's distribution from the entitlement share pool.

(6) (a) If a tax increment financing district was not in existence during the fiscal year ending June 30, 2000, then the tax increment financing district is not entitled to any block grant. If a tax increment financing district referred to in subsection (6)(b) terminates, then the block grant provided for in subsection (6)(b) terminates.

(b) One-half of the payments provided for in this subsection (6)(b) must be made by November 30 and the other half by May 31 of each year. Subject to subsection (6)(a), the entitlement share for tax increment financing districts is as follows:

Cascade Great Falls - downtown	\$500,033
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Cascade Great Falls - Pasta Montana		7,546
Deer Lodge	TIF District 1	3,148
Deer Lodge	TIF District 2	3,126
Flathead	Kalispell - District 1	914,815
Flathead	Kalispell - District 2	5,153
Flathead	Kalispell - District 3	41,368
Flathead	Whitefish District	244,346
Gallatin Bozeman - downtown		34,620
Lewis and Clark	Helena - #2	781,870
Missoula	Missoula - 1-1B & 1-1C	1,238,878
Missoula	Missoula - 4-1C	38,566
Missoula	Airport - 20-3A	828
Silver Bow	Butte - uptown	340,197
Silver Bow	Ramsay	10,580
Yellowstone	Billings	610,977

(c) The entitlement share for industrial tax increment financing districts is as follows:

(i) for fiscal years 2002 and 2003:

Missoula	County Airport Industrial	\$4,812
Silver Bow	Ramsay Industrial	597,594;

(ii) for fiscal years 2004 and 2005:

Missoula	County Airport Industrial	\$2,406
Silver Bow	Ramsay Industrial	298,797; and

(iii) \$0 for all succeeding fiscal years.

(d) The entitlement share for industrial tax increment financing districts referred to in subsection (6)(c) may not be used to pay debt service on tax increment bonds to the extent that the bonds are secured by a guaranty, a letter of credit, or a similar arrangement provided by or on behalf of an owner of property within the tax increment financing industrial district.

(e) One-half of the payments provided for in subsection (6)(c) must be made by July 30, and the other half must be made in December of each year.

(7) The estimated base year entitlement share pool and any subsequent entitlement share pool for local governments do not include revenue received from countywide transportation block grants or from countywide retirement block grants.

(8) The estimates for the base year entitlement share pool in subsection (1) must be calculated as if the fees in Chapter 515, Laws of 1999, were in effect for all of fiscal year 2001.

(9) (a) If revenue that is included in the sources listed in subsections (1)(b) through (1)(p) is significantly reduced, except through legislative action, the department shall deduct the amount of revenue loss from the entitlement share pool beginning in the succeeding fiscal year and the department shall work with local governments to propose legislation to adjust the entitlement share pool to reflect an allocation of the loss of revenue.

(b) For the purposes of subsection (9)(a), a significant reduction is a loss that causes the amount of revenue received in the current year to be less than 95% of the amount of revenue received in the base year.

(10) A three-fifths vote of each house is required to reduce the amount of the entitlement share calculated pursuant to subsections (1) through (3).

(11) When there has been an underpayment of a local government's share of the entitlement share pool, the department shall distribute the difference between the underpayment and the correct amount of the entitlement share. When there has been an overpayment of a local government's entitlement share, the local government shall remit the overpaid amount to the department.

(12) A local government may appeal the department's estimation of the base year component, the entitlement share pool growth rate, or a local government's allocation of the entitlement share pool, according to the uniform dispute review procedure in 15-1-211."

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30. Page 12, line 27.

**Insert: "NEW SECTION. Section 3. Fund transfers.** (1) There is transferred from the state general fund to the adoption services account, provided for in 42-2-105, \$36,764 for fiscal year 2003. Beginning with fiscal year 2004, the amount of the transfer must be increased by 10% in each succeeding fiscal year.

(2) There is transferred from the state general fund to the department of transportation state special revenue nonrestricted account the following amounts:

- (a) \$2,873,853 in fiscal year 2002;
- (b) \$2,916,961 in fiscal year 2003;
- (c) \$2,960,715 in fiscal year 2004; and
- (d) in each succeeding fiscal year, the amount in subsection (2)(c), increased by 1.5% in each succeeding fiscal year.

(3) For fiscal year 2002 and for each succeeding fiscal year, there is transferred from the state general fund to the accounts, entities, or recipients indicated the following amounts:

(a) to the motor vehicle recycling and disposal program provided for in Title 75, chapter 10, part 5:  
(i) \$2 for each new application for a motor vehicle title and for each transfer of a motor vehicle title for which a fee is paid pursuant to 61-3-203; and

(ii) \$1 for each passenger car or truck under 8,001 pounds GVW registered for licensing pursuant to Title 61, chapter 3, part 3. Fifteen cents of each dollar must be used for the purpose of reimbursing the hired removal of abandoned vehicles during the calendar year following the calendar year in which the fee was paid. Any portion of the 15 cents not used for abandoned vehicle removal reimbursement during the calendar year following its payment must be used as provided in 75-10-532;

(b) to the noxious weed state special revenue account provided for in 80-7-816:

(i) \$1 for each off-highway vehicle subject to payment of the fee in lieu of tax, as provided for in 23-2-803; and

(ii) \$1.50 for each light vehicle, truck or bus weighing less than 1 ton, logging truck, vehicles weighing more than 1 ton, motorcycle, quadricycle, and motor home subject to registration or reregistration pursuant to 61-3-321;

(c) to the department of fish, wildlife, and parks:

(i) \$2.50 for each motorboat, sailboat, or personal watercraft receiving a certificate of number under 23-2-512, with 20% of the amount received to be used to acquire and maintain pumpout equipment and other boat facilities;

(ii) \$5 for each snowmobile registered under 23-2-616, with \$2.50 to be used for enforcing the purposes of 23-2-601 through 23-2-644 and \$2.50 designated for use in the development, maintenance, and operation of snowmobile facilities;

(iii) \$1 for each duplicate snowmobile decal issued under 23-2-617;

(iv) \$5 for each off-highway vehicle decal issued under 23-2-804 and each off-highway vehicle duplicate decal issued under 23-2-809, with 40% of the money used to enforce the provisions of 23-2-804 and 60% of the money used to develop and implement a comprehensive program and to plan appropriate off-highway vehicle recreational use;

(v) to the state special revenue fund established in 23-1-105, \$3.50 for each recreational vehicle, camper, motor home, and travel trailer registered or reregistered and subject to the fee in 61-3-321 or 61-3-524; and

(vi) an amount equal to 20% of the funds collected pursuant to 23-2-518 to be deposited in the motorboat account to be used as provided in 23-2-533;

(d) to the state veterans' cemetery account, provided for in 10-2-603, \$10 for each veteran's license plate issued pursuant to 61-3-332(10)(a)(ii), (10)(f), and (10)(h); and

(e) to the supplemental benefits for highway patrol officers' retirement account provided for in 19-6-709, 25 cents for each motor vehicle registered, other than trailers or semitrailers registered in other jurisdictions and registered through a proportional registration agreement.

[f] 25 cents a year for each vehicle subject to the fee in 61-3-321(6) for deposit in the state special revenue fund to the credit of the senior citizens and persons with disabilities transportation services account provided for in [section 1 of Senate Bill No. 447].]

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(4) For fiscal year 2002, there is transferred from the state general fund to the state special revenue fund to be used for purposes of state funding of district court expenses, as provided in 3-5-901, \$5,742,983 in lieu of the amount deposited by the state treasurer under 61-3-509(3), as that subsection read prior to the amendment of 61-3-509 in 2001.

(5) For each fiscal year, beginning with fiscal year 2002, the department of justice shall provide to the department of revenue a count of the vehicles required for the calculations in subsection (3). Transfer amounts for fiscal year 2002 must be based on vehicle counts for calendar year 2000. Transfer amounts in each succeeding fiscal year must be based on vehicle counts in the most recent calendar year for which vehicle information is available.

(6) The amounts transferred from the general fund to the designated recipient must be appropriated as state special revenue in the general appropriations act for the designated purposes."

**Renumber:** subsequent sections

31. Page 15, line 16.

**Insert:** "Section 6. Section 3-2-714, MCA, is amended to read:

**"3-2-714. Civil legal assistance for indigent victims of domestic violence account.** (1) There is a civil legal assistance for indigent victims of domestic violence account in the state special revenue fund. ~~There must be paid into this account the filing fees paid under 25-1-201(4)(a) and (11).~~ There must be paid into this account the filing fees paid under 25-1-201(3) and (5). The money in the account must be used solely for the purpose of providing legal representation for indigent victims in civil matters in domestic violence cases and for alternative dispute resolution initiatives in family law cases. Money in the account may not be used for class action lawsuits.

(2) The supreme court administrator shall establish procedures for the distribution and accountability of money in the account. The supreme court administrator may designate nonprofit organizations that ordinarily render or finance legal services to indigent persons in civil matters in domestic violence cases to receive or administer the distribution of the funds.""

**Renumber:** subsequent sections

32. Page 17, line 1.

**Insert:** "Section 7. Section 3-5-901, MCA, is amended to read:

**"3-5-901. State assumption of certain district court expenses -- designation as district court reimbursement program.** (1) To the extent that revenue is available under ~~61-3-509~~ 61-3-509(3), as that subsection read prior to the amendment of 61-3-509 in 2001, the state shall fund:

(a) the following district court expenses in criminal cases only:

- (i) salaries of court reporters;
- (ii) fees for transcripts of proceedings;
- (iii) witness fees and necessary expenses;
- (iv) juror fees;
- (v) expenses for indigent defense; and
- (vi) expenses for psychiatric examinations;

(b) the district court expenses, as listed in subsection (1)(a), in all postconviction proceedings held pursuant to Title 46, chapter 21, and in all habeas corpus proceedings held pursuant to Title 46, chapter 22, and appeals from those proceedings;

(c) the following expenses incurred by the state in federal habeas corpus cases that challenge the validity of a conviction or of a sentence:

- (i) transcript fees;
- (ii) witness fees; and
- (iii) expenses for psychiatric examinations; and

(d) the following expenses incurred by the state in a proceeding held pursuant to Title 41, chapter 3, part 4 or 6, that seeks temporary investigative authority of a youth, temporary legal custody of a youth, or termination of the

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parent-child legal relationship and permanent custody:

- (i) transcript fees;
- (ii) witness fees;
- (iii) expenses for medical and psychological evaluation of a youth or the youth's parent, guardian, or other person having physical or legal custody of the youth except for expenses for services that a person is eligible to receive under a public program that provides medical or psychological evaluation;
- (iv) expenses associated with appointment of a guardian ad litem or child advocate for the youth;
- (v) expenses for appointed counsel for the youth;
- (vi) expenses for appointed counsel for the parent, guardian, or other person having physical or legal custody of the youth; and
- (vii) expenses associated with court-ordered alternative dispute resolution.

(2) If revenue received under ~~61-3-509~~ 61-3-509(3), as that subsection read prior to the amendment of 61-3-509 in 2001, for district court expenses exceeds the amount appropriated by the legislature to fund the expenses of the appellate defender program, the excess amount is statutorily appropriated, as provided in 17-7-502, to the supreme court to fund the expenses described in subsections (1)(a) through (1)(d), the district court grant program as described in subsection (4)(a), and the costs of administering this section.

(3) All revenue disbursed under this section must be deposited in and credited to the district court fund. If a district court fund does not exist, the revenue must be deposited in the county general fund for district court operations.

- (4) If money appropriated for the expenses listed in subsection (1):
- ~~(a)~~ exceeds the amount necessary to fully fund those expenses, the remaining excess amounts must be used for district court grants as provided in 7-6-2352; ~~or~~
  - ~~(b)~~ is insufficient to fully fund those expenses, the county is responsible for payment of the balance. ""

**Renumber:** subsequent sections

33. Page 24, line 2 through line 12.

**Strike:** section 17 in its entirety

**Renumber:** subsequent sections

34. Page 28, line 25.

**Insert:** "Section 27. Section 7-6-2523, MCA, is amended to read:

**"7-6-2523. Special service levies replaced by all-purpose mill levy.** A county using the all-purpose mill levy may not impose any of the following levies:

- (1) general fund levy, as provided in 7-6-2501;
- (2) bridge levy, as provided in 7-14-2502;
- (3) recreation levy, as provided in 7-16-101;
- (4) county fair levy, as provided in 7-21-3410;
- (5) weed levy, as provided in 7-22-2142;
- (6) insect pest levy, as provided in 7-22-2306;
- ~~(7) poor fund levy, as provided in 53-2-322; or~~
- ~~(8)~~(7) developmental disabilities facility levy, as provided in 53-20-208. ""

**Renumber:** subsequent sections

35. Page 74, line 13.

**Insert:** "Section 89. Section 10-2-501, MCA, is amended to read:

**"10-2-501. Interment allowance for veterans -- payment by county of residence -- veterans' interment supervisor -- definitions.** (1) The board of commissioners of each county in this state shall designate a person in the county, preferably a veteran, as veterans' interment supervisor.



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(2) The veterans' interment supervisor shall cause to be decently interred the body or cremated remains of any veteran who was a resident of the state of Montana at the time of death. In performing this duty, the veterans' interment supervisor shall ensure that the desires of the veteran's personal representative or heirs are not violated. The veterans' interment supervisor may not receive any compensation for duties performed in compliance with this part.

(3) The interment may not be made in a burial ground or cemetery or in a portion of a burial ground or cemetery used exclusively for the interment of pauper dead.

(4) A sum not to exceed \$250 to defer interment expenses must be paid by the veteran's county of residence.

(5) The interment benefits are not available in the case of a veteran whose personal representative or heirs waive the benefits.

(6) Whenever interment is of a resident of a Montana veterans' home, a sum not to exceed \$250 to defer interment expenses must be paid by the veteran's county of residence.

(7) If a veteran dies while temporarily absent from the state or county of residence, the provisions of this section apply and the interment expenses not exceeding the amount specified in this section must be paid in the same manner as provided in this section.

(8) When a veteran dies at an institution of the state of Montana, other than a Montana veterans' home, at a federal institution, or at a private facility and interment for any cause is not made in the veteran's county of residence, the officers of the institution or facility shall provide the proper interment prescribed in this section. The reimbursement for the expense of each interment may not exceed \$250. The expense must be paid by the veteran's county of residence.

(9) An interment may not be covered by any special or standing contract under which the cost of interment is reduced below the maximum amount fixed in this section, to the disparagement of proper interment.

(10) The veterans' interment supervisor shall, upon request of the deceased veteran's personal representative or heirs, assist in applying to the proper authority for a suitable headstone, as provided by act of congress, and in placing the headstone on the veteran's grave. The reimbursement costs for the shipping and raising of the headstone may not exceed an amount equal to the actual cost paid, up to \$70, and must be paid by the veteran's county of residence at the time of death. The expense must be audited and paid as provided in this section for interment expenses.

~~(11) After payment of the first \$30 from county funds, the county treasurer may withhold an amount of the county total monthly remittance to the state treasurer equal to the actual cost paid, up to \$40, for the shipping and raising of each headstone.~~

~~(12)~~(11) As used in this part, the following definitions apply:

(a) "Interment" has the meaning provided in 37-19-101.

(b) "Residence" is determined as provided in 13-1-112. If the intent of the veteran regarding residence cannot be determined under 13-1-112, the costs of interment must be paid by the veteran's county of residence at the time of admittance into a Montana veterans' home, a state or federal institution, or a private facility. ""

**Renumber:** subsequent sections

36. Page 74, line 23.

**Insert:** "Section 90. Section 10-2-603, MCA, is amended to read:

"**10-2-603. Special revenue account -- use of funds -- solicitation.** (1) There is an account in the special revenue fund to the credit of the department of military affairs for the state veterans' cemeteries.

(2) Plot allowances; and donations; ~~and, as provided in 61-3-332, revenue from veterans' license plate sales~~ must be deposited into the account.

(3) As appropriated by the legislature, money in the account may be used only for the construction, maintenance, operation, and administration of the state veterans' cemeteries.

(4) The department of military affairs may solicit veterans' license plate sales and donations on behalf of the state veterans' cemeteries. ""

**Renumber:** subsequent sections

37. Page 75, line 2 through page 81, line 12.

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**Strike:** sections 87 and 88 in their entirety

**Renumber:** subsequent sections

38. Page 84, line 30.

**Insert:** "Section 93. Section 15-1-501, MCA, is amended to read:

**"15-1-501. Disposition of money from certain designated license and other taxes.** (1) The state treasurer shall deposit to the credit of the state general fund in accordance with the provisions of subsection (3) all money received from the collection of:

- (a) income taxes, interest, and penalties collected under chapter 30;
- (b) ~~except as provided in 15-31-702,~~ all taxes, interest, and penalties collected under chapter 31;
- (c) oil and natural gas production taxes allocated under 15-36-324~~(8)(a)~~ (9)(a) and ~~(10)(a)~~ (11)(a);
- (d) electrical energy producer's license taxes under chapter 51;
- (e) ~~for an amount equal to 25% of~~ the retail telecommunications excise tax collected under Title 15, chapter 53, part 1;
- (f) liquor license taxes under Title 16;
- (g) fees from driver's licenses, motorcycle endorsements, and duplicate driver's licenses as provided in 61-5-121;
- (h) estate taxes under Title 72, chapter 16; and
- (i) fees based on the value of currency on deposit and tangible personal property held for safekeeping by a foreign capital depository as provided in 15-31-803.

(2) The department shall also deposit to the credit of the state general fund all money received from the collection of license taxes and fees and all net revenue and receipts from all other sources under the operation of the Montana Alcoholic Beverage Code.

(3) Notwithstanding any other provision of law, the distribution of tax revenue must be made according to the provisions of the law governing allocation of the tax that were in effect for the period in which the tax revenue was recorded for accounting purposes. Tax revenue must be recorded as prescribed by the department of administration, pursuant to 17-1-102(2) and (4), in accordance with generally accepted accounting principles.

(4) All refunds of taxes must be attributed to the funds in which the taxes are currently being recorded. All refunds of interest and penalties must be attributed to the funds in which the interest and penalties are currently being recorded.""

**Renumber:** subsequent sections

39. Page 88, line 11.

**Following:** the third "property"

**Insert:** "or as nonagricultural land as described in 15-6-133(1)(c)"

40. Page 88.

**Following:** line 11

**Insert:** "(c) For the purposes of this section, newly taxable property does not include an increase in appraised value of land that was previously valued at 75% of the value of improvements on the land, as provided in 15-7-111(4) and (5), as those subsections applied on December 31, 2001."

41. Page 88.

**Following:** line 23

**Insert:** "(7) In determining the maximum number of mills in subsection (1), the governmental entity may increase the number of mills to account for a decrease in reimbursements."

**Renumber:** subsequent subsections

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42. Page 89, line 3.

**Strike:** "(8)(a)"

**Insert:** "(9)(a)"

43. Page 89, line 22.

**Insert:** "**Section 95.** Section 15-16-117, MCA, is amended to read:

**"15-16-117. Personal property -- treasurer's duty to collect certain taxes.** (1) The county treasurer shall demand payment of ~~poor fund taxes, authorized by 53-2-322, and~~ road taxes, authorized by 7-14-2206 or 7-14-2501 through 7-14-2504, from each person liable for the taxes whose name does not appear on the property tax record. On the neglect or refusal of a person to pay the taxes, the treasurer shall collect the taxes by seizure and sale of any property owned by the person.

(2) Subject to 15-10-420, these taxes must be added in the property tax record to other property taxes of persons paying taxes upon real and personal property and must be paid to the county treasurer at the time of payment of other taxes.

(3) The procedure for the sale of property by the county treasurer for the taxes is regulated by 15-16-119 and 15-17-911.

(4) The provisions of this section do not apply to property for which delinquent property taxes have been suspended or canceled under the provisions of Title 15, chapter 24, part 17."

**Renumber:** subsequent sections

44. Page 90, line 8.

**Insert:** "**Section 96.** Section 15-24-303, MCA, is amended to read:

**"15-24-303. (Temporary) Proration of tax on personal property -- refund.** (1) The tax on personal property brought, driven, coming into, or otherwise located in the state on or after the assessment date must be prorated according to the ratio that the remaining number of months in the year bears to the total number of months in the year. This section does not apply to motor vehicles taxed under Title 61, chapter 3, part 5, or to livestock ~~assessed~~ for which a fee is imposed under 15-24-902(2).

(2) If property upon which taxes have been paid is removed from the state, the taxpayer may obtain a refund of a prorated portion of the taxes, subject to the requirements of 15-16-613.

**15-24-303. (Effective January 1, 2003) Proration of tax on personal property -- refund.** (1) The tax on personal property brought, driven, coming into, or otherwise located in the state on or after the assessment date must be prorated according to the ratio that the remaining number of months in the year bears to the total number of months in the year. This section does not apply to motor vehicles taxed under Title 61, chapter 3, part 5, or to livestock subject to the per capita ~~levy~~ fee under 15-24-921.

(2) If property upon which taxes have been paid is removed from the state, the taxpayer may obtain a refund of a prorated portion of the taxes, subject to the requirements of 15-16-613."

**Renumber:** subsequent sections

45. Page 90, line 26.

**Insert:** "**Section 97.** Section 15-24-902, MCA, is amended to read:

**"15-24-902. (Temporary) Assessment Number of livestock -- ~~election for assessment on average inventory basis.~~** (1) Except as provided in subsection (2), the department of revenue shall ~~assess~~ determine the number of all nonexempt livestock in each county where they are located on February 1 of each year. The livestock must be ~~assessed~~ assigned to the person by whom they were owned or claimed or in whose possession or control they were at midnight of February 1 in that year.

(2) An owner of livestock may elect to have a fee imposed on nonexempt livestock ~~assessed~~ on the average inventory basis as provided in 15-24-927. The owner shall file an election with the department on the statement required under 15-24-903. An owner of livestock making an election to have a fee imposed on nonexempt livestock

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~~assessed~~ on the average inventory basis is bound by that election for 6 years. After 6 years, the election to have a fee imposed on nonexempt livestock ~~assessed~~ on the average inventory basis remains in effect unless the owner otherwise notifies the department before February 1.

**15-24-902. (Effective January 1, 2003) Assessment Number of livestock.** The department shall ~~assess~~ determine the number of livestock for the purposes of the per capita ~~levy fee~~ imposed under 15-24-921 in each county where they are located on February 1 of each year. The livestock must be ~~assessed~~ assigned to the person by whom they were owned or claimed or in whose possession or control they were at midnight of February 1 in that year."'

**Renumber:** subsequent sections

46. Page 91, line 7.

**Insert:** "Section 98. Section 15-24-904, MCA, is amended to read:

**"15-24-904. (Temporary) Penalty for violation of law.** If any person, company, or corporation who is the owner or is in charge of any livestock within this state fails to make the statement or statements as provided in 15-24-903, the department shall, after 10 days' notice to the person who failed to file the report, assess the penalty provided in 15-8-309.

**15-24-904. (Effective January 1, 2003) Penalty for violation of law.** If a person, company, or corporation who is the owner or is in charge of livestock within this state fails to make the statement or statements as provided in 15-24-903, the department shall, after 10 days' notice to the person who failed to file the report, assess the penalty provided in 15-8-309 ~~for the~~ on the per capita levy fee, as provided in 15-24-921."'

**Renumber:** subsequent sections

47. Page 91, line 17.

**Insert:** "Section 99. Section 15-24-921, MCA, is amended to read:

**"15-24-921. Per capita ~~tax~~ levy fee to pay expenses of enforcing livestock laws.** (1) In addition to appropriations made for those purposes, a per capita ~~tax fee~~ is authorized and directed to be ~~levied~~ imposed by the department on all poultry and bees, all swine 3 months of age or older, and all other livestock 9 months of age or older in each county of this state for the purpose of aiding in the payment of the salaries and all expenses connected with the enforcement of the livestock laws of the state and for the payment of bounties on wild animals as provided in 81-7-104.

(2) As used in this section, "livestock" means cattle, sheep, swine, poultry, bees, goats, horses, mules, asses, llamas, alpacas, domestic bison, ostriches, rheas, and emus, and domestic ungulates."'

**Renumber:** subsequent sections

48. Page 92, line 24.

**Insert:** "Section 100. Section 15-24-922, MCA, is amended to read:

**"15-24-922. (Temporary) Board of livestock to prescribe per capita ~~levy fee~~ -- refunds -- per capita levy fee on average inventory.** (1) The board of livestock shall annually prescribe the amount of the per capita ~~levy fee~~ to be made against livestock of all classes for the purpose indicated in 15-24-921.

(2) The per capita ~~tax~~ levy fee must be calculated each year to provide not more than 110% of the average annual revenue that was generated in the 3 previous years. The calculation must apply a reasonable factor for nonpayment and late payment of ~~taxes~~ fees and for reimbursement to the ~~counties~~ department pursuant to 15-24-925 for collection of the levy fee.

(3) (a) A livestock owner taxed under 15-24-920 is entitled to a refund of the per capita ~~levy fee~~ collected under 15-24-921 based on the number of months the livestock have taxable situs in the state. The amount of the refund is equal to the ratio of the number of months that the livestock do not have taxable situs in the state to the number of months in the tax year, multiplied by the original per capita ~~levy fee~~ due. A taxpayer shall apply to the board of livestock on a form prescribed by the board for a refund allowed under this subsection by January 31 following the ~~taxable~~ tax year. The application must include a statement showing the date when the livestock were moved out of the state.

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(b) Except as provided in subsection (3)(c), for the purposes of 15-24-921 and this section, the per capita ~~levy fee~~ may not be prorated.

(c) A taxpayer whose livestock are taxed on the average inventory basis for property tax purposes must also be ~~taxed~~ subject to the fee on an average inventory basis for the purposes of 15-24-921 and this section. All other livestock subject to the per capita ~~tax-levy fee~~ must be reported on February 1 of each year.

**15-24-922. (Effective January 1, 2003) Board of livestock to prescribe per capita ~~levy fee~~ -- refunds.** (1) The board of livestock shall annually prescribe the amount of the per capita ~~levy fee~~ to be made against livestock of all classes for the purpose indicated in 15-24-921.

(2) The per capita ~~tax-levy fee~~ must be calculated each year to provide not more than 110% of the average annual revenue that was generated in the 3 previous years. The calculation must apply a reasonable factor for nonpayment and late payment of ~~taxes fees~~ and for reimbursement to the ~~counties department~~ pursuant to 15-24-925 for collection of the ~~levy fee~~.

(3) (a) A livestock owner who moves livestock between states is entitled to a refund of the per capita ~~levy fee~~ collected under 15-24-921 based on the number of months that the livestock have ~~taxable~~ situs in Montana. The amount of the refund is equal to the ratio of the number of months that the livestock do not have ~~taxable~~ situs in the state to the number of months in the ~~tax~~ year, multiplied by the original per capita ~~levy fee~~ due. A taxpayer shall apply to the board of livestock on a form prescribed by the board for a refund allowed under this subsection by January 31 of the following ~~the taxable~~ year. The application must include a statement showing the date when the livestock were moved out of the state.

(b) For the purposes of 15-24-921 and this section, the per capita ~~levy fee~~ may not be prorated.""

**Renumber:** subsequent sections

49. Page 93, line 8.

**Insert:** "Section 101. Section 15-24-925, MCA, is amended to read:

**"15-24-925. Reimbursement to ~~county~~ department -- transmission of ~~taxes fees from county to state treasurer.~~** (1) The ~~county treasurer~~ department may withhold 2% of the money received under 15-24-921 as reimbursement ~~to the county~~ for the collection of the ~~levy fee~~ on livestock.

(2) ~~Except for the amount withheld under subsection (1), the taxes levied and the money collected pursuant to the provisions of 15-24-922 must be transmitted to the state treasury by the county treasurer of each county, as provided in 15-1-504, but not later than July 1 following assessment. The county treasurer~~ department shall designate the amount received from the ~~tax levied fee imposed~~ on sheep and the amount received from the ~~tax levied fee imposed~~ on all other livestock and shall specify the separate amounts in the report to the ~~state treasurer~~ department of livestock. The money, when received by the ~~state treasurer~~ department, must be deposited in an account in the special revenue fund to the credit of the department of livestock. The money in the account must be kept separate from other funds received by the department of livestock.""

**Renumber:** subsequent sections

50. Page 96, line 9.

**Insert:** "Section 102. Section 15-30-121, MCA, is amended to read:

**"15-30-121. Deductions allowed in computing net income.** (1) In computing net income, there are allowed as deductions:

(a) the items referred to in sections 161, including the contributions referred to in 33-15-201(5)(b), and 211 of the Internal Revenue Code of 1954 (26 U.S.C. 161 and 211), or as sections 161 and 211 are labeled or amended, subject to the following exceptions, which are not deductible:

- (i) items provided for in 15-30-123;
- (ii) state income tax paid;
- (iii) premium payments for medical care as provided in subsection (1)(g)(i);
- (iv) long-term care insurance premium payments as provided in subsection (1)(g)(ii);

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- (b) federal income tax paid within the tax year;
- (c) expenses of household and dependent care services as outlined in subsections (1)(c)(i) through (1)(c)(iii) and (2) and subject to the limitations and rules as set out in subsections (1)(c)(iv) through (1)(c)(vi), as follows:
  - (i) expenses for household and dependent care services necessary for gainful employment incurred for:
    - (A) a dependent under 15 years of age for whom an exemption can be claimed;
    - (B) a dependent as allowable under 15-30-112(5), except that the limitations for age and gross income do not apply, who is unable to provide self-care because of physical or mental illness; and
    - (C) a spouse who is unable to provide self-care because of physical or mental illness;
  - (ii) employment-related expenses incurred for the following services, but only if the expenses are incurred to enable the taxpayer to be gainfully employed:
    - (A) household services that are attributable to the care of the qualifying individual; and
    - (B) care of an individual who qualifies under subsection (1)(c)(i);
    - (iii) expenses incurred in maintaining a household if over half of the cost of maintaining the household is furnished by an individual or, if the individual is married during the applicable period, is furnished by the individual and the individual's spouse;
    - (iv) the amounts deductible in subsections (1)(c)(i) through (1)(c)(iii), subject to the following limitations:
      - (A) a deduction is allowed under subsection (1)(c)(i) for employment-related expenses incurred during the year only to the extent that the expenses do not exceed \$4,800;
      - (B) expenses for services in the household are deductible under subsection (1)(c)(i) for employment-related expenses only if they are incurred for services in the taxpayer's household, except that employment-related expenses incurred for services outside the taxpayer's household are deductible, but only if incurred for the care of a qualifying individual described in subsection (1)(c)(i)(A) and only to the extent that the expenses incurred during the year do not exceed:
        - (I) \$2,400 in the case of one qualifying individual;
        - (II) \$3,600 in the case of two qualifying individuals; and
        - (III) \$4,800 in the case of three or more qualifying individuals;
      - (v) if the combined adjusted gross income of the taxpayers exceeds \$18,000 for the tax year during which the expenses are incurred, the amount of the employment-related expenses incurred, to be reduced by one-half of the excess of the combined adjusted gross income over \$18,000;
      - (vi) for purposes of this subsection (1)(c):
        - (A) married couples shall file a joint return or file separately on the same form;
        - (B) if the taxpayer is married during any period of the tax year, employment-related expenses incurred are deductible only if:
          - (I) both spouses are gainfully employed, in which case the expenses are deductible only to the extent that they are a direct result of the employment; or
          - (II) the spouse is a qualifying individual described in subsection (1)(c)(i)(C);
          - (C) an individual legally separated from the individual's spouse under a decree of divorce or of separate maintenance may not be considered as married;
          - (D) the deduction for employment-related expenses must be divided equally between the spouses when filing separately on the same form;
          - (E) payment made to a child of the taxpayer who is under 19 years of age at the close of the tax year and payments made to an individual with respect to whom a deduction is allowable under 15-30-112(5) are not deductible as employment-related expenses;
      - (d) in the case of an individual, political contributions determined in accordance with the provisions of section 218(a) and (b) of the Internal Revenue Code (now repealed) that were in effect for the tax year ended December 31, 1978;
      - (e) that portion of expenses for organic fertilizer and inorganic fertilizer produced as a byproduct allowed as a deduction under 15-32-303 that was not otherwise deducted in computing taxable income;
      - (f) contributions to the child abuse and neglect prevention program provided for in 41-3-701, subject to the

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conditions set forth in 15-30-156;

(g) the entire amount of premium payments made by the taxpayer, except premiums deducted in determining Montana adjusted gross income, or for which a credit was claimed under 15-30-128, for:

(i) insurance for medical care, as defined in 26 U.S.C. 213(d), for coverage of the taxpayer, the taxpayer's dependents, and the parents and grandparents of the taxpayer; and

(ii) long-term care insurance policies or certificates that provide coverage primarily for any qualified long-term care services, as defined in 26 U.S.C. 7702B(c), for:

(A) the benefit of the taxpayer for tax years beginning after December 31, 1994; or

(B) the benefit of the taxpayer, the taxpayer's dependents, and the parents and grandparents of the taxpayer for tax years beginning after December 31, 1996;

(h) contributions to the Montana drug abuse resistance education program provided for in 44-2-702, subject to the conditions set forth in 15-30-159; ~~and~~

(i) light vehicle registration fees, as provided for in 61-3-560 through 61-3-562, paid during the tax year; and

(j) per capita livestock fees imposed pursuant to 15-24-921, 15-24-922, 81-6-104, 81-6-204, 81-6-209, 81-7-118, or 81-7-201.

(2) (a) Subject to the conditions of subsection (1)(c), a taxpayer who operates a family day-care home or a group day-care home, as these terms are defined in 52-2-703, and who cares for the taxpayer's own child and at least one unrelated child in the ordinary course of business may deduct employment-related expenses considered to have been paid for the care of the child.

(b) The amount of employment-related expenses considered to have been paid by the taxpayer is equal to the amount that the taxpayer charges for the care of a child of the same age for the same number of hours of care. The employment-related expenses apply regardless of whether any expenses actually have been paid. Employment-related expenses may not exceed the amounts specified in subsection (1)(c)(iv)(B).

(c) Only a day-care operator who is licensed and registered as required in 52-2-721 is allowed the deduction under this subsection (2). (Subsection (1)(h) terminates on occurrence of contingency--sec. 12, Ch. 808, L. 1991.)"

**Renumber:** subsequent sections

51. Page 98, line 20.

**Insert: "Section 103.** Section 15-31-114, MCA, is amended to read:

**"15-31-114. Deductions allowed in computing income.** (1) In computing the net income, the following deductions are allowed from the gross income received by the corporation within the year from all sources:

(a) all the ordinary and necessary expenses paid or incurred during the taxable year in the maintenance and operation of its business and properties, including reasonable allowance for salaries for personal services actually rendered, subject to the limitation contained in this section, and rentals or other payments required to be made as a condition to the continued use or possession of property to which the corporation has not taken or is not taking title or in which it has no equity. A deduction is not allowed for salaries paid upon which the recipient has not paid Montana state income tax. However, when domestic corporations are taxed on income derived from outside the state, salaries of officers paid in connection with securing the income are deductible.

(b) (i) all losses actually sustained and charged off within the year and not compensated by insurance or otherwise, including a reasonable allowance for the wear and tear and obsolescence of property used in the trade or business. The allowance is determined according to the provisions of section 167 of the Internal Revenue Code in effect with respect to the taxable year. All elections for depreciation must be the same as the elections made for federal income tax purposes. A deduction is not allowed for any amount paid out for any buildings, permanent improvements, or betterments made to increase the value of any property or estate, and a deduction may not be made for any amount of expense of restoring property or making good the exhaustion of property for which an allowance is or has been made. A depreciation or amortization deduction is not allowed on a title plant as defined in 33-25-105(15).

(ii) There is allowed as a deduction for the taxable period a net operating loss deduction determined according to the provisions of 15-31-119.

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(c) in the case of mines, other natural deposits, oil and gas wells, and timber, a reasonable allowance for depletion and for depreciation of improvements. The reasonable allowance must be determined according to the provisions of the Internal Revenue Code in effect for the taxable year. All elections made under the Internal Revenue Code with respect to capitalizing or expensing exploration and development costs and intangible drilling expenses for corporation license tax purposes must be the same as the elections made for federal income tax purposes.

(d) The amount of interest paid within the year on its indebtedness incurred in the operation of the business from which its income is derived. Interest may not be allowed as a deduction if paid on an indebtedness created for the purchase, maintenance, or improvement of property or for the conduct of business unless the income from the property or business would be taxable under this part.

(e) (i) taxes paid within the year, except the following:

(A) taxes imposed by this part;

(B) taxes assessed against local benefits of a kind tending to increase the value of the property assessed;

(C) taxes on or according to or measured by net income or profits imposed by authority of the government of the United States;

(D) taxes imposed by any other state or country upon or measured by net income or profits.

(ii) Taxes deductible under this part must be construed to include taxes imposed by any county, school district, or municipality of this state.

(f) that portion of an energy-related investment allowed as a deduction under 15-32-103;

(g) (i) except as provided in subsection (1)(g)(ii), charitable contributions and gifts that qualify for deduction under section 170 of the Internal Revenue Code, as amended.

(ii) The public service commission may not allow in the rate base of a regulated corporation the inclusion of contributions made under this subsection.

(h) per capita livestock fees imposed pursuant to 15-24-921, 15-24-922, 81-6-104, 81-6-204, 81-6-209, 81-7-118, or 81-7-201.

(2) In lieu of the deduction allowed under subsection (1)(g), the taxpayer may deduct the fair market value, not to exceed 30% of the taxpayer's net income, of a computer or other sophisticated technological equipment or apparatus intended for use with the computer donated to an elementary, secondary, or accredited postsecondary school located in Montana if:

(a) the contribution is made no later than 5 years after the manufacture of the donated property is substantially completed;

(b) the property is not transferred by the donee in exchange for money, other property, or services; and

(c) the taxpayer receives a written statement from the donee in which the donee agrees to accept the property and representing that the use and disposition of the property will be in accordance with the provisions of subsection (2)(b).

(3) In the case of a regulated investment company or a fund of a regulated investment company, as defined in section 851(a) or 851(h) of the Internal Revenue Code of 1986, as that section may be amended or renumbered, there is allowed a deduction for dividends paid, as defined in section 561 of the Internal Revenue Code of 1986, as that section may be amended or renumbered, except that the deduction for dividends is not allowed with respect to dividends attributable to any income that is not subject to tax under this chapter when earned by the regulated investment company. For the purposes of computing the deduction for dividends paid, the provisions of sections 852(b)(7) and 855 of the Internal Revenue Code of 1986, as those sections may be amended or renumbered, apply. A regulated investment company is not allowed a deduction for dividends received as defined in sections 243 through 245 of the Internal Revenue Code of 1986, as those sections may be amended or renumbered.""

**Renumber:** subsequent sections

52. Page 100, line 1.

**Insert:** "Section 104. Section 16-1-404, MCA, is amended to read:

**"16-1-404. License tax on liquor -- amount -- distribution of proceeds.** (1) The department shall collect



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at the time of sale and delivery of any liquor under any provisions of the laws of the state of Montana a license tax of:

(a) 10% of the retail selling price on all liquor sold and delivered in the state by a company that manufactured, distilled, rectified, bottled, or processed and that sold more than 200,000 proof gallons of liquor nationwide in the calendar year preceding imposition of the tax pursuant to this section;

(b) 8.6% of the retail selling price on all liquor sold and delivered in the state by a company that manufactured, distilled, rectified, bottled, or processed and that sold not more than 200,000 proof gallons of liquor nationwide in the calendar year preceding imposition of the tax pursuant to this section.

(2) The license tax must be charged and collected on all liquor brought into the state and taxed by the department. The retail selling price must be computed by adding to the cost of the liquor the state markup as designated by the department. The license tax must be figured in the same manner as the state excise tax and is in addition to the state excise tax. The department shall retain in a separate account the amount of the license tax received. The department, in accordance with the provisions of 15-1-501, shall allocate the revenue as follows:

~~(a) Thirty percent is allocated to the counties according to the amount of liquor purchased in each county to be distributed to the incorporated cities and towns, as provided in subsection (4).~~

~~(b) Four and one-half percent is allocated to the counties according to the amount of liquor purchased in each county, and this money may be used for county purposes. Thirty-four and one-half percent is allocated to the state general fund.~~

~~(c)(b) Sixty-five and one-half percent must be deposited in the state special revenue fund to the credit of the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism.~~

~~(3) (a) In the case of purchases of liquor by a retail liquor licensee for use in the licensee's business, the department shall make regulations necessary to apportion that proportion of license tax so generated to the county where the licensed establishment is located, for use as provided in 16-1-405.~~

~~(b) The department shall pay quarterly to each county treasurer the proportion of the license tax due each county, in accordance with the provisions of 15-1-501, to be allocated to the incorporated cities and towns of the county. The payments to counties under this section are statutorily appropriated, as provided in 17-7-502.~~

~~(4) The license tax proceeds allocated to the county under subsection (2) for use by cities and towns must be distributed by the county treasurer to the incorporated cities and towns within 30 days of receipt from the department. The distribution of funds to the cities and towns must be based on the proportion that the gross sale of liquor in each city or town is to the gross sale of liquor in all of the cities and towns of the county.~~

~~(5)(3) The license tax proceeds that are allocated to the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism must be credited quarterly to the department of public health and human services. The legislature may appropriate a portion of the license tax proceeds to support alcohol programs. The remainder must be distributed as provided in 53-24-206."~~

**Renumber:** subsequent sections

53. Page 100, line 28.

**Insert: "Section 105.** Section 16-1-406, MCA, is amended to read:

**"16-1-406. Taxes on beer.** (1) A tax of \$4.30 per barrel of 31 gallons is imposed on each barrel of beer sold in Montana by a wholesaler. The tax is due at the end of each month from the wholesaler upon beer sold by the wholesaler during that month. The department shall compute the tax due on beer sold in containers other than barrels or in barrels of more or less capacity than 31 gallons.

(2) Each quarter, in accordance with the provisions of 15-1-501, of the tax collected pursuant to subsection (1), an amount equal to:

(a) \$1 must be deposited in the state treasury to the credit of the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism; and

(b) ~~50 cents the remainder~~ must be deposited in the state general fund; ~~and~~

(c) ~~\$2.80 must be deposited with the state treasurer to the credit of the incorporated cities and towns beer tax account in the state special revenue fund.~~

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~~(3) (a) The money in the incorporated cities and towns beer tax account is statutorily appropriated, as provided in 17-7-502, to the department, which shall, monthly, distribute this amount of money to the incorporated cities and towns in the direct proportion that the population of each city and town bears to the total population of all incorporated cities and towns as shown in the latest official federal census as adjusted by the most recent population estimates published by the U.S. bureau of the census. For cities and towns incorporated after the latest official federal census, the census must be determined as of the date of incorporation as evidenced by the certificate of the incorporating officials of that city or town. If a city or town disincorporates, it may not receive any funds under this section and the amount previously distributed to the city or town must be distributed to the remaining incorporated cities and towns. All funds received by cities and towns under this section must be expended for state purposes, such as law enforcement, maintenance of the transportation system, and public health.~~

~~(b) The department may adjust population estimates only on the July 1 following the date of publication of the estimates by the U.S. bureau of the census. The adjusted distribution formula must remain in effect for the entire fiscal year."~~

**Renumber:** subsequent sections

54. Page 101, line 26.

**Insert:** "Section 106. Section 16-1-411, MCA, is amended to read:

**"16-1-411. Tax on wine and hard cider -- penalty and interest.** (1) (a) A tax of 27 cents per liter is imposed on table wine, except hard cider, imported by a table wine distributor or the department.

(b) A tax of 3.7 cents per liter is imposed on hard cider imported by a table wine distributor or the department.

(2) The tax imposed in subsection (1) must be paid by the table wine distributor by the 15th day of the month following sale of the table wine or hard cider from the table wine distributor's warehouse. Failure to file a tax return or failure to pay the tax required by this section subjects the table wine distributor to the penalties and interest provided for in 15-1-216.

(3) The tax paid by a table wine distributor in accordance with subsection (2) must, in accordance with the provisions of 15-1-501, be distributed as follows:

(a) ~~59%~~ 69% to the state general fund; and

(b) 31% to the state special revenue fund to the credit of the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism;

~~(c) 5% is statutorily appropriated, as provided in 17-7-502, to the department for allocation to the counties, based on population, for the purpose established in 16-1-404; and~~

~~(d) 5% is statutorily appropriated, as provided in 17-7-502, to the department for allocation to the cities and towns, based on population, for the purpose established in 16-1-405.~~

(4) The tax computed and paid in accordance with this section is the only tax imposed by the state or any of its subdivisions, including cities and towns.

(5) For purposes of this section, ~~the following definitions apply:~~

(a) ~~"Based on population" means:~~

~~(i) for counties, the direct proportion that the population of each county bears to the total population of all counties as shown in the latest official federal census as adjusted by the most recent population estimates published by the U.S. bureau of the census as provided in 16-1-406; and~~

~~(ii) for cities, the distribution described in 16-1-406; and~~

~~(b) "Table wine" has the meaning assigned in 16-1-106, but does not include hard cider."~~

**Renumber:** subsequent sections

55. Page 102, line 24.

**Strike:** "15-31-702;"

56. Page 102, line 25.

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**Strike:** "16-1-404; 16-1-406; 16-1-411;"

57. Page 102, line 26.

**Strike:** "19-6-709;"

58. Page 102, line 28.

**Strike:** "23-5-610;"

59. Page 102, line 30.

**Strike:** "67-3-205;"

60. Page 103, line 1.

**Strike:** "77-1-505;"

61. Page 104, line 26.

**Insert:** "**Section 108.** Section 19-6-709, MCA, is amended to read:

**"19-6-709. (Temporary) Supplemental benefits for certain retirees.** (1) In addition to any retirement benefit payable under this chapter, a retired member or a survivor determined by the board to be eligible under subsection (2) must receive an annual lump-sum benefit payment beginning in September 1991 and each succeeding year as long as the member remains eligible.

(2) To be eligible for the benefits under this section, a person must be receiving a monthly benefit before July 1, 1991, may not be covered by 19-6-710, and must be:

(a) a retired member who is 55 years of age or older and who has been receiving a service retirement benefit for at least 5 years prior to the date of distribution;

(b) a survivor of a member who would have been eligible under subsection (2)(a); or

(c) a recipient of a disability or survivorship benefit under 19-6-601 or 19-6-901.

(3) A retired member otherwise qualified under this section who is employed in a position covered by a retirement system under Title 19 is ineligible to receive any lump-sum benefit payments provided for in this section until the member's service in the covered position is terminated. Upon termination of the member's covered service, the retired member becomes eligible in the next fiscal year succeeding the member's termination.

(4) ~~(a) An amount equal to 25 cents of each motor vehicle registration fee provided for in 61-3-321(5) must be paid from the general fund to the pension trust fund at the end of each fiscal year. The payment is statutorily appropriated, as provided in 17-7-502, to the pension fund for payment of benefits to eligible recipients. The total funds must be distributed by the board in lump-sum payments to eligible recipients along with their normal retirement benefit payment.~~

~~(b) The lump-sum payment must be distributed proportionally to all eligible recipients based on service credit at the time of retirement, subject to the following:~~

~~(i)(a) a recipient under subsection (2)(c) is considered to have 20 years of service for the purposes of the distributions;~~

~~(ii)(b) any recipient of a service retirement benefit exceeding the maximum monthly benefit under 19-6-707(2)(a) must have the recipient's service credit reduced 25% for the purposes of the distributions;~~

~~(iii)(c) the maximum annual increase in the amount of supplemental benefits paid to each individual under this section is the percentage increase for the previous calendar year in the annual average consumer price index for urban wage earners and workers, compiled by the bureau of labor statistics of the United States department of labor or its successor agency.~~

~~(c) Any amount deposited in the pension trust fund under subsection (4)(a) for the payment of supplemental benefits under this section that exceeds the limitation of subsection (4)(b)(iii) must be used to amortize unfunded liabilities of the retirement system.~~

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~~(5) Every 10 years following July 1, 1991, the board shall review the size of the additional fee collected under 61-3-321(5) and paid to the pension trust fund in accordance with subsection (4)(a) and recommend to each legislature following the board's review any legislation necessary to reduce the fee to the minimum amount necessary to provide the supplemental benefits provided by this section. (Terminates upon death of last eligible recipient--sec. 1, Ch. 567, L. 1991.)"~~

**Renumber:** subsequent sections

62. Page 113, line 4.

**Insert: "Section 117.** Section 20-9-141, MCA, is amended to read:

**"20-9-141. Computation of general fund net levy requirement by county superintendent.** (1) The county superintendent shall compute the levy requirement for each district's general fund on the basis of the following procedure:

(a) Determine the funding required for the district's final general fund budget less the sum of direct state aid and the special education allowable cost payment for the district by totaling:

(i) the district's nonisolated school BASE budget requirement to be met by a district levy as provided in 20-9-303; and

(ii) any general fund budget amount adopted by the trustees of the district under the provisions of 20-9-308 and 20-9-353, including any additional funding for a general fund budget that exceeds the maximum general fund budget.

(b) Determine the money available for the reduction of the property tax on the district for the general fund by totaling:

(i) the general fund balance reappropriated, as established under the provisions of 20-9-104;

~~(ii) 98% of actual amounts received in fiscal year 1999 for light vehicle taxes under 61-3-504;~~

~~(iii)~~ (ii) amounts received in the last fiscal year for which revenue reporting was required for each of the following:

~~(A) revenue from taxes and fees imposed under 23-2-517, 23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204;~~

~~(B)~~ (A) interest earned by the investment of general fund cash in accordance with the provisions of 20-9-213(4); and

~~(C)~~ (B) any other revenue received during the school fiscal year that may be used to finance the general fund, excluding any guaranteed tax base aid;

~~(iv)~~ (iii) anticipated tuition payments for out-of-district pupils under the provisions of 20-5-321 through 20-5-323, except the amount of tuition received for a pupil who is a child with a disability in excess of the amount received for a pupil without disabilities, as calculated under 20-5-323(2);

~~(v)~~ (iv) anticipated oil and natural gas production taxes;

~~(vi)~~ (v) pursuant to subsection (4), anticipated revenue from coal gross proceeds under 15-23-703; and  
(vi) school district block grants distributed under [section 244] and property tax reimbursements under 15-1-111, 15-1-112, and section 167, Chapter 584, Laws of 1999, and

~~(vii) anticipated revenue from corporation license taxes collected from financial institutions under the provisions of 15-31-702.~~

(c) Notwithstanding the provisions of subsection (2), subtract the money available to reduce the property tax required to finance the general fund that has been determined in subsection (1)(b) from any general fund budget amount adopted by the trustees of the district, up to the BASE budget amount, to determine the general fund BASE budget levy requirement.

(d) Subtract any amount remaining after the determination in subsection (1)(c) from any additional funding requirement to be met by an over-BASE budget amount, a district levy as provided in 20-9-303, and any additional financing as provided in 20-9-353 to determine any additional general fund levy requirements.

(2) The county superintendent shall calculate the number of mills to be levied on the taxable property in the

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district to finance the general fund levy requirement for any amount that does not exceed the BASE budget amount for the district by dividing the amount determined in subsection (1)(c) by the sum of:

(a) the amount of guaranteed tax base aid that the district will receive for each mill levied, as certified by the superintendent of public instruction; and

(b) the current total taxable valuation of the district, as certified by the department of revenue under 15-10-202, divided by 1,000.

(3) The net general fund levy requirement determined in subsections (1)(c) and (1)(d) must be reported to the county commissioners on the fourth Monday of August by the county superintendent as the general fund net levy requirement for the district, and a levy must be set by the county commissioners in accordance with 20-9-142.

(4) For each school district, the department of revenue shall calculate and report to the county superintendent the amount of revenue anticipated for the ensuing fiscal year from revenue from coal gross proceeds under 15-23-703 and property tax reimbursements under 15-1-111, 15-1-112, and section 167, Chapter 584, Laws of 1999. ""

**Renumber:** subsequent sections

63. Page 114, line 17.

**Insert: "Section 119.** Section 20-9-331, MCA, is amended to read:

**"20-9-331. Basic county tax for elementary equalization and other revenue for county equalization of elementary BASE funding program.** (1) Subject to 15-10-420, the county commissioners of each county shall levy an annual basic county tax of 33 mills on the dollar of the taxable value of all taxable property within the county, except for property subject to a tax or fee under 23-2-517, 23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204, for the purposes of elementary equalization and state BASE funding program support. The revenue collected from this levy must be apportioned to the support of the elementary BASE funding programs of the school districts in the county and to the state general fund in the following manner:

(a) In order to determine the amount of revenue raised by this levy that is retained by the county, the sum of the estimated revenue identified in subsection (2) must be subtracted from the total of the BASE funding programs of all elementary districts of the county.

(b) If the basic levy and other revenue prescribed by this section produce more revenue than is required to repay a state advance for county equalization, the county treasurer shall remit the surplus funds to the state treasurer for deposit to the state general fund immediately upon occurrence of a surplus balance and each subsequent month, with any final remittance due no later than June 20 of the fiscal year for which the levy has been set.

(2) The revenue realized from the county's portion of the levy prescribed by this section and the revenue from the following sources must be used for the equalization of the elementary BASE funding program of the county as prescribed in 20-9-335, and a separate accounting must be kept of the revenue by the county treasurer in accordance with 20-9-212(1):

(a) the portion of the federal Taylor Grazing Act funds distributed to a county and designated for the elementary county equalization fund under the provisions of 17-3-222;

(b) the portion of the federal flood control act funds distributed to a county and designated for expenditure for the benefit of the county common schools under the provisions of 17-3-232;

(c) all money paid into the county treasury as a result of fines for violations of law, except money paid to a justice's court, and the use of which is not otherwise specified by law;

(d) any money remaining at the end of the immediately preceding school fiscal year in the county treasurer's accounts for the various sources of revenue established or referred to in this section;

(e) any federal or state money distributed to the county as payment in lieu of property taxation, including federal forest reserve funds allocated under the provisions of 17-3-213;

(f) gross proceeds taxes from coal under 15-23-703; and

(g) oil and natural gas production taxes; ~~and~~

~~(h) anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-521, 61-3-529, 61-3-537, 61-3-570, and 67-3-204. ""~~

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**Renumber:** subsequent sections

64. Page 115, line 18.

**Insert: "Section 120.** Section 20-9-333, MCA, is amended to read:

**"20-9-333. Basic county tax for high school equalization and other revenue for county equalization of high school BASE funding program.** (1) Subject to 15-10-420, the county commissioners of each county shall levy an annual basic county tax of 22 mills on the dollar of the taxable value of all taxable property within the county, except for property subject to a tax or fee under 23-2-517, 23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204, for the purposes of high school equalization and state BASE funding program support. The revenue collected from this levy must be apportioned to the support of the BASE funding programs of high school districts in the county and to the state general fund in the following manner:

(a) In order to determine the amount of revenue raised by this levy that is retained by the county, the sum of the estimated revenue identified in subsection (2) must be subtracted from the sum of the county's high school tuition obligation and the total of the BASE funding programs of all high school districts of the county.

(b) If the basic levy and other revenue prescribed by this section produce more revenue than is required to repay a state advance for county equalization, the county treasurer shall remit the surplus funds to the state treasurer for deposit to the state general fund immediately upon occurrence of a surplus balance and each subsequent month, with any final remittance due no later than June 20 of the fiscal year for which the levy has been set.

(2) The revenue realized from the county's portion of the levy prescribed in this section and the revenue from the following sources must be used for the equalization of the high school BASE funding program of the county as prescribed in 20-9-335, and a separate accounting must be kept of the revenue by the county treasurer in accordance with 20-9-212(1):

(a) any money remaining at the end of the immediately preceding school fiscal year in the county treasurer's accounts for the various sources of revenue established in this section;

(b) any federal or state money distributed to the county as payment in lieu of property taxation, including federal forest reserve funds allocated under the provisions of 17-3-213;

(c) gross proceeds taxes from coal under 15-23-703; and

(d) oil and natural gas production taxes; ~~and~~

~~(e) anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-521, 61-3-529, 61-3-537, 61-3-570, and 67-3-204."~~

**Renumber:** subsequent sections

65. Page 120, line 1.

**Insert: "Section 121.** Section 20-9-501, MCA, is amended to read:

**"20-9-501. Retirement fund.** (1) The trustees of a district employing personnel who are members of the teachers' retirement system or the public employees' retirement system or who are covered by unemployment insurance or who are covered by any federal social security system requiring employer contributions shall establish a retirement fund for the purposes of budgeting and paying the employer's contributions to the systems. The district's contribution for each employee who is a member of the teachers' retirement system must be calculated in accordance with Title 19, chapter 20, part 6. The district's contribution for each employee who is a member of the public employees' retirement system must be calculated in accordance with 19-3-316. The district's contributions for each employee covered by any federal social security system must be paid in accordance with federal law and regulation. The district's contribution for each employee who is covered by unemployment insurance must be paid in accordance with Title 39, chapter 51, part 11.

(2) The trustees of a district required to make a contribution to a system referred to in subsection (1) shall include in the retirement fund of the final budget the estimated amount of the employer's contribution. After the final retirement fund budget has been adopted, the trustees shall pay the employer contributions to the systems in accordance with the financial administration provisions of this title.

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(3) When the final retirement fund budget has been adopted, the county superintendent shall establish the levy requirement by:

(a) determining the sum of the money available to reduce the retirement fund levy requirement by adding:  
(i) any anticipated money that may be realized in the retirement fund during the ensuing school fiscal year; ~~including anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204;~~

(ii) oil and natural gas production taxes;

(iii) coal gross proceeds taxes under 15-23-703;

(iv) countywide school retirement block grants distributed under [section 245];

~~(v)~~(v) any fund balance available for reappropriation as determined by subtracting the amount of the end-of-the-year fund balance earmarked as the retirement fund operating reserve for the ensuing school fiscal year by the trustees from the end-of-the-year fund balance in the retirement fund. The retirement fund operating reserve may not be more than 35% of the final retirement fund budget for the ensuing school fiscal year and must be used for the purpose of paying retirement fund warrants issued by the district under the final retirement fund budget.

~~(v)~~(vi) any other revenue anticipated that may be realized in the retirement fund during the ensuing school fiscal year, excluding any guaranteed tax base aid.

(b) notwithstanding the provisions of subsection (8), subtracting the money available for reduction of the levy requirement, as determined in subsection (3)(a), from the budgeted amount for expenditures in the final retirement fund budget.

(4) The county superintendent shall:

(a) total the net retirement fund levy requirements separately for all elementary school districts, all high school districts, and all community college districts of the county, including any prorated joint district or special education cooperative agreement levy requirements; and

(b) report each levy requirement to the county commissioners on the fourth Monday of August as the respective county levy requirements for elementary district, high school district, and community college district retirement funds.

(5) The county commissioners shall fix and set the county levy or district levy in accordance with 20-9-142.

(6) The net retirement fund levy requirement for a joint elementary district or a joint high school district must be prorated to each county in which a part of the district is located in the same proportion as the district ANB of the joint district is distributed by pupil residence in each county. The county superintendents of the counties affected shall jointly determine the net retirement fund levy requirement for each county as provided in 20-9-151.

(7) The net retirement fund levy requirement for districts that are members of special education cooperative agreements must be prorated to each county in which the district is located in the same proportion as the special education cooperative budget is prorated to the member school districts. The county superintendents of the counties affected shall jointly determine the net retirement fund levy requirement for each county in the same manner as provided in 20-9-151, and the county commissioners shall fix and levy the net retirement fund levy for each county in the same manner as provided in 20-9-152.

(8) The county superintendent shall calculate the number of mills to be levied on the taxable property in the county to finance the retirement fund net levy requirement by dividing the amount determined in subsection (4)(a) by the sum of:

(a) the amount of guaranteed tax base aid that the county will receive for each mill levied, as certified by the superintendent of public instruction; and

(b) the taxable valuation of the district divided by 1,000.

(9) The levy for a community college district may be applied only to property within the district.""

**Renumber:** subsequent sections

66. Page 125, line 2.

**Insert: "Section 122.** Section 20-10-144, MCA, is amended to read:

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**"20-10-144. Computation of revenue and net tax levy requirements for district transportation fund budget.** Before the second Monday of August, the county superintendent shall compute the revenue available to finance the transportation fund budget of each district. The county superintendent shall compute the revenue for each district on the following basis:

(1) The "schedule amount" of the budget expenditures that is derived from the rate schedules in 20-10-141 and 20-10-142 must be determined by adding the following amounts:

(a) the sum of the maximum reimbursable expenditures for all approved school bus routes maintained by the district (to determine the maximum reimbursable expenditure, multiply the applicable rate for each bus mile by the total number of miles to be traveled during the ensuing school fiscal year on each bus route approved by the county transportation committee and maintained by the district); plus

(b) the total of all individual transportation per diem reimbursement rates for the district as determined from the contracts submitted by the district multiplied by the number of pupil-instruction days scheduled for the ensuing school attendance year; plus

(c) any estimated costs for supervised home study or supervised correspondence study for the ensuing school fiscal year; plus

(d) the amount budgeted in the budget for the contingency amount permitted in 20-10-143, except if the amount exceeds 10% of the total of subsections (1)(a), (1)(b), and (1)(c) or \$100, whichever is larger, the contingency amount on the budget must be reduced to the limitation amount and used in this determination of the schedule amount; plus

(e) any estimated costs for transporting a child out of district when the child has mandatory approval to attend school in a district outside the district of residence.

(2) (a) The schedule amount determined in subsection (1) or the total transportation fund budget, whichever is smaller, is divided by 2 and is used to determine the available state and county revenue to be budgeted on the following basis:

(i) one-half is the budgeted state transportation reimbursement, except that the state transportation reimbursement for the transportation of special education pupils under the provisions of 20-7-442 must be 50% of the schedule amount attributed to the transportation of special education pupils; and

(ii) one-half is the budgeted county transportation fund reimbursement and must be financed in the manner provided in 20-10-146.

(b) When the district has a sufficient amount of fund balance for reappropriation and other sources of district revenue, as determined in subsection (3), to reduce the total district obligation for financing to zero, any remaining amount of district revenue and fund balance reappropriated must be used to reduce the county financing obligation in subsection (2)(a)(ii) and, if the county financing obligations are reduced to zero, to reduce the state financial obligation in subsection (2)(a)(i).

(c) The county revenue requirement for a joint district, after the application of any district money under subsection (2)(b), must be prorated to each county incorporated by the joint district in the same proportion as the ANB of the joint district is distributed by pupil residence in each county.

(3) The total of the money available for the reduction of property tax on the district for the transportation fund must be determined by totaling:

(a) anticipated federal money received under the provisions of 20 U.S.C. 7701, et seq., or other anticipated federal money received in lieu of that federal act;

(b) anticipated payments from other districts for providing school bus transportation services for the district;

(c) anticipated payments from a parent or guardian for providing school bus transportation services for a child;

(d) anticipated or reappropriated interest to be earned by the investment of transportation fund cash in accordance with the provisions of 20-9-213(4);

~~(e) anticipated or reappropriated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204;~~



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~~(f)~~(e) anticipated revenue from coal gross proceeds under 15-23-703;  
~~(g)~~(f) anticipated oil and natural gas production taxes;  
~~(h)~~(g) anticipated local government severance tax payments for calendar year 1995 production;  
~~(i)~~(h) anticipated transportation payments for out-of-district pupils under the provisions of 20-5-320 through 20-5-324;

(i) school district block grants distributed under [section 244];

(j) any other revenue anticipated by the trustees to be earned during the ensuing school fiscal year that may be used to finance the transportation fund; and

(k) any fund balance available for reappropriation as determined by subtracting the amount of the end-of-the-year fund balance earmarked as the transportation fund operating reserve for the ensuing school fiscal year by the trustees from the end-of-the-year fund balance in the transportation fund. The operating reserve may not be more than 20% of the final transportation fund budget for the ensuing school fiscal year and is for the purpose of paying transportation fund warrants issued by the district under the final transportation fund budget.

(4) The district levy requirement for each district's transportation fund must be computed by:

(a) subtracting the schedule amount calculated in subsection (1) from the total preliminary transportation budget amount; and

(b) subtracting the amount of money available to reduce the property tax on the district, as determined in subsection (3), from the amount determined in subsection (4)(a).

(5) The transportation fund levy requirements determined in subsection (4) for each district must be reported to the county commissioners on the fourth Monday of August by the county superintendent as the transportation fund levy requirements for the district, and the levy must be made by the county commissioners in accordance with 20-9-142. ""

**Renumber:** subsequent sections

67. Page 127, line 29.

**Insert: "Section 123.** Section 20-10-146, MCA, is amended to read:

**"20-10-146. County transportation reimbursement.** (1) The apportionment of the county transportation reimbursement by the county superintendent for school bus transportation or individual transportation that is actually rendered by a district in accordance with this title, board of public education transportation policy, and the transportation rules of the superintendent of public instruction must be the same as the state transportation reimbursement payment, except that:

(a) if any cash was used to reduce the budgeted county transportation reimbursement under the provisions of 20-10-144(2)(b), the annual apportionment is limited to the budget amount;

(b) when the county transportation reimbursement for a school bus has been prorated between two or more counties because the school bus is conveying pupils of more than one district located in the counties, the apportionment of the county transportation reimbursement must be adjusted to pay the amount computed under the proration; and

(c) when county transportation reimbursement is required under the mandatory attendance agreement provisions of 20-5-321.

(2) The county transportation net levy requirement for the financing of the county transportation fund reimbursements to districts is computed by:

(a) totaling the net requirement for all districts of the county, including reimbursements to a special education cooperative or prorated reimbursements to joint districts or reimbursements under the mandatory attendance agreement provisions of 20-5-321;

(b) determining the sum of the money available to reduce the county transportation net levy requirement by adding:

(i) anticipated money that may be realized in the county transportation fund during the ensuing school fiscal year, ~~including anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204;~~

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- (ii) oil and natural gas production taxes;
  - (iii) anticipated local government severance tax payments for calendar year 1995 production;
  - (iv) coal gross proceeds taxes under 15-23-703;
  - (v) countywide school transportation block grants distributed under [section 246];
  - ~~(vi)~~(vi) any fund balance available for reappropriation from the end-of-the-year fund balance in the county transportation fund;
  - ~~(vi)~~(vii) federal forest reserve funds allocated under the provisions of 17-3-213; and
  - ~~(vii)~~(viii) other revenue anticipated that may be realized in the county transportation fund during the ensuing school fiscal year; and
- (c) subtracting the money available, as determined in subsection (2)(b), to reduce the levy requirement from the county transportation net levy requirement.

(3) The net levy requirement determined in subsection (2)(c) must be reported to the county commissioners on the fourth Monday of August by the county superintendent, and a levy must be set by the county commissioners in accordance with 20-9-142.

(4) The county superintendent shall apportion the county transportation reimbursement from the proceeds of the county transportation fund. The county superintendent shall order the county treasurer to make the apportionments in accordance with 20-9-212(2) and after the receipt of the semiannual state transportation reimbursement payments.""

**Renumber:** subsequent sections

68. Page 129, line 26.

**Insert:** "**Section 127.** Section 20-25-1002, MCA, is amended to read:

**"20-25-1002. State motorcycle safety account -- proceeds earmarked for account.** (1) There is a state motorcycle safety account in the treasury of the state of Montana.

(2) Money collected and accrued from motorcycle safety training courses, motorcycle endorsement fees, motorcycle ~~registration~~ safety fees, and designated grants or an amount equal to that amount must be deposited in the state motorcycle safety account and must be available to support only approved motorcycle safety training courses, appropriate instructor of motorcycle safety training, and other related motorcycle safety training activities.""

**Renumber:** subsequent sections

69. Page 134, line 26.

**Insert:** "**Section 129.** Section 23-2-508, MCA, is amended to read:

**"23-2-508. Certificate of ownership -- filing of security interests.** (1) Except as provided in subsection (9), a motorboat or sailboat 12 feet in length or longer may not be operated upon the waters of the state unless a certificate of ownership has first been obtained from the department of justice in accordance with the laws of this state.

(2) The owner of a motorboat or sailboat 12 feet in length or longer shall apply for a certificate of ownership and a certificate of number with the county treasurer of the county in which the owner resides, upon forms furnished by the department of justice. The forms must require the following information:

- (a) name of the owner;
- (b) residence of the owner, by town or county;
- (c) business or home address of the owner;
- (d) name and address of any lienholder;
- (e) amount due under any contract or lien;
- (f) name of the manufacturer;
- (g) model number or name;
- (h) identification number;
- (i) name and address of the dealer or other person from whom acquired, if known; and
- (j) other information ~~as~~ that the department of justice may require.

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(3) The application is to be accompanied by documentation of ownership, such as an invoice, a bill of sale, a foreign title, an official certificate of boat number, a fee in lieu of tax receipt, or a certificate of ownership of a trailer purchased with the motorboat or sailboat. An applicant who fails to provide proof of ownership shall provide a certified statement describing how the motorboat or sailboat 12 feet in length or longer was acquired, from whom acquired, if known, and other information requested by the department of justice.

(4) If a certificate of ownership has previously been issued under the provisions of this part, the application for a new certificate must be accompanied by the immediately previous certificate. This subsection does not apply to motorboats or sailboats 12 feet in length or longer that are purchased as new and unused vessels or that were operated when the provisions of this part were not in force and effect.

(5) A motorboat or sailboat 12 feet in length or longer that does not have a manufacturer's or other identifying number on the motorboat or sailboat must be assigned an identification number by the department of fish, wildlife, and parks. A fee of \$1 must be paid to the department for an assignment of number.

(6) Upon completion of the application, the county treasurer shall issue to the applicant two copies of the certificate of number application, one of which must be marked "file copy". The treasurer shall forward one copy and the original application for a certificate of ownership to the department of justice, which shall enter the information contained in the application upon the corresponding records of its office and shall furnish the applicant a certificate of ownership containing that information in the application considered necessary by the department and a permanent boat number. The certificate of ownership need not be renewed annually and is valid as long as the person holding it owns the vessel.

(7) The owner shall at all times retain possession of the certificate of ownership, except when it is being transmitted to and from the department of justice for endorsement or cancellation.

(8) Upon application for a certificate of ownership, a fee of \$5 must be paid to the county treasurer, ~~\$3.50 of~~ which must be forwarded by the county treasurer to the department of justice and deposited in the general fund.

(9) A person who, on July 1, 1988, is the owner of a motorboat or sailboat 12 feet in length or longer with a valid certificate of number issued by the state is not required to file an application for a certificate of ownership for the motorboat or sailboat unless the person transfers a part of the person's interest in the motorboat or sailboat or renews the certificate of number for the motorboat or sailboat.

(10) The department of justice may not file a voluntary security interest or lien unless it is accompanied by or specified in the application for a certificate of ownership of the boat encumbered. If the approved lien notice is transmitted to the department of justice, the security agreement or other lien instrument that creates the security interest must be retained by the secured party. A copy of the security agreement is sufficient as a lien notice if it contains the name and address of the debtor and the secured party, the complete boat description, the amount of the lien, and the signature of the debtor. The department of justice shall file voluntary security interests and liens by entering the name and address of the secured party upon the face of the certificate of ownership. Involuntary liens must be filed against the record of the boat encumbered. The department of justice shall mail a statement certifying the filing of a security interest or lien to the secured party. The department of justice shall mail the certificate of ownership to the owner at the address given on the certificate; however, if the transfer of ownership and filing of the security interest are paid for by a creditor or secured party, the department of justice shall return the certificate of ownership to the county treasurer of the county in which the boat is to be registered. The owner of a boat is the person entitled to operate and possess the boat.

(11) A security interest in a boat held as inventory by a dealer must be perfected in accordance with Title 30, chapter 9.

(12) Whenever a security interest or lien is filed against a boat that is subject to two security interests previously perfected under this section, the department of justice shall endorse on the face of the certificate of ownership: "NOTICE. This boat is subject to additional security interest on file with the Department of Justice." No other information regarding the additional security interests need be endorsed on the certificate.

(13) Satisfactions or statements of release filed with the department of justice under this part must be retained for a period of 8 years after receipt, after which they may be destroyed.

(14) Except as provided in subsection (15), a voluntary security interest or lien is perfected on the date the lien

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notice is delivered to the county treasurer. On that date, the county treasurer shall issue to the secured party a receipt evidencing the perfection. Perfection under this section constitutes constructive notice to subsequent purchasers or encumbrancers, from the date of delivery of the lien notice to the county treasurer, of the existence of the security interest.

(15) Voluntary security interests or lien filings that do not require transfer of ownership are perfected on the date the lien notice and the certificate of ownership or manufacturer's statement of origin are received by the department of justice. On that date, the department of justice shall issue to the secured party a receipt evidencing the perfection. Perfection under this subsection constitutes constructive notice to subsequent purchasers or encumbrancers, from the date the lien notice is delivered to the department of justice, of the existence of the security interest.

(16) Upon default under a chattel mortgage or conditional sales contract covering a boat, the mortgagee or vendor has the same remedies as in the case of other personal property. In case of attachment of a boat, all the provisions of 27-18-413, 27-18-414, and 27-18-804 are applicable, except that deposits must be made with the department of justice.

(17) A conditional sales vendor or chattel mortgagee or assignee who fails to file a satisfaction of a chattel mortgage, assignment, or conditional sales contract within 15 days after receiving final payment is required to pay the department of justice the sum of \$1 for each day that the person fails to file the satisfaction.

(18) Upon receipt of notice of any involuntary liens or attachments against the record of any boat registered in this state, the department of justice shall within 24 hours mail to the owner, conditional sales vendor, mortgagee, or their assignee a notice showing the name and address of the lien claimant, the amount of the lien, the date of execution of the lien, and, in the case of attachment, the full title of the court, the action, and the name of the attorney for the plaintiff or the name of the attaching creditor, or both.

(19) It is not necessary to refile with the department of justice any instruments on file in the office of the county clerk and recorder on October 1, 1989.

(20) A fee of \$4 must be paid to the department of justice to file any security interest or other lien against a boat. The \$4 fee must cover the cost of filing a satisfaction or release of the security interest and the cost of entering the satisfaction or release on the records of the department of justice and deleting the endorsement of the security interest from the face of the certificate of ownership. A fee of \$4 must be paid to the department of justice for issuing a certified copy of a certificate of ownership subject to a security interest or other lien on file with the department of justice or for filing an assignment of any security interest or other lien on file with the department of justice. All fees provided for in this section must be paid to the county treasurer for deposit in the state general fund in accordance with 15-1-504. ""

**Renumber:** subsequent sections

70. Page 136, line 23.

**Insert:** "Section 130. Section 23-2-510, MCA, is amended to read:

**"23-2-510. Transfer of interest.** (1) Except as provided in subsection (3), upon a transfer of a certificate of ownership to a motorboat or sailboat 12 feet in length or longer registered as required under the provisions of this part, the person whose title or interest is to be transferred shall sign the certificate of ownership issued for the motorboat or sailboat in the appropriate space provided on the reverse side of the certificate, and the signature must be acknowledged before the county treasurer, a deputy county treasurer, or a notary public.

(2) Within 30 calendar days after endorsement, the transferee shall make application for transfer of the certificate of ownership with the county treasurer of the county in which the transferee resides and also make application for registration of the motorboat or sailboat. The county treasurer shall forward the application to the department of justice, which shall file the application upon receipt. A certificate of ownership may not be issued by the department of justice until any outstanding certificate is surrendered to the department or its loss is established to the department's reasonable satisfaction. The county treasurer shall collect a fee of \$5 for each application for transfer of ownership, of which ~~\$3.50~~ must be forwarded to the department of justice for deposit in the general fund.

(3) A purchaser of a new or used motorboat or sailboat 12 feet in length or longer from a licensed dealer has

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a grace period of 30 calendar days from the date of purchase to register the motorboat or sailboat, make application for a certificate of ownership, and obtain a decal indicating that the fee in lieu of property tax has been paid on the vessel for the current year. It is not a violation of this part or any other law for the purchaser to operate a newly acquired motorboat or sailboat 12 feet in length or longer without a certificate of ownership, certificate of registration, and decal during the 30-day grace period. During this period the sticker provided for in subsection (4) must remain affixed to the motorboat or sailboat.

(4) Prior to the delivery of a motorboat or sailboat 12 feet in length or longer to the purchaser, the dealer shall issue and affix to a motorboat or sailboat constructed after October 31, 1972, a sticker as prescribed by the department of justice. The sticker must contain the name and address of the purchaser, the date of sale, the name and address of the dealer, and a description of the motorboat or sailboat, including its serial number. The dealer shall keep a copy of the sticker for ~~his~~ the dealer's records and shall send a copy of the sticker to the department of justice.

(5) A purchaser of a new or used motorboat or sailboat who is unable to record a transfer of ownership with the county treasurer at the time ~~he makes~~ making an application for registration of the motorboat or sailboat because the certificate of ownership is lost, in the possession of third parties, or in the process of reissuance in this state or elsewhere may, upon making affidavit to that effect upon a form prescribed by the department of justice and upon the payment of the applicable fee in lieu of tax plus a fee of \$2 to be collected by the county treasurer and remitted to the department of justice for deposit in the general fund, obtain from the county treasurer of the county in which the boat is to be registered a temporary boat sticker of a size, color, and design as the department of justice may prescribe, to be validated by the county treasurer for a period of 60 days from the date of issuance. The purchaser, upon displaying the sticker conspicuously on the motorboat or sailboat, may operate the motorboat or sailboat during the period for which the boat sticker has been validated without displaying the numbers and license decal for the current year. The county treasurer may not sell, and a person may not purchase, more than one 60-day temporary boat sticker for any motorboat or sailboat, the ownership of which has not changed since the issuance of the previous 60-day boat sticker.

(6) The provisions of subsection (2) do not apply in the event of the transfer of a motorboat or sailboat 12 feet in length or longer to a  ~~duly~~ licensed dealer intending to resell the motorboat or sailboat and who operates it only for demonstration purposes, but ~~every a~~ dealer, upon transferring ~~his~~ the dealer's interest, shall deliver the certificate of ownership with an application for a new certificate executed by the new owner in accordance with the provisions of this part. The department of justice, upon receipt of the certificate of ownership and application for a new certificate containing notice of a security interest, if any, shall issue a new certificate of ownership, together with a statement of any conditional sales contract, mortgage, or other lien.

(7) When the names and addresses of more than one owner who are members of the same immediate family are listed on the certificate of ownership, joint ownership with right of survivorship, and not as tenants in common, is presumed.

(8) The provisions of 61-3-201(3) through (7) that apply to motor vehicles also apply to any certificate of ownership transferred under this section.""

**Renumber:** subsequent sections

71. Page 139, line 6.

**Insert:** "Section 131. Section 23-2-512, MCA, is amended to read:

**"23-2-512. Identification number.** (1) The owner of each motorboat, sailboat, or personal watercraft requiring numbering by this state shall file an application for number in the office of the county treasurer where the motorboat, sailboat, or personal watercraft is owned, on forms prepared and furnished by the department of justice. The application must be signed by the owner of the motorboat, sailboat, or personal watercraft and be accompanied by a fee of ~~\$2.50~~ \$3.50. Any alteration, change, or false statement contained in the application will render the certificate of number void. Upon receipt of the application in approved form, the county treasurer shall issue to the applicant a certificate of number prepared and furnished by the department of justice, stating the number assigned to the motorboat, sailboat, or personal watercraft and the name and address of the owner.

(2) The applicant, upon the filing of the application, shall pay to the county treasurer the fee in lieu of tax

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required for a motorboat 10 feet in length or longer, a sailboat 12 feet in length or longer, or a personal watercraft for the current year of certification before the application for certification or recertification may be accepted by the county treasurer.

(3) Should the ownership of a motorboat, sailboat, or personal watercraft change, a new application form with the certification fee must be filed within a reasonable time with the county treasurer and a new certificate of number assigned in the same manner as provided for in an original assignment of number.

(4) If an agency of the United States government has in force a comprehensive system of identification numbering for motorboats in the United States, the numbering system employed pursuant to this part by the department of justice must be in conformity.

(5) Every certificate of number and the license decals assigned under this part continues in effect for a period not to exceed 1 year unless terminated or discontinued in accordance with the provisions of this part. Certificates of number and license decals must show the date of expiration and may be renewed by the owner in the same manner provided for in the initial securing of the certificate.

(6) Certificates of number expire on December 31 of each year and may not be in effect unless renewed under this part.

(7) In the event of a transfer of ownership, the purchaser shall furnish the county treasurer notice within a reasonable time of the acquisition of all or any part of the purchaser's interest, other than the creation of a security interest, in a motorboat, sailboat, or personal watercraft numbered in this state or of the loss, theft, destruction, or abandonment of the motorboat, sailboat, or personal watercraft. The transfer, loss, theft, destruction, or abandonment terminates the certificate of number for the motorboat, sailboat, or personal watercraft. Recovery from theft or transfer of a part interest that does not affect the owner's right to operate the motorboat, sailboat, or personal watercraft does not terminate the certificate of number.

(8) A holder of a certificate of number shall notify the county treasurer within reasonable time if the holder's address no longer conforms to the address appearing on the certificate and shall furnish the county treasurer with the new address. The department of justice may provide by rule for the surrender of the certificate bearing the former address and its replacement with a certificate bearing the new address or the alteration of an outstanding certificate to show the new address of the holder.

(9) (a) The number assigned must be painted on or attached to each outboard side of the forward half of the motorboat, sailboat, or personal watercraft or, if there are no sides, at a corresponding location on both outboard sides of the foredeck of the motorboat, sailboat, or personal watercraft. The number assigned must read from left to right in Arabic numerals and block characters of good proportion at least 3 inches tall excluding border or trim of a color that contrasts with the color of the background and be so maintained as to be clearly visible and legible. The number may not be placed on the obscured underside of the flared bow where it cannot be easily seen from another vessel or ashore. Numerals, letters, or devices other than those used in connection with the identifying number issued may not be placed in the proximity of the identifying number. Numerals, letters, or devices that might interfere with the ready identification of the motorboat, sailboat, or personal watercraft by its identifying number may not be carried in a manner that interferes with the motorboat's, sailboat's, or personal watercraft's identification. A number other than the number and license decal assigned to a motorboat, sailboat, or personal watercraft or granted reciprocity under this part may not be painted, attached, or otherwise displayed on either side of the forward half of the motorboat, sailboat, or personal watercraft.

(b) The certificate of number must be pocket size and available to federal, state, or local law enforcement officers at all reasonable times for inspection on the motorboat, sailboat, or personal watercraft whenever the motorboat, sailboat, or personal watercraft is on waters of this state.

(c) Boat liveries are not required to have the certificate of number on board each motorboat, sailboat, or personal watercraft, but a rental agreement must be carried on board livery motorboats, sailboats, or personal watercraft in place of the certificate of number.

(10) ~~(a) Except as provided in subsection (10)(b), fees~~ Fees, other than the fee in lieu of tax, collected under this section must be transmitted to the state treasurer, who shall deposit the fees in the ~~motorboat or sailboat certificate identification account of the state special revenue~~ general fund. ~~These fees must be used only for the administration~~

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and enforcement of this part, as amended:

~~(b) Of the fee collected under the provisions of subsection (1), 20% must be deposited by the state treasurer in an account in the state special revenue fund to the credit of the department to be used to acquire and maintain marine sewage pumpout equipment and other boat facilities.~~

(11) An owner of a motorboat, sailboat, or personal watercraft ~~must~~ shall within a reasonable time notify the department of justice, giving the motorboat's, sailboat's, or personal watercraft's identifying number and the owner's name when the motorboat, sailboat, or personal watercraft is transferred, lost, destroyed, or abandoned, ~~or frauded~~ or within 60 days after a change of state of principal use or if a motorboat becomes documented as a vessel of the United States. ""

**Renumber:** subsequent sections

72. Page 139, line 23.

**Insert:** "Section 132. Section 23-2-518, MCA, is amended to read:

**"23-2-518. (Temporary) Disposition of fees in lieu of tax.** ~~(1) Except for fees allocated under subsection (2), the~~ The county treasurer shall ~~distribute~~ transfer all fees in lieu of tax collected on motorboats 10 feet in length or longer, sailboats 12 feet in length or longer, personal watercraft, motorized canoes, motorized rubber rafts, and motorized pontoons pursuant to 23-2-516 and 23-2-517 ~~in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed to the state general fund.~~

~~(2) The county treasurer shall allocate 20% of all fees in lieu of tax collected under this section to the motorboat account in the state special revenue fund for use by the department as provided in 23-2-533. (Terminates June 30, 2002--sec. 9, Ch. 476, L. 1995.)~~

**23-2-518. (Effective July 1, 2002) Disposition of fees in lieu of tax.** The county treasurer shall ~~distribute~~ transfer all fees in lieu of tax collected on motorboats 10 feet in length or longer, sailboats 12 feet in length or longer, personal watercraft, motorized canoes, motorized rubber rafts, and motorized pontoons pursuant to 23-2-516 and 23-2-517 ~~in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed to the state general fund.~~ ""

**Renumber:** subsequent sections

73. Page 143, line 3.

**Insert:** "Section 133. Section 23-2-611, MCA, is amended to read:

**"23-2-611. Certificate of ownership -- filing of security interests.** (1) A snowmobile may not be operated upon any private or public lands, trails, easements, lakes, rivers, streams, roadways or shoulders of roadways, streets, or highways unless a certificate of ownership has first been obtained from the department of justice in accordance with the laws of this state. A certificate of ownership is not required for a snowmobile purchased prior to April 16, 1993, if use of the snowmobile is restricted to private land.

(2) The owner of a snowmobile shall apply for a certificate of ownership with the county treasurer of the county in which the owner resides, upon forms to be furnished for this purpose. The forms must require the following information:

- (a) the name of the owner;
- (b) the residence of the owner, by town and county;
- (c) the business or home mailing address of the owner;
- (d) the name and address of any lienholder;
- (e) the amount due under any contract or lien;
- (f) the name of the manufacturer;
- (g) the model number or name;
- (h) the identification number; and
- (i) the name and address of the dealer or other person from whom acquired.

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(3) The application must be accompanied by documentation of ownership, such as an invoice, notarized bill of sale from the immediately previous owner, foreign title, official certificate of snowmobile number, or fee in lieu of tax receipt.

(4) The application must be signed by at least one owner or by a properly authorized officer or representative of the owner.

(5) If a certificate of ownership has previously been issued under the provisions of 23-2-601 through 23-2-644, the application for a new certificate must be accompanied by the immediately previous certificate. This subsection does not apply to snowmobiles that are purchased as new and unused machines or that were operated when the provisions of 23-2-601 through 23-2-644 were not in force and effect.

(6) Upon completion of the application, on forms furnished by the department of justice, the county treasurer shall issue to the applicant two copies of the application, one of which must be marked "file copy". The treasurer shall forward one copy and the original application to the department of justice, which shall enter the information contained in the application upon the corresponding records of its office and shall furnish the applicant with a certificate of ownership, which must contain that information in the application considered necessary by the department of justice, and a permanent ownership number. The certificate of ownership is not to be renewed annually and is valid as long as the person holding it owns the snowmobile.

(7) The owner shall at all times retain possession of the certificate of ownership, except when it is being transmitted to and from the department of justice for endorsement or cancellation.

(8) Upon application for a certificate of ownership, a fee of \$5 must be paid to the county treasurer, ~~\$3.50 of~~ which must be forwarded by the county treasurer to the department of justice and deposited in the general fund.

(9) The department of justice may not file a voluntary security interest or lien unless it is accompanied by or specified in the application for a certificate of ownership of the snowmobile encumbered. If the approved lien notice is transmitted to the department of justice, the security agreement or other lien instrument that creates the security interest must be retained by the secured party. A copy of the security agreement is sufficient as a lien notice if it contains the name and address of the debtor and the secured party, the complete snowmobile description, the amount of the lien, and the signature of the debtor. The department of justice shall file voluntary security interests and liens by entering the name and address of the secured party upon the face of the certificate of ownership. Involuntary liens must be filed against the record of the snowmobile encumbered. The department of justice shall mail a statement certifying the filing of a security interest or lien to the secured party. The department of justice shall mail the certificate of ownership to the owner at the address given on the certificate; however, if the transfer of ownership and filing of the security interest are paid for by a creditor or secured party, the department of justice shall return the certificate of ownership to the county treasurer of the county in which the snowmobile is to be registered. The owner of a snowmobile is the person entitled to operate and possess the snowmobile.

(10) A security interest in a snowmobile held as inventory by a dealer must be perfected in accordance with Title 30, chapter 9.

(11) Whenever a security interest or lien is filed against a snowmobile that is subject to two security interests previously perfected under this section, the department of justice shall endorse on the face of the certificate of ownership: "NOTICE. This snowmobile is subject to additional security interest on file with the Department of Justice". Other information regarding the additional security interests need not be endorsed on the certificate.

(12) Satisfactions or statements of release filed with the department of justice under this part must be retained for a period of 8 years after receipt, after which they may be destroyed.

(13) Except as provided in subsection (14), a voluntary security interest or lien is perfected on the date the lien notice is delivered to the county treasurer. On that date, the county treasurer shall issue to the secured party a receipt evidencing the perfection. Perfection under this section constitutes constructive notice to subsequent purchasers or encumbrancers, from the date of delivery of the lien notice to the county treasurer, of the existence of the security interest.

(14) Voluntary security interests or lien filings that do not require transfer of ownership are perfected on the date the lien notice and the certificate of ownership or manufacturer's statement of origin are received by the department of justice. On that date, the department of justice shall issue to the secured party a receipt evidencing the



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perfection. Perfection under this subsection constitutes constructive notice to subsequent purchasers or encumbrancers, from the date the lien notice is delivered to the department of justice, of the existence of the security interest.

(15) Upon default under a chattel mortgage or conditional sales contract covering a snowmobile, the mortgagee or vendor has the same remedies as in the case of other personal property. In case of attachment of a snowmobile, all the provisions of 27-18-413, 27-18-414, and 27-18-804 are applicable, except that deposits must be made with the department of justice.

(16) A conditional sales vendor or chattel mortgagee or assignee who fails to file a satisfaction of a chattel mortgage, assignment, or conditional sales contract within 15 days after receiving final payment is required to pay the department of justice the sum of \$1 for each day that the satisfaction is not filed.

(17) Upon receipt of notice of any involuntary liens or attachments against the record of any snowmobile registered in this state, the department of justice shall within 24 hours mail to the owner, conditional sales vendor, mortgagee, or their assignee a notice showing the name and address of the lien claimant, the amount of the lien, the date of execution of the lien, and, in the case of attachment, the full title of the court, the action, and the name of the attorney for the plaintiff or the name of the attaching creditor, or both.

(18) It is not necessary to refile with the department of justice any instruments on file in the office of the county clerk and recorder on October 1, 1989.

(19) A fee of \$4 must be paid to the department of justice to file any security interest or other lien against a snowmobile. The \$4 fee must cover the cost of filing a satisfaction or release of the security interest and the cost of entering the satisfaction or release on the records of the department of justice and deleting the endorsement of the security interest from the face of the certificate of ownership. A fee of \$4 must be paid to the department of justice for issuing a certified copy of a certificate of ownership subject to a security interest or other lien on file with the department of justice or for filing an assignment of a security interest or other lien on file with the department of justice. All fees provided for in this section must be paid to the county treasurer for deposit in the state general fund in accordance with 15-1-504."

**Renumber:** subsequent sections

74. Page 144, line 14.

**Insert:** "Section 134. Section 23-2-612, MCA, is amended to read:

**"23-2-612. Transfer of interest.** (1) Except as provided in subsection (3), upon a transfer of any certificate of ownership to a snowmobile registered as required under the provisions of 23-2-601 through 23-2-644, the person whose title or interest is to be transferred shall ~~write his signature with pen and ink upon~~ sign the certificate of ownership issued for the snowmobile in the appropriate space provided upon the reverse side of the certificate, and the signature ~~shall~~ must be acknowledged before the county treasurer, a deputy county treasurer, or a notary public.

(2) Within 20 calendar days after endorsement, the transferee shall make application for transfer of the certificate of ownership with the county treasurer of the county in which the transferee resides and also make application for registration of the snowmobile. The county treasurer shall forward the application to the department of justice, which shall file the application upon receipt. A certificate of ownership may not be issued by the department of justice until the outstanding certificates are surrendered to that office or their loss is established to ~~its~~ the department's reasonable satisfaction. The county treasurer shall collect a fee of \$5 for each application for transfer of ownership, ~~of which \$3.50~~ must be forwarded to the department of justice for deposit in the general fund.

(3) A purchaser of a new or used snowmobile from a licensed snowmobile dealer has a grace period of 20 calendar days from the date of purchase to register the snowmobile, make application for a certificate of ownership, and obtain a decal indicating that the fee in lieu of property tax has been paid on the snowmobile for the current year. It is not a violation of 23-2-601 through 23-2-644 or any other law for the purchaser to operate a newly acquired snowmobile without a certificate of ownership, a certificate of registration, and a decal during the 20-day period. During this period, the sticker provided for in subsection (4) ~~shall~~ must remain affixed to the snowmobile.

(4) Prior to the delivery of the snowmobile to the purchaser, the dealer shall issue and affix to the snowmobile a sticker (in a form to be prescribed by the department of justice). The sticker shall contain the name and address of

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the purchaser, the date of sale, the name and address of the dealer, and a description of the snowmobile, including its serial number. The dealer shall keep a copy of the sticker for ~~his~~ the dealer's records and shall send a copy of the sticker to the department of justice.

(5) The provisions of subsection (2) do not apply in the event of the transfer of a snowmobile to a  ~~duly~~ licensed snowmobile dealer who is intending to resell the snowmobile and who operates it only for demonstration purposes, but ~~every~~ a dealer, upon transferring ~~his~~ the dealer's interest, shall deliver the certificate of ownership with an application for a new certificate executed by the new owner in accordance with the provisions of 23-2-601 through 23-2-644. The department of justice, upon receipt of the certificate of ownership and application for a new certificate containing notice of a security interest, if any, shall issue a new certificate of ownership, together with a statement of any conditional sales contract, mortgage, or other lien.

(6) When the names and addresses of more than one owner who are members of the same immediate family are listed on the certificate of ownership, joint ownership with right of survivorship, and not as tenants in common, is presumed.

(7) The provisions of 61-3-201(3) through (7) that apply to motor vehicles also apply to any certificate of ownership transferred under this section.""

**Renumber:** subsequent sections

75. Page 145, line 5.

**Insert:** "Section 135. Section 23-2-615, MCA, is amended to read:

**"23-2-615. Nonresident temporary-use permits -- use of fees.** (1) The requirements pertaining to the nonresident temporary-snowmobile-use permit are as follows:

(a) Application for the issuance of the permit must be made at locations and upon forms prescribed by the department. The forms must include but are not limited to:

- (i) the applicant's name and permanent address;
- (ii) the make, model, year, and serial number of the snowmobile; and
- (iii) an affidavit declaring the nonresidency of the applicant.

(b) Upon submission of the application and a fee of \$6, a nonresident temporary-snowmobile-use sticker must be issued. The sticker must be displayed in a conspicuous manner on the snowmobile.

(2) The temporary permit is valid for a consecutive 30-day period as designated by the permit.

(3) The permit is not proof of ownership, and a certificate of ownership may not be issued.

(4) A nonresident temporary-snowmobile-use permit is not required for a snowmobile that qualifies as a racing snowmobile under 23-2-622.

(5) All money collected by payment of fees under this section must be ~~turned over~~ transferred to the state treasurer and ~~placed deposited~~ in the state ~~special revenue general~~ fund ~~to the credit of the department of fish, wildlife, and parks, with one-half to be used in administering this section and one-half to be used in the development, maintenance, and operation of snowmobile facilities.~~

(6) The failure to display the permit as required by this section or the making of false statements in obtaining the permit is a misdemeanor, punishable by a fine of not less than \$25 or more than \$100.""

**Renumber:** subsequent sections

76. Page 146, line 14.

**Insert:** "Section 136. Section 23-2-616, MCA, is amended to read:

**"23-2-616. Registration and decals -- application and issuance -- use of certain fees.** (1) Except for a snowmobile registered under 23-2-621, a snowmobile may not be operated on public lands by any person in Montana unless it has been registered and there is displayed in a conspicuous place on both sides of the cowl a decal as visual proof that the fee in lieu of property tax has been paid on it for the current year and the immediately previous year as required by 15-16-202.

(2) Application for registration must be made to the county treasurer upon forms to be furnished by the

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department of justice for this purpose, which may be obtained at the county treasurer's office in the county where the owner resides. The application shall contain the following information:

- (a) the name and address of the owner;
- (b) the certificate of ownership number;
- (c) the make of the snowmobile;
- (d) the model name of the snowmobile;
- (e) the year of manufacture;
- (f) a statement evidencing payment of the fee in lieu of property tax as required by 15-16-202; and
- (g) other information as the department of justice may require.

(3) The application must be accompanied by a ~~decal~~ decal-registration fee of \$5, ~~a registration fee of 50 cents \$6.50~~, and, if the snowmobile has previously been registered, by the registration certificate for the most recent year in which the snowmobile was registered. The treasurer shall sign the application and issue a registration receipt that must contain information considered necessary by the department of justice and a listing of fees paid. The owner shall retain possession of the registration receipt until it is surrendered to the county treasurer for reregistration or to a purchaser or subsequent owner pursuant to a transfer of ownership.

(4) The county treasurer shall forward the signed application to the department of justice and shall issue to the applicant a decal in the style and design prescribed by the department of justice and of a different color than the preceding year, numbered in sequence.

(5) The county treasurer may not accept any application under this section until the applicant has paid the ~~decal~~ decal-registration and ~~registration fees~~ fee and the fee in lieu of property tax on the snowmobile for the current year and the immediately previous year as required by 15-16-202.

(6) All money collected from payment of the ~~decal~~ decal-registration fees and all interest accruing from use of this money must be forwarded to the state treasurer and placed in the state ~~special revenue~~ general fund ~~to the credit of the department, with \$2.50 designated for use in enforcing the purposes of 23-2-601 through 23-2-644 and \$2.50 designated for use in the development, maintenance, and operation of snowmobile facilities. All money collected from payment of the registration fee must be forwarded to the state treasurer and deposited in the general fund.~~

(7) The county treasurer shall credit all fees in lieu of tax collected on snowmobiles to the ~~county motor vehicle suspense fund provided for in 61-3-509~~ state general fund."

**Renumber:** subsequent sections

77. Page 147, line 4.

**Insert:** "Section 137. Section 23-2-803, MCA, is amended to read:

**"23-2-803. Fee in lieu of tax on off-highway vehicles -- exception -- disposition of fees.** (1) There is a fee in lieu of tax on off-highway vehicles, other than off-highway vehicles constituting the inventory of a dealership licensed under 23-2-818, to be paid to the county treasurer of the county in which the owner of the off-highway vehicle resides.

(a) The fee for an off-highway vehicle less than 3 years old is \$19. In all other cases the fee is \$9.

(b) Except as provided in subsection (1)(c), the age of an off-highway vehicle is determined by subtracting the manufacturer's designated model year from the current calendar year.

(c) If the purchase year of an off-highway vehicle precedes the designated model year of the off-highway vehicle and the off-highway vehicle is originally titled in Montana, then the purchase year is considered the model year for the purposes of calculating the fee in lieu of tax.

(2) ~~(a) Except as provided in subsection (2)(b), the~~ The county treasurer shall ~~distribute~~ transfer all fees in lieu of tax collected on off-highway vehicles pursuant to this section ~~in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed to the state general fund.~~

~~(b) The county treasurer shall remit \$1 of the fee in lieu of tax collected on an off-highway vehicle to the department of agriculture for deposit in the noxious weed management trust fund provided for in 80-7-811."~~

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**Renumber:** subsequent sections

78. Page 147, line 27.

**Insert: "Section 138.** Section 23-2-804, MCA, is amended to read:

**"23-2-804. Decal required --fee--disposition.** (1) Except as provided in 23-2-802, an off-highway vehicle may not be operated by any person for off-road recreation on public lands in Montana unless there is displayed in a conspicuous place a decal, in a form prescribed by the department of justice and issued by the county treasurer, as visual proof that the following fees have been paid for the current year:

(a) (i) the fee in lieu of tax provided for in 23-2-803; and  
(ii) the registration fee provided for in ~~23-2-817~~ 61-3-321; or  
(b) when the vehicle will be used as provided in this section, the registration and taxation fees for motorcycles and quadricycles subject to licensure under 61-3-321, as evidenced by presentation of an owner's certificate of registration and payment receipt; and

~~(c) the off-highway decal fee provided for in this section.~~

(2) The decal will be serially numbered and have the expiration date of December 31 of the appropriate year printed thereon.

~~(3) The off-highway decal fee is \$5, which the county treasurer shall collect and transmit to the state treasurer, who shall deposit the money in an interest-bearing account in the state special revenue fund to the credit of the department of fish, wildlife, and parks. The decal fee and the interest and income to the account must be spent as follows:~~

~~(a) 40% must be used to enforce the provisions of this section; and  
(b) 60% must be spent to develop and implement a comprehensive program and to plan appropriate off-highway vehicle recreation use except that:~~

~~(i) no money may be spent for this purpose before January 1, 1991; and~~

~~(ii) evaluation for development of a program plan must begin January 1, 1991."~~

**Renumber:** subsequent sections

79. Page 151, line 3.

**Insert: "Section 139.** Section 23-2-811, MCA, is amended to read:

**"23-2-811. Certificate of ownership -- procedure -- fee -- filing security interest.** (1) An off-highway vehicle may not be operated upon any public lands, trails, easements, lakes, rivers, or streams unless a certificate of ownership has first been obtained from the department of justice.

(2) The owner of an off-highway vehicle shall apply for a certificate of ownership to the county treasurer of the county in which the owner resides, on a form furnished by the department of justice for that purpose. The form must include:

- (a) the name of the owner;
- (b) the residence of the owner, by town and county;
- (c) the business address or home mailing address of the owner;
- (d) the name and address of any lienholder;
- (e) the amount due under any contract, mortgage, or lien;
- (f) the name of the manufacturer;
- (g) the model number or name;
- (h) the identification number; and
- (i) the name and address of the dealer or other person from whom the off-highway vehicle was acquired.

(3) The application must be signed by at least one owner or by a properly authorized agent of the owner.

(4) The application for a new certificate of ownership must be accompanied by the immediately previous certificate. This subsection does not apply to off-highway vehicles that are purchased as new and unused machines or that were operated before January 1, 1990.

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(5) (a) After the owner completes the application form, the county treasurer shall issue to the applicant two copies of the completed application, with one marked "file copy", and shall forward one copy and the original application to the department of justice. The department of justice shall enter the information contained in the application upon the corresponding records of its office and shall send the applicant a certificate of ownership containing a permanent ownership number and information from the application considered necessary by the department of justice.

(b) The certificate of ownership is not required to be renewed annually and is valid as long as the person holding it owns the off-highway vehicle.

(6) The owner shall at all times retain possession of the certificate of ownership, except when it is being transmitted to and from the department of justice for endorsement or cancellation.

(7) Upon application for a certificate of ownership, a fee of \$5 must be paid to the county treasurer, of which:

~~(a) \$3.50 must be forwarded to the department of justice for deposit in the general fund; and~~

~~(b) \$1.50 must be retained by the county treasurer for the cost of administering this section.~~

(8) The department of justice may not file a voluntary security interest or lien unless it is accompanied by or specified in the application for a certificate of ownership of the encumbered off-highway vehicle. If the approved lien notice is transmitted to the department of justice, the security agreement or other lien instrument that creates the security interest must be retained by the secured party. A copy of the security agreement is sufficient as a lien notice if it contains the name and address of the debtor and the secured party, a complete description of the off-highway vehicle, the amount of the lien, and the signature of the debtor. The department of justice shall file voluntary security interests and liens by entering the name and address of the secured party upon the face of the certificate of ownership. Involuntary liens must be filed against the record of the off-highway vehicle encumbered. The department of justice shall mail a statement certifying the filing of a security interest or lien to the secured party. The department of justice shall mail the certificate of ownership to the owner at the address given on the certificate. However, if the transfer of ownership and filing of the security interest are paid for by a creditor or secured party, the department of justice shall return the certificate of ownership to the county treasurer of the county where the vehicle is to be registered. The owner of an off-highway vehicle is the person entitled to operate and possess the vehicle.

(9) A security interest in an off-highway vehicle held as inventory by a dealer must be perfected in accordance with Title 30, chapter 9.

(10) Whenever a security interest or lien is filed against an off-highway vehicle that is subject to two or more security interests previously perfected under this section, the department of justice shall endorse on the face of the certificate of ownership: "Notice. This off-highway vehicle is subject to additional security interests on file with the Department of Justice." Other information regarding the additional security interests need not be endorsed on the certificate.

(11) Satisfaction or statements of release filed with the department of justice under this section must be retained for a period of 8 years from the date of receipt, after which they may be destroyed.

(12) Except as provided in subsection (13), a voluntary security interest or lien is perfected on the date the lien notice is delivered to the county treasurer. On that date, the county treasurer shall issue to the secured party a receipt evidencing the perfection. Perfection under this section constitutes constructive notice to subsequent purchasers or encumbrancers, from the date of delivery of the lien notice to the county treasurer, of the existence of the security interest.

(13) Voluntary security interests or lien filings that do not require transfer of ownership are perfected on the date the lien notice and the certificate of ownership or manufacturer's statement of origin are received by the department of justice. On that date, the department shall issue to the secured party a receipt evidencing the perfection. Perfection under this subsection constitutes constructive notice to subsequent purchasers or encumbrancers, from the date the lien notice is delivered to the department, of the existence of the security interest.

(14) Upon default under a chattel mortgage or conditional sales contract covering an off-highway vehicle, the mortgagee or vendor has the same remedies as in the case of other personal property. In the case of attachment of an off-highway vehicle, the provisions of 27-18-413, 27-18-414, and 27-18-804 are applicable, except that deposits must be made with the department of justice.

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(15) A conditional sales vendor, chattel mortgagee, or assignee who fails to file a satisfaction of a chattel mortgage, assignment, or conditional sale contract within 15 days after receiving final payment shall pay to the department of justice the sum of \$1 for each day after the expiration of the 15-day period that the person fails to file the satisfaction.

(16) Upon receipt of notice of any involuntary liens or attachments against the record of an off-highway vehicle in this state, the department of justice shall within 24 hours mail to the owner, conditional sales vendor, mortgagee, or their assignee a notice of the lien, showing the date of execution of the lien and, in the case of attachment, the full title of the court, the action, and the name of the attorney for the plaintiff or the name of the attaching creditor, or both.

(17) It is not necessary to refile with the department of justice instruments on file in the offices of the county clerk and recorders at the time this law takes effect.

(18) A fee of \$4 must be paid to the department of justice to file a security interest or other lien against an off-highway vehicle. The \$4 fee includes and covers the cost of filing a satisfaction or release of the security interest and also the cost of entering the satisfaction or release on the records of the department of justice and deleting the endorsement of the security interest from the face of the certificate of ownership. A fee of \$4 must be paid to the department of justice for issuing a certified copy of a certificate of ownership subject to a security interest or other lien on file in the office of the department of justice or for filing an assignment of a security interest or other lien on file with the department of justice. All fees provided for in this section must be paid to the county treasurer for deposit in the state general fund in accordance with 15-1-504."

**Renumber:** subsequent sections

80. Page 152, line 18.

**Insert: "Section 140.** Section 23-2-812, MCA, is amended to read:

**"23-2-812. Transfer of interest.** (1) To transfer a certificate of ownership for an off-highway vehicle registered under 23-2-817, the person whose title or interest is to be transferred shall endorse the certificate of ownership in the appropriate space on the reverse side of the certificate and must have the signature acknowledged before a notary public.

(2) (a) Within 20 calendar days after the date of notarization, the transferee shall apply to the county treasurer of the county in which the transferee resides for:

- (i) transfer of the endorsed certificate of ownership;
- (ii) registration of the off-highway vehicle; and
- (iii) issuance of a decal as required by 23-2-804.

(b) The county treasurer shall forward the application and the original certificate of ownership to the department of justice, which shall file the application upon receipt.

(c) A certificate of ownership may not be issued by the department until the outstanding certificates are surrendered to that office or their loss is established.

- (d) The county treasurer shall collect a fee of \$5 for each application for transfer of ownership, of which:
- ~~(i) \$3.50 must be forwarded to the department of justice for deposit in the general fund; and~~
  - ~~(ii) \$1.50 must be retained by the county treasurer for the cost of administering this section.~~

(3) To effect by operation of law a transfer of interest in an off-highway vehicle, the provisions of 61-3-201(3) are applicable.

(4) (a) A person who purchases a new or used off-highway vehicle from an off-highway vehicle dealer licensed under 23-2-818 shall, within 20 calendar days after the purchase date, apply to the county treasurer of the county in which the person resides for:

- (i) a certificate of ownership;
- (ii) registration of the off-highway vehicle; and
- (iii) a decal as required by 23-2-804.

(b) During this period, the sticker provided for in subsection (6) must remain affixed to the off-highway

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vehicle.

(5) It is not a violation of this part for a purchaser to operate a newly acquired off-highway vehicle without a certificate of ownership, a certificate of registration, and a decal during the first 20 days of ownership.

(6) Prior to the delivery of the off-highway vehicle to the purchaser, the dealer shall issue and affix to the off-highway vehicle a sticker, in a form to be prescribed by the department of justice, containing the name and address of the purchaser, the date of sale, the name and address of the dealer, and a description of the off-highway vehicle, including its identification number. The dealer shall keep a copy of the sticker for the dealer's records and shall send a copy of the sticker to the department of justice.

(7) The provisions of subsection (2) do not apply to the transfer of an off-highway vehicle to an off-highway vehicle dealer licensed under 23-2-818 who intends to resell the vehicle and who operates it only for demonstration purposes. Every dealer, upon a transfer of interest, shall deliver the certificate of ownership with an application for a new certificate executed by the new owner in accordance with the provisions of this part. The department of justice, upon receipt of the certificate of ownership and application for a new certificate, together with the conditional sales contract or other lien, if any, shall issue a new certificate of ownership showing the name of the lienholder and the amount due under the contract, mortgage, or lien as required by 23-2-811(2)(d) and (2)(e)."

**Renumber:** subsequent sections

81. Page 153, line 18.

**Insert:** "Section 141. Section 23-2-814, MCA, is amended to read:

**"23-2-814. Nonresident temporary-use permits -- use of fees.** (1) An off-highway vehicle that is owned by a nonresident and that is not registered in another state of the United States or in another country may not be operated by a person in Montana unless a nonresident temporary-use permit is obtained.

(2) The requirements pertaining to a nonresident temporary-use permit for an off-highway vehicle are as follows:

(a) Application for the issuance of the permit must be made at locations and upon forms prescribed by the department of fish, wildlife, and parks. The forms must include but are not limited to:

- (i) the applicant's name and permanent address;
- (ii) the make, model, year, and serial number of the off-highway vehicle; and
- (iii) an affidavit declaring the nonresidency of the applicant.

(b) Upon submission of the application and a fee of \$5, a nonresident off-highway vehicle temporary-use sticker must be issued. The sticker must be displayed in a conspicuous manner on the off-highway vehicle. The sticker is the temporary-use permit.

(3) The temporary-use permit is valid for the calendar year designated on the permit.

(4) The permit is not proof of ownership, and a certificate of ownership may not be issued.

(5) All money collected by payment of fees under this section must be transmitted to the state treasurer, who shall deposit the money in the ~~account created under 23-2-804(3)~~ state general fund. ~~The money collected by payment of fees under this section must be spent as follows:~~

~~(a) 40% to be used in administering this section; and~~

~~(b) 60% to be used to plan, develop, and implement a comprehensive program for appropriate off-highway vehicle recreation use.~~

(6) Failure to display the permit as required by this section or making false statements in obtaining the permit is a misdemeanor and is punishable by a fine of not less than \$25 or more than \$100. All fines collected under this section must be transmitted to the state treasurer, who shall deposit the money in the ~~account created under 23-2-804(3)~~ state general fund. ~~Fifty percent of this money and the interest earned on it must be used for off-highway vehicle safety and education. The remaining 50% of the money and the interest earned on it must be used for enforcement.~~"

**Renumber:** subsequent sections

82. Page 156, line 8.

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**Insert: "Section 142.** Section 23-2-818, MCA, is amended to read:

**"23-2-818. Dealer registration certificate ~~--use of fees.~~** (1) (a) Unless the dealer is licensed under the provisions of 61-4-101, a dealer may not sell off-highway vehicles unless the dealer has first obtained a dealer registration certificate from the department of justice under the provisions of this section.

(b) To qualify as a dealer the applicant, when registering or renewing a registration, shall:

(i) complete an application:

(A) stating the name under which the business is to be conducted and the location of the premises (street address, city, county, and state) where records are kept, sales are made, and stock is displayed;

(B) stating the name, address, date of birth, and social security number of all owners or persons having an interest in the business, provided that in the case of a corporation, the names and addresses of the president and secretary are sufficient;

(C) identifying other dealerships owned by the applicant, identifying all persons in Montana or in another state having an interest in another dealership owned by the applicant, and disclosing whether the applicant or any other person with interest in a dealership owned by the applicant has been convicted of a felony; and

(D) stating the name and make of all off-highway vehicles handled and the name and address of the manufacturer, importer, or distributor with whom the applicant has a written franchise or sales agreement;

(ii) provide an affidavit certifying that the applicant has acquired and shall maintain liability insurance for any off-highway vehicle offered for demonstration or loan to a customer;

(iii) execute a certificate to the effect that the applicant has a permanent building for the display and sale of off-highway vehicles at the location of the premises where sales are conducted;

(iv) execute a certificate to the effect that the applicant has a bona fide service department for the repair, service, and maintenance of off-highway vehicles; and

(v) execute a certificate to the effect that the applicant is a bona fide dealer in off-highway vehicles and that the dealer is recognized by a manufacturer, importer, or distributor as a dealer in off-highway vehicles.

(2) The dealer application for registration or renewal of registration must be accompanied by an application or renewal fee of \$5 and a registration fee of \$5. To qualify for the fees in this subsection, the applicant for renewal shall certify that the applicant has sold three or more off-highway vehicles during the preceding year. Upon receipt of the dealer application or renewal and payment of fees, the dealer must be issued two dealer off-highway identification cards to be carried by the dealer or the dealer's customer when demonstrating the dealer's off-highway vehicles. Additional dealer off-highway vehicle identification cards may be purchased by the dealer from the department of justice for a fee of \$2 each.

(3) (a) A dealer shall file a bond in the amount of \$5,000.

(b) The bond must be conditioned that the applicant shall conduct business in accordance with the requirements of the law. The bond must run to the state of Montana, must be approved by the department and filed in its office, and must be renewed annually.

(c) A person who suffers loss or damage because of the unlawful conduct of a dealer registered under this section shall obtain a judgment from a court of competent jurisdiction prior to collecting on the bond. Before payment on the bond is required, the judgment must determine a specific loss or damage amount and conclude that the dealer's unlawful operation caused the loss or damage.

(4) The dealer shall have a principal place of business where the dealer maintains all business records and where the dealer displays and sells merchandise.

(5) An applicant for renewal of an off-highway vehicle dealer registration who does not qualify under subsection (2) shall:

(a) pay an additional \$50 renewal registration fee; and

(b) provide a copy of a new off-highway vehicle franchise or sales agreement that the applicant has with a manufacturer, importer, or distributor.

(6) Dealer registration certificates and identification cards expire on December 31 following the date of issuance.



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(7) (a) The dealer application fees and all interest accruing from use of this money must be deposited in the general fund to be used by the department of justice for the administration of this part.

(b) All dealer registration fees and renewal fees collected must be deposited in the ~~account provided in 23-2-804(3). This money and the interest earned on it must be used for off-highway vehicle safety and education programs state general fund.~~""

**Renumber:** subsequent sections

83. Page 159, line 26.

**Insert: "Section 143.** Section 23-5-610, MCA, is amended to read:

**"23-5-610. (Temporary) Video gambling machine gross income tax -- records -- distribution -- quarterly statement and payment.** (1) A licensed machine owner shall pay to the department a video gambling machine tax of 15% of the gross income from each video gambling machine issued a permit under this part. A licensed machine owner may deduct from the gross income amounts equal to amounts stolen from machines if the amounts stolen are not repaid by insurance or under a court order, if a law enforcement agency investigated the theft, and if the theft is the result of either unauthorized entry and physical removal of the money from the machines or of machine tampering and the amounts stolen are documented.

(2) (a) A licensed machine owner is entitled to a tax credit for each video gambling machine for which a permit has been issued under this part if:

(i) the permit was active for the video gambling machine on December 31, 2000;

(ii) the department determines that the video gambling machine is incapable, in the form in which it was approved by the department, of communicating with the automated accounting and reporting system authorized by 23-5-637; and

(iii) the licensed machine owner participates in the automated accounting and reporting system and incurs actual hardware or software costs prior to December 31, 2003, for conversion of the video gambling machine to make it compatible with the automated system.

(b) The amount of the tax credit allowed under subsection (2)(a) is \$250 for each video gambling machine or the actual hardware and software cost necessary for conversion of the video gambling machine to the automated accounting and reporting system, whichever is less.

(3) If a tax credit is claimed under subsection (2)(a), the credit is deducted from the tax due for the quarter or quarters that begin after the video gambling machine for which the tax credit is claimed is connected to the automated accounting and reporting system authorized by 23-5-637.

(4) A licensed machine owner shall keep a record of the gross income from each video gambling machine issued a permit under this part in the form the department requires. The records must at all times during the business hours of the licensee be subject to inspection by the department.

(5) (a) For each video gambling machine issued a permit under this part but not connected to the department's automated accounting and reporting system, a licensed machine owner shall, within 15 days after the end of each quarter and in the manner prescribed by the department, complete and deliver to the department a statement showing the total gross income, together with the total amount due the state as video gambling machine gross income tax for the preceding quarter. The statement must contain other relevant information that the department requires.

(b) For each video gambling machine issued a permit under this part that is connected to the department's automated accounting and reporting system, the department shall, within 5 working days after the end of each quarter, complete and deliver to the licensed machine owner (with a copy sent to the licensed operator, if different from the licensed machine owner, on whose premises the machine is placed) a statement showing the total gross income from the video gambling machine, together with the total amount due the state as video gambling machine gross income tax for the preceding quarter. The licensed machine owner shall remit the total amount due the state under this subsection within 25 days after the end of each quarter.

(6) ~~(a)~~ Except as provided in subsection (7), the department shall, in accordance with the provisions of 15-1-501, forward ~~one-third~~ of the tax collected under subsection (5) to the general fund.

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~~(b) The department shall, in accordance with the provisions of 15-1-501, forward the remaining two-thirds of the tax collected under subsection (5) to the treasurer of the county or the clerk, finance officer, or treasurer of the city or town in which the licensed machine is located, for deposit to the county or municipal treasury. Counties are not entitled to proceeds from taxes on income from video gambling machines located in incorporated cities and towns. The two-thirds local government portion of tax collected under subsection (5) is statutorily appropriated, as provided in 17-7-502, to the department for deposit to the county or municipal treasury.~~

(7) Receipts from the state's share of taxes collected under this section are pledged and dedicated to guarantee repayment of loans participated in under 23-5-638 in an amount sufficient to meet the prepayment obligation for the fiscal year during which the loans are made. The amount of taxes pledged by this subsection is the dollar amount of loan participation under 23-5-638 and must be allocated to a separate account in the short-term investment pool. The board of investments is not entitled to use the proceeds from taxes collected under this section to repay a loan made under 23-5-638 unless the board certifies that all other commercially available means of collection on the loan have been exhausted. (Terminates December 31, 2005--sec. 10, Ch. 424, L. 1999.)

**23-5-610. (Effective January 1, 2006) Video gambling machine gross income tax -- records -- distribution -- quarterly statement and payment.** (1) A licensed machine owner shall pay to the department a video gambling machine tax of 15% of the gross income from each video gambling machine issued a permit under this part. A licensed machine owner may deduct from the gross income amounts equal to amounts stolen from machines if the amounts stolen are not repaid by insurance or under a court order, if a law enforcement agency investigated the theft, and if the theft is the result of either unauthorized entry and physical removal of the money from the machines or of machine tampering and the amounts stolen are documented.

(2) (a) A licensed machine owner is entitled to a tax credit for each video gambling machine for which a permit has been issued under this part if:

(i) the permit was active for the video gambling machine on December 31, 2000;

(ii) the department determines that the video gambling machine is incapable, in the form in which it was approved by the department, of communicating with the automated accounting and reporting system authorized by 23-5-637; and

(iii) the licensed machine owner participates in the automated accounting and reporting system and incurs actual hardware or software costs prior to December 31, 2003, for conversion of the video gambling machine to make it compatible with the automated system.

(b) The amount of the tax credit allowed under subsection (2)(a) is \$250 for each video gambling machine or the actual hardware and software cost necessary for conversion of the video gambling machine to the automated accounting and reporting system, whichever is less.

(3) If a tax credit is claimed under subsection (2)(a), the credit is deducted from the tax due for the quarter or quarters that begin after the video gambling machine for which the tax credit is claimed is connected to the automated accounting and reporting system authorized by 23-5-637.

(4) A licensed machine owner shall keep a record of the gross income from each video gambling machine issued a permit under this part in the form the department requires. The records must at all times during the business hours of the licensee be subject to inspection by the department.

(5) (a) For each video gambling machine issued a permit under this part but not connected to the department's automated accounting and reporting system, a licensed machine owner shall, within 15 days after the end of each quarter and in the manner prescribed by the department, complete and deliver to the department a statement showing the total gross income, together with the total amount due the state as video gambling machine gross income tax for the preceding quarter. The statement must contain other relevant information that the department requires.

(b) For each video gambling machine issued a permit under this part that is connected to the department's automated accounting and reporting system, the department shall, within 5 working days after the end of each quarter, complete and deliver to the licensed machine owner (with a copy sent to the licensed operator, if different from the licensed machine owner, on whose premises the machine is placed) a statement showing the total gross income from the video gambling machine, together with the total amount due the state as video gambling machine gross income

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tax for the preceding quarter. The licensed machine owner shall remit the total amount due the state under this subsection within 25 days after the end of each quarter.

(6) ~~(a)~~ The department shall, in accordance with the provisions of 15-1-501, forward ~~one-third~~ of the tax collected under subsection (5) to the general fund.

~~(b) The department shall, in accordance with the provisions of 15-1-501, forward the remaining two-thirds of the tax collected under subsection (5) to the treasurer of the county or the clerk, finance officer, or treasurer of the city or town in which the licensed machine is located, for deposit to the county or municipal treasury. Counties are not entitled to proceeds from taxes on income from video gambling machines located in incorporated cities and towns. The two-thirds local government portion of tax collected under subsection (5) is statutorily appropriated, as provided in 17-7-502, to the department for deposit to the county or municipal treasury."~~

**Renumber:** subsequent sections

84. Page 164, line 2.

**Insert: "Section 144.** Section 25-1-201, MCA, is amended to read:

**"25-1-201. Fees of clerk of district court.** (1) The clerk of the district court shall collect the following fees:

(a) at the commencement of each action or proceeding, except a petition for dissolution of marriage, from the plaintiff or petitioner, \$90; for filing a complaint in intervention, from the intervenor, \$80; for filing a petition for dissolution of marriage, \$160; for filing a petition for legal separation, \$150; and for filing a petition for a contested amendment of a final parenting plan, \$120;

(b) from each defendant or respondent, on appearance, \$60;

(c) on the entry of judgment, from the prevailing party, \$45;

(d) for preparing copies of papers on file in the clerk's office, 50 cents a page for the first five pages of each file, for each request, and 25 cents for each additional page;

(e) for each certificate, with seal, \$2;

(f) for oath and jurat, with seal, \$1;

(g) for a search of court records, 50 cents for each year searched, not to exceed a total of \$25;

(h) for filing and docketing a transcript of judgment or transcript of the docket from all other courts, the fee for entry of judgment provided for in subsection (1)(c);

(i) for issuing an execution or order of sale on a foreclosure of a lien, \$5;

(j) for transmission of records or files or transfer of a case to another court, \$5;

(k) for filing and entering papers received by transfer from other courts, \$10;

(l) for issuing a marriage license, \$30;

(m) on the filing of an application for informal, formal, or supervised probate or for the appointment of a personal representative or the filing of a petition for the appointment of a guardian or conservator, from the applicant or petitioner, \$70, which includes the fee for filing a will for probate;

(n) on the filing of the items required in 72-4-303 by a domiciliary foreign personal representative of the estate of a nonresident decedent, \$55;

(o) for filing a declaration of marriage without solemnization, \$30;

(p) for filing a motion for substitution of a judge, \$100;

(q) for filing a petition for adoption, \$75.

(2) ~~Except as provided in subsections (3) through (11), 32% of all~~ Except as provided in subsections (3), (5), and (6), all fees collected by the clerk of the district court must be deposited in ~~and credited to the district court the state general~~ fund. ~~If no district court fund exists, that portion of the fees must be deposited in the general fund for district court operations. The remaining portion of the fees must be remitted to the state general fund.~~

~~(3) In the case of a fee collected for issuing a marriage license or filing a declaration of marriage without solemnization, \$23.60 must be deposited in and credited to the state general fund and \$6.40 must be deposited in and credited to the county general fund.~~

~~(4) (a) Of the fee for filing a petition for dissolution of marriage, \$75 must be deposited in the state general~~

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fund, \$5 must be deposited in the children's trust fund account established in 41-3-702, \$9 must be deposited in the civil legal assistance for indigent victims of domestic violence account established in 3-2-714, \$30 must be deposited in the partner and family member assault intervention and treatment fund established in 40-15-110, and \$21 must be deposited in and credited to the district court fund. If no district court fund exists, the \$21 must be deposited in the general fund for district court operations:

~~(b) Of the fee for filing a petition for legal separation, \$75 must be deposited in the state general fund, \$5 must be deposited in the children's trust fund account established in 41-3-702, \$30 must be deposited in the partner and family member assault intervention and treatment fund established in 40-15-110, and \$20 must be deposited in and credited to the district court fund. If no district court fund exists, the \$20 must be deposited in the general fund for district court operations:~~

~~(5) (a) Before the percentages contained in subsection (2) are applied and the fees deposited in the district court fund or the county general fund or remitted to the state, the clerk of the district court shall deduct from the following fees the amounts indicated:~~

~~(i) at the commencement of each action or proceeding and for filing a complaint in intervention, as provided in subsection (1)(a), \$35;~~

~~(ii) from each defendant or respondent, on appearance, as provided in subsection (1)(b), \$25;~~

~~(iii) on the entry of judgment, as provided in subsection (1)(c), \$15; and~~

~~(iv) from the applicant or petitioner, on the filing of an application for probate or for the appointment of a personal representative or on the filing of a petition for appointment of a guardian or conservator, as provided in subsection (1)(m), \$15.~~

~~(b) The clerk of the district court shall deposit the money deducted in subsection (5)(a) in the county general fund for district court operations unless the county has a district court fund. If the county has a district court fund, the money must be deposited in that fund:~~

~~(6) The fee for filing a motion for substitution of a judge, as provided in subsection (1)(p), must be remitted to the state general fund:~~

~~(7) Fees collected under subsections (1)(d) through (1)(i) must be deposited in the district court fund. If no district court fund exists, fees must be deposited in the general fund for district court operations:~~

~~(8) The clerk of the district court shall remit to the credit of the state general fund \$20 of each fee collected under the provisions of subsections (1)(a) through (1)(c), (1)(m), and (1)(n) to fund a portion of judicial salaries:~~

~~(9) (a) The fee for filing a petition for a contested amendment of a parenting plan must be remitted by the clerk of the district court to the credit of the district court to defray the costs of the court-sanctioned educational program concerning the effects of dissolution of marriage on children, as required in 40-4-226, and to defray the expense of education when ordered for the investigation and preparation of a report concerning parenting arrangements, as provided in 40-4-215(2)(a):~~

~~(b) If the moving party files a statement signed by the nonmoving party agreeing not to contest an amendment of a final parenting plan at the time the petition for amendment is filed, the clerk of the district court may not collect from the moving party the fee for filing a petition for a contested amendment of a parenting plan under subsection (1)(a):~~

~~(10) The clerk of district court shall remit to the credit of the special revenue account established in 42-2-105 \$70 of the filing fee required in subsection (1)(q), and \$5 of the filing fee must be deposited in the district court fund. If no district court fund exists, fees must be deposited in the general fund for district court operations:~~

~~(11) Of the fee for filing an action or proceeding, except a petition for dissolution of marriage, \$9 must be deposited in the civil legal assistance for indigent victims of domestic violence account established in 3-2-714 and \$1 must be deposited in and credited to the district court fund for mitigation of administrative costs incurred by the court in the collection of the fee. If a district court fund does not exist, the \$1 must be deposited in the county general fund for district court operations:~~

(3) Of the fee for filing a petition for dissolution of marriage, \$9 must be deposited in the civil legal assistance for indigent victims of domestic violence account established in 3-2-714.

(4) If the moving party files a statement signed by the nonmoving party agreeing not to contest an amendment

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of a final parenting plan at the time the petition for amendment is filed, the clerk of district court may not collect from the moving party the fee for filing a petition for a contested amendment of a parenting plan under subsection (1)(a).

(5) Of the fee for filing an action or proceeding, except a petition for dissolution of marriage, \$9 must be deposited in the civil legal assistance for indigent victims of domestic violence account established in 3-2-714.

(6) The fees collected under subsections (1)(d), (1)(g), and (1)(j) must be deposited in the county district court fund. If a district court fund does not exist, the fees must be deposited in the county general fund for district court operations."

**Renumber:** subsequent sections

85. Page 167, line 2.

**Insert: "Section 146.** Section 40-4-215, MCA, is amended to read:

**"40-4-215. Investigations and reports.** (1) If a parent or a court-appointed third party requests; or if the court finds that a parenting proceeding is contested, the court may order an investigation and report concerning parenting arrangements for the child. The investigator may be the child's guardian ad litem or other professional considered appropriate by the court. The department of public health and human services may not be ordered to conduct the investigation or draft a report unless the person requesting the investigation is a recipient of cash assistance under the temporary assistance for needy families block grant, FAIM financial assistance, as defined in 53-2-902, food stamps, or public assistance and all reasonable options for payment of the investigation, if conducted by a person not employed by the department, are exhausted. The department may consult with any investigator and share information relevant to the child's best interests. The cost of the investigation and report must be paid according to the final order. ~~The cost of the educational evaluation under subsection (2)(a) must be paid from the fees for filing petitions for contested amendment of a parenting plan, as provided in 25-1-201(9).~~

(2) The court shall determine, if appropriate, the level of evaluation necessary for adequate investigation and preparation of the report, which may include one or more of the following:

- (a) parenting education;
- (b) mediation pursuant to 40-4-301;
- (c) factfinding by the investigator; and
- (d) psychological evaluation of the parties.

(3) In preparing a report concerning a child, the investigator may consult any person who has information about the child and the child's potential parenting arrangements. Upon order of the court, the investigator may refer the child to professional personnel for diagnosis. Except as required for children 16 years of age or older, the investigator may consult with and obtain information from medical, psychiatric, or other expert persons who have served the child in the past without obtaining the consent of the persons or entities authorized by law to grant or withhold access to the records. The child's consent must be obtained if the child has reached ~~the age of 16 years of age~~ unless the court finds that the child lacks mental capacity to consent. If the requirements of subsection (4) are fulfilled, the investigator's report may be received in evidence at the hearing.

(4) The court shall mail the investigator's report to counsel and to any party not represented by counsel at least 10 days prior to the hearing. When consistent with state and federal law, the investigator shall make available to counsel and to any party not represented by counsel the investigator's file of underlying data and reports, complete texts of diagnostic reports made to the investigator pursuant to the provisions of subsection (3), and the names and addresses of all persons whom the investigator has consulted. Any party to the proceeding may call the investigator and any person the investigator has consulted for cross-examination. A party may not waive the right of cross-examination prior to the hearing. The results of the investigation must be included in the court record and may, without objection, be sealed."

**Renumber:** subsequent sections

86. Page 167, line 15.

**Insert: "Section 147.** Section 40-4-226, MCA, is amended to read:

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**"40-4-226. Court-sanctioned educational program on effects of dissolution of marriage on children. (1)**

In a proceeding for dissolution of marriage involving a minor child or in a parenting plan proceeding involving a minor child, a court shall inform the parties, excluding the minor child, of available educational programs concerning the effects of dissolution of marriage on children and, if the court finds that it would be in the best interest of the minor child, shall order the parties to attend a court-sanctioned program. The program may be divided into sessions. The program must be educational in nature and may not be designed for individual therapy.

(2) The cost of ~~implementing~~ the court-sanctioned educational program for each district court, provided for in subsection (1), ~~must be paid from the fees for filing petitions for contested amendment of a parenting plan, provided for in 25-1-201(9).~~ Costs may include parenting evaluation and guardian ad litem services. ""

**Renumber:** subsequent sections

87. Page 168, line 11.

**Insert: "Section 148.** Section 41-3-1122, MCA, is amended to read:

**"41-3-1122. Payment for support of youth in need of care, youth in need of intervention, or delinquent youth -- reimbursement by county.** (1) Whenever a youth who is a youth in need of care, a youth in need of

intervention, or a delinquent youth is placed by the department of public health and human services or the department of corrections in a youth care facility, the department making the placement shall pay, within the limits of the appropriation for that purpose, a foster care payment to the youth care facility at a rate established by the department of public health and human services for the youth's board, clothing, personal needs, treatment, and room.

~~(2) On or before the 20th of each month, the department of public health and human services or the department of corrections shall present a claim to the county of residence of the youth for no more than one-half of the nonfederal share of the payments made during the month. The county shall make reimbursement to the department within 20 days after the claim is presented.~~

~~(3) Except as provided in subsection (4), when a county's level of expenditure for any year reaches the level of reimbursement for foster care in fiscal year 1987, the county has no further obligation for foster care expenditures.~~

~~(4) If a county's level of expenditure for foster care in fiscal year 1987 was \$10,000 or less, the county's level of expenditure for purposes of determining the county's reimbursement specified in subsection (3) is the level of expenditures for fiscal year 1987 or the average of expenditures for fiscal years 1984 through 1987, whichever is less.~~

~~(5) A county that was state-assumed prior to 1987 but that at a later date reassumes responsibility pursuant to 53-2-811 is responsible for reimbursement of foster care expenditures up to the county's calculated level of expenditures for fiscal year 1987 as if the county had not been state-assumed.~~

~~(6)(2) The department shall conduct or arrange for the review required under 41-3-1115; or, when applicable, under 41-3-1010 of a youth placed in a youth care facility if the youth is placed by the department. ""~~

**Renumber:** subsequent sections

88. Page 168, line 26.

**Insert: "Section 149.** Section 42-2-105, MCA, is amended to read:

**"42-2-105. Fees for services -- special revenue account -- statutory appropriation.** (1) The department shall establish fees that it may charge and that are reasonably related to the cost incurred by the department in completing or contracting for adoption services.

(2) The department may contract with licensed social workers or licensed child-placing agencies for the purposes of completing the preplacement or postplacement evaluation or for providing postplacement supervision.

(3) An agency contracting to perform the services may set and charge a reasonable fee commensurate with the services provided.

(4) There is an adoption services account in the state special revenue fund. The fees collected by the department under this title ~~and from the district court filing fee pursuant to 25-1-201(1)(g)~~ must be deposited into this account and may be used by the department for adoption services. The money in the account is statutorily appropriated, as provided in 17-7-502, to the department. ""

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**Renumber:** subsequent sections

89. Page 170, line 9.

**Insert:** "Section 152. Section 52-6-105, MCA, is amended to read:

~~"52-6-105. Funding. (1) Revenue from the marriage license fee and the fee collected for filing a declaration of marriage without solemnization is the primary source of funding for the battered spouses and domestic violence program. The disposition of the marriage license fee is as established in 25-1-201.~~

~~(2) Twenty percent of the operational costs of a battered spouses and domestic violence program must come from the local community served by the program. The local contribution may include in-kind contributions."~~

**Renumber:** subsequent sections

90. Page 170, line 19.

**Insert:** "Section 153. Section 53-2-207, MCA, is amended to read:

**"53-2-207. Power of department in administering state and federal funds.** In administering or supervising any state or federal funds appropriated or made available to the department for public assistance purposes, the department has the authority to:

~~(1) require the county to bear the proportion of the total of local public assistance as is fixed by law relating to the assistance;~~

~~(2)(1) make use of all legal processes to enforce the standards prescribed for public assistance purposes by the department; and~~

~~(3)(2) require that each part of the public assistance laws be in effect in all counties of the state."~~

**Renumber:** subsequent sections

91. Page 170, line 30.

**Insert:** "Section 154. Section 53-2-301, MCA, is amended to read:

**"53-2-301. County departments offices of public assistance to be established.** There ~~shall~~ must be established in each county of the state; ~~except in a county that has transferred its public assistance and protective services responsibilities to the state under the provisions of part 8 of this chapter, a county department of public welfare, which shall consist of a county board of public welfare and such staff personnel as may be necessary for the efficient performance of the one or more local offices of public assistance activities of the county.~~ If conditions warrant ~~and if two or more county boards enter into an agreement,~~ two or more counties may ~~combine~~ be combined into one administrative unit and ~~the department may use the same local office of public assistance and staff personnel throughout the administrative unit to administer public assistance in the combined counties."~~

**Renumber:** subsequent sections

92. Page 173, line 19.

**Insert:** "Section 155. Section 53-2-304, MCA, is amended to read:

**"53-2-304. (Temporary) Staff personnel of county department.** (1) Each county board shall select and appoint, from a list of qualified persons furnished by the department, staff ~~personnel~~ that ~~are~~ is necessary. The staff ~~personnel~~ in each county must consist of at least one qualified staff worker or investigator and clerks and stenographers that may be necessary. If conditions warrant, the county board, with the approval of the department, may appoint some fully qualified person listed by the department as supervisor of its staff ~~personnel~~. The staff ~~personnel~~ of each county department ~~are~~ is directly responsible to the county board, but the department ~~of public health and human services~~ may supervise the county employees in respect to the efficient and proper performance of their duties. The county board of public welfare may not dismiss any member of the staff ~~personnel~~ without the approval of the department. The department may request the county board to dismiss any member of the staff ~~personnel~~ for inefficiency, incompetence, or similar cause. The final authority for dismissal is the county board. In counties where the department has assumed the administration of welfare duties, the final authority for dismissal is the director of the department.

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~~(2) The department shall pay from state public assistance funds the salaries of public assistance staff personnel attached to a county board. The department shall also pay the travel expenses of those personnel, as provided in 2-18-501 through 2-18-503, when those personnel are away from the county seat in the performance of their duties. However, the county board shall reimburse the department from county poor funds for those salaries, travel expenses, and indirect costs and for the department's administrative costs allocated by the department to the county for the administration of county welfare programs, as follows:~~

~~(a) The county board shall reimburse the department 50% of all salaries, travel expenses, and allocated direct and indirect administrative costs attributable to cash assistance and emergency assistance programs created pursuant to Title 53, chapter 4. However, a county is not required to reimburse the department more for the salaries, travel expenses, indirect costs, and allocated administrative costs for 1 state fiscal year than the dollar amount that the county paid as its share of cash assistance and emergency assistance programs in 1996.~~

~~(b) The county board shall reimburse the department the full amount of salaries, travel expenses, and allocated direct and indirect administrative costs attributable to any public assistance program other than the cash assistance and emergency assistance programs created pursuant to Title 53, chapter 4, not reimbursed to the department by the federal government.~~

~~(3) All administrative costs of the county department of public welfare other than the costs described in subsections (2)(a) and (2)(b) must be paid from county poor funds.~~

~~(4) On or before the 20th day of the month following the month for which the payments to the public assistance staff personnel of the county were made, the department shall present to the county department of public welfare a claim for the required reimbursements. The county board shall make reimbursements within 20 days after the presentation of the claim, and the department of public health and human services shall credit all reimbursements to its account for administrative costs.~~

~~(5)(2) If a county has transferred its public assistance and protective services responsibilities to the state under part 8 of this chapter, the The department shall select, appoint, and supervise all necessary public assistance and protective services ~~personnel staff~~, including if necessary a supervisor of staff ~~personnel~~. All personnel are directly responsible to the department. (Terminates June 30, 2001--sec. 6, Ch. 341, L. 1999.)~~

**53-2-304. (Effective July 1, 2001) Staff personnel of county department.** (1) Each county board shall select and appoint, from a list of qualified persons furnished by the department, ~~of public health and human services~~ staff ~~personnel~~ that ~~are~~ is necessary. The staff ~~personnel~~ in each county must consist of at least one qualified staff worker or investigator and clerks and stenographers that may be necessary. If conditions warrant, the county board, with the approval of the department ~~of public health and human services~~, may appoint some fully qualified person listed by the department as supervisor of its staff ~~personnel~~. The staff ~~personnel~~ of each county department ~~are~~ is directly responsible to the county board, but the department ~~of public health and human services~~ may supervise the county employees in respect to the efficient and proper performance of their duties. The county board of public welfare may not dismiss any member of the staff ~~personnel~~ without the approval of the department ~~of public health and human services~~. The department may request the county board to dismiss any member of the staff ~~personnel~~ for inefficiency, incompetence, or similar cause. The final authority for dismissal is the county board. In counties where the department has assumed the administration of welfare duties, the final authority for dismissal is the director of the department.

~~(2) Public assistance staff personnel attached to the county board must be paid from state public assistance funds both their salaries and their travel expenses as provided for in 2-18-501 through 2-18-503 when away from the county seat in the performance of their duties, but the county board of public welfare shall reimburse the department of public health and human services from county poor funds the full amount of the salaries and travel expenses not reimbursed to the department by the federal government and the full amount of the department's administrative costs that are allocated by the department to the county for the administration of county welfare programs and not reimbursed to the department by the federal government. Under circumstances prescribed by the department of public health and human services, the reimbursement by the county board of public welfare may be less than the county share as prescribed in this subsection. All other administrative costs of the county department must be paid from county poor funds.~~



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~~(3) On or before the 20th day of the month following the month for which the payments to the public assistance staff personnel of the county were made, the department of public health and human services shall present to the county department of public welfare a claim for the required reimbursements. The county board shall make reimbursements within 20 days after the presentation of the claim, and the department of public health and human services shall credit all reimbursements to its account for administrative costs.~~

~~(4)(2) If a county has transferred its public assistance and protective services responsibilities to the state under part 8 of this chapter, the~~ The department shall select, appoint, and supervise all necessary public assistance and protective services ~~personnel staff~~, including if necessary a supervisor of staff ~~personnel~~. All personnel are directly responsible to the department. ""

**Renumber:** subsequent sections

93. Page 177, line 17.

**Insert: "Section 156.** Section 53-2-612, MCA, is amended to read:

**"53-2-612. Lien of department or county upon third-party recoveries.** (1) Upon notice by the department, a county, or the recipient to a third party or the third party's insurer as provided in subsection (5)(b), the department or county has a lien upon all money paid by a third party or the third party's insurer in satisfaction of a judgment or settlement arising from a recipient's claim for damages or compensation for personal injury, disease, illness, or disability to the extent that the department or county has paid medical assistance on behalf of the recipient for the same personal injury, disease, illness, or disability.

(2) The department or county may, in the name of the recipient on whose behalf medical assistance has been paid by the department or county, commence and prosecute to final conclusion any action that may be necessary to recover from a third party or the third party's insurer compensation or damages for medical assistance paid by the department or county on behalf of the recipient. This section does not affect the right of the recipient to initiate and prosecute to final conclusion an action for damages or compensation in the recipient's own name in accordance with the provisions of this section.

(3) (a) The lien:

(i) applies to all money paid by a third party or a third party's insurer regardless of whether the recovery is allocated by the parties or a court to any particular type or element of damages; and

(ii) is subordinate to the lien of an attorney under 37-61-420.

(b) Unless specifically provided by law, the recipient's right to recover damages or compensation from a third party or a third party's insurer may not be reduced or denied on the ground that the recipient's costs of medical treatment and medical-related services have been paid by the department or county under any public assistance program.

(c) From the amount collected by the department, county, or recipient from legal proceedings or as a result of settlement, reasonable attorney fees and costs must be first deducted and paid. Unless the department or county and the recipient agree to a different settlement, the amount previously paid as medical assistance by the department or county, less a pro rata share of attorney fees and costs, must be deducted next and paid to the department or county. The remainder, if any, must be paid to the recipient.

(d) In all cases of payment to the department or county out of an amount collected from a third party or insurer on a recipient's claim, the amount of the lien must be reduced by a pro rata share of attorney fees and costs as provided in subsection (3)(c), but the department or county may not be required to participate in payment of attorney fees and costs unless the recipient's claim results in recovery out of which the department or county receives full or partial payment of its lien.

(e) Except as provided in subsections (3)(e)(i) and (3)(e)(ii), the department may not impose a lien under this section upon a self-sufficiency trust established pursuant to Title 53, chapter 18, part 1, or upon the assets of a self-sufficiency trust established pursuant to Title 53, chapter 18, part 1.

(i) The department may impose a lien under this section upon a self-sufficiency trust or upon the assets of a self-sufficiency trust established pursuant to Title 53, chapter 18, part 1, if the department is required by federal law

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to recover or collect from the trust or its assets as a condition of receiving federal financial participation for the medicaid program.

(ii) To the extent otherwise permitted by this section, the department is not precluded from asserting a claim or imposing a lien upon real or personal property prior to transfer of the property to the trust. If the department imposes a lien upon property prior to transfer to a self-sufficiency trust, any transfer of the property to the trust is subject to the lien.

(4) (a) A recipient of medical assistance or the recipient's legal representative shall notify the department or county by certified letter within 30 days if the recipient or the recipient's legal representative asserts a claim against a third party or a third party's insurer for damages or compensation for a personal injury, disease, illness, or disability for which the department or county paid medical assistance in whole or in part or for which the recipient has applied for medical assistance. The notice must be mailed to the director of the department or the director of the county department that paid medical assistance. At the same time, a copy must be sent by certified mail to the third party or the third party's insurer.

(b) The notice must contain the following information:

(i) the name and address of the recipient and the recipient's legal representative, if any;

(ii) the name and address of the third party alleged to be liable to the recipient;

(iii) the name and address of any known insurer of the third party; and

(iv) the judicial district and docket number of any action filed.

(c) A recipient or the recipient's legal representative who has received actual notice that the department or county has paid medical assistance is liable to the department or county for the amount it is entitled to receive under this section if:

(i) the recipient or the recipient's legal representative fails to timely notify the department or county or fails to mail a copy of the notice to the third party or the third party's insurer; and

(ii) a third party or the third party's insurer that did not receive notice from the department or county as provided for in subsection (5)(b) pays the recipient or the recipient's legal representative without satisfying any lien of the department or county.

(5) (a) If a third party or the third party's insurer that has received notice of the department's or county's lien as provided for in subsection (5)(b) makes payment in whole or in part of the recipient's claim without first satisfying the lien of the department or county, the third party or the third party's insurer is liable to the department or county for the amount the department or county is entitled to receive under this section.

(b) For the purposes of subsection (5)(a), a third party or the third party's insurer has been given notice if:

(i) the department or county mails, by certified mail, to the third party or the third party's insurer:

(A) a statement of the medical assistance paid or that may be paid by the department or county on behalf of the recipient; and

(B) a claim for reimbursement;

(ii) the recipient or the recipient's legal representative mails, by certified mail, to the third party or the third party's insurer:

(A) a copy of the notice required by subsection (4)(a); or

(B) a statement stating that the recipient has applied for or has received medical assistance from the department or county in connection with the same claim; or

(iii) the recipient or the recipient's legal representative has commenced an action against the third party or the third party's insurer for damages or compensation for personal injury, disease, illness, or disability for which the department or county has paid or may pay medical assistance, in whole or in part, and the department or county files in the court in which the action is pending a notice of lien stating that a lien is claimed for medical assistance on any money paid in satisfaction of any judgment in or settlement of the action and that:

(A) medical assistance in a stated amount has been paid by the department or county on behalf of the recipient; or

(B) medical assistance may be paid on behalf of the recipient.

(6) As used in this section, the following definitions apply:

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(a) "County" means a county ~~department of welfare in a county~~ that has ~~not transferred its public assistance responsibilities to the state under the provisions of Title 53, chapter 2, part 8~~ provided medical assistance to a recipient through an indigent assistance program operated at the option of the county.

(b) "Legal representative" means an attorney having or exercising authority on behalf of a recipient with respect to a claim or action to recover damages or compensation from a third party or a third party's insurer.

(c) "Recipient" means a person on whose behalf the department or a county has paid or may pay medical assistance for the cost of medical treatment and medical-related services for personal injury, disease, illness, or disability. If the context allows, the term includes a recipient's legal representative.

(d) "Third party" means an individual, institution, corporation, or public or private agency that is or may be liable to pay all or part of the cost of medical treatment and medical-related services for personal injury, disease, illness, or disability of a recipient of medical assistance from the department or a county and includes but is not limited to insurers, health service organizations, and parties liable or who may be liable in tort.""

**Renumber:** subsequent sections

94. Page 178, line 9.

**Insert: "Section 157.** Section 53-3-115, MCA, is amended to read:

**"53-3-115. Legislative findings.** (1) The legislature finds that in order to use the limited resources of the state for the purposes of providing public assistance to persons whom it has determined are in need, certain programs must be eliminated and the provision of public assistance programs must be reorganized for more efficient delivery of services.

(2) The legislature finds that county governments are in the best position to efficiently and effectively deliver services for those in need who are not otherwise eligible for similar services provided by the department of public health and human services.

(3) (a) The legislature finds that the needs of persons who are aged, infirm, or misfortunate are adequately and appropriately provided for through the following programs:

- (i) medicaid;
- (ii) aid for dependent children;
- (iii) food stamps;
- (iv) commodities; and
- (v) low-income energy assistance.

(b) The legislature further finds that the counties may in their discretion provide other programs of public assistance that they determine are appropriate and that may be funded with money derived from ~~the a county poor fund~~ mill levy.

(4) The legislature finds that the effects of eliminating the state program of general relief are not known and that the administration and financing of public assistance programs by each county may not provide uniform assistance throughout the state.""

**Renumber:** subsequent sections

95. Page 179, line 7.

**Insert: "Section 158.** Section 53-3-116, MCA, is amended to read:

**"53-3-116. Indigent assistance -- optional county program.** (1) A county may provide a program of indigent assistance that it determines necessary. The program may include assistance for food, clothing, shelter, transportation, and medical assistance for individuals not eligible for state or federal programs providing similar assistance. A county may provide for the burial, entombment, or cremation of indigents. The indigent assistance program of the county includes:

- (a) job search, job training, work-for-assistance, and employment programs; and
  - (b) health care, preventive care, and wellness programs as determined by the county commissioners.
- (2) A county may establish the criteria for determining eligibility for assistance, including but not limited to

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residency requirements, limits on income and resources, and the amount, scope, and duration of assistance.

(3) A county may deny assistance for a reasonable period if a person has voluntarily left employment without good cause or is discharged due to misconduct.

(4) The program may be funded with money derived from ~~the a county poor fund mill levy established in 53-2-322.~~

(5) A person is indigent for purposes of this subsection if the value of all income and resources available to pay for that person's burial, entombment, or cremation at the time of death is less than the negotiated amount due the funeral home or mortician for an indigent burial. Available income and resources may be determined by the county.

(6) A county may seek reimbursement under 40-6-303, if applicable, for costs paid under this section.

(7) A county may not deduct amounts that may be recovered from an adult child of a deceased indigent or recovered from resources of a deceased indigent from a contract amount due a funeral home or mortician for burial services provided under 7-4-2915 or this section. A funeral home or a mortician that recovers an amount in excess of a contract amount paid under this subsection shall reimburse the county for the amount recovered up to the amount of the contract.""

**Renumber:** subsequent sections

96. Page 181, line 26.

**Insert:** "Section 161. Section 61-1-102, MCA, is amended to read:

"**61-1-102. Motor vehicle.** "Motor vehicle" means a vehicle propelled by its own power and designed or used to transport persons or property upon the highways of the state. For the purpose of chapter 3, the term also includes trailers; and semitrailers; ~~and house trailers~~. For the purpose of chapter 3, parts 1 and 2, the term also includes campers. The term does not include a bicycle as defined in 61-1-123.""

**Renumber:** subsequent sections

97. Page 182, line 13.

**Insert:** "Section 162. Section 61-3-203, MCA, is amended to read:

"**61-3-203. Fee for original certificate of ownership and transfer of registration -- disposition.** ~~(1) Except as provided in subsection (2), a~~ A charge of \$5 must be made for issuance of an original certificate of ownership of title and for a transfer of registration, which must be collected by the county treasurer. An additional fee of \$2 must be paid for light vehicles, trucks and buses weighing less than 1 ton, and logging trucks. The fees must be ~~distributed as follows:~~

(a) ~~The amount of \$3.50 of each fee must be remitted to the department by the county treasurer, as provided in 15-1-504, for each application for original certificate of ownership or transfer of registration.~~

(b) ~~Each March, the county commissioners of each county shall divide the fees retained by the county to:~~

(i) ~~the city road fund of each city and town within the county based on the number of motor vehicles registered inside the corporate limits of each city or town; and~~

(ii) ~~the county road fund based on the number of motor vehicles registered outside the corporate limits of cities and towns~~ deposited in the state general fund.

(2) ~~Upon transfer of any interest in a used motor vehicle by a dealer, broker, or wholesaler as provided in 61-4-111(1), a charge of \$5 must be paid to the department."~~

**Renumber:** subsequent sections

98. Page 184, line 26.

**Insert:** "Section 163. Section 61-3-321, MCA, is amended to read:

"**61-3-321. Registration fees of vehicles -- certain vehicles exempt from license or registration fees -- disposition of fees.** (1) Registration or license fees must be paid upon registration or reregistration of motor vehicles, trailers, ~~house trailers~~; and semitrailers, in accordance with this chapter, as follows:

(a) ~~motor vehicles weighing 2,850 pounds or under (other than motortrucks), \$5~~ light vehicles under 2,850

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pounds, \$13.75;

- ~~(b) motor vehicles weighing over 2,850 pounds (other than motortrucks), \$10;~~
- ~~(c) electrically driven passenger vehicles, \$10;~~
- ~~(d) all motorcycles and quadricycles, \$2;~~
- ~~(e) tractors or trucks, \$10;~~
- ~~(f) buses, which are classed as motortrucks, licensed accordingly;~~
- ~~(g)(b) trailers with a declared weight of less than 2,500 pounds and semitrailers, less than 2,500 pounds declared weight and housetrailers of all weights, \$2 \$8.25;~~
- ~~(h) trailers and semitrailers over 2,500 up to 6,000 pounds declared weight (except housetrailers), \$5;~~
- ~~(i) trailers and semitrailers over 6,000 pounds declared weight, \$10, except trailers and semitrailers registered in other jurisdictions through a proportional registration agreement;~~
- ~~(j) trailers used exclusively in the transportation of logs in the forest or in the transportation of oil and gas well machinery, road machinery, or bridge materials, new and secondhand, \$15 annually, regardless of size or capacity~~
- (c) motor vehicles registered pursuant to 61-3-411 that are:
  - (i) over 2,850 pounds, \$10; and
  - (ii) under 2,850 pounds, \$5;
- (d) off-highway vehicles registered pursuant to 23-2-817, \$9;
- (e) light vehicles over 2,850 pounds, trucks and buses less than 1 ton, and heavy trucks in excess of 1 ton,

\$18.75;

- (f) logging trucks less than 1 ton, \$23.75;
- (g) motor homes, \$22.25;
- (h) motorcycles and quadricycles, \$9.75;
- (i) trailers and semitrailers between 2,500 and 6,000 pounds, \$11.25;
- (j) trailers and semitrailers in excess of 6,000 pounds, \$16.25;
- (k) travel trailers, \$11.75; and
- (l) recreational vehicles, \$3.50.
- ~~(2) All rates are 25% higher for motor vehicles, trailers, and semitrailers that are not equipped with pneumatic tires.~~

~~(3) "Tractor", as specified in this section, means any motor vehicle, except a passenger car, that is used for towing a trailer or semitrailer.~~

~~(4)(2) If a motor vehicle, housetrailer, trailer, or semitrailer is originally registered 6 months after the time of registration as set by law, the registration or license fee for the remainder of the year is one-half of the regular fee except for trailers or semitrailers registered as provided in 61-3-721(6).~~

~~(5) An additional fee of \$5.25 a year for each registration of a vehicle, except trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement, must be collected as a registration fee. Revenue from this fee must be forwarded by the respective county treasurers to the state treasurer for deposit in the general fund. The department shall pay an amount equal to 25 cents from each motor vehicle registration fee from the general fund to the pension trust fund for payment of supplemental benefits provided for in 19-6-709.~~

(3) An additional fee of \$5 must be collected for the registration of each motorcycle as a safety fee and must be deposited in the state motorcycle safety account provided for in 20-25-1002.

~~(6)(4) A fee of \$2 for each set of new number plates must be collected when number plates provided for under 61-3-332(3) are issued. Revenue from this fee must be deposited as provided in subsection (5).~~

~~(7)(5) The provisions of this part with respect to the payment of registration fees do not apply to and are not binding upon motor vehicles, trailers, semitrailers, or tractors owned or controlled by the United States of America or any state, county, city, or special district, as defined in 18-8-202.~~

[(6) (a) Except as provided in subsection (6)(b) and 61-3-562, a fee of 25 cents a year for each registration of a vehicle must be collected when a vehicle is registered or reregistered. The revenue derived from this fee must be forwarded by the county treasurer for deposit in the general fund for transfer to the credit of the senior citizens and persons with disabilities transportation services account provided for in [section 1 of Senate Bill No. 448].

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(b) The following vehicles are not subject to the fee imposed in subsection (6)(a):

(i) trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement; and

(ii) travel trailers, recreational vehicles, and off-highway vehicles registered pursuant to 23-2-817.]

~~(8)(7)~~ The provisions of this section relating to the payment of registration fees or new number plate fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332, or 61-3-335.

~~(9)(8)~~ A person qualifying under 61-3-332(10)(d) or 61-3-504 is exempt from the fees required under subsections ~~(1) and (5)~~ of this section.

(9) Except as otherwise provided in this section, revenue collected under this section must be deposited in the state general fund. (See compiler's comments for contingent termination of certain text.)"

**Renumber:** subsequent sections

99. Page 185, line 12.

**Insert:** "**Section 164.** Section 61-3-325, MCA, is amended to read:

**"61-3-325. Vehicles subject to staggered registration -- fees and taxes -- disposition.** (1) Any motor vehicle in the fleet that is subject to staggered registration under 61-3-313 through 61-3-316 may be registered as part of the fleet on the following fleet renewal date. The department of transportation shall collect the remaining fees and taxes due for the registration year after crediting the registrant for the period that was previously paid.

(2) (a) The department of transportation shall compute fees and taxes due on each motor vehicle in the fleet as provided in part 5 of this chapter, based on its domicile.

(b) The department of transportation shall also collect a registration fee of \$7.50 for each motor vehicle in the fleet in lieu of the registration fee provided for in 61-3-321. The department shall retain \$4.50 of each registration fee for administrative costs and forward the remaining \$3 to the state treasurer for deposit in the general fund ~~in lieu of the fee provided in 61-3-321(5).~~

(c) All fees and taxes must be paid no later than February 15 each year.

~~(d) The fees and taxes collected must be distributed by the department of transportation as provided in 61-3-321 and part 5 of this chapter, based on the domicile of each motor vehicle."~~

**Renumber:** subsequent sections

100. Page 191, line 19.

**Insert:** "**Section 165.** Section 61-3-332, MCA, is amended to read:

**"61-3-332. Number plates.** (1) A motor vehicle that is driven upon the streets or highways of Montana must display both front and rear number plates, bearing the distinctive number assigned to the vehicle. The number plates are in 10 series: one series for owners of motorcars, one for owners of motor vehicles of the motorcycle or quadricycle type, one for trailers, one for trucks, one for dealers in vehicles of the motorcycle or quadricycle type that bears the distinctive letters "MCD" or the letters "MC" and the word "DEALER", one for franchised dealers in new motorcars (including trucks and trailers) or new and used motorcars (including trucks and trailers) that bears the distinctive letter "D" or the word "DEALER", one for dealers in used motorcars only (including used trucks and trailers) that bears the distinctive letters "UD" or the letter "U" and the word "DEALER", one for dealers in trailers and/or semitrailers (new or used) that bears the distinctive letters "DTR" or the letters "TR" and the word "DEALER", one for dealers in recreational vehicles that bears the distinctive letters "RV" or the letter "R" and the word "DEALER", and one for special license plates. All markings for the various kinds of dealers' plates must be placed on the number plates assigned to the dealer, in the position that the department designates.

(2) (a) All number plates for motor vehicles must be issued for a maximum period of 4 years, bear a distinctive marking, and be furnished by the state. In years when number plates are not issued, the department shall provide nonremovable stickers bearing appropriate registration numbers that must be affixed to the license plates in use.

(b) For light vehicles that are permanently registered as provided in 61-3-527 or 61-3-562, the department

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shall provide distinctive nonremovable stickers indicating that the vehicle is permanently registered. The stickers must be affixed to the license plates in use.

(3) (a) Subject to the provisions of this section, the department shall create a new design for number plates as provided in this section, and it shall manufacture the newly designed number plates for issuance after December 31, 1999, to replace at renewal, as required in 61-3-312 and 61-3-314, number plates that were displayed on motor vehicles before that date.

(b) Beginning January 1, 2000, the department shall manufacture and issue new number plates every 4 years.

(4) In the case of motorcars and trucks, plates must be of metal 6 inches wide and 12 inches in length. The outline of the state of Montana must be used as a distinctive border on the license plates, and the word "Montana" and the year must be placed across the plates. Registration plates must be treated with a reflectorized background material according to specifications prescribed by the department.

(5) The distinctive registration numbers must begin with a number one or with a letter-number combination, such as "A 1" or "AA 1", or any other similar combination of letters and numbers. The distinctive registration number or letter-number combination assigned to the vehicle must appear on the plate preceded by the number of the county and appearing in horizontal order on the same horizontal baseline. The county number must be separated from the distinctive registration number by a separation mark unless a letter-number combination is used. The dimensions of the numerals and letters must be determined by the department, and all county and registration numbers must be of equal height.

(6) For the use of exempt motor vehicles and motor vehicles that are exempt from the registration fee as provided in 61-3-560(2)(a), in addition to the markings provided in this section, number plates must bear the following distinctive markings:

(a) For vehicles owned by the state, the department may designate the prefix number for the various state departments. All numbered plates issued to state departments must bear the words "State Owned", and a year number may not be indicated on the plates because these numbered plates are of a permanent nature and will be replaced by the department only when the physical condition of numbered plates requires it.

(b) For vehicles that are owned by the counties, municipalities, and special districts, as defined in 18-8-202, organized under the laws of Montana and not operating for profit, and that are used and operated by officials and employees in the line of duty and for vehicles on loan from the United States government or the state of Montana to, or owned by, the civil air patrol and used and operated by officials and employees in the line of duty, there must be placed on the number plates assigned, in a position that the department may designate, the letter "X" or the word "EXEMPT". Distinctive registration numbers for plates assigned to motor vehicles of each of the counties in the state and those of the municipalities and special districts that obtain plates within each county must begin with number one and be numbered consecutively. Because these number plates are of a permanent nature, they are subject to replacement by the department only when the physical condition of the number plates requires it and a year number may not be displayed on the number plates.

(7) On all number plates assigned to motor vehicles of the truck and trailer type, other than tax-exempt trucks and tax-exempt trailers, there must appear the letter "T" or the word "TRUCK" on plates assigned to trucks and the letters "TR" or the word "TRAILER" on plates assigned to trailers and housetrailers. The letters "MC" or the word "CYCLE" must appear on plates assigned to vehicles of the motorcycle or quadricycle type.

(8) Number plates issued to a passenger car, truck, trailer, or vehicle of the motorcycle or quadricycle type may be transferred only to a replacement passenger car, truck, trailer, or motorcycle- or quadricycle-type vehicle. A registration or license fee may not be assessed upon a transfer of a number plate under 61-3-317 and 61-3-335.

(9) For the purpose of this chapter, the several counties of the state are assigned numbers as follows: Silver Bow, 1; Cascade, 2; Yellowstone, 3; Missoula, 4; Lewis and Clark, 5; Gallatin, 6; Flathead, 7; Fergus, 8; Powder River, 9; Carbon, 10; Phillips, 11; Hill, 12; Ravalli, 13; Custer, 14; Lake, 15; Dawson, 16; Roosevelt, 17; Beaverhead, 18; Chouteau, 19; Valley, 20; Toole, 21; Big Horn, 22; Musselshell, 23; Blaine, 24; Madison, 25; Pondera, 26; Richland, 27; Powell, 28; Rosebud, 29; Deer Lodge, 30; Teton, 31; Stillwater, 32; Treasure, 33; Sheridan, 34; Sanders, 35; Judith Basin, 36; Daniels, 37; Glacier, 38; Fallon, 39; Sweet Grass, 40; McCone, 41; Carter, 42; Broadwater, 43; Wheatland, 44; Prairie, 45; Granite, 46; Meagher, 47; Liberty, 48; Park, 49; Garfield, 50; Jefferson, 51; Wibaux, 52; Golden

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Valley, 53; Mineral, 54; Petroleum, 55; Lincoln, 56. Any new counties must be assigned numbers by the department as they may be formed, beginning with the number 57.

(10) Each type of special license plate approved by the legislature, except collegiate license plates authorized in 61-3-463, must be a separate series of plates, numbered as provided in subsection (5), except that the county number must be replaced by a nonremovable design or decal designating the group or organization to which the applicant belongs. Unless otherwise specifically stated in this section, the special plates are subject to the same rules and laws as govern the issuance of regular license plates, must be placed or mounted on a vehicle owned by the person who is eligible to receive them, and must be removed upon sale or other disposition of the vehicle. The special license plates must be issued to national guard members, former prisoners of war, persons with disabilities, reservists, disabled veterans, survivors of the Pearl Harbor attack, veterans of the armed services, national guard veterans, legion of valor members, or veterans of the armed services who were awarded the purple heart medal, who comply with the following provisions:

(a) (i) An active member of the Montana national guard may be issued special license plates with a design or decal displaying the letters "NG". The adjutant general shall issue to each active member of the Montana national guard a certificate authorizing the department to issue national guard plates, numbered in sets of two with a different number on each set, and the member shall surrender the plates to the department upon becoming ineligible to use them.

(ii) The department may issue national guard veteran plates, bearing a design or decal displaying the Montana national guard insignia and the words "National Guard veteran" and numbered in sets of two with a different number on each set, to an applicant who presents to the department a copy of certification of national guard retirement eligibility issued by the appropriate authorities for the applicant or the applicant's deceased spouse and who pays, in addition to all taxes and fees required by parts 3 and 5 of this chapter, a national guard veteran license plate fee of \$10. The additional fee must be distributed in accordance with the provisions of subsection ~~(10)(f)(iii) and (10)(f)(iv)~~ (12).

(b) An active member of the reserve armed forces of the United States of America who is a resident of this state may be issued special license plates with a design or decal displaying the following: United States army reserve, AR (symbol); United States naval reserve, NR (anchor); United States air force reserve, AFR (symbol); and United States marine corps reserve, MCR (globe and anchor). The commanding officer of each armed forces reserve unit shall issue to each eligible member of the reserve unit a certificate authorizing the issuance of special license plates, numbered in sets of two with a different number on each set. The member shall surrender the plates to the department upon becoming ineligible to use them.

(c) (i) A resident of Montana who is a veteran of the armed forces of the United States and who is 100% disabled because of an injury that has been determined by the department of veterans affairs to be service-connected may, upon presentation to the department of proof of the 100% disability, be issued:

(A) a special license plate under this section with a design or decal displaying the letters "DV"; or

(B) one set of any other military-related plates that the disabled veteran is eligible to receive under this section.

(ii) The fee for original or renewal registration by a 100% disabled veteran for a passenger vehicle or a truck with a GVW-rated capacity of 1 ton or less is \$5 and is in lieu of all other fees and taxes for that vehicle under this chapter.

(iii) Special license plates issued to a disabled veteran are not transferable to another person.

(iv) A disabled veteran is not entitled to a special disabled veteran's license plate for more than one vehicle.

(v) A vehicle lawfully displaying a disabled veteran's plate and that is conveying a 100% disabled veteran is entitled to the parking privileges allowed a person with a disability's vehicle under this title.

(d) A Montana resident who is a veteran of the armed forces of the United States and was captured and held prisoner by a military force of a foreign nation, documented by the veteran's service record, may upon application and presentation of proof be issued special license plates, numbered in sets of two with a different number on each set, with a design or decal displaying the words "ex-prisoner of war" or an abbreviation that the department considers appropriate.

(i) Fees required under 61-3-321(1) ~~and (5)~~ may not be assessed upon one set of license plates issued to an ex-prisoner of war under this subsection (10)(d).



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(ii) A special license plate fee may not be assessed upon one set of special license plates issued to an ex-prisoner of war under this subsection (10)(d).

(iii) An ex-prisoner of war is exempt from the ~~light vehicle taxes~~ registration fees imposed under ~~61-3-504~~ 61-3-560 through 61-3-562 for one vehicle that displays a set of ex-prisoner of war license plates.

(iv) A surviving spouse of an ex-prisoner of war may retain the special license plates that have been issued to the ex-prisoner of war if the spouse complies with the provisions of 61-3-457.

(e) Except as provided in subsections (10)(c) and (10)(d), upon payment of all taxes and fees required by parts 3 and 5 of this chapter and upon furnishing proof satisfactory to the department that the applicant meets the requirements of this subsection (10)(e), the department shall issue to a Montana resident who is a veteran of the armed services of the United States special license plates, numbered in sets of two with a different number on each set, designed to indicate that the applicant is a survivor of the Pearl Harbor attack if the applicant was a member of the United States armed forces on December 7, 1941, was on station on December 7, 1941, during the hours of 7:55 a.m. to 9:45 a.m. (Hawaii time) at Pearl Harbor, the island of Oahu, or was offshore at a distance of not more than 3 miles, and received an honorable discharge from the United States armed forces. If special license plates issued under subsection (10)(d) and this subsection are lost, stolen, or mutilated, the recipient of the plates is entitled to replacement plates upon request and without charge.

(f) A motor vehicle owner and resident of this state who is a veteran or the surviving spouse of a veteran of the armed services of the United States may be issued license plates inscribed as provided in subsection (10)(f)(i) if the veteran was separated from the armed services under other than dishonorable circumstances or was awarded the purple heart medal:

(i) Upon submission of a department of defense form 214(DD-214) or its successor or documents showing an other-than-dishonorable discharge or a reenlistment, proper identification, and other relevant documents to show an applicant's qualification under this subsection, there must be issued to the applicant, in lieu of the regular license plates prescribed by law, special license plates numbered in sets of two with a different number on each set. The plates must display:

(A) the word "VETERAN" and a symbol signifying the United States army, United States navy, United States air force, United States marine corps, or United States coast guard, according to the record of service verified in the application; or

(B) a symbol representing the purple heart medal.

(ii) Plates must be furnished by the department to the county treasurer, who shall issue them to a qualified veteran or to the veteran's surviving spouse. The plates must be placed or mounted on the vehicle owned by the veteran or the veteran's surviving spouse designated in the application and must be removed upon sale or other disposition of the vehicle.

(iii) Except as provided in subsections (10)(c) and (10)(d), a veteran or surviving spouse who receives special license plates under this subsection (10)(f) is liable for payment of all taxes and fees required under parts 3 and 4 of this chapter and a special veteran's or purple heart medal license plate fee of \$10. ~~Upon an original application for a license under this subsection (10)(f), the county treasurer shall:~~

~~(A) deposit \$3 of the special fee in the county general fund;~~

~~(B) remit \$1 for deposit in the state general fund; and~~

~~(C) deposit the remainder of the special fee in the state special revenue account established in 10-2-603 for administration, construction, operation, and maintenance of the state veterans' cemeteries.~~

~~(iv) Upon subsequent annual renewal of registration, the county treasurer shall deposit all of the special fee as provided in subsection (10)(f)(iii)(C).~~

(g) A Montana resident who is eligible to receive a special parking permit under 49-4-301 may, upon written application on a form prescribed by the department, be issued a special license plate with a design or decal bearing a representation of a wheelchair as the symbol of a person with a disability.

(h) The department may issue legion of valor license plates, bearing a design or decal depicting the recognized legion of valor medallion and numbered in sets of two with a different number on each set, to an applicant who presents to the department proper documentation of receipt of a legion of valor award by appropriate authorities

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to the applicant or the applicant's deceased spouse and who pays all taxes and fees required by parts 3 and 5 of this chapter.

(11) The provisions of this section do not apply to a motor vehicle, trailer, or semitrailer that is registered as part of a fleet, as defined in 61-3-712, and that is subject to the provisions of 61-3-711 through 61-3-733.

(12) Fees collected under this section must be deposited in the state general fund."

**Renumber:** subsequent sections

101. Page 191, line 28.

**Insert: "Section 166.** Section 61-3-406, MCA, is amended to read:

**"61-3-406. Fees for personalized plates -- disposition.** (1) In addition to all other fees and taxes imposed by law, the applicant for a personalized license plate shall pay a fee of \$25 for the original personalized license plate and a fee of \$10 for each transfer or renewal ~~thereof of the personalized license plate.~~

(2) The revenue derived from the fee ~~as provided herein~~ must be deposited ~~as follows:~~

~~(a) \$5 of the application fee and \$5 of the transfer or renewal fee in the county general fund; and~~

~~(b) \$20 of the application fee and \$5 of the transfer or renewal fee in the state general fund."~~

**Renumber:** subsequent sections

102. Page 192, line 28.

**Insert: "Section 167.** Section 61-3-411, MCA, is amended to read:

**"61-3-411. Registration of a motor vehicle owned and operated solely as a collector's item.** (1) An owner of a motor vehicle that is more than 30 years old; and that is used solely as a collector's item and not for general transportation purposes; may file with the department an application for the registration of the motor vehicle. The application must be sworn to before an officer authorized to administer oaths. The application must state:

(a) the name and address of the owner;

(b) the name and address of the person from whom purchased;

(c) the make, the gross weight, the year and number of the model, and the manufacturer's identification number and serial number of the motor vehicle; and

(d) that the vehicle is owned and operated solely as a collector's item and not for general transportation purposes.

~~(2) The registration fee for a motor vehicle registered under subsection (1) is:~~

~~(a) for a vehicle weighing 2,850 pounds or less, \$5; and~~

~~(b) for a vehicle weighing more than 2,850 pounds, \$10.~~

~~(3)(2) Upon receipt of the application for registration and payment of the registration fee, the department shall file the application and register the motor vehicle ~~therein described~~ in the manner specified in 61-3-101 and, unless the applicant chooses to exercise the option allowed in 61-3-412, shall deliver to the applicant:~~

~~(a) for a motor vehicle manufactured in 1933 or earlier, two license plates bearing the inscription "Pioneer--Montana" and the registration number; or~~

~~(b) for a motor vehicle manufactured in 1934 or later and more than 30 years old, two license plates bearing the inscription "Vintage--Montana" and the registration number.~~

~~(4)(3) The year of issuance may not be shown on the plates.~~

~~(5)(4) Annual renewal of the registration of a motor vehicle registered under this section is not required, and the registration is valid as long as the vehicle is in existence and owned by the initial registrant; ~~provided, however, that upon~~ Upon sale of the motor vehicle, the purchaser shall renew the registration and pay ~~the a~~ a license ~~fees~~ renewal fee provided in subsection (2) of \$10 for a vehicle weighing more than 2,850 pounds and \$5 for a vehicle weighing 2,850 pounds or less."~~

**Renumber:** subsequent sections

103. Page 193, line 28.

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**Insert: "Section 168.** Section 61-3-412, MCA, is amended to read:

**"61-3-412. Display of original Montana license plates on collector's item vehicle -- definition -- validation.** (1) As used in this section, "original Montana license plate" means a license plate issued according to the provisions of 61-3-331; section 53-116, R.C.M. 1947; section 1759.1, R.C.M. 1935; or section 1759, R.C.M. 1921; whichever section was effective during the year of the manufacture of the motor vehicle on which the license plate is authorized to be displayed.

(2) Notwithstanding the provisions of 61-3-332, the department shall authorize the owner of a motor vehicle registered as provided in 61-3-411 to display original Montana license plates, with validation as required in subsection (3), after:

(a) payment of the fee required in subsection (5);

(b) inspection by a highway patrol officer of the original Montana license plate to be displayed on the motor vehicle and, upon payment of a \$5 fee, receipt of the highway patrolman's patrol officer's certification that ~~he~~ the officer has determined that the license plate is legible and meets the requirements of subsection (1); and

(c) receipt of an application by the owner of the motor vehicle as provided for in 61-3-411.

(3) If the owner of a vehicle registered under the provisions of 61-3-314 meets the requirements of subsection (2), the department shall:

(a) file the application and register information on the motor vehicle in the manner prescribed in 61-3-101; and

(b) issue a validating decal inscribed with:

(i) a unique number; and

(ii) the letter:

(A) "P" to designate vehicles described in ~~61-3-411(3)(a)~~ 61-3-411(2)(a); or

(B) "V" to designate vehicles described in ~~61-3-411(3)(b)~~ 61-3-411(2)(b).

(4) The owner of the motor vehicle shall permanently affix the validating decal to the windshield of the collector's item motor vehicle or, if ~~no~~ a windshield ~~exists~~ does not exist, to another prominent and visible position on the vehicle.

(5) The owner of the motor vehicle shall pay to the department with the application required under this section a one-time special collector's item motor vehicle license fee of \$20. ""

**Renumber:** subsequent sections

104. Page 194, line 30.

**Insert: "Section 169.** Section 61-3-426, MCA, is amended to read:

**"61-3-426. Combined license plates.** (1) An application for license plates for amateur radio operators may be combined with an application for the special license plates issued to veterans of the armed services who comply with the provisions in 61-3-332(10)(d), (10)(e), and (10)(f) or with an application for special license plates issued to a person with a disability who complies with the provisions in 61-3-332(10)(g). The applicant for the combined license plates is liable for the payment of all taxes and fees applicable to regular motor vehicle license plates and shall pay an additional fee of \$5 for the original issuance as provided in 61-3-422.

(2) An application for license plates for amateur radio operators may be combined with an application for license plates for disabled veterans as provided in 61-3-332(10)(c). The fees for the registration of the combined license plates are the fees provided for in 61-3-332(10)(c) and in 61-3-422. The fees are in lieu of all other fees and taxes for that vehicle under this chapter.

(3) An application for license plates for amateur radio operators may be combined with an application for license plates for ex-prisoners of war as provided in 61-3-332(10)(d). The fees required under 61-3-321(1) ~~and (5)~~ may not be assessed upon one set of combination license plates issued to an ex-prisoner of war. An ex-prisoner of war receiving combination license plates under this section is liable for the fees required under 61-3-422.

(4) The combined license plates must be stamped with the official amateur radio call letters of the owner as assigned to the owner by the federal communications commission. The plates must also be stamped with the design

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or decal provided for in 61-3-332(10)(c), (10)(d), (10)(e), (10)(f), or (10)(g)."

**Renumber:** subsequent sections

105. Page 195, line 22.

**Insert: "Section 170.** Section 61-3-431, MCA, is amended to read:

**"61-3-431. Special mobile equipment -- exemption from registration and payment of fees and charges -- identification plate -- publicly owned special mobile equipment.** (1) A person, firm, partnership, or corporation who owns, leases, or rents special mobile equipment as defined in 61-1-104 and occasionally moves that equipment on, over, or across the highways of the state is not subject to registration of that equipment or required to pay the fees and charges provided for in 61-4-301 through 61-4-308 or part 2 of chapter 10. Prior to movement on the highways, however, each piece of equipment must display an equipment identification plate or a dealer's license plate attached to the equipment.

(2) Annual application for the identification plate must be made to the county treasurer before any piece of equipment is moved on the highways. Application must be made on a form furnished by the department of justice, together with the payment of a fee of \$5. The equipment for which a special mobile equipment plate is sought is subject to the assessment of personal property taxes on the date application is made for the plate. The personal property taxes assessed against the special mobile equipment must be paid before ~~the issuance of~~ a special mobile equipment plate may be issued. The fees collected under this section ~~belong to the county road~~ must be deposited in the state general fund.

(3) The identification plate expires on December 31 of each year. If the expired identification plate is displayed, an owner of special mobile equipment registered under the provisions of this section is entitled to operate the equipment between January 1 and February 15 following expiration without displaying the identification plate or receipt of the current year.

(4) Publicly owned special mobile equipment and implements of husbandry used exclusively by an owner in the conduct of the owner's farming operations are exempt from this section."

**Renumber:** subsequent sections

106. Page 196, line 7.

**Insert: "Section 171.** Section 61-3-457, MCA, is amended to read:

**"61-3-457. Ex-prisoner of war license plates transferable to spouse -- conditions.** Upon the death of an ex-prisoner of war and providing that the surviving spouse does not remarry, the spouse of an ex-prisoner of war may retain and renew the one set of special license plates issued under 61-3-332(10)(d) and is not liable for light vehicle taxes under 61-3-504, for the fees required under 61-3-321(1) ~~and (5)~~, or for the special license plate fees required under 61-3-332."

**Renumber:** subsequent sections

107. Page 196, line 26.

**Insert: "Section 172.** Section 61-3-465, MCA, is amended to read:

**"61-3-465. Issuance -- application -- additional fee -- disposition.** (1) The department shall issue or renew collegiate license plates upon receipt of an application that shows:

(a) compliance with 61-3-303, 61-3-311, and 61-3-312; and

(b) payment to the county treasurer of:

(i) an initial application and manufacturing fee of \$2.50, when required; and

(ii) an annual scholarship donation of \$20 for the benefit of the institution named in the application.

(2) Once each month the county treasurer shall transfer to the state treasurer the total of the amounts collected for:

(a) the initial application and manufacturing fee for deposit in the ~~Montana state prison industries account in the proprietary fund for appropriation by the legislature to pay the cost of manufacturing collegiate license plates~~

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state general fund; and

(b) scholarship donations provided for in subsection (1)(b)(ii), along with a schedule showing the number of collegiate license plates issued and the total donations received for the benefit of each institution.

(3) Once each month the state treasurer shall distribute to the student academic scholarship fund or foundation of each institution an amount equal to the total donations credited to that institution and transferred to the state treasurer by the county treasurers during the preceding month."''

**Renumber:** subsequent sections

108. Page 197, line 27.

**Insert: "Section 173.** Section 61-3-509, MCA, is amended to read:

**"61-3-509. Disposition of taxes fees.** (†) All registration fees imposed by 61-3-561 from light vehicles, all registration fees imposed by 61-3-522 from motor homes, all fees in lieu of tax imposed by 61-3-527 from motorcycles and quadricycles, and all fees imposed by 61-3-529 from buses, motor vehicles having a manufacturer's rated capacity of more than 1 ton, and truck tractors, for which a license is sought and an original application for title that includes a manufacturer's statement of origin is made, must be remitted to the state treasurer every 30 days. The state treasurer shall credit the payments to the highway restricted state special revenue account state general fund.

(2) ~~Except as provided in subsections (1) and (3), the county treasurer shall, after deducting the district court fee, credit all taxes on motor vehicles, registration fees on light vehicles, and fees in lieu of tax on motorcycles, quadricycles, motor homes, travel trailers, campers, trailers, pole trailers, semitrailers, buses, trucks having a manufacturer's rated capacity of more than 1 ton, and truck tractors collected under 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 61-3-560 through 61-3-562 to a motor vehicle suspense fund. At some time between March 1 and March 10 of each year and every 60 days after that date, the county treasurer shall distribute the money in the motor vehicle suspense fund. Except for registration fees collected under 61-3-560 through 61-3-562, the county treasurer shall distribute the money in the fund in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed. For money in the fund collected under 61-3-527 and 61-3-560 through 61-3-562, the county treasurer shall disregard the statewide mills levied for the university system, county elementary and high school equalization under 20-9-331 and 20-9-333, the mills levied for state equalization aid under 20-9-360, and the mills levied for state assumption of public assistance under 53-2-813 in determining distribution proportions of the money and may not distribute money collected under 61-3-527 and 61-3-560 through 61-3-562 to the state for those levies.~~

(3) ~~The county treasurer shall deduct as a district court fee 10% of the amount of the registration fee collected on light vehicles under 61-3-560 through 61-3-562. The county treasurer shall credit the fee for district courts to a separate suspense account and shall forward the amount in the account to the state treasurer at the time that the county treasurer distributes money from the motor vehicle suspense fund. The state treasurer shall credit amounts received under this subsection to the state special revenue fund to be used for purposes of state funding of district court expenses as provided in 3-5-901."''~~

**Renumber:** subsequent sections

109. Page 198, line 19.

**Insert: "Section 174.** Section 61-3-524, MCA, is amended to read:

**"61-3-524. Decal required on camper -- application for decal -- application fee -- issuance.** (1) A camper; that is subject to the fee in lieu of tax imposed under 61-3-521; may not be operated by a person on the public highways or streets in this state unless there is displayed in a conspicuous place on the camper a decal as visual proof that the fee has been paid on the camper for the current year.

(2) Application for the issuance of the decal must be made to the county treasurer in the county of the owner's residence, accompanied by an application fee of ~~\$†~~ \$4.50, on a form furnished by the department, which may be obtained at the county treasurer's office. The form must provide for substantially the following information:

(a) name of owner;

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- (b) address;
- (c) name of manufacturer;
- (d) model number;
- (e) make;
- (f) year of manufacture; and
- (g) other information that the department may require.

(3) (a) The county treasurer shall sign the application and transmit the application and the fee to the department. The fee must be deposited in the state general fund.

(b) Upon receipt of the application in approved form and payment of the fee in lieu of tax by the applicant, the county treasurer shall issue to the applicant a numbered decal in the style and design prescribed by the department and of a different color than the preceding year.'''

**Renumber:** subsequent sections

110. Page 200, line 2.

**Insert: "Section 175.** Section 61-3-527, MCA, is amended to read:

**"61-3-527. Fee in lieu of tax for motorcycles and quadricycles -- schedule of fees -- permanent registration.** (1) (a) There is a fee in lieu of property tax imposed on motorcycles and quadricycles. The fee is in addition to annual registration fees.

(b) The fee imposed by subsection (1)(a) is not required to be paid by a dealer for motorcycles or quadricycles that constitute inventory of the dealership.

(2) The owner of a motorcycle or quadricycle shall pay a fee based on the age of the motorcycle or quadricycle and the size of the engine, as follows:

(a) The fee schedule for a motorcycle or quadricycle with an engine that measures from 1 cubic centimeter to 600 cubic centimeters is as follows:

- (i) less than 5 years old, \$30;
- (ii) 5 years old and less than 11 years old, \$15; and
- (iii) 11 years old and older, \$6.

(b) The fee schedule for a motorcycle or quadricycle with an engine that measures from 601 cubic centimeters to 1,000 cubic centimeters is as follows:

- (i) less than 5 years old, \$55;
- (ii) 5 years old and less than 11 years old, \$20; and
- (iii) 11 years old and older, \$6.

(c) The fee schedule for a motorcycle or quadricycle with an engine that measures 1,001 cubic centimeters and larger is as follows:

- (i) less than 5 years old, \$90;
- (ii) 5 years old and less than 11 years old, \$50; and
- (iii) 11 years old and older, \$6.

(3) (a) Except as provided in subsection (3)(b), the age of a motorcycle or quadricycle is determined by subtracting the manufacturer's designated model year from the current calendar year.

(b) If the purchase year of a motorcycle or quadricycle precedes the designated model year of the motorcycle or quadricycle and the motorcycle or quadricycle is originally titled in Montana, then the purchase year is considered the model year for the purposes of calculating the fee in lieu of tax.

(4) (a) The owner of a motorcycle or quadricycle that is 11 years old or older and that is subject to the fee in lieu of tax under this section may permanently register the motorcycle or quadricycle upon payment of a \$30 fee in lieu of tax, the applicable registration and license fees under 61-3-321, and an amount equal to five times the applicable fees imposed or amounts calculated for each of the following:

(i) the motorcycle safety ~~training~~ fee under ~~20-25-1007~~ 61-3-321 to be deposited in the account provided for in 20-25-1002;

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- (ii) weed control fees under ~~61-3-510~~ [section 3(3)(b)];
- (iii) \$1 for the former county motor vehicle computer fees under ~~61-3-511~~ fee; and
- (iv) if applicable, renewal fees for personalized plates under 61-3-406.

(b) A person who permanently registers a motorcycle or quadricycle as provided in this subsection (4) shall pay an additional \$2 fee at the time of registration for deposit in the state general fund. The department shall pay from the general fund an amount equal to the \$2 fee collected under this subsection (4)(b) from each vehicle registration to the pension trust fund for payment of supplemental benefits provided for in 19-6-709."

**Renumber:** subsequent sections

111. Page 200, line 24.

**Insert:** "Section 176. Section 61-3-707, MCA, is amended to read:

**"61-3-707. Foreign vehicles used for transportation in connection with employment.** (1) (a) Before a motor vehicle that has been assessed a fee pursuant to 15-24-301(4) may be operated in Montana for a calendar quarter, the person responsible for payment of fees shall apply for and obtain a window decal provided by the department.

(b) Decals must be color-coded to distinguish the four quarterly registration periods of the year.

(c) An applicant may purchase a decal for more than one registration quarter at a time by paying the appropriate amount.

(d) There is a \$2 fee for each decal, and money collected from this fee must be deposited to the ~~county~~ state general fund. The \$2 fee is in addition to the registration fee.

(e) A current window decal must be displayed on the lower right-hand corner of the windshield.

(2) (a) Before a motor vehicle exempted pursuant to 15-6-217 may be operated in Montana, the person responsible for the motor vehicle shall apply for and obtain a window decal from the county treasurer. The department shall supply the decals to the county treasurers.

(b) An application approved by the department must include a verification from the employer that the person is employed by a health care facility in a rural, medically underserved area that experiences difficulty in recruiting and retention of health care professionals.

(c) Decals expire each year on December 31 of the year in which issued, and application for reregistration must be filed with the county treasurer no later than February 15 of each year. Decals must be color-coded to distinguish the year.

(d) A current window decal must be displayed on the lower right-hand corner of the windshield."

**Renumber:** subsequent sections

112. Page 201, line 4.

**Insert:** "Section 177. Section 61-3-738, MCA, is amended to read:

**"61-3-738. Deposit and distribution of fees on proportionally registered fleets.** The fees in lieu of tax and license fees collected under this part must be deposited with the state treasurer ~~for distribution to the general fund of each county on the following basis:~~

~~(1) for fleet vehicle fees in lieu of tax, according to the ratio of the taxable valuation of each county to the total state taxable valuation; and~~

~~(2) for fleet vehicle license fees, according to the ratio of vehicle license fees, other than fees derived from interstate motor vehicle fleets, collected in each county to the sum of all fleet vehicle fees collected in all the counties in the highway nonrestricted account."~~

**Renumber:** subsequent sections

113. Page 201, line 16.

**Insert:** "Section 178. Section 61-9-312, MCA, is amended to read:

**"61-9-312. Performance ability of brakes.** On a dry, hard, approximately level stretch of highway free from loose material, a motor vehicle or combination of vehicles, upon application of the service brake, must be capable of

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stopping at a speed of 20 miles an hour within the following distances:

- (1) 25 feet for passenger motor vehicles, except buses and pioneer vehicles;
- (2) 40 feet for buses, trucks, and tractor trucks;
- (3) 45 feet for motor vehicles registered or qualified to be registered as pioneer vehicles under ~~61-3-411(3)(a)~~ 61-3-411(2)(a) when equipped with two-wheel brakes or 25 feet when equipped with four-wheel brakes;
- (4) 40 feet for all combinations of vehicles; and
- (5) 30 feet for motorcycles, quadricycles, and motor-driven cycles."

**Renumber:** subsequent sections

114. Page 203, line 3.

**Insert: "Section 179.** Section 61-10-130, MCA, is amended to read:

**"61-10-130. Custom combiner's special permit -- fee -- collection -- distribution -- not transferable.** (1)

In lieu of the taxes required by 15-24-301 and in lieu of motor vehicle license fees, gross vehicle weight fees, and overwidth, overlength, and overheight permits provided for in Title 61, a nonresident engaged in the business of custom combining who brings equipment into the state may pay a special permit fee of \$40 per unit. A unit ~~shall include~~ includes:

- (a) one truck suitable for hauling grain;
- (b) one header trailer or one combine trailer; and
- (c) pickup trucks and all other equipment, except combines, used by a nonresident and brought into the state as part of ~~his~~ the nonresident's business of custom combining.

(2) In lieu of gross vehicle weight fees and overwidth, overlength, and overheight permits, Montana residents engaged in the business of custom combining may pay the annual farm gross vehicle weight fees and a special permit fee of \$20 per unit. A unit includes:

- (a) one truck suitable for hauling grain;
- (b) one header trailer or one combine trailer; and
- (c) pickup trucks used by the resident in ~~his~~ the resident's business of custom combining.

(3) When used to transport agricultural products, a truck authorized to be used under a custom combiner's special permit may be operated only within a 50-mile radius from the harvested field to the point of first unloading. The truck may not haul agricultural products from one commercial elevator to another commercial elevator. The truck may be operated on any highway, except a highway that is part of the federal-aid interstate system, without incurring excess weight penalties under 61-10-145 if the total gross weight of the truck does not exceed allowable weight limitations by more than 20% per axle and the maximum load per inch of tire width does not exceed 670 pounds. The truck may not be operated in excess of 40 miles per hour. ~~No~~ A trip permit is not required. If the truck exceeds the tolerance provided under this subsection, the fine or penalty imposed applies to all weight over the legal limit allowed by 61-10-107.

(4) A combine trailer authorized to be used under subsection (1)(b) or (2)(b) may be operated under the same limitations ~~and until July 1, 1991, may be operated within the same tolerances granted trucks under subsection (3),~~ except that the 50-mile limitation does not apply and the combine trailer may be used upon any highway of the state, including a highway that is part of the federal-aid interstate system. If the combine trailer exceeds the tolerance provided under subsection (3), the fine or penalty imposed applies to all weight over the legal limit allowed by 61-10-107.

(5) The fee required by this section must be collected by the department of transportation. Upon payment of the fee, the department of transportation ~~must~~ shall provide an identifying device to be displayed on each truck, header trailer, or combine trailer and other equipment used by the nonresident or resident in ~~his~~ the person's business of custom combining in the state; ~~which~~ The device is valid for the calendar year in which the fee is collected.

(6) All fees collected under this section must be distributed not later than January 31 immediately following the period of ~~license~~ licensure as follows:

- (a) 62 1/2% to the county state general fund ~~in the county in which the permittee declares the greatest amount~~



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~~of time will be spent to operate, and~~

(b) 37 1/2% to the state special revenue fund for the department of transportation.

(7) The identifying devices and fee paid for each unit are not transferable from one vehicle to another or transferable on the sale or change of ownership.

(8) The department of transportation may adopt rules, as provided in Title 2, chapter 4, to implement the provisions of this section."

**Renumber:** subsequent sections

115. Page 203, line 14.

**Insert:** "Section 180. Section 61-10-148, MCA, is amended to read:

**"61-10-148. Disposition of fines and forfeited bonds.** (1) Except as provided in 61-12-701 and subsection (2) of this section, ~~one-half of~~ all the money collected as fines and forfeited bonds for violations of Title 61, chapter 10, must be remitted monthly by the county treasurer to the state treasurer for deposit in the state general fund. ~~The remaining half, less the deductions required by law, must be deposited in the county road fund.~~ This subsection does not apply to fines and forfeited bonds paid to justices' courts.

(2) If the apprehension or arrest was for a violation of Title 61, chapter 10, and if the offense occurred on a road or highway not included under the provisions of 60-2-128 and 60-2-203, all money collected as fines and forfeited bonds must be distributed to the county treasurer for deposit in the county road fund."

**Renumber:** subsequent sections

116. Page 203, line 22.

**Insert:** "Section 181. Section 61-10-225, MCA, is amended to read:

**"61-10-225. Disposition of fees collected by county treasurer.** ~~At the time of collecting~~ The county treasurer shall transmit the fees provided for in 61-10-222, ~~each county treasurer shall retain 5% of the fees for the cost of administration and for deposit in the general fund of the county. The remaining 95% must be remitted monthly to the state treasurer for deposit to the credit of the department of transportation in the highway revenue account. The remittance must be made on forms furnished to the county treasurer by the department.~~"

**Renumber:** subsequent sections

117. Page 204, line 11.

**Insert:** "Section 182. Section 67-3-205, MCA, is amended to read:

**"67-3-205. Aircraft registration account -- source of funds -- allocation.** (1) There is an account in the state special revenue fund to which must be credited all money received from fees paid in lieu of tax on aircraft as required in this part and 15-24-304 and all penalties collected for registration violations as provided in 67-3-202.

(2) Money in the account is allocated as follows:

(a) 90% to the ~~counties in the proportion that each county's collections bear to the total collections statewide state general fund;~~ and

(b) 10% to the department for the purpose of administering and enforcing aircraft registration.

(3) The allocations required in subsection (2)(a) must be made twice annually by the department. The first allocation must be made between March 15 and March 30 and the second allocation must be made between July 1 and July 15.

(4) The allocation required in subsection (2)(b) must be made on July 1 of each year.

(5) ~~On receipt of the money allocated as provided in subsection (2)(a), the county treasurer shall distribute the money in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed:~~

(6) ~~The allocations required in subsection (2)(a) are considered statutory appropriations as described in 17-7-502."~~

**Renumber:** subsequent sections

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118. Page 208, line 12.

**Insert:** "Section 186. Section 72-16-909, MCA, is amended to read:

**"72-16-909. When and where tax payable -- interest.** (1) The estate tax is payable to the ~~county treasurer of the county in which the estate is being probated~~ department of revenue.

(2) If the tax is not paid within 18 months of the death of the decedent, interest must be charged and collected at the rate of 10% a year from the time that the tax accrued, unless because of claims made upon the estate, necessary litigation, or other unavoidable cause of delay, the tax is not determined and paid on time. Interest at the rate of 6% must be charged upon the amount of tax due from the time of accrual until the cause of the delay is removed, and after that time, interest at the rate of 10% must be charged.

(3) Litigation to defeat the payment of the tax is not necessary litigation.

(4) When permission has been granted to defer payment of tax under 72-16-910, interest must be charged at the rate of 6% after 1 year from the date of death until the date of payment.""

**Renumber:** subsequent sections

119. Page 208, line 17.

**Insert:** "Section 187. Section 72-16-912, MCA, is amended to read:

**"72-16-912. Collection and deposit of tax.** The tax imposed ~~herein shall by this part~~ must be collected by the ~~several county treasurers or the~~ department of revenue for deposit with the state treasurer.""

**Renumber:** subsequent sections

120. Page 208, line 24.

**Insert:** "Section 188. Section 75-10-533, MCA, is amended to read:

**"75-10-533. Department to report fees.** The department shall report to the office of budget and program planning, as a part of the information required by 17-7-111, the amount collected under this part ~~and 61-3-508~~ and the cost of administration of this part, except 75-10-520, to date so that any necessary adjustment of the amount of the fee may be made to ~~assure~~ ensure that no more than the actual cost of operation of the program is collected.""

**Renumber:** subsequent sections

121. Page 212, line 11.

**Insert:** "Section 195. Section 76-13-201, MCA, is amended to read:

**"76-13-201. Duty of owner to protect against fire.** (1) An owner of land classified as forest land ~~classified as such~~ by the department shall protect against the starting or existence and suppress the spread of fire on that land. This protection and suppression must be in conformity with reasonable rules and standards for adequate fire protection adopted by the department.

(2) If the owner does not provide for the protection and suppression, the department may provide it at a cost to the landowner of not more than \$30 for each landowner in the protection district and of not more than an additional 20 cents per acre per year for each acre in excess of 20 acres owned by each landowner in each protection district, as necessary to yield the amount of money provided for in 76-13-207. The owner of the land shall pay ~~to the county treasurer of the county in which the land is situated~~ the charge ~~for the same~~ approved by the department in accordance with ~~this part 1 and this part 4~~ to the department of revenue. Payments to the department of revenue are due on or before November 30 of each year.

(3) ~~No other~~ Other charges may ~~not~~ be assessed ~~those~~ to a participating landowner ~~landowners participating~~ except in cases of proven negligence on the part of the landowner or the landowner's agent.""

**Renumber:** subsequent sections

122. Page 215, line 1.

**Insert:** "Section 200. Section 77-1-502, MCA, is amended to read:

**"77-1-502. Computation of state land equalization payment amount.** (1) The department of revenue shall

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compute the amount of taxes ~~which that~~ would be payable on the county assessments of ~~said state-owned grazing, agricultural, or forest~~ property as if it were owned by and taxable to a taxpayer of ~~such the~~ county.

(2) If the land is not classified, the sum ~~to be listed shall~~ must be determined by the average tax payment made on like property within the county ~~where said in which the~~ land is situated, not to exceed 12 cents per grazing acre, 35 cents per agricultural acre, and 12 cents per forest acre. The average tax may be derived from the most recent biennial report of the department of revenue. The total figure arrived at by this method ~~shall~~ must be called the gross assessment figure.

(3) The county exemption factor ~~shall~~ must be determined by dividing the percentage ~~that~~ the state-owned land bears to the total land area of the county into 6%. This quotient ~~shall~~ must be multiplied by the gross assessment figure, and the product is called the state exemption figure.

(4) The state exemption figure ~~shall~~ must be subtracted from the gross assessment to give the state land equalization ~~payment amount.~~""

**Renumber:** subsequent sections

123. Page 215, line 8.

**Insert:** "**Section 201.** Section 77-1-503, MCA, is amended to read:

**"77-1-503. Form to be completed by department of revenue.** The department shall provide a form for each county to be followed and completed by the department of revenue. The department of revenue shall, before October 1, make the computations required and submit to the department the completed forms, which must show the computations and method used in arriving at the state land equalization ~~payment amount.~~""

**Renumber:** subsequent sections

124. Page 215, line 17.

**Insert:** "**Section 202.** Section 77-1-504, MCA, is amended to read:

**"77-1-504. Processing of statements.** The department shall examine for accuracy the statement returned by the department of revenue, and the state land equalization ~~payment amount~~ may not be approved unless the state exemption figure is deducted from the gross assessment figure in the statement. The department shall, before November 1 of each year, prepare and file a claim with the department of administration for all counties that are eligible for state land equalization ~~payments amounts~~, and this claim must show the amount of money ~~that each eligible county will receive receives through the entitlement share provided for in [section 1].~~""

**Renumber:** subsequent sections

125. Page 215, line 29.

**Insert:** "**Section 203.** Section 80-2-201, MCA, is amended to read:

**"80-2-201. Powers and duties of board of hail insurance.** The board of hail insurance provided for in 2-15-3003:

- (1) shall hold meetings when necessary ~~and essential~~ for the proper conduct of its business;
- (2) ~~is hereby authorized, directed, and empowered to make~~ may adopt rules as it may from time to time find ~~practical, necessary, and beneficial~~ for the administration of this part;
- (3) shall prescribe blank forms for all purposes necessary, proper, and incidental to the effective operation and enforcement of this part; and
- (4) shall use any appropriate means of communication to inform Montana producers of the purposes, scope, and benefits of this part in furnishing protection against loss by hail at the actual cost of the risk to all ~~taxpayers persons~~ who may elect to become subject to the provisions of this part. ""

**Renumber:** subsequent sections

126. Page 216, line 16.

**Insert:** "**Section 204.** Section 80-2-203, MCA, is amended to read:

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**"80-2-203. Participation in program -- tax.** (1) A taxpayer person or an association of taxpayers persons engaged in the growing of crops other than those specified in this part or other agricultural or horticultural products subject to injury or destruction by hail may, by individual or joint election filed with and approved by the board of hail insurance, accept the provisions of this part and elect to become subject to this part. The risks may be classified by the board, and suitable levies fees may be imposed as agreed upon by the board and the taxpayers persons. The taxpayers persons are entitled to the benefits and protection afforded by the insurance provisions of this part.

(2) Each farmer taxpayer person who signifies a desire to become subject to the provisions of this part shall file with the department of revenue the properly filled out form not later than August 15. The taxpayer person is chargeable with the tax fee provided for on lands growing crops subject to injury or destruction by hail and shall share in the protection and benefits under the hail insurance provisions of this part. The application for hail insurance is in full force and effect at 12:01 a.m. the day immediately following the acceptance of the application by the department of revenue.

(3) This part may not be construed to empower anyone except the actual owner of the land to make the land subject to the hail tax fee provided in this part."

**Renumber:** subsequent sections

127. Page 216, line 28.

**Insert:** "Section 205. Section 80-2-204, MCA, is amended to read:

**"80-2-204. Duty of department of revenue -- election of benefits of law.** The department of revenue shall upon request explain to each taxpayer person engaged in the growing of crops subject to injury or destruction by hail the provisions of this part. The department of revenue shall issue hail insurance policies to each taxpayer person who desires to become subject to this part, to become liable for the tax levies fee provided in this part, and to be eligible for the benefits and protection of this part. A taxpayer person who elects to become subject to this part is liable for the taxes levied fees for hail insurance and shall participate in the benefits and protection afforded by this part. ~~Either the~~ The owners of lands worked by others under lease or contract may make the election for hail insurance, or the lessee of the land may tender payment, in cash, of the tax fee levied for hail insurance ~~to protect the lessee's crops, in cash~~, to the officer authorized to receive payment."

**Renumber:** subsequent sections

128. Page 217, line 5.

**Insert:** "Section 206. Section 80-2-205, MCA, is amended to read:

**"80-2-205. What crops subject to provisions of law.** The crops grown on the lands of all taxpayers persons who ~~shall~~ elect to become subject to this part ~~shall~~ must be insured under the provisions of this part for the acreage and the kind of crop for which taxes fees for hail insurance ~~will~~ have been levied; imposed. ~~which~~ The insurance ~~shall~~ must be provided for, determined, and adjusted and paid for as provided by this part."

**Renumber:** subsequent sections

129. Page 217, line 14.

**Insert:** "Section 207. Section 80-2-206, MCA, is amended to read:

**"80-2-206. Cash payment.** When an applicant for hail insurance tenders cash for the insurance to the department of revenue, the applicant is allowed a discount of 4%. The hail insurance must be issued upon the cash payment less the 4%. The charge for the insurance must be based on the maximum rates shown on the application for hail insurance. If the current rates are reduced later, the board of hail insurance shall arrange for the proper refund to the insured. All cash received by the department of revenue must be promptly turned over to the county treasurer, who shall furnish the insured with a current receipt and place the money in the hail insurance fund deposited with the state treasurer."

**Renumber:** subsequent sections

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130. Page 218, line 8.

**Insert: "Section 208.** Section 80-2-207, MCA, is amended to read:

**"80-2-207. Delinquent taxes fees -- application by delinquent -- crop lien.** (1) An owner of land who has more than 1 year's delinquent ~~taxes fees~~ on the land may not be allowed hail insurance under the provisions of this part, unless the owner's application is accompanied by a cash payment for the amount that would be due on the application ~~in the event of a maximum levy~~ for that year.

(2) Any grain grower unable to secure state hail insurance under the provisions of this part because of delinquent ~~taxes fees~~ or for other reasons may make an application to the department of revenue, and the department of revenue may receive and accept the ~~applications~~ application when the applicant furnishes a sufficient crop lien that is subject only to a seed lien. The crop lien may be accepted only under rules and requirements that may be prescribed by the board of hail insurance and under the provision that the board may cancel any hail insurance accepted in violation of the rules and requirements. Upon receipt of the application, the department of revenue shall make a record of the application and shall file the original in the office of the clerk and recorder of the county. The department of revenue shall also ~~cause an assessment~~ send a bill to the grain grower for the proper amount ~~to be made on the property tax record in the same manner provided for in the case of other special levies or assessments~~ due for hail insurance under the provisions of this part.

(3) A tenant who has delinquent hail insurance that was secured by a crop lien ~~only~~ and was not secured by real estate may not be allowed another policy in any succeeding year until the delinquent ~~account or accounts are~~ amount is paid or until the tenant pays cash for the current hail insurance.

(4) If a tenant becomes delinquent for hail insurance after having failed to apply for relief as provided by the board under 80-2-229, the tenant may apply to the board for a reduction. If the reasons for requesting a reduction are approved by the board, the board may reduce the charge to not less than one-half the original amount charged.""

**Renumber:** subsequent sections

131. Page 218, line 17.

**Insert: "Section 209.** Section 80-2-209, MCA, is amended to read:

**"80-2-209. Reinsurance.** Because of the unusual or unexpected variation in the severity of damage to grain crops ~~which occur~~ that occurs from year to year and in order to enable the hail insurance board to spread the effect of these variations more evenly over all years, the board ~~is hereby authorized to~~ may negotiate for and ~~to~~ secure reinsurance of a part of the risk in any year when the need ~~of such~~ for reinsurance appears advisable to the board. The board is ~~hereby authorized to~~ may use ~~moneys~~ money from hail insurance ~~levies fees~~ for the purchase of ~~such~~ reinsurance whenever it appears to the board that ~~such~~ reinsurance is necessary and advisable.""

**Renumber:** subsequent sections

132. Page 218, line 27.

**Insert: "Section 210.** Section 80-2-221, MCA, is amended to read:

**"80-2-221. Tax Fee for hail insurance.** (1) A ~~tax is hereby authorized and directed to be levied~~ fee is imposed on all lands in this state growing crops subject to injury or destruction by hail, the owners of which have elected to become subject to the provisions of this part.

(2) The board of hail insurance shall annually estimate, as accurately as possible, the amount required to pay all losses, interest on warrants, and costs of administration and shall recommend a ~~levy fee to be made~~ imposed on each kind of land respectively, subject to the provisions of this part, to the department of revenue. The rates recommended to apply on the lands of owners ~~shall~~ must be applied in the same proportions to the crops of those insured on a personal ~~assessment~~ basis.""

**Renumber:** subsequent sections

133. Page 219, line 30.

**Insert: "Section 211.** Section 80-2-222, MCA, is amended to read:

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**"80-2-222. Board to establish amount of levy rates -- disposition of funds.** (1) The board of hail insurance may, when it considers it advisable, establish as many districts as it considers advisable and may maintain maximum rates in various parts of the state, ~~which~~ The rates must be commensurate with the risk incurred as nearly as it can determine from past experiences or from any records available.

(2) Notice of the various rates established for any year must be plainly printed on the application for hail insurance, and the rates for the year must be determined and ~~levied~~ imposed by the board of hail insurance for each of the various districts as established, in ~~such~~ proportions as ~~that~~ will in ~~its~~ the board's judgment be fair and equitable.

(3) The board of hail insurance ~~has authority to~~ may accept and expend all funds received by it, including amounts repaid as principal and interest on investments. The funds are statutorily appropriated, as provided in 17-7-502, to the board of hail insurance for the purposes of this chapter. Expenditures for actual and necessary expenses required for the efficient administration of this part must be made from temporary appropriations, as described in 17-7-501(1) or (2), made for that purpose.

(4) In ~~making the levy~~ establishing the rates provided in this section and 80-2-223, the board of hail insurance shall provide for:

(a) the payment of all expenses of administration, together with all interest owed or to be owing on registered warrants;

(b) that portion of the losses incurred during the current year that are not paid from funds drawn from the reserve;

(c) the maintenance of the reserve, a part or all of which may be used in any ~~one~~ 1 year for the purpose of paying the costs of administration, interest on the warrants, and losses as settled and adjusted by the board, including the losses sustained in any prior year or years under the hail insurance law that have not been paid.

(5) If at the end of any hail insurance season the board determines that more funds are accumulating from the current year's ~~levies~~ rates than were estimated when the ~~levy was made~~ rates were established and are in excess of the need for the payment of losses and expenses and maintenance of the reserve, the board may, at its discretion, refund the excess to the ~~farmers~~ persons insured for the year, on a pro rata or percentage basis.

(6) The board of hail insurance may direct the board of investments to invest funds from the enterprise fund pursuant to the provisions of the unified investment program for state funds. The income from the investments must be credited to the board of hail insurance account in the enterprise fund.""

**Renumber:** subsequent sections

134. Page 220, line 6.

**Insert:** "**Section 212.** Section 80-2-224, MCA, is amended to read:

**"80-2-224. Assessment Fee -- notice -- when payable.** Notice of ~~such assessment shall~~ the fee must be mailed by the ~~county treasurer~~ department of revenue to each person insured in the same manner and at the same time as notices of property taxes due. The ~~assessment fee shall be~~ is payable ~~at the office of the county treasurer of each respective county to the department of revenue.~~""

**Renumber:** subsequent sections

135. Page 220, line 13.

**Insert:** "**Section 213.** Section 80-2-225, MCA, is amended to read:

**"80-2-225. Real estate lien -- creation.** The ~~tax levies are~~ hail insurance fees chargeable to the lands of each ~~taxpayer person~~ who elects to become subject to this part and must be ~~entered in the property tax record and~~ collected by the ~~officers charged with such duties in the manner and form as are other property taxes~~ department of revenue. If the ~~levies~~ fees are not paid, they are a lien on the lands against which they are ~~levied in the same manner as are other property taxes~~ imposed.""

**Renumber:** subsequent sections

136. Page 220, line 25.

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**Insert:** "Section 214. Section 80-2-226, MCA, is amended to read:

**"80-2-226. Crop lien -- when created -- assessment.** (1) In addition to the lien created in 80-2-225 on the land of the insured, the ~~levy fee for such~~ hail insurance ~~shall constitute~~ is a lien on the crops insured with the exception that the crop lien may not apply to owners of unencumbered land or to the land or crops of those who pay cash for hail insurance. The applications of these persons may not be filed with the county clerk and recorded as provided for in 80-2-207. ~~The~~ Except as provided in this subsection, the crop lien ~~shall~~ must be included in all applications for hail insurance, ~~with the above exceptions~~, and ~~shall~~ must be enforced as provided in 80-2-230 and 80-2-231 against all applicable persons insured ~~except those owning unencumbered land or those who have paid cash for hail insurance.~~

(2) All applicants securing hail insurance on crop liens as ~~heretofore~~ provided ~~shall be in this section~~ are subject to the same charges per acre ~~as provided herein to be~~ that are made on land.""

**Renumber:** subsequent sections

137. Page 221, line 9.

**Insert:** "Section 215. Section 80-2-228, MCA, is amended to read:

**"80-2-228. Reserve fund.** (1) Each year when the hail board ~~makes~~ sets its annual ~~levy fee~~ for the payment of current losses, for expenses of administration, and for an addition to the reserve if conditions permit, it may not increase the ~~levy fee~~ enough in any year so that the addition to the reserve will exceed 5% of the maximum risk written for that year.

(2) The board may engage the services of a qualified actuary to conduct an actuarial valuation of the reserve. This valuation ~~shall~~ may include the actuary's determination of the amount of reserve necessary to absorb all reasonably anticipated catastrophic losses. This amount is the maximum permissible reserve fund for the next year.

(3) The reserve must be deposited in an enterprise fund.

(4) The board may not draw on the reserve for any purpose unless the amount required for the payment of losses for the current year, including interest on warrants and costs of administration, exceeds the amount of the estimate made by the board for the current year pursuant to 80-2-221.""

**Renumber:** subsequent sections

138. Page 221, line 19.

**Insert:** "Section 216. Section 80-2-229, MCA, is amended to read:

**"80-2-229. Withdrawal of crop in case of destruction through other means.** When any crop insured under this part ~~shall have been~~ is destroyed by any other cause than hail, the applicant may, by furnishing the proof required by the board of hail insurance, cause the crop to be ~~withdrawn~~ exempted from the regular ~~levy fee~~ of the board for the current year. ~~Such~~ The proof ~~shall~~ must be submitted to the board of hail insurance in accordance with its rules. ~~Said~~ The rules ~~shall~~ must be plainly printed on the applications and policies issued by the department. ~~They shall~~ The rules must provide that the cost for ~~such~~ withdrawn insurance ~~shall~~ must be varied as nearly as practical according to the time the insurance is in force and according to the risk carried.""

**Renumber:** subsequent sections

139. Page 222, line 9.

**Insert:** "Section 217. Section 80-2-230, MCA, is amended to read:

**"80-2-230. Collection of levies fees -- release of lien.** (1) The county treasurer in each county in the state department of revenue shall collect all ~~levies made fees imposed~~ under this part ~~in the same manner as other property taxes are collected and shall keep all moneys collected by him or for him for hail insurance in a separate fund to be known as the hail insurance fund and~~. The department of revenue shall ~~remit deposit the same money to~~ with the state treasurer ~~in the same manner as provided by law for the remittance of other moneys due to the state. All county treasurers~~ The department of revenue shall use due diligence in making the collections of the ~~levies fees~~ provided herein in this part. ~~Also the board may furnish assistance needed at any time in making collections or may take over the collection of any levy at any time, depositing any collections therefrom with the treasurer of the county where the~~

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levy therefor was made.

(2) All insurance levies fees, whether levied imposed against land or in the form of special assessments secured by crop liens, shall be are payable in full and not in semiannual payments on or before November 30 of each year in which such levies the fees are made imposed.

(3) Whenever the amount due on any hail insurance secured by a crop lien is paid, the treasurer department of revenue shall promptly endorse on the lien on file in the office of the county clerk and recorder the amount paid thereon with the date of payment and such the endorsement shall be is a satisfaction and release of such the lien.""

**Renumber:** subsequent sections

140. Page 222, line 21.

**Insert:** "Section 218. Section 80-2-231, MCA, is amended to read:

"80-2-231. Foreclosure of lien. If the person receiving hail insurance secured by a crop lien fails to pay said the fee for insurance to the county treasurer department of revenue by December 1 of the year in which the crop so insured is grown, the county treasurer department shall on that day or as soon as possible thereafter after that day deliver to the sheriff of said the county a full, true, and correct copy of the lien on file in the office of the clerk and recorder and such the sheriff must shall immediately demand from the person or persons signing such the lien payment of the amount due, thereon and, if the same If the fee is not paid to the sheriff upon such demand being made, the sheriff must forthwith shall seize and sell in the manner provided by law for the sale of personal property under execution a sufficient amount of grain belonging to such the person to pay the amount due for hail insurance together with interest and costs and expenses of seizure and sale.""

**Renumber:** subsequent sections

141. Page 223, line 11.

**Insert:** "Section 219. Section 80-2-232, MCA, is amended to read:

"80-2-232. State treasurer's Department of revenue's duty -- warrants -- transfers to county and state general fund. (1) The state treasurer department of revenue shall receive all money paid under this part and shall place the money in trust for the hail insurance program to the credit of the enterprise fund. All money collected by the board must be deposited in the enterprise fund, and all losses must be paid from that fund. All other costs are administrative expenses and must be paid from the board's enterprise fund. If registered warrants are presented and there is no money to pay the warrants, the warrants must be registered and bear interest at the rate of 4% per annum a year until called for payment by the state treasurer.

(2) Upon warrants drawn by order of the board, the state treasurer shall pay out of the board's enterprise fund to the county treasurer of each county where state hail insurance coverage is in force 2% of the gross annual levies made and collected in that county under this part for the use of the county as the board of county commissioners may determine.

(2) The department of revenue may retain 2% of the gross annual fees imposed and collected under this part for administrative costs associated with billing and collection of hail insurance premiums.

(3) Upon authorization from the board of hail insurance, the state treasurer shall transfer out of the board's enterprise fund to the general fund of the state of Montana 1.5% of the gross annual levies made fees imposed and collected in the state of Montana.""

**Renumber:** subsequent sections

142. Page 224, line 9.

**Insert:** "Section 220. Section 80-2-244, MCA, is amended to read:

"80-2-244. Payment of losses. (1) The board of hail insurance shall, as soon as practicable after the loss has been sustained, arrange for the payment of the loss in the following manner. From the amount of the loss as adjusted for each claimant, the board shall deduct the amount that the claimant then owes as a delinquent hail insurance tax fee and the maximum amount assessed as a hail insurance tax fee for the current year.



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(2) The board shall on or before November 1 order payment for the amount ~~so deducted, which~~ The payment shall must be remitted to the county treasurer of the county in which the ~~tax fee~~ was assessed imposed. The board shall then order payment for the balance of the adjustment to be sent to the claimant, provided that ~~in no case may~~ the payment for loss may not exceed \$24 per acre for grain crops on nonirrigated lands; ~~or~~ \$48 per acre on irrigated lands. ~~No~~ A claimant may not receive payment for any loss incurred ~~where~~ if the loss does not equal or exceed 5% of the total value of the crop insured. If the losses in any year exceed the current ~~levy fees~~ plus the reserve, if any; then the payment of all losses ~~shall must~~ be prorated, ~~share and share alike~~, among all grain growers having loss claims adjusted and approved, and the unpaid balance of the losses ~~shall must~~ be paid out of the reserve without interest in ~~such the~~ order as that the board directs, when in the judgment of the board there ~~are is~~ sufficient moneys money to provide for the payment of the ~~same claims~~ and other items payable out of the reserve. In any year the board may by resolution authorize its ~~chairman presiding officer~~ and secretary to borrow as needed from any person, bank, or corporation such sum or sums of money as that the board may consider necessary for the purpose of paying all warrants as issued.

(3) For any ~~moneys money~~ money borrowed under the provisions of this part, the board shall cause warrants to be drawn. The warrants ~~shall must~~ bear interest at a rate not to exceed 6% a year, and the warrants and the interest ~~thereon shall on the warrants must~~ be paid out of funds from the state hail insurance program as they are collected from the various counties in the state. The board may not at any time borrow a total sum greater than the amount of ~~levies as made for taxes the fees imposed~~ for the current year together with such delinquent taxes as fees that remain unpaid on the books of the county treasurer."

**Renumber:** subsequent sections

143. Page 225, line 22.

**Insert: "Section 221.** Section 80-7-814, MCA, is amended to read:

**"80-7-814. Administration and expenditure of funds.** (1) (a) Except as provided in subsection (1)(b), money deposited in the noxious weed management trust fund may not be committed or expended until the principal reaches \$2.5 million, except in case of a noxious weed emergency as provided in 80-7-815. Once this amount is accumulated, interest or revenue generated by the trust fund and by other funding measures provided by this part must be deposited in the special revenue fund and may be expended for noxious weed management projects in accordance with this section, as long as the principal of the trust fund remains at least \$2.5 million.

(b) Money deposited as principal in the trust fund from 80-7-822 ~~pursuant to 80-7-810(2)~~ may not be expended until the principal of the trust fund reaches \$10 million. However, interest or revenue generated by the trust fund must be deposited in the special revenue fund and may be expended for noxious weed management projects in accordance with this section.

(2) The department may expend funds under this section through grants or contracts to communities, weed control districts, or other entities that it considers appropriate for noxious weed management projects. A project is eligible to receive funds only if the county in which the project occurs has funded its own weed management program with a levy in an amount not less than 1.6 mills or an equivalent amount from another source or by an amount of not less than \$100,000 for first-class counties, as defined in 7-1-2111.

(3) The department may expend funds without the restrictions specified in subsection (2) for the following:

(a) employment of a new and innovative noxious weed management project or the development, implementation, or demonstration of any noxious weed management project that may be proposed, implemented, or established by local, state, or national organizations, whether public or private. The expenditures must be on a cost-share basis with the organizations.

(b) cost-share noxious weed management programs with local weed control districts;

(c) special grants to local weed control districts to eradicate or contain significant noxious weeds newly introduced into the county. These grants may be issued without matching funds from the district.

(d) administrative expenses of the department for managing the noxious weed management program and other provisions of this part. The cost of administering the program may not exceed 12% of the total program expenses.

(e) administrative expenses incurred by the noxious weed management advisory council;

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(f) a project recommended by the noxious weed management advisory council, if the department determines that the project will significantly contribute to the management of noxious weeds within the state; and

(g) grants to the agricultural experiment station and the cooperative extension service for crop weed management research, evaluation, and education.

(4) The agricultural experiment station and cooperative extension service shall submit annual reports on current projects and future plans to the noxious weed management advisory council.

(5) In making expenditures under subsections (2) and (3), the department shall give preference to weed control districts and community groups.

(6) If the noxious weed management trust fund is terminated by law, the money in the fund must be divided between all counties according to rules adopted by the department for that purpose.""

**Renumber:** subsequent sections

144. Page 226, line 3.

**Insert:** "Section 222. Section 80-7-815, MCA, is amended to read:

**"80-7-815. Noxious weed emergency -- expenditure authorized.** (1) If a new and potentially harmful noxious weed is discovered growing in the state and is verified by the department, the governor may declare a noxious weed emergency. In the absence of necessary funding from other sources, this declaration authorizes the department to allocate up to \$150,000 of the principal of the noxious weed management trust fund to government agencies for emergency relief to eradicate or confine the new noxious weed species.

(2) If the expenditure causes the principal of the trust fund to fall below \$2.5 million, it must be replenished by the interest or revenue generated by the trust fund; or by the other revenue provided by this part, ~~or by revenue obtained from the fee imposed by 61-3-510~~, as determined by the department.""

**Renumber:** subsequent sections

145. Page 226, line 11.

**Insert:** "Section 223. Section 80-7-816, MCA, is amended to read:

**"80-7-816. Account -- deposit -- investment.** (1) There is an account in the state special revenue fund established in 17-2-102. The interest from the noxious weed trust fund ~~and the fee imposed in 61-3-510~~ must be deposited in the account and must be expended as provided in 80-7-814.

(2) The department may direct the board of investments to invest the funds collected under subsection (1) pursuant to the provisions of 17-6-201. The income from the investments must be credited to the account in the state special revenue fund.""

**Renumber:** subsequent sections

146. Page 226, line 17.

**Insert:** "Section 224. Section 80-7-822, MCA, is amended to read:

**"80-7-822. (Temporary) Transfer of funds.** There is transferred \$1,125,000 annually from the highway nonrestricted account established in 15-70-125 to the noxious weed management trust fund, provided for in ~~80-7-810(2)~~ 80-7-811, for noxious weed management. (Terminates July 1, 2001--sec. 7, Ch. 493, L. 1999.)""

**Renumber:** subsequent sections

147. Page 227, line 15.

**Insert:** "Section 225. Section 81-6-101, MCA, is amended to read:

**"81-6-101. Petition for county livestock protective committee -- members -- term.** (1) The board of county commissioners ~~must~~ shall, upon receipt of a petition or petitions to do so, set up a county livestock protective committee of three members. The petition or petitions must be signed by at least 51% of the owners of cattle in the county, and ~~such petitioners must own~~ at least 55% of the cattle in the county must be owned by the petitioners.

(2) Members appointed to serve on ~~such~~ the committee ~~shall~~ must be residents of the county engaged in the

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business of raising cattle. If there ~~be is~~ in the county any organization of cattle growers, the county commissioners shall give preference to names submitted by ~~any such the~~ group for appointment to ~~such the~~ committee. The term for which ~~said the~~ committee members ~~shall be are~~ appointed ~~shall be is~~ 2 years, with two members of the first committee named to serve for 2 years; and one member to serve for 1 year. Members of ~~such the~~ committee ~~shall may not~~ receive ~~no~~ remuneration or reimbursement for expenses for serving on ~~said the~~ committee.

(3) ~~By As used in this section,~~ "organization of cattle growers"; ~~as used in this section, is meant means~~ any group or organization holding regular meetings at least annually, having officers, and composed predominantly of cattle growers resident in the county, with its membership open to cattle growers willing to abide by its governing rules or bylaws; ~~and its~~ The general purpose being of the organization must be the promotion of the interests of its members in matters pertaining to the cattle or livestock industry.

(4) If ~~the~~ owners of sheep in the county desire to come under the provisions of this part in cooperation with owners of cattle, they shall file a ~~like~~ petition ~~to that set out herein for owners of cattle~~ meeting the requirements of subsection (1) with the county commissioners, and in ~~such that~~ case, at least one member of ~~said the~~ livestock protective committee ~~shall must~~ be a sheep grower and where the word "cattle" appears in this part, it ~~shall be deemed to comprehend also~~ includes the word "sheep".

(5) Owners of sheep ~~alone~~ may form a county livestock protective committee, in which case the word "cattle" as used in this part ~~contained shall be is~~ considered as if it were the word to mean "sheep"; ~~and provided further that the levy as provided in 81-6-104 hereof shall, in the case of sheep, not exceed 5 cents per head."~~

**Renumber:** subsequent sections

148. Page 227, line 24.

**Insert:** "Section 226. Section 81-6-104, MCA, is amended to read:

"81-6-104. ~~Tax levy Fee -- special fund.~~ The county livestock protective committee may recommend to the board of county commissioners the levy imposition of a tax fee in an amount not to exceed 50 cents per head on all cattle 9 months of age or older in the county on January 1, and the board of county commissioners shall ~~thereupon be empowered to levy such tax impose the fee,~~ to be collected ~~as other taxes on personal property and when collected to be~~ deposited by the county treasurer in a special fund to be known as the stockmen's livestock special deputy fund, together with any other funds made available from county, state, federal, or private sources for the purposes of this part.""

**Renumber:** subsequent sections

149. Page 228, line 3.

**Insert:** "Section 227. Section 81-6-106, MCA, is amended to read:

"81-6-106. ~~Discontinuing county livestock protective committee.~~ Upon receipt of a petition or petitions signed as provided in 81-6-101, the board of county commissioners shall discontinue ~~said a~~ county livestock protective committee; ~~provided, however, that such action in discontinuing said~~ The discontinuance of the committee shall does not affect any levy made fee imposed prior to the receipt of ~~such the~~ petition or petitions and the proceeds of any levy made shall fee imposed must be used for the purposes ~~as in~~ of this part ~~set out~~. ~~No A~~ district ~~shall may not~~ be discontinued ~~so~~ as long as there is any outstanding indebtedness against it.""

**Renumber:** subsequent sections

150. Page 228, line 13.

**Insert:** "Section 228. Section 81-6-204, MCA, is amended to read:

"81-6-204. ~~Tax levy Fee -- deposit of proceeds.~~ The district cattle protective committee may recommend to the board of county commissioners the levy imposition of a tax fee in an amount not to exceed 50 cents per head on all cattle 9 months of age or older in the district on January 1, and the board of county commissioners shall ~~thereupon be empowered to levy such tax impose the fee,~~ to be collected ~~as other taxes on personal property and when collected to be~~ deposited in the county treasury of one of the counties in the district, ~~to be~~ selected by the district cattle protective

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committee, in a special fund to be known as the ~~stockmen's livestock~~ special deputy fund, together with any other funds made available from county, state, federal, or private sources for the purposes of this part.'"'

**Renumber:** subsequent sections

151. Page 228, line 24.

**Insert:** "Section 229. Section 81-6-205, MCA, is amended to read:

"81-6-205. **Removal of area from protective district -- discontinuance of district -- levy fee saved.** Upon receipt of a petition or petitions signed in the same number and the same manner as the petition to form the district provided for in 81-6-201, a board of county commissioners shall remove the area in its county from the cattle protective district or the boards of county commissioners of all of the counties affected may discontinue the entire cattle protective district, ~~provided, however, that such action in discontinuing said~~ The discontinuance of a district or part of a district shall does not affect any levy made fee imposed prior to the receipt of such the petition or petitions and the proceeds of any ~~levy made shall fee imposed must~~ levy made shall fee imposed must be used for the purposes as in of this part ~~set out~~. No A district or portion of such a district ~~shall may not~~ shall may not be discontinued ~~so~~ as long as there is any outstanding indebtedness against it.'"'

**Renumber:** subsequent sections

152. Page 229, line 3.

**Insert:** "Section 230. Section 81-6-209, MCA, is amended to read:

"81-6-209. **Tax Levy Fee -- deposit of proceeds.** The district cattle protective committee may recommend to the board of county commissioners the levy imposition of a tax fee in an amount not to exceed 50 cents per head on all cattle 9 months of age or older in the district on January 1, and the board of county commissioners shall ~~thereupon be empowered to levy such tax~~ impose the fee, to be collected ~~as other taxes on personal property and when collected to be~~ deposited in the county treasury in a special fund to be known as the ~~stockmen's livestock~~ special deputy fund, together with any other funds made available from county, state, federal, or private sources for the purposes of this part.'"'

**Renumber:** subsequent sections

153. Page 229, line 12.

**Insert:** "Section 231. Section 81-6-210, MCA, is amended to read:

"81-6-210. **Discontinuance of district -- levy fee saved.** Upon receipt of a petition or ~~of~~ petitions signed in the same number and in the same manner as the petition to form the district, ~~as herein provided;~~ the board of county commissioners shall discontinue the cattle protective district, ~~provided, however, that such action in discontinuing said~~ The discontinuance of the district shall does not affect any levy made fee imposed prior to the receipt of such the petition or petitions, and the proceeds of any ~~levy made shall fee imposed must~~ levy made shall fee imposed must be used for the purposes as in of this part ~~set out~~. No A district or portion of such a district ~~shall may not~~ shall may not be discontinued ~~so~~ as long as there is any outstanding indebtedness against it.'"'

**Renumber:** subsequent sections

154. Page 230, line 17.

**Insert:** "Section 232. Section 81-7-104, MCA, is amended to read:

"81-7-104. **(Temporary) Predator control moneys money -- use of proceeds.** (1) The department of ~~livestock~~ shall allocate a portion of the money from the levy fee under 15-24-921 for the purpose of protecting livestock in the state against destruction, depredation, and injury by wild animals, whether the livestock is on lands in private ownership, in the ownership of the state, or in the ownership of the United States, including open ranges and all lands in or of the public domain. This protection may be by any means of effective predatory animal destruction, extermination, and control, including systematic hunting and trapping and payment of bounties.

(2) Money ~~shall~~ may be paid out only on claims ~~duly and regularly~~ presented to the department of ~~livestock~~ and approved by the department in accordance with the law applicable either to claims for bounties or for other

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expenditures ~~necessary and proper~~ for predatory animal control ~~by means and~~ methods other than payment of bounties, as determined by the department. Money designated for predator control ~~shall~~ must be available for the payment of bounty claims and for expenditures for planned, seasonal, or other campaigns directed or operated by the department in cooperation with other agencies for the systematic destruction, extermination, and control of predatory wild animals, as determined by the department and its advisory committee. ~~No claims~~ Claims may ~~not~~ be approved in excess of ~~moneys~~ money available for ~~such purposes~~ that purpose, and ~~no~~ warrants may ~~not~~ be registered against the ~~moneys~~ money.

**81-7-104. (Effective on occurrence of contingency) Predator control money -- use of proceeds.** (1) The department ~~of livestock~~ shall allocate a portion of the money from the ~~levy fee~~ under 15-24-921 for the purpose of protecting livestock in the state against destruction, depredation, and injury by predatory animals, whether the livestock is on lands in private ownership, in the ownership of the state, or in the ownership of the United States, including open ranges and all lands in or of the public domain. This protection may be by any means of effective predatory animal destruction, extermination, and control, including systematic hunting and trapping and payment of bounties.

(2) Money ~~must~~ may be paid out only on claims ~~duly and regularly~~ presented to the department ~~of livestock~~ and approved by the department in accordance with the law applicable either to claims for bounties or for other expenditures ~~necessary and proper~~ for predatory animal control ~~by means and~~ methods other than payment of bounties, as determined by the department. Money designated for predator control must be available for the payment of bounty claims and for expenditures for planned, seasonal, or other campaigns directed or operated by the department in cooperation with other agencies for the systematic destruction, extermination, and control of predatory animals, as determined by the department and its advisory committee. Claims may not be approved in excess of money available for ~~those purposes~~ that purpose, and warrants may not be registered against the money."''

**Renumber:** subsequent sections

155. Page 231, line 3.

**Insert:** "Section 233. Section 81-7-113, MCA, is amended to read:

**"81-7-113. Claim for bounty.** (1) A sheriff, undersheriff, and deputy sheriff, to prevent fraud, shall carefully examine each skin presented. If the examination discloses that the scalp and ears with the skin from the entire head of the animal have not been severed, punched, patched, or marked, ~~he~~ the officer shall, in the presence of the person presenting the skin, mark the skin by severing the skin from the head, including the ears, and then redeliver the skin to the person presenting it. ~~and~~ The officer shall require an affidavit from the claimant that the claimant killed the animal. The affidavit ~~shall~~ must be on forms prescribed by the department and contain information the department requires.

(2) The officer shall require affidavits from two ~~resident taxpayers~~ residents residing in the vicinity in which the animal was killed, setting forth that they are ~~resident taxpayers~~ residents paying fees on livestock, giving their post-office addresses, and stating that they are personally acquainted with the person presenting the skin and, to their knowledge, the person did kill the animal from which the skin was taken within 30 days preceding the offering of the skin for a bounty to the sheriff, undersheriff, or deputy sheriff to which it is presented. ~~A taxpayer~~ An individual who makes a false certificate or affidavit under this section in a material portion is guilty of a felony, punishable the same as for the crime of perjury."''

**Renumber:** subsequent sections

156. Page 231, line 21.

**Insert:** "Section 234. Section 81-7-114, MCA, is amended to read:

**"81-7-114. Certificate and record of sheriff.** (1) Upon receiving the affidavit required pursuant to 81-7-113, the officer shall deliver to the person claiming a bounty a certificate addressed to the county clerk of the officer's county and immediately deliver to the county clerk a duplicate of the certificate, showing the date, number, and kind of skins marked for severing and the name of the person presenting the skins. The certificate must also recite that the filing of the affidavits ~~of taxpayers~~ required by 81-7-113 has been done and the examination of the skins has been made as

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required. The certificate must be signed by the officer in the officer's official capacity. ~~When a doubt exists as to the kind of skin presented, whether wolf or coyote, the certificate must be issued for the lesser bounty.~~ Each sheriff shall keep a record of all skins marked and severed, showing the date, number, and kinds and the names of the persons presenting the skins. This record is an official record. The sheriff, undersheriff, or deputy sheriff may not perform any duties under 81-7-111 through 81-7-118 and 81-7-120 through 81-7-122 except at the county seat.

(2) The sheriff shall, not later than the 15th of each month, give to the county clerk and recorder a report setting forth the names of the persons presenting skins, with the number of the certificate and the kind and number of the skins presented. The sheriff shall report for each certificate issued during the month.'''

**Renumber:** subsequent sections

157. Page 232, line 13.

**Insert:** "Section 235. Section 81-7-118, MCA, is amended to read:

**"81-7-118. (Temporary) Levy of tax Fee for purpose of paying bounty claims -- limitation on levy fee.** The department of revenue shall annually prescribe the ~~levy fee~~ recommended by the department to be ~~made~~ assessed against livestock of all classes for paying for the destruction of wild animals killed in this state. ~~The tax in any 1 year may not exceed 7.5 mills on the taxable value of the livestock.~~ The money received must be used only for the payment of claims approved by the department for the destruction of wild animals and for the administration of 81-7-111 through 81-7-118 and 81-7-120 through 81-7-122. The money received for the ~~taxes levied fees imposed~~ must be sent annually ~~with other taxes~~ to the state treasurer by the county treasurer of each county. When the money is received by the state treasurer, it must be placed in the state special revenue fund and may then be paid out on claims approved under the law governing the payment of claims.

**81-7-118. (Effective on occurrence of contingency) Levy of tax Fee for purpose of paying bounty claims -- limitation on levy fee.** The department of revenue shall annually prescribe the ~~levy fee~~ recommended by the department to be ~~made~~ assessed against livestock of all classes for paying for the destruction of predatory animals killed in this state. ~~The tax in any 1 year may not exceed 7.5 mills on the taxable value of the livestock.~~ The money received must be used only for the payment of claims approved by the department for the destruction of predatory animals and for the administration of 81-7-111 through 81-7-118 and 81-7-120 through 81-7-122. The money received for the ~~taxes levied fees imposed~~ must be sent annually ~~with other taxes~~ to the state treasurer by the county treasurer of each county. When the money is received by the state treasurer, it must be placed in the state special revenue fund and may then be paid out on claims approved under the law governing the payment of claims.'''

**Renumber:** subsequent sections

158. Page 232, line 22.

**Insert:** "Section 236. Section 81-7-201, MCA, is amended to read:

**"81-7-201. County levy fee for bounties on predatory animals.** Whenever the owners, ~~agent~~, or agents of the owners ~~representing~~ of not less than 51% of the livestock of any county in this state present a petition to the board of county commissioners ~~of such county~~ asking for the ~~levy imposition~~ of a tax fee upon the livestock of the county for the purpose of paying bounties on predatory animals killed in the county, ~~it is the duty of the the~~ board of county commissioners ~~to make the levy, which may not exceed 50 mills on the dollar of the taxable value of~~ shall impose the ~~fee on all livestock in the county. The tax shall be assessed and collected in the same manner as all other state and county taxes.~~''

**Renumber:** subsequent sections

159. Page 233, line 10.

**Insert:** "Section 237. Section 81-7-202, MCA, is amended to read:

**"81-7-202. Signers of petition -- time for presenting -- limitation on bounties -- bounty inspectors. (1)** The petition provided for in 81-7-201 shall ~~must~~ be signed by the owners, ~~agent~~, or agents ~~of the owners~~ of not less than 51% of the livestock of ~~such the~~ county ~~as ascertained from the assessment books of such county~~ and shall ~~must~~

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recommend to the board of county commissioners the bounties to be paid on ~~such~~ predatory animals, which ~~shall~~ may not exceed the following:

- (a) on each wolf or mountain lion, \$100;
- (b) on each wolf pup or mountain lion kitten, \$20;
- (c) on one coyote, \$5; and
- (d) on each coyote pup, \$2.50.

(2) ~~Such~~ A petition ~~shall~~ must be presented not later than August 1 of each year, and the board of county commissioners on determining the sufficiency of ~~such~~ the petition shall make an order granting ~~such~~ the petition; ~~which~~ The order ~~shall~~ must fix the ~~levy fee~~ for that year and the amount of the bounties to be paid for the killing of each ~~such~~ predatory animal, which ~~shall~~ may not exceed the amounts recommended in ~~such~~ the petition; The order may also ~~and~~ appoint not less than 10 or more than 20 stockowners of ~~such~~ the county to be bounty inspectors under this part, without compensation, who shall hold their offices for 1 year.""

**Renumber:** subsequent sections

160. Page 237, line 13.

**Insert:** "NEW SECTION. Section 244. School district block grants. (1) (a) The office of public instruction shall provide a block grant to each school district based on the revenue received by each district in fiscal year 2001 from vehicle taxes and fees, corporate license taxes paid by financial institutions, aeronautics fees, state land payments in lieu of taxes, and property tax reimbursements pursuant to sections 167(1) through (5) and 169(6), Chapter 584, Laws of 1999.

(b) Block grants must be calculated using the electronic reporting system that is used by the office of public instruction and school districts. The electronic reporting system must be used to allocate a portion of the block grant amount into each district's fiscal year 2002 budget as an anticipated revenue source by fund.

(c) With the exception of vehicle taxes and fees, the office of public instruction shall use the amount actually received from the sources listed in subsection (1)(a) in fiscal year 2001 in its calculation of the block grant for fiscal year 2002 budgeting purposes. For vehicle taxes and fees, the office of public instruction shall use 93.4% of the amount actually received in fiscal year 2001 in calculating the block grant for fiscal year 2002.

(2) If the biennial appropriation provided in [section 248(1)] is insufficient to fund the school district block grants in fiscal year 2003 at the fiscal year 2002 level, the office of public instruction shall prorate the block grants to meet the remaining appropriation. School districts shall anticipate the prorated block grant amounts provided by the office of public instruction in their budgets for fiscal year 2003.

(3) Each year, 70% of each district's block grant must be distributed in November and 30% of each district's block grant must be distributed in May at the same time that guaranteed tax base aid is distributed. If the appropriation for block grants is greater than or less than the amount received by schools from the sources enumerated in subsection (1), the office of public instruction shall prorate the amount appropriated based upon the fiscal year 2001 revenue.

(4) The average amount of the block grants in fiscal years 2002 and 2003 must be increased by 0.76% in each succeeding fiscal year."

**Renumber:** subsequent sections

161. Page 241, line 17.

**Insert:** "NEW SECTION. Section 245. Countywide school retirement block grants. (1) The office of public instruction shall distribute one-half of the amount appropriated for countywide school retirement in November and the remainder in May. The total amount for each county is as follows:

	FY 2002	FY2002	FY2003	FY2003
	Elementary	High School	Elementary	High School
	Payment	Payment	Payment	Payment
Beaverhead	\$86,692	\$50,789	\$87,351	\$51,175

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Big Horn	62,668	36,963	63,144	37,244
Blaine	61,160	10,193	61,624	10,271
Broadwater	0	92,686	0	93,390
Carbon	43,451	82,110	43,782	82,734
Carter	9,751	5,453	9,825	5,495
Cascade	349,056	192,848	351,709	194,314
Chouteau	75,384	41,034	75,957	41,346
Custer	78,925	36,930	79,525	37,211
Daniels	0	37,994	0	38,283
Dawson	85,568	38,722	86,219	39,016
Deer Lodge	39,980	17,059	40,284	17,189
Fallon	0	0	0	0
Fergus	119,028	78,809	119,932	79,408
Flathead	558,861	296,410	563,108	298,662
Gallatin	383,035	181,743	385,946	183,125
Garfield	12,337	10,170	12,431	10,247
Glacier	79,924	34,016	80,532	34,275
Golden Valley	0	16,716	0	16,843
Granite	14,074	48,026	14,180	48,391
Hill	142,867	82,538	143,953	83,165
Jefferson	116,679	59,523	117,565	59,976
Judith Basin	6,149	21,359	6,196	21,521
Lake	173,584	139,990	174,903	141,054
Lewis & Clark	344,112	211,726	346,728	213,335
Liberty	20,144	16,786	20,297	16,914
Lincoln	73,001	98,835	73,556	99,586
Madison	0	103,163	0	103,947
McCone	23,214	15,824	23,390	15,945
Meagher	13,654	10,678	13,758	10,759
Mineral	0	32,206	0	32,451
Missoula	487,129	362,756	490,832	365,513
Musselshell	30,675	21,577	30,908	21,741
Park	154,192	81,696	155,364	82,317
Petroleum	0	16,897	0	17,026
Phillips	10,502	95,084	10,582	95,806
Pondera	79,805	60,307	80,411	60,765
Powder River	18,815	15,011	18,958	15,125
Powell	69,695	22,666	70,225	22,838
Prairie	0	26,791	0	26,995
Ravalli	85,333	169,769	85,981	171,059
Richland	83,671	30,302	84,307	30,533
Roosevelt	71,090	60,329	71,630	60,787
Rosebud	359,662	286,411	362,395	288,588
Sanders	203,863	127,694	205,413	128,665
Sheridan	0	46,231	0	46,583
Silver Bow	249,821	141,541	251,719	142,617
Stillwater	91,487	75,926	92,182	76,503
Sweet Grass	36,996	36,327	37,277	36,603
Teton	57,760	41,547	58,199	41,863



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Toole	43,323	51,399	43,652	51,790
Treasure	0	18,947	0	19,091
Valley	15,824	90,532	15,944	91,220
Wheatland	20,946	12,103	21,105	12,195
Wibaux	0	14,585	0	14,696
Yellowstone	1,125,488	643,136	1,134,042	648,024
Total	6,269,374	4,650,865	6,317,022	4,686,212

(2) The average amount of the block grants in fiscal years 2002 and 2003 must be increased by 0.76% in each succeeding fiscal year."

**Renumber:** subsequent sections

162. Page 244, line 25.

**Insert:** "NEW SECTION. Section 246. Countywide school transportation block grants. (1) The office of public instruction shall distribute one-half of the amount appropriated for countywide school transportation in November and the remainder in May. The total amount for each county is as follows:

	FY 2002	FY2003
	Payment	Payment
Beaverhead	\$29,924	\$30,151
Big Horn	43,635	43,966
Blaine	3,727	3,756
Broadwater	14,935	15,048
Carbon	23,493	23,671
Carter	8,675	8,741
Cascade	84,382	85,024
Chouteau	33,063	33,314
Custer	7,069	7,123
Daniels	16,771	16,899
Dawson	21,356	21,518
Deer Lodge	14,392	14,502
Fallon	20,447	20,603
Fergus	58,765	59,211
Flathead	89,846	90,529
Gallatin	81,262	81,879
Garfield	17,284	17,415
Glacier	37,740	38,027
Golden Valley	3,547	3,574
Granite	8,153	8,215
Hill	46,409	46,762
Jefferson	36,329	36,605
Judith Basin	16,878	17,007
Lake	69,756	70,286
Lewis & Clark	58,287	58,730
Liberty	15,874	15,995
Lincoln	50,388	50,771
Madison	21,263	21,424
McCone	12,498	12,593
Meagher	4,237	4,269
Mineral	7,478	7,534

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Missoula	93,969	94,683
Musselshell	12,945	13,043
Park	31,904	32,147
Petroleum	9,854	9,929
Phillips	31,080	31,316
Pondera	22,599	22,771
Powder River	21,304	21,465
Powell	16,622	16,748
Prairie	8,544	8,609
Ravalli	60,579	61,040
Richland	32,995	33,246
Roosevelt	25,740	25,935
Rosebud	97,820	98,564
Sanders	71,581	72,125
Sheridan	12,946	13,045
Silver Bow	21,872	22,038
Stillwater	27,358	27,566
Sweet Grass	14,996	15,110
Teton	28,202	28,416
Toole	17,208	17,339
Treasure	5,446	5,487
Valley	26,677	26,880
Wheatland	9,142	9,212
Wibaux	6,198	6,246
Yellowstone	149,314	150,448
Total	1,814,759	1,828,551

(2) The average amount of the block grants in fiscal years 2002 and 2003 must be increased by 0.76% in each succeeding fiscal year."

**Renumber:** subsequent sections

163. Page 246, line 3.

**Insert:** "Section 247. Section 5, Chapter 95, Laws of 2001, is amended to read:

"Section 5. Coordination instruction. If both House Bill No. 124 and [this act] are passed and approved:

(1) then [section 1 of this act] must read as follows:

**"23-2-533. (Temporary) Use of percentage of boat fees allocated funds for boat boating facilities -- designation of fees for regional use.** (1) ~~At the time the fee in lieu of tax imposed under 23-2-516 is collected, the payor shall designate the fish, wildlife, and parks administrative region in which the majority of the payor's boating activities take place. Upon receipt of the fee in the motorboat account in the state special revenue fund, the department shall earmark the fee for use in the designated region.~~

~~(2) All fees designated Funds allocated to the motorboat account by 23-2-518(2) must be used by the department to:~~

~~(a) improve, operate, or maintain regional boating facilities under the control of the department and, in conjunction with other funds in the motorboat account, to; and~~

~~(b) cover costs associated with the boating advisory council created in 23-2-536.~~

~~(2) The department may use the fees funds to match available federal funds to the extent possible. Expenditure of fees funds must be made after consideration of recommendations by the boating advisory council. (Terminates June 30, 2002--sec. 9, Ch. 476, L. 1995.)"~~

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(2) then 23-2-534, MCA, is amended to read:

**"23-2-534. (Temporary) Funding of state recreational boating safety program -- certification of county programs -- administration by counties.** (1) The department may in its discretion use available state funds and federal matching funds to contract with counties to implement designated parts of the state recreational boating safety program. If a county accepts a grant, the county shall agree to implement a program that is certified by the department as fulfilling the requirements of the state recreational boating safety program.

(2) A county may ~~designate any amount of boat fees in lieu of tax, unless otherwise allocated by 23-2-518(2), or other allocate funds for collection by~~ to the department for the recreational boating safety program. This money must be used by the department for contracts with counties for the recreational boating safety program. ~~(Terminates June 30, 2002--sec. 10, Ch. 476, L. 1995.)"~~

**Renumber:** subsequent sections

164. Page 246, line 18.

**Insert: "NEW SECTION. Section 248. Appropriations.** (1) There is appropriated from the general fund to the office of public instruction \$114,394,755 for the biennium ending June 30, 2003, for the purpose of school district block grants as provided in [section 244].

(2) There is appropriated from the general fund to the office of public instruction \$10,920,239 for fiscal year 2002 and \$11,003,234 for fiscal year 2003 for the purpose of countywide school retirement block grants as provided in [section 245].

(3) There is appropriated from the general fund to the office of public instruction \$1,814,759 for fiscal year 2002 and \$1,828,551 for fiscal year 2003 for the purpose of countywide school transportation block grants as provided in [section 246].

(4) If Senate Bill No. 176 is passed and approved, then there is appropriated from the general fund to the supreme court for fiscal year 2003 the amount deducted from the entitlement share payment in [section 1(2)] plus an additional 6%. The amount appropriated is up to \$25 million to be used for the purpose of implementing Senate Bill No. 176."

**Renumber:** subsequent sections

165. Page 246, line 22.

**Insert: "NEW SECTION. Section 249. Inclusion of appropriations in budget.** The governor shall include the appropriation in [section 248(1)] in the present law base budget prepared for the 58th legislative session for continued funding of the school district budget items funded by that appropriation."

**Renumber:** subsequent sections

166. Page 246, line 27.

**Insert: "NEW SECTION. Section 250. Reservation of funds.** The amount of \$7,447,018 must be reserved for countywide retirement and countywide transportation in fiscal year 2004 and the amount of \$4,812,299 must be reserved for countywide retirement and countywide transportation in fiscal year 2005."

**Renumber:** subsequent sections

167. Page 247, line 6.

**Insert: "NEW SECTION. Section 251. Policy and purpose.** (1) The purpose of [House Bill No. 124] is to establish a financial partnership between state and local governments.

(2) This partnership is founded on trust and is committed to protecting and promoting the financial interests of cities, towns, counties, local schools, special districts, and state government.

(3) Local governments agree to relinquish dedicated revenue in exchange for an entitlement share of the state general fund based on a formula that responds to the performance of the Montana economy.

(4) The legislature agrees to fund the entitlement share in accordance with the provisions of [section 1]."

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**Renumber:** subsequent sections

168. Page 247, line 10.

**Insert:** "NEW SECTION. Section 252. Coordination with school funding study. If an interim study of school funding is conducted during the interim commencing July 1, 2001, the study must include recommendations for retaining or repealing the block grants provided for in [sections 244 through 246]. "

**Renumber:** subsequent sections

169. Page 247, line 11.

**Following:** "~~(+)~~"

**Insert:** "(1)"

**Strike:** "3-5-404,"

170. Page 247, line 13.

**Strike:** "AND"

171. Page 247, lines 17 and 18.

**Following:** "~~87-1-604,~~" on line 17

**Insert:** "17-3-214, 20-25-1007, 52-1-110, 53-2-302, 53-2-306, 53-2-322, 53-2-610, 53-2-801, 53-2-802, 53-2-803, 53-2-811, 53-2-812, 53-2-813, 53-4-246, 53-4-247, 61-3-508, 61-3-510, 61-3-511, 61-3-512, 76-1-405, 76-1-407, 77-1-505, 77-1-506, 77-1-507, 80-2-223, and 80-7-810,"

**Strike:** "AND" on line 17 through "1997," on line 18

172. Page 247, line 20.

**Insert:** "(2) Sections 15-31-701 and 15-31-702, MCA, are repealed."

173. Page 247, line 22.

**Strike:** "[SECTION 1] IS"

**Insert:** "[Sections 1, 3, and 251] are"

174. Page 247, line 23.

**Strike:** "[SECTION 1]"

**Insert:** "[sections 1, 3, and 251]"

175. Page 248, line 2.

**Following:** "~~NOT~~"

**Insert:** "not"

**Following:** "z"

**Insert:** "z"

176. Page 248, line 3.

**Strike:** ", SENATE BILL NO. 176"

**Insert:** "(a) [section 1(1)(d) of this act]"

**Following:** "z"

**Insert:** "z"

177. Page 248, line 7.

**Following:** "VOID:"

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**Insert:** "(b) the phrase "the fiscal year 2001 increased costs for the state assumption of district court expenses provided for in 3-5-901 and" in [section 1(2) of this act] is void; and  
(c) the amendments to 3-2-714, 3-5-901, 25-1-201, 40-4-215, 40-4-226, 42-2-105, and 52-6-105 in [this act] are void."

178. Page 250.

**Following:** line 20

**Insert:** "(3) If Senate Bill No. 176 and [this act] are both passed and approved, then the amendments to 3-2-714, 3-5-901, 25-1-201, 40-4-215, and 40-4-226, in [this act] are void and the amendments to 42-2-105 and 61-3-509 in Senate Bill No. 176 are void.

(4) If Senate Bill No. 73 and [this act] are both passed and approved, then the amendments to 23-2-518, 23-2-618, 23-2-803, 61-3-509, and 67-3-205 in Senate Bill No. 73 are void.

(5) If Senate Bill No. 144 and [this act] are both passed and approved, then the amendment to 72-16-912 in Senate Bill No. 144 is void.

(6) If Senate Bill No. 175 and [this act] are both passed and approved then the amendments to 23-2-616, 61-3-321, and 61-3-509 in Senate Bill No. 175 are void.

(7) If Senate Bill No. 317 and [this act] are passed and approved, then 16-1-406 must read as follows:

**Section 105.** Section 16-1-406, MCA, is amended to read:

**"16-1-406. Taxes on beer.** (1) A tax of ~~\$4.30 per~~ is imposed on each barrel of 31 gallons ~~is imposed on each barrel~~ of beer sold in Montana by a wholesaler. A barrel of beer equals 31 gallons. The tax is based upon the total number of barrels of beer produced by a brewer in a year. A brewer who produces less than 20,000 barrels of beer a year is taxed on the following increments of production:

(i) up to 5,000 barrels, \$1.30;

(ii) 5,001 barrels to 10,000 barrels, \$2.30; and

(iii) 10,001 barrels to 20,000 barrels, \$3.30.

(b) The tax on beer sold for a brewer who produces over 20,000 barrels is \$4.30.

(2) The tax imposed pursuant to subsection (1) is due at the end of each month from the wholesaler upon beer sold by the wholesaler during that month. The department shall compute the tax due on beer sold in containers other than barrels or in barrels of more or less capacity than 31 gallons.

~~(2)~~(3) Each quarter, in accordance with the provisions of 15-1-501, of the tax collected pursuant to subsection (1), an amount equal to:

(a) ~~\$1~~ 23.26% must be deposited in the state treasury to the credit of the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism; and

(b) ~~50 cents~~ the balance must be deposited in the state general fund; ~~and~~

(c) ~~\$2.80~~ must be deposited with the state treasurer to the credit of the incorporated cities and towns beer tax account in the state special revenue fund.

~~(3)~~ (a) ~~The money in the incorporated cities and towns beer tax account is statutorily appropriated, as provided in 17-7-502, to the department, which shall, monthly, distribute this amount of money to the incorporated cities and towns in the direct proportion that the population of each city and town bears to the total population of all incorporated cities and towns as shown in the latest official federal census as adjusted by the most recent population estimates published by the U.S. bureau of the census. For cities and towns incorporated after the latest official federal census, the census must be determined as of the date of incorporation as evidenced by the certificate of the incorporating officials of that city or town. If a city or town disincorporates, it may not receive any funds under this section and the amount previously distributed to the city or town must be distributed to the remaining incorporated cities and towns. All funds received by cities and towns under this section must be expended for state purposes, such as law enforcement, maintenance of the transportation system, and public health.~~

~~(b) The department may adjust population estimates only on the July 1 following the date of publication of the estimates by the U.S. bureau of the census. The adjusted distribution formula must remain in effect for the entire~~

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fiscal year."

(8) If Senate Bill No. 339 and [this act] are both passed and approved, then the amendments to 41-3-1122, 53-2-207, and 53-2-304 in [this act] are void.

(9) If Senate Bill No. 389 and [this act] are both passed and approved, then 80-2-232 must read as follows:  
Section 219. Section 80-2-232, MCA, is amended to read:

"80-2-232. ~~State treasurer's~~ Department of revenue's duty -- warrants -- transfers to ~~county and~~ state general fund. (1) The ~~state treasurer~~ department of revenue shall ~~must~~ receive all money paid under this part and shall place the money in trust for the hail insurance program to the credit of the enterprise fund. All money collected by the board must be deposited in the enterprise fund, and all losses must be paid from that fund. All other costs are administrative expenses and must be paid from the board's enterprise fund. If registered warrants are presented and there is no money to pay the warrants, the warrants must be registered and bear interest at the rate of 4% ~~per annum~~ a year until called for payment by the state treasurer.

(2) ~~Upon warrants drawn by order of the board, the state treasurer shall pay out of the board's enterprise fund to the county treasurer of each county where state hail insurance coverage is in force 2% of the gross annual levies made and collected in that county under this part for the use of the county as the board of county commissioners may determine. The department of revenue may retain 2% of the gross annual fees imposed and collected under this part for administrative costs associated with billing and collection of hail and fire insurance premiums.~~

(3) Upon authorization from the board of hail insurance, the state treasurer shall transfer out of the board's enterprise fund to the general fund of the state of Montana 1.5% of the gross annual ~~levies made~~ fees imposed and collected in the state of Montana."

(10) (a) If Senate Bill No. 448 and [this act] are both passed and approved then [section 2 of Senate Bill No. 448], amending 61-3-321, is void.

(b) If Senate Bill No. 448 is not passed and approved then:

(i) in [section 3 of this act], the bracketed subsection (3)(f) relating to a fee for transportation for senior citizens and persons with disabilities is void; and

(ii) in [section 163 of this act], the bracketed subsection (6) of 61-3-321, relating to a fee for transportation for senior citizens and persons with disabilities is void."

**Renumber:** subsequent subsection

179. Page 250, line 21 through page 252, line 26.

**Following:** "THEN" page 250, line 21

**Insert:** "the amendment to"

**Following:** "15-10-420" page 250, line 21

**Insert:** "in Senate Bill No. 501 is void."

**Strike:** "MUST" on page 250, line 21 through "unit." on page 252, line 26

180. Page 252, line 28.

**Strike:** "DATE"

**Insert:** "dates"

181. Page 252, line 29.

**Strike:** "[THIS ACT]"

**Insert:** "(1) Except as provided in subsections (2) and (3), [this act]"

182. Page 252.

**Following:** line 30

**Insert:** "(2) [Section 253(2) and this section] are effective on passage and approval.

(3) [Sections 6, 7, and 144] are effective July 1, 2002."

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183. Page 253, line 7.

**Insert:** "NEW SECTION. Section 257. Retroactive applicability. (1) [Section 253(2)] applies retroactively, within the meaning of 1-2-109, to July 1, 2000.

(2) [Section 143] applies retroactively, within the meaning of 1-2-109, to April 1, 2000."

For the House:

Story, Chairman  
Esp  
Mangan

For the Senate:

Johnson, Chairman  
Stonington

FREE CONFERENCE COMMITTEE  
on House Bill 600  
Report No. 1, April 18, 2001

Mr. Speaker and Mr. President:

We, your Free Conference Committee on **House Bill 600**, met April 18, 2001, and considered:

1. Senate Committee on Taxation amendments to third reading copy, dated April 6, 2001; and
2. Senate Committee of the Whole amendments to second house, second reading copy, dated April 7, 2001.

We recommend that **House Bill 600** (reference copy – salmon) be amended as follows:

1. Title, page 1, line 4.

**Following:** "EXEMPTING"

**Insert:** "CERTAIN"

2. Page 1, line 29.

**Following:** "OWNED"

**Insert:** "or leased"

3. Page 1, line 29 through line 30.

**Strike:** "OR" on line 29 through "ACT" on line 30

4. Page 1, line 30.

**Strike:** "OWNER"

**Insert:** "person"

**Strike:** "OWNER'S"

**Insert:** "person's"

5. Page 2, line 3.

**Following:** "OWNED"

**Insert:** "or leased"

**Strike:** "70%"

**Insert:** "80%"

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6. Page 2, line 11.

**Strike:** "INCLUDES BUT"

**Strike:** "NOT"

7. Page 2, line 12 through line 13.

**Following:** "FUELS" on line 12

**Strike:** "₂" on line 12 through "COGENERATION" on line 13

8. Page 2, line 14.

**Strike:** "OWNER'S"

**Insert:** "person's"

For the House:

Story, Chairman  
Devlin  
Forrester

For the Senate:

Cole, Chairman  
DePratu  
Halligan

FREE CONFERENCE COMMITTEE  
on House Bill 637  
Report No. 1, April 19, 2001

Mr. Speaker and Mr. President:

We, your Free Conference Committee on **House Bill 637**, met April 18, 2001, and considered:

1. Senate Committee on Judiciary amendments to third reading copy, dated March 28, 2001; and
2. Senate Committee on Finance amendment to second house, second reading copy, dated April 7, 2001; and
3. Senate Committee of the Whole amendments to second house, second reading copy, dated April 11, 2001.

We recommend that **House Bill 637** (reference copy – salmon) be amended as follows:

1. Page 1, line 30.

**Following:** "supporting"

**Strike:** "the use of community-based, INCLUDING FAITH-BASED,"

2. Page 3, line 3.

**Strike:** "FEDERAL,"

**Following:** "STATE;"

**Strike:** "₂"

3. Page 3, line 6.

**Strike:** "TO COMMUNITIES"

4. Page 3, line 7.

**Following:** "21"



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**Insert:** "to community-based, including faith-based, organizations"

5. Page 4, line 10 through 12.

**Following:** "support" on line 10

**Strike:** remainder of line 10 through "faith-based," on line 11

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

**Strike:** remainder of line 11 through "state" on line 12

**Insert:** "restorative justice principles"

6. Page 4, line 19.

**Strike:** "\$400,000"

**Insert:** "\$200,000"

For the House:

Younkin, Chairman  
Kaufmann  
K. Peterson

For the Senate:

Grimes, Chairman  
Bishop  
Doherty

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

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

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

**HB 554 - Senate Amendments** - Representative Sliter moved Senate amendments to **HB 554** be concurred in. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Esp, Facey, Forrester, Fritz, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Rome, Schmidt, Schrupf, Shockley, Sliter, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waitschies, Walters, Wanzenried, Witt, Wolery, Younkin, Mr. Speaker.

Total 89

Noes: Bixby, E. Clark, Devlin, Eggers, Erickson, Fisher, Fuchs, Ripley, Smith, Waddill, Whitaker.

Total 11

Excused: None.

Total 0

Absent or not voting: None.

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Total 0

**HB 208 - Free Conference Committee Report No. 1** - Representative Noennig moved the Free Conference Committee report to **HB 208** be adopted. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrupf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 99

Noes: None.

Total 0

Excused: None.

Total 0

Absent or not voting: Mood.

Total 1

**HB 226 - Conference Committee Report No. 1** - Representative Bales moved the Conference Committee report to **HB 226** be adopted. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Jackson, Jacobson, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrupf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 95

Noes: Fisher, Hurdle, Jayne, Lee.

Total 4

Excused: None.

Total 0

Absent or not voting: Dale.

Total 1

**HB 290 - Conference Committee Report No. 1** - Representative Younkin moved the Conference Committee report to **HB 290** be adopted. Motion carried as follows:

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Ayes: Adams, Andersen, Bales, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 96

Noes: Balyeat, Laible, Waitschies.

Total 3

Excused: None.

Total 0

Absent or not voting: Mood.

Total 1

**HB 359 - Conference Committee Report No. 1** - Representative Shockley moved the Conference Committee report to **HB 359** be adopted. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 98

Noes: Jayne.

Total 1

Excused: None.

Total 0

Absent or not voting: Erickson.

Total 1

**HB 360 - Conference Committee Report No. 1** - Representative Shockley moved the Conference Committee report to **HB 360** be adopted. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kaufmann, Keane, Laible,

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Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrumpf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 97

Noes: Newman.

Total 1

Excused: None.

Total 0

Absent or not voting: Kasten, Story.

Total 2

**HB 644 - Conference Committee Report No. 1** - Representative Pattison moved the Conference Committee report to **HB 644** be adopted. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Callahan, Carney, Clancy, E. Clark, Curtiss, Dale, Davies, Dell, Devlin, Eggers, Esp, Facey, Fisher, Forrester, Fuchs, Gallus, Gillan, Golie, Haines, Hedges, Himmelberger, Holden, Jackson, Jacobson, Jayne, Jent, Kasten, Laible, Laslovich, Laszloffy, Lawson, Lehman, Lenhart, Lewis, Lindeen, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrumpf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 81

Noes: Bixby, Buzzas, P. Clark, Cyr, Erickson, Fritz, Gallik, Galvin-Halcro, Gutsche, Harris, Hurdle, Juneau, Kaufmann, Keane, Lee, Mangan, Newman, Walters, Wanzenried.

Total 19

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**SB 82 - Governor's Amendments** - Representative R. Brown moved Governor's amendments to **SB 82** be concurred in. Motion carried as follows:

Ayes: Andersen, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, P. Clark, Curtiss, Cyr, Dale, Dell, Eggers, Erickson, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gutsche, Haines, Harris, Hedges, Holden, Hurdle, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laslovich, Lee, Lehman, Lenhart, Lindeen, Mangan, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, A. Peterson, K. Peterson, Price, Raser, Schrumpf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Waddill, Walters, Wanzenried, Whitaker, Wolery, Younkin.

Total 74

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Noes: Adams, Bales, Balyeat, Barrett, E. Clark, Davies, Devlin, Esp, Gillan, Golie, Himmelberger, Jackson, Laible, Laszloffy, Lawson, Lewis, Masolo, Pattison, Rice, Ripley, Rome, Schmidt, Vick, Waitschies, Mr. Speaker.  
Total 25

Excused: None.  
Total 0

Absent or not voting: Witt.  
Total 1

**SB 274 - Governor's Amendments** - Representative Sliter moved Governor's amendments to **SB 274** be concurred in. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrupf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Mr. Speaker.  
Total 97

Noes: Balyeat.  
Total 1

Excused: None.  
Total 0

Absent or not voting: Callahan, Younkin.  
Total 2

**SB 338 - Governor's Amendments** - Representative Lewis moved Governor's amendments to **SB 338** be **not** concurred in.

Representative Whitaker moved for cloture. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, D. Brown, R. Brown, Brueggeman, Clancy, E. Clark, Curtiss, Cyr, Dale, Davies, Devlin, Esp, Fisher, Fuchs, Haines, Hedges, Himmelberger, Holden, Jackson, Jent, Kasten, Keane, Laible, Laslovich, Laszloffy, Lawson, Lehman, Lenhart, Lewis, Lindeen, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Rice, Ripley, Rome, Schrupf, Shockley, Somerville, Steinbeisser, Story, Tramelli, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 67

Noes: Bixby, Branae, Buzzas, Callahan, Carney, P. Clark, Dell, Eggers, Erickson, Facey, Forrester, Fritz, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Harris, Hurdle, Jacobson, Jayne, Juneau, Kaufmann, Lee, Newman, Raser, Schmidt, Smith, Tropila.

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Total 30

Excused: None.

Total 0

Absent or not voting: Mangan, Sliter, Thomas.

Total 3

Motion that Governor's Amendments to **SB 338** be **not** concurred in carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, D. Brown, Brueggeman, Clancy, E. Clark, Curtiss, Dale, Davies, Devlin, Esp, Fisher, Fuchs, Haines, Hedges, Himmelberger, Jackson, Kasten, Laible, Laszloffy, Lawson, Lehman, Lewis, Masolo, McCann, McKenney, Mood, Olson, Pattison, A. Peterson, K. Peterson, Price, Rice, Ripley, Rome, Schrupf, Shockley, Sliter, Somerville, Steinbeisser, Story, Vick, Waitschies, Walters, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 54

Noes: Bixby, Branae, R. Brown, Buzzas, Callahan, Carney, P. Clark, Cyr, Dell, Eggers, Erickson, Facey, Forrester, Fritz, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Harris, Hurdle, Jacobson, Jayne, Jent, Juneau, Kaufmann, Keane, Laslovich, Lee, Lenhart, Lindeen, Mangan, Matthews, Musgrove, Newman, Noennig, Raser, Schmidt, Smith, Thomas, Tramelli, Tropila, Waddill, Wanzenried.

Total 45

Excused: None.

Total 0

Absent or not voting: Holden.

Total 1

**SB 322 - Free Conference Committee Report No. 1** - Representative Kasten moved the Free Conference Committee report to **SB 322** be adopted. Motion carried as follows:

Ayes: Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Eggers, Erickson, Esp, Facey, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, Price, Raser, Rice, Ripley, Schmidt, Schrupf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 95

Noes: Adams, Devlin, Fisher, K. Peterson, Rome.

Total 5

Excused: None.

Total 0

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Absent or not voting: None.  
Total 0

**SB 398 - Free Conference Committee Report No. 1** - Representative Mood moved the Free Conference Committee report to **SB 398** be adopted. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Clancy, E. Clark, Curtiss, Dale, Davies, Dell, Devlin, Esp, Fisher, Forrester, Fuchs, Gillan, Golie, Haines, Harris, Hedges, Himmelberger, Holden, Jackson, Jacobson, Kasten, Keane, Laible, Laslovich, Laszloffy, Lawson, Lehman, Lenhart, Lewis, Lindeen, Masolo, Matthews, McCann, McKenney, Mood, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Somerville, Steinbeisser, Story, Thomas, Tramelli, Vick, Waddill, Waitschies, Walters, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 74

Noes: Bixby, Buzzas, Callahan, Carney, P. Clark, Cyr, Eggers, Erickson, Facey, Gallik, Gallus, Galvin-Halcro, Gutsche, Hurdle, Jayne, Jent, Juneau, Kaufmann, Lee, Mangan, Musgrove, Raser, Smith, Tropila, Wanzenried.  
Total 25

Excused: None.  
Total 0

Absent or not voting: Fritz.  
Total 1

Representative Sliter moved the committee rise, report progress, and beg leave to sit again. Motion carried. Committee arose. House resumed. Mr. Speaker in the chair. Chairman D. Brown moved the Committee of the Whole report be adopted. Report adopted as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, Branae, R. Brown, Brueggeman, Clancy, E. Clark, Curtiss, Dale, Davies, Dell, Devlin, Esp, Fisher, Forrester, Fritz, Fuchs, Haines, Hedges, Himmelberger, Holden, Jackson, Jacobson, Kasten, Laible, Laszloffy, Lawson, Lehman, Lenhart, Lewis, Masolo, Matthews, McCann, McKenney, Mood, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Rice, Ripley, Rome, Schruppf, Shockley, Sliter, Somerville, Steinbeisser, Story, Thomas, Vick, Waddill, Waitschies, Walters, Whitaker, Wolery, Younkin, Mr. Speaker.  
Total 64

Noes: Bixby, Buzzas, Callahan, Carney, P. Clark, Cyr, Eggers, Erickson, Facey, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Harris, Hurdle, Jayne, Jent, Juneau, Kaufmann, Keane, Laslovich, Lee, Lindeen, Mangan, Musgrove, Raser, Schmidt, Smith, Tramelli, Tropila, Wanzenried.  
Total 33

Excused: None.  
Total 0

Absent or not voting: D. Brown, Newman, Witt.  
Total 3

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**MOTIONS**

Representative Sliter moved the Speaker be authorized to appoint a free conference committee to meet with a like committee from the Senate to confer on **SB 176**. Motion carried.

The Speaker appointed the following members:

Representative Witt, Chairman  
Representative Esp  
Representative Erickson

Representative Sliter moved that the House reconsider its action on **SB 437** and that it be placed on second reading today. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, D. Brown, R. Brown, Brueggeman, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Devlin, Esp, Facey, Fisher, Forrester, Fuchs, Haines, Harris, Hedges, Himmelberger, Holden, Jackson, Jent, Juneau, Kasten, Laible, Laszloffy, Lawson, Lehman, Lenhart, Lewis, Lindeen, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, Price, Raser, Ripley, Rome, Schrupf, Shockley, Sliter, Somerville, Story, Thomas, Tropila, Vick, Waddill, Waitschies, Walters, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 70

Noes: Bixby, Branae, Buzzas, Callahan, Carney, Dell, Erickson, Fritz, Gallik, Galvin-Halcro, Gillan, Golie, Gutsche, Hurdle, Jacobson, Jayne, Kaufmann, Keane, Laslovich, Lee, Mangan, K. Peterson, Rice, Schmidt, Smith, Steinbeisser, Tramelli, Wanzenried.  
Total 28

Excused: None.  
Total 0

Absent or not voting: Eggers, Gallus.  
Total 2

Representative Sliter moved that **SB 437** be taken from the Committee of the Whole and rereferred to a free conference committee. 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:

**HB 118, Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Esp, Facey, Fisher, Forrester, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood,



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Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 97

Noes: Erickson, Fritz, Lee.

Total 3

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**HB 119, Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Olson, Pattison, A. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 89

Noes: Bixby, Callahan, Erickson, Gallus, Hurdle, Kaufmann, Mangan, Noennig, K. Peterson, Tramelli, Tropila.

Total 11

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**HB 214, Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Barrett, Bitney, Bookout-Reinicke, Branae, D. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Davies, Devlin, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Holden, Hurdle, Jackson, Jacobson, Jent, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Thomas, Tramelli, Tropila, Vick, Waddill, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin.

Total 83

Noes: Balyeat, Bixby, R. Brown, Dale, Dell, Eggers, Erickson, Esp, Himmelberger, Jayne, Juneau, Kasten, Pattison, Steinbeisser, Story, Waitschies, Mr. Speaker.

Total 17

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Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**HB 216, Free Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Barrett, Bitney, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Clancy, E. Clark, Curtiss, Dale, Davies, Devlin, Esp, Fisher, Forrester, Fuchs, Gallik, Gallus, Gillan, Haines, Harris, Hedges, Himmelberger, Holden, Jackson, Jacobson, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lewis, Masolo, Matthews, McCann, McKenney, Mood, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Rice, Rome, Schmidt, Schrupf, Sliter, Somerville, Steinbeisser, Story, Thomas, Vick, Waddill, Waitschies, Walters, Whitaker, Witt, Younkin.  
Total 66

Noes: Balyeat, Bixby, Callahan, Carney, P. Clark, Cyr, Dell, Eggers, Erickson, Facey, Fritz, Galvin-Halcro, Golie, Gutsche, Hurdle, Jayne, Jent, Juneau, Kasten, Kaufmann, Lenhart, Lindeen, Mangan, Musgrove, Newman, Raser, Ripley, Shockley, Smith, Tramelli, Tropila, Wanzenried, Wolery, Mr. Speaker.  
Total 34

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**HB 266, Conference Committee Report No. 2**, adopted as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Dale, Davies, Dell, Devlin, Eggers, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Juneau, Kasten, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrupf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 92

Noes: Bixby, Cyr, Erickson, Gallus, Jent, Kaufmann, Keane, Newman.  
Total 8

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

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**HB 324, Conference Committee Report No. 1**, adopted as follows:

Ayes: Andersen, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Buzzas, Callahan, Carney, E. Clark, Cyr, Dell, Eggers, Erickson, Facey, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Hurdle, Jacobson, Jayne, Jent, Juneau, Kaufmann, Keane, Laslovich, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Matthews, McKenney, Musgrove, Newman, Noennig, Olson, A. Peterson, Price, Raser, Ripley, Rome, Schmidt, Smith, Thomas, Tramelli, Tropila, Waddill, Wanzenried, Whitaker, Witt, Wolery, Younkin.  
Total 64

Noes: Adams, Bales, Balyeat, Barrett, Brueggeman, Clancy, P. Clark, Curtiss, Dale, Davies, Devlin, Esp, Fisher, Himmelberger, Holden, Jackson, Kasten, Laible, Laszloffy, Lawson, Masolo, McCann, Mood, Pattison, K. Peterson, Rice, Schruppf, Shockley, Sliter, Somerville, Steinbeisser, Story, Vick, Waitschies, Walters, Mr. Speaker.  
Total 36

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**HB 459, Free Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, D. Brown, R. Brown, Brueggeman, Clancy, E. Clark, Curtiss, Dale, Davies, Devlin, Esp, Fisher, Forrester, Fuchs, Haines, Hedges, Himmelberger, Holden, Jackson, Kasten, Laible, Laszloffy, Lawson, Lehman, Lewis, Masolo, Matthews, McCann, McKenney, Mood, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Rice, Ripley, Rome, Schruppf, Shockley, Sliter, Somerville, Steinbeisser, Story, Thomas, Vick, Waitschies, Walters, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 60

Noes: Bixby, Branae, Buzzas, Callahan, Carney, P. Clark, Cyr, Dell, Eggers, Erickson, Facey, Fritz, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Harris, Hurdle, Jacobson, Jayne, Jent, Juneau, Kaufmann, Keane, Laslovich, Lee, Lenhart, Lindeen, Mangan, Musgrove, Newman, Raser, Schmidt, Smith, Tramelli, Tropila, Waddill, Wanzenried.  
Total 40

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**HB 543, Free Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf,

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Shockley, Sliter, Somerville, Steinbeisser, Story, Thomas, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 93

Noes: P. Clark, Eggers, Gallik, Hurdle, Musgrove, Smith, Tramelli.

Total 7

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**HB 559, Conference Committee Report No. 2**, adopted as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Callahan, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Esp, Fisher, Forrester, Fuchs, Gallik, Gillan, Haines, Harris, Hedges, Himmelberger, Holden, Jackson, Kasten, Keane, Laible, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Rice, Ripley, Rome, Schmidt, Schrumpf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tropila, Vick, Waddill, Waitschies, Walters, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 80

Noes: Bixby, Buzzas, Carney, Erickson, Facey, Fritz, Gallus, Galvin-Halcro, Golie, Gutsche, Hurdle, Jacobson, Jayne, Jent, Juneau, Kaufmann, Laslovich, Raser, Tramelli, Wanzenried.

Total 20

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**HB 572, Free Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, D. Brown, R. Brown, Brueggeman, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Esp, Forrester, Fuchs, Gallus, Haines, Harris, Hedges, Himmelberger, Holden, Jacobson, Jent, Kasten, Keane, Laible, Laszloffy, Lawson, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Rice, Ripley, Rome, Schrumpf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tropila, Vick, Waitschies, Walters, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 72

Noes: Bixby, Branae, Buzzas, Callahan, Carney, Eggers, Erickson, Facey, Fisher, Fritz, Gallik, Galvin-Halcro, Gillan, Golie, Gutsche, Hurdle, Jayne, Juneau, Kaufmann, Laslovich, Lee, Musgrove, Raser, Schmidt, Tramelli, Waddill, Wanzenried.

Total 27

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Excused: None.  
Total 0

Absent or not voting: Jackson.  
Total 1

**HB 603, Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrumpf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 99

Noes: Eggers.  
Total 1

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**HB 605, Free Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, D. Brown, R. Brown, Brueggeman, Clancy, E. Clark, Curtiss, Dale, Davies, Devlin, Esp, Fisher, Forrester, Fuchs, Haines, Hedges, Himmelberger, Holden, Jackson, Kasten, Keane, Laible, Laszloffy, Lehman, Lewis, Masolo, McCann, McKenney, Mood, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Rice, Ripley, Rome, Schrumpf, Shockley, Sliter, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waitschies, Walters, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 61

Noes: Bixby, Branae, Buzzas, Callahan, Carney, P. Clark, Cyr, Dell, Eggers, Erickson, Facey, Fritz, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Harris, Hurdle, Jacobson, Jayne, Jent, Juneau, Kaufmann, Laslovich, Lawson, Lee, Lenhart, Lindeen, Mangan, Matthews, Musgrove, Newman, Raser, Schmidt, Smith, Waddill, Wanzenried.  
Total 39

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**HB 612, Conference Committee Report No. 1**, adopted as follows:

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Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Jackson, Jacobson, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 98

Noes: Hurdle, Jayne.

Total 2

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**HJR 32, Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, P. Clark, Curtiss, Cyr, Davies, Dell, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, A. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Wanzenried, Whitaker, Witt, Younkin, Mr. Speaker.

Total 88

Noes: Andersen, R. Brown, E. Clark, Dale, Devlin, Holden, Mangan, Pattison, K. Peterson, Story, Walters, Wolery.

Total 12

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**SB 28, Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick,

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Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 100

Noes: None.  
Total 0

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**SB 48, Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Barrett, Bitney, Bookout-Reinicke, D. Brown, R. Brown, Carney, Clancy, E. Clark, Curtiss, Dale, Dell, Devlin, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Hedges, Himmelberger, Holden, Jackson, Jacobson, Jayne, Juneau, Kasten, Keane, Laible, Lawson, Lee, Lehman, Lenhart, Lewis, Mangan, Matthews, McCann, McKenney, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, Price, Raser, Ripley, Rome, Schmidt, Shockley, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Waddill, Walters, Wanzenried, Whitaker, Witt, Younkin.  
Total 66

Noes: Balyeat, Bixby, Branae, Brueggeman, Buzzas, Callahan, P. Clark, Cyr, Davies, Eggers, Erickson, Esp, Facey, Fisher, Gutsche, Haines, Harris, Hurdle, Jent, Kaufmann, Laslovich, Laszloffy, Lindeen, Masolo, Mood, K. Peterson, Rice, Schruppf, Sliter, Smith, Vick, Waitschies, Wolery, Mr. Speaker.  
Total 34

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**SB 135, Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 98

Noes: Newman, Shockley.  
Total 2

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Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**SB 151, Free Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Barrett, Bitney, Bookout-Reinicke, D. Brown, R. Brown, Brueggeman, Clancy, E. Clark, P. Clark, Curtiss, Dale, Davies, Dell, Devlin, Eggers, Esp, Fisher, Forrester, Fuchs, Gallus, Haines, Hedges, Himmelberger, Holden, Jackson, Kasten, Keane, Laible, Laszloffy, Lawson, Lehman, Lenhart, Lewis, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, Price, Rice, Ripley, Rome, Schrumpf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tropila, Vick, Waddill, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin.  
Total 69

Noes: Balyeat, Bixby, Branae, Buzzas, Callahan, Carney, Cyr, Erickson, Facey, Fritz, Gallik, Galvin-Halcro, Gillan, Golie, Gutsche, Harris, Hurdle, Jacobson, Jayne, Jent, Juneau, Kaufmann, Laslovich, Lee, Lindeen, K. Peterson, Raser, Schmidt, Tramelli, Waitschies, Mr. Speaker.  
Total 31

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**SB 185, Free Conference Committee Report No. 1**, adopted as follows:

Ayes: Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrumpf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 98

Noes: Adams.  
Total 1

Excused: None.  
Total 0

Absent or not voting: Pattison.  
Total 1



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**SB 283, Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Wolery, Younkin, Mr. Speaker.

Total 95

Noes: Balyeat, Mangan, Pattison, Vick.

Total 4

Excused: None.

Total 0

Absent or not voting: Witt.

Total 1

**SB 327, Free Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 97

Noes: P. Clark, Jackson, K. Peterson.

Total 3

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**SB 423, Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman,

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Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Rice, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Story, Thomas, Tramelli, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 91

Noes: Balyeat, Curtiss, Gallus, Galvin-Halcro, Raser, Ripley, Rome, Steinbeisser, Tropila.  
Total 9

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**SB 427, Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 96

Noes: Balyeat, Davies, Kasten, Vick.  
Total 4

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**SB 441, Free Conference Committee Report No. 1**, adopted as follows:

Ayes: Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin.  
Total 97

Noes: Adams, Kasten, Mr. Speaker.

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Total 3

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**SB 457, Conference Committee Report No. 1**, adopted as follows:

Ayes: Adams, Andersen, Bales, Barrett, Bitney, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jacobson, Jayne, Jent, Kasten, Kaufmann, Keane, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 93

Noes: Balyeat, Bixby, Eggers, Jackson, Juneau, Laible, Vick.

Total 7

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**SB 514, Conference Committee Report No. 1**, adopted as follows:

Ayes: Andersen, Bales, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Dale, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Gallik, Gallus, Galvin-Halcro, Gillan, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jent, Juneau, Kaufmann, Keane, Laible, Laslovich, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Noennig, Olson, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Schmidt, Schruppf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Waddill, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin.

Total 85

Noes: Adams, Balyeat, Cyr, Davies, Fuchs, Golie, Jayne, Kasten, Laszloffy, Newman, Pattison, Rome, Vick, Waitschies, Mr. Speaker.

Total 15

Excused: None.

Total 0

Absent or not voting: None.

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Total 0

**SJR 21** concurred in as follows:

Ayes: Andersen, Bales, Barrett, Bitney, Bookout-Reinicke, Branae, D. Brown, Brueggeman, Callahan, Carney, E. Clark, P. Clark, Cyr, Dale, Devlin, Erickson, Esp, Facey, Forrester, Fritz, Fuchs, Gallus, Gillan, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jacobson, Jayne, Jent, Kaufmann, Laslovich, Lawson, Lehman, Lenhart, Lindeen, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Noennig, Olson, Pattison, A. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrupf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin.

Total 70

Noes: Adams, Balyeat, Bixby, R. Brown, Buzzas, Clancy, Curtiss, Davies, Dell, Eggers, Fisher, Gallik, Galvin-Halcro, Golie, Gutsche, Jackson, Juneau, Kasten, Keane, Laible, Laszloffy, Lee, Lewis, Mangan, Newman, K. Peterson, Tramelli, Tropila, Vick, Mr. Speaker.

Total 30

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**SJR 22** concurred in as follows:

Ayes: Andersen, Bales, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Cyr, Dale, Dell, Devlin, Eggers, Erickson, Facey, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kaufmann, Keane, Laslovich, Lawson, Lee, Lehman, Lenhart, Lindeen, Mangan, Masolo, Matthews, McCann, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Smith, Thomas, Tramelli, Tropila, Waddill, Wanzenried, Younkin.

Total 74

Noes: Adams, Balyeat, R. Brown, Curtiss, Davies, Esp, Fisher, Himmelberger, Kasten, Laible, Laszloffy, Lewis, McKenney, Shockley, Sliter, Somerville, Steinbeisser, Story, Vick, Waitschies, Walters, Whitaker, Wolery, Mr. Speaker.

Total 24

Excused: None.

Total 0

Absent or not voting: Schrupf, Witt.

Total 2

**REPORTS OF STANDING COMMITTEES**

**BILLS** (Bookout-Reinicke, Chairman):

4/19/2001

Correctly enrolled: **HB 3, HB 4, HB 6, HB 9, HB 11, HB 13, HB 69, HB 154, HB 172, HB 459, HB 516, HB 619,**

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**HB 628, HJR 2, HJR 19, HJR 35, HJR 37, HJR 39, HJR 41.**

Examined by the sponsor and found to be correct: **HB 3, HB 4, HB 6, HB 9, HB 11, HB 13, HB 69, HB 154, HB 172, HB 516, HB 619, HB 628, HJR 2, HJR 19, HJR 35, HJR 37, HJR 39, HJR 41.**

Delivered to the Governor for approval at 2:40 p.m., April 19, 2001: **HB 46, HB 125, HB 156, HB 166, HB 210, HB 249, HB 265, HB 279, HB 317, HB 331, HB 349, HB 434, HB 577, HB 610, HB 615, HB 639.**

**REPORTS OF SELECT COMMITTEES**

FREE CONFERENCE COMMITTEE  
on House Bill 645  
Report No. 1, April 19, 2001

Mr. Speaker and Mr. President:

We, your Free Conference Committee on **House Bill 645**, met April 19, 2001, and considered:

1. Senate Committee on Energy and Telecommunications amendments to third reading copy, dated April 6, 2001.

We recommend that **House Bill 645** (reference copy – salmon) be amended as follows:

1. Title, line 11.

**Following:** "DATE"

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

2. Page 1, line 19.

**Following:** "."

**Insert:** "The electrical energy pool must be administered by a public utility that has filed a transition plan with the commission."

3. Page 1, line 28.

**Strike:** "OF"

**Insert:** "by"

4. Page 2, line 1.

**Following:** "RATES"

**Insert:** "or rates under another class"

5. Page 2, line 23.

**Following:** " \_"

**Insert:** "A customer receiving electrical energy from the electrical energy pool and providing onsite generation may not use the energy received from the pool to augment or supplement off-system sales of the electrical energy generated at the site."

6. Page 3, line 3.

**Following:** "COST"

**Insert:** ", but may take into account existing rate classes"

7. Page 3, line 9.

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**Following:** line 8

**Insert:** "(12) The default supplier is the successor in interest to the electrical energy pool. The default supplier may allocate any electrical energy or cash remaining in the electrical energy pool on June 30, 2002, among its customers.

(13) As used in this section, "conservation efforts" means demand reductions on the utility system achieved by the contracting customer through improving efficiency or reducing energy use. The term does not include shifting demand from the utility to a nonutility supply source."

8. Page 3, line 19.

**Insert:** "NEW SECTION. Section 5. Termination. [This act] terminates June 30, 2002."

For the House:

Mood, Chairman  
R. Brown  
Dell

For the Senate:

McNutt, Chairman  
Ellis  
Ryan

**MESSAGES FROM THE GOVERNOR**

April 19, 2001

The Honorable Dan McGee  
Speaker of the House  
State Capitol  
Helena, Montana 59620

The Honorable Tom Beck  
President of the Senate  
State Capitol  
Helena, Montana 59620

Dear Speaker McGee and President Beck:

In accordance with the power vested in me as Governor by the Constitution and laws of the State of Montana, I hereby return with amendments House Bill 247, "**AN ACT REDUCING THE FEE IN LIEU OF TAX ON HEAVY VEHICLES BY 50 PERCENT OVER A 3-YEAR PERIOD; PROVIDING A REIMBURSEMENT TO LOCAL GOVERNMENTS FOR LOSS OF REVENUE; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTIONS 17-7-502 AND 61-3-529, MCA; AND PROVIDING EFFECTIVE DATES AND TERMINATION DATES.**," for the following reasons.

I have no objection to the premise of HB 247 or with its specific measures. I have been advised, however, that the bill creates an inadvertent offset of 6 months between the calendar years that dictate the reimbursement schedule in the bill and the fiscal years under which the Department of Revenue actually assesses and collects the tax. It is my understanding that, in the absence of an amendment, the current language will result in local governments receiving more than was intended in the way of reimbursements, at additional cost to the general fund.

Accordingly, I have attached my amendments to make the necessary adjustment in the reimbursement schedule and

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amounts. Representative Lewis, the sponsor of the bill, is aware of and agrees with my recommendation.

Sincerely,

JUDY MARTZ  
Governor

GOVERNOR'S AMENDMENTS  
TO HOUSE BILL 247

1. Title, line 7

**Strike:** "3-YEAR"

**Insert:** "DESIGNATED"

2. Page 7, line 15

**Following:** "equal to"

**Insert:** "one-half"

3. Page 7, line 17

**Following:** "is"

**Strike:** "double"

**Insert:** "three times"

4. Page 7, line 18

**Following:** "2005"

**Strike:** "and for each succeeding fiscal year"

5. Page 7, line 18

**Following:** "is"

**Strike:** "triple"

**Insert:** "five times"

6. Page 7, line 20

**Insert:** "(d) For fiscal year 2006 and for each succeeding fiscal year, the reimbursement is six times the amount calculated in subsection (3)(a)."

7. Page 7, line 20

**Following:** "on"

**Strike:** "a"

**Insert:** "the following"

8. Page 7, line 21

**Following:** "quarterly"

**Strike:** "basis."

**Insert:** "schedule:"

9. Page 7, line 22

**Insert:** "(a) For fiscal 2003, the quarterly payments will be paid on or before March 31, 2003, and June 30, 2003."

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(b) For fiscal 2004, and each succeeding fiscal year, the quarterly payments will be paid on or before September 30, December 31, March 31, and June 30 of each year."

**MOTIONS**

Representative Mangan requested on the free conference committee to **HB 605**, third reading today, that his vote be changed from yes to no. There being no objections, so ordered.

Representative Raser requested on the free conference committee to **HB 543**, third reading today, that her vote be changed from no to yes. There being no objections, so ordered.

Representative Laslovich requested on the conference committee to **SB 48**, third reading today, that his vote be changed from yes to no. There being no objections, so ordered.

Representative Ripley requested on the conference committee to **SB 457**, third reading today, that his vote be shown as yes. There being no objections, so ordered.

Representative Davies requested on the conference committee to **SB 48**, third reading today, that his vote be changed from yes to no. There being no objections, so ordered.

Representative Gallik requested on the conference committee to **SB 48**, third reading today, that his vote be changed from no to yes. There being no objections, so ordered.

Representative Sliter requested on the free conference committee to **SB 327**, third reading today, that his vote be shown as yes. There being no objections, so ordered.

Representative Newman moved that the House reconsider its action on **SB 338** and that it be rereferred to a free conference committee. Motion failed as follows:

Ayes: Bixby, Branae, Brueggeman, Callahan, Carney, P. Clark, Cyr, Dell, Eggers, Erickson, Facey, Forrester, Fritz, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Harris, Hurdle, Jacobson, Jayne, Jent, Juneau, Kaufmann, Keane, Laslovich, Lee, Lenhart, Lindeen, Mangan, Matthews, McCann, Musgrove, Newman, Noennig, Raser, Schmidt, Sliter, Smith, Tramelli, Tropila, Waddill, Wanzenried.

Total 45

Noes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, D. Brown, R. Brown, Clancy, E. Clark, Curtiss, Dale, Davies, Devlin, Esp, Fisher, Fuchs, Haines, Hedges, Himmelberger, Holden, Jackson, Kasten, Laible, Laszloffy, Lawson, Lehman, Lewis, Masolo, McKenney, Mood, Olson, Pattison, A. Peterson, K. Peterson, Price, Rice, Ripley, Rome, Schrupf, Shockley, Somerville, Steinbeisser, Story, Vick, Waitschies, Walters, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 53

Excused: None.

Total 0

Absent or not voting: Buzzas, Thomas.

Total 2



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Representative Somerville moved that the House reconsider its action on **HB 142** and that it be rereferred to a free conference committee.

Representative Gallus moved for cloture. Motion carried.

Motion to reconsider **HB 142** and that it be rereferred to a free conference committee carried as follows:

Ayes: Andersen, Bales, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Dell, Esp, Facey, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Kasten, Kaufmann, Keane, Laible, Laslovich, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, A. Peterson, Price, Raser, Ripley, Rome, Schmidt, Schrupf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Tropila, Waddill, Walters, Wanzenried, Whitaker, Witt, Younkin.

Total 80

Noes: Adams, Balyeat, Davies, Devlin, Eggers, Erickson, Fisher, Golie, Juneau, Laszloffy, Olson, Pattison, K. Peterson, Rice, Tramelli, Vick, Waitschies, Wolery, Mr. Speaker.

Total 19

Excused: None.

Total 0

Absent or not voting: Thomas.

Total 1

Representative Sliter moved that the conference committee on **HB 142** be dissolved and that the Speaker be authorized to appoint a free conference committee to meet with a like committee in the Senate on **HB 142**. Motion carried.

The Speaker appointed the following members:

Representative Fuchs, Chairman  
Representative Laszloffy  
Representative P. Clark

Committee meetings were announced by committee chairmen.

Majority Leader Sliter moved that the House recess until 3:00 p.m. Motion carried.

House recessed at 1:02 p.m.

House reconvened at 3:00 p.m. All members present, except Representative Thomas, excused. Quorum present.

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

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

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

**HB 41 - Free Conference Committee Report No. 1** - Representative Witt moved the Free Conference Committee report to **HB 41** be adopted. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Cyr, Dale, Davies, Dell, Devlin, Esp, Facey, Fisher, Forrester, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrupf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tropila, Vick, Waddill, Waitschies, Walters, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.

Total 92

Noes: Curtiss, Eggers, Erickson, Fritz, Jayne, Tramelli, Wanzenried.

Total 7

Voted Absentee: Thomas, Aye.

Excused: None.

Total 0

Absent or not voting: Harris.

Total 1

**HB 124 - Free Conference Committee Report No. 1** - Representative Story moved the Free Conference Committee report to **HB 124** be adopted. Motion carried as follows:

Ayes: Andersen, Bixby, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Clancy, E. Clark, Cyr, Dale, Dell, Erickson, Esp, Facey, Fritz, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Hurdle, Jacobson, Jayne, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Lee, Lehman, Lewis, Mangan, Matthews, Mood, Newman, Noennig, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrupf, Steinbeisser, Story, Thomas, Tramelli, Tropila, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Mr. Speaker.

Total 66

Noes: Adams, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, Carney, P. Clark, Curtiss, Davies, Devlin, Eggers, Fisher, Forrester, Fuchs, Holden, Jackson, Jent, Laszloffy, Lawson, Lenhart, Lindeen, Masolo, McCann, McKenney, Musgrove, Olson, Shockley, Sliter, Smith, Somerville, Vick, Wolery, Younkin.

Total 34

Voted Absentee: Thomas, Aye.

Excused: None.

Total 0

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Absent or not voting: None.  
Total 0

**HB 146 - Free Conference Committee Report No. 1** - Representative Noennig moved the Free Conference Committee report to **HB 146** be adopted. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jent, Juneau, Kasten, Kaufmann, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrupf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 96

Noes: Bixby, Jayne.  
Total 2

Voted Absentee: Thomas, Aye.

Excused: None.  
Total 0

Absent or not voting: Keane, Mangan.  
Total 2

**HB 573 - Free Conference Committee Report No. 1** - Representative Bales moved the Free Conference Committee report to **HB 573** be adopted.

Representative Adams moved for cloture. Motion carried.

Motion that the free conference committee report to **HB 573** be adopted carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, D. Brown, R. Brown, Brueggeman, Clancy, E. Clark, Curtiss, Dale, Davies, Devlin, Esp, Fisher, Forrester, Fuchs, Haines, Hedges, Himmelberger, Holden, Jackson, Kasten, Laible, Laszloffy, Lawson, Lehman, Lewis, Masolo, McKenney, Mood, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Rice, Ripley, Rome, Schrupf, Shockley, Sliter, Somerville, Steinbeisser, Story, Thomas, Vick, Waitschies, Walters, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 58

Noes: Bixby, Branae, Buzzas, Callahan, Carney, P. Clark, Cyr, Dell, Eggers, Erickson, Facey, Fritz, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Harris, Hurdle, Jacobson, Jayne, Jent, Juneau, Kaufmann, Keane, Laslovich, Lee, Lenhart, Lindeen, Mangan, Matthews, McCann, Musgrove, Newman, Raser, Schmidt, Smith, Tramelli, Tropila, Waddill, Wanzenried.  
Total 42

Voted Absentee: Thomas, Aye.

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Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**HB 600 - Free Conference Committee Report No. 1** - Representative Story moved the Free Conference Committee report to **HB 600** be adopted. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Callahan, Carney, Clancy, E. Clark, Curtiss, Dale, Davies, Dell, Devlin, Esp, Fisher, Forrester, Fuchs, Gillan, Golie, Haines, Hedges, Himmelberger, Holden, Jackson, Jacobson, Jayne, Kasten, Keane, Laible, Laslovich, Laszloffy, Lawson, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrumpf, Sliter, Somerville, Steinbeisser, Story, Thomas, Tramelli, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 78

Noes: Bixby, Buzzas, P. Clark, Cyr, Eggers, Erickson, Facey, Fritz, Gallik, Gallus, Galvin-Halcro, Gutsche, Harris, Hurdle, Jent, Juneau, Kaufmann, Lee, Musgrove, Shockley, Smith, Tropila.  
Total 22

Voted Absentee: Thomas, Aye.

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**SB 19 - Free Conference Committee Report No. 1** - Representative R. Brown moved the Free Conference Committee report to **SB 19** be adopted. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Hedges, Himmelberger, Holden, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrumpf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 95

Noes: Erickson, Gallik, Harris, Hurdle, Lee.  
Total 5

Voted Absentee: Thomas, Aye.

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Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**HB 625 - Conference Committee Report No. 1** - Representative Musgrove moved the Conference Committee report to **HB 625** be adopted. Motion carried as follows:

Ayes: Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Dell, Devlin, Eggers, Erickson, Esp, Facey, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrupf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Waddill, Waitschies, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 94

Noes: Adams, Davies, Fisher, Vick, Walters.  
Total 5

Voted Absentee: Thomas, Aye.

Excused: None.  
Total 0

Absent or not voting: Mood.  
Total 1

**SB 386 - Free Conference Committee Report No. 1** - Representative Shockley moved the Free Conference Committee report to **SB 386** be adopted. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Buzzas, Callahan, Carney, Clancy, E. Clark, P. Clark, Curtiss, Cyr, Dale, Davies, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Harris, Hedges, Himmelberger, Holden, Hurdle, Jackson, Jacobson, Jayne, Jent, Juneau, Kasten, Kaufmann, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lenhart, Lewis, Lindeen, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrupf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Vick, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin.  
Total 98

Noes: None.  
Total 0

Voted Absentee: Thomas, Aye.

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Excused: None.  
Total 0

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

**SB 521 - Free Conference Committee Report No. 1** - Representative Mood moved the Free Conference Committee report to **SB 521** be adopted. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bixby, Bookout-Reinicke, Branae, D. Brown, R. Brown, Brueggeman, Callahan, Carney, Clancy, E. Clark, Curtiss, Cyr, Dale, Dell, Devlin, Eggers, Erickson, Esp, Facey, Fisher, Forrester, Fritz, Fuchs, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Haines, Hedges, Himmelberger, Holden, Jackson, Jacobson, Jent, Juneau, Kasten, Keane, Laible, Laslovich, Laszloffy, Lawson, Lee, Lehman, Lewis, Lindeen, Mangan, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Newman, Noennig, Olson, A. Peterson, K. Peterson, Price, Raser, Rice, Ripley, Rome, Schmidt, Schrupf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Thomas, Tramelli, Tropila, Waddill, Waitschies, Walters, Wanzenried, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 90

Noes: Buzzas, P. Clark, Harris, Hurdle, Jayne, Kaufmann, Vick.  
Total 7

Voted Absentee: Thomas, Aye.

Excused: None.  
Total 0

Absent or not voting: Davies, Lenhart, Pattison.  
Total 3

**SB 494 - Governor's Amendments** - Representative Somerville moved Governor's amendments to **SB 494** be concurred in. Motion carried as follows:

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, D. Brown, R. Brown, Brueggeman, Clancy, E. Clark, Curtiss, Dale, Davies, Dell, Devlin, Fisher, Fuchs, Haines, Hedges, Holden, Jackson, Jayne, Kasten, Laible, Laszloffy, Lawson, Lehman, Lenhart, Lewis, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Noennig, Olson, Pattison, A. Peterson, Price, Rice, Ripley, Rome, Schrupf, Shockley, Sliter, Somerville, Steinbeisser, Story, Thomas, Vick, Waitschies, Walters, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 60

Noes: Bixby, Branae, Buzzas, Callahan, Carney, P. Clark, Cyr, Eggers, Erickson, Esp, Facey, Forrester, Fritz, Gallik, Gallus, Galvin-Halcro, Gillan, Golie, Gutsche, Harris, Himmelberger, Hurdle, Jacobson, Jent, Juneau, Kaufmann, Keane, Laslovich, Lee, Lindeen, Mangan, Newman, K. Peterson, Raser, Schmidt, Smith, Tramelli, Tropila, Waddill, Wanzenried.  
Total 40

Voted Absentee: Thomas, Aye.

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Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

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

Ayes: Adams, Andersen, Bales, Balyeat, Barrett, Bitney, Bookout-Reinicke, D. Brown, R. Brown, Brueggeman, Clancy, E. Clark, Curtiss, Dale, Davies, Dell, Devlin, Esp, Fisher, Forrester, Fuchs, Gillan, Haines, Hedges, Himmelberger, Holden, Jackson, Kasten, Laible, Laszloffy, Lawson, Lehman, Lenhart, Lewis, Masolo, Matthews, McCann, McKenney, Mood, Musgrove, Noennig, Olson, Pattison, A. Peterson, K. Peterson, Price, Rice, Ripley, Rome, Schrupf, Shockley, Sliter, Smith, Somerville, Steinbeisser, Story, Tropila, Vick, Waddill, Waitschies, Walters, Whitaker, Witt, Wolery, Younkin, Mr. Speaker.  
Total 66

Noes: Bixby, Branae, Buzzas, Callahan, Carney, P. Clark, Cyr, Eggers, Erickson, Facey, Fritz, Gallik, Gallus, Galvin-Halcro, Golie, Gutsche, Harris, Hurdle, Jacobson, Jayne, Jent, Juneau, Kaufmann, Keane, Laslovich, Lee, Lindeen, Mangan, Newman, Raser, Tramelli, Wanzenried.  
Total 32

Excused: Thomas.  
Total 1

Absent or not voting: Schmidt.  
Total 1

**REPORTS OF STANDING COMMITTEES**

**BILLS** (Bookout-Reinicke, Chairman): 4/19/2001  
Examined by the sponsor and found to be correct: **HB 459.**  
Signed by the Speaker at 3:24 p.m., April 19, 2001: **HB 473.**  
Signed by the Speaker at 4:15 p.m., April 19, 2001: **HB 3, HB 4, HB 6, HB 9, HB 11, HB 13, HB 69, HB 154, HB 172, HB 516, HB 619, HB 628, HJR 2, HJR 19, HJR 35, HJR 37, HJR 39, HJR 41.**  
Signed by the Speaker at 4:30 p.m., April 19, 2001: **HB 313, HB 320, HB 334, HB 345, HB 382, HB 395, HB 397, HB 403, HB 409, HB 437, HB 442, HB 452, HB 454, HB 463, HB 469, HB 491, HB 492, HB 496, HB 499.**  
Signed by the Speaker at 4:40 p.m., April 19, 2001: **HB 42, HB 73, HB 116, HB 120, HB 121, HB 144, HB 151, HB 165, HB 179, HB 230, HB 254, HB 295.**  
Signed by the Speaker at 4:45 p.m., April 19, 2001: **HB 57, HB 273, HB 495, HB 521, HB 531, HB 583, HB 589.**  
Signed by the Speaker at 4:50 p.m., April 19, 2001: **HB 256, HB 340, HB 399, HB 418, HB 500, HJR 1, HJR 13, HJR 31.**  
Signed by the Speaker at 5:00 p.m., April 19, 2001: **HB 459, HB 502, HB 517, HB 526, HB 539, HB 552, HB 560, HB 563, HB 569, HB 570, HB 578, HB 620, HB 623, HB 643.**  
Delivered to the Governor for approval at 4:00 p.m., April 19, 2001: **HB 473.**  
Delivered to the Governor for approval at 5:10 p.m., April 19, 2001: **HB 459.**

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**REPORTS OF SELECT COMMITTEES**

FREE CONFERENCE COMMITTEE  
on House Amendments to Senate Bill 176  
Report No. 1, April 19, 2001

Mr. President and Mr. Speaker:

We, your Free Conference Committee met and considered **Senate Bill 176** (reference copy – salmon) and recommend this Free Conference Committee report be adopted.

And, recommend that **Senate Bill 176** (reference copy – salmon) be amended as follows:

1. Title, line 28.

**Following:** "PROVIDING"

**Strike:** "AN"

**Following:** "EFFECTIVE"

**Strike:** "DATE"

**Insert:** "DATES"

2. Page 34, line 26.

**Following:** "Repealer."

**Insert:** "(1)"

**Strike:** "3-5-404,"

3. Page 34, line 28.

**Insert:** "(2) Section 3-5-404, MCA, is repealed."

4. Page 35, line 26.

**Insert:** "(5) If Senate Bill No. 386 and [this act] are both passed and approved, then 52-5-109(1) in Senate Bill No. 386 is amended to read:

"(1) The expenses of committing a youth to the department or to the youth court must be borne by the committing youth court."

5. Page 36, line 14.

**Strike:** "2001"

**Insert:** "2002"

6. Page 36, line 15.

**Strike:** "2001"

**Insert:** "2002"

7. Page 36, line 20.

**Strike:** "2001"

**Insert:** "2002"

8. Page 36, line 22.

**Strike:** "2001"



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**Insert:** "2002"

9. Page 36, line 23.

**Strike:** "2001"

**Insert:** "2002"

10. Page 36, line 28.

**Strike:** "2001"

**Insert:** "2002"

11. Page 37, line 9.

**Strike:** in two places "2001"

**Insert:** "2002"

12. Page 37, line 27.

**Strike:** "**2002**"

**Insert:** "**2003**"

13. Page 37, line 29.

**Strike:** "2002"

**Insert:** "2003"

14. Page 37, line 30.

**Strike:** "2002"

**Insert:** "2003"

15. Page 38, line 2.

**Strike:** "2001"

**Insert:** "2002"

16. Page 38, line 4.

**Strike:** "2002"

**Insert:** "2003"

17. Page 38, line 11.

**Strike:** "2002"

**Insert:** "2003"

18. Page 38, line 17.

**Following:** "fiscal"

**Strike:** "years 2002 and"

**Insert:** "year"

19. Page 39, line 12.

**Following:** "**Effective**"

**Strike:** "date"

**Insert:** "dates"

**Following:** "."

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**Strike:** "[This act] is effective July 1, 2001."

**Insert:** "(1) [Sections 21, 52(2), 53 through 55, 64, and 65 and this section] are effective on passage and approval.

(2) [Sections 1, 4 through 8, and 62] are effective July 1, 2001.

(3) [Sections 2, 3, 9 through 20, 22 through 51, 52(1), and 56 through 61] are effective July 1, 2002."

20. Page 39, line 15.

**Strike:** "2002"

**Insert:** "2003"

For the Senate:

Grosfield, Chairman  
Halligan  
McNutt

For the House:

Witt, Chairman  
Erickson  
Esp

FREE CONFERENCE COMMITTEE  
on House Amendments to Senate Bill 242  
Report No. 2, April 19, 2001

Mr. President and Mr. Speaker:

We, your Free Conference Committee met and considered **Senate Bill 242** (reference copy – salmon) and recommend this Free Conference Committee report be adopted.

And, recommend that **Senate Bill 242** (reference copy – salmon) be amended as follows:

1. Title, line 7.

**Following:** "~~COUNTY;~~"

**Insert:** "PROVIDING THAT THE COUNTY JURISDICTIONAL AREA FOR A COUNTY BUILDING CODE MAY BE AN AREA LESS THAN THE ENTIRE COUNTY;"

2. Title, line 9.

**Following:** "PROCEDURE;"

**Insert:** "SUPERSEDING THE UNFUNDED MANDATE LAWS;"

3. Title, line 9.

**Following:** "SECTIONS"

**Insert:** "13-19-106,"

**Following:** "50-60-101"

**Insert:** ","

**Following:** "AN"

**Insert:** "AN IMMEDIATE EFFECTIVE DATE AND"

4. Page 1.

**Following:** line 13

**Insert:** "Section 1. Section 13-19-106, MCA, is amended to read:

"**13-19-106. General requirements for mail ballot election -- exception for county building code**

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**jurisdiction election.** A mail ballot election must be conducted substantially as follows:

(1) Official ballots must be prepared and all other initial procedures followed as otherwise provided by law, except that mail ballots are not required to have stubs.

(2) (a) Except as provided in subsection (2)(b), an ~~An~~ official ballot must be mailed to every qualified elector of the political subdivision conducting the election.

(b) In an election to determine whether to adopt a building code enforcement program within a county jurisdictional area, as defined in 50-60-101 and designated by a board of county commissioners pursuant to [section 4], an official ballot must be mailed to every record owner of real property in the county jurisdictional area.

(3) Each return/verification envelope must contain a form prescribed by the secretary of state for the elector to verify the accuracy of the elector's address or notify the election administrator of the elector's correct mailing address and to return the corrected address with the voted ballot in the manner provided by 13-19-306.

(4) The elector shall mark the ballot at home and place it in a secrecy envelope.

(5) The elector shall then place the secrecy envelope containing the elector's ballot in a return/verification envelope and shall return it by mailing it or delivering it in person to a place of deposit designated by the election administrator so that it is received before a specified time on election day.

(6) Once returned, election officials shall first qualify the submitted ballot by examining the return/verification envelope to determine whether it is submitted by a qualified elector who has not previously voted.

(7) If the ballot qualifies and is otherwise valid, officials shall then open the return/verification envelope and remove the secrecy envelope, which is then voted by depositing it unopened in an official ballot box.

(8) After the close of polls on election day, voted ballots must be counted and canvassed as otherwise provided by law.""

**Renumber:** subsequent sections

5. Page 2, line 4.

**Following:** "~~50-60-302~~"

**Insert:** "or an area or areas within the county, designated by the board of county commissioners as subject to the county building code,"

6. Page 4, line 24 through line 26.

**Strike:** "subsection (c)" in its entirety

**Renumber:** subsequent subsections

7. Page 5, line 7.

**Strike:** "40%"

**Insert:** "10%"

8. Page 5, line 7 through line 8.

**Strike:** "FOR WHICH A RETURN RECEIPT WAS RECEIVED AS PROVIDED IN SUBSECTION (1)(C)"

**Insert:** "in the proposed area"

9. Page 5, line 9.

**Following:** "CODE"

**Insert:** "without submitting to an election, as provided in [section 6], the question of adoption of the code enforcement program as approved by the department of commerce"

10. Page 5.

**Following:** line 9

**Insert:** "NEW SECTION. Section 5. Approval by department of commerce of code enforcement program. After

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completion of the public hearing required by [section 4] and receipt of any written protests within the time period provided by the notice required in that section, the board of county commissioners may submit a proposed code enforcement program for that jurisdictional area to the department of commerce for approval. The department shall approve the program if it satisfies the criteria provided in 50-60-302. Upon approval by the department of the proposed code enforcement program, the board of county commissioners shall file with the county clerk and recorder a copy of the approved program and a map showing the county jurisdictional area as designated by the county commission."

**Insert: "NEW SECTION. Section 6. Election on question of adoption of code enforcement program.** (1) After approval of the proposed code enforcement program by the department, the board of county commissioners shall submit the question of whether to adopt the code enforcement program within the county jurisdictional area designated by the county commission to the record owners of real property located within the designated area if 10% or more of the record property owners within the area have submitted written protests to the board pursuant to [section 4]. The election must be a special mail ballot election as defined in 13-19-102.

(2) The election must be initiated by the board of county commissioners by a resolution of the board pursuant to 13-19-202 directed to the county election administrator and must be conducted in accordance with Title 13, chapter 19. If a majority of the electors who return the mail ballot vote in favor of the code enforcement program, the code enforcement program within the jurisdictional area designated by the board of county commissioners is effective 60 days after the day the county board of canvassers declares the results of the election.

(3) (a) Except as provided in this subsection, a building code adopted as part of a code enforcement program approved by the electors may not be modified without submission of the modification to the electors as provided in this section.

(b) A building code may be modified without submitting the modification to the electors if:

(i) the modification consists of a provision taken from a uniform or model building code; and

(ii) the provision does not regulate a wholly new component of a structure, such as wiring, plumbing, or concrete foundation, that was previously unregulated."

**Insert: "NEW SECTION. Section 7. Petition for designation of county jurisdictional area and adoption of building code.** (1) A county jurisdictional area and a building code applicable to that area may be adopted by petition as provided in this section.

(2) A petition may be circulated by the record owner of real property to which the county jurisdictional area will be applied or extended for the purpose of gathering signatures on the petition. Only a record owner of real estate within the proposed county jurisdictional area is qualified to sign a petition.

(3) A petition to designate a county jurisdictional area may also be circulated by the board of county commissioners. A petition circulated by the board of county commissioners is not subject to the requirements of [section 4].

(4) Before a petition may be circulated for signatures, the language of the proposed building code must be approved by the department of commerce and the form of the petition must be approved by the election administrator of the county in which the real property is located. A building code proposed pursuant to this section must be approved by the department of commerce if it meets the criteria provided in 50-60-302 for the approval of a code within a code enforcement program. The election administrator shall approve the form of the petition if the petition meets, and the election administrator shall comply with, the requirements of 7-5-134, 7-5-135, and this section, except that:

(a) the number of valid signatures required for the creation or extension of the county jurisdictional area is a majority of the record owners of real property located within the proposed jurisdictional area; and

(b) a petition containing the number of valid signatures required by this section is not submitted to a vote by electors.

(5) An individual circulating a petition for signatures must make available to individuals who may sign the petition a copy of the building code approved by the department of commerce and a map showing the county jurisdictional area within which the code will apply. The petition must clearly indicate that the individual signing the petition read and understood the provisions of the code and understood the geographic area in which the code would be applied.

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(6) The county jurisdictional area and the building code applicable to that area become effective 60 days after the determination by the county election administrator that the petition has been signed by the number of record owners of real property required by this section.

(7) (a) Except as provided in this subsection, once adopted by petition as provided in this section, a county building code may not be amended except by petition in accordance with this section or by submitting the modification to the electors as provided in [section 6].

(b) A county building code adopted by petition may be modified without petition or election if:

(i) the modification consists of a provision taken from a uniform or model building code; and

(ii) the provision does not regulate a wholly new component of a structure, such as wiring, plumbing, or concrete foundation, that was previously unregulated."

**Insert: "NEW SECTION. Section 8. Special election required -- notice -- termination of certain municipal jurisdictional areas.** (1) No later than December 31, 2001, the county commissioners of a county in which a municipal jurisdictional area, as defined in 50-60-101, has been established beyond the corporate limits of a municipality before [the effective date of this act] shall submit the question of the continuation of the jurisdictional area beyond the corporate limits of the municipality to a vote by the record owners of real property within the jurisdictional area beyond those limits. The election required by this section must be a special election conducted by mail ballot election as defined in 13-19-102.

(2) The election required by subsection (1) must be initiated by the board of county commissioners by a resolution of the board pursuant to 13-19-202 directed to the county election administrator. The election must be conducted in accordance with Title 13, chapter 19, except to the extent that those provisions conflict with the provisions of this section, in which case the provisions of this section apply.

(3) Notice of the election must be given by the county election administrator by publishing a notice at least once in a newspaper of general circulation in the county in which the election is held. The notice must be published at least 15 days before and no more than 45 days before the election is to be held. The notice must contain a clear synopsis of the building code then in effect within the municipal jurisdictional area beyond the corporate limits of the municipality, a description or map of the area outside the corporate limits of the municipality to which that code applies, the fees charged for permits issued for that area, and the effect of a majority vote for and a majority vote against continuation of the municipal jurisdictional area beyond the corporate limits of the municipality.

(4) If a majority of those persons returning the mail ballots vote in favor of retention of the municipal jurisdictional area beyond the corporate limits of the municipality, the area must continue in existence as provided in law. If a majority of those persons returning the ballots vote against retention of the municipal jurisdictional area beyond the corporate limits of the municipality, that area is terminated on the day on which the board of county canvassers declares the results of the election.

(5) If a municipal jurisdictional area beyond the corporate limits of a municipality is terminated pursuant to this section, the following provisions apply to that area on and after the date of termination:

(a) A building permit issued by a municipality before the termination of the area is valid and enforceable by the municipality issuing the permit.

(b) A building permit may not be issued for the area.

(c) A municipality may not request and the department of commerce may not approve the creation of a municipal jurisdictional area beyond the corporate limits of the municipality.

(6) This section does not apply to county jurisdictional areas designated pursuant to [section 4]."

**Insert: "NEW SECTION. Section 9. Unfunded mandate laws superseded.** The provisions of [this act] expressly supersede and modify the requirements of 1-2-112 through 1-2-116."

**Renumber:** subsequent sections

11. Page 5, line 11.

**Strike:** "[Section 3] is"

**Insert:** "[Sections 3 through 9] are"

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12. Page 5, line 13.

**Strike:** "[section 3]"

**Insert:** "[sections 3 through 9]"

13. Page 5.

**Following:** line 13

**Insert:** "NEW SECTION. Section 11. Effective date. [This act] is effective on passage and approval."

**Renumber:** subsequent section

14. Page 5, line 15.

**Strike:** "[This act] applies"

**Insert:** "[Sections 2(12) and 8] apply"

15. Page 5, line 18.

**Strike:** "THE EXTENSION OF THE"

**Insert:** "a"

16. Page 5, line 18 through line 20.

**Strike:** "FOR BUILDING" on line 18 through "MUNICIPALITY" on line 20

**Insert:** "as defined in 50-60-101 created before [the effective date of this act]"

For the Senate:

Miller, Chairman  
O'Neil

For the House:

Haines, Chairman  
Bookout-Reinicke

FREE CONFERENCE COMMITTEE  
on House Amendments to Senate Bill 432  
Report No. 2, April 19, 2001

Mr. President and Mr. Speaker:

We, your Free Conference Committee met and considered **Senate Bill 432** (reference copy – salmon) and recommend this Free Conference Committee report be adopted.

And, recommend that **Senate Bill 432** (reference copy – salmon) be amended as follows:

1. Page 2, line 19.

**Following:** "department"

**Insert:** "following a review of the plans and specifications of the infrastructure by the architecture and engineering division of the department of administration"

2. Page 2, line 20.

**Following:** "not"

**Insert:** ", with the exception of Title 18, chapter 2, part 4,"

3. Page 3, line 18.

**Strike:** "AND FIXTURES"

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For the Senate:

Bohlinger, Chairman  
Harrington  
Taylor

For the House:

McKenney, Chairman  
Whitaker

FREE CONFERENCE COMMITTEE  
on House Amendments to Senate Bill 506  
Report No. 1, April 19, 2001

Mr. President and Mr. Speaker:

We, your Free Conference Committee met and considered **Senate Bill 506** (reference copy – salmon) and recommend this Free Conference Committee report be adopted.

And, recommend that **Senate Bill 506** (reference copy – salmon) be amended as follows:

1. Title, line 9.

**Following:** "ON"

**Strike:** "LARGE"

**Insert:** "SMALL"

2. Title, following line 12.

**Insert:** "ALLOWING A CONDITIONAL TAX CREDIT FOR WIND ENERGY PRODUCED ON STATE LAND;  
ALLOWING AN ELECTRICITY BUYING COOPERATIVE TO SUPPLY OR PROMOTE ALTERNATIVE  
ENERGY;"

3. Title, line 14.

**Following:** "~~15-72-106;~~"

**Insert:** "15-32-403, 15-72-104,"

4. Title, line 15.

**Following:** "30-16-103,"

**Insert:** "35-19-104,"

5. Title, line 17.

**Following:** "PROVIDING"

**Strike:** "AN"

**Following:** "EFFECTIVE"

**Strike:** "DATE"

**Insert:** "DATES"

6. Page 2, line 16.

**Strike:** "5%"

**Insert:** "10%"

7. Page 6, line 24.

**Strike:** "act"

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**Insert:** "section"

8. Page 6, line 25.

**Following:** "A"

**Insert:** "nameplate"

**Following:** "OF"

**Strike:** "more"

**Insert:** "less"

9. Page 6, line 26.

**Following:** "for"

**Strike:** "ONLY"

**Following:** "after"

**Strike:** "commercial"

**Insert:** "the"

10. Page 6, line 28.

**Strike:** "physically connected"

11. Page 6, line 29.

**Following:** "equipment"

**Strike:** "that" through "generator"

**Insert:** "that are normally operated together to produce electric power"

12. Page 7, lines 3 and 4.

**Following:** "~~fuel~~" on line 3

**Strike:** remainder of line 3 through "WIND" on line 4

**Insert:** "an alternative renewable energy source, as defined in 90-4-102"

13. Page 7, line 23.

**Following:** "production of"

**Insert:** "electrical"

**Following:** "energy"

**Insert:** "in an amount of 1 megawatt or more"

14. Page 9, line 2.

**Following:** "cells"

**Insert:** "that do not require hydrocarbon fuel"

15. Page 10, line 13.

**Following:** "cells"

**Insert:** "that do not require hydrocarbon fuel"

16. Page 10, line 17.

**Following:** "area"

**Strike:** remainder of line 17 through "electricity"

17. Page 11, line 13.



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**Following:** "for"

**Strike:** "all or a portion"

**Insert:** "25%"

**Following:** "in"

**Insert:** "the physical attributes of"

18. Page 11, line 14.

**Following:** "building"

**Insert:** "or the installation of a water, heating, or cooling system in the building, so long as either type of investment is"

**Following:** "purpose"

**Insert:** ", "

19. Page 11, line 20.

**Following:** "\$1,500"

**Strike:** "\$900"

**Insert:** "\$500"

20. Page 12, line 6.

**Following:** "\$5,000"

**Strike:** "\$2,000"

**Insert:** "\$1,500"

21. Page 13, line 2.

**Following:** "\$5,000"

**Strike:** "\$2,000"

**Insert:** "\$500"

22. Page 13, line 10.

**Following:** "exceed"

**Strike:** "\$750"

**Insert:** "\$500"

23. Page 14, line 5.

**Following:** "an"

**Strike:** "alternative energy system, as defined in 15-32-102"

**Insert:** "alternative renewable energy source, as defined in 90-4-102"

24. Page 14, line 26.

"**Section 15.** Section 15-32-403, MCA, is amended to read:

**"15-32-403. Limitation on credit.** (1) ~~Whenever~~ Except as provided in subsection (2), whenever any federal wind energy tax credits for a system that generates electricity by means of wind power are allowed or allowable under section 48(a) of the Internal Revenue Code (26 U.S.C. 48(a)) or any other federal law, the state credit allowed by 15-32-402 must be reduced by the amount of federal credits so that the effective credit does not exceed 60% of the eligible costs.

(2) An individual, corporation, partnership, or small business corporation, as defined in 15-31-201, is exempt from the provisions of subsection (1) of this section if the individual, corporation, partnership, or small business

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corporation:

(a) invests in a commercial system located on state trust land;

(b) signs a lease agreement with the state to make annual lease payments to the permanent school trust fund;

and

(c) offers contracts with a duration of at least 5 years to sell at least 33% of that commercial system's net generating output at the cost of production plus a rate of return not to exceed 12%.

(3) The cost of production must be determined by dividing the cost and operation of the commercial system over an appropriate time period by the kilowatt-hour output of the system."

**Insert: "Section 16.** Section 15-72-104, MCA, is amended to read:

**"15-72-104. 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 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 15-72-116.

(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, 1999, 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 this part.

(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 produced by wind turbines erected on state land for which annual lease payments are made to the permanent school trust fund is exempt from the tax imposed by this section.

~~(d)~~ 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

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the tax imposed by this section.

~~(d)~~(e) 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)~~(f) 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) (3)(f) 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 this part in its rates. (Bracketed language terminates January 1, 2003--sec. 40, Ch. 556, L. 1999.)"

25. Page 18, line 28.

**Insert:** "Section 20. Section 35-19-104, MCA, is amended to read:

**"35-19-104. Permissible purpose of incorporation.** A buying cooperative may be organized under this chapter only for the purpose of supplying electricity to small customers as a default supplier, pursuant to 69-8-403, and for serving as a supplier or promoter of alternative energy and conservation programs."

**Renumber:** subsequent sections

26. Page 27, line 5.

**Following:** "cells"

**Insert:** "that do not require hydrocarbon fuel"

27. Page 31, line 22.

**Insert:** "NEW SECTION. Section 28. 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."

**Renumber:** subsequent sections

28. Page 31, line 23.

**Following:** "Effective"

**Strike:** "date"

**Insert:** "dates"

**Strike:** "[This act]"

**Insert:** "(1) Except as provided in subsection (2), [this act]"

**Following:** line 23

**Insert:** "(2) [Sections 1 through 3, 21, 22, and 27 and this section] are effective on passage and approval."

For the Senate:

Cole, Chairman  
DePratu  
Halligan

For the House:

Story, Chairman  
Devlin  
Forrester

FREE CONFERENCE COMMITTEE  
on House Amendments to Senate Bill 512

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Report No. 1, April 19, 2001

Mr. President and Mr. Speaker:

We, your Free Conference Committee met and considered **Senate Bill 512** (reference copy – salmon) and recommend this Free Conference Committee report be adopted.

And, recommend that **Senate Bill 512** (reference copy – salmon) be amended as follows:

1. Title, page 1, line 6 through line 14.

**Strike:** "CREATING" on line 6 through "MCA;" on line 14

2. Title, page 1, line 14.

**Strike:** "IMMEDIATE"

3. Page 1, line 19 through page 2, line 16.

**Strike:** section 1 in its entirety

**"NEW SECTION. Section 1. Electrical energy excess revenue tax -- rate of tax -- legislative review. (1)**

There is a tax imposed on a person generating electrical energy in Montana as provided in [sections 1 through 10].

(2) The tax is measured by excess revenue derived from the sale of electrical energy. Excess revenue is determined from the sale of electrical energy at a price greater than \$0.045 per kilowatt hour. The tax rate is 90% of the excess revenue.

(3) For the purposes of this section, the following definitions apply:

(a) "Arm's-length sale" means an agreement between independent parties with opposing economic interests in the sale and no business relationships other than the agreement. An arm's-length sale is a sale for an amount of electrical energy generated and sold at a single price pursuant to a single contract or a sale on the open market.

(b) "Sales price" means the total value of all consideration received by the taxpayer for an arm's-length sale of electrical energy divided by the kilowatt hours sold. If the sale of electrical energy is other than an arm's-length sale, the sales price must be imputed as provided in subsection (4) and equals the daily weighted average mid-Columbia price for firm, on-peak electricity as reported in the Wall Street Journal on the day of the sale.

(4) The department shall impute the sales price for electrical energy under the following conditions:

(a) the sale is not an arm's-length sale;

(b) the sale is a nonmonetary sale;

(c) the sale is made to fulfill a contractual obligation of an affiliated business entity.

(5) The proceeds of the tax imposed under [sections 1 through 10] must be deposited in the state general fund.

(6) The department may request assistance from the public service commission in analyzing data necessary to calculate the electrical energy excess revenue tax.

(7) The interim revenue and transportation committee shall review the tax rate imposed in subsection (2) for reasonableness and adequacy and report its findings, including whether it would be appropriate to revise the rate schedule, to the 58th legislature."

4. Page 2, line 20.

**Strike:** "facility"

**Insert:** "unit"

5. Page 2, line 20 and line 21.

**Strike:** "[" on line 20 through "]" on line 21

**Insert:** "April 30, 2001"

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6. Page 2, line 23.

**Following:** "generated"

**Insert:** "in a month"

7. Page 2, line 25 and line 26.

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

**ReNUMBER:** subsequent subsections

8. Page 2, line 30 through page 3, line 1.

**Strike:** subsection (5) in its entirety

**ReNUMBER:** subsequent subsections

9. Page 3, line 3.

**Strike:** "; and"

**Insert:** "."

10. Page 3, line 4 through line 5.

**Strike:** subsection (7) in its entirety

11. Page 6, line 20 through page 9, line 15.

**Strike:** section 11 through section 13 in their entirety

**ReNUMBER:** subsequent sections

12. Page 9, line 17.

**Strike:** "(1)"

13. Page 9, line 18.

**Strike:** the first "chapter 72," and the second ", chapter 72,"

14. Page 9, line 20 through line 21.

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

15. Page 9.

**Following:** line 21

**Insert:** "NEW SECTION. Section 12. 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."

16. Page 9, line 23.

**Strike:** "on passage and approval"

**Insert:** "July 1, 2001"

17. Page 9, line 25.

**Following:** "Applicability."

**Insert:** "(1)"

18. Page 9, line 26.

**Strike:** "May 31"

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**Insert:** "June 30"

19. Page 9.

**Following:** line 26

**Insert:** "(2) [This act] applies to electrical energy sold under an existing contract or existing contracts and delivered after June 30, 2001, and to any contract occurring after June 30, 2001.

20. Page 9, line 28.

**Strike:** "-- contingency"

**Strike:** "on the earlier of"

21. Page 9, line 29.

**Strike:** "December 31, 2004"

**Insert:** "July 1, 2005"

22. Page 9, line 29 through page 10, line 2.

**Following:** "2004"

**Strike:** ", or" on page 9, line 29 through "certification" on page 10, line 2

For the Senate:

Cole, Chairman  
DePratu  
Halligan

For the House:

Story, Chairman  
Devlin

**MESSAGES FROM THE SENATE**

House bill concurred in and returned to the House: 4/19/2001

**HB 14**, introduced by McCann

House joint resolution concurred in and returned to the House: 4/19/2001

**HJR 40**, introduced by Bixby

Governor's amendments to Senate bills concurred in and transmitted to the House for concurrence in the Governor's amendments:

4/19/2001

**SB 82**, introduced by Keenan

**SB 274**, introduced by Keenan

Free conference committee report #1 adopted:

4/19/2001

**SB 441**, introduced by Christiaens

**MESSAGES FROM THE GOVERNOR**

April 19, 2001

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The Honorable Dan McGee  
Speaker of the House  
State Capitol  
Helena, Montana 59620

Dear Representative McGee:

Please be informed that I have signed **House Bill 261** sponsored by Representative Jent et al. and **House Bill 319** sponsored by Representative Galvin-Halcro et al. on April 19, 2001.

Sincerely,

JUDY MARTZ  
Governor

April 19, 2001

The Honorable Tom Beck  
President of the Senate  
State Capitol  
Helena, Montana 59620

The Honorable Dan McGee  
Speaker of the House  
State Capitol  
Helena, Montana 59620

Dear President Beck and Speaker McGee:

In accordance with the power vested in me as Governor by the Constitution and laws of the State of Montana, I hereby return with amendments Senate Bill 436, "**AN ACT REVISING SCHOOL DISTRICT OPERATING EXPENSE AND PURCHASING LAWS BY ALLOWING A DISTRICT TO MAKE TRANSFERS BETWEEN DIFFERENT FUNDS OR BETWEEN THE FINAL BUDGET AND A BUDGET AMENDMENT; PROHIBITING TRANSFERS FROM THE GENERAL FUND; AND AMENDING SECTIONS 20-9-133, 20-9-201, 20-9-208, AND 20-9-443, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE**" for the following reasons.

As you know, SB 436 expands the current authority of school districts to transfer between appropriation amounts within the same budgeted fund and would now allow for the transfer between budgeted (and non-budgeted) funds themselves. I am in full support of the idea of increasing the flexibility afforded to school districts in terms of their expenditures and budgets. I am, however, concerned that SB 436, in its present form, has the potential for allowing school districts to exceed general fund budget limits that are presently established in law.

Accordingly, I am recommending that Section 1 of the bill be amended to clarify that the "resulting budget" that constitutes the "final budget" under § 20-9-133, MCA does not include any budget authority transferred in from other funds under the other provisions of SB 436. This amendment will not preclude districts from availing themselves of

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the flexibility afforded under SB 436 – districts will still be able to make transfers as contemplated under the bill. It will, however, ensure that any transfers of budget authority under SB 436 cannot be used to expand a district's general fund budget amount for any ensuing school fiscal year beyond what would otherwise be permitted by law.

Finally, my other proposed amendment simply clarifies that, like transfers *from* the general fund to another budgeted fund, transfers *to* the general fund are also prohibited unless otherwise authorized by SB 436 or another specific provision in Title 20, MCA. This will ensure that transfers both into and out of the general fund are addressed in a similar fashion.

The sponsor of SB 436, Senator Ellis, has been advised of my amendatory recommendations and has no objections.

Sincerely,

JUDY MARTZ  
Governor

GOVERNOR'S AMENDMENTS  
TO SENATE BILL 436

1. Title, line 6

**Following:** "FROM"

**Insert:** "OR TO"

2. Page 1, lines 16 and 17

**Following:** second "budget"

**Strike:** "INCLUDING ANY BUDGET AUTHORITY TRANSFERRED IN FROM OTHER BUDGETED FUNDS IN COMPLIANCE WITH 20-9-208(2)."

3. Page 3, line 16

**Following:** second "fund"

**Insert:** "and transfers to the general fund from any other fund"

ANNOUNCEMENTS

Committee meetings were announced by committee chairmen.

Majority Leader Sliter moved that the House adjourn until 11:00 a.m., Friday, April 20, 2001. Motion carried.

House adjourned at 5:26 p.m.

MARILYN MILLER  
Chief Clerk of the House

DAN MCGEE  
Speaker of the House