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

Roll Call. All members present, except Representative Fuchs, excused. Quorum present.

Mr. Speaker: We, your committee on Legislative Administration/Bills and Journal, having examined the daily journals for the fifty-sixth, fifty-seventh, and fifty-eighth legislative days, find the same to be correct.

Bookout-Reinicke, Chairman

REPORTS OF STANDING COMMITTEES

BILLS (Bookout-Reinicke, Chairman):
Correctly printed: HB 6, HB 8, HB 13, HB 14, HB 105, HB 121, HB 124, HB 144, HB 226, HB 318, HB 357, HB 364, HB 516, HB 526, HB 617, HB 625, HB 627, HB 628, HB 641, HJR 34, SB 77, SB 82, SB 96, SB 128, SB 171, SB 204, SB 207, SB 226, SB 245, SB 261, SB 309, SB 314, SB 328, SB 368, SB 373, SB 419, SB 426, SB 438, SB 482.
Correctly engrossed: HB 3, HB 4, HB 9, HB 348, HB 397, HB 447, SB 107, SB 146, SB 159, SB 184.
Correctly enrolled: HB 440.
Examined by the sponsor and found to be correct: HB 440.

APPROPRIATIONS (Vick, Chairman):
HB 5, introduced bill, be amended as follows:

1. Title, line 7.
   Following: ":;"
   Insert: "AMENDING SECTION 4, CHAPTER 469, LAWS OF 1997, AND SECTION 2, CHAPTER 557, LAWS OF 1999;"

   Strike: line 29 in its entirety

3. Page 2, lines 1 through 3.
   Strike: lines 2 through 3 in their entirety

   Following: line 3
   Insert: "Construction of Central Reception Unit 1,000,000 Federal Special Revenue" [Other Funding Sources]

5. Page 2, following line 9.
   Insert: "Construct New Kalispell Armory 3,700,000 Federal Special Revenue" [Other Funding Sources]

Strike: "Auxilary,"

7. Page 2, following line 19.
   Insert: "This project will focus on maximizing use of existing buildings on the campuses."

8. Page 2, following line 22.
   Insert: "Gaines Hall Renovation/Addition Project Design, MSU-Bozeman 2,000,000 Federal, Donations, Grants, Nonstate Funds, Plant Funds" [Other Funding Sources]

   Insert: "Agricultural Experiment Station, MSU-Bozeman 1,000,000 Federal, Donations, Grants, Nonstate Funds, Plant Funds" [Other Funding Sources]

   Strike: lines 23 and 24 in their entirety

    Strike: lines 27 and 28 in their entirety

    Following: line 30
    Insert: "All operating and maintenance expenses of the law building is to be paid by the university of Montana-Missoula."

    Strike: "4,125,000"
    Insert: "2,000,000"

    Insert: "Install PBS Digital Conversion, MSU-Bozeman 3,059,455 Federal, Donations, Grants, Nonstate Funds, Plant Funds" [Other Funding Sources]

    Insert: "Develop Design to Expand COT, UM-COT, Helena 125,000" [LRBP]

    Strike: line 9 and 10 in their entirety

15. Page 3, line 11.
    Strike: "223,875"
    Insert: "165,875"

    Following: line 20
    Insert: "(2) The Montana state university agricultural experiment station shall use these funds to construct and repair various experiment station buildings at the following locations: $1,250,000 for Huntley, $180,000 for Moccasin, $200,000 for Havre, $210,000 for Sidney, and $160,000 for Kalispell. The amount of $1 million for these projects will be funded from non-LRBP sources, and the amount of $1 million will be funded from CPF in House Bill No. 14."

    Renumber: subsequent subsections

17. Page 3, line 27 through page 4, line 1.
Strike: lines 27 through page 4, line 1 in their entirety
Insert: "(5) The following projects are appropriated from the LRBP funding to the department of administration, in addition to the projects listed in subsection (1), by the decrease in bond debt service paid from the LRBP in House Bill No. 14:"

Strike: "$450,000"
Insert: "$300,000"

Page 4, line 5
Strike: "1,000,000"
Insert: "90,000"

Page 4, line 7
Strike: line 7 in its entirety

Page 4, line 9
Strike: "1,100,000"
Insert: "550,000"

Following: line 10
Insert: "Develop Design to Expand COT, UM-COT, Helena 240,000" [LRBP]

20. Page 4, lines 11 through line 15.
Strike: lines 11 through line 15 in their entirety

Following: "appropriations."
Insert: "(1)"

Following: line 23
Insert: "(2) When negotiating the purchase of any conservation easement, except a conservation easement that is cost-shared using a funding source that requires a perpetual conservation easement, the department of fish, wildlife, and parks is to include in the negotiation an alternative for a temporary conservation easement. Selection of cost and time for this alternative must be mutually agreed to by the parties to the easement."

Strike: "230,000"
Insert: "342,950"

Insert: "If Senate Bill No. 238 is not passed and approved, the amount listed in state special revenue for this item is reduced by $112,950."

Strike: line 15 in its entirety
Strike: "1,755,000"
Insert: "1,060,000"

27. Page 5, line 18.
Strike: "754,650"
Insert: "1,039,650"

28. Page 5, following line 18.
Insert: "If House Bill No. 132 is not passed and approved, the amount listed in state special revenue for this item is reduced by $285,000."

Strike: line 21 in its entirety

Strike: line 24 in its entirety

31. Page 5, line 27.
Strike: line 27 in its entirety
Insert: "LWCF Grants 2,250,000 Federal Special Revenue"[Other Funding Sources]

32. Page 6, line 12.
Strike: "$2,800,000"
Insert: "$2,300,000"

Insert: "Section 12. Section 4(3), Chapter 469, Laws of 1997, is amended to read:

   Section 4. Capital improvements.
   (3) (a) The following money is appropriated to Montana state university in the indicated amount for the purpose of making capital improvements to campus facilities:
Agency/Project LRBP Other Funding Sources
Authority Only Projects, Academic Building Fees, Montana State University $19,000,000 $4,500,000 Indirect Cost Recovery,
Federal, Private, Plant Funds
   (b) It is the intent of the 55th legislature that 100% of all future operations and maintenance costs for the classroom-laboratory building authorized in the amount of $19,000,000 at MSU-Bozeman be funded by Montana state university and that none be funded with general fund money."

Insert: "Section 13. Section 2(1), Chapter 557, Laws of 1999, is amended to read:

   Section 2. Capital projects appropriations. (1) Except as provided in subsection (4)(c), the following money is appropriated for the indicated capital projects from the indicated sources to the department of administration, which is authorized to transfer the appropriated money among the necessary fund types for these projects:
Agency/Project LRBP Other Funding Sources
DEPARTMENT OF ADMINISTRATION
Health and Safety Projects, Statewide $730,000 $250,000 Auxiliary
Hazardous Material Remediation, Statewide 300,000
Roof Replacements or Repairs, Statewide 521,000
Facility Assessments, Statewide 100,000 50,000 State Special Revenue"
<table>
<thead>
<tr>
<th>Project Description</th>
<th>Amount</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Renovation</td>
<td>100,000</td>
<td>Federal Special Revenue</td>
</tr>
<tr>
<td>Renovate Haynes Gallery Area, Historical Society</td>
<td>50,000</td>
<td>Auxiliary</td>
</tr>
<tr>
<td>DEPARTMENT OF CORRECTIONS</td>
<td></td>
<td></td>
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<tr>
<td>Expand Women's Prison, MWP</td>
<td>1,000,000</td>
<td>Capitol Land Grant Revenue</td>
</tr>
<tr>
<td>Missoula Regional Correctional Facility Supplement</td>
<td>526,497</td>
<td>Federal Special Revenue</td>
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<tr>
<td>DEPARTMENT OF FISH, WILDLIFE, AND PARKS</td>
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<tr>
<td>Bluewater Hatchery Renovations</td>
<td>200,000</td>
<td>State Special Revenue</td>
</tr>
<tr>
<td>DEPARTMENT OF MILITARY AFFAIRS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construct New Armory, Kalispell</td>
<td>3,900,000</td>
<td>Federal Special Revenue</td>
</tr>
<tr>
<td>Construct New Armory, Bozeman</td>
<td>4,600,000</td>
<td>Federal Special Revenue</td>
</tr>
<tr>
<td>MONTANA UNIVERSITY SYSTEM</td>
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<td></td>
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<tr>
<td>Sprinkle Library, UM-Missoula</td>
<td>657,000</td>
<td></td>
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<tr>
<td>DEPARTMENT OF MILITARY AFFAIRS</td>
<td></td>
<td></td>
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<tr>
<td>Boiler Upgrade and Ventilation, UM-Tech</td>
<td>450,000</td>
<td>Auxiliary</td>
</tr>
<tr>
<td>Maintain HVAC Systems, MSU-Billings and COT-Billings</td>
<td>530,000</td>
<td>120,000 Auxiliary</td>
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<tr>
<td>Replace Steam Distribution Piping, UM-Dillon</td>
<td>800,000</td>
<td>400,000 Auxiliary</td>
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<tr>
<td>Upgrade Boiler Controls, UM-Missoula</td>
<td>125,000</td>
<td>100,000 Auxiliary</td>
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<tr>
<td>Roof Replacements or Repairs, University System</td>
<td>1,591,000</td>
<td></td>
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<tr>
<td>Maintain Main Hall Exterior, UM-Dillon</td>
<td>225,000</td>
<td></td>
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<tr>
<td>Renovate Cowan Hall, MSU-Northern</td>
<td>511,000</td>
<td></td>
</tr>
<tr>
<td>Addition to Paxson Gallery, UM-Missoula</td>
<td>2,500,000</td>
<td>Higher Education Funds, Federal, Donations, Grants, Plant Funds</td>
</tr>
<tr>
<td>Applied Technology Center Feasibility Study, MSU-Northern</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>DEPARTMENT OF MILITARY AFFAIRS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chapel, UM-Tech</td>
<td>1,500,000</td>
<td>Donations</td>
</tr>
<tr>
<td>Foresty/Journalism Addition, UM-Missoula</td>
<td>10,000,000</td>
<td>Federal, Donations, Grants, Plant Funds</td>
</tr>
<tr>
<td>Native American Study Center, UM-Missoula</td>
<td>3,500,000</td>
<td>Higher Education Funds, Federal, Donations, Grants, Plant Funds</td>
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<tr>
<td>Life Sciences Building, UM-Missoula</td>
<td>23,000,000</td>
<td>Federal, State, Donations, Grants, Plant Funds</td>
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<tr>
<td>Rural Technology Education Center, UM-Dillon</td>
<td>350,000</td>
<td>Higher Education Funds, Federal, Donations, Grants, Plant Funds</td>
</tr>
<tr>
<td>Lincoln Unit Office/Quarters and Clearwater Egress</td>
<td>125,000</td>
<td></td>
</tr>
<tr>
<td>DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sprinkle MMHNCC, Lewistown</td>
<td>300,000</td>
<td></td>
</tr>
</tbody>
</table>
Construct Special Care Unit, Montana Veterans' Home 1,179,374 State Special Revenue
Improve Eastern Montana Veterans' Home 290,250 State Special Revenue
Improve Montana Veterans' Home 187,530 State Special Revenue
DEPARTMENT OF TRANSPORTATION
Construct Equipment Storage Buildings and Roof Replacement at Helena Headquarters, Statewide 2,100,000 Highways State Special Revenue
Construct Core Drilling Building, Helena 1,000,000 Highways State Special Revenue

Renumber: subsequent sections


BUSINESS AND LABOR (McKenney, Chairman): 3/21/2001
SB 48, be amended as follows:

1. Title, line 8.
Following: "RESIDENTS"
Insert: "WHO DO NOT POSSESS A CONNOISSEUR'S LICENSE"

2. Title, line 9.
Following: "PUBLIC;"
Insert: "ESTABLISHING A CONNOISSEUR'S LICENSE; ALLOWING LIMITED DIRECT SHIPMENT OF BEER AND WINE FROM OUT-OF-STATE BREWERIES AND WINERIES TO CONNOISSEUR'S LICENSE HOLDERS; PROVIDING THAT OUT-OF-STATE BREWERIES AND WINERIES REGISTER WITH THE DEPARTMENT OF REVENUE; LIMITING THE AMOUNT OF BEER OR WINE THAT OUT-OF-STATE BREWERIES AND WINERIES MAY SHIP INTO THE STATE TO CONNOISSEUR'S LICENSE HOLDERS;"

3. Title, line 11.
Strike: "AND"

4. Title, line 12.
Following: "MCA"
Insert: "; AND PROVIDING EFFECTIVE DATES"

Following: "license"
Insert: "or connoisseur's license"

Following: "device"
Insert: ", except by persons holding a valid connoisseur's license provided for in [section 7]"

Strike: the first "a"
Insert: "A"
Following: line 5
Insert: "(c) possession of beer or wine purchased from an out-of-state brewery or winery if the person possessing the beer or wine holds a connoisseur’s license as provided for in [section 7];"
Renumber: subsequent subsections

Strike: "and"

Following: "$10,000"
Insert: "; and
(d) for a fourth or subsequent offense, shall be fined a civil penalty not to exceed $25,000"

11. Page 6, line 5 through line 6.
Strike: subsection (4) in its entirety

Following: line 6
Insert: "NEW SECTION. Section 7. Connoisseur’s license -- application -- fee. (1) A person in this state desiring to receive direct shipments of beer or wine from an out-of-state brewery or winery for the person’s own consumption and not for resale shall file with the department an application for a connoisseur’s license. The application must be accompanied by a registration fee in the amount of $50.
(2) Each application for a license must be on a form prescribed by the department and must set forth the name of the applicant, the applicant’s home or business address, proof that the applicant is a least 21 years of age, and other information that the department may require.
(3) A connoisseur’s license expires on June 30 of each calendar year. A licensee may annually renew a license with the department by paying a $25 renewal fee.
(4) The holder of a connoisseur’s license may not sell beer or wine to the public.
(5) The department shall adopt rules to provide procedures for the application for and the provision of a connoisseur’s license."
Insert: "NEW SECTION. Section 8. Payment of taxes -- authority of department. (1) A person holding a connoisseur’s license shall pay, on June 30 and December 31, the beer and wine taxes imposed by Title 16, chapter 1, part 4, on beer or wine that is received by direct shipment from an out-of-state brewery or winery during the previous 6-month period.
(2) Each holder of a connoisseur’s license shall file with the department a return, on a form provided by the department, and pay the tax for shipments received."
Insert: "NEW SECTION. Section 9. Direct shipment of beer or wine -- limitations. (1) The holder of a connoisseur’s license may receive up to 288 bottles or 24 cases of wine or 576 bottles or 24 cases of beer from an out-of-state brewery or winery during a 12-month period for personal use and not for resale.
(2) A licensee under this section shall forward to the out-of-state brewery or winery a distinctive address label, provided by the department, clearly identifying any package that is shipped as a legal direct-shipment package to the holder of a connoisseur’s license.
(3) A licensee shall report to the department, on June 30 and December 31, the total amount of beer or wine received from an out-of-state brewery or winery and pay all applicable excise taxes, as provided for in Title 16, chapter 1, part 4, imposed on the receipt of beer or wine during the previous 6 months."
"NEW SECTION. Section 10. Out-of-state brewery or winery registration -- limitation on shipping -- penalty. (1) Each out-of-state brewery or winery desiring to ship beer or wine to a person holding a connoisseur's
license shall register with the department on forms provided by the department.

(2) The annual limit on out-of-state shipments to all connoisseur's license holders is:
   (a) 1,440 bottles or 60 cases of beer for breweries; and
   (b) 720 bottles or 60 cases of wine for wineries.

(3) For any shipment into the state that exceeds the limits provided for in subsection (2), the out-of-state brewery or winery shall distribute the brewery's or winery's product through a licensed wholesale distributor.

(4) An out-of-state brewery or winery that violates the provisions of this section is subject to the penalties provided for in 16-6-302.

Insert: "NEW SECTION. Section 11. Penalty for noncompliance. (1) Except as provided in [section 10], a person who violates the provisions of [sections 7 through 11] commits a civil offense.

(2) A person convicted under subsection (1):
   (a) for a first offense, must be mailed a certified letter by the department ordering that person to cease and desist committing the violation;
   (b) for a second offense, shall be fined a civil penalty not to exceed $500; and
   (c) for a third or subsequent offense, shall be fined a civil penalty not to exceed $2,500."

Insert: "NEW SECTION. Section 12. Codification instruction. [Sections 7 through 11] are intended to be codified as an integral part of Title 16, chapter 4, and the provisions of Title 16, chapter 4, apply to [sections 7 through 11]."

Insert: "NEW SECTION. Section 13. Effective dates. (1) Except as provided in subsection (2), [this act] is effective on passage and approval.

(2) [Sections 7 through 11] are effective October 1, 2001."

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

SB 441, be amended as follows:

1. Title, line 5.
Following: "FOR"
Strike: "AN" on line 5 through "PLAN" on line 7
Insert: "A STUDY OF THE FUNDING MECHANISM"

2. Title, line 8.
Following: "PLAN"
Strike: remainder of line 8 through "DATES" on line 9

3. Page 1, line 10.
Insert: "WHEREAS, the Montana Comprehensive Health Association (MCHA) was created by the Montana Legislature to provide access to quality health insurance coverage for all uninsurable Montanans and for individuals who leave group health coverage; and
   WHEREAS, the MCHA is supported by an assessment on private health insurance carriers and by premiums paid by MCHA participants; and
   WHEREAS, stop-loss or excess of loss carriers, the state employee health benefit plan, and the university employee health benefit plan are not assessed as private insurance carriers are for the purpose of funding the MCHA; and
   WHEREAS, the MCHA must insure all eligible Montana citizens, regardless of whether the previous health carrier contributed to MCHA; and
   WHEREAS, the MCHA program enrollment in increasingly significant and the financial stability is at risk; and
   WHEREAS, the MCHA requests this legislation to serve as a vehicle to bring parties together to conduct an
interim study coordinated by the State Auditor as Insurance Commissioner and the MCHA to discuss long-term funding mechanisms to sustain the MCHA."

4. Page 1, line 13.
**Strike:** everything after the enacting clause

**Insert:** "NEW SECTION. Section 1. Study of funding mechanism. (1) The insurance commissioner, in conjunction with the Montana comprehensive health association board of directors, shall study the current funding mechanism of the association that provides for assessment on the participating membership of the association. The purpose of the study is to evaluate:

- (a) the current assessment funding mechanism;
- (b) the participating membership that is assessed and provides the base of funding for the association;
- (c) alternative funding mechanisms, which may include a change in the assessment, a change in the participating membership, or other alternatives; and
- (d) provider reimbursement rates.

(2) The commissioner shall include participation from the following entities in the study, including but not limited to:

- (a) stop-loss or excess of loss carriers;
- (b) the state employee health benefit plan;
- (c) the university employee health benefit plan;
- (d) the association board of directors;
- (e) local government employee benefit plans;
- (f) school district employee benefit plans;
- (g) consumer advocates;
- (h) persons enrolled in an association plan; and
- (i) members of the medical community.

(3) The commissioner, in conjunction with the association, shall bring a proposal to the 58th legislature to provide for appropriate funding of the association and recommendations regarding alternative assessments or funding mechanisms."

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

**HUMAN SERVICES** (Thomas, Chairman): 3/22/2001

- **SB 181.** be concurred in. Report adopted.
- **SB 290.** be concurred in. Report adopted.
- **SB 324.** be concurred in. Report adopted.
- **SB 361.** be concurred in. Report adopted.
- **SB 459.** be concurred in. Report adopted.

**JUDICIARY** (Shockley, Chairman): 3/22/2001

- **HB 637.** introduced bill, be amended as follows:

  1. Title, line 6.
  **Following:** "PROGRAMS;"
  **Insert:** "CREATING A FUND IN THE STATE SPECIAL REVENUE ACCOUNT; AUTHORIZING THE BOARD OF CRIME CONTROL TO MAKE GRANTS FROM THE FUND;"

  **Following:** line 22
NEW SECTION. Section 3. Restorative justice fund created -- source of funding -- use of fund. (1) There is an account in the state special revenue fund established by 17-2-102 to be known as the restorative justice fund.

(2) There must be deposited in the account:
(a) money received from legislative allocations;
(b) a transfer of money from a federal, state, or local agency for the purposes of [section 2]; and
(c) a gift, donation, grant, legacy, bequest, or devise made for the purposes of [section 2].

(3) The fund may be used only to provide grants to communities for restorative justice programs as provided in [section 2]."

Renumber: subsequent sections

Following: "appropriated"
Insert: "up to"
Following: the first "the"
Strike: "general fund"
Insert: "state special revenue account established in [section 3]"

Strike: "and 2"
Insert: "through 3"

Strike: "and 2"
Insert: "through 3"


NATURAL RESOURCES (Younkin, Chairman): 3/22/2001
HB 626, introduced bill, be amended as follows:

1. Page 6, line 15.
Strike: "forth"
Insert: "Forth"

2. Page 6, line 17.
Following: "specified"
Insert: "and referenced"

Strike: "non-voting"
Insert: "voting"

Following: "To"
Insert: "satisfy the Tribal Water Right, including to"
Following: "release"
Insert: "or bypass"

Following: "."
Insert: "The absence of capitalization of defined terms in [sections 2 through 8] does not affect the meaning or application of a defined term."


SB 354, be concurred in. Report adopted.
SB 408, be concurred in. Report adopted.
SB 479, be concurred in. Report adopted.

TAXATION (Story, Chairman):
SB 46, be concurred in. Report adopted.

TRANSPORTATION (Somerville, Chairman):
SB 358, be concurred in. Report adopted.

MESSAGES FROM THE SENATE

House amendments to Senate bills concurred in:

SB 10, introduced by Stonington
SB 90, introduced by Ekegren
SB 260, introduced by Mahlum
SB 421, introduced by F. Thomas

House bill concurred in and returned to the House:

HB 440, introduced by Jacobson

House bills concurred in as amended and returned to the House for concurrence in Senate amendments:

HB 87, introduced by Masolo
HB 473, introduced by Younkin

MESSAGES FROM THE GOVERNOR

March 21, 2001

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 18 sponsored by Representative Somerville, House Bill 44 sponsored by Representative Haines, House Bill 132 sponsored by Representative Brueggeman, House Bill 152 sponsored by Representative Gallik, House Bill 204 sponsored by Representative Bitney, House Bill 221 sponsored by Representative Witt et al., and House Bill 417 sponsored by Representative Price on March 21, 2001.

Sincerely,

JUDY MARTZ
Governor

FIRST READING AND COMMITMENT OF BILLS

The following House bill was introduced, read first time, and referred to committee:

HB 649, introduced by Newman, Doherty, referred to Appropriations.

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 Galvin-Halcro in the chair.

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

HB 604 - Representative Hurdle moved HB 604 do pass.

HB 604 - Representative Hurdle moved HB 604, second reading copy, be amended as follows:

Following: "Appropriation."
Insert: "(1)"

2. Page 16.
Following: line 25
Insert: "(2) There is appropriated to the department of public health and human services' addictive and mental disorders division general fund money of $270,000 in fiscal year 2002 and $810,000 in fiscal year 2003. The department shall use this appropriation for treatment services for nonviolent offenders."

(3) There is appropriated to the department of public health and human services' addictive and mental disorders division general fund money of $30,000 in fiscal year 2002 and $90,000 in fiscal year 2003. The department shall use this appropriation for administration and treatment services for nonviolent offenders. The department shall hire or contract with an expert in the treatment of gambling addictions for the oversight of this function.

(4) There is appropriated to the department of corrections' community corrections division general fund money of $300,000 in fiscal year 2002 and $900,000 in fiscal year 2003. The department shall use this appropriation for
supervision of nonviolent offenders.

Amendment not adopted as follows:

Total 40

Total 59

Excused: Fuchs.
Total 1

Absent or not voting: None.
Total 0

Motion that HB 604 do pass failed as follows:

Total 41

Total 59

Voted Absentee: Fuchs, No.

Excused: None.
Total 0

Absent or not voting: None.
Total 0

HB 13 - Representative Lewis moved HB 13 do pass.
HB 13 - Representative Lewis moved HB 13, second reading copy, be amended.

Representative Lewis moved to withdraw his amendment to HB 13. Motion carried.

Representative Sliter moved consideration of HB 13 be placed below HB 105 on the second reading board. Motion carried.

Representative Sliter moved the committee rise and report. Motion carried. Committee arose. House resumed. Mr. Speaker in the chair. Chairman Sliter moved the Committee of the Whole report be adopted. Motion carried.

SPECIAL ORDERS OF THE DAY

Sergeant-at-Arms Ahner escorted the Senate into the House Chamber.

Speaker McGee introduced President Beck and yielded the Chair to him.

Senator Doherty moved that the body resolve itself into a joint session for the purpose of receiving the Thomas Jefferson presentation by Clay Jenkinson. Motion carried.

Senator Doherty moved that President Beck be authorized to appoint a committee of four to notify Thomas Jefferson that the House was in joint session and ready to receive the presentation. Motion carried.

President Beck appointed Senators Bishop and Christiaens and Representatives Adams and Erickson and discharged them to escort Thomas Jefferson to the House Chamber.

Sergeant-at-Arms Cramer escorted Thomas Jefferson and the committee into the House Chamber.

After being introduced by President Beck, the third president of the United States and the man responsible for the Lewis & Clark Corp of Discovery, Thomas Jefferson gave his presentation.

President Beck thanked Mr. Jefferson for his presentation and asked the committee to approach the rostrum and escort him from the joint session.

The committee escorted Thomas Jefferson from the House Chambers.

Senator Doherty moved that the joint session for the 57th legislature be adjourned. Motion carried.

Mr. Speaker in the chair. All members present, except Representative Fuchs, 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 Galvin-Halcro in the chair.

Mr. Speaker: We, your Committee of the Whole, having had under consideration business on second reading, recommend as follows:
HB 14 - Representative McCann moved HB 14 do pass. Motion carried as follows:

Total 56

Total 44

Voted Absentee: Fuchs, Aye.

Excused: None.
Total 0

Absent or not voting: None.
Total 0

HB 38 - Representative Schmidt moved HB 38 do pass.

HB 38 - Representative Sliter moved consideration of HB 38 be placed below HB 625 on the second reading board. Motion carried as follows:

Total 57

Total 36

Excused: Fuchs.
Total 1

Absent or not voting: R. Brown, Laszloffy, Mood, Shockley, Somerville, Vick.
Total 6

HB 105 - Representative Haines moved HB 105 do pass. Motion carried as follows:
Total 83

Noes: Balyeat, Bitney, D. Brown, R. Brown, Davies, Forrester, Himmelberger, Kasten, Laslovich, McCann, Mood, Pattison, Vick, Witt, Mr. Speaker.
Total 15

Voted Absentee: Fuchs, Aye.

Excused: None.
Total 0

Absent or not voting: Harris, Newman.
Total 2

HB 13 - Representative Lewis moved HB 13 do pass.

HB 13 - Representative Lewis moved HB 13, second reading copy, be amended as follows:

1. Page 19, line 15.
**Strike:** "145,571 388,359"
**Insert:** "51,259 288,189"

2. Page 19, line 18.
**Strike:** "93,728 253,634"
**Insert:** "33,004 188,214"

3. Page 19, line 22.
**Strike:** "4,302,871 11,606,426"
**Insert:** "1,229,336 6,499,817"

**Strike:** "41,836 107,216"
**Insert:** "14,732 79,562"

Amendment adopted as follows:

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Total  55
Total  44
Excused: Fuchs.
Total  1
Absent or not voting: None.
Total  0

HB 13 - Representative Laslovich moved HB 13, second reading copy, be further amended as follows:

1. Page 19, line 20.
Strike: "3,491,176 3,051,506 8,759,051 7,655,963"
Insert: "5,103,292 1,439,390 12,803,711 3,611,303"

HB 13 - Representative Younkin moved for cloture. Motion carried as follows:
Total  51
Total  43
Excused: Fuchs.
Total  1
Absent or not voting: Gallus, Himmelberger, Lindeen, K. Peterson, Sliter.
Total  5
Amendment not adopted as follows:
Total  40

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Total 57

Excused: Fuchs.
Total 1

Absent or not voting: Bookout-Reinicke, Smith.
Total 2

Motion that HB 13, as amended, do pass carried as follows:

Total 83

Total 17

Voted Absentee: Fuchs, Aye.

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 Galvin-Halcro moved the Committee of the Whole report be adopted. Report adopted as follows:

Total 81
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 3 passed as follows:

Total 77

Total 23

Voted Absentee: Fuchs, Aye.

Excused: None.
Total 0

Absent or not voting: None.
Total 0

HB 4 passed as follows:

Total 89

Total 23

Voted Absentee: Fuchs, Aye.

Excused: None.
Total 0

Absent or not voting: None.
Total 0
Total 11

Voted Absentee: Fuchs, Aye.

Excused: None.
Total 0

Absent or not voting: None.
Total 0

HB 9 passed as follows:

Total 88

Noes: Adams, Balyeat, Davies, Devlin, Eggers, Laszloffy, Pattison, Shockley, Vick, Walters, Mr. Speaker.
Total 11

Voted Absentee: Fuchs, Aye.

Excused: None.
Total 0

Absent or not voting: Fritz.
Total 1

HB 348 passed as follows:

Total 84

Noes: Adams, Bixby, R. Brown, Erickson, Esp, Gallik, Gutsche, Hurdle, Juneau, Kaufmann, McCann, K. Peterson, Somerville, Thomas, Waddill, Mr. Speaker.
Total 16
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Voted Absentee: Fuchs, Aye.

Excused: None.
Total 0

Absent or not voting: None.
Total 0

HB 447 failed as follows:
Total 50

Total 50

Voted Absentee: Fuchs, Aye.

Excused: None.
Total 0

Absent or not voting: None.
Total 0

SB 107 concurred in as follows:
Total 99

Noes: None.
Total 0

Voted Absentee: Fuchs, Aye.

Excused: None.
Total  0
Absent or not voting: Witt.
Total  1

SB 146 concurred in as follows:

Total 100
Noes: None.
Total 0
Voted Absentee: Fuchs, Aye.
Excused: None.
Total 0
Absent or not voting: None.
Total 0

SB 159, as amended by the House, concurred in as follows:

Total 99
Noes: Fuchs.
Total 1
Voted Absentee: Fuchs, No.
Excused: None.
Total 0

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Absent or not voting: None.
Total 0

**SB 184, as amended by the House**, concurred in as follows:

Total 95

Noes: Balyeat, Fuchs, Vick, Mr. Speaker.
Total 4

Voted Absentee: Fuchs, No.

Excused: None.
Total 0

Absent or not voting: Pattison.
Total 1

**SB 306, as amended by the House**, concurred in as follows:

Total 73

Total 25

Voted Absentee: Fuchs, Aye.

Excused: None.
Total 0

Absent or not voting: Hurdle, Kaufmann.
Total 2
REPORTS OF STANDING COMMITTEES

BUSINESS AND LABOR (McKenney, Chairman): 3/22/2001

HB 643, be amended as follows:

1. Page 3, line 25.
   Following: "or"
   Insert: "electricity produced from an electric energy generation facility as defined in 90-5-101(3) constructed after [the effective date of section 4] that is"


SB 360, be concurred in. Report adopted.
SB 369, be amended as follows:

1. Title, line 6.
   Following: "RELATED"
   Strike: "OR" through "RELATIONSHIP"

2. Page 1, line 16.
   Following: "degree;"
   Insert: "or"

3. Page 1, line 17 through line 18.
   Following: "degree" on line 17
   Strike: ";" on line 17 through "project" on line 18

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

JUDICIARY (Shockley, Chairman): 3/22/2001

SB 132, be amended as follows:

1. Title, page 1, line 12.
   Strike: "PROVIDING"

2. Title, page 1, line 13.
   Strike: "AN AFFIRMATIVE DEFENSE TO"
   Insert: "PROHIBITING"

3. Title, page 1, line 14.
   Following: "SURRENDERED"
   Insert: "WITHOUT INTENTIONALLY INFLICTED INJURY"

4. Title, page 1, line 16.
   Strike: "30"
   Insert: "60"
5. Title, page 1, line 17.  
Strike: ", 40-4-212,"

Strike: "30"  
Insert: "60"

Strike: "30"  
Insert: "60"

8. Page 6, line 23.  
Strike: "30"  
Insert: "60"

Strike: "may"  
Insert: "must"  
Following: "line"  
Insert: ", which must be a component of the department's existing child abuse toll-free telephone line"

Following: "pamphlet."  
Insert: "The pamphlet must be distributed and the safe delivery program publicized in a manner designed to reach females of childbearing age, including delivery of the pamphlet to high schools for use in health courses."

11. Page 8, line 26 through line 27.  
Strike: "for actual" on line 26 through "defense to" on line 27  
Insert: "when there is intentional infliction of injury to the abandoned infant,"  
Following: "prosecution" on line 27  
Insert: "may not be initiated"

Strike: "the infant"

13. Page 10, line 26 through page 12, line 17.  
Strike: section 16 in its entirety  
Renumber: subsequent sections

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

SB 229, be amended as follows:

1. Title, page 1, line 6 through line 7.  
Strike: ", BASED" on line 6 through "EMPLOYMENT OF" on line 7  
Insert: "AND TO ALSO EMPLOY OR OFFER TO EMPLOY"

2. Page 2, line 12 through line 13.
SB 384, be amended as follows:

1. Title, page 1, line 5.
Strike: "STRAYING"
Insert: "ENTERING"

2. Page 1, line 26.
Strike: "straying"
Insert: "entering"

3. Page 2, line 6 through line 7.
Strike: "commit on line 6 through "fined" on line 7
Insert: "is subject to a civil penalty in"
Strike: "$100" on line 7
Insert: "$50"

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

SJR 17, be amended as follows:

1. Page 1, line 15 through line 17.
Strike: ":;" on line 15 through "problems" on line 17

2. Page 1, line 21 through line 22.
Strike: "to be" on line 21 through "problems" on line 22

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

TAXATION (Story, Chairman):

HB 534, introduced bill, be amended as follows:

1. Title, page 1, line 6.
Strike: "INCOME LIMITS"
Insert: "A MAXIMUM ALLOWABLE CREDIT; PHASING OUT THE CREDIT BASED ON INCOME; DEDICATING THE INTEREST AND INCOME FROM $10 MILLION OF THE TOBACCO SETTLEMENT TRUST FUND TO OFFSET PART OF THE COST OF THE CREDIT"

2. Title, page 1, line 7.
Strike: "AN IMMEDIATE"
Insert: "A DELAYED"
Strike: "AND" through "DATE"

Following: line 10
Insert: "NEW SECTION. Section 1. Legislative findings and declaration of purpose. The legislature declares that for the purposes of Article XII, section 4, of the Montana constitution, the credit allowed under [section 2] is a state program that provides a benefit, service, or coverage that is related to the health care needs of the people of Montana."

Renumber: subsequent sections

4. Page 1, line 17.
Following: "year."
Insert: "The amount of the tax credit allowable under subsection (1) may not exceed $200."

5. Page 1, line 20 through line 23.
Strike: subsection (4) in its entirety
Insert: "(4) The dollar amount of credit allowable under this section is:
(a) for a taxpayer filing singly or head of household, reduced by $1 for every $5 of gross household income over $22,500; or
(b) for married taxpayers filing separately or married filing jointly, reduced by $1 for every $5 of gross household income over $36,000."

Following: line 28
Insert: "(7) For the purposes of this section:
(a) "gross household income" has the same meaning as defined in 15-30-171; and
(b) "income" has the same meaning as defined in 15-30-171."

Insert: "NEW SECTION. Section 3. Tobacco trust -- interest allocation. Each year, the interest and income from $10 million of the Montana tobacco settlement trust fund provided for in Article XII, section 4, of the Montana constitution must be deposited in an account in the state special revenue fund to the credit of the department of revenue to reimburse the general fund to offset the cost of the credit provided for in [section 1]."

Renumber: subsequent sections

7. Page 1, line 30.
Following: "instruction."
Insert: "(1)"
Strike: "[Section 1] is"
Insert: "[Sections 1 and 2] are"

Strike: "section"
Insert: "sections"
Following: "1"
Insert: "and 2"
Following: line 2
Insert: "(2) [Section 3] is intended to be codified as an integral part of Title 17, chapter 6, and the provisions of Title 17, chapter 6, apply to [section 3]."

Following: line 2
Insert: "NEW SECTION. Section 5. Coordination instruction. If Senate Bill No. 129 and [this act] are both passed and approved, then [section 3] of Senate Bill No. 129 must read as follows:

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"NEW SECTION. Section 3. Montana tobacco settlement trust fund -- state special revenue fund account. (1) Subject to the provisions of [section 3 of House Bill No. 534], nine-tenths of the interest and income derived from the trust fund on or after January 1, 2001, must be deposited in an account in the state special revenue fund and is subject to appropriation in accordance with subsection (3). One-tenth of the interest and income derived from the trust fund must remain in the trust fund.

(2) In addition to the money required to be deposited in the trust fund as principal, the legislature may deposit additional money in the trust fund as principal.

(3) The legislature shall appropriate money from the state special revenue fund account provided for in subsection (1) for programs for tobacco disease prevention and for state programs that provide benefits, services, or coverage of health care needs.

(4) The money appropriated under this section may not be used to replace state or federal money used to fund programs for tobacco disease prevention or state programs in existence on December 31, 1999, that provide benefits, services, or coverage of health care needs."

Renumber: subsequent section


11. Page 2, line 6 through line 7. Strike: section 4 in its entirety


HB 591, introduced bill, be amended as follows:

1. Title, page 1, line 11. Strike: the first "THE" Insert: "CERTAIN" Strike: "THROUGHOUT" Insert: "OF"

2. Title, page 1, line 15 and line 16. Strike: "ELIMINATING" on line 15 through "FACILITIES;" on line 16

3. Page 10, line 10. Strike: "0.25%" Insert: "1%"

4. Page 10, line 11. Strike: "0.125%" Insert: "0.8%"

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   **Following:** line 11
   **Insert:** "(iv) 0.5% of any estimated cost over $10 million and up to $20 million; plus
   (v) 0.25% of any estimated cost over $20 million and up to $100 million; plus
   (vi) 0.125% of any estimated cost over $100 million and up to $500 million; plus
   (vii) 0.05% of any estimated cost over $500 million and up to $1 billion; plus"

   **Strike:** line 12 through line 13
   **Renumber:** subsequent subsection

7. Page 10, line 15.
   **Strike:** "amount of"

   **Strike:** "6 months"
   **Insert:** "1 year"

   **Strike:** "6 months"
   **Insert:** "1 year"

    **Following:** line 9
    **Insert:** "(a) the basis of the need for the facility;"
    **Renumber:** subsequent subsections

    **Following:** "," 
    **Insert:** ","
    **Strike:** "and"
    **Following:** "necessity"
    **Insert:** ", and necessity"

    **Following:** "," 
    **Insert:** ","
    **Strike:** "and"
    **Following:** "necessity"
    **Insert:** "and necessity"

    **Strike:** "(1)(e)"
    **Insert:** "(1)(f)"

    **Strike:** "subsection"
    **Insert:** "subsections (1)(a) and"

Strike: "75-20-301"
Insert: "this section"


HB 619, introduced bill, be amended as follows:

1. Title, page 1, line 7.

Following: "STRUCTURES;"
Insert: "ALLOWING CREDIT CARRYOVERS;"

2. Title, page 1, line 8.

Following: "DATE"
Insert: "AND A TERMINATION DATE"

3. Page 1, line 17.

Following: "to"
Insert: "20% of"

4. Page 1, line 23.

Strike: "21"
Insert: "29"

5. Page 1, line 29.

Following: "15-30-103"
Insert: "an amount equal to 20% of"

6. Page 2, line 1 through line 2.

Strike: "," on line 1 through "years" on line 2

7. Page 2, line 5 through line 6.

Strike: "A" on line 5 through "15-30-103"
Insert: "The credit allowed by subsection (2) may not be refunded if the taxpayer has a tax liability less than the amount of the credit. If the sum of credit carryovers from the credit, if any, and the amount of credit allowed by subsection (2) for the tax year exceed the taxpayer’s tax liability for the current tax year, the excess attributable to the current tax year’s credit is a credit carryover to the 6 succeeding tax years. The entire amount of unused credit must be carried forward to the earliest of the succeeding years, and the oldest available unused credit must be used first"


Following: line 13
Insert: "NEW SECTION. Section 3. Termination. [This act] terminates December 31, 2011."


SB 264, be amended as follows:

1. Page 4, line 23.
MOTIONS

Representative Lee requested on HB 348, third reading today, that her vote be changed from no to yes. There being no objections, so ordered.

Representative Musgrove requested on SB 146, third reading today, that his vote be shown as yes. There being no objections, so ordered.

Representative Witt requested on HB 348, third reading today, that his vote be changed from no to yes. There being no objections, so ordered.

ANNOUNCEMENTS

Committee meetings were announced by committee chairmen.

Majority Leader Sliter moved that the House adjourn until 11:00 a.m., Friday, March 23, 2001. Motion carried.

House adjourned at 2:56 p.m.