

**SENATE JOURNAL
58TH LEGISLATURE
SEVENTIETH LEGISLATIVE DAY**

Helena, Montana
April 2, 2003

Senate Chambers
State Capitol

Senate convened at 8:00 a.m. President Keenan presiding. Invocation by Pastor Keith Johnson. Pledge of Allegiance to the Flag.

Roll Call. All members present except Senator Kitzenberg, excused. Quorum present.

The presiding officer has authenticated the daily journal for the sixty-ninth legislative day.

REPORTS OF STANDING COMMITTEES

BILL REPORT

Examined by the sponsor and found to be correct: **SB 206**.

Signed by the President at 2:14 p.m., March 31, 2003: **SB 206**.

Signed by the Secretary of the Senate at 2:15 p.m., March 31, 2003: **SB 206**.

Signed by the Speaker at 3:15 p.m., March 31, 2003: **SB 206**.

Delivered to the Governor for approval at 7:45 a.m., April 2, 2003: **SB 206**.

FINANCE AND CLAIMS (Zook, Chairman):
SB 474, introduced bill, be amended as follows:

4/1/2003

1. Page 1, line 25.

Following: "Code"

Strike: ", and"

Insert: ". The term"

Following: "includes"

Insert: "the following items that the department may consider"

2. Page 2, line 24.

Following: "."

Insert: "The rules may provide for reinsurance pursuant to Title 33, chapter 2, part 12, and for a pharmacy benefits manager."

3. Page 2, line 26.

Following: "."

Insert: "The private insurer must be licensed to do business in Montana and is subject to regulation under Title 33."

4. Page 3, line 18.

Strike: "retail"

Following: "pharmacist."

Insert: "The rates negotiated by the department or its representative for the prescription drugs sold by the pharmacies that agree to participate in this program may not be more than the rates charged to the department under the state plan for medicaid."

5. Page 3, line 23.

Strike: "has been"

Insert: "is"

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Strike: "for at least 1 year immediately preceding "
Insert: "on"

6. Page 3, line 25.

Strike: "benefit"
Insert: "premium"

7. Page 3, lines 27 and 28.

Strike: "99%" on line 27
Insert: "129% "
Following: "100% of the" on line 27
Strike: remainder of line 27 through "benefit" on line 28
Insert: "premium amount"

8. Page 3, lines 29 and 30.

Strike: "100%" on line 29
Insert: "130% "
Strike: "124%" on line 29
Insert: "174% "
Following: "level," on line 29
Strike: remainder of line 29 through "benefit" on line 30
Insert: "80% of the premium amount"

9. Page 4, lines 1 through 10.

Strike: "125%" on line 1
Insert: "175% "
Strike: "129%" on line 1
Insert: "199% "
Following: "level," on line 1
Strike: remainder of line 1 through "benefit" on line 10
Insert: "60% of the premium amount"

10. Page 4, lines 12 and 13.

Strike: "99%" on line 12
Insert: "129% "
Following: "100% of the" on line 12
Strike: remainder of line 12 through "benefit" on line 13
Insert: "premium amount"

11. Page 4, lines 14 and 15.

Strike: "100%" on line 14
Insert: "130% "
Strike: "124%" on line 14
Insert: "174% "
Following: "level," on line 14
Strike: remainder of line 14 through "benefit" on line 15
Insert: "80% of the premium amount"

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12. Page 4, lines 16 through 25.

Strike: "125%" on line 16

Insert: "175%"

Strike: "129%" on line 16

Insert: "199%"

Following: "level," on line 16

Strike: remainder of line 16 through "benefit" on line 25

Insert: "60% of the premium amount"

13. Page 5, line 4.

Strike: "base"

14. Page 5, line 13.

Following: "program."

Insert: "(5)"

Renumber: subsequent subsections

15. Page 5, line 14.

Following: "program."

Insert: "The department may not implement the program while an application for a federal waiver is pending. The department shall implement the program upon approval of a federal waiver. If a federal waiver is denied, the department shall implement the program using available state funds."

16. Page 5, line 23.

Strike: "(6)(a)"

Insert: "(7)(a)"

17. Page 13, line 12.

Following: "3]"

Insert: "during each fiscal year of the biennium beginning July 1, 2003"

And, as amended, do pass. Report adopted.

MESSAGES FROM THE GOVERNOR

April 1, 2003

The Honorable Bob Keenan
President of the Senate
State Capitol
Helena, Montana 59620

Dear Senator Keenan:

Please be informed that I have signed **Senate Bill 83** sponsored by Senator McGee, **Senate Bill 108** sponsored by Senator McNutt, **Senate Bill 139** sponsored by Senator Shea, and **Senate Bill 151** sponsored by Senator Mahlum on April 1, 2003.

Sincerely,

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JUDY MARTZ
Governor

MESSAGES FROM THE OTHER HOUSE

Senate bills concurred in and returned to the Senate: 4/2/2003

SB 22, introduced by Nelson
SB 101, introduced by Mahlum
SB 133, introduced by Zook
SB 145, introduced by Bohlinger

Senate bills concurred in as amended and returned to the Senate for concurrence in House amendments: 4/1/2003

SB 34, introduced by Barkus
SB 76, introduced by Schmidt

House bill passed and transmitted to the Senate for concurrence: 4/1/2003

HB 748, introduced by Devlin

MOTIONS

SB 471 - Senator Thomas moved consideration of SB 471 be passed for the day. Motion carried.

SB 472 - Senator Thomas moved consideration of SB 472 be passed for the day. Motion carried.

FIRST READING AND COMMITMENT OF BILLS

The following Senate joint resolution was introduced, read first time, and referred to committee:

SJR 30, introduced by Taylor, referred to Agriculture, Livestock and Irrigation.

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

HB 748, introduced by Devlin, Bales, Forrester, Gebhardt, Hedges, Kitzenberg, Lambert, Lindeen, Maedje, Mangan, McCarthy, McNutt, Nelson, A. Olson, Pattison, Shea, Smith, referred to Taxation.

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

Session 1

Senator Thomas moved the Senate resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Senator McNutt assumed the chair in the absence of Senator Grimes who was presenting a bill in committee.

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

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Senator Kitzenberg present at this time.

HB 253 - Senator Cooney moved **HB 253** be concurred in. After discussion, Senator Cooney made a **substitute motion** that **HB 253**, second reading copy, be amended as follows:

1. Page 2, line 18.

Following: "about"

Strike: "a"

Insert: "another"

2. Page 2, line 21.

Following: the second "the"

Insert: "other"

3. Page 2, line 27.

Strike: subsection (2) in its entirety

Renumber: subsequent subsections

Amendment **adopted** unanimously.

Senator Grimes assumed the chair.

HB 253 - Senator Cooney moved consideration of **HB 253** and **HB 468** be moved to the bottom of the board for purpose of obtaining information. Motion carried unanimously.

SB 461 - Senator Story moved **SB 461** do pass. After discussion, Senator Story made a **substitute motion** that **SB 461**, second reading copy, be amended as follows:

1. Title, page 1, line 7.

Following: "~~DWELLINGS~~;"

Insert: "PROVIDING FOR A HOMESTEAD EXEMPTION FOR PRIMARY DWELLINGS THAT ARE OWNER-OCCUPIED FOR AT LEAST 7 MONTHS A YEAR; ALLOWING AN ELECTION OF A DWELLING IF THE OWNER OF A HOMESTEAD HAS OTHER DWELLINGS; CREATING A CLASS ELEVEN FOR PROPERTY TAXATION THAT CONSISTS OF HOMESTEAD PROPERTY;"

2. Title, page 1, line 10.

Strike: "RESIDENCES"

Insert: "CERTAIN HOMESTEADS"

3. Title, page 1, line 11.

Following: "FOUR"

Insert: "AND CLASS ELEVEN"

4. Title, page 1, line 13.

Strike: "AND COMMERCIAL AND INDUSTRIAL PROPERTY"

5. Title, page 1, line 15.

Following: "SECTIONS"

Insert: "5-2-301, 7-13-2527,"

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6. Title, page 1, line 16.

Following: "~~15-6-138,~~"

Insert: "15-6-138, 15-6-191,"

Strike: "AND"

Insert: "15-7-103,"

Following: "~~15-8-111,~~"

Insert: "15-8-111, AND 15-16-102,"

7. Page 2.

Following: line 6

Insert: "NEW SECTION. Section 1. Homestead. (1) "Homestead", for the purposes of property taxation, means the owner-occupied dwelling used as the primary dwelling place of the owner. The primary dwelling place is the single place where an individual has a fixed and permanent home and principal establishment and to which whenever the individual is absent the individual has the intention of returning. The homestead may be occupied by any members of the owner's household as their home. The homestead includes appurtenant land not exceeding 5 acres owned or under contract for deed and that is reasonably necessary for the use of the dwelling as a home.

(2) (a) To qualify as a homestead, the property must have been the owner's primary dwelling place on January 1 of the year for which the claim is made and for at least 7 months during the prior year. If the dwelling was owned by the claimant for less than 1 year, the claimant must have resided in the dwelling for a majority of the time that the claimant owned the dwelling.

(b) A primary dwelling that qualifies as a homestead continues to qualify as a homestead if the claimant resides in a health care facility and the owner does not rent or lease the dwelling to others.

(3) (a) For the purposes of this section, a person is considered an owner if the person:

(i) is the grantor, or the person's spouse is the grantor, of a revocable or irrevocable trust owning the property and is named as a beneficiary of the trust; or

(ii) is a partner of a limited partnership, a member of a limited liability company, or a shareholder of a corporation owning the property and the person holds at least a 5% ownership in the limited partnership, limited liability company, or corporation.

(b) A person claiming ownership under subsection (3)(a) shall provide the department with an affidavit setting forth the reasons the person should be considered the owner of the property, and attached to the affidavit must be copies of the appropriate trust or business entity documents indicating the legal basis for the person's ownership interest.

(4) If a property is a single-family dwelling owned by a business, an occupant who is an employee of the business is considered an owner for the purposes of this section.

(5) (a) An owner shall apply for certification of homestead status to the department not later than a date set by the department by rule. On the application, supplied by the department, the owner shall certify that the owner is making an application for a homestead exemption under this section, that the dwelling is the owner's homestead as established in subsections (1) and (2), and that the owner has not made any other application for the exemption on any other residential property.

(b) A homestead exemption remains in effect as long as the homestead property meets the requirements of subsections (1) and (2).

(c) A homestead exemption expires when ownership of the property changes and the property reverts to class four property.

(6) The owner of a homestead and other residential dwellings may elect to have the homestead exemption apply to the owner's primary dwelling place or any one of the owner's other residential dwellings. The homestead exemption may not apply to a dwelling that the owner rents or leases to others."

Renumber: subsequent sections

8. Page 2, line 10 and line 11.

Strike: "four" on line 10

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Insert: "eleven homestead"

Strike: "DWELLINGS" on line 10 through "ACRES" on line 11

Insert: "property"

9. Page 2, line 12.

Strike: "WITH OWNERS"

Insert: "occupied by households"

10. Page 2, line 22.

Strike: "four"

Insert: "eleven"

11. Page 6, line 6.

Insert: "NEW SECTION. Section 3. Percentage of class four and class eleven property exempt from taxation
-- schedule. The following percentage of the market value of the following described property is exempt from taxation:

(1) for class eleven residential property described in [section 8] that qualifies as homestead property under [section 1]:

- (a) 31.5% for tax year 2003;
- (b) 33.4% for tax year 2004;
- (c) 35.2% for tax year 2005;
- (d) 36.7% for tax year 2006;
- (e) 38.4% for tax year 2007; and
- (f) 40% for tax years after 2007;

(2) for class four rental multifamily dwelling units of two or more units described in 15-6-134(1)(f)(ii):

- (a) 28.9% for tax year 2003;
- (b) 26.8% for tax year 2004;
- (c) 24.7% for tax year 2005;
- (d) 22.6% for tax year 2006;
- (e) 20.5% for tax year 2007; and
- (f) 18.5% for tax years after 2007;

(3) for class four commercial and industrial property described in 15-6-134 that is not provided for in subsection (1) or (2):

- (a) 13.5% for tax year 2003;
- (b) 14.5% for tax year 2004;
- (c) 15.5% for tax year 2005;
- (d) 16.5% for tax year 2006;
- (e) 17.5% for tax year 2007; and
- (f) 18.5% for tax years after 2007."

Insert: "**Section 4.** Section 5-2-301, MCA, is amended to read:

"5-2-301. Compensation and expenses for members while in session. (1) Legislators are entitled to a salary commensurate to that of the daily rate of an entry grade 10 classified state employee in effect when the regular session of the legislature in which they serve is convened under 5-2-103 for those days during which the legislature is in session. The president of the senate and the speaker of the house must receive an additional \$5 a day in salary for those days during which the legislature is in session.

(2) Legislators may serve for no salary.

(3) Subject to subsection (4), legislators are entitled to a daily allowance, 7 days a week, during a legislative session, as reimbursement for expenses incurred in attending a session. Expense payments must stop when the legislature recesses for more than 3 days and resume when the legislature reconvenes.

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(4) After November 15, and prior to December 15 of each even-numbered year, the department of administration shall conduct a survey of the allowance for daily expenses of legislators for the states of North Dakota, South Dakota, Wyoming, and Idaho. The department shall include the average daily expense allowance for Montana legislators in determining the average daily rate for legislators. The department shall include only states with specific daily allowances in the calculation of the average. If the average daily rate is greater than the daily rate for legislators in Montana, legislators are entitled to a new daily rate for those days during which the legislature is in session. The new daily rate is the daily rate for the prior legislative session, increased by the percentage rate increase as determined by the survey, a cost of living increase to reflect inflation that is calculated pursuant to ~~15-6-134~~ [section 8], or 5%, whichever is less. The expense allowance is effective when the next regular session of the legislature in which the legislators serve is convened under 5-2-103.

(5) Legislators are entitled to a mileage allowance as provided in 2-18-503 for each mile of travel to the place of the holding of the session and to return to their place of residence at the conclusion of the session.

(6) In addition to the mileage allowance provided for in subsection (5), legislators, upon submittal of an appropriate claim for mileage reimbursement to the legislative services division, are entitled to:

- (a) three additional round trips to their place of residence during each regular session; and
- (b) additional round trips as authorized by the legislature during special session.

(7) Legislators are not entitled to any additional mileage allowance under subsection (5) for a special session if it is convened within 7 days of a regular session."

Insert: "**Section 5.** Section 7-13-2527, MCA, is amended to read:

"7-13-2527. List of property owners. (1) A copy of the order creating the district must be delivered to the department of revenue.

(2) The department shall, on or before August 1 of each year, prepare and certify a list of all persons owning class four and class eleven property within the district and deliver a copy of the list to the board of trustees of the district."

Renumber: subsequent sections

12. Page 6, line 9.

Strike: "AND (1)(AA)"

13. Page 6, line 11.

Strike: "AND (1)(AA)"

14. Page 7, line 6.

Following: "3,"

Insert: "[section 3],"

15. Page 7, line 9.

Strike: "3.40%"

Insert: "3.38%"

16. Page 7, line 14.

Strike: "3.01%"

Insert: "3%"

17. Page 10, line 1.

Insert: "**Section 7.** Section 15-6-138, MCA, is amended to read:

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

- (a) all agricultural implements and equipment that are not exempt under 15-6-201(~~1~~)(~~bb~~)(1)(aa);

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(b) all mining machinery, fixtures, equipment, tools that are not exempt under 15-6-201(1)(r), and supplies except those included in class five;

(c) all oil and gas production machinery, fixtures, equipment, including pumping units, oil field storage tanks, water storage tanks, water disposal injection pumps, gas compressor and dehydrator units, communication towers, gas metering shacks, treaters, gas separators, water flood units, gas boosters, and similar equipment that is skidable, portable, or movable, tools that are not exempt under 15-6-201(1)(r), and supplies except those included in class five;

(d) all manufacturing machinery, fixtures, equipment, tools, except a certain value of hand-held tools and personal property related to space vehicles, ethanol manufacturing, and industrial dairies and milk processors as provided in 15-6-201, and supplies except those included in class five;

(e) all goods and equipment that are intended for rent or lease, except goods and equipment that are specifically included and taxed in another class;

(f) special mobile equipment as defined in 61-1-104;

(g) furniture, fixtures, and equipment, except that specifically included in another class, used in commercial establishments as defined in this section;

(h) x-ray and medical and dental equipment;

(i) citizens' band radios and mobile telephones;

(j) radio and television broadcasting and transmitting equipment;

(k) cable television systems;

(l) coal and ore haulers;

(m) theater projectors and sound equipment; and

(n) all other property that is not included in any other class in this part, except that property that is subject to a fee in lieu of a property tax.

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

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

(4) Class eight property is taxed at 3% of its market value.

(5) (a) If, in any year beginning with tax year 2004, the percentage growth in inflation-adjusted Montana wage and salary income, in the last full year for which data is available, is at least 2.85% from the prior year, then the tax rate for class eight property will be reduced by 1% each year until the tax rate reaches zero.

(b) The department shall calculate the percentage growth in subsection (5)(a) by using the formula $(W/CPI) - 1$, where:

(i) W is the Montana wage and salary income for the most current available year divided by the Montana wage and salary income for the year prior to the most current available year; and

(ii) CPI is the consumer price index for the most current available year used in subsection (5)(b)(i) divided by the consumer price index for the year prior to the most current available year as used in subsection (5)(b)(i).

(c) For purposes of determining the percentage growth in subsection (5)(a), the department shall use the wage and salary data series referred to as the bureau of economic analysis of the United States department of commerce Montana wage and salary disbursements. Inflation must be measured by the consumer price index, U.S. city average, all urban consumers (CPI-U), using the 1982-84 base of 100, as published by the bureau of labor statistics of the United States department of labor.

(6) The class eight property of a person or business entity that owns an aggregate of \$5,000 or less in market value of class eight property is exempt from taxation. (Repealed on occurrence of contingency--secs. 27(2), 31(4), Ch. 285, L. 1999.)"

Insert: "NEW SECTION. Section 8. Class eleven property -- description -- taxable percentage. (1) Class eleven property includes:

(a) residential property and land qualifying as a homestead under [section 1];

(b) the first \$100,000 or less of the taxable market value of any homestead improvement on real property,

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

(2) (a) Except as provided in subsection (2)(b), class eleven property is taxed at the taxable percentage rate applicable to class four property as provided in 15-6-134(2)(a).

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

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

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

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

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

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

Insert: "Section 9. Section 15-6-191, MCA, is amended to read:

"15-6-191. Application for certain class four eleven classifications. (1) A person applying for classification of property under the property tax assistance program described in ~~15-6-134(1)(c)~~ [section 8(1)(b)] shall make an affidavit to the department of revenue, on a form provided by the department without cost, stating:

(a) the person's income;

(b) the fact that the person maintains the land and improvements as the person's primary residential dwelling, when applicable; and

(c) other information that is relevant to the applicant's eligibility.

(2) This application must be made before March 15 of the year after the applicant becomes eligible. The application remains in effect in subsequent years unless there is a change in the applicant's eligibility. The taxpayer shall inform the department of any change in eligibility. The department may inquire by mail whether any change in eligibility has taken place and may require a new statement of eligibility at any time that it considers necessary.

(3) The affidavit is sufficient if the applicant signs a statement affirming the correctness of the information supplied, whether or not the statement is signed before a person authorized to administer oaths, and mails the application and statement to the department. This signed statement must be treated as a statement under oath or equivalent affirmation for the purposes of 45-7-202, relating to the criminal offense of false swearing."

"

Renumber: subsequent sections

18. Page 12, line 20.

Strike: "FOLLOWING"

Following: "four"

Strike: "RESIDENTIAL"

Insert: "class four"

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19. Page 12, line 21.

Strike: "~~(1)(E) AND (1)(F):~~"

Insert: "and class eleven property described in [section 8] as provided in [section 3];"

20. Page 12, line 29 through page 13, line 12.

Strike: page 12, line 29 through page 13 line 12 in their entirety

21. Page 13, line 13.

Strike: "~~(BB)~~"

Insert: "(aa)"

Renumber: subsequent subsections

22. Page 14, line 20.

Strike: "~~(1)(BB)~~"

Insert: "(1)(aa)"

23. Page 17, line 20.

Strike: "~~FOLLOWING~~"

Following: "~~four~~"

Strike: "~~RESIDENTIAL~~"

Insert: "class four"

24. Page 17, line 21.

Strike: "~~(1)(E) AND (1)(F):~~"

Insert: "and class eleven property described in [section 8] as provided in [section 3];"

25. Page 17, line 29 through page 18, line 12.

Strike: page 17, line 29 through page 18 line 12 in their entirety

26. Page 18, line 13.

Strike: "~~(BB)~~"

Insert: "(aa)"

Renumber: subsequent subsections

27. Page 20, line 3.

Strike: "~~(1)(BB)~~"

Insert: "(1)(aa)"

28. Page 20, line 16.

Insert: "**Section 11.** Section 15-7-103, MCA, is amended to read:

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

(a) for a general and uniform method of classifying lands in the state for the purpose of securing an equitable and uniform basis of assessment of lands for taxation purposes;

(b) for a general and uniform method of appraising city and town lots;

(c) for a general and uniform method of appraising rural and urban improvements;

(d) for a general and uniform method of appraising timberlands.

(2) All lands must be classified according to their use or uses and graded within each class according to soil and

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productive capacity. In the classification work, use must be made of soil surveys and maps and all other pertinent available information.

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

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

(5) In any periodic revaluation of taxable property completed under the provisions of 15-7-111, all property classified in 15-6-134 and [section 8] must be appraised on the taxable portion of its market value in the same year. The department shall publish a rule specifying the year used in the appraisal.

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

Renumber: subsequent sections

29. Page 22, line 26.

Insert: "Section 13. Section 15-8-111, MCA, is amended to read:

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

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

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

(c) If the department uses the capitalization of net income method as one approximation of market value and sufficient, relevant information on comparable sales and construction cost exists, the department shall rely upon the two methods that provide a similar market value as the better indicators of market value.

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

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

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

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

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

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

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

(6) The assessed value of properties in 15-6-131 through 15-6-134, 15-6-143, and 15-6-145 is as follows:

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

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

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

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

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

(f) Railroad transportation properties in 15-6-145 are assessed based on the valuation formula described in 15-23-205.

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

(a) ownership of the improvements is different from ownership of the land;

(b) the taxpayer makes a written request; or

(c) the land is outside an incorporated city or town."

Insert: "Section 14. Section 15-16-102, MCA, is amended to read:

"15-16-102. Time for payment -- penalty for delinquency. Unless suspended or canceled under the provisions of Title 15, chapter 24, part 17, all taxes levied and assessed in the state of Montana, except assessments made for special improvements in cities and towns payable under 15-16-103, are payable as follows:

(1) One-half of the taxes are payable on or before 5 p.m. on November 30 of each year or within 30 days after the tax notice is postmarked, whichever is later, and one-half are payable on or before 5 p.m. on May 31 of each year.

(2) Unless one-half of the taxes are paid on or before 5 p.m. on November 30 of each year or within 30 days after the tax notice is postmarked, whichever is later, the amount payable is delinquent and draws interest at the rate of 5/6 of 1% a month from and after the delinquency until paid and 2% must be added to the delinquent taxes as a penalty.

(3) All taxes due and not paid on or before 5 p.m. on May 31 of each year are delinquent and draw interest at the rate of 5/6 of 1% a month from and after the delinquency until paid, and 2% must be added to the delinquent taxes as a penalty.

(4) (a) If the date on which taxes are due falls on a holiday or Saturday, taxes may be paid without penalty or interest on or before 5 p.m. of the next business day in accordance with 1-1-307.

(b) If taxes on property qualifying under the low-income property tax assistance provisions of ~~15-6-134(1)(c)~~ [section 8] and 15-6-191 are paid within 20 calendar days of the date on which the taxes are due, the taxes may be paid without penalty or interest. If a tax payment is made later than 20 days after the taxes were due, the penalty must be paid and interest accrues from the date on which the taxes were due.

(5) A taxpayer may pay current year taxes without paying delinquent taxes. The county treasurer shall accept a partial payment equal to the delinquent taxes, including penalty and interest, for one or more full taxable years, provided that taxes for both halves of the current tax year have been paid. Payment of taxes for delinquent taxes must be applied to the taxes that have been delinquent the longest. The payment of taxes for the current tax year is not a redemption of the property tax lien for any delinquent tax year.

(6) The penalty and interest on delinquent assessment payments for specific parcels of land may be waived by resolution of the city council. A copy of the resolution must be certified to the county treasurer.

(7) If the department revises an assessment that results in an additional tax of \$5 or less, an additional tax is not owed and a new tax bill does not need to be prepared."

Renumber: subsequent sections

30. Page 23.

Following: line 17

Insert: "(1) [Sections 1 and 3] are intended to be codified as an integral part of Title 15, chapter 6, part 2, and the provisions of Title 15, chapter 6, part 2, apply to [sections 1 and 3]."

31. Page 23, line 18.

Following: "(2)"

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Insert: "(2)"
Strike: "[Section 2 1] is"
Insert: "[Sections 2 and 8] are"

32. Page 23, line 19.
Strike: "[section 2 1]"
Insert: "[sections 2 and 8]"

Amendment **adopted** as follows:

Yeas: Anderson, Barkus, Black, Butcher, Cocchiarella, Cromley, Curtiss, DePratu, Gebhardt, Grimes, Kitzenberg, Laible, Mahlum, Mangan, McCarthy, McGee, Nelson, O'Neil, Perry, Ryan, Shea, Stapleton, Story, Tash, Taylor, Thomas, Wheat, Zook.
Total 28

Nays: Bales, Bohlinger, Cobb, Cooney, Ellingson, Elliott, Glaser, Hansen, Harrington, Johnson, McNutt, Pease, Roush, Schmidt, Sprague, Squires, Stonington, Tester, Toole, Tropila.
Total 20

Absent or not voting: Mr. President.
Total 1

Excused: Esp.
Total 1

SB 461 - Senator Story moved **SB 461**, second reading copy, be further amended as follows:

1. Page 3, line 2.
Strike: "0.52"
Insert: "0.60"

2. Page 3, lines 5 and 6.
Following: "The" on line 5
Strike: remainder of line 5 through the first "value" on line 6
Insert: "tax liability"
Strike: "0.52"
Insert: "0.60"

3. Page 3, line 16.
Strike: "25%"
Insert: "24%"

4. Page 3, line 18.
Strike: "0.03706"
Insert: "0.03625"

5. Page 3, line 20.
Strike: "0.04041"
Insert: "0.03871"

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6. Page 3, line 22.
Strike: "0.04398"
Insert: "0.04120"

7. Page 3, line 24.
Strike: "0.04783"
Insert: "0.04375"

8. Page 3, line 26.
Strike: "0.05218"
Insert: "0.04651"

9. Page 3, line 28.
Strike: "0.05693"
Insert: "0.04934"

10. Page 4, line 3.
Strike: "0.03741"
Insert: "0.03660"

11. Page 4, line 5.
Strike: "0.04116"
Insert: "0.03943"

12. Page 4, line 7.
Strike: "0.04516"
Insert: "0.04230"

13. Page 4, line 9.
Strike: "0.04948"
Insert: "0.04526"

14. Page 4, line 11.
Strike: "0.05436"
Insert: "0.04845"

15. Page 4, line 13.
Strike: "0.05969"
Insert: "0.05173"

16. Page 4, line 18.
Strike: "0.03777"
Insert: "0.03694"

17. Page 4, line 20.
Strike: "0.04191"
Insert: "0.04015"

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18. Page 4, line 22.

Strike: "0.04633"

Insert: "0.04341"

19. Page 4, line 24.

Strike: "0.05113"

Insert: "0.04677"

20. Page 4, line 26.

Strike: "0.05653"

Insert: "0.05038"

21. Page 4, line 28.

Strike: "0.06244"

Insert: "0.05411"

22. Page 7, line 6.

Following: "~~section 31.~~"

Insert: "[section 1],"

Amendment **adopted** unanimously.

SB 461 - Senator Elliott moved **SB 461**, second reading copy, be further amended as follows:

1. Page 23, line 9.

Strike: "FROM EACH POLITICAL PARTY."

2. Page 23, line 10.

Strike: "COMMITTEE ON COMMITTEES"

Insert: "president and two by the minority leader"

Amendment **not** adopted as follows:

Yeas: Cobb, Cocchiarella, Cooney, Ellingson, Elliott, Hansen, Harrington, Kitzenberg, Nelson, Pease, Roush, Ryan, Schmidt, Shea, Squires, Stonington, Tester, Toole, Tropila, Wheat.

Total 20

Nays: Anderson, Bales, Barkus, Black, Bohlinger, Butcher, Cromley, Curtiss, DePratu, Gebhardt, Glaser, Grimes, Laible, Mahlum, McCarthy, McGee, McNutt, O'Neil, Perry, Sprague, Stapleton, Story, Tash, Taylor, Thomas, Zook, Mr. President.

Total 27

Absent or not voting: None.

Total 0

Excused: Esp, Johnson, Mangan.

Total 3

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SB 461 - Senator Story moved **SB 461**, as amended, do pass. Motion carried as follows:

Yeas: Anderson, Bales, Barkus, Black, Butcher, Cocchiarella, Cooney, Curtiss, DePratu, Ellingson, Elliott, Gebhardt, Hansen, Harrington, Johnson, Kitzenberg, Laible, Mahlum, Mangan, McGee, Nelson, O'Neil, Perry, Roush, Ryan, Schmidt, Shea, Stapleton, Stonington, Story, Tash, Taylor, Tester, Thomas, Tropila, Wheat, Zook, Mr. President.
Total 38

Nays: Bohlinger, Cobb, Cromley, Glaser, Grimes, McCarthy, McNutt, Pease, Sprague, Squires, Toole.
Total 11

Absent or not voting: None.
Total 0

Excused: Esp.
Total 1

Senator McGee assumed the chair.

SB 260 - Senator DePratu moved **SB 260** do pass. After discussion, Senator DePratu made a **substitute motion** that **SB 260**, second reading copy, be amended as follows:

1. Title, page 1, lines 25 and 26.

Strike: "A CONTINGENT DELAYED"

Insert: "AN IMMEDIATE"

Following: "DATE" on line 26

Insert: "AND A RETROACTIVE APPLICABILITY DATE"

2. Page 2.

Following: line 27

Insert: "(5) If a property is a single-family dwelling owned by a business, an occupant who is an employee of the business is considered an owner for the purposes of this section."

ReNUMBER: subsequent subsections

3. Page 3, line 13.

Strike: "(6)(a)(ii)"

Insert: "(7)(a)(ii)"

4. Page 3, line 16.

Strike: "(6)(b)(i)(D)"

Insert: "(7)(b)(i)(D)"

5. Page 21, line 13.

Strike: "(1)"

6. Page 21, line 16.

Strike: subsection (2) in its entirety

7. Page 21, lines 18 and 19.

Strike: "January" on line 18 through "2004" on line 19

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Insert: "passage and approval"

8. Page 21, line 20.

Insert: "NEW SECTION, **Section 14. Retroactive applicability.** [This act] applies retroactively, within the meaning of 1-2-109, to tax years beginning after December 31, 2002."

Amendment **adopted** as follows:

Yeas: Anderson, Bales, Barkus, Bohlinger, Butcher, Cooney, Cromley, DePratu, Ellingson, Glaser, Hansen, Harrington, Mahlum, Mangan, McGee, McNutt, Nelson, O'Neil, Perry, Squires, Stapleton, Stonington, Story, Tash, Taylor, Tester, Thomas, Mr. President.

Total 28

Nays: Elliott, Johnson, Kitzenberg, Pease, Roush, Ryan, Schmidt, Toole, Tropila.

Total 9

Absent or not voting: None.

Total 0

Excused: Black, Cobb, Cocchiarella, Curtiss, Esp, Gebhardt, Grimes, Laible, McCarthy, Shea, Sprague, Wheat, Zook.

Total 13

SB 260 - Senator DePratu moved **SB 260**, as amended, do pass. Motion **failed** as follows:

Yeas: Anderson, Barkus, Black, Butcher, Cocchiarella, Curtiss, DePratu, Grimes, Hansen, Laible, Mahlum, McGee, McNutt, Roush, Shea, Sprague, Stapleton, Tash, Taylor, Thomas, Mr. President.

Total 21

Nays: Bales, Bohlinger, Cobb, Cooney, Cromley, Ellingson, Elliott, Esp, Gebhardt, Glaser, Johnson, Kitzenberg, Mangan, McCarthy, Nelson, O'Neil, Pease, Perry, Ryan, Schmidt, Squires, Stonington, Story, Tester, Toole, Tropila, Wheat, Zook.

Total 28

Absent or not voting: None.

Total 0

Excused: Harrington.

Total 1

SB 260 - Senator Thomas moved **SB 260** be **indefinitely postponed**. Motion carried as follows:

Yeas: Bales, Bohlinger, Cobb, Cooney, Cromley, Ellingson, Elliott, Esp, Gebhardt, Glaser, Johnson, Kitzenberg, Laible, Mangan, McCarthy, McNutt, Nelson, O'Neil, Pease, Perry, Ryan, Schmidt, Sprague, Squires, Stapleton, Stonington, Story, Tester, Thomas, Toole, Tropila, Wheat, Zook.

Total 33

Nays: Anderson, Barkus, Black, Butcher, Cocchiarella, Curtiss, DePratu, Grimes, Hansen, Mahlum, McGee, Roush, Shea, Tash, Taylor, Mr. President.

Total 16

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Absent or not voting: None.
Total 0

Excused: Harrington.
Total 1

SB 255 - Senator DePratu moved consideration of **SB 255** be passed for the day. Motion carried.

SB 155 - Senator Taylor moved **SB 155** do pass. Motion carried unanimously.

SB 463 - Senator Black moved **SB 463** do pass. Motion carried as follows:

Yeas: Anderson, Bales, Barkus, Black, Butcher, Cocchiarella, Cooney, DePratu, Esp, Gebhardt, Glaser, Mahlum, Mangan, McGee, McNutt, Perry, Roush, Ryan, Schmidt, Shea, Sprague, Stapleton, Stonington, Story, Tash, Taylor, Tester, Thomas, Wheat, Zook, Mr. President.
Total 31

Nays: Bohlinger, Cobb, Cromley, Curtiss, Ellingson, Elliott, Grimes, Hansen, Harrington, Johnson, Kitzenberg, Laible, McCarthy, Nelson, O'Neil, Pease, Squires, Toole, Tropila.
Total 19

Absent or not voting: None.
Total 0

Excused: None.
Total 0

Senator Grimes re-assumed the chair.

Senator DePratu rose on a point of personal privilege to apologize for a remark he had made earlier, which may have been taken as a callous remark concerning gambling. He stated it was not intended to put any of the Butte delegation or their affiliates down, and apologized if offense was taken.

Senator Sprague rose on a point of personal privilege to state he had not taken personal offense to any remarks made by Senator DePratu.

SB 297 - Senator Glaser moved **SB 297** do pass. Motion carried as follows:

Yeas: Barkus, Black, Bohlinger, Cocchiarella, Cooney, Cromley, DePratu, Ellingson, Esp, Gebhardt, Glaser, Grimes, Johnson, Kitzenberg, Laible, Mahlum, Mangan, McNutt, Pease, Ryan, Schmidt, Shea, Stonington, Story, Toole, Wheat, Zook.
Total 27

Nays: Anderson, Bales, Butcher, Cobb, Curtiss, Elliott, Hansen, Harrington, McCarthy, McGee, Nelson, O'Neil, Perry, Roush, Sprague, Squires, Tash, Taylor, Tester, Tropila, Mr. President.
Total 21

Absent or not voting: None.
Total 0

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Excused: Stapleton, Thomas.
Total 2

SB 475 - Senator Esp moved **SB 475** do pass. Motion carried as follows:

Yeas: Anderson, Bales, Barkus, Black, Bohlinger, Butcher, Cooney, Curtiss, DePratu, Ellingson, Esp, Gebhardt, Grimes, Harrington, Kitzenberg, Mangan, McCarthy, McGee, McNutt, Nelson, Pease, Perry, Roush, Ryan, Schmidt, Squires, Stonington, Story, Tash, Taylor, Tester, Thomas, Toole, Tropila, Wheat, Zook, Mr. President.
Total 37

Nays: Cobb, Cocchiarella, Cromley, Elliott, Glaser, Hansen, Johnson, Laible, Mahlum, O'Neil, Sprague, Stapleton.
Total 12

Absent or not voting: None.
Total 0

Excused: Shea.
Total 1

Senator Thomas moved the committee rise, report and beg leave to sit again. Motion carried. Committee arose. Senate resumed. President Keenan in the chair. Chairman Grimes moved the Committee of the Whole report be adopted. Report adopted unanimously.

REPORTS OF STANDING COMMITTEES

FINANCE AND CLAIMS (Zook, Chairman):
SB 435, introduced bill, be amended as follows:

4/2/2003

1. Page 1, line 27.
Strike: "annually"

2. Page 1, line 28.
Strike: "\$2"
Insert: "beginning in calendar year 2005, \$4"

3. Page 2, line 6.
Strike: "annually"

4. Page 2, line 8.
Strike: "\$3"
Insert: "beginning in calendar year 2005, \$6"

5. Page 2, line 27.
Following: "(10)(h)"
Insert: "and beginning in calendar year 2005, 20 cents for each light vehicle subject to registration or reregistration pursuant to 61-3-321"

6. Page 2, line 29.
Following: "cents"

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Insert: "for calendar year 2004 and 50 cents in each succeeding calendar year"

7. Page 3, line 1.

Strike: "annually"

Strike: "\$1"

Insert: "beginning in calendar year 2005, \$1.25"

8. Page 3, line 10.

Following: "61-3-562."

Insert: "Permanently registered vehicles may be included in vehicle counts only in the year in which the vehicle is registered or reregistered."

9. Page 4, line 29.

Strike: "\$2"

Insert: "\$4"

10. Page 4, line 30.

Strike: "\$3"

Insert: "\$6"

11. Page 5, line 4.

Following: "61-3-406"

Insert: "for the current year"

12. Page 5, line 5.

Following: "61-3-422"

Insert: "for the current year"

13. Page 5, line 6.

Following: "61-3-465"

Insert: "for the current year"

14. Page 5, line 7.

Following: "fee"

Insert: "and beginning in calendar year 2005, a \$1.25 fee"

15. Page 5, line 10.

Strike: "\$2"

Insert: "\$1.25"

16. Page 5, line 11.

Strike: "\$2"

Insert: "\$1.25"

17. Page 5, line 13.

Following: line 12

Insert: "(c) The fees associated with the following series of license plates must be paid only once, in the year of registration or reregistration, to be used for purposes of permanent registration of a vehicle:

(i) Montana national guard license plates issued under 61-3-332(10)(a)(i);

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- (ii) reserve armed forces license plates issued under 61-3-332(10)(b);
- (iii) license plates bearing a wheelchair design as a symbol of a person with a disability issued under 61-3-332(10)(g);
- (iv) amateur radio operator license plates issued under 61-3-422; and
- (v) generic specialty license plates issued under 61-3-479."

18. Page 5, line 14.

Strike: "two"

Insert: "three"

19. Page 5, line 15.

Following: "61-10-201"

Insert: "for the current year"

20. Page 6, line 1.

Insert: "NEW SECTION. Section 5. Coordination instruction. If Senate Bill No. 118 and [this act] are both passed and approved, then [section 16] of Senate Bill No. 118, amending 61-3-562, is void."

Renumber: subsequent section

And, as amended, do pass. Report adopted.

SB 446, introduced bill, be amended as follows:

1. Title, line 7.

Following: the second "ACT"

Insert: "TEMPORARILY"

2. Title, line 10.

Following: "DATE"

Insert: "AND A TERMINATION DATE"

3. Page 2, following line 17.

Insert: "NEW SECTION. Section 4. Termination. [This act] terminates June 30, 2005."

And, as amended, do pass. Report adopted.

SB 473, introduced bill, be amended as follows:

1. Title, line 7.

Strike: "ENROLLMENT"

Insert: "APPLICATION"

2. Page 1, line 28 through line 29.

Following: "2]" on line 28

Strike: remainder of line 28 through "6" on line 29

3. Page 2, line 7.

Strike: "The"

Insert: "By July 1, 2004, or upon securing any necessary waivers, the"

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4. Page 2, line 9.

Strike: "up to 300% "

Insert: "or below 200% "

5. Page 2, line 10.

Following: "level."

Strike: "The"

Insert: "Subject to subsection (7), the"

Strike: "enrollment"

Insert: "application"

6. Page 2, line 11.

Strike: "enrollment"

Insert: "application"

7. Page 2, line 18.

Strike: "discounted price less"

Insert: "discount on"

8. Page 3, line 2.

Strike: "Hawaii"

Insert: "Maine"

9. Page 3, line 7.

Strike: "300% "

Insert: "200% "

10. Page 3, line 11.

Following: line 10

Insert: "(7) Establishment of the prescription drug expansion program is contingent upon approval by the federal government that the program in [sections 1 through 7] will qualify for federal financial participation under federal laws implementing the medicaid program. The department may adopt rules necessary to implement conditions required by federal law or conditions required as part of the federal government's agreement to waive certain requirements of federal law.

(8) If program costs are expected to exceed the legislative authorization for the program, the department shall adjust discounted prices, the application fee, or eligibility standards to maintain the program within the available funding."

11. Page 3, line 15.

Strike: "the standards of"

12. Page 3, line 17.

Strike: "Individuals"

Insert: "Subject to [section 2(8)], individuals"

13. Page 3, line 18.

Strike: "300% "

Insert: "200% "

And, as amended, do pass. Report adopted.

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SB 476, introduced bill, be amended as follows:

1. Title, line 13.

Following: "FOLLOWED;"

Insert: "REQUIRING THAT THE COMMUNITY MENTAL HEALTH CENTERS REPORT CERTAIN INFORMATION WITHIN 5 DAYS;"

2. Title, line 16.

Following: "53-21-127,"

Insert: "53-21-128,"

3. Page 2, line 13.

Strike: "notice and a"

4. Page 2, line 16.

Strike: "notice and a"

5. Page 5.

Following: line 18

Insert: "**Section 4.** Section 53-21-128, MCA, is amended to read:

"53-21-128. Petition for extension of commitment period. (1) (a) Not less than 2 calendar weeks prior to the end of the 3-month period of commitment to the state hospital or the period of commitment to a community facility or program or a course of treatment provided for in 53-21-127, the professional person in charge of the patient at the place of commitment may petition the district court in the county where the patient is committed for extension of the commitment period unless otherwise ordered by the original committing court. The petition must be accompanied by a written report and evaluation of the patient's mental and physical condition. The report must describe any tests and evaluation devices that have been employed in evaluating the patient, the course of treatment that was undertaken for the patient, and the future course of treatment anticipated by the professional person.

(b) The petitioner shall provide a copy of the petition and the professional person's written report to the community mental health center serving the county in which the respondent resided at the time of initial commitment by mail, hand delivery, or facsimile transmission. Within 5 days of receiving the petition, including weekends and holidays unless the 5th day falls on a Saturday, Sunday, or holiday, the community mental health center shall report to the court, the petitioner's attorney, and the respondent's attorney regarding whether the community mental health center:

(i) has services available or is able to arrange for services to serve the respondent appropriately in a community setting;

(ii) has developed and submitted a recommended treatment plan that meets the respondent's needs for mental health treatment and support; and

(iii) agrees to accept the respondent for treatment.

(c) Upon the filing of the petition, the court shall give written notice of the filing of the petition to the patient, the patient's next of kin, if reasonably available, the friend of respondent appointed by the court, and the patient's counsel. If any person notified requests a hearing prior to the termination of the previous commitment authority, the court shall immediately set a time and place for a hearing on a date not more than 10 days from the receipt of the request and notify the same people, including the professional person in charge of the patient. If a hearing is not requested, the court shall enter an order of commitment for a period not to exceed 6 months.

~~(c)~~(d) Procedure on the petition for extension when a hearing has been requested must be the same in all respects as the procedure on the petition for the original 3-month commitment except the patient is not entitled to trial by jury. The hearing must be held in the district court having jurisdiction over the facility in which the patient is detained unless otherwise ordered by the court. Court costs and witness fees, if any, must be paid by the county that paid the same costs in the initial commitment proceedings.

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(d)(e) If upon the hearing the court finds the patient not to be suffering from a mental disorder and requiring commitment within the meaning of this part, the patient must be discharged and the petition dismissed. If the court finds that the patient continues to suffer from a mental disorder and to require commitment, the court shall order commitment as set forth in 53-21-127(3). However, an order may not affect the patient's custody for more than 6 months. In its order, the court shall describe what alternatives for treatment of the patient are available, what alternatives were investigated, and why the investigated alternatives were not found suitable. The court may not order continuation of an alternative that does not include a comprehensive, individualized plan of treatment for the patient. A court order for the continuation of an alternative must include a specific finding that a comprehensive, individualized plan of treatment exists.

(2) Prior to the end of the period of commitment to a community facility or program or course of treatment, a respondent may request that the treating provider petition the district court for an extension of the commitment order. The petition must be accompanied by a written report and evaluation of the respondent's mental and physical condition, an updated treatment plan, and a written statement by the respondent that an extension is desired. The extension procedure must follow the procedure required in subsections (1)(b) through (1)(d).

(3) Further extensions under subsection (1) or (2) may be obtained under the same procedure described in subsection (1). However, the patient's custody may not be affected for more than 1 year without a renewal of the commitment under the procedures set forth in subsection (1), including a statement of the findings required by subsection (1)."

Renumber: subsequent sections

6. Page 6, line 9 and line 10.

Following: "purpose of" on line 9

Strike: remainder of line 9 through "to" on line 10

Insert: "maximizing the number of patients successfully treated in community settings rather than at"

And, as amended, do pass. Report adopted.

MESSAGES FROM THE GOVERNOR

April 1, 2003

The Honorable Bob Keenan
President of the Senate
State Capitol
Helena, Montana 59620

Dear Senator Keenan:

Please be informed that I have signed **Senate Bill 103** sponsored by Senator Laible, **Senate Bill 107** sponsored by Senator Roush, **Senate Bill 122** sponsored by Senator Tash, **Senate Bill 125** sponsored by Senator Tester, and **Senate Bill 229** sponsored by Senator F. Thomas et al. on April 1, 2003.

Sincerely,

JUDY MARTZ
Governor

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MOTIONS

HB 719 - Senator Gebhardt moved **HB 719** be taken from the table in the State Administration committee, printed and placed on second reading. Motion **failed** as follows:

Yeas: Anderson, Bales, Barkus, Black, Curtiss, Esp, Gebhardt, Glaser, Grimes, Mangan, McGee, McNutt, Perry, Sprague, Squires, Stapleton, Story, Tash, Taylor, Thomas, Zook, Mr. President.

Total 22

Nays: Bohlinger, Butcher, Cobb, Cocchiarella, Cooney, Cromley, DePratu, Ellingson, Elliott, Hansen, Harrington, Johnson, Kitzenberg, Laible, Mahlum, McCarthy, Nelson, O'Neil, Pease, Roush, Ryan, Schmidt, Stonington, Tester, Toole, Tropila, Wheat.

Total 27

Absent or not voting: None.

Total 0

Excused: Shea.

Total 1

Majority Leader Thomas moved the Senate stand in recess until the hour of 1:00 p.m. this day. Motion carried.

Senate recessed at 11:53 p.m.

Senate reconvened at 1:00 p.m.

Roll call. All members present except Senator Schmidt, excused. Quorum present.

MOTIONS

Majority Leader Thomas moved the Senate stand in recess until the hour of 1:25 p.m. this day for purpose of party caucuses. Motion carried.

Senate recessed at 1:08 p.m.

Senate reconvened at 1:33 p.m.

Roll call. All members present. Quorum present.

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

Session 2

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

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

SB 407 - Senator DePratu moved **SB 407**, second reading copy, be amended as follows:

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1. Title, page 1, line 5.
Strike: "4 PERCENT"
2. Title, page 1, line 12.
Strike: "60"
Insert: "70"
3. Page 2, line 11 through line 12.
Strike: subsection (3) in its entirety
Renumber: subsequent subsections
4. Page 2, line 26 through line 28.
Strike: subsection (5) in its entirety
Renumber: subsequent subsections
5. Page 3, line 12 through line 13.
Strike: subsection (8) in its entirety
Renumber: subsequent subsections
6. Page 5, line 4 through line 7.
Strike: subsection (14) in its entirety
Renumber: subsequent subsections
7. Page 5, line 28.
Strike: "(18)(A)(III)"
Insert: "(14)(a)(iii)"
8. Page 5, line 29.
Strike: "(18)(A)(VII)"
Insert: "(14)(a)(vii)"
9. Page 6, line 22 through page 7, line 13.
Strike: subsection (22) through (26) in their entirety
Renumber: subsequent subsection
10. Page 7, line 21.
Strike: subsection (1)(a) in its entirety
Renumber: subsequent subsections
11. Page 7, line 23.
Strike: ","
Insert: "."
12. Page 7, lines 24 through 28.
Strike: subsections (1)(d) through (1)(h) in their entirety
13. Page 8, line 7.
Strike: subsection (3)(a)(i) in its entirety
Renumber: subsequent subsections

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14. Page 8, line 9.

Strike: " ; "

Insert: " . "

15. Page 8, lines 10 through 14.

Strike: subsections (3)(a)(iv) through (3)(a)(viii) in their entirety

16. Page 23, line 20.

Strike: "2004"

Insert: "2005"

Strike: "2005" in both places

Insert: "2006" after both strikes

17. Page 23, line 26.

Strike: "\$2,300"

Insert: "\$2,400"

18. Page 25, line 13.

Strike: "2004"

Insert: "2005"

19. Page 30, line 15.

Strike: "\$1,840"

Insert: "\$1,900"

20. Page 30, line 17.

Strike: "\$1,840"

Insert: "\$1,900"

21. Page 30, line 21.

Strike: "\$1,840"

Insert: "\$1,900"

22. Page 30, line 24.

Strike: "\$1,840"

Insert: "\$1,900"

23. Page 30, line 29.

Strike: "\$1,840"

Insert: "\$1,900"

24. Page 31, line 2.

Strike: "\$1,840"

Insert: "\$1,900"

25. Page 31, line 13.

Strike: "\$1,840"

Insert: "\$1,900"

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26. Page 35, line 9.

Strike: "\$1,530"

Insert: "\$1,580"

27. Page 35, line 11.

Strike: "\$3,460"

Insert: "\$3,560"

28. Page 36, line 1.

Strike: "\$3,460"

Insert: "\$3,560"

29. Page 36, line 3.

Strike: "\$6,920"

Insert: "\$7,120"

30. Page 36, line 5.

Strike: "\$1,840"

Insert: "\$1,900"

31. Page 37, line 8.

Strike: "60"

Insert: "70"

32. Page 38, line 10.

Strike: "1.5%"

Insert: "1.66%"

33. Page 38, line 12.

Strike: "1%"

Insert: "1.11%"

34. Page 38, line 14.

Strike: "0.75%"

Insert: "0.83%"

35. Page 38, line 20.

Strike: "3.7%"

Insert: "3.1%"

36. Page 38, line 23.

Strike: "21.9%"

Insert: "92.6%"

Following: "and"

Insert: "and"

37. Page 38, line 25.

Strike: "5.2%"

Insert: "4.3%"

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Strike: "AND"
Insert: "."

38. Page 38, line 26 through line 27.
Strike: subsection (4) in its entirety

39. Page 40, lines 16 through 18.
Strike: "THAT" on line 16 through "YEAR" on line 18

40. Page 41, line 9.
Strike: "2004"
Insert: "2005"

41. Page 41, line 15.
Following: "2003,"
Insert: "and"

42. Page 41, line 17.
Strike: "AND"
Insert: "."

43. Page 41, line 18.
Strike: subsection (1)(d) in its entirety

44. Page 41, line 19.
Strike: "2003"
Insert: "2004"

Amendment **adopted** unanimously.

SB 407 - Senator D. Ryan moved **SB 407**, second reading copy, be further amended as follows:

1. Title, page 1, line 16.

Following: "PRODUCTS:"

Insert: "IMPOSING AN EXCISE TAX ON SOFT DRINKS; PROVIDING THAT THE TAX BE PAID BY SOFT DRINK BOTTLERS AND IMPORTERS; PROVIDING THAT THE TAX BE PAID ON EACH UNIT OF SOFT DRINK; PROVIDING FOR THE ADMINISTRATION OF THE TAX; PROVIDING FOR A PENALTY; PROVIDING THAT THE COLLECTIONS OF THE TAX BE USED TO FUND SERVICES FOR OLDER MONTANANS AND MEDICAID SERVICES;"

2. Page 40, line 8.

Insert: "NEW SECTION. Section 55. Definitions. As used in [sections 55 through 60], the following definitions apply:

- (1) "Bottler" means a person who manufactures soft drinks in the state.
- (2) "Importer" means a person who transports soft drinks into the state for domestic consumption.
- (3) (a) "Soft drink" means a nonalcoholic beverage that contains natural or artificial sweeteners.
(b) The term does not include a beverage that contains milk or milk products, soy, rice, or similar milk substitutes or that contains greater than 50% vegetable or fruit juice by volume.
- (4) "Unit of soft drink" means:

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- (a) one container, such as a can or bottle, sealed by a bottler, that contains a soft drink; or
- (b) the amount of concentrate contained in a bulk container used to produce 12 fluid ounces of a soft drink in a soft drink fountain."

Insert: "NEW SECTION. Section 56. Soft drink tax -- rate -- report -- vendor allowance. (1) Each bottler or importer shall pay to the department an excise tax of 5 cents for each unit of soft drink manufactured or imported by the bottler or importer.

(2) A bottler or importer shall report to the department at the end of each calendar quarter the number of units of soft drink bottled or imported during the quarter. A bottler or importer may deduct from the number of units of soft drink bottled or imported the number of units that the bottler or importer exported from the state and the number of units that were unsalable and destroyed or returned to the bottler or importer. The report is due within 30 days following the end of the calendar quarter and must be accompanied by a payment in an amount equal to the tax required to be collected under this section, less the vendor allowance provided in subsection (3).

(3) A bottler and importer may withhold from payment of the tax imposed by this section an amount equal to 4% of the payment to reimburse the bottler or vendor for the expense of collecting the tax. The allowance may not be withheld from a delinquent payment."

Insert: "NEW SECTION. Section 57. Bottler and importer registration. A person may not manufacture soft drinks in this state or import soft drinks into this state for the purposes of consumption of the soft drinks in the state unless the person has registered with the department as a soft drink bottler or importer. The registration must be made on forms supplied by the department at no charge. The registration must be renewed annually by a date established by the department."

Insert: "NEW SECTION. Section 58. Unlawful sales. (1) A person may not sell or offer to sell soft drinks that were not manufactured or imported by registered bottlers or importers with the intent to evade the tax imposed by [section 56].

(2) Violation of this section is a misdemeanor punishable by a fine of not more than \$500 or by imprisonment for not more than 6 months."

Insert: "NEW SECTION. Section 59. Audits -- records -- penalty and interest. (1) The department may audit the books and records of any bottler or importer to ensure that the proper amount of tax imposed by [section 56] has been paid. An audit may be done on the premises of the bottler or importer or at any other convenient location.

(2) The penalty and interest provisions of 15-1-216 apply to the reporting and payment of the tax imposed by [section 56].

(3) The department may conduct an investigation pursuant to 15-1-301 to ensure proper payment of the tax imposed by [section 56].

(4) A dispute between a bottler or importer and the department is subject to the uniform dispute review procedure established in 15-1-211."

Insert: "NEW SECTION. Section 60. Disposition of tax. The collections from the tax imposed in [section 56], less any refunds, must be used to provide:

(1) services for older Montanans, either directly or through area agencies on aging, including services identified under 52-3-504, in-home services, services for grandparents taking care of grandchildren, respite care, ombudsman services, prevention of elder abuse, family caregiver services, and transportation services;

(3) scholarships for Montana high school graduates; and

(2) medicaid coverage."

Renumber: subsequent sections

3. Page 40, line 25.

Following: "40"

Insert: "and 55 through 60"

4. Page 40, line 26.

Following: "40"

Insert: "and 55 through 60"

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5. Page 41, line 19.

Insert: "(3) [Sections 55 through 60] apply to soft drinks bottled or imported into the state after June 30, 2003."

Amendment **not** adopted as follows:

Yeas: Bohlinger, Cocchiarella, Cooney, Cromley, Ellingson, Gebhardt, Hansen, Harrington, Kitzenberg, Mangan, McCarthy, Nelson, Pease, Roush, Ryan, Schmidt, Shea, Squires, Tester, Toole, Tropila, Wheat.

Total 22

Nays: Anderson, Bales, Barkus, Black, Butcher, Cobb, Curtiss, DePratu, Elliott, Esp, Glaser, Grimes, Johnson, Laible, Mahlum, McGee, McNutt, O'Neil, Perry, Sprague, Stapleton, Stonington, Story, Tash, Taylor, Thomas, Zook, Mr. President.

Total 28

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 407 - Senator Mangan moved **SB 407**, second reading copy, be further amended as follows:

1. Page 40, line 29.

Insert: "NEW SECTION. Section 58. Coordination instruction. If Senate Bill No. 470 is passed and approved, then [sections 41 through 48 of this act] are void."

Renumber: subsequent sections

Amendment **adopted** unanimously.

SB 407 - Senator Tester moved **SB 407**, second reading copy, be further amended. After discussion, Senator Tester withdrew his amendment.

SB 407 - Senator DePratu moved **SB 407**, as amended, do pass. After discussion, Senator Stonington moved **SB 407**, second reading copy, be further amended as follows:

1. Title, line 19.

Following: "~~AND~~"

Strike: ", "

Insert: "AND"

Strike: ", AND A TERMINATION DATE"

2. Page 41, line 21.

Strike: section 62 in its entirety

Amendment **adopted** as follows:

Yeas: Anderson, Black, Bohlinger, Cobb, Cocchiarella, Cooney, Cromley, DePratu, Ellingson, Hansen, Harrington, Kitzenberg, Laible, Mahlum, McCarthy, McGee, Nelson, Pease, Roush, Ryan, Schmidt, Stapleton, Stonington, Taylor, Tester, Thomas, Toole, Tropila, Wheat.

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Total 29

Nays: Bales, Barkus, Butcher, Curtiss, Elliott, Esp, Gebhardt, Glaser, Grimes, Johnson, Mangan, McNutt, O'Neil, Perry, Shea, Sprague, Squires, Story, Tash, Zook, Mr. President.

Total 21

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 407 - Senator DePratu moved **SB 407**, as amended, do pass. Motion carried as follows:

Yeas: Anderson, Bales, Barkus, Black, Bohlinger, Butcher, Cobb, Cocchiarella, Cromley, Curtiss, DePratu, Ellingson, Esp, Gebhardt, Glaser, Grimes, Johnson, Kitzenberg, Laible, Mahlum, Mangan, McCarthy, McGee, McNutt, Pease, Perry, Stapleton, Stonington, Story, Tash, Taylor, Thomas, Tropila, Zook, Mr. President.

Total 35

Nays: Cooney, Elliott, Hansen, Harrington, Nelson, O'Neil, Roush, Ryan, Schmidt, Shea, Sprague, Squires, Tester, Toole, Wheat.

Total 15

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 487 - Senator Story moved **SB 487**, second reading copy, be amended as follows:

1. Page 4, lines 24 and 25.

Strike: section 6 in its entirety

Amendment **adopted** unanimously.

SB 487 - Senator Pease moved **SB 487**, as amended, do pass. Motion carried unanimously.

SB 481 - Senator Black moved **SB 481** do pass. Motion carried as follows:

Yeas: Anderson, Bales, Black, Bohlinger, Butcher, Cobb, Cocchiarella, Curtiss, Elliott, Glaser, Grimes, Hansen, Kitzenberg, Mahlum, McNutt, Nelson, Pease, Perry, Shea, Sprague, Stapleton, Tash, Taylor, Tester, Thomas, Toole, Mr. President.

Total 27

Nays: Barkus, Cromley, DePratu, Ellingson, Esp, Gebhardt, Johnson, Laible, Mangan, McCarthy, McGee, O'Neil, Roush, Ryan, Schmidt, Squires, Stonington, Story, Tropila, Wheat, Zook.

Total 21

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Absent or not voting: Cooney, Harrington.
Total 2

Excused: None.
Total 0

SB 484 - Senator Mangan moved **SB 484** do pass. Motion carried with Senators McGee and O'Neil voting nay.

SB 488 - Senator Harrington moved **SB 488** do pass. After discussion, Senator Taylor made a **substitute motion** that **SB 488**, second ready copy, be amended as follows:

1. Title, page 1, line 22.

Strike: "CERTAIN TAX PROCEEDS BE USED FOR"

Following: "EDUCATION"

Insert: "BE INCREASED FROM 44.7% TO 65% "

2. Title, page 1, line 29.

Following: "16-11-206,"

Insert: "20-9-306, 20-9-367, 20-9-368,"

3. Page 17, line 3.

Following: "(3);"

Insert: "and"

4. Page 17, line 4.

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

Renumber: subsequent subsection

5. Page 19, line 21.

Insert: "**Section 27.** Section 20-9-306, MCA, is amended to read:

"20-9-306. Definitions. As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "BASE" means base amount for school equity.

(2) "BASE aid" means:

(a) direct state aid for ~~44.7%~~ 65% of the basic entitlement and ~~44.7%~~ 65% of the total per-ANB entitlement for the general fund budget of a district; and

(b) guaranteed tax base aid for an eligible district for any amount up to ~~35.3%~~ 15% of the basic entitlement, up to ~~35.3%~~ 15% of the total per-ANB entitlement budgeted in the general fund budget of a district, and up to 40% of the special education allowable cost payment.

(3) "BASE budget" means the minimum general fund budget of a district, which includes 80% of the basic entitlement, 80% of the total per-ANB entitlement, and up to 140% of the special education allowable cost payment.

(4) "BASE budget levy" means the district levy in support of the BASE budget of a district, which may be supplemented by guaranteed tax base aid if the district is eligible under the provisions of 20-9-366 through 20-9-369.

(5) "BASE funding program" means the state program for the equitable distribution of the state's share of the cost of Montana's basic system of public elementary schools and high schools, through county equalization aid as provided in 20-9-331 and 20-9-333 and state equalization aid as provided in 20-9-343, in support of the BASE budgets of districts and special education allowable cost payments as provided in 20-9-321.

(6) "Basic entitlement" means:

(a) \$213,819 for each high school district;

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(b) \$19,244 for each elementary school district or K-12 district elementary program without an approved and accredited junior high school or middle school; and

(c) the prorated entitlement for each elementary school district or K-12 district elementary program with an approved and accredited junior high school or middle school, calculated as follows:

(i) \$19,244 times the ratio of the ANB for kindergarten through grade 6 to the total ANB of kindergarten through grade 8; plus

(ii) \$213,819 times the ratio of the ANB for grades 7 and 8 to the total ANB of kindergarten through grade 8.

(7) "Direct state aid" means ~~44.7%~~ 65% of the basic entitlement and ~~44.7%~~ 65% of the total per-ANB entitlement for the general fund budget of a district and funded with state and county equalization aid.

(8) "Maximum general fund budget" means a district's general fund budget amount calculated from the basic entitlement for the district, the total per-ANB entitlement for the district, and the greater of:

(a) 175% of special education allowable cost payments; or

(b) the ratio, expressed as a percentage, of the district's special education allowable cost expenditures to the district's special education allowable cost payment for the fiscal year that is 2 years previous, with a maximum allowable ratio of 200%.

(9) "Over-BASE budget levy" means the district levy in support of any general fund amount budgeted that is above the BASE budget and below the maximum general fund budget for a district.

(10) "Total per-ANB entitlement" means the district entitlement resulting from the following calculations:

(a) for a high school district or a K-12 district high school program, a maximum rate of \$5,205 for the first ANB is decreased at the rate of 50 cents per ANB for each additional ANB of the district up through 800 ANB, with each ANB in excess of 800 receiving the same amount of entitlement as the 800th ANB;

(b) for an elementary school district or a K-12 district elementary program without an approved and accredited junior high school or middle school, a maximum rate of \$3,906 for the first ANB is decreased at the rate of 20 cents per ANB for each additional ANB of the district up through 1,000 ANB, with each ANB in excess of 1,000 receiving the same amount of entitlement as the 1,000th ANB; and

(c) for an elementary school district or a K-12 district elementary program with an approved and accredited junior high school or middle school, the sum of:

(i) a maximum rate of \$3,906 for the first ANB for kindergarten through grade 6 is decreased at the rate of 20 cents per ANB for each additional ANB up through 1,000 ANB, with each ANB in excess of 1,000 receiving the same amount of entitlement as the 1,000th ANB; and

(ii) a maximum rate of \$5,205 for the first ANB for grades 7 and 8 is decreased at the rate of 50 cents per ANB for each additional ANB for grades 7 and 8 up through 800 ANB, with each ANB in excess of 800 receiving the same amount of entitlement as the 800th ANB.""

Insert: "Section 28. Section 20-9-367, MCA, is amended to read:

"20-9-367. Eligibility to receive guaranteed tax base aid or state advance or reimbursement for school facilities. (1) If the district guaranteed tax base ratio of any elementary or high school district is less than the corresponding statewide elementary or high school guaranteed tax base ratio, the district may receive guaranteed tax base aid based on the number of mills levied in the district in support of up to ~~35.3%~~ 15% of the basic entitlement, up to ~~35.3%~~ 15% of the total per-ANB entitlement, and up to 40% of the special education allowable cost payment budgeted within the general fund budget.

(2) If the county retirement mill value per elementary ANB or the county retirement mill value per high school ANB is less than the corresponding statewide mill value per elementary ANB or high school ANB, the county may receive guaranteed tax base aid based on the number of mills levied in the county in support of the retirement fund budgets of the respective elementary or high school districts in the county.

(3) For the purposes of 20-9-370 and 20-9-371, if the district mill value per elementary ANB or the district mill value per high school ANB is less than the corresponding statewide mill value per elementary ANB or statewide mill value per high school ANB, the district may receive a state advance or reimbursement for school facilities in support of the debt service fund.""

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Insert: "Section 29. Section 20-9-368, MCA, is amended to read:

"20-9-368. Amount of guaranteed tax base aid. (1) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the elementary school districts in the county is the difference between the county mill value per elementary ANB and the statewide mill value per elementary ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the elementary districts in the county.

(2) The amount of guaranteed tax base aid per ANB that a county may receive in support of the retirement fund budgets of the high school districts in the county is the difference between the county mill value per high school ANB and the statewide mill value per high school ANB, multiplied by the number of mills levied in support of the retirement fund budgets for the high school districts in the county.

(3) The amount of guaranteed tax base aid that a district may receive in support of up to ~~35.3%~~ 15% of the basic entitlement, up to ~~35.3%~~ 15% of the total per-ANB entitlement budgeted within the general fund budget, and up to 40% of the special education payment is calculated in the following manner:

(a) multiply the sum of the district's BASE budget amount less direct state aid by the corresponding statewide guaranteed tax base ratio;

(b) subtract the taxable valuation of the district from the product obtained in subsection (3)(a); and

(c) divide the remainder by 1,000 to determine the equivalent to the dollar amount of guaranteed tax base aid for each mill levied.

(4) Guaranteed tax base aid provided to any county or district under this section is earmarked to finance the fund or portion of the fund for which it is provided. If a county or district receives more guaranteed tax base aid than it is entitled to, the excess must be returned to the state as required by 20-9-344."

Renumber: subsequent sections

6. Page 24, line 6.

Strike: "26" through "36"

Insert: "29, 35, 36, 38, 39"

7. Page 24, line 8.

Strike: "27"

Insert: "30"

Strike: "31"

Insert: "34"

8. Page 24, line 9.

Strike: "28"

Insert: "31"

Strike: "30"

Insert: "33"

Amendment **not** adopted as follows:

Yeas: Anderson, Barkus, Black, Curtiss, DePratu, Esp, Gebhardt, Glaser, Johnson, Laible, Mahlum, Mangan, McGee, McNutt, O'Neil, Perry, Sprague, Stapleton, Tash, Taylor, Thomas, Zook, Mr. President.

Total 23

Nays: Bohlinger, Cobb, Cocchiarella, Cooney, Cromley, Ellingson, Elliott, Hansen, Harrington, Kitzenberg, McCarthy, Nelson, Pease, Roush, Ryan, Schmidt, Shea, Squires, Stonington, Story, Tester, Toole, Tropila, Wheat.

Total 24

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Absent or not voting: Bales, Butcher, Grimes.
Total 3

Excused: None.
Total 0

SB 488 - Senator Glaser moved **SB 488**, second reading copy, be amended as follows:

1. Title, page 1, line 19 through page 21.
Strike: "PROVIDING" on line 19 through "TAX;" on line 21
2. Page 14, line 20 through page 19, line 20.
Strike: sections 17 through 26 in their entirety
Renumber: subsequent sections
3. Page 23, line 28 through line 30.
Strike: section 32 in its entirety
4. Page 24, line 2.
Strike: "and 17 through 26"
5. Page 24, line 4.
Strike: "and 17 through 26"
6. Page 24, line 6.
Strike: "17 " through "36"
Insert: "22, 24"
7. Page 24, line 8.
Strike: "27, and 31,"
Insert: "17, and 21"
8. Page 24, line 9.
Strike: "28 through 30"
Insert: "18 through 20"
9. Page 24, line 14 through line 15.
Strike: section 36 in its entirety

Amendment **not** adopted as follows:

Yeas: Anderson, Bales, Barkus, Curtiss, DePratu, Esp, Gebhardt, Glaser, Grimes, Johnson, Laible, Mahlum, McGee, McNutt, O'Neil, Perry, Stapleton, Story, Tash, Thomas, Zook.
Total 21

Nays: Black, Bohlinger, Cobb, Cocchiarella, Cooney, Cromley, Ellingson, Elliott, Hansen, Harrington, Kitzenberg, Mangan, McCarthy, Nelson, Pease, Roush, Ryan, Schmidt, Shea, Sprague, Squires, Stonington, Taylor, Tester, Toole, Tropila, Wheat, Mr. President.
Total 28

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Absent or not voting: Butcher.
Total 1

Excused: None.
Total 0

SB 488 - Senator Taylor moved **SB 488**, second reading copy, be amended as follows:

1. Title, page 1, line 22.

Following: "EDUCATION;"

Insert: "PROVIDING AN INDIVIDUAL INCOME TAX AND CORPORATE LICENSE TAX CREDIT FOR THE AMOUNT OF PROPERTY TAXES PAID FOR STATEWIDE SCHOOL AND UNIVERSITY SYSTEM PROPERTY TAX LEVIES;"

2. Page 19, line 21.

Insert: "NEW SECTION. Section 27. School equalization credit for individual. (1) (a) A taxpayer is entitled to a credit against the taxes imposed in 15-30-103.

(b) The amount of the credit is equal to the amount of property tax reported to the taxpayer under 15-16-101(2) for the levies imposed in 15-10-107, 20-9-331, 20-9-333, and 20-9-360, not to exceed \$5,000.

(c) If the amount of the credit determined under this subsection (1) is more than the amount of tax owed under 15-30-103, the excess must be refunded to the taxpayer.

(2) A return filed using the filing status married filing jointly is considered to have been filed by one taxpayer.

(3) A fiduciary or a beneficiary of an estate or trust who was required to file an income tax return pursuant to 15-30-135 is not considered a taxpayer unless a return was filed on behalf of the decedent for the previous year.

(4) In the property tax notice sent by the county treasurer under 15-16-101(2), the amount of the total tax due that is levied pursuant to 15-10-107, 20-9-331, 20-9-333, and 20-9-360 must be specifically reported. The amount reported is the amount of the school equalization credit that may be claimed under this section or [section 28]. The notice must have a conspicuous explanation to the taxpayer that the amount is refundable through an income or corporate tax filing. The notice or a copy of the notice is intended to be saved for use when filing an individual or corporate tax return."

Insert: "NEW SECTION. Section 28. School equalization credit for business. (1) (a) A taxpayer is entitled to a credit against the taxes imposed under this chapter.

(b) The amount of the credit is equal to the amount of property tax reported to the taxpayer under 15-16-101(2) for the levies imposed in 15-10-107, 20-9-331, 20-9-333, and 20-9-360, not to exceed \$5,000.

(c) If the amount of the credit determined under this subsection (1) is more than the amount of tax owed under this chapter, the excess must be refunded to the taxpayer.

(2) If the credit under this section is claimed by a small business corporation, as defined in 15-30-1101, or a partnership, the credit must be attributed to shareholders or partners using the same proportion used to report the corporation's or partnership's income or loss for Montana income tax purposes. (3) In the property tax notice sent by the county treasurer under 15-16-101(2), the amount of the total tax due that is levied pursuant to 15-10-107, 20-9-331, 20-9-333, and 20-9-360 must be specifically reported. The amount reported is the amount of the school equalization credit that may be claimed under this section or [section 27]. The notice must have a conspicuous explanation to the taxpayer that the amount is refundable through an income or corporate tax filing. The notice or a copy of the notice is intended to be saved for use when filing an individual or corporate tax return."

3. Page 24, line 2.

Strike: "26"

Insert: "28"

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4. Page 24, line 4.

Strike: "26"

Insert: "28"

5. Page 24, line 6.

Strike: "26" through "36"

Insert: "28, 34, 35, 37, 38"

6. Page 24, line 8.

Strike: "27"

Insert: "29"

Strike: "31"

Insert: "33"

7. Page 24, line 9.

Strike: "28"

Insert: "30"

Strike: "30"

Insert: "32"

Amendment **not** adopted as follows:

Yeas: Anderson, Barkus, Black, Curtiss, DePratu, Esp, Gebhardt, Glaser, Grimes, Laible, Mahlum, McGee, McNutt, O'Neil, Perry, Sprague, Stapleton, Tash, Taylor, Zook, Mr. President.

Total 21

Nays: Bohlinger, Cobb, Cocchiarella, Cooney, Cromley, Ellingson, Elliott, Hansen, Harrington, Johnson, Kitzenberg, McCarthy, Nelson, Pease, Roush, Ryan, Schmidt, Shea, Squires, Stonington, Story, Tester, Toole, Tropila, Wheat.

Total 25

Absent or not voting: Bales, Butcher, Mangan, Thomas.

Total 4

Excused: None.

Total 0

Senators Bales, Butcher, Nelson and Stapleton excused at this time.

SB 488 - Senator Tester moved **SB 488**, second reading copy, be amended as follows:

1. Title, line 25 through line 28.

Following: "PROJECTS;" on line 25

Strike: remainder of line 25 through "VEHICLES;" on line 28

Insert: "REVISING THE INTEREST RATE APPLIED TO THE REFUND OF PROPERTY TAXES OR FEES PAID UNDER PROTEST; PROVIDING THAT THE STATE SHARE OF PROTESTED PROPERTY TAXES MUST BE REMITTED TO THE STATE TREASURER; PROVIDING THAT A GOVERNING BODY OF A TAXING JURISDICTION MAY ACCESS PROTESTED PROPERTY TAXES; PROVIDING THAT REFUNDS OF PROTESTED PROPERTY TAXES TO TAXPAYERS THAT ARE CENTRALLY ASSESSED MAY BE MADE UP TO 10 YEARS FOLLOWING RESOLUTION OF THE PROTEST;"

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Strike: "15-1-122,"

Insert: "15-1-402,"

2. Title, line 29.

Following: "16-11-206,"

Insert: "AND"

Strike: "61-3-315, 61-3-561, AND 61-3-562,"

3. Page 2, line 4 through page 4, line 7.

Strike: section 1 in its entirety

Insert: "**Section 1.** Section 15-1-402, MCA, is amended to read:

"15-1-402. Payment of taxes under protest. (1) The person upon whom a property tax or fee is being imposed under this title may, before the property tax or fee becomes delinquent, pay under written protest that portion of the property tax or fee protested. The protested payment must:

(a) be made to the officer designated and authorized to collect it;

(b) specify the grounds of protest; and

(c) not exceed the difference between the payment for the immediately preceding tax year and the amount owing in the tax year protested unless a different amount results from the specified grounds of protest, which may include but are not limited to changes in assessment due to reappraisal under 15-7-111.

(2) A person appealing a property tax or fee pursuant to chapter 2 or 15 shall pay the tax or fee under protest when due in order to receive a refund. If the tax or fee is not paid under protest when due, the appeal may continue but a tax or fee may not be refunded as a result of the appeal.

(3) If a protested property tax or fee is payable in installments, a subsequent installment portion considered unlawful by the state tax appeal board need not be paid and an action or suit need not be commenced to recover the subsequent installment. The determination of the action or suit commenced to recover the first installment portion paid under protest determines the right of the party paying the subsequent installment to have it or any part of it refunded to the party or the right of the taxing authority to collect a subsequent installment not paid by the taxpayer plus interest from the date the subsequent installment was due.

(4)(a) ~~At~~ Except as provided in subsection (4)(b), all property taxes and fees paid under protest to a county or municipality must be deposited by the treasurer of the county or municipality to the credit of a special fund to be designated as a protest fund and must be retained in the protest fund until the final determination of any action or suit to recover the taxes and fees unless they are released at the request of the county, municipality, or other local taxing jurisdiction pursuant to subsection (5). This section does not prohibit the investment of the money of this fund in the state unified investment program or in any manner provided in Title 7, chapter 6. The provision creating the special protest fund does not apply to any payments made under protest directly to the state.

(b) (i) Property taxes that are levied by the state must be remitted by the county treasurer to the state treasurer.

(ii) The state treasurer shall deposit that portion of the funds levied pursuant to 15-10-107 in the state special revenue fund. The remainder of the funds must be deposited in the state general fund.

(5) The governing ~~board~~ body of a taxing jurisdiction affected by the payment of taxes under protest ~~in the second and subsequent years that a tax protest remains unresolved~~ may demand that the treasurer of the county or municipality pay the requesting taxing jurisdiction all or a portion of the protest payments to which it is entitled, ~~except the amount paid by the taxpayer in the first year of the protest.~~ The decision in a previous year of a taxing jurisdiction to leave protested taxes in the protest fund does not preclude it from demanding in a subsequent year any or all of the payments to which it is entitled, ~~except the first-year protest amount.~~

(6) (a) If action before the county tax appeal board, state tax appeal board, or district court is not commenced within the time specified or if the action is commenced and finally determined in favor of the department of revenue, county, municipality, or treasurer of the county or the municipality, the amount of the protested portions of the property tax or fee must be taken from the protest fund and deposited to the credit of the fund or funds to which the property tax belongs, less a pro rata deduction for the costs of administration of the protest fund and related expenses charged to the

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local government units.

(b) ~~(i) If the action is finally determined adversely to the department of revenue, a county, a municipality, or the treasurer of a county or a municipality, then the treasurer shall, upon receiving a certified copy of the final judgment in the action from the state tax appeal board or from the district or supreme court, as appropriate, if the final action of the state tax appeal board is appealed in the time prescribed, refund to the person in whose favor the judgment is rendered the amount of the protested portions of the property tax or fee deposited in the protest fund, and not released pursuant to subsection (5), as the person holding the judgment is entitled to recover, together with interest from the date of payment under protest, at the greater of:~~

~~_____ (i) the rate of interest generated from the pooled investment fund provided for in 17-6-203 for the applicable period; or~~

~~_____ (ii) 6% a year governmental entity levying the tax, then the treasurer of the municipality, county, or state entity levying the tax shall, upon receipt of a certified copy of the final judgment in the action and upon expiration of the time set forth for appeal of the final judgment, refund to the person in whose favor the judgment is rendered the amount of the protested portions of the property tax or fee that the person holding the judgment is entitled to recover, together with interest from the date of payment under protest.~~

(ii) The taxing jurisdiction shall pay interest at the rate of interest generated from the pooled investment fund provided for in 17-6-203 for the applicable period.

(c) If the amount retained in the protest fund is insufficient to pay all sums due the taxpayer, the treasurer shall apply the available amount first to tax repayment, then to interest owed, and lastly to costs.

(d) If the protest action is decided adversely to a taxing jurisdiction and the amount retained in the protest fund is insufficient to refund the tax payments and costs to which the taxpayer is entitled and for which local government units are responsible, the treasurer shall bill and the taxing jurisdiction shall refund to the treasurer that portion of the taxpayer refund, including tax payments and costs, for which the taxing jurisdiction is proratably responsible.

(e) In satisfying the requirements of subsection (6)(d), the taxing jurisdiction is allowed not more than ~~1 year~~ 10 years from the beginning of the fiscal year following a final resolution of the protest for property centrally assessed pursuant to 15-23-101 and not more than 1 year for all other property. The taxpayer is entitled to interest on the unpaid balance at the ~~greater of the rates rate~~ referred to in ~~subsections (6)(b)(i) and (6)(b)(ii)~~ subsection (6)(b) from the date of payment under protest until the date of final resolution of the protest and at the combined rate of the federal reserve discount rate quoted from the federal reserve bank in New York, New York, on the date of final resolution, plus ~~four~~ two percentage points, from the date of final resolution of the protest until refund is made.

(7) A taxing jurisdiction may satisfy the requirements of this section by use of funds from one or more of the following sources:

- (a) imposition of a property tax to be collected by a special tax protest refund levy;
- (b) the general fund or any other funds legally available to the governing body; and
- (c) proceeds from the sale of bonds issued by a county, city, or school district for the purpose of deriving revenue for the repayment of tax protests lost by the taxing jurisdiction. The governing body of a county, city, or school district is authorized to issue the bonds pursuant to procedures established by law. The bonds may be issued without being submitted to an election. Property taxes may be levied to amortize the bonds.

(8) If the department revises an assessment that results in a refund of taxes of \$5 or less, a refund is not owed.""

4. Page 21, line 6 through page 23, line 21.

Strike: sections 28 through 30 in their entirety

Renumber: subsequent sections

5. Page 24, line 6.

Following: "Sections"

Insert: "1, "

Strike: "32, 33, 35, 36,"

Insert: "29, 30, 32, 33,"

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6. Page 24, line 8.

Strike: "31"

Insert: "28"

7. Page 24, line 9.

Strike: subsection (3) in its entirety

8. Page 24, line 11.

Strike: "(1)"

9. Page 24, line 14.

Following: "applicability."

Insert: "(1)"

10. Page 24, line 16.

Insert: "(2) [Section 1] applies retroactively, within the meaning of 1-2-109, to any tax appeal or tax paid under protest after October 31, 2000, except for refunds of property taxes made after October 31, 2000, and before [the effective date of this section]."

Amendment **adopted** as follows:

Yeas: Black, Bohlinger, Cobb, Cocchiarella, Cooney, Cromley, DePratu, Ellingson, Elliott, Hansen, Harrington, Kitzenberg, McCarthy, Pease, Roush, Ryan, Schmidt, Shea, Squires, Stonington, Tester, Toole, Tropila, Wheat.
Total 24

Nays: Anderson, Barkus, Curtiss, Esp, Gebhardt, Glaser, Grimes, Johnson, Laible, Mahlum, McGee, McNutt, O'Neil, Perry, Sprague, Story, Tash, Thomas, Zook, Mr. President.
Total 20

Absent or not voting: Mangan, Taylor.
Total 2

Excused: Bales, Butcher, Nelson, Stapleton.
Total 4

Senator Stapleton present at this time.

SB 488 - Senator Harrington moved **SB 488**, as amended, do pass. Motion **failed** as follows:

Yeas: Bohlinger, Cobb, Cocchiarella, Cooney, Cromley, Ellingson, Elliott, Hansen, Harrington, Kitzenberg, Mangan, McCarthy, Pease, Roush, Ryan, Schmidt, Shea, Squires, Tester, Toole, Tropila, Wheat.
Total 22

Nays: Anderson, Bales, Barkus, Black, Curtiss, DePratu, Esp, Glaser, Grimes, Johnson, Laible, Mahlum, McGee, McNutt, O'Neil, Perry, Sprague, Stapleton, Stonington, Story, Tash, Taylor, Thomas, Zook, Mr. President.
Total 25

Absent or not voting: None.
Total 0

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Excused: Butcher, Gebhardt, Nelson.
Total 3

SB 488 - Senator F. Thomas moved **SB 488** be **indefinitely postponed**. Motion carried unanimously.

Yeas: Anderson, Bales, Barkus, Black, Cobb, Curtiss, DePratu, Esp, Glaser, Grimes, Johnson, Laible, Mahlum, McGee, McNutt, O'Neil, Perry, Sprague, Stapleton, Story, Tash, Taylor, Thomas, Zook, Mr. President.
Total 25

Nays: Bohlinger, Cocchiarella, Cooney, Cromley, Ellingson, Elliott, Hansen, Harrington, Kitzenberg, Mangan, McCarthy, Pease, Roush, Ryan, Schmidt, Shea, Squires, Stonington, Tester, Toole, Tropila, Wheat.
Total 22

Absent or not voting: None.
Total 0

Excused: Butcher, Gebhardt, Nelson.
Total 3

SB 446 - Senator Barkus moved **SB 446** do pass. Motion carried unanimously.

Senator Nelson present at this time.
Senator McGee assumed the chair.

SB 474 - Senator F. Thomas moved **SB 474, requiring 2/3 vote**, do pass. Motion received the following vote:

Yeas: Anderson, Bales, Barkus, Black, Bohlinger, Cobb, Cocchiarella, Curtiss, DePratu, Elliott, Esp, Glaser, Grimes, Kitzenberg, Laible, Mahlum, Mangan, McGee, McNutt, O'Neil, Pease, Perry, Shea, Sprague, Stapleton, Story, Tash, Taylor, Thomas, Wheat, Zook, Mr. President.
Total 32

Nays: Cooney, Cromley, Ellingson, Hansen, Harrington, Johnson, McCarthy, Nelson, Roush, Ryan, Schmidt, Squires, Stonington, Tester, Toole, Tropila.
Total 16

Absent or not voting: None.
Total 0

Excused: Butcher, Gebhardt.
Total 2

SB 474 - Senator F. Thomas moved **SB 474**, second reading copy, be amended as follows:

1. Title, lines 11 and 12.

Following: "PROGRAM;" on line 11

Strike: remainder of line 11 through "ACCOUNT;" on line 12

Insert: "PROVIDING THAT THE PROPOSED ACT BE SUBMITTED TO THE QUALIFIED ELECTORS OF MONTANA;"

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2. Page 13, lines 23 through 27.

Strike: section 14 in its entirety

Renumber: subsequent sections

3. Page 14, lines 3 through 5.

Strike: section 16 in its entirety

Renumber: subsequent section

4. Page 14, line 7.

Strike: "July 1, 2003"

Insert: "upon approval by the electorate"

5. Page 14, line 8.

Insert: "NEW SECTION. Section 16. Submission to electorate. This act shall be submitted to the qualified electors of Montana at the general election to be held in November 2004 by printing on the ballot the full title of this act and the following:

- FOR providing a drug benefit to eligible senior citizens.
- AGAINST providing a drug benefit to eligible senior citizens."

Amendment **adopted** as follows:

Yeas: Anderson, Bales, Barkus, Black, Bohlinger, Cobb, Cocchiarella, Cromley, Curtiss, DePratu, Elliott, Esp, Glaser, Johnson, Kitzenberg, Laible, Mahlum, Mangan, McGee, McNutt, O'Neil, Perry, Shea, Sprague, Stapleton, Story, Tash, Taylor, Thomas, Tropila, Zook, Mr. President.

Total 33

Nays: Cooney, Ellingson, Hansen, Harrington, McCarthy, Nelson, Pease, Roush, Ryan, Schmidt, Squires, Stonington, Tester, Toole.

Total 14

Absent or not voting: None.

Total 0

Excused: Butcher, Gebhardt, Grimes.

Total 3

SB 474 - Senator F. Thomas moved **SB 474**, as amended, do pass. Motion received the following vote:

Yeas: Anderson, Bales, Barkus, Black, Bohlinger, Cobb, Cocchiarella, Cromley, Curtiss, DePratu, Esp, Glaser, Harrington, Johnson, Kitzenberg, Laible, Mahlum, Mangan, McGee, McNutt, O'Neil, Pease, Perry, Shea, Sprague, Squires, Stapleton, Story, Tash, Taylor, Thomas, Zook, Mr. President.

Total 33

Nays: Cooney, Ellingson, Elliott, Hansen, McCarthy, Nelson, Roush, Ryan, Schmidt, Stonington, Tester, Toole, Tropila, Wheat.

Total 14

Absent or not voting: None.

Total 0

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Excused: Butcher, Gebhardt, Grimes.
Total 3

SB 473 - Senator Elliott moved **SB 473**, second reading copy, be amended as follows:

1. Page 3, line 23.

Strike: "or"

2. Page 3, line 25.

Following: "program"

Insert: "; or

(c) eligible for mental health services pursuant to 53-21-702(2)"

3. Page 5, line 1.

Following: page 4, line 30

Insert: "NEW SECTION. Section 11. Contingent voidness. If the department of public health and human services is unable to obtain a waiver that includes persons who are eligible for mental health services pursuant to 53-21-702(2), the department shall notify the code commissioner and [section 3(1)(c)] is void."

Renumber: subsequent section

Amendment **adopted** unanimously.

SB 473 - Senator Elliott moved **SB 473**, as amended, do pass. Motion carried as follows:

Yeas: Bohlinger, Cobb, Cocchiarella, Cooney, Ellingson, Elliott, Hansen, Harrington, Johnson, Kitzenberg, Mangan, McCarthy, Nelson, Pease, Roush, Ryan, Schmidt, Shea, Squires, Stonington, Tester, Toole, Tropila, Wheat.
Total 24

Nays: Anderson, Bales, Barkus, Black, Curtiss, DePratu, Esp, Glaser, Laible, Mahlum, McGee, McNutt, O'Neil, Perry, Sprague, Stapleton, Story, Tash, Thomas, Zook.
Total 20

Absent or not voting: None.
Total 0

Excused: Butcher, Cromley, Gebhardt, Grimes, Taylor, Mr. President.
Total 6

Senator Gebhardt present at this time.

SB 368 - Senator Bohlinger moved **SB 368** do pass. Motion **failed** as follows:

Yeas: Anderson, Bales, Barkus, Bohlinger, Curtiss, DePratu, Esp, Glaser, Grimes, Harrington, Laible, McGee, McNutt, O'Neil, Perry, Sprague, Story, Tash, Thomas, Wheat, Zook.
Total 21

Nays: Black, Cobb, Cocchiarella, Cooney, Cromley, Ellingson, Elliott, Gebhardt, Hansen, Johnson, Kitzenberg, Mahlum, Mangan, McCarthy, Nelson, Pease, Roush, Ryan, Schmidt, Shea, Squires, Stapleton, Stonington, Tester,

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Toole, Tropila.
Total 26

Absent or not voting: None.
Total 0

Excused: Butcher, Taylor, Mr. President.
Total 3

SB 476 - Senator Stonington moved **SB 476** do pass. Motion carried unanimously.

SB 332, was debated and amended on second reading on the 64th Legislative day. - Senator Toole moved **SB 332, as amended**, do pass. Motion carried as follows:

Yeas: Cobb, Cocchiarella, Cooney, Cromley, DePratu, Ellingson, Elliott, Hansen, Harrington, McCarthy, Nelson, Pease, Roush, Ryan, Schmidt, Shea, Squires, Tester, Toole, Tropila, Wheat, Zook.
Total 22

Nays: Anderson, Bales, Barkus, Black, Curtiss, Esp, Gebhardt, Glaser, Grimes, Johnson, Laible, Mahlum, McGee, McNutt, O'Neil, Perry, Stapleton, Story, Tash, Thomas.
Total 20

Absent or not voting: Kitzenberg, Mangan, Stonington.
Total 3

Excused: Bohlinger, Butcher, Sprague, Taylor, Mr. President.
Total 5

SB 435 - Senator Keenan moved consideration of **SB 435** be passed for the day. Motion carried.

SB 368 - Senator Bohlinger moved the Senate reconsider its action in failing to pass **SB 368** on second reading this day. Motion **failed** as follows:

Yeas: Anderson, Bales, Barkus, Bohlinger, Curtiss, DePratu, Esp, Gebhardt, Glaser, Grimes, Laible, Mahlum, McGee, McNutt, O'Neil, Perry, Stapleton, Story, Tash, Thomas, Mr. President.
Total 21

Nays: Black, Cobb, Cocchiarella, Cooney, Cromley, Ellingson, Elliott, Hansen, Harrington, Johnson, Kitzenberg, Mangan, McCarthy, Nelson, Pease, Roush, Ryan, Schmidt, Shea, Squires, Stonington, Tester, Toole, Tropila, Wheat.
Total 25

Absent or not voting: None.
Total 0

Excused: Butcher, Sprague, Taylor, Zook.
Total 4

SB 368 - Senator Mangan moved **SB 368** be **indefinitely postponed**. Motion **failed** as follows:

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Yeas: Cobb, Cocchiarella, Cooney, Cromley, Ellingson, Elliott, Hansen, Harrington, Johnson, Kitzenberg, Mangan, McCarthy, Nelson, Pease, Roush, Ryan, Schmidt, Shea, Squires, Stonington, Tester, Toole, Tropila, Wheat.
Total 24

Nays: Anderson, Bales, Barkus, Black, Bohlinger, Curtiss, DePratu, Esp, Gebhardt, Glaser, Grimes, Laible, Mahlum, McGee, McNutt, O'Neil, Perry, Sprague, Stapleton, Story, Tash, Thomas, Zook, Mr. President.
Total 24

Absent or not voting: None.
Total 0

Excused: Butcher, Taylor.
Total 2

SB 368 - Senator Bohlinger moved **SB 368** do pass. Motion **failed** as follows:

Yeas: Anderson, Bales, Barkus, Black, Bohlinger, Curtiss, DePratu, Esp, Gebhardt, Glaser, Grimes, Kitzenberg, Laible, Mahlum, McGee, McNutt, O'Neil, Perry, Sprague, Stapleton, Story, Thomas, Zook, Mr. President.
Total 24

Nays: Cobb, Cocchiarella, Cooney, Cromley, Ellingson, Elliott, Hansen, Harrington, Johnson, Mangan, McCarthy, Nelson, Pease, Roush, Ryan, Schmidt, Shea, Squires, Stonington, Tash, Tester, Toole, Tropila, Wheat.
Total 24

Absent or not voting: None.
Total 0

Excused: Butcher, Taylor.
Total 2

SB 368 - Senator Thomas moved **SB 368** be **indefinitely postponed**. Motion **passed** as follows:

Yeas: Anderson, Bales, Barkus, Black, Cobb, Cocchiarella, Cooney, Cromley, Curtiss, Ellingson, Elliott, Gebhardt, Grimes, Hansen, Harrington, Kitzenberg, Mahlum, Mangan, McCarthy, McNutt, Nelson, O'Neil, Pease, Roush, Ryan, Schmidt, Shea, Squires, Stapleton, Stonington, Story, Tash, Thomas, Toole, Tropila, Wheat, Zook.
Total 37

Nays: Bohlinger, DePratu, Esp, Glaser, Johnson, Laible, McGee, Perry, Sprague, Tester, Mr. President.
Total 11

Absent or not voting: None.
Total 0

Excused: Butcher, Taylor.
Total 2

Senator Thomas moved the committee rise and report. Motion carried. Committee arose. Senate resumed. President Keenan in the chair. Chairman McGee moved the Committee of the Whole report be adopted. Report adopted unanimously.

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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 642, as amended by the Senate, concurred in as follows:

Yeas: Anderson, Bales, Barkus, Black, Butcher, Curtiss, DePratu, Esp, Gebhardt, Glaser, Grimes, Kitzenberg, Laible, Mahlum, McCarthy, McGee, McNutt, Nelson, O'Neil, Perry, Shea, Sprague, Stapleton, Story, Tash, Taylor, Thomas, Zook, Mr. President.

Total 29

Nays: Bohlinger, Cobb, Cocchiarella, Cooney, Cromley, Ellingson, Elliott, Hansen, Harrington, Johnson, Mangan, Pease, Roush, Ryan, Schmidt, Squires, Stonington, Tester, Toole, Tropila, Wheat.

Total 21

Paired: Butcher, Taylor, Ayes; Stonington, Tester, Noes.

Absent or not voting: None.

Total 0

Excused: None.

Total 0

REPORTS OF STANDING COMMITTEES

ENERGY AND TELECOMMUNICATIONS (Johnson, Chairman):

4/2/2003

HB 266, be amended as follows:

1. Title, line 6 through line 7.

Following: "EQUIPMENT;" on line 6

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

2. Page 2, line 23.

Following: line 22

Insert: "(3) The legislature may allocate funds from this program to the Montana school for the deaf and blind to be used to provide services to hearing-impaired students for the biennium ending June 30, 2005."

3. Page 2, line 28.

Strike: "400%"

Insert: "250%"

4. Page 3, line 23.

Strike: "400%"

Insert: "250%"

5. Page 4, line 9.

Strike: "All"

Insert: "Unless allocated to the Montana school for the deaf and blind, the"

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

HB 424, be amended as follows:

1. Title, page 1, line 4.

Strike: "ATTORNEY GENERAL"

Insert: "DEPARTMENT OF ADMINISTRATION"

2. Title, page 1, line 10 through line 11.

Strike: "CREATING" on line 10 through "TELEMARKETERS;" on line 11

3. Page 1, line 17.

Strike: "7"

Insert: "6"

4. Page 1.

Following: line 20

Insert: "(2) "Department" means the department of administration provided for in 2-15-1001."

Renumber: subsequent subsections

5. Page 2, line 15.

Strike: "attorney general"

Insert: "department"

6. Page 2, line 19.

Strike: "Attorney general"

Insert: "Department"

7. Page 2, line 20.

Strike: "attorney general"

Insert: "department"

8. Page 2, line 22.

Strike: "attorney general"

Insert: "department"

9. Page 2, line 25.

Strike: "attorney general"

Insert: "department"

10. Page 2, line 27.

Strike: "7"

Insert: "6"

11. Page 2, line 28.

Strike: "attorney general"

Insert: "department"

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12. Page 2, line 29.

Strike: "attorney general"

Insert: "department"

13. Page 3, line 9.

Strike: "attorney general"

Insert: "department"

14. Page 3, line 12.

Strike: "attorney general"

Insert: "department"

15. Page 3, line 17.

Strike: "attorney general"

Insert: "department"

16. Page 3, line 28.

Strike: "attorney general"

Insert: "department"

17. Page 3, line 29.

Strike: "attorney general"

Insert: "department"

18. Page 4, line 5.

Strike: "attorney general"

Insert: "department"

19. Page 4, line 29.

Strike: "7"

Insert: "6"

20. Page 5, line 4 through line 17.

Strike: section 6 in its entirety

Renumber: subsequent sections

21. Page 5, line 21.

Strike: "7"

Insert: "6"

Strike: "office of the attorney general"

Insert: "department"

22. Page 5, line 23.

Strike: "attorney general"

Insert: "department"

23. Page 5, line 26.

Strike: "7"

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Insert: "6"

24. Page 5, line 28.

Strike: "7"

Insert: "6"

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

HB 509, be amended as follows:

1. Title, page 1, line 7.

Following: "PROGRAMS;"

Insert: "ESTABLISHING AN ENERGY AND TELECOMMUNICATIONS INTERIM COMMITTEE;"

2. Title, page 1, line 10 through line 11.

Strike: "ELIMINATING" on line 10

Insert: "EXTENDING"

Strike: "ENDING" on line 10 through "2007" on line 11

Insert: "TO JULY 1, 2027"

Strike: "REPLACING" on line 11 through "COSTS";" on line 11

3. Title, page 1, line 12.

Strike: "ALLOW"

Insert: "REQUIRE"

4. Title, page 1, line 14 through line 15.

Strike: "ELIMINATING" on line 14 through "PLAN";" on line 15

5. Title, page 1, line 24.

Strike: "AND TRANSMISSION"

6. Title, page 2, line 11.

Following: "SECTIONS'

Insert: "5-5-202, 5-5-223,"

Following: "35-19-104,"

Strike: "69-3-1402" through "69-3-1408,"

Insert: "5-5-202, 5-5-223,"

7. Title, page 2, line 12.

Strike: "69-8-202,"

8. Title, page 2, line 12 through line 13.

Strike: "69-8-302" on line 12 through "69-8-311," on line 13

9. Page 2, line 18.

Insert: "**Section 1.** Section 5-5-202, MCA, is amended to read:

"5-5-202. Interim committees. (1) During an interim when the legislature is not in session, the committees listed in subsection (2) are the interim committees of the legislature. They are empowered to sit as committees and may act in their respective areas of responsibility. The functions of the legislative council, legislative audit committee,

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legislative finance committee, environmental quality council, and state-tribal relations committee are provided for in the statutes governing those committees.

(2) The following are the interim committees of the legislature:

- (a) economic affairs committee;
- (b) education and local government committee;
- (c) children, families, health, and human services committee;
- (d) law and justice committee;
- (e) energy and telecommunications committee;
- ~~(e)~~(f) revenue and transportation committee; and
- ~~(f)~~(g) state administration and veterans' affairs committee.

(3) An interim committee or the environmental quality council may refer an issue to another committee that the referring committee determines to be more appropriate for the consideration of the issue. Upon the acceptance of the referred issue, the accepting committee shall consider the issue as if the issue were originally within its jurisdiction. If the committee that is referred an issue declines to accept the issue, the original committee retains jurisdiction.

(4) If there is a dispute between committees as to which committee has proper jurisdiction over a subject, the legislative council shall determine the most appropriate committee and assign the subject to that committee."

Insert: "**Section 2.** Section 5-5-223, MCA, is amended to read:

"5-5-223. Economic affairs interim committee. The economic affairs interim committee has administrative rule review, draft legislation review, program evaluation, and monitoring functions for the following executive branch agencies and the entities attached to agencies for administrative purposes:

- (1) department of agriculture;
- (2) department of commerce;
- (3) department of labor and industry;
- (4) department of livestock;
- ~~(5) department of public service regulation;~~
- ~~(6)~~(5) office of the state auditor and insurance commissioner; and
- ~~(7)~~(6) office of economic development."

Insert: "**NEW SECTION. Section 3. Energy and telecommunications interim committee.** The energy and telecommunications interim committee has administrative rule review, draft legislation review, program evaluation, and monitoring functions for the department of public service regulation and the entities attached to the department for administrative purposes."

Renumber: subsequent sections

10. Page 2, line 24 through page 6, line 3.

Strike: section 2 through section 5 in their entirety

Renumber: subsequent sections

11. Page 7, line 9.

Strike: "stranded costs"

Insert: "transition"

12. Page 7, line 11.

Strike: "stranded costs"

Insert: "transition"

13. Page 8, line 15.

Strike: "stranded costs"

Insert: "transition"

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14. Page 8, line 16.

Strike: "stranded costs"

Insert: "transition"

15. Page 8, line 17.

Strike: "stranded costs"

Insert: "transition"

16. Page 8, line 23.

Strike: "stranded"

Insert: "transition"

17. Page 8, line 24.

Strike: the first "stranded"

Insert: "transition"

Strike: "stranded costs"

Insert: "transition"

18. Page 8, line 25.

Strike: "stranded costs"

Insert: "transition"

19. Page 8, line 27 through line 28.

Strike: "stranded" on line 27 through "costs" on line 28

Insert: "transition"

20. Page 8, line 29.

Strike: "stranded costs"

Insert: "transition cost"

21. Page 9, line 20.

Strike: "stranded"

Insert: "transition"

22. Page 10, line 7.

Strike: ""Stranded costs""

Insert: ""Transition""

Strike: "stranded costs"

Insert: "transition"

23. Page 10, line 9.

Strike: ""Stranded costs""

Insert: ""Transition""

24. Page 10, line 11.

Strike: "stranded costs" in both places

Insert: "transition" in both places

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25. Page 10, line 12.

Strike: "stranded costs" in both places

Insert: "transition" in both places

26. Page 10, line 13.

Strike: "stranded"

Insert: "transition"

Strike: "stranded costs"

Insert: "transition"

27. Page 10, line 14.

Strike: ""Stranded costs""

Insert: ""Transition""

28. Page 10, line 15.

Strike: "stranded"

Insert: "transition"

29. Page 10, line 16.

Strike: ""Stranded costs""

Insert: ""Transition cost""

30. Page 10, line 17.

Strike: "stranded"

Insert: "transition"

31. Page 10, line 18.

Strike: ""Stranded""

Insert: ""Transition""

32. Page 10, line 25.

Strike: "customer choice"

Insert: "transition"

33. Page 11, line 3.

Strike: "stranded costs"

Insert: "transition"

34. Page 11, line 5.

Strike: "stranded costs"

Insert: "transition"

35. Page 11.

Following: line 7

Insert: "(33) "Transition period" means the period ending July 1, 2027.

ReNUMBER: subsequent subsections

36. Page 11, line 8.

Strike: ""Stranded costs""

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Insert: ""Transition"

37. Page 11, line 9 through line 10.

Strike: "stranded" on line 9 through "costs" on line 10

Insert: "transition"

38. Page 11, line 11.

Strike: "stranded costs"

Insert: "transition"

39. Page 11, line 12.

Strike: "stranded costs"

Insert: "transition"

40. Page 11, line 13.

Strike: "stranded"

Insert: "transition"

41. Page 11, line 14.

Strike: "stranded"

Insert: "transition"

Strike: "stranded costs"

Insert: "transition"

42. Page 11, line 15.

Strike: "stranded costs"

Insert: "transition"

43. Page 11, line 16.

Strike: "stranded costs"

Insert: "transition"

44. Page 12, line 6.

Strike: "69-8-201(8)"

Insert: "69-8-201(9)"

45. Page 12, line 7.

Strike: "may"

Insert: "shall"

46. Page 12, line 26.

Following: "to"

Insert: "transition to"

Following: "choice"

Insert: "--"

47. Page 13, line 5.

Following: "supplier."

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Insert: "(1) Before July 1, 2027, all public utility customers of a public utility that has restructured in accordance with this chapter must have the opportunity to choose an electricity supplier other than the default supplier."

Renumber: subsequent subsections

48. Page 13, line 15.

Strike: "(2) or (3)"

Insert: "(3) or (4)"

49. Page 13, line 17.

Strike: "(2)(B)"

Insert: "(3)(b)"

50. Page 13, line 21.

Strike: "(2)(A)"

Insert: "(3)(a) in each calendar year"

Strike: "IN A CALENDAR YEAR"

51. Page 13.

Following: line 21

Insert: "(c) A customer referred to in subsection (3)(a) receiving electricity from a licensed supplier prior to [the effective date of this act] may continue to receive electricity supply from a supplier other than the default supplier."

52. Page 13, line 22.

Strike: "(3)(b) THROUGH (3)(E)"

Insert: "(4)(b) through (4)(e)"

53. Page 13, line 26.

Strike: "(3)(a)"

Insert: "(4)(a)"

54. Page 13, line 29.

Strike: "(4)"

Insert: "(5)"

55. Page 14, line 5.

Strike: "(4)"

Insert: "(5)"

56. Page 14, line 6.

Strike: "(3)(A)"

Insert: "(4)(a)"

57. Page 14, line 8.

Strike: "(3)(A)"

Insert: "(4)(a)"

58. Page 14, line 11.

Strike: "(4)"

Insert: "(5)"

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59. Page 14, line 14.

Strike: "(1) THROUGH (3)"

Insert: "(2) through (4)"

60. Page 14, line 19.

Strike: "(1)(A)"

Insert: "(2)(a) in each calendar year"

61. Page 14, line 20.

Strike: "IN A CALENDAR YEAR"

62. Page 14, line 22.

Strike: "(4)"

Insert: "(5)"

63. Page 14, line 29.

Strike: "(7)(b)"

Insert: "(8)(b)"

64. Page 15, line 7.

Strike: "(8)(a)"

Insert: "(9)(a)"

65. Page 15, line 14 through page 16, line 1.

Strike: section 10 in its entirety

Renumber: subsequent sections

66. Page 16, line 4.

Following: "~~service~~"

Insert: "customer choice --"

67. Page 16, line 17.

Strike: "Public"

Insert: "During the transition period, public"

68. Page 19, line 1.

Strike: "contribute to the purposes"

Insert: "are consistent with the provisions"

69. Page 19, line 2.

Strike: "are consistent with the provisions of"

70. Page 19, line 12.

Strike: "~~stranded~~"

Insert: "transition"

71. Page 19, line 14.

Strike: "~~stranded~~"

Insert: "transition"

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72. Page 19, line 19.

Strike: "customer choice"

Insert: "transition"

73. Page 19, line 20.

Strike: "stranded costs"

Insert: "transition"

74. Page 19, line 21.

Strike: "stranded"

Insert: "transition"

75. Page 19, line 24.

Strike: "stranded"

Insert: "transition"

76. Page 19, line 25.

Strike: "Stranded"

Insert: "Transition"

77. Page 19, line 27.

Strike: "Stranded"

Insert: "Transition"

78. Page 19, line 29.

Strike: "stranded costs"

Insert: "transition"

79. Page 20, line 8.

Strike: "customer choice"

Insert: "transition"

80. Page 20, line 11.

Strike: "stranded"

Insert: "transition"

81. Page 20, line 12.

Strike: "stranded"

Insert: "transition"

82. Page 20, line 13.

Strike: "stranded costs"

Insert: "transition"

83. Page 20, line 14.

Strike: "stranded costs"

Insert: "transition"

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84. Page 20, line 19.

Strike: "stranded costs"

Insert: "transition"

85. Page 20, line 21.

Strike: "Stranded costs"

Insert: "Transition"

86. Page 20, line 22.

Strike: "stranded"

Insert: "transition"

87. Page 20, line 24.

Strike: "Stranded costs"

Insert: "Transition charges"

Strike: "stranded costs"

Insert: "transition cost"

88. Page 20, line 25.

Strike: "stranded"

Insert: "transition"

89. Page 20, line 26.

Strike: "stranded"

Insert: "transition"

Strike: "stranded costs"

Insert: "transition cost"

90. Page 20, line 28.

Strike: "stranded" in both places

Insert: "transition" in both places

91. Page 20, line 29.

Strike: "stranded costs"

Insert: "transition"

Strike: "stranded"

Insert: "transition"

92. Page 20, line 30.

Strike: "stranded"

Insert: "transition"

93. Page 21, line 1.

Strike: "stranded costs"

Insert: "transition"

Strike: "stranded"

Insert: "transition"

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94. Page 22, line 2 through page 26, line 6.

Strike: section 16 through section 23 in their entirety

Insert: "**Section 14.** Section 69-8-301, MCA, is amended to read:

"69-8-301. Cooperative utility -- transition plan for customer choice. (1) Except as provided in 69-8-311, on or before July 1, 2006, the local governing body of a cooperative utility shall adopt a transition plan.

(2) (a) Except as provided in subsection (2)(b), transition plans must contain a transition period that may not end later than July 1, ~~2007~~ 2027. At the conclusion of the transition period, all customers must have the opportunity to choose an electricity supplier.

(b) If after a pilot program for customers of a cooperative utility with loads less than 1,000 kilowatts a competitive market, technology, or other conditions precedent to full customer choice have not developed, then the transition plan may be altered by the cooperative utility's governing body for those customers.

(3) This chapter does not require the cooperative utility to divest itself of any generation, transmission, or distribution assets or prohibit a cooperative utility from divesting itself voluntarily of those assets.

(4) A cooperative utility's local governing body shall certify to the commission that the local governing body has adopted a transition plan. In the cooperative utility's certification filing, the cooperative utility shall provide to the commission documentation that the cooperative utility's transition plan is consistent with this chapter.""

Renumber: subsequent sections

95. Page 27, line 11.

Strike: "customer choice"

Insert: "transition"

96. Page 28, line 14.

Strike: "and"

Insert: ", "

97. Page 28, line 15.

Following: "~~69-8-501~~"

Insert: ", and the energy and telecommunications interim committee provided for in [section 3]"

98. Page 28, line 16.

Strike: "and"

Insert: ", "

99. Page 28, line 17.

Following: "~~committee~~"

Insert: "and the energy and telecommunications interim committee"

100. Page 28, line 20.

Following: "~~committee~~"

Insert: "and the energy and telecommunications interim committee"

101. Page 29, line 12.

Strike: "customer choice"

Insert: "transition"

102. Page 30, line 3.

Strike: "customer choice"

Insert: "transition"

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103. Page 30, line 4.

Strike: "customer choice"

Insert: "transition"

104. Page 30, line 5.

Strike: "customer choice"

Insert: "transition"

105. Page 30, line 13 through line 17.

Strike: subsections (7)(a) and (7)(b) in their entirety

Insert: "(7)(a) After July 1, 2010, the commission shall continuously monitor whether or not workable competition has developed for small customers.

(b) If the commission determines that workable competition has developed for small customers after July 1, 2010, the commission shall provide a report to the legislature that includes recommendations for legislative implementation of customer choice for small customers."

106. Page 32, line 3.

Strike: "stranded costs"

Insert: "transition"

107. Page 32, line 14.

Strike: "**Stranded**"

Insert: "**Transition**"

108. Page 32, line 15.

Strike: "stranded"

Insert: "transition"

109. Page 32, line 16.

Strike: "stranded costs" in both places

Insert: "transition" in both places

110. Page 32, line 18.

Strike: "stranded costs"

Insert: "transition"

111. Page 32, line 19.

Strike: "stranded costs"

Insert: "transition"

112. Page 32, line 20.

Strike: "stranded costs"

Insert: "transition"

113. Page 32, line 24.

Strike: "stranded"

Insert: "transition"

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114. Page 32, line 25.
Strike: "stranded costs"
Insert: "transition"

115. Page 32, line 28.
Strike: "stranded costs"
Insert: "transition"

116. Page 33, line 1.
Strike: "stranded costs"
Insert: "transition"
Strike: "stranded"
Insert: "transition"

117. Page 33, line 2.
Strike: "stranded"
Insert: "transition"

118. Page 33, line 3.
Strike: "stranded costs"
Insert: "transition"

119. Page 33, line 4.
Strike: "stranded costs"
Insert: "transition"

120. Page 33, line 5.
Strike: "stranded costs"
Insert: "transition"

121. Page 33, line 6.
Strike: "stranded costs"
Insert: "transition"

122. Page 33, line 7.
Strike: "stranded costs"
Insert: "transition"

123. Page 33, line 9 through line 10.
Strike: "stranded costs" on line 9
Insert: "transition"
Strike: "stranded" on line 9 through "costs" on line 10
Insert: "transition"
Strike: "stranded costs" on line 10
Insert: "transition"

124. Page 33, line 11.
Strike: "stranded costs"
Insert: "transition"

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125. Page 33, line 12.
Strike: "stranded costs"
Insert: "transition"

126. Page 33, line 14.
Strike: "stranded"
Insert: "transition"

127. Page 33, line 15.
Strike: "stranded"
Insert: "transition"
Strike: "stranded costs"
Insert: "transition"

128. Page 33, line 17.
Strike: "stranded costs"
Insert: "transition"

129. Page 33, line 18.
Strike: "stranded costs"
Insert: "transition"

130. Page 33, line 19.
Strike: "stranded costs"
Insert: "transition"

131. Page 33, line 20.
Strike: "stranded costs"
Insert: "transition"

132. Page 33, line 23.
Strike: "stranded costs" in both places
Insert: "transition" in both places

133. Page 33, line 24.
Strike: "stranded costs" in both places
Insert: "transition" in both places

134. Page 33, line 29.
Strike: "stranded costs"
Insert: "transition"

135. Page 33, line 30.
Strike: "stranded"
Insert: "transition"

136. Page 34, line 1 through line 2.
Strike: the first "stranded"
Insert: "transition"

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Strike: "stranded" on line 1 through "costs" on line 2

Insert: "transition"

Strike: "stranded costs" on line 2

Insert: "transition"

137. Page 34, line 3.

Strike: "stranded costs"

Insert: "transition"

138. Page 34, line 4.

Strike: "stranded costs"

Insert: "transition"

139. Page 34, line 16.

Strike: "stranded costs"

Insert: "transition"

140. Page 34, line 24.

Strike: "stranded costs"

Insert: "transition"

141. Page 34, line 30.

Strike: "stranded costs" in both places

Insert: "transition" in both places

142. Page 35, line 1.

Strike: "stranded costs"

Insert: "transition"

143. Page 35, line 2.

Strike: "stranded costs"

Insert: "transition"

144. Page 35, line 4.

Strike: "stranded costs"

Insert: "transition"

145. Page 35, line 5.

Strike: "stranded costs"

Insert: "transition"

146. Page 35, line 6.

Strike: "Stranded costs"

Insert: "Transition"

147. Page 35, line 7.

Strike: "Stranded costs"

Insert: "Transition"

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148. Page 35, line 8.

Strike: "stranded costs"

Insert: "transition"

149. Page 35, line 9 through line 10.

Strike: "stranded" on line 9 through "costs" on line 10

Insert: "transition"

150. Page 35, line 11.

Strike: "stranded costs"

Insert: "transition"

151. Page 35, line 12.

Strike: "stranded costs"

Insert: "transition"

152. Page 35, line 13.

Strike: "stranded costs"

Insert: "transition"

153. Page 35, line 14.

Strike: "stranded costs"

Insert: "transition"

154. Page 35, line 15.

Strike: "stranded costs"

Insert: "transition"

155. Page 35, line 16.

Strike: "Stranded costs"

Insert: "Transition"

156. Page 35, line 17.

Strike: "stranded costs"

Insert: "transition"

157. Page 35, line 19.

Strike: "stranded costs"

Insert: "transition"

158. Page 35, line 21.

Strike: "stranded costs"

Insert: "transition"

159. Page 35, line 25.

Strike: "stranded costs"

Insert: "transition"

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160. Page 36, line 6.

Strike: "stranded costs"

Insert: "transition"

161. Page 36, line 8.

Strike: "stranded costs"

Insert: "transition"

162. Page 36, line 10.

Strike: "stranded costs"

Insert: "transition"

163. Page 36, line 11.

Strike: "stranded costs"

Insert: "transition"

164. Page 36, line 12.

Strike: "stranded costs"

Insert: "transition"

165. Page 36, line 14.

Strike: "stranded costs"

Insert: "transition"

166. Page 36, line 15.

Strike: "stranded costs"

Insert: "transition"

167. Page 36, line 18.

Strike: "stranded costs" in both places

Insert: "transition"

168. Page 36, line 19.

Strike: "stranded costs"

Insert: "transition"

169. Page 36, line 20.

Strike: "stranded costs"

Insert: "transition"

170. Page 36, line 24.

Strike: "stranded costs"

Insert: "transition"

171. Page 36, line 25.

Strike: "stranded costs"

Insert: "transition"

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172. Page 36, line 27.
Strike: "Stranded costs"
Insert: "Transition"

173. Page 36, line 28.
Strike: "stranded costs"
Insert: "transition"

174. Page 36, line 29.
Strike: "stranded costs"
Insert: "transition"

175. Page 36, line 30.
Strike: "stranded costs"
Insert: "transition"

176. Page 37, line 1.
Strike: "stranded costs"
Insert: "transition"

177. Page 37, line 4.
Strike: "stranded costs"
Insert: "transition"

178. Page 37, line 5.
Strike: "stranded costs"
Insert: "transition"

179. Page 37, line 9.
Strike: "stranded costs"
Insert: "transition"

180. Page 37, line 10.
Strike: "stranded costs"
Insert: "transition"

181. Page 37, line 12.
Strike: "stranded costs"
Insert: "transition"

182. Page 37, line 15.
Strike: "stranded costs"
Insert: "transition"

183. Page 37, line 16.
Strike: "stranded costs"
Insert: "transition"

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184. Page 37, line 18.
Strike: "stranded costs"
Insert: "transition"

185. Page 37, line 19.
Strike: "stranded costs"
Insert: "transition"

186. Page 37, line 21.
Strike: "stranded costs"
Insert: "transition"

187. Page 37, line 22.
Strike: "stranded costs"
Insert: "transition"

188. Page 37, line 24.
Strike: "stranded costs"
Insert: "transition"

189. Page 37, line 26.
Strike: "stranded costs"
Insert: "transition"

190. Page 37, line 28.
Strike: "stranded costs"
Insert: "transition"

191. Page 37, line 30.
Strike: "stranded costs"
Insert: "transition"

192. Page 38, line 2.
Strike: "stranded costs"
Insert: "transition"

193. Page 38, line 6.
Strike: "stranded costs"
Insert: "transition"

194. Page 38, line 7.
Strike: "stranded costs"
Insert: "transition"

195. Page 38, line 8.
Strike: "stranded costs"
Insert: "transition"

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196. Page 38, line 16.
Strike: "stranded costs"
Insert: "transition"

197. Page 38, line 19.
Strike: "stranded costs"
Insert: "transition"

198. Page 38, line 20.
Strike: "stranded costs"
Insert: "transition"

199. Page 38, line 21.
Strike: "stranded costs"
Insert: "transition"

200. Page 38, line 25.
Strike: "stranded costs"
Insert: "transition"

201. Page 38, line 26.
Strike: "stranded costs"
Insert: "transition"

202. Page 38, line 27 through line 28.
Strike: "stranded costs" on line 27
Insert: "transition"
Strike: "stranded" on line 27 through "costs" on line 28
Insert: "transition"

203. Page 39, line 5.
Strike: "stranded costs"
Insert: "transition"

204. Page 39, line 6.
Strike: "stranded costs"
Insert: "transition"

205. Page 39, line 7.
Strike: "Stranded costs"
Insert: "Transition"

206. Page 39, line 8.
Strike: "stranded costs"
Insert: "transition"

207. Page 39, line 11.
Strike: "stranded costs"
Insert: "transition"

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208. Page 39, line 12.

Strike: "stranded costs"

Insert: "transition"

209. Page 39, line 13 through line 14.

Strike: "stranded" on line 13 through "costs" on line 14

Insert: "transition"

210. Page 39, line 16 through line 17.

Strike: "stranded" on line 16 through "costs" on line 17

Insert: "transition"

211. Page 39, line 18.

Strike: "stranded costs" in both places

Insert: "transition" in both places

212. Page 39, line 20.

Strike: "stranded costs"

Insert: "transition"

Strike: "Stranded costs"

Insert: "Transition"

213. Page 39, line 21.

Strike: "stranded costs"

Insert: "transition"

214. Page 39, line 23.

Strike: "stranded costs"

Insert: "transition"

215. Page 39, line 24.

Strike: "stranded"

Insert: "transition"

216. Page 39, line 26.

Strike: "stranded costs"

Insert: "transition"

217. Page 39, line 28.

Strike: "stranded costs"

Insert: "transition"

218. Page 39, line 30.

Strike: "stranded costs"

Insert: "transition"

219. Page 40, line 1.

Strike: "stranded costs"

Insert: "transition"

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220. Page 40, line 3.

Strike: "stranded costs"

Insert: "transition"

221. Page 40, line 6.

Strike: "stranded costs"

Insert: "transition"

222. Page 40, line 7.

Strike: "stranded costs"

Insert: "transition"

223. Page 40, line 9.

Strike: "stranded costs"

Insert: "transition"

224. Page 40, line 10.

Strike: "stranded costs"

Insert: "transition"

225. Page 40, line 11.

Strike: "stranded"

Insert: "transition"

226. Page 40, line 19.

Insert: "NEW SECTION. Section 22. Codification instruction. [Section 3] is intended to be codified as an integral part of Title 5, chapter 5, part 2, and the provisions of Title 5, chapter 5, part 2, apply to [section 3]."

Renumber: subsequent sections

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

FINANCE AND CLAIMS (Zook, Chairman):

4/2/2003

SB 485, do pass. Report adopted.

MESSAGES FROM THE GOVERNOR

April 2, 2003

The Honorable Bob Keenan

President of the Senate

State Capitol

Helena, Montana 59620

Dear Senator Keenan:

Please be informed that I have signed **Senate Bill 100** sponsored by Senator Grimes and **Senate Bill 104** sponsored by Senator Tester on April 2, 2003.

Sincerely,

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JUDY MARTZ
Governor

ANNOUNCEMENTS

Committee meetings were announced by committee chairs.

Majority Leader Thomas moved that the Senate adjourn until 1:00 p.m., Thursday, April 3, 2003. Motion carried.

Senate adjourned at 6:05 p.m.

ROSANA SKELTON
Secretary of the Senate

BOB KEENAN
President of the Senate