

SENATE BILL NO. 153

INTRODUCED BY V. COCCHIARELLA

BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY

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5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PROFESSIONAL AND OCCUPATIONAL LICENSING  
6 LAWS; CREATING EMERITUS STATUS FOR ARCHITECTS; CREATING A RETIREMENT LICENSE FOR  
7 PLUMBERS; REVISING THE BOARD OF REALTY REGULATION; REVISING THE BOARD OF PRIVATE  
8 SECURITY PATROL OFFICERS AND INVESTIGATORS; CLARIFYING THE DEFINITION OF "LICENSE";  
9 PROVIDING BOARDS WITH PERMISSION TO REQUIRE STATE, REGIONAL, OR NATIONAL  
10 CERTIFICATION; EXPANDING THE UNPROFESSIONAL CONDUCT DESCRIPTION; ADDING ELEVATOR  
11 CONTRACTORS, MECHANICS, AND INSPECTORS TO THOSE COVERED BY THE UNPROFESSIONAL  
12 CONDUCT STATUTE; ADDING NATUROPATHIC PHYSICIAN, PHYSICIAN ASSISTANT, AND OPTOMETRIST  
13 TO DEFINITIONS RELATING TO NURSING; REMOVING THE OATH REQUIREMENT TO APPLY FOR A  
14 LICENSE AS A NURSE; CLARIFYING APPLICATION REQUIREMENTS FOR OPTOMETRISTS; CLARIFYING  
15 THE APPLICATION PROCESS FOR SPEECH-LANGUAGE PATHOLOGISTS AND AUDIOLOGISTS;  
16 CLARIFYING TRAINEE LICENSE TERMS FOR HEARING AID DISPENSERS; REVISING TERMS FOR A  
17 VETERINARY LICENSE; REVISING RULEMAKING AUTHORITY FOR THE BOARD OF ALTERNATIVE  
18 HEALTH CARE; CLARIFYING LICENSING PROCEDURE FOR NATUROPATHIC PHYSICIANS; ~~PROHIBITING~~  
19 ~~STUDENT PRACTITIONERS OF RESPIRATORY CARE FROM RECEIVING REMUNERATION;~~ REVISING  
20 DISTRIBUTION OF CERTAIN LICENSEE FEES FOR OUTFITTERS; CLARIFYING CONDITIONS FOR  
21 DENYING, SUSPENDING, OR REVOKING AN OUTFITTER'S, GUIDE'S, OR PROFESSIONAL GUIDE'S  
22 LICENSE; REQUIRING PUBLICATION OF A LIST OF LICENSED OUTFITTERS; PROVIDING PENALTIES FOR  
23 NONCOMPLIANCE BY REAL ESTATE BROKERS OR PROPERTY MANAGERS WITH TRUST ACCOUNT  
24 PROVISIONS; CREATING ENDORSEMENT PROVISIONS FOR A SUPERVISING REAL ESTATE BROKER;  
25 CREATING A TEMPORARY LICENSE FOR ELEVATOR INSPECTORS; REVISING THE NAME OF  
26 AMBULATORY SURGICAL FACILITIES; PROVIDING ACUPUNCTURISTS WITH LIEN RIGHTS; AMENDING  
27 SECTIONS 2-15-1757, 2-15-1781, 25-1-1104, 33-36-103, 37-1-130, 37-1-131, 37-1-302, 37-1-401, 37-1-410,  
28 37-8-102, 37-8-405, 37-8-415, 37-10-302, 37-15-302, 37-16-405, 37-18-306, 37-26-201, 37-26-403, ~~37-28-201,~~  
29 37-47-318, 37-47-341, 37-51-102, 37-51-301, 37-51-302, 37-60-101, 37-60-103, 37-60-202, 37-60-301,  
30 37-60-302, 37-60-303, 37-60-304, 37-60-309, 37-60-310, 37-60-314, 37-60-402, 37-60-403, 37-60-409,

1 37-73-208, ~~50-4-504, 50-4-605, 50-5-101, 50-5-301~~, 50-32-314, 71-3-1111, 71-3-1112, 71-3-1113, 71-3-1114,  
 2 71-3-1115, 71-3-1117, AND 71-3-1118, MCA; AND REPEALING SECTIONS 37-60-315 AND 37-60-406, MCA."

3

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

5

6 NEW SECTION. **Section 1. Emeritus status.** (1) A licensee who no longer practices architecture may  
 7 apply to the department for emeritus status.

8 (2) Upon receiving an application for emeritus status accompanied by the fee established by the board,  
 9 the department shall issue a license of emeritus status to the applicant and record the applicant's name in the  
 10 appropriate database as an emeritus licensee, along with the date on which the licensee received emeritus  
 11 status.

12 (3) An emeritus licensee may retain but may not use the licensee's seal and may not practice  
 13 architecture.

14 (4) The department shall reissue an active license to an emeritus licensee who pays all application fees,  
 15 meets all current requirements for licensure, and demonstrates to the board's satisfaction that for the 2 years  
 16 preceding the application for active licensure, the applicant has met requirements set by the board for maintaining  
 17 professional competence.

18

19 NEW SECTION. **Section 2. License of retirement status.** (1) A licensee who no longer practices  
 20 plumbing may apply to the department for retirement status.

21 (2) Upon receiving an application for retirement status accompanied by the fee established by the board,  
 22 the department shall issue a license of retirement status to the applicant and record the applicant's name in the  
 23 appropriate database as a holder of a license of retirement status, along with the date on which the licensee  
 24 received retirement status.

25 (3) A license of retirement status does not allow a holder to practice plumbing under this chapter.

26 (4) The department shall reissue an active license to a holder of a license of retirement status who pays  
 27 the appropriate active license renewal fee AND MEETS ANY COMPETENCY REQUIREMENTS ESTABLISHED BY RULE BY  
 28 THE DEPARTMENT.

29

30 **Section 3.** Section 2-15-1757, MCA, is amended to read:

1           **"2-15-1757. Board of realty regulation.** (1) There is a board of realty regulation.

2           (2) The board consists of ~~five~~ seven members appointed by the governor with the consent of the senate.  
3     ~~Three~~ Five members must be licensed real estate brokers ~~or~~, salespeople, or property managers who are actively  
4 engaged in the real estate business as a broker ~~or~~, a salesperson, or a property manager in this state. Two  
5 members must be representatives of the public who are not state government officers or employees and who are  
6 not engaged in business as a real estate broker, ~~or a salesperson, or a property manager~~. The members must  
7 be residents of this state.

8           (3) Not more than ~~three~~ five members, including the presiding officer, may be from the same political  
9 party.

10          (4) The members shall serve staggered terms of 4 years. A member may not serve more than two terms  
11 or any portion of two terms.

12          (5) The board is allocated to the department for administrative purposes only as prescribed in 2-15-121."

13

14          **Section 4.** Section 2-15-1781, MCA, is amended to read:

15          **"2-15-1781. Board of private security ~~patrol officers and investigators~~.** (1) There is a board of  
16 private security ~~patrol officers and investigators~~.

17          (2) The board consists of seven voting members appointed by the governor with the consent of the  
18 senate. The members shall represent:

19           (a) one contract security company or proprietary security organization, as defined by 37-60-101;

20           (b) one ~~proprietary security organization~~ electronic security company, as defined by 37-60-101;

21           (c) one city police department;

22           (d) one county sheriff's office;

23           (e) one member of the public;

24           (f) one member of the peace officers' standards and training advisory council; and

25           (g) a licensed private investigator.

26          (3) Members of the board must be at least 25 years of age and have been residents of this state for more  
27 than 5 years.

28          (4) The appointed members of the board shall serve for a term of 3 years. The terms of board members  
29 must be staggered.

30          (5) The governor may remove a member for misconduct, incompetency, neglect of duty, or

1 unprofessional or dishonorable conduct.

2 (6) A vacancy on the board must be filled in the same manner as the original appointment and may only  
3 be for the unexpired portion of the term.

4 (7) The board is allocated to the department for administrative purposes only as prescribed in 2-15-121."  
5

6 **Section 5.** Section 25-1-1104, MCA, is amended to read:

7 **"25-1-1104. Handbook for process servers.** (1) The department of labor and industry shall publish a  
8 handbook for process servers and levying officers.

9 (2) Each person who applies to the clerk of the district court of any county for registration as a process  
10 server shall demonstrate that the person has passed an examination based on the handbook and administered  
11 by the board of private security ~~patrol officers and investigators~~ provided for in 2-15-1781.

12 (3) The department of labor and industry may charge a reasonable examination fee to cover the costs  
13 of publishing the handbook and administering the examination provided for in this section."  
14

15 **Section 6.** Section 33-36-103, MCA, is amended to read:

16 **"33-36-103. Definitions.** As used in this chapter, the following definitions apply:

17 (1) "Closed plan" means a managed care plan that requires covered persons to use only participating  
18 providers under the terms of the managed care plan.

19 (2) "Combination plan" means an open plan with a closed component.

20 (3) "Covered benefits" means those health care services to which a covered person is entitled under the  
21 terms of a health benefit plan.

22 (4) "Covered person" means a policyholder, subscriber, or enrollee or other individual participating in  
23 a health benefit plan.

24 (5) "Department" means the department of public health and human services established in 2-15-2201.

25 (6) "Emergency medical condition" means a condition manifesting itself by symptoms of sufficient  
26 severity, including severe pain, that the absence of immediate medical attention could reasonably be expected  
27 to result in any of the following:

28 (a) the covered person's health would be in serious jeopardy;

29 (b) the covered person's bodily functions would be seriously impaired; or

30 (c) a bodily organ or part would be seriously damaged.

1 (7) "Emergency services" means health care items and services furnished or required to evaluate and  
2 treat an emergency medical condition.

3 (8) "Facility" means an institution providing health care services or a health care setting, including but  
4 not limited to a hospital, medical assistance facility, or critical access hospital, as defined in 50-5-101, or other  
5 licensed inpatient center, an ~~ambulatory surgical or treatment center~~ outpatient center for surgical services or  
6 ~~other outpatient~~, A treatment center, a skilled nursing center, a residential treatment center, a diagnostic-  
7 laboratory, ~~an~~ A DIAGNOSTIC imaging center, or a rehabilitation or other therapeutic health setting.

8 (9) "Health benefit plan" means a policy, contract, certificate, or agreement entered into, offered, or  
9 issued by a health carrier to provide, deliver, arrange for, pay for, or reimburse any of the costs of health care  
10 services.

11 (10) "Health care professional" means a physician or other health care practitioner licensed, accredited,  
12 or certified pursuant to the laws of this state to perform specified health care services consistent with state law.

13 (11) "Health care provider" or "provider" means a health care professional or a facility.

14 (12) "Health care services" means services for the diagnosis, prevention, treatment, cure, or relief of a  
15 health condition, illness, injury, or disease.

16 (13) "Health carrier" means an entity subject to the insurance laws and rules of this state that contracts,  
17 offers to contract, or enters into an agreement to provide, deliver, arrange for, pay for, or reimburse any of the  
18 costs of health care services, including a disability insurer, health maintenance organization, or health service  
19 corporation or another entity providing a health benefit plan.

20 (14) "Intermediary" means a person authorized to negotiate, execute, and be a party to a contract  
21 between a health carrier and a provider or between a health carrier and a network.

22 (15) "Managed care plan" means a health benefit plan that either requires or creates incentives, including  
23 financial incentives, for a covered person to use health care providers managed, owned, under contract with, or  
24 employed by a health carrier, but not preferred provider organizations or other provider networks operated in a  
25 fee-for-service indemnity environment.

26 (16) "Medically necessary" means services, medicines, or supplies that are necessary and appropriate  
27 for the diagnosis or treatment of a covered person's illness, injury, or medical condition according to accepted  
28 standards of medical practice and that are not provided only as a convenience.

29 (17) "Network" means the group of participating providers that provides health care services to a  
30 managed care plan.

1 (18) "Open plan" means a managed care plan other than a closed plan that provides incentives, including  
2 financial incentives, for covered persons to use participating providers under the terms of the managed care plan.

3 (19) "Participating provider" means a provider who, under a contract with a health carrier or with the  
4 health carrier's contractor, subcontractor, or intermediary, has agreed to provide health care services to covered  
5 persons with an expectation of receiving payment, other than coinsurance, copayments, or deductibles, directly  
6 or indirectly from the health carrier.

7 (20) "Primary care professional" means a participating health care professional designated by the health  
8 carrier to supervise, coordinate, or provide initial care or continuing care to a covered person and who may be  
9 required by the health carrier to initiate a referral for specialty care and to maintain supervision of health care  
10 services rendered to the covered person.

11 (21) "Quality assessment" means the measurement and evaluation of the quality and outcomes of  
12 medical care provided to individuals, groups, or populations.

13 (22) "Quality assurance" means quality assessment and quality improvement.

14 (23) "Quality improvement" means an effort to improve the processes and outcomes related to the  
15 provision of health care services within a health plan."  
16

17 **Section 7.** Section 37-1-130, MCA, is amended to read:

18 **"37-1-130. Definitions.** As used in this part, the following definitions apply:

19 (1) "Administrative fee" means a fee established by the department to cover the cost of administrative  
20 services as provided for in 37-1-134.

21 (2) "Board" means a licensing board created under Title 2, chapter 15, that regulates a profession or  
22 occupation and that is administratively attached to the department as provided in 2-15-121.

23 (3) "Board fee" means:

24 (a) a fee established by the board to cover program area costs as provided in 37-1-134; and

25 (b) any other legislatively prescribed fees specific to boards and department programs.

26 (4) "Department" means the department of labor and industry established in 2-15-1701.

27 (5) "Department program" means a program administered by the department pursuant to this title and  
28 not affiliated with a board.

29 (6) "Expired license" means a license that is not reactivated within the period of ~~45~~ 46 days to 2 years  
30 after the renewal date for the license.

1 (7) "Lapsed license" means a license that is not renewed by the renewal date and that may be  
2 reactivated within the first 45-day period after the renewal date for the license.

3 (8) "License" means permission granted under a chapter of this title to engage in or practice at a specific  
4 level in a profession or occupation, regardless of the specific term used for the permission, including permit,  
5 certificate, recognition, or registration.

6 (9) "Terminated license" means a license that is not renewed or reactivated within 2 years of the license  
7 lapsing."

8

9 **Section 8.** Section 37-1-131, MCA, is amended to read:

10 **"37-1-131. Duties of boards -- quorum required.** (1) A quorum of each board within the department  
11 shall:

12 ~~(1)~~(a) set and enforce standards and rules governing the licensing, certification, registration, and conduct  
13 of the members of the particular profession or occupation within the board's jurisdiction;

14 ~~(2)~~(b) sit in judgment in hearings for the suspension, revocation, or denial of a license of an actual or  
15 potential member of the particular profession or occupation within the board's jurisdiction. The hearings must be  
16 conducted by a hearings examiner when required under 37-1-121.

17 ~~(3)~~(c) suspend, revoke, or deny a license of a person who the board determines, after a hearing as  
18 provided in subsection ~~(2)~~ (1)(b), is guilty of knowingly defrauding, abusing, or aiding in the defrauding or abusing  
19 of the workers' compensation system in violation of the provisions of Title 39, chapter 71;

20 ~~(4)~~(d) pay to the department the board's pro rata share of the assessed costs of the department under  
21 37-1-101(6);

22 ~~(5)~~(e) consult with the department before the board initiates a program expansion, under existing  
23 legislation, to determine if the board has adequate money and appropriation authority to fully pay all costs  
24 associated with the proposed program expansion. The board may not expand a program if the board does not  
25 have adequate money and appropriation authority available.

26 ~~(6)~~(2) A board, board panel, or subcommittee convened to conduct board business must have a majority  
27 of its members, which constitutes a quorum, present to conduct business.

28 (3) A board that requires continuing education or continued state, regional, or national certification for  
29 licensees shall require licensees reactivating an expired license to submit proof of meeting the requirements of  
30 this subsection for the renewal cycle.

- 1           ~~(7)~~(4) The board or the department program may:
- 2           (a) establish the qualifications of applicants to take the licensure examination;
- 3           (b) determine the standards, content, type, and method of examination required for licensure or
- 4 reinstatement of a license, the acceptable level of performance for each examination, and the standards and
- 5 limitations for reexamination if an applicant fails an examination;
- 6           (c) examine applicants for licensure at reasonable places and times as determined by the board or enter
- 7 into contracts with third-party testing agencies to administer examinations; and
- 8           (d) require continuing education for licensure, as provided in 37-1-306, or require continued state,
- 9 regional, or national certification for licensure. ~~If Except as provided in subsection (3),~~ if the board or department
- 10 requires continuing education or continued state, regional, or national certification for continued licensure, the
- 11 board or department may not audit or ~~verify~~ require proof of continuing education or continued state, regional,
- 12 or national certification requirements as a precondition for renewing the license, certification, or registration. The
- 13 board or department may conduct random audits after the lapsed date of up to 50% of all licensees with renewed
- 14 licenses for documentary verification of the continuing education requirement ~~after the renewal period closes.~~
- 15           ~~(8)~~(5) A board may, at the board's discretion, request the applicant to make a personal appearance
- 16 before the board for nonroutine license applications as defined by the board."

- 17
- 18           **Section 9.** Section 37-1-302, MCA, is amended to read:
- 19           **"37-1-302. Definitions.** As used in this part, the following definitions apply:
- 20           (1) "Board" means a licensing board created under Title 2, chapter 15, that regulates a profession or
- 21 occupation and that is administratively attached to the department as provided in 2-15-121.
- 22           (2) "Complaint" means a written allegation filed with a board that, if true, warrants an injunction,
- 23 disciplinary action against a licensee, or denial of an application submitted by a license applicant.
- 24           (3) "Department" means the department of labor and industry.
- 25           (4) "Inspection" means the periodic examination of premises, equipment, or procedures or of a
- 26 practitioner by the department to determine whether the practitioner's profession or occupation is being conducted
- 27 in a manner consistent with the public health, safety, and welfare.
- 28           (5) "Investigation" means the inquiry, analysis, audit, or other pursuit of information by the department,
- 29 with respect to a written complaint or other information before a board, that is carried out for the purpose of
- 30 determining:



- 1 (a) whether a person has violated a provision of law justifying discipline against the person;
- 2 (b) the status of compliance with a stipulation or order of the board;
- 3 (c) whether a license should be granted, denied, or conditionally issued; or
- 4 (d) whether a board should seek an injunction.
- 5 (6) "License" means permission granted under a chapter of this title to engage in or practice at a specific
- 6 level in a profession or occupation, regardless of the specific term used for the permission, including permit,
- 7 certificate, recognition, or registration.
- 8 (7) "Profession" or "occupation" means a profession or occupation regulated by a board."
- 9

10 **Section 10.** Section 37-1-401, MCA, is amended to read:

11 **"37-1-401. Uniform regulation for licensing programs without boards -- definitions.** As used in this

12 part, the following definitions apply:

- 13 (1) "Complaint" means a written allegation filed with the department that, if true, warrants an injunction,
- 14 disciplinary action against a licensee, or denial of an application submitted by a license applicant.
- 15 (2) "Department" means the department of labor and industry provided for in 2-15-1701.
- 16 (3) "Investigation" means the inquiry, analysis, audit, or other pursuit of information by the department,
- 17 with respect to a complaint or other information before the department, that is carried out for the purpose of
- 18 determining:
- 19 (a) whether a person has violated a provision of law justifying discipline against the person;
- 20 (b) the status of compliance with a stipulation or order of the department;
- 21 (c) whether a license should be granted, denied, or conditionally issued; or
- 22 (d) whether the department should seek an injunction.
- 23 (4) "License" means permission in the form of a license, permit, endorsement, certificate, recognition,
- 24 or registration granted by the state of Montana to engage in a business activity or practice at a specific level in
- 25 a profession or occupation governed by:
- 26 (a) Title 37, chapter 35, 72, 73, or 76; or
- 27 (b) Title 50, chapter 39, 74, or 76.
- 28 (5) "Profession" or "occupation" means a profession or occupation regulated by the department under
- 29 the provisions of:
- 30 (a) Title 37, chapter 35, 72, 73, or 76; or

1 (b) Title 50, chapter 39, 74, or 76."

2

3 **Section 11.** Section 37-1-410, MCA, is amended to read:

4 **"37-1-410. Unprofessional conduct.** (1) The following is unprofessional conduct for a licensee or  
5 license applicant in a profession or occupation governed by this chapter:

6 ~~(1)~~(a) being convicted, including a conviction following a plea of nolo contendere and regardless of a  
7 pending appeal, of a crime relating to or committed during the course of practicing the person's profession or  
8 occupation or involving violence, the use or sale of drugs, fraud, deceit, or theft;

9 ~~(2)~~(b) permitting, aiding, abetting, or conspiring with a person to violate or circumvent a law relating to  
10 licensure or certification;

11 ~~(3)~~(c) committing fraud, misrepresentation, deception, or concealment of a material fact in applying for  
12 or assisting in securing a license or license renewal or in taking an examination required for licensure;

13 ~~(4)~~(d) signing or issuing, in the licensee's professional capacity, a document or statement that the  
14 licensee knows or reasonably ought to know contains a false or misleading statement;

15 ~~(5)~~(e) making a misleading, deceptive, false, or fraudulent advertisement or other representation in the  
16 conduct of the profession or occupation;

17 ~~(6)~~(f) offering, giving, or promising anything of value or benefit to a federal, state, or local government  
18 employee or official for the purpose of influencing the employee or official to circumvent a federal, state, or local  
19 law, rule, or ordinance governing the licensee's profession or occupation;

20 ~~(7)~~(g) ~~the~~ receiving a denial, suspension, revocation, probation, fine, or other license restriction or  
21 discipline against a licensee by a state, province, territory, or Indian tribal government or the federal government  
22 if the action is not on appeal or under judicial review or has been satisfied.

23 ~~(8)~~(h) ~~failure~~ failing to comply with a term, condition, or limitation of a license by final order of the  
24 department;

25 ~~(9)~~(i) having a physical or mental disability that renders the licensee or license applicant unable to  
26 practice the profession or occupation with reasonable skill and safety;

27 ~~(10)~~(j) misappropriating property or funds from a client or workplace or failing to comply with the  
28 department's rule regarding the accounting and distribution of a client's property or funds;

29 ~~(11)~~(k) ~~interference~~ interfering with an investigation or disciplinary proceeding by willful misrepresentation  
30 of facts, failure to respond to department inquiries regarding a complaint against the licensee or license applicant,

1 or the use of threats or harassment against or inducement to a client or witness to prevent them from providing  
 2 evidence in a disciplinary proceeding or other legal action or use of threats or harassment against or inducement  
 3 to a person to prevent or attempt to prevent a disciplinary proceeding or other legal action from being filed,  
 4 prosecuted, or completed;

5 ~~(12)~~(l) assisting in the unlicensed practice of a profession or occupation or allowing another person or  
 6 organization to practice or offer to practice the profession or occupation by use of the licensee's license.

7 (2) For the purposes of Title 37, chapters 72 and 73, and Title 50, chapters 74 and 76, the following  
 8 additional practices are considered unprofessional conduct:

9 (a) addiction to or dependency on alcohol, an illegal drug, or a dangerous drug, as defined in Title 50,  
 10 chapter 32;

11 (b) use of alcohol, an illegal drug, or a dangerous drug, as defined in Title 50, chapter 32, to the extent  
 12 that the use impairs the user physically or mentally;

13 (c) conduct that does not meet generally accepted standards of practice. A certified copy of a judgment  
 14 against the licensee or license applicant or of a tort judgment in an action involving an act or omission occurring  
 15 within the scope of practice and the course of the practice is considered conclusive evidence of, but is not needed  
 16 to prove, conduct that does not meet generally accepted standards."

17

18 **Section 12.** Section 37-8-102, MCA, is amended to read:

19 **"37-8-102. Definitions.** Unless the context requires otherwise, in this chapter, the following definitions  
 20 apply:

21 (1) "Advanced practice registered nurse" means a registered professional nurse who has completed  
 22 educational requirements related to the nurse's specific practice role, in addition to basic nursing education, as  
 23 specified by the board pursuant to 37-8-202.

24 (2) "Board" means the board of nursing provided for in 2-15-1734.

25 (3) "Department" means the department of labor and industry provided for in Title 2, chapter 15, part 17.

26 (4) "Medication aide" means a person who in an assisted living facility uses standardized procedures  
 27 in the administration of drugs, as defined in 37-7-101, that are prescribed by a physician, an advanced practice  
 28 registered nurse with prescriptive authority, a dentist, an osteopath, or a podiatrist authorized by state law to  
 29 prescribe drugs.

30 (5) "Nursing education program" means any board-approved school that prepares graduates for initial

1 licensure under this chapter. Nursing education programs for:

2 (a) professional nursing may be a department, school, division, or other administrative unit in a junior  
3 college, college, or university;

4 (b) practical nursing may be a department, school, division, or other administrative unit in a  
5 vocational-technical institution or junior college.

6 (6) "Practice of nursing" embraces the practice of practical nursing and the practice of professional  
7 nursing.

8 (7) (a) "Practice of practical nursing" means the performance of services requiring basic knowledge of  
9 the biological, physical, behavioral, psychological, and sociological sciences and of nursing procedures. The  
10 practice of practical nursing uses standardized procedures in the observation and care of the ill, injured, and  
11 infirm, in the maintenance of health, in action to safeguard life and health, and in the administration of medications  
12 and treatments prescribed by a physician, naturopathic physician, physician assistant, optometrist, advanced  
13 practice registered nurse, dentist, osteopath, or podiatrist authorized by state law to prescribe medications and  
14 treatments. These services are performed under the supervision of a registered nurse or a physician, naturopathic  
15 physician, physician assistant, optometrist, dentist, osteopath, or podiatrist authorized by state law to prescribe  
16 medications and treatments.

17 (b) These services may include a charge-nurse capacity in a long-term care facility that provides skilled  
18 nursing care or intermediate nursing care, as defined in 50-5-101, under the general supervision of a registered  
19 nurse.

20 (8) "Practice of professional nursing" means the performance of services requiring substantial  
21 specialized knowledge of the biological, physical, behavioral, psychological, and sociological sciences and of  
22 nursing theory as a basis for the nursing process. The nursing process is the assessment, nursing analysis,  
23 planning, nursing intervention, and evaluation in the promotion and maintenance of health, the prevention,  
24 casefinding, and management of illness, injury, or infirmity, and the restoration of optimum function. The term also  
25 includes administration, teaching, counseling, supervision, delegation, and evaluation of nursing practice and the  
26 administration of medications and treatments prescribed by physicians, naturopathic physicians, physician  
27 assistants, optometrist, advanced practice registered nurses, dentists, osteopaths, or podiatrists authorized by  
28 state law to prescribe medications and treatments. Each registered nurse is directly accountable and responsible  
29 to the consumer for the quality of nursing care rendered. As used in this subsection (8):

30 (a) "nursing analysis" is the identification of those client problems for which nursing care is indicated and

1 may include referral to medical or community resources;

2 (b) "nursing intervention" is the implementation of a plan of nursing care necessary to accomplish defined  
3 goals."

4

5 **Section 13.** Section 37-8-405, MCA, is amended to read:

6 **"37-8-405. Professional nursing -- qualifications of applicants for license.** An applicant for a license  
7 to practice as a registered professional nurse shall submit to the department written evidence, ~~verified by oath,~~  
8 that the applicant:

9 (1) has successfully completed at least an approved 4-year high school course of study or the equivalent  
10 as determined by the office of the superintendent of public instruction;

11 (2) has completed the basic professional curriculum in an approved school of nursing and holds a  
12 diploma ~~therefrom~~ from that school; and

13 (3) meets other qualification requirements the board prescribes."

14

15 **Section 14.** Section 37-8-415, MCA, is amended to read:

16 **"37-8-415. Licensed practical nursing -- qualifications of applicants.** An applicant for a license to  
17 practice as a licensed practical nurse shall submit to the board written evidence, ~~verified by oath,~~ that the  
18 applicant:

19 (1) has successfully completed at least an approved 4-year high school course of study or the equivalent  
20 as determined by the office of the superintendent of public instruction;

21 (2) is a graduate of an approved practical nursing education program that is authorized to prepare  
22 persons for licensure as practical nurses; and

23 (3) meets other qualification requirements the board prescribes in its rules."

24

25 **Section 15.** Section 37-10-302, MCA, is amended to read:

26 **"37-10-302. Qualifications -- application.** (1) The board shall adopt rules relative to and governing the  
27 qualifications of applicants for licensure as optometrists.

28 (2) A person is not eligible to receive a license unless that person is ~~18 years of age or older~~ and of good  
29 moral character.

30 (3) A person is not eligible to receive a license unless that person has graduated from an accredited high

1 ~~school and from a~~ school of optometry in which the practice and science of optometry is taught in a course of  
 2 study that is accredited by the international association of boards of examiners in optometry.

3 (4) ~~A person desiring~~ An applicant for a license shall file a completed application on a form provided by  
 4 the department and pay a fee prescribed by the board."

5  
 6 **Section 16.** Section 37-15-302, MCA, is amended to read:  
 7 "**37-15-302. Application forms.** ~~Application~~ An application for examination for licensing a  
 8 speech-language pathologist or audiologist ~~shall~~ must be made upon forms prescribed by the ~~board~~ department."

9  
 10 **Section 17.** Section 37-16-405, MCA, is amended to read:  
 11 "**37-16-405. Trainee license.** (1) An applicant who fulfills the requirements of 37-16-402 and who has  
 12 not previously applied to take a practical examination may apply to the board for a trainee license.

13 (2) On receiving an application under subsection (1), accompanied by a fee fixed by the board and  
 14 verification that the applicant has passed the written portion of the examination with a passing score as  
 15 determined by board rule, the board shall issue a trainee license that entitles the applicant to engage in a 180-day  
 16 training period during which the applicant:

17 (a) is required to pass the practical examination administered by the board before being issued a hearing  
 18 aid dispenser's license; and

19 (b) shall work under the direct supervision of the sponsoring licensed hearing aid dispenser. During this  
 20 time the applicant may do the testing necessary for proper selection and fitting of hearing aids and related devices  
 21 and make necessary impressions. However, the delivery and final fitting of the hearing aid and related devices  
 22 must be made by the trainee and the supervisor.

23 (3) The training period must consist of a continuous 180-day term. Any break in training requires  
 24 application for another trainee license under rules that the board may prescribe.

25 (4) A trainee license may not be issued unless the board has on file an unrevoked statement from a  
 26 qualified licensed hearing aid dispenser accepting responsibility for the trainee. Every licensed hearing aid  
 27 dispenser supervising a trainee license holder shall submit a report every 90 days of the trainee's activities and  
 28 training assignments, on forms furnished by the board. The supervisor is responsible for all hearing aid fittings  
 29 of the trainee. A supervisor may terminate any responsibilities to the trainee by mailing by certified mail written  
 30 notice to the board and the trainee.

1 (5) If a person who holds a trainee license takes and fails to pass the practical examination ~~during the~~  
 2 ~~training period, the board may authorize the department to renew the trainee license for a period of 180 days,~~  
 3 ~~during which the provisions of subsection (2)(b) apply. More than one renewal is not permitted, the trainee license~~  
 4 ~~expires, and the person may not practice as a trainee.~~

5 (6) A person licensed as an audiologist under the provisions of Title 37, chapter 15, or a person  
 6 practicing pursuant to 37-1-305 is exempt from the 180-day training period but is required to pass the  
 7 examinations prescribed in this chapter.

8 (7) A licensed hearing aid dispenser who sponsors a trainee is directly responsible and accountable  
 9 under the disciplinary authority of the board for the conduct of the trainee as if the conduct were the licensee's  
 10 own.

11 (8) For the purposes of this section, "direct supervision" means the direct and regular observation and  
 12 instruction of a trainee by a licensed hearing aid dispenser who is available at the same location for prompt  
 13 consultation and treatment."  
 14

15 **Section 18.** Section 37-18-306, MCA, is amended to read:

16 **"37-18-306. Display of license and certificate.** A person may not practice veterinary medicine in this  
 17 state without possessing and displaying prominently in his the person's principal office ~~a license and a current~~  
 18 ~~and valid certificate of registration~~ license issued under this part."  
 19

20 **Section 19.** Section 37-26-201, MCA, is amended to read:

21 **"37-26-201. Powers and duties of board.** The board shall:

22 (1) adopt rules necessary or proper to administer and enforce this chapter;

23 (2) adopt rules that specify the scope of practice of naturopathic medicine stated in 37-26-301, that are  
 24 consistent with the definition of naturopathic medicine provided in 37-26-103, and that are consistent with the  
 25 education provided by approved naturopathic medical colleges;

26 (3) adopt rules that endorse equivalent licensure examinations of another state or territory of the United  
 27 States, the District of Columbia, or a foreign country and that may include licensure by reciprocity;

28 (4) adopt rules that set nonrefundable fees for application, and licensure;

29 (5) approve naturopathic medical colleges as defined in 37-26-103;

30 (6) issue certificates of specialty practice;

1 (7) adopt rules that, in the discretion of the board, appropriately restrict licenses to a limited scope of  
 2 practice of naturopathic medicine, which may exclude the use of minor surgery allowed under 37-26-301; and  
 3 (8) adopt rules that contain the natural substance formulary list created by the alternative health care  
 4 formulary committee provided for in 37-26-301; ~~and~~  
 5 ~~———— (9) adopt rules to implement the provisions in 37-1-138."~~

6  
 7 **Section 20.** Section 37-26-403, MCA, is amended to read:  
 8 **"37-26-403. Application for licensure ~~—examination—~~temporary license.** (1) A person who desires  
 9 a license to practice naturopathic medicine in Montana shall apply to the department.

10 (2) The application must be accompanied by the license fees, the application fees, and the documents,  
 11 affidavits, and certificates necessary to establish that the applicant possesses the qualifications prescribed by  
 12 37-26-402. The burden of proof is on the applicant, but the department may make an independent investigation  
 13 to determine whether the applicant possesses the necessary qualifications and whether the applicant has  
 14 committed unprofessional conduct that would be a basis for licensure denial.

15 (3) At the board's request, the applicant shall provide necessary authorizations for the release of records  
 16 and information pertinent to the department's investigation.

17 ~~(2) A person who applies for licensure but who has not passed a licensure examination prescribed or~~  
 18 ~~endorsed by the board shall apply to the board for authorization to take the prescribed licensure examination. If~~  
 19 ~~the board finds that all other qualifications for licensure except that of examination have been met, the board shall~~  
 20 ~~authorize the applicant to take the licensure examination."~~

21  
 22 ~~———— **Section 21.** Section 37-28-201, MCA, is amended to read:~~  
 23 ~~———— **"37-28-201. License required ~~—exceptions—~~respiratory care not the practice of medicine.** (1)~~  
 24 ~~Except as otherwise provided in this chapter, a person may not practice respiratory care or represent to the public~~  
 25 ~~that the person is a respiratory care practitioner unless licensed under the provisions of this chapter.~~

26 ~~———— (2) This chapter does not prohibit:~~  
 27 ~~———— (a) the practice of respiratory care that is an integral part of study by a student respiratory care~~  
 28 ~~practitioner;~~  
 29 ~~———— (b) self-care by a patient or the gratuitous care by a friend or family member who does not purport to be~~  
 30 ~~a respiratory care practitioner; or~~



1 ~~\_\_\_\_\_ (c) respiratory care rendered in the course of an emergency.~~

2 ~~\_\_\_\_\_ (3) This chapter is not intended to limit, preclude, or interfere with the practice of other persons and~~  
 3 ~~health care providers licensed by the appropriate agencies of the state of Montana.~~

4 ~~\_\_\_\_\_ (4) Student practitioners providing respiratory care may not receive payment for their services.~~

5 ~~\_\_\_\_\_ (5) This chapter may not be construed to permit the practice of medicine."~~

6

7 **Section 21.** Section 37-47-318, MCA, is amended to read:

8 **"37-47-318. Fees in addition to annual license fee -- allocation.** (1) In addition to the fees required  
 9 in 37-47-306 for an outfitter providing hunting services, the following fees apply:

10 (a) An outfitter shall pay an annual fee of \$2 for each client served.

11 (b) An outfitter who is granted a net client hunter use expansion shall pay a fee of \$500 for each new  
 12 client added to that outfitter's operations plan.

13 (c) (i) An outfitter who operates hunting camps in more than one department of fish, wildlife, and parks  
 14 administrative region shall pay an annual fee of \$5,000 for each camp that is located beyond a 100-mile radius  
 15 of the outfitter's base of operations and that is in an administrative region other than the region containing the  
 16 outfitter's base of operations.

17 (ii) A fee is not required for the following:

18 (i)(A) an outfitter's base of operations camp;

19 (ii)(B) camps established before January 1, 1999;

20 (iii)(C) camps established on public land when use is directly regulated by public land use policies; or

21 (iv)(D) camps on corporate timberlands where public access is not restricted.

22 (d) An outfitter who desires a net client hunter use expansion shall pay a nonrefundable fee of \$2,000  
 23 for each expansion request.

24 (2) Fees collected pursuant to this section must be expended by the board, pursuant to the authority in  
 25 37-47-306, and by the department of fish, wildlife, and parks, pursuant to the authority in 87-1-601, and used to  
 26 fund administrative costs related to implementation of this chapter. The fees collected must be allocated as  
 27 follows:

28 (a) Revenue generated by the \$2 fee imposed in subsection (1)(a), the \$500 fee imposed in subsection  
 29 (1)(b), and the \$2,000 fee imposed in subsection (1)(d) must be split equally between the board and the  
 30 department of fish, wildlife, and parks.

1 ~~(b) Revenue generated by the \$500 fee imposed in subsection (1)(b) must be allocated between the~~  
 2 ~~board and the department of fish, wildlife, and parks in the following order:~~

3 ~~—— (i) the amount necessary to cover the department's administrative expenses that exceed the revenue~~  
 4 ~~generated by subsection (2)(a); and~~

5 ~~—— (ii) the remaining amount to be deposited in the state special revenue fund to the credit of the board.~~

6 ~~(c)(b) Revenue generated by the \$5,000 fee imposed in subsection (1)(c) must be deposited in the state~~  
 7 ~~special revenue fund to the credit of the board.~~

8 ~~(d) Revenue generated by the \$2,000 fee imposed in subsection (1)(d) must be split equally between~~  
 9 ~~the board and the department of fish, wildlife, and parks."~~

10

11 **Section 22.** Section 37-47-341, MCA, is amended to read:

12 **"37-47-341. Grounds for denial, suspension, or revocation of license.** A license or right to apply for  
 13 and hold a license issued under this part may be denied, suspended, or revoked or other disciplinary conditions  
 14 may be applied upon any of the following grounds:

15 (1) having ceased to meet all of the qualifications for holding a license, as required under this chapter  
 16 and rules adopted pursuant to this chapter;

17 (2) fraud or deception in procuring a license;

18 (3) fraudulent, untruthful, or misleading advertising;

19 (4) having pleaded guilty to or been adjudged by a court guilty of a felony, including a case in which the  
 20 sentence is suspended or imposition of the sentence is deferred, unless civil rights have been restored pursuant  
 21 to law. ~~A person may not apply for or hold an outfitter's, guide's, or professional guide's license during any period~~  
 22 ~~of time in which a sentence for a felony has been deferred or suspended.~~

23 (5) one conviction or bond forfeiture as to a violation of the fish and game or outfitting laws or regulations  
 24 of any state or the United States;

25 (6) a substantial breach of a contract with a participant provided that the breach is established as a  
 26 matter of final judgment in a court of law;

27 (7) the willful employment of or contracting with an unlicensed guide or professional guide by an outfitter;

28 (8) negligence or misconduct while acting as an outfitter, guide, or professional guide that causes an  
 29 accident or injury to the person or property of a participant;

30 (9) misconduct as defined by board rule; or

1 (10) any violation of this chapter or a rule adopted pursuant to this chapter."  
2

3 **NEW SECTION. Section 23. Publication of license information.** (1) The department shall prepare  
4 and publish an information pamphlet that contains the names and addresses of all licensed outfitters.

5 (2) The pamphlet described in subsection (1) must be available for free distribution as early as possible  
6 each calendar year but not later than the second Friday in March of each year.

7 (3) The pamphlet must contain the names, license numbers, and addresses of only those outfitters who  
8 have a currently valid license.  
9

10 **NEW SECTION. Section 24. Penalty for failure to comply with trust account requirements.** (1) An  
11 employee of the department may issue a citation to a broker or property manager responsible for maintenance  
12 of a trust account for failure to comply with trust account maintenance requirements as provided by rule under  
13 37-1-319(4).

14 (2) The citation must include:

15 (a) the time and date on which the citation is issued;

16 (b) the name, title, mailing address, and signature of the person issuing the citation;

17 (c) reference to the statute or rule violated;

18 (d) the name, title, and mailing address of the person to whom the citation is being sent, along with  
19 information explaining the procedure for the person receiving the citation to follow to pay the fine or dispute the  
20 violation; and

21 (e) the amount of the applicable fine.

22 (3) The applicable civil fine for failure to comply with trust account maintenance requirements is \$50 for  
23 each cited violation.

24 (4) The person who issues the citation is authorized to collect the fine and deposit the proceeds in the  
25 state special revenue account to the credit of the board.

26 (5) The person who is issued a citation may pay the fine or file a written dispute of the violation with the  
27 board within 5 business days of the date of issuance.

28 (6) A person who refuses to sign and accept a citation but who does not file a written dispute of the  
29 violation is demonstrating unprofessional conduct.  
30

1           **Section 25.** Section 37-51-102, MCA, is amended to read:

2           **"37-51-102. Definitions.** Unless the context requires otherwise, in this chapter, the following definitions  
3 apply:

4           (1) "Account" means the real estate recovery account established in 37-51-501.

5           (2) (a) "Adverse material fact" means a fact that should be recognized by a broker or salesperson as  
6 being of enough significance as to affect a person's decision to enter into a contract to buy or sell real property  
7 and may be a fact that:

8           (i) materially affects the value, affects structural integrity, or presents a documented health risk to  
9 occupants of the property; or

10           (ii) materially affects the buyer's ability or intent to perform the buyer's obligations under a proposed or  
11 existing contract.

12           (b) The term does not include the fact that an occupant of the property has or has had a communicable  
13 disease or that the property was the site of a suicide or felony.

14           (3) "Board" means the board of realty regulation provided for in 2-15-1757.

15           (4) "Broker" includes an individual who:

16           (a) for another or for valuable consideration or who with the intent or expectation of receiving valuable  
17 consideration negotiates or attempts to negotiate the listing, sale, purchase, rental, exchange, or lease of real  
18 estate or of the improvements on real estate or collects rents or attempts to collect rents;

19           (b) is employed by or on behalf of the owner or lessor of real estate to conduct the sale, leasing,  
20 subleasing, or other disposition of real estate for consideration;

21           (c) engages in the business of charging an advance fee or contracting for collection of a fee in  
22 connection with a contract by which the individual undertakes primarily to promote the sale, lease, or other  
23 disposition of real estate in this state through its listing in a publication issued primarily for this purpose or for  
24 referral of information concerning real estate to brokers;

25           (d) makes the advertising, sale, lease, or other real estate information available by public display to  
26 potential buyers and who aids, attempts, or offers to aid, for a fee, any person in locating or obtaining any real  
27 estate for purchase or lease;

28           (e) aids or attempts or offers to aid, for a fee, any person in locating or obtaining any real estate for  
29 purchase or lease;

30           (f) receives a fee, commission, or other compensation for referring to a licensed broker or salesperson

1 the name of a prospective buyer or seller of real property; or

2 (g) advertises or represents to the public that the individual is engaged in any of the activities referred  
3 to in subsections (4)(a) through (4)(f).

4 (5) "Buyer" means a person who is interested in acquiring an ownership interest in real property or who  
5 has entered into an agreement to acquire an interest in real property. The term includes tenants or potential  
6 tenants with respect to leases or rental agreements of real property.

7 (6) "Buyer agent" means a broker or salesperson who, pursuant to a written buyer broker agreement,  
8 is acting as the agent of the buyer in a real estate transaction and includes a buyer subagent and an in-house  
9 buyer agent designate.

10 (7) "Buyer broker agreement" means a written agreement in which a prospective buyer employs a broker  
11 to locate real estate of the type and with terms and conditions as designated in the written agreement.

12 (8) "Buyer subagent" means a broker or salesperson who, pursuant to an offer of a subagency, acts as  
13 the agent of a buyer.

14 (9) "Department" means the department of labor and industry provided for in Title 2, chapter 15, part 17.

15 (10) "Dual agent" means a broker or salesperson who, pursuant to a written listing agreement or buyer  
16 broker agreement or as a buyer or seller subagent, acts as the agent of both the buyer and seller with written  
17 authorization, as provided in 37-51-314. An in-house buyer or seller agent designate may not be considered a  
18 dual agent.

19 (11) "Franchise agreement" means a contract or agreement by which:

20 (a) a franchisee is granted the right to engage in business under a marketing plan prescribed in  
21 substantial part by the franchisor;

22 (b) the operation of the franchisee's business is substantially associated with the franchisor's trademark,  
23 trade name, logotype, or other commercial symbol or advertising designating the franchisor; and

24 (c) the franchisee is required to pay, directly or indirectly, a fee for the right to operate under the  
25 agreement.

26 (12) "In-house buyer agent designate" means a broker or salesperson employed by or associated as an  
27 independent contractor with a broker and designated by the broker as the exclusive agent for a buyer for a  
28 designated transaction and who may not be considered to be acting for other than the buyer with respect to the  
29 designated transaction.

30 (13) "In-house seller agent designate" means a broker or salesperson employed by or associated as an

1 independent contractor with a broker and designated by the broker as the exclusive agent for a seller for a  
2 designated transaction and who may not be considered to be acting for other than the seller with respect to the  
3 designated transaction.

4 (14) "Listing agreement" means a written agreement between a seller and broker for the sale of real  
5 estate, with the terms and conditions set out in the agreement.

6 (15) "Negotiations" means:

7 (a) efforts to act as an intermediary between parties to a real estate transaction;

8 (b) facilitating and participating in contract discussions;

9 (c) completing forms for offers, counteroffers, addendums, and other writings; and

10 (d) presenting offers and counteroffers.

11 (16) "Person" includes individuals, partnerships, associations, and corporations, foreign and domestic,  
12 except that when referring to a person licensed under this chapter, it means an individual.

13 (17) "Property manager" includes a person who for a salary, commission, or compensation of any kind  
14 engages in the business of leasing, renting, subleasing, or other transfer of possession of real estate belonging  
15 to others without transfer of the title to the property, pursuant to 37-51-601 and 37-51-602.

16 (18) "Real estate" includes leaseholds as well as any other interest or estate in land, whether corporeal,  
17 incorporeal, freehold, or nonfreehold and whether the real estate is situated in this state or elsewhere.

18 (19) "Real estate transaction" means the sale, exchange, or lease or grant of an option for the sale,  
19 exchange, or lease of an interest in real estate and includes all communication, interposition, advisement,  
20 negotiation, and contract development and closing.

21 (20) "Salesperson" includes an individual who for a salary, commission, or compensation of any kind is  
22 associated, either directly, indirectly, regularly, or occasionally, with a real estate broker to sell, purchase, or  
23 negotiate for the sale, purchase, exchange, or renting of real estate.

24 (21) "Seller" means a person who has entered into a listing agreement to sell real estate and includes  
25 landlords who have an interest in or are a party to a lease or rental agreement.

26 (22) "Seller agent" means a broker or salesperson who, pursuant to a written listing agreement, acts as  
27 the agent of a seller and includes a seller subagent and an in-house seller agent designate.

28 (23) "Seller subagent" means a broker or salesperson who, pursuant to an offer of a subagency, acts as  
29 the agent of a seller.

30 (24) (a) "Statutory broker" means a broker or salesperson who assists one or more parties to a real estate

1 transaction without acting as an agent or representative of any party to the real estate transaction.

2 (b) A broker or salesperson is presumed to be acting as a statutory broker unless the broker or  
3 salesperson has entered into a listing agreement with a seller or a buyer broker agreement with a buyer or has  
4 disclosed, as required in this chapter, a relationship other than that of a statutory broker.

5 (25) "Supervising broker" means a licensed broker with whom a licensed salesperson is associated,  
6 either directly, indirectly, regularly, or occasionally, to sell, purchase, or negotiate for the sale, purchase,  
7 exchange, or renting of real estate.

8 (26) "Supervising broker endorsement" means an endorsement to a broker license that is required of any  
9 licensed broker who supervises licensed salespersons performing real estate activity."

10

11 **Section 26.** Section 37-51-301, MCA, is amended to read:

12 **"37-51-301. License required -- limited to persons.** (1) It is unlawful for a person to engage in or  
13 conduct, directly or indirectly, or to advertise or ~~hold himself out~~ represent to the public as engaging in or  
14 conducting the business or acting in the capacity of a real estate broker or a real estate salesperson within this  
15 state without a license as a broker or salesperson or otherwise complying with this chapter.

16 (2) It is unlawful for a person to supervise licensed salespersons or to act in the capacity of a supervising  
17 broker unless the person has a valid and active Montana broker license and a supervising broker endorsement.

18 ~~(2)(3)~~ Corporations, partnerships, and associations may not be licensed under this chapter. A corporation  
19 or a partnership may act as a licensee if every corporate officer and every partner performing the functions of a  
20 licensee is licensed under this chapter. All officers of a corporation or all members of a partnership acting as a  
21 licensee are in violation of this chapter unless there is full compliance with this subsection."

22

23 **Section 27.** Section 37-51-302, MCA, is amended to read:

24 **"37-51-302. Broker or salesperson license -- qualifications of applicant -- supervising broker**  
25 **endorsement.** (1) Licenses may be granted only to individuals considered by the board to be of good repute and  
26 competent to transact the business of a broker or salesperson in a manner ~~as to safeguard~~ that safeguards the  
27 interests of the public.

28 (2) An applicant for a broker's license:

29 (a) must be at least 18 years of age;

30 (b) must have graduated from an accredited high school or completed an equivalent education as

1 determined by the board;

2 (c) must have been actively engaged as a licensed real estate salesperson for a period of 2 years or  
3 have had experience or special education equivalent to that which a licensed real estate salesperson ordinarily  
4 would receive during this 2-year period as determined by the board, except that if the board finds that an applicant  
5 could not obtain employment as a licensed real estate salesperson because of conditions existing in the area  
6 where the applicant resides, the board may waive this experience requirement;

7 (d) shall file an application for a license with the department; and

8 (e) shall furnish written evidence that the applicant has completed 60 classroom or equivalent hours, in  
9 addition to those required to secure a salesperson's license, in a course of study approved by the board and  
10 taught by instructors approved by the board and has satisfactorily passed an examination dealing with the  
11 material taught in each course. The course of study must include the subjects of real estate principles, real estate  
12 law, real estate finance, and related topics.

13 (3) The board shall require information it considers necessary from an applicant to determine honesty,  
14 trustworthiness, and competency.

15 (4) (a) An applicant for a salesperson's license:

16 (i) must be at least 18 years of age;

17 (ii) must have received credit for completion of 2 years of full curriculum study at an accredited high  
18 school or completed an equivalent education as determined by the board;

19 (iii) shall file an application for a license with the department; and

20 (iv) shall furnish written evidence that the applicant has completed 60 classroom or equivalent hours in  
21 a course of study approved by the board and taught by instructors approved by the board and has satisfactorily  
22 passed an examination dealing with the material taught in each course. The course of study must include the  
23 subjects of real estate principles, real estate law and ethics, real estate finance, and related topics.

24 (b) The application must be accompanied by the recommendation of the licensed broker by whom the  
25 applicant will be employed or placed under contract, certifying that the applicant is of good repute and that the  
26 broker will actively supervise and train the applicant during the period the requested license remains in effect.

27 (5) The department shall issue to each licensed broker and to each licensed salesperson a license and  
28 a pocket card in a form and size that the board prescribes.

29 (6) (A) An applicant for a supervising broker endorsement shall meet the education and experience  
30 requirements established by the board by rule: EXCEPT THAT:



1 (I) ANY BROKER LICENSED PRIOR TO OCTOBER 1, 2007, IS ENTITLED TO A SUPERVISING BROKER ENDORSEMENT  
 2 PROVIDED THAT THE BROKER INDICATES ON THE BROKER'S LICENSE RENEWAL FORM FOR THE 2008 CALENDAR YEAR THE  
 3 BROKER'S INTENTION TO OBTAIN THE ENDORSEMENT;

4 (II) A BROKER WHO OBTAINS A SUPERVISING BROKER ENDORSEMENT PURSUANT TO SUBSECTION (6)(A)(I) IS  
 5 SUBJECT TO THE ENDORSEMENT RENEWAL REQUIREMENTS ADOPTED BY THE BOARD BY RULE IN ORDER TO SUPERVISE  
 6 ONE OR MORE LICENSED SALESPERSONS;

7 (III) CONTINUING EDUCATION REQUIREMENTS FOR A SUPERVISING BROKER ENDORSEMENT MAY NOT BE IN  
 8 ADDITION TO THE CONTINUING EDUCATION REQUIREMENTS FOR A LICENSED BROKER WITH RESPECT TO THE TOTAL  
 9 NUMBER OF HOURS OR CREDITS REQUIRED.

10 (B) THE BOARD MAY NOT ASSESS A LICENSING FEE FOR OBTAINING OR RENEWING A SUPERVISING BROKER  
 11 ENDORSEMENT."

12

13 **Section 28.** Section 37-60-101, MCA, is amended to read:

14 **"37-60-101. Definitions.** As used in this chapter, the following definitions apply:

15 (1) "Alarm response runner" means ~~any~~ an individual employed by an electronic security company, a  
 16 contract security company, or a proprietary security organization to respond to security alarm system signals.

17 (2) "Armed" means an individual who at any time wears, carries, or possesses a firearm in the  
 18 performance of professional duties.

19 ~~(2)~~(3) "Armed carrier service" means any person or security company who transports or offers to  
 20 transport under armed private security guard from one place to another any currency, documents, papers, maps,  
 21 stocks, bonds, checks, or other items of value that require expeditious delivery.

22 ~~(3)~~(4) "Armed private investigator" means a private investigator who at any time wears, carries, or  
 23 possesses, or has access to a firearm in the performance of the individual's duties.

24 ~~(4)~~(5) "Armed private security guard" means an individual employed by a contract security company or  
 25 a proprietary security organization whose duty or any portion of whose duty is that of a security guard, armored  
 26 car service guard, or carrier service guard, ~~or alarm response runner~~ and who at any time wears or carries a  
 27 firearm in the performance of the individual's duties.

28 ~~(5)~~(6) "Armored car service" means any person or security company who transports or offers to transport  
 29 under armed private security guard from one place to another any currency, jewels, stocks, bonds, paintings, or  
 30 other valuables of any kind in a specially equipped motor vehicle that offers a high degree of security.

1 ~~(6)(7)~~ "Board" means the board of private security patrol officers and investigators provided for in  
2 2-15-1781.

3 ~~(7)(8)~~ "Branch office" means any office of a licensee within the state, other than its principal place of  
4 business within the state.

5 ~~(8)(9)~~ "Contract security company" means any person who ~~installs or maintains a security alarm system,~~  
6 undertakes to provide a private security guard, alarm response runner, armored car service, street patrol service,  
7 or armed carrier service on a contractual basis to another person who exercises no direction and control over the  
8 performance of the details of the services rendered.

9 ~~(9)(10)~~ "Department" means the department of labor and industry provided for in 2-15-1701.

10 (11) (A) "Electronic security company" means a person who installs, services, or maintains a security  
11 alarm system and who undertakes to hire, employ, and provide alarm response runners and security alarm  
12 installers on a contractual basis to another person who does not exercise direction and control over the  
13 performance of the services rendered.

14 (B) THE TERM DOES NOT INCLUDE A PERSON WHOSE PRIMARY BUSINESS IS THAT OF A LOCKSMITH AND WHO MAY  
15 ALSO INSTALL CLOSED CIRCUIT TELEVISION CAMERAS AND BATTERY-OPERATED DOOR DEVICES.

16 (12) (a) "Fire investigator" means a person other than an individual identified in subsection (12)(b) who  
17 for any consideration:

18 (i) makes or agrees to make an investigation with reference to:

19 (A) a fire to identify evidence and determine cause of the fire; or

20 (B) accidents involving suspected negligence or arson for criminal or civil action;

21 (ii) testifies as an expert witness for investigations identified under this subsection (12); or

22 (iii) cooperates with law enforcement agencies in conducting fire investigations and collecting evidence  
23 relating to fires.

24 (b) The term does not mean an insurance adjuster, an individual designated as the state fire marshal  
25 under 2-15-2005, or a member of:

26 (i) a fire department as described in 7-3-1345;

27 (ii) law enforcement; or

28 (iii) an entity organized under Title 7, chapter 33.

29 (13) "Firearms course" means the course approved by the board and conducted by a firearms instructor.

30 (14) "Firearms instructor" means an individual who has been approved by the board to instruct firearms

1 courses in the use of weapons.

2 ~~(10)(15)~~ "Insurance adjuster" means a person employed by an insurance company, other than a private  
3 investigator, who for any consideration ~~whatsoever~~ conducts investigations in the course of adjusting or otherwise  
4 participating in the disposal of any claims in connection with a policy of insurance but who does not perform  
5 surveillance activities or investigate crimes ~~or wrongs committed or threatened~~ against the United States or any  
6 state or territory of the United States.

7 ~~(11)(16)~~ "Licensee" means a person licensed under this chapter.

8 ~~(12)(17)~~ "Paralegal" or "legal assistant" means a person qualified through education, training, or work  
9 experience to perform substantive legal work that requires knowledge of legal concepts and that is customarily  
10 but not exclusively performed by a lawyer and who may be retained or employed by one or more lawyers, law  
11 offices, governmental agencies, or other entities or who may be authorized by administrative, statutory, or court  
12 authority to perform this work.

13 ~~(13)(18)~~ "Person" ~~includes any~~ means an individual, firm, company, association, organization,  
14 partnership, ~~and or~~ corporation.

15 ~~(14)(19)~~ "Private investigator" means a person other than an insurance adjuster who for any  
16 consideration ~~whatsoever~~ makes or agrees to make any investigation with reference to:

17 (a) crimes ~~or wrongs done or threatened~~ against the United States or any state or territory of the United  
18 States;

19 (b) the identity, habits, conduct, business, occupation, honesty, integrity, trustworthiness, efficiency,  
20 loyalty, activity, movement, ~~whereabouts~~ location, affiliations, associations, transactions, reputation, or character  
21 of any person;

22 (c) the location, disposition, or recovery of lost or stolen property;

23 (d) the cause or responsibility for ~~fires~~, libels, losses, accidents, or injury to persons or property; or

24 (e) ~~securing~~ gathering evidence to be used before any court, board, officer, or investigating committee.

25 ~~(15)(20)~~ "Private security guard" means an individual employed or assigned duties to protect a person  
26 or property or both a person and property from criminal acts and whose duties or any portion of whose duties  
27 include but are not limited to the prevention of unlawful entry, theft, criminal mischief, arson, or trespass on private  
28 property or the direction of the movements of the public in public areas.

29 ~~(16)(21)~~ "Proprietary security organization" means any person who employs a private security guard,  
30 alarm response runner, armored car service, street patrol service, or armed carrier service on a routine basis

1 solely for the purposes of that person and exerts direction and control over the performance of the details of the  
2 service rendered.

3 ~~(17) "Qualifying agent" means, in the case of a corporation, a corporate employee employed in a  
4 management capacity or, in the case of a partnership, a general or unlimited partner meeting the qualifications  
5 set forth in this chapter for the operation of a contract security company, proprietary security organization, or  
6 private investigator, whichever is applicable.~~

7 ~~(18)~~(22) "Resident manager" means the person appointed to exercise direct supervision, control, charge,  
8 management, or operation of each branch office located in this state where the business of the licensee is  
9 conducted.

10 (23) (A) "Security alarm installer" means an individual who installs, services, or maintains security alarm  
11 systems to detect and signal unauthorized intrusion, movement, break-in, or criminal acts and is employed by  
12 an electronic security company.

13 (B) THE TERM DOES NOT INCLUDE A PERSON WHOSE PRIMARY BUSINESS IS THAT OF A LOCKSMITH AND WHO MAY  
14 ALSO INSTALL CLOSED CIRCUIT TELEVISION CAMERAS AND BATTERY-OPERATED DOOR DEVICES.

15 ~~(19)~~(24) (a) "Security alarm system" means an assembly of equipment and devices or a single device;  
16 ~~such as a solid state unit that plugs directly into a 110-volt AC line, designed~~ or a portion of a system intended  
17 to detect or signal or to both detect and signal unauthorized intrusion, movement, or criminal acts at a protected  
18 premises and to which signals police, private security guards, or alarm response runners are expected to respond  
19 location.

20 (b) The term does not include ~~alarm systems and alarm systems~~ that monitor temperature, humidity, or  
21 any other atmospheric condition not directly related to the detection of an unauthorized intrusion or criminal act  
22 at a ~~premises~~ location.

23 (25) "Security company" means an electronic security company, a proprietary security organization, or  
24 a contract security company.

25 ~~(20)~~(26) "Street patrol service" means ~~any contract security company or proprietary security organization  
26 that uses foot patrols, motor vehicles, or any other means of transportation to maintain public order or detect  
27 criminal activities in public areas or thoroughfares~~ a person providing patrols by means of foot, vehicle, or other  
28 method of transportation using public street, thoroughfares, or property in the performance of the person's duties  
29 and responsibilities.

30 ~~(24)~~(27) "Unarmed private investigator" means a private investigator who does not wear, carry, or

1 possess, ~~or have access to~~ a firearm in the performance of the individual's duties.

2 ~~(22)(28)~~ "Unarmed private security guard" means an individual who is employed by a contract security  
3 company or a proprietary security organization, whose duty or any portion of whose duty is that of a private  
4 security guard, armored car service guard, or alarm response runner, and who does not wear ~~or~~, carry, or  
5 possess a firearm in the performance of those duties."  
6

7 **Section 29.** Section 37-60-103, MCA, is amended to read:

8 **"37-60-103. Purpose.** The purpose of this chapter is to increase the levels of integrity, competency, and  
9 performance of ~~private security personnel~~ companies and their employees who are required to be licensed,  
10 firearms instructors, fire investigators, and private investigators ~~in order~~ to safeguard the public health, safety,  
11 and welfare against illegal, improper, or incompetent actions committed by ~~private security personnel~~ companies  
12 and their licensed employees, firearms instructors, fire investigators, or private investigators."  
13

14 **Section 30.** Section 37-60-202, MCA, is amended to read:

15 **"37-60-202. Rulemaking power.** The board shall adopt and enforce rules:

16 (1) fixing the qualifications of resident managers, ~~qualifying agents,~~ licensees, and holders of  
17 identification cards, in addition to those prescribed in this chapter, necessary to promote and protect the public  
18 welfare;

19 (2) establishing, in accordance with 37-1-134, application fees for original ~~or renewal~~ licenses and  
20 identification cards, and providing for refunding of any fees;

21 (3) (a) ~~prohibiting~~ requiring approval of the board prior to the establishment of branch offices of any  
22 licensee, ~~except a proprietary security organization, without approval by the board;~~ and

23 (b) establishing qualification requirements and license fees for branch offices identified in subsection  
24 (3)(a);

25 (4) for the certification of private investigator ~~and,~~ private security guard, security alarm installer, and  
26 alarm response runner training programs, including the certification of firearms training programs;

27 (5) for the licensure of firearms instructors;

28 (6) for the approval of weapons;

29 (7) requiring the maintenance of records;

30 (8) requiring licensees to file an insurance policy with the board; and

1 (9) providing for the issuance of probationary identification cards for private investigators and security  
 2 alarm installers who do not meet the requirements for age, employment experience, ~~and or~~ written examination."

3  
 4 **Section 31.** Section 37-60-301, MCA, is amended to read:

5 **"37-60-301. License required.** (1) Except as provided in 37-60-105 ~~and 37-60-315~~, it is unlawful for any  
 6 person to act as or perform the duties, as defined in 37-60-101, of a contract security company ~~or, a~~ proprietary  
 7 security organization, an electronic security company, a branch office, a private investigator, a fire investigator,  
 8 a security alarm installer, an alarm response runner, a resident manager, a certified firearms instructor, or a  
 9 private security guard without having first obtained a license from the board. ~~Those persons licensed on April 18,~~  
 10 ~~1983, shall retain their current licensure status and shall renew their licenses on the renewal date as prescribed~~  
 11 ~~by the department.~~

12 (2) It is unlawful for any unlicensed person to act as, pretend to be, or represent to the public that the  
 13 person is licensed as ~~a private investigator, a contract security company, a proprietary security organization, an~~  
 14 electronic security company, a branch office, a private investigator, a fire investigator, a security alarm installer,  
 15 an alarm response runner, a resident manager, a certified firearms instructor, or a private security guard.

16 (3) A person appointed by the court as a confidential intermediary under 42-6-104 is not required to be  
 17 licensed under this chapter. A person who is licensed under this chapter is not authorized to act as a confidential  
 18 intermediary, as defined in 42-1-103, without meeting the requirements of 42-6-104.

19 (4) A person who knowingly engages an unlicensed ~~private investigator, private security guard, or~~  
 20 ~~contract security company, proprietary security organization, electronic security company, branch office, private~~  
 21 investigator, fire investigator, security alarm installer, alarm response runner, resident manager, certified firearms  
 22 instructor, or private security guard is guilty of a misdemeanor punishable under 37-60-411."

23  
 24 **Section 32.** Section 37-60-302, MCA, is amended to read:

25 **"37-60-302. ~~Qualifying agent and resident~~ Resident manager required --substitution.** (1) Any  
 26 ~~out-of-state~~ contract security company, electronic security company, or proprietary security organization that  
 27 applies for a license under this chapter shall, ~~before application to the board,~~ appoint for the duration of the  
 28 license ~~a qualifying agent and a resident manager. Every qualifying agent and~~ Each resident manager shall  
 29 satisfy the appropriate licensing requirements of this chapter.

30 (2) A separate resident manager must be appointed for each branch office located in this state, and the

1 business of the applicant or licensee must be conducted under the resident manager's direct supervision and  
2 control.

3 (3) ~~If a qualifying agent or resident manager for any reason ceases to perform the duties of a qualifying~~  
4 ~~agent or resident manager on a regular basis, the licensee shall promptly notify the board of that fact and of the~~  
5 ~~name of a substitute individual, who shall apply to the board for continuation of the license. Pending application~~  
6 ~~by and board action upon the application of the substitute, the board may suspend the license or extend it for a~~  
7 ~~reasonable time."~~

8

9 **Section 33.** Section 37-60-303, MCA, is amended to read:

10 **"37-60-303. License qualifications.** (1) Except as provided in subsection (7)(a), an applicant for  
11 licensure under this chapter is subject to the provisions of this section and shall submit evidence under oath that  
12 the applicant:

- 13 (a) is at least 18 years of age;
- 14 (b) is a citizen of the United States or a legal, permanent resident of the United States;
- 15 (c) has not been convicted in any jurisdiction of any felony or any crime involving moral turpitude or illegal  
16 use or possession of a dangerous weapon, for which a full pardon or similar relief has not been granted;
- 17 (d) has not been judicially declared incompetent by reason of any mental defect or disease or, if so  
18 declared, has been fully restored;
- 19 (e) is not suffering from habitual drunkenness or from narcotics addiction or dependence;
- 20 (f) is of good moral character; and
- 21 (g) has complied with other experience qualifications as may be set by the rules of the board.

22 (2) In addition to meeting the qualifications in subsection (1), an applicant for licensure as a private  
23 security guard, security alarm installer, or alarm response runner shall:

- 24 (a) complete the ~~training~~ requirements of a ~~private security guard~~ training program certified by the board  
25 and provide, on a form prescribed by the board, written notice of satisfactory completion of the training; and
- 26 (b) fulfill other requirements as the board may by rule prescribe.

27 (3) In addition to meeting the qualifications in subsection (1), each applicant for a license to act as a  
28 private investigator shall submit evidence under oath that the applicant:

- 29 (a) is at least 21 years of age;
- 30 (b) has at least a high school education or the equivalent;

- 1 (c) has not been dishonorably discharged from any branch of the United States military service; and  
 2 (d) has fulfilled any other requirements as the board may by rule prescribe.

3 (4) The board may require an applicant to demonstrate by written examination additional qualifications  
 4 as the board may by rule require.

5 (5) An applicant who will wear, ~~or~~ carry, or possess a firearm in performance of the applicant's duties  
 6 shall submit written notice of satisfactory completion of a firearms training program certified by or satisfactory to  
 7 the board, as the board may by rule prescribe.

8 (6) Except for an applicant subject to the provisions of subsection (7)(a), the board shall require a  
 9 background investigation of each applicant for licensure under this chapter that includes a fingerprint check by  
 10 the Montana department of justice and the federal bureau of investigation.

11 (7) (a) A firm, company, association, partnership, limited liability company, corporation, or other entity  
 12 that intends to engage in business governed by the provisions of this chapter must be incorporated under the  
 13 laws of this state or qualified to do business within this state and must be licensed by the board.

14 (b) Individual employees, officers, directors, agents, or other representatives of an entity described in  
 15 subsection (7)(a) who engage in duties that are subject to the provisions of this part must be licensed pursuant  
 16 to the requirements of this part."

17

18 **Section 34.** Section 37-60-304, MCA, is amended to read:

19 **"37-60-304. Licenses -- application form and content.** (1) ~~Except as provided in 37-60-303(7), an An~~  
 20 application for a license must be submitted to the department and accompanied by the application fee set by the  
 21 board.

22 (2) An application must be made under oath and must include:

- 23 (a) the full name and address of the applicant;  
 24 (b) the name under which the applicant intends to do business;  
 25 (c) a statement as to the general nature of the business in which the applicant intends to engage;  
 26 (d) a statement as to whether the applicant desires to be licensed as a contract security company, a  
 27 proprietary security organization, an electronic security company, a branch office, a certified firearms instructor,  
 28 a private investigator, a fire investigator, a security alarm installer, an alarm response runner, a resident manager,  
 29 or a private security guard;

30 (e) except for an applicant pursuant to 37-60-303(7)(a), one recent photograph of the applicant, of a type



1 prescribed by the department, and one classifiable set of the applicant's fingerprints;

2 (f) a statement of the applicant's age and experience qualifications, except for an applicant pursuant to  
3 37-60-303(7)(a); and

4 (g) other information, evidence, statements, or documents as may be prescribed by the rules of the  
5 board.

6 (3) The board shall verify the statements in the application ~~and the applicant's moral character.~~

7 (4) The submittal of fingerprints is a prerequisite to the issuance of a license, except under  
8 37-60-303(7)(a), by means of fingerprint checks by the Montana department of justice and the federal bureau of  
9 investigation."

10

11 **Section 35.** Section 37-60-309, MCA, is amended to read:

12 **"37-60-309. Form of license and identification cards.** The license, and identification card, ~~and~~  
13 ~~temporary identification card for temporary security guards~~ must be in a form determined by the board."

14

15 **Section 36.** Section 37-60-310, MCA, is amended to read:

16 **"37-60-310. Display of license and identification card.** (1) A license must at all times be posted in a  
17 conspicuous place in the principal place of business of the licensee.

18 (2) A holder of an identification card ~~or a temporary identification card~~ shall carry the card while  
19 performing the cardholder's duties. A peace officer of this state or any of its political subdivisions may request  
20 to see the card at any reasonable time, and the card must be shown."

21

22 **Section 37.** Section 37-60-314, MCA, is amended to read:

23 **"37-60-314. Nontransferability of license -- record changes.** (1) ~~No~~ A license issued under this  
24 chapter is not transferable.

25 (2) A licensee shall notify the board within 5 days of any change in its officers or directors, name,  
26 address, employment, or other material change in the information previously furnished or required to be furnished  
27 to the board or any other material change or occurrence that could reasonably be expected to affect the licensee's  
28 right to a license. Upon ~~such~~ the change or occurrence, the board may suspend or revoke the license or may  
29 allow the business to be carried on for a temporary period under terms and conditions as the board may require.

30 (3) This section may not be applied to restrict the sale of a business if the buyer qualifies for a license

1 under the provisions of this chapter."

2

3 **Section 38.** Section 37-60-402, MCA, is amended to read:

4 **"37-60-402. Confidentiality of information -- false reports -- badges and uniforms -- illegal entry.**

5 (1) A licensee or officer, director, partner, or manager of a licensee may divulge to any law enforcement officer  
6 or county attorney or ~~his~~ representative of the county attorney any information ~~he~~ that the licensee or officer,  
7 director, partner, or manager of a licensee may acquire as to any criminal offense; but ~~he~~ may not divulge to any  
8 other person, except as required by law, any information acquired ~~by him~~ except at the direction of the employer  
9 or client for whom the information was obtained.

10 (2) ~~No~~ A licensee or officer, director, partner, manager, or employee of a licensee may not knowingly  
11 make any false report to ~~his~~ an employer or client for whom information was being obtained.

12 (3) ~~No~~ A written report may not be submitted to a client except by the licensee, ~~qualifying manager,~~  
13 a person authorized by ~~either of them~~ the licensee, and the person submitting the report shall exercise diligence  
14 in ascertaining whether or not the facts and information in the report are true and correct.

15 (4) ~~No~~ A licensee or officer, director, partner, manager, or employee of a licensee may not use a title,  
16 wear a uniform, use an identification card, or make any statement with the intent to give an impression that ~~he~~  
17 the licensee or officer, director, partner, manager, or employee of a licensee is connected in any way with the  
18 federal government, a state government, a law enforcement agency, or any political subdivision of a state  
19 government unless the licensee has a contract with the agency.

20 (5) ~~No~~ A licensee or officer, director, partner, manager, or employee of a licensee may not enter any  
21 private building or portion ~~thereof~~ of a private building without the consent of the owner or of the person in legal  
22 possession ~~thereof~~ of the private building."

23

24 **Section 39.** Section 37-60-403, MCA, is amended to read:

25 **"37-60-403. Licensee advertising.** Every advertisement by a licensee soliciting or advertising business  
26 ~~shall must~~ contain ~~his~~ the licensee's name ~~and~~, address, and license number as they appear in the records of  
27 the board."

28

29 **Section 40.** Section 37-60-409, MCA, is amended to read:

30 **"37-60-409. Installation of new security alarm systems by electrician.** An electrician who has

1 received a license from the department pursuant to 37-68-301 may install new security alarm systems under the  
 2 direction of a journeyman licensed security alarm installer, ~~but such work.~~ Work performed by an electrician under  
 3 this section is subject to inspection and approval by a security alarm installer licensed under 37-60-303."  
 4

5 **Section 41.** Section 37-73-208, MCA, is amended to read:

6 **"37-73-208. Elevator inspector's license -- temporary license.** (1) A person intending to engage in  
 7 work as an elevator inspector shall apply for a license as an elevator inspector on forms provided by the  
 8 department.

9 (2) The department may not grant an applicant an elevator inspector's license unless the applicant  
 10 demonstrates that the applicant meets the current national standards for the qualifications of elevator inspectors.  
 11 The department shall designate by rule the national standards that must be met by an applicant.

12 (3) A newly hired elevator inspector who is not properly certified may conduct inspections for up to 6  
 13 months under a temporary license if the elevator inspector is supervised during the 6-month period of temporary  
 14 licensure by appropriately certified personnel."  
 15

16 ~~Section 43.~~ Section 50-4-504, MCA, is amended to read:

17 ~~"50-4-504. Definitions.~~ As used in this part, the following definitions apply:

18 ~~(1) "Department" means the department of public health and human services provided for in Title 2,~~  
 19 ~~chapter 15, part 22.~~

20 ~~(2) "Health care" includes both physical health care and mental health care.~~

21 ~~(3) "Health care facility" means all facilities and institutions, whether public or private, proprietary or~~  
 22 ~~nonprofit, that offer diagnosis, treatment, and inpatient or ambulatory outpatient care to two or more unrelated~~  
 23 ~~persons. The term includes all facilities and institutions included in the definition of health care facility contained~~  
 24 ~~in 50-5-101. The term does not apply to a facility operated by religious groups relying solely on spiritual means,~~  
 25 ~~through prayer, for healing.~~

26 ~~(4) "Health care provider" or "provider" means a person who is licensed, certified, or otherwise authorized~~  
 27 ~~by the laws of this state to provide health care in the ordinary course of business or practice of a profession.~~

28 ~~(5) "Health insurer" means any health insurance company, health service corporation, health~~  
 29 ~~maintenance organization, insurer providing disability insurance as described in 33-1-207, and, to the extent~~  
 30 ~~permitted under federal law, any administrator of an insured, self-insured, or publicly funded health care benefit~~

1 plan offered by public and private entities."

2

3 ~~Section 44.~~ Section 50-4-605, MCA, is amended to read:

4 ~~"50-4-605. Definitions.~~ For the purposes of this part, the following definitions apply:

5 ~~(1) "Certificate of public advantage" or "certificate" means a written certificate issued by the department~~  
 6 ~~as evidence of the department's intention that the implementation of a cooperative agreement, when actively~~  
 7 ~~supervised by the department, receive state action immunity from prosecution as a violation of state or federal~~  
 8 ~~antitrust laws.~~

9 ~~(2) "Cooperative agreement" or "agreement" means a written agreement between two or more health~~  
 10 ~~care facilities for the sharing, allocation, or referral of patients; personnel; instructional programs; emergency~~  
 11 ~~medical services; support services and facilities; medical, diagnostic, or laboratory facilities or procedures; or~~  
 12 ~~other services customarily offered by health care facilities.~~

13 ~~(3) "Department" means the department of justice provided for in Title 2, chapter 15, part 20.~~

14 ~~(4) (a) "Health care facility" means all facilities and institutions, whether public or private, proprietary or~~  
 15 ~~nonprofit, that offer diagnosis, treatment, and inpatient or ambulatory outpatient care to two or more unrelated~~  
 16 ~~persons. The term includes all facilities and institutions included in the definition of health care facility contained~~  
 17 ~~in 50-5-101.~~

18 ~~(b) The term does not apply to a facility operated by religious groups relying solely on spiritual means,~~  
 19 ~~through prayer, for healing."~~

20

21 ~~Section 45.~~ Section 50-5-101, MCA, is amended to read:

22 ~~"50-5-101. (Temporary) Definitions.~~ As used in parts 1 through 3 of this chapter, unless the context  
 23 clearly indicates otherwise, the following definitions apply:

24 ~~(1) "Accreditation" means a designation of approval.~~

25 ~~(2) "Accreditation association for ambulatory health care" means the organization nationally recognized~~  
 26 ~~by that name that surveys ambulatory outpatient centers for surgical centers services upon their requests and~~  
 27 ~~grants accreditation status to the ambulatory outpatient centers for surgical centers services that it finds meet its~~  
 28 ~~standards and requirements.~~

29 ~~(3) "Activities of daily living" means tasks usually performed in the course of a normal day in a resident's~~  
 30 ~~life that include eating, walking, mobility, dressing, grooming, bathing, toileting, and transferring.~~

1 ~~———— (4) "Adult day-care center" means a facility, freestanding or connected to another health care facility, that~~  
2 ~~provides adults, on a regularly scheduled basis, with the care necessary to meet the needs of daily living but that~~  
3 ~~does not provide overnight care.~~

4 ~~———— (5) (a) "Adult foster care home" means a private home or other facility that offers, except as provided~~  
5 ~~in 50-5-216, only light personal care or custodial care to four or fewer disabled adults or aged persons who are~~  
6 ~~not related to the owner or manager of the home by blood, marriage, or adoption or who are not under the full~~  
7 ~~guardianship of the owner or manager.~~

8 ~~———— (b) As used in this subsection (5), the following definitions apply:~~

9 ~~———— (i) "Aged person" means a person as defined by department rule as aged.~~

10 ~~———— (ii) "Custodial care" means providing a sheltered, family-type setting for an aged person or disabled adult~~  
11 ~~so as to provide for the person's basic needs of food and shelter and to ensure that a specific person is available~~  
12 ~~to meet those basic needs.~~

13 ~~———— (iii) "Disabled adult" means a person who is 18 years of age or older and who is defined by department~~  
14 ~~rule as disabled.~~

15 ~~———— (iv) (A) "Light personal care" means assisting the aged person or disabled adult in accomplishing such~~  
16 ~~personal hygiene tasks as, including bathing, dressing, and hair grooming and supervision of prescriptive~~  
17 ~~medicine administration.~~

18 ~~———— (B) The term does not include the administration of prescriptive medications.~~

19 ~~———— (6) "Affected person" means an applicant for a certificate of need, a health care facility located in the~~  
20 ~~geographic area affected by the application, an agency that establishes rates for health care facilities, or a~~  
21 ~~third-party payer who reimburses health care facilities in the area affected by the proposal.~~

22 ~~———— (7) "Assisted living facility" means a congregate residential setting that provides or coordinates personal~~  
23 ~~care, 24-hour supervision and assistance, both scheduled and unscheduled, and activities and health-related~~  
24 ~~services.~~

25 ~~———— (8) "Capital expenditure" means:~~

26 ~~———— (a) an expenditure made by or on behalf of a health care facility that, under generally accepted~~  
27 ~~accounting principles, is not properly chargeable as an expense of operation and maintenance; or~~

28 ~~———— (b) a lease, donation, or comparable arrangement that would be a capital expenditure if money or any~~  
29 ~~other property of value had changed hands.~~

30 ~~———— (9) "Certificate of need" means a written authorization by the department for a person to proceed with~~

- 1 a proposal subject to 50-5-301.
- 2 ~~————(10) "Chemical dependency facility" means a facility whose function is the treatment, rehabilitation, and~~  
3 ~~prevention of the use of any chemical substance, including alcohol, that creates behavioral or health problems~~  
4 ~~and endangers the health, interpersonal relationships, or economic function of an individual or the public health,~~  
5 ~~welfare, or safety.~~
- 6 ~~————(11) "Clinical laboratory" means a facility for the microbiological, serological, chemical, hematological,~~  
7 ~~radiobioassay, cytological, immunohematological, pathological, or other examination of materials derived from~~  
8 ~~the human body for the purpose of providing information for the diagnosis, prevention, or treatment of a disease~~  
9 ~~or assessment of a medical condition.~~
- 10 ~~————(12) "College of American pathologists" means the organization nationally recognized by that name that~~  
11 ~~surveys clinical laboratories upon their requests and accredits clinical laboratories that it finds meet its standards~~  
12 ~~and requirements.~~
- 13 ~~————(13) "Commission on accreditation of rehabilitation facilities" means the organization nationally~~  
14 ~~recognized by that name that surveys rehabilitation facilities upon their requests and grants accreditation status~~  
15 ~~to a rehabilitation facility that it finds meets its standards and requirements.~~
- 16 ~~————(14) "Comparative review" means a joint review of two or more certificate of need applications that are~~  
17 ~~determined by the department to be competitive in that the granting of a certificate of need to one of the~~  
18 ~~applicants would substantially prejudice the department's review of the other applications.~~
- 19 ~~————(15) "Congregate" means the provision of group services designed especially for elderly or disabled~~  
20 ~~persons who require supportive services and housing.~~
- 21 ~~————(16) "Construction" means the physical erection of a health care facility and any stage of the physical~~  
22 ~~erection, including groundbreaking, or remodeling, replacement, or renovation of an existing health care facility.~~
- 23 ~~————(17) "Council on accreditation" means the organization nationally recognized by that name that surveys~~  
24 ~~behavioral treatment programs, chemical dependency treatment programs, residential treatment facilities, and~~  
25 ~~mental health centers upon their requests and grants accreditation status to programs and facilities that it finds~~  
26 ~~meet its standards and requirements.~~
- 27 ~~————(18) "Critical access hospital" means a facility that is located in a rural area, as defined in 42 U.S.C.~~  
28 ~~1395ww(d)(2)(D), and that has been designated by the department as a critical access hospital pursuant to~~  
29 ~~50-5-233.~~
- 30 ~~————(19) "Department" means the department of public health and human services provided for in 2-15-2201.~~

1 ~~———— (20) "End-stage renal dialysis facility" means a facility that specializes in the treatment of kidney diseases~~  
2 ~~and includes freestanding hemodialysis units.~~

3 ~~———— (21) "Federal acts" means federal statutes for the construction of health care facilities.~~

4 ~~———— (22) "Governmental unit" means the state, a state agency, a county, municipality, or political subdivision~~  
5 ~~of the state, or an agency of a political subdivision.~~

6 ~~———— (23) (a) "Health care facility" or "facility" means all or a portion of an institution, building, or agency, private~~  
7 ~~or public, excluding federal facilities, whether organized for profit or not, that is used, operated, or designed to~~  
8 ~~provide health services, medical treatment, or nursing, rehabilitative, or preventive care to any individual. The~~  
9 ~~term includes chemical dependency facilities, critical access hospitals, end-stage renal dialysis facilities, home~~  
10 ~~health agencies, home infusion therapy agencies, hospices, hospitals, infirmaries, long-term care facilities,~~  
11 ~~intermediate care facilities for the developmentally disabled, medical assistance facilities, mental health centers,~~  
12 ~~outpatient centers for primary care, outpatient centers for surgical services, rehabilitation facilities, residential care~~  
13 ~~facilities, and residential treatment facilities.~~

14 ~~———— (b) The term does not include offices of private physicians, dentists, or other physical or mental health~~  
15 ~~care workers regulated under Title 37, including licensed addiction counselors.~~

16 ~~———— (24) "Home health agency" means a public agency or private organization or subdivision of the agency~~  
17 ~~or organization that is engaged in providing home health services to individuals in the places where they live.~~  
18 ~~Home health services must include the services of a licensed registered nurse and at least one other therapeutic~~  
19 ~~service and may include additional support services.~~

20 ~~———— (25) "Home infusion therapy agency" means a health care facility that provides home infusion therapy~~  
21 ~~services.~~

22 ~~———— (26) "Home infusion therapy services" means the preparation, administration, or furnishing of parenteral~~  
23 ~~medications or parenteral or enteral nutritional services to an individual in that individual's residence. The services~~  
24 ~~include an educational component for the patient, the patient's caregiver, or the patient's family member.~~

25 ~~———— (27) "Hospice" means a coordinated program of home and inpatient health care that provides or~~  
26 ~~coordinates palliative and supportive care to meet the needs of a terminally ill patient and the patient's family~~  
27 ~~arising out of physical, psychological, spiritual, social, and economic stresses experienced during the final stages~~  
28 ~~of illness and dying and that includes formal bereavement programs as an essential component. The term~~  
29 ~~includes:~~

30 ~~———— (a) an inpatient hospice facility, which is a facility managed directly by a medicare-certified hospice that~~

1 meets all medicare certification regulations for freestanding inpatient hospice facilities; and  
 2 ~~———— (b) a residential hospice facility, which is a facility managed directly by a licensed hospice program that  
 3 can house three or more hospice patients.~~

4 ~~———— (28) (a) "Hospital" means a facility providing, by or under the supervision of licensed physicians, services  
 5 for medical diagnosis, treatment, rehabilitation, and care of injured, disabled, or sick individuals. Except as  
 6 otherwise provided by law, services provided may or may not include obstetrical care, emergency care, or any  
 7 other service allowed by state licensing authority. A hospital has an organized medical staff that is on call and  
 8 available within 20 minutes, 24 hours a day, 7 days a week, and provides 24-hour nursing care by licensed  
 9 registered nurses. The term includes:~~

10 ~~———— (i) hospitals specializing in providing health services for psychiatric, developmentally disabled, and  
 11 tubercular patients; and~~

12 ~~———— (ii) specialty hospitals.~~

13 ~~———— (b) The term does not include critical access hospitals.~~

14 ~~———— (29) "Infirmiry" means a facility located in a university, college, government institution, or industry for the  
 15 treatment of the sick or injured, with the following subdefinitions:~~

16 ~~———— (a) an "infirmiry--A" provides outpatient and inpatient care;~~

17 ~~———— (b) an "infirmiry--B" provides outpatient care only.~~

18 ~~———— (30) (a) "Intermediate care facility for the developmentally disabled" means a facility or part of a facility  
 19 that provides intermediate developmental disability care for two or more persons.~~

20 ~~———— (b) The term does not include community homes for persons with developmental disabilities that are  
 21 licensed under 53-20-305 or community homes for persons with severe disabilities that are licensed under  
 22 52-4-203.~~

23 ~~———— (31) "Intermediate developmental disability care" means the provision of intermediate nursing care  
 24 services, health-related services, and social services for persons with a developmental disability, as defined in  
 25 53-20-102, or for persons with related problems.~~

26 ~~———— (32) "Intermediate nursing care" means the provision of nursing care services, health-related services,  
 27 and social services under the supervision of a licensed nurse to patients not requiring 24-hour nursing care.~~

28 ~~———— (33) "Joint commission on accreditation of healthcare organizations" means the organization nationally  
 29 recognized by that name that surveys health care facilities upon their requests and grants accreditation status  
 30 to a health care facility that it finds meets its standards and requirements.~~



1 ~~———— (34) "Licensed health care professional" means a licensed physician, physician assistant, advanced~~  
2 ~~practice registered nurse, or registered nurse who is practicing within the scope of the license issued by the~~  
3 ~~department of labor and industry.~~

4 ~~———— (35) (a) "Long-term care facility" means a facility or part of a facility that provides skilled nursing care,~~  
5 ~~residential care, intermediate nursing care, or intermediate developmental disability care to a total of two or more~~  
6 ~~individuals or that provides personal care.~~

7 ~~———— (b) The term does not include community homes for persons with developmental disabilities licensed~~  
8 ~~under 53-20-305; community homes for persons with severe disabilities, licensed under 52-4-203; youth care~~  
9 ~~facilities, licensed under 52-2-622; hotels, motels, boardinghouses, roominghouses, or similar accommodations~~  
10 ~~providing for transients, students, or individuals who do not require institutional health care; or juvenile and adult~~  
11 ~~correctional facilities operating under the authority of the department of corrections.~~

12 ~~———— (36) "Medical assistance facility" means a facility that meets both of the following:~~

13 ~~———— (a) provides inpatient care to ill or injured individuals before their transportation to a hospital or that~~  
14 ~~provides inpatient medical care to individuals needing that care for a period of no longer than 96 hours unless~~  
15 ~~a longer period is required because transfer to a hospital is precluded because of inclement weather or~~  
16 ~~emergency conditions. The department or its designee may, upon request, waive the 96-hour restriction~~  
17 ~~retroactively and on a case-by-case basis if the individual's attending physician, physician assistant, or nurse~~  
18 ~~practitioner determines that the transfer is medically inappropriate and would jeopardize the health and safety~~  
19 ~~of the individual.~~

20 ~~———— (b) either is located in a county with fewer than six residents a square mile or is located more than 35~~  
21 ~~road miles from the nearest hospital.~~

22 ~~———— (37) "Mental health center" means a facility providing services for the prevention or diagnosis of mental~~  
23 ~~illness, the care and treatment of mentally ill patients, the rehabilitation of mentally ill individuals, or any~~  
24 ~~combination of these services.~~

25 ~~———— (38) "Nonprofit health care facility" means a health care facility owned or operated by one or more~~  
26 ~~nonprofit corporations or associations.~~

27 ~~———— (39) "Offer" means the representation by a health care facility that it can provide specific health services.~~

28 ~~———— (40) (a) "Outdoor behavioral program" means a program that provides treatment, rehabilitation, and~~  
29 ~~prevention for behavioral problems that endanger the health, interpersonal relationships, or educational functions~~  
30 ~~of a youth and that:~~

- 1 ~~—— (i) serves either adjudicated or nonadjudicated youth;~~  
2 ~~—— (ii) charges a fee for its services; and~~  
3 ~~—— (iii) provides all or part of its services in the outdoors.~~  
4 ~~—— (b) "Outdoor behavioral program" does not include recreational programs such as boy scouts, girl scouts,~~  
5 ~~4-H clubs, or other similar organizations.~~  
6 ~~—— (41) "Outpatient center for primary care" means a facility that provides, under the direction of a licensed~~  
7 ~~physician, either diagnosis or treatment, or both, to ambulatory patients and that is not an outpatient center for~~  
8 ~~surgical services.~~  
9 ~~—— (42) "Outpatient center for surgical services" means a clinic, infirmary, or other institution or organization~~  
10 ~~that is specifically designed and operated to provide surgical services to patients not requiring hospitalization and~~  
11 ~~that may include recovery care beds.~~  
12 ~~—— (43) "Patient" means an individual obtaining services, including skilled nursing care, from a health care~~  
13 ~~facility.~~  
14 ~~—— (44) "Person" means an individual, firm, partnership, association, organization, agency, institution,~~  
15 ~~corporation, trust, estate, or governmental unit, whether organized for profit or not.~~  
16 ~~—— (45) "Personal care" means the provision of services and care for residents who need some assistance~~  
17 ~~in performing the activities of daily living.~~  
18 ~~—— (46) "Practitioner" means an individual licensed by the department of labor and industry who has~~  
19 ~~assessment, admission, and prescription authority.~~  
20 ~~—— (47) "Recovery care bed" means, except as provided in 50-5-235, a bed occupied for less than 24 hours~~  
21 ~~by a patient recovering from surgery or other treatment.~~  
22 ~~—— (48) "Rehabilitation facility" means a facility that is operated for the primary purpose of assisting in the~~  
23 ~~rehabilitation of disabled individuals by providing comprehensive medical evaluations and services, psychological~~  
24 ~~and social services, or vocational evaluation and training or any combination of these services and in which the~~  
25 ~~major portion of the services is furnished within the facility.~~  
26 ~~—— (49) "Resident" means an individual who is in a long-term care facility or in a residential care facility.~~  
27 ~~—— (50) "Residential care facility" means an adult day-care center, an adult foster care home, an assisted~~  
28 ~~living facility, or a retirement home.~~  
29 ~~—— (51) "Residential psychiatric care" means active psychiatric treatment provided in a residential treatment~~  
30 ~~facility to psychiatrically impaired individuals with persistent patterns of emotional, psychological, or behavioral~~

1 dysfunction of such severity as to require 24-hour supervised care to adequately treat or remedy the individual's  
 2 condition. Residential psychiatric care must be individualized and designed to achieve the patient's discharge  
 3 to less restrictive levels of care at the earliest possible time:

4 ~~———— (52) "Residential treatment facility" means a facility operated for the primary purpose of providing~~  
 5 residential psychiatric care to individuals under 21 years of age:

6 ~~———— (53) "Retirement home" means a building or buildings in which separate living accommodations are~~  
 7 rented or leased to individuals who use those accommodations as their primary residence:

8 ~~———— (54) "Skilled nursing care" means the provision of nursing care services, health-related services, and~~  
 9 social services under the supervision of a licensed registered nurse on a 24-hour basis:

10 ~~———— (55) "Specialty hospital" means a specialty hospital as defined in 50-5-245.~~

11 ~~———— (56) "State health care facilities plan" means the plan prepared by the department to project the need for~~  
 12 health care facilities within Montana and approved by the governor and a statewide health coordinating council  
 13 appointed by the director of the department:

14 ~~———— (57) "Swing bed" means a bed approved pursuant to 42 U.S.C. 1395tt to be used to provide either acute~~  
 15 care or extended skilled nursing care to a patient. (Terminates July 1, 2007--sec. 6, Ch. 365, L. 2005.)

16 ~~———— **50-5-101. (Effective July 1, 2007) Definitions.** As used in parts 1 through 3 of this chapter, unless the~~  
 17 context clearly indicates otherwise, the following definitions apply:

18 ~~———— (1) "Accreditation" means a designation of approval.~~

19 ~~———— (2) "Accreditation association for ambulatory health care" means the organization nationally recognized~~  
 20 by that name that surveys ambulatory outpatient centers for surgical centers services upon their requests and  
 21 grants accreditation status to the ambulatory outpatient centers for surgical centers services that it finds meet its  
 22 standards and requirements:

23 ~~———— (3) "Activities of daily living" means tasks usually performed in the course of a normal day in a resident's~~  
 24 life that include eating, walking, mobility, dressing, grooming, bathing, toileting, and transferring:

25 ~~———— (4) "Adult day-care center" means a facility, freestanding or connected to another health care facility, that~~  
 26 provides adults, on a regularly scheduled basis, with the care necessary to meet the needs of daily living but that  
 27 does not provide overnight care:

28 ~~———— (5) (a) "Adult foster care home" means a private home or other facility that offers, except as provided~~  
 29 in 50-5-216, only light personal care or custodial care to four or fewer disabled adults or aged persons who are  
 30 not related to the owner or manager of the home by blood, marriage, or adoption or who are not under the full

- 1 guardianship of the owner or manager.
- 2 ~~—— (b) As used in this subsection (5), the following definitions apply:~~
- 3 ~~—— (i) "Aged person" means a person as defined by department rule as aged.~~
- 4 ~~—— (ii) "Custodial care" means providing a sheltered, family-type setting for an aged person or disabled adult~~  
 5 ~~so as to provide for the person's basic needs of food and shelter and to ensure that a specific person is available~~  
 6 ~~to meet those basic needs.~~
- 7 ~~—— (iii) "Disabled adult" means a person who is 18 years of age or older and who is defined by department~~  
 8 ~~rule as disabled.~~
- 9 ~~—— (iv) (A) "Light personal care" means assisting the aged person or disabled adult in accomplishing such~~  
 10 ~~personal hygiene tasks as, including bathing, dressing, and hair grooming and supervision of prescriptive~~  
 11 ~~medicine administration.~~
- 12 ~~—— (B) The term does not include the administration of prescriptive medications.~~
- 13 ~~—— (6) "Affected person" means an applicant for a certificate of need, a health care facility located in the~~  
 14 ~~geographic area affected by the application, an agency that establishes rates for health care facilities, or a~~  
 15 ~~third-party payer who reimburses health care facilities in the area affected by the proposal.~~
- 16 ~~—— (7) "Assisted living facility" means a congregate residential setting that provides or coordinates personal~~  
 17 ~~care, 24-hour supervision and assistance, both scheduled and unscheduled, and activities and health-related~~  
 18 ~~services.~~
- 19 ~~—— (8) "Capital expenditure" means:~~
- 20 ~~—— (a) an expenditure made by or on behalf of a health care facility that, under generally accepted~~  
 21 ~~accounting principles, is not properly chargeable as an expense of operation and maintenance; or~~
- 22 ~~—— (b) a lease, donation, or comparable arrangement that would be a capital expenditure if money or any~~  
 23 ~~other property of value had changed hands.~~
- 24 ~~—— (9) "Certificate of need" means a written authorization by the department for a person to proceed with~~  
 25 ~~a proposal subject to 50-5-301.~~
- 26 ~~—— (10) "Chemical dependency facility" means a facility whose function is the treatment, rehabilitation, and~~  
 27 ~~prevention of the use of any chemical substance, including alcohol, that creates behavioral or health problems~~  
 28 ~~and endangers the health, interpersonal relationships, or economic function of an individual or the public health,~~  
 29 ~~welfare, or safety.~~
- 30 ~~—— (11) "Clinical laboratory" means a facility for the microbiological, serological, chemical, hematological,~~

1 radiobioassay, cytological, immunohematological, pathological, or other examination of materials derived from  
 2 the human body for the purpose of providing information for the diagnosis, prevention, or treatment of a disease  
 3 or assessment of a medical condition.

4 ~~———— (12) "College of American pathologists" means the organization nationally recognized by that name that~~  
 5 ~~surveys clinical laboratories upon their requests and accredits clinical laboratories that it finds meet its standards~~  
 6 ~~and requirements.~~

7 ~~———— (13) "Commission on accreditation of rehabilitation facilities" means the organization nationally~~  
 8 ~~recognized by that name that surveys rehabilitation facilities upon their requests and grants accreditation status~~  
 9 ~~to a rehabilitation facility that it finds meets its standards and requirements.~~

10 ~~———— (14) "Comparative review" means a joint review of two or more certificate of need applications that are~~  
 11 ~~determined by the department to be competitive in that the granting of a certificate of need to one of the~~  
 12 ~~applicants would substantially prejudice the department's review of the other applications.~~

13 ~~———— (15) "Congregate" means the provision of group services designed especially for elderly or disabled~~  
 14 ~~persons who require supportive services and housing.~~

15 ~~———— (16) "Construction" means the physical erection of a health care facility and any stage of the physical~~  
 16 ~~erection, including groundbreaking, or remodeling, replacement, or renovation of an existing health care facility.~~

17 ~~———— (17) "Council on accreditation" means the organization nationally recognized by that name that surveys~~  
 18 ~~behavioral treatment programs, chemical dependency treatment programs, residential treatment facilities, and~~  
 19 ~~mental health centers upon their requests and grants accreditation status to programs and facilities that it finds~~  
 20 ~~meet its standards and requirements.~~

21 ~~———— (18) "Critical access hospital" means a facility that is located in a rural area, as defined in 42 U.S.C.~~  
 22 ~~1395ww(d)(2)(D), and that has been designated by the department as a critical access hospital pursuant to~~  
 23 ~~50-5-233.~~

24 ~~———— (19) "Department" means the department of public health and human services provided for in 2-15-2201.~~

25 ~~———— (20) "End-stage renal dialysis facility" means a facility that specializes in the treatment of kidney diseases~~  
 26 ~~and includes freestanding hemodialysis units.~~

27 ~~———— (21) "Federal acts" means federal statutes for the construction of health care facilities.~~

28 ~~———— (22) "Governmental unit" means the state, a state agency, a county, municipality, or political subdivision~~  
 29 ~~of the state, or an agency of a political subdivision.~~

30 ~~———— (23) (a) "Health care facility" or "facility" means all or a portion of an institution, building, or agency, private~~

1 or public, excluding federal facilities, whether organized for profit or not, that is used, operated, or designed to  
2 provide health services, medical treatment, or nursing, rehabilitative, or preventive care to any individual. The  
3 term includes chemical dependency facilities, critical access hospitals, end-stage renal dialysis facilities, home  
4 health agencies, home infusion therapy agencies, hospices, hospitals, infirmaries, long-term care facilities,  
5 intermediate care facilities for the developmentally disabled, medical assistance facilities, mental health centers,  
6 outpatient centers for primary care, outpatient centers for surgical services, rehabilitation facilities, residential care  
7 facilities, and residential treatment facilities.

8 ——— (b) The term does not include offices of private physicians, dentists, or other physical or mental health  
9 care workers regulated under Title 37, including licensed addiction counselors.

10 ——— (24) "Home health agency" means a public agency or private organization or subdivision of the agency  
11 or organization that is engaged in providing home health services to individuals in the places where they live.  
12 Home health services must include the services of a licensed registered nurse and at least one other therapeutic  
13 service and may include additional support services.

14 ——— (25) "Home infusion therapy agency" means a health care facility that provides home infusion therapy  
15 services.

16 ——— (26) "Home infusion therapy services" means the preparation, administration, or furnishing of parenteral  
17 medications or parenteral or enteral nutritional services to an individual in that individual's residence. The services  
18 include an educational component for the patient, the patient's caregiver, or the patient's family member.

19 ——— (27) "Hospice" means a coordinated program of home and inpatient health care that provides or  
20 coordinates palliative and supportive care to meet the needs of a terminally ill patient and the patient's family  
21 arising out of physical, psychological, spiritual, social, and economic stresses experienced during the final stages  
22 of illness and dying and that includes formal bereavement programs as an essential component. The term  
23 includes:

24 ——— (a) an inpatient hospice facility, which is a facility managed directly by a medicare-certified hospice that  
25 meets all medicare certification regulations for freestanding inpatient hospice facilities; and

26 ——— (b) a residential hospice facility, which is a facility managed directly by a licensed hospice program that  
27 can house three or more hospice patients.

28 ——— (28) (a) "Hospital" means a facility providing, by or under the supervision of licensed physicians, services  
29 for medical diagnosis, treatment, rehabilitation, and care of injured, disabled, or sick individuals. Services  
30 provided may or may not include obstetrical care, emergency care, or any other service allowed by state licensing

1 authority. A hospital has an organized medical staff that is on call and available within 20 minutes, 24 hours a day,  
 2 7 days a week, and provides 24-hour nursing care by licensed registered nurses. The term includes hospitals  
 3 specializing in providing health services for psychiatric, developmentally disabled, and tubercular patients.

4 ~~\_\_\_\_\_ (b) The term does not include critical access hospitals.~~

5 ~~\_\_\_\_\_ (29) "Infirmery" means a facility located in a university, college, government institution, or industry for the  
 6 treatment of the sick or injured, with the following subdefinitions:~~

7 ~~\_\_\_\_\_ (a) an "infirmery--A" provides outpatient and inpatient care;~~

8 ~~\_\_\_\_\_ (b) an "infirmery--B" provides outpatient care only.~~

9 ~~\_\_\_\_\_ (30) (a) "Intermediate care facility for the developmentally disabled" means a facility or part of a facility  
 10 that provides intermediate developmental disability care for two or more persons:~~

11 ~~\_\_\_\_\_ (b) The term does not include community homes for persons with developmental disabilities that are  
 12 licensed under 53-20-305 or community homes for persons with severe disabilities that are licensed under  
 13 52-4-203.~~

14 ~~\_\_\_\_\_ (31) "Intermediate developmental disability care" means the provision of intermediate nursing care  
 15 services, health-related services, and social services for persons with a developmental disability, as defined in  
 16 53-20-102, or for persons with related problems:~~

17 ~~\_\_\_\_\_ (32) "Intermediate nursing care" means the provision of nursing care services, health-related services,  
 18 and social services under the supervision of a licensed nurse to patients not requiring 24-hour nursing care.~~

19 ~~\_\_\_\_\_ (33) "Joint commission on accreditation of healthcare organizations" means the organization nationally  
 20 recognized by that name that surveys health care facilities upon their requests and grants accreditation status  
 21 to a health care facility that it finds meets its standards and requirements.~~

22 ~~\_\_\_\_\_ (34) "Licensed health care professional" means a licensed physician, physician assistant, advanced  
 23 practice registered nurse, or registered nurse who is practicing within the scope of the license issued by the  
 24 department of labor and industry.~~

25 ~~\_\_\_\_\_ (35) (a) "Long-term care facility" means a facility or part of a facility that provides skilled nursing care,  
 26 residential care, intermediate nursing care, or intermediate developmental disability care to a total of two or more  
 27 individuals or that provides personal care:~~

28 ~~\_\_\_\_\_ (b) The term does not include community homes for persons with developmental disabilities licensed  
 29 under 53-20-305; community homes for persons with severe disabilities, licensed under 52-4-203; youth care  
 30 facilities, licensed under 52-2-622; hotels, motels, boardinghouses, roominghouses, or similar accommodations~~

1 providing for transients, students, or individuals who do not require institutional health care; or juvenile and adult  
2 correctional facilities operating under the authority of the department of corrections:

3 ~~———— (36) "Medical assistance facility" means a facility that meets both of the following:~~

4 ~~———— (a) provides inpatient care to ill or injured individuals before their transportation to a hospital or that~~  
5 ~~provides inpatient medical care to individuals needing that care for a period of no longer than 96 hours unless~~  
6 ~~a longer period is required because transfer to a hospital is precluded because of inclement weather or~~  
7 ~~emergency conditions. The department or its designee may, upon request, waive the 96-hour restriction~~  
8 ~~retroactively and on a case-by-case basis if the individual's attending physician, physician assistant, or nurse~~  
9 ~~practitioner determines that the transfer is medically inappropriate and would jeopardize the health and safety~~  
10 ~~of the individual.~~

11 ~~———— (b) either is located in a county with fewer than six residents a square mile or is located more than 35~~  
12 ~~road miles from the nearest hospital.~~

13 ~~———— (37) "Mental health center" means a facility providing services for the prevention or diagnosis of mental~~  
14 ~~illness, the care and treatment of mentally ill patients, the rehabilitation of mentally ill individuals, or any~~  
15 ~~combination of these services.~~

16 ~~———— (38) "Nonprofit health care facility" means a health care facility owned or operated by one or more~~  
17 ~~nonprofit corporations or associations.~~

18 ~~———— (39) "Offer" means the representation by a health care facility that it can provide specific health services.~~

19 ~~———— (40) (a) "Outdoor behavioral program" means a program that provides treatment, rehabilitation, and~~  
20 ~~prevention for behavioral problems that endanger the health, interpersonal relationships, or educational functions~~  
21 ~~of a youth and that:~~

22 ~~———— (i) serves either adjudicated or nonadjudicated youth;~~

23 ~~———— (ii) charges a fee for its services; and~~

24 ~~———— (iii) provides all or part of its services in the outdoors.~~

25 ~~———— (b) "Outdoor behavioral program" does not include recreational programs such as boy scouts, girl scouts,~~  
26 ~~4-H clubs, or other similar organizations.~~

27 ~~———— (41) "Outpatient center for primary care" means a facility that provides, under the direction of a licensed~~  
28 ~~physician, either diagnosis or treatment, or both, to ambulatory patients and that is not an outpatient center for~~  
29 ~~surgical services.~~

30 ~~———— (42) "Outpatient center for surgical services" means a clinic, infirmary, or other institution or organization~~



1 that is specifically designed and operated to provide surgical services to patients not requiring hospitalization and  
2 that may include recovery care beds:

3 ~~——— (43) "Patient" means an individual obtaining services, including skilled nursing care, from a health care  
4 facility.~~

5 ~~——— (44) "Person" means an individual, firm, partnership, association, organization, agency, institution,  
6 corporation, trust, estate, or governmental unit, whether organized for profit or not.~~

7 ~~——— (45) "Personal care" means the provision of services and care for residents who need some assistance  
8 in performing the activities of daily living.~~

9 ~~——— (46) "Practitioner" means an individual licensed by the department of labor and industry who has  
10 assessment, admission, and prescription authority.~~

11 ~~——— (47) "Recovery care bed" means, except as provided in 50-5-235, a bed occupied for less than 24 hours  
12 by a patient recovering from surgery or other treatment.~~

13 ~~——— (48) "Rehabilitation facility" means a facility that is operated for the primary purpose of assisting in the  
14 rehabilitation of disabled individuals by providing comprehensive medical evaluations and services, psychological  
15 and social services, or vocational evaluation and training or any combination of these services and in which the  
16 major portion of the services is furnished within the facility.~~

17 ~~——— (49) "Resident" means an individual who is in a long-term care facility or in a residential care facility.~~

18 ~~——— (50) "Residential care facility" means an adult day-care center, an adult foster care home, an assisted  
19 living facility, or a retirement home.~~

20 ~~——— (51) "Residential psychiatric care" means active psychiatric treatment provided in a residential treatment  
21 facility to psychiatrically impaired individuals with persistent patterns of emotional, psychological, or behavioral  
22 dysfunction of such severity as to require 24-hour supervised care to adequately treat or remedy the individual's  
23 condition. Residential psychiatric care must be individualized and designed to achieve the patient's discharge  
24 to less restrictive levels of care at the earliest possible time.~~

25 ~~——— (52) "Residential treatment facility" means a facility operated for the primary purpose of providing  
26 residential psychiatric care to individuals under 21 years of age.~~

27 ~~——— (53) "Retirement home" means a building or buildings in which separate living accommodations are  
28 rented or leased to individuals who use those accommodations as their primary residence.~~

29 ~~——— (54) "Skilled nursing care" means the provision of nursing care services, health-related services, and  
30 social services under the supervision of a licensed registered nurse on a 24-hour basis.~~

1 ~~———— (55) "State health care facilities plan" means the plan prepared by the department to project the need for~~  
 2 ~~health care facilities within Montana and approved by the governor and a statewide health coordinating council~~  
 3 ~~appointed by the director of the department.~~

4 ~~———— (56) "Swing bed" means a bed approved pursuant to 42 U.S.C. 1395tt to be used to provide either acute~~  
 5 ~~care or extended skilled nursing care to a patient."~~

6

7 ~~———— **Section 46.** Section 50-5-301, MCA, is amended to read:~~

8 ~~———— **"50-5-301. When certificate of need is required -- definitions.** (1) Unless a person has submitted an~~  
 9 ~~application for and is the holder of a certificate of need granted by the department, the person may not initiate~~  
 10 ~~any of the following:~~

11 ~~———— (a) the incurring of an obligation by or on behalf of a health care facility for any capital expenditure that~~  
 12 ~~exceeds \$1.5 million, other than to acquire an existing health care facility. The costs of any studies, surveys,~~  
 13 ~~designs, plans, working drawings, specifications, and other activities (including staff effort, consulting, and other~~  
 14 ~~services) essential to the acquisition, improvement, expansion, or replacement of any plant with respect to which~~  
 15 ~~an expenditure is made must be included in determining if the expenditure exceeds \$1.5 million.~~

16 ~~———— (b) a change in the bed capacity of a health care facility through an increase in the number of beds or~~  
 17 ~~a relocation of beds from one health care facility or site to another, unless:~~

18 ~~———— (i) the number of beds involved is 10 or less or 10% or less of the licensed beds, if fractional, rounded~~  
 19 ~~down to the nearest whole number, whichever figure is smaller, and no beds have been added or relocated during~~  
 20 ~~the 2 years prior to the date on which the letter of intent for the proposal is received;~~

21 ~~———— (ii) a letter of intent is submitted to the department; and~~

22 ~~———— (iii) the department determines that the proposal will not significantly increase the cost of care provided~~  
 23 ~~or exceed the bed need projected in the state health care facilities plan;~~

24 ~~———— (c) the addition of a health service that is offered by or on behalf of a health care facility that was not~~  
 25 ~~offered by or on behalf of the facility within the 12-month period before the month in which the service would be~~  
 26 ~~offered and that will result in additional annual operating and amortization expenses of \$150,000 or more;~~

27 ~~———— (d) the incurring of an obligation for a capital expenditure by any person or persons to acquire 50% or~~  
 28 ~~more of an existing health care facility unless:~~

29 ~~———— (i) the person submits the letter of intent required by 50-5-302(2); and~~

30 ~~———— (ii) the department finds that the acquisition will not significantly increase the cost of care provided or~~

- 1 increase bed capacity;
- 2 ~~——— (e) the construction, development, or other establishment of a health care facility that is being replaced~~
- 3 ~~or that did not previously exist, by any person, including another type of health care facility;~~
- 4 ~~——— (f) the expansion of the geographical service area of a home health agency;~~
- 5 ~~——— (g) the use of hospital beds in excess of five to provide services to patients or residents needing only~~
- 6 ~~skilled nursing care, intermediate nursing care, or intermediate developmental disability care, as those levels of~~
- 7 ~~care are defined in 50-5-101;~~
- 8 ~~——— (h) the provision by a hospital of services for home health care, long-term care, or inpatient chemical~~
- 9 ~~dependency treatment; or~~
- 10 ~~——— (i) the construction, development, or other establishment of a facility for ambulatory outpatient surgical~~
- 11 ~~care through an outpatient center for surgical services in a county with a population of 20,000 or less according~~
- 12 ~~to the most recent federal census or estimate.~~
- 13 ~~——— (2) For purposes of this part, the following definitions apply:~~
- 14 ~~——— (a) "Health care facility" or "facility" means a nonfederal home health agency, a long-term care facility,~~
- 15 ~~or an inpatient chemical dependency facility. The term does not include:~~
- 16 ~~——— (i) a hospital, except to the extent that a hospital is subject to certificate of need requirements pursuant~~
- 17 ~~to subsection (1)(h);~~
- 18 ~~——— (ii) an office of a private physician, dentist, or other physical or mental health care professionals, including~~
- 19 ~~licensed addiction counselors; or~~
- 20 ~~——— (iii) a rehabilitation facility or an outpatient center for surgical services.~~
- 21 ~~——— (b) (i) "Long-term care facility" means an entity that provides skilled nursing care, intermediate nursing~~
- 22 ~~care, or intermediate developmental disability care, as defined in 50-5-101, to a total of two or more individuals.~~
- 23 ~~——— (ii) The term does not include residential care facilities, as defined in 50-5-101; community homes for~~
- 24 ~~persons with developmental disabilities, licensed under 53-20-305; community homes for persons with severe~~
- 25 ~~disabilities, licensed under 52-4-203; boarding or foster homes for children, licensed under 52-2-622; hotels,~~
- 26 ~~motels, boardinghouses, roominghouses, or similar accommodations providing for transients, students, or~~
- 27 ~~individuals not requiring institutional health care; or juvenile and adult correctional facilities operating under the~~
- 28 ~~authority of the department of corrections.~~
- 29 ~~——— (3) This section may not be construed to require a health care facility to obtain a certificate of need for~~
- 30 ~~a nonreviewable service that would not be subject to a certificate of need if undertaken by a person other than~~

1 a health care facility."

2

3 **Section 42.** Section 50-32-314, MCA, is amended to read:

4 **"50-32-314. Board to adopt rules for registration of ambulatory outpatient center for surgical**  
 5 **facilities services.** (1) The board shall, ~~by October 1, 1999,~~ adopt rules to provide for the registration of  
 6 ~~ambulatory any outpatient center for surgical facilities services~~ pursuant to this part. The rules must categorize  
 7 ~~ambulatory the outpatient center for surgical facilities services~~ as a "distributor" pursuant to 50-32-101(12) or  
 8 other category of registrant as determined by the board.

9 (2) If the board determines that ~~ambulatory an outpatient center for surgical facilities require services~~  
 10 ~~requires~~ the services of a pharmacist in order to be registered, the board shall allow ~~these facilities that center~~  
 11 to use the services of a consulting pharmacist to satisfy the obligation imposed by the board.

12 (3) This section does not affect any existing registration requirement ~~that pursuant to this part~~ for persons  
 13 providing dangerous drugs to an ambulatory outpatient center for surgical facility services or persons  
 14 administering dangerous drugs within or as the result of procedures performed at an ambulatory outpatient center  
 15 for surgical facility be registered pursuant to this part services."

16

17 **Section 43.** Section 71-3-1111, MCA, is amended to read:

18 **"71-3-1111. Short title.** This part may be cited as the "Physician, Nurse, Physical Therapist,  
 19 Occupational Therapist, ACUPUNCTURIST, Chiropractor, Dentist, Psychologist, Licensed Social Worker, Licensed  
 20 Professional Counselor, Hospital, and Ambulatory Outpatient Center for Surgical Facility Services Lien Act"."

21

22 **Section 44.** Section 71-3-1112, MCA, is amended to read:

23 **"71-3-1112. Purpose.** The purpose of this part is to establish lien rights for physicians, nurses, physical  
 24 therapists, occupational therapists, ACUPUNCTURISTS, chiropractors, dentists, hospitals, and ambulatory outpatient  
 25 centers for surgical facilities services for the value of services rendered and products provided for the diagnosis  
 26 and treatment of medical conditions and to establish lien rights for psychologists, licensed social workers, and  
 27 licensed professional counselors for services rendered and products provided when a person receiving treatment:

28 (1) is injured through the fault or neglect of another; or

29 (2) is either insured or a beneficiary under insurance."

30

1           **Section 45.** Section 71-3-1113, MCA, is amended to read:

2           **"71-3-1113. Definitions.** As used in this part, the following definitions apply:

3           ~~(1) "Ambulatory surgical facility" means a facility registered as provided in 50-32-314.~~

4           ~~(2)~~(1) "Beneficiary" means a person entitled to insurance benefits.

5           ~~(3)~~(2) "Dentist" means a person practicing dentistry as provided in 37-4-101.

6           ~~(4)~~(3) "Insurance" means a contract ~~whereby~~ through which a person, the insurer, undertakes to  
7 indemnify another, the insured, or pay or provide a determinable amount or benefit upon determinable  
8 contingencies.

9           ~~(5)~~(4) "Insurer" includes a health service corporation.

10           (5) "Outpatient center for surgical services" means a facility registered as provided in 50-32-314.

11           (6) "Person" means an individual, a corporation, an organization, or other legal entity."

12

13           **Section 46.** Section 71-3-1114, MCA, is amended to read:

14           **"71-3-1114. Liens of physicians, nurses, physical therapists, occupational therapists,**  
15 **ACUPUNCTURISTS, chiropractors, dentists, hospitals, and ambulatory outpatient center for surgical facilities**  
16 **services and liens of psychologists, licensed social workers, and licensed professional counselors.** (1)

17 (a) Upon the required notice of a lien being given, there is a lien as provided in subsection (1)(b) whenever:

18           (i) a physician, nurse, physical therapist, occupational therapist, ACUPUNCTURIST, chiropractor, dentist,  
19 hospital, or ambulatory outpatient center for surgical facility services renders services or provides products for  
20 the diagnosis and treatment of a medical condition; or

21           (ii) a psychologist, licensed social worker, or licensed professional counselor renders services or provides  
22 products; and

23           (iii) the services rendered or products provided under subsection (1)(a)(i) or (1)(a)(ii) are rendered or  
24 provided to a person injured through the fault or neglect of another.

25           (b) The physician, nurse, physical therapist, occupational therapist, ACUPUNCTURIST, chiropractor, dentist,  
26 hospital, ambulatory outpatient center for surgical facility services, psychologist, licensed social worker, or  
27 licensed professional counselor has a lien for the value of services rendered or products provided on:

28           (i) any claim or cause of action that the injured person or the injured person's estate or successors may  
29 have for injury, disease, or death;

30           (ii) any judgment that the injured person or the estate or successors may obtain for injury, disease, or

1 death; and

2 (iii) all money paid in satisfaction of the judgment or in settlement of the claim or cause of action.

3 (2) (a) If a person is an insured or a beneficiary under insurance that provides coverage in the event of  
4 injury or disease, there is a lien as provided in subsection (2)(b) upon required notice of a lien being given by:

5 (i) a physician, nurse, physical therapist, occupational therapist, ACUPUNCTURIST, chiropractor, dentist,  
6 hospital, or ambulatory outpatient center for surgical facility services for the value of services rendered or  
7 products provided for the diagnosis and treatment of a medical condition; or

8 (ii) a psychologist, licensed social worker, or licensed professional counselor for services rendered or  
9 products provided.

10 (b) The lien is on all proceeds or payments, except payments for property damage, payable by the  
11 insurer.

12 (3) A physician, nurse, physical therapist, occupational therapist, ACUPUNCTURIST, chiropractor, dentist,  
13 hospital, ambulatory outpatient center for surgical facility services, psychologist, licensed social worker, or  
14 licensed professional counselor claiming a lien under this part is not liable for attorney fees and costs incurred  
15 by the injured person, the injured person's estate or successors, or a beneficiary in connection with obtaining  
16 payments or benefits subject to a lien under this part. The lien of an attorney provided for in 37-61-420 has priority  
17 over a lien created by this part."

18

19 **Section 47.** Section 71-3-1115, MCA, is amended to read:

20 **"71-3-1115. Notice of lien.** (1) A physician, nurse, physical therapist, occupational therapist,  
21 ACUPUNCTURIST, chiropractor, dentist, psychologist, licensed social worker, licensed professional counselor,  
22 hospital, or ambulatory outpatient center for surgical facility services claiming a lien shall serve written notice upon  
23 the person and upon the insurer, if any, against whom liability for injury, disease, counseling service, or death  
24 is asserted, stating the nature of the services, for whom and when rendered, the value of the services, and that  
25 a lien is claimed.

26 (2) A physician, nurse, physical therapist, occupational therapist, ACUPUNCTURIST, chiropractor, dentist,  
27 psychologist, licensed social worker, licensed professional counselor, hospital, or ambulatory outpatient center  
28 for surgical facility services claiming a lien upon proceeds or payments payable by an insurer shall serve written  
29 notice upon the insurer against whom the lien is asserted, stating the nature of the services, for whom and when  
30 rendered, the value of the services, and that a lien is claimed."

1

2           **Section 48.** Section 71-3-1117, MCA, is amended to read:

3           **"71-3-1117. Liability for failure to recognize lien.** If any insurer or person, after receiving notice of a  
 4 lien, makes payment on account of injury, disease, counseling service, or death and the amount of the lien  
 5 claimed by any physician, nurse, physical therapist, occupational therapist, ACUPUNCTURIST, chiropractor, dentist,  
 6 psychologist, licensed social worker, licensed professional counselor, hospital, or ambulatory outpatient center  
 7 for surgical facility services has not been paid, the insurer or person is liable to the physician, nurse, physical  
 8 therapist, occupational therapist, ACUPUNCTURIST, chiropractor, dentist, psychologist, licensed social worker,  
 9 licensed professional counselor, hospital, or ambulatory outpatient center for surgical facility services for the  
 10 reasonable value of the services."

11

12           **Section 49.** Section 71-3-1118, MCA, is amended to read:

13           **"71-3-1118. Applicability.** (1) Except as provided in subsection (2), this part does not apply to  
 14 compensation awarded to workers for injury, disease, or death pursuant to the Workers' Compensation Act.

15           (2) This part applies to all payments awarded for medical, therapy, ACUPUNCTURE, chiropractic, dentistry,  
 16 counseling, and hospital services pursuant to the acts referred to in subsection (1).

17           (3) This part does not apply to any benefits payable under:

18           (a) a policy of life insurance or group life insurance;

19           (b) a contract of disability insurance, except benefits payable in reimbursement for services rendered  
 20 by a physician, nurse, physical therapist, occupational therapist, ACUPUNCTURIST, chiropractor, dentist,  
 21 psychologist, licensed social worker, licensed professional counselor, hospital, or ambulatory outpatient center  
 22 for surgical facility services; or

23           (c) an annuity contract or to pension benefits payable under a qualified pension plan."

24

25           NEW SECTION. **Section 50. Repealer.** Sections 37-60-315 and 37-60-406, MCA, are repealed.

26

27           NEW SECTION. **Section 51. Codification instruction.** (1) [Section 1] is intended to be codified as  
 28 an integral part of Title 37, chapter 65, and the provisions of Title 37, chapter 65, apply to [section 1].

29           (2) [Section 2] is intended to be codified as an integral part of Title 37, chapter 69, and the provisions  
 30 of Title 37, chapter 69, apply to [section 2].

1 (3) [Section ~~24~~ 23] is intended to be codified as an integral part of Title 37, chapter 47, and the provisions  
2 of Title 37, chapter 47, apply to [section ~~24~~ 23].

3 (4) [Section ~~25~~ 24] is intended to be codified as an integral part of Title 37, chapter 51, part 3, and the  
4 provisions of Title 37, chapter 51, part 3, apply to [section ~~25~~ 24].

5  
6 **NEW SECTION. Section 52. Saving clause.** [This act] does not affect rights and duties that matured,  
7 penalties that were incurred, or proceedings that were begun before [the effective date of this act].

8 - END -