

**HOUSE JOURNAL  
62ND LEGISLATURE  
SEVENTY-SIXTH LEGISLATIVE DAY**

Helena, Montana  
April 5, 2011

House Chambers  
State Capitol

House convened at 1:00 p.m. Mr. Speaker in the Chair. Invocation by Representative Hill. Pledge of Allegiance to the Flag.

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

**BILLS** (O'Hara, Chairman):

4/5/2011

Correctly printed: **HB 642, SB 410, SB 415.**

Correctly engrossed: **SB 215, SB 233, SB 331, SB 409, SB 418.**

Correctly enrolled: **HB 59, HB 61, HB 95, HB 103, HB 178, HB 191, HB 213, HB 251, HB 288, HB 300, HB 380.**

Delivered to the Governor for approval at 4:08 p.m., April 5, 2011: **HB 334.**

Signed by the Speaker at 11:15 a.m., April 5, 2011: **HB 180, HB 195, HB 272, HB 330, HB 339, HB 416, HB 464, HB 491, HB 542, HB 575.**

Signed by the Chief Clerk of the House at 11:00 a.m., April 5, 2011: **HB 180, HB 195, HB 272, HB 330, HB 339, HB 416, HB 464, HB 491, HB 542, HB 575.**

Examined by the sponsor and found to be correct: **HB 61, HB 103, HB 191, HB 195, HB 251, HB 288, HB 300, HB 339, HB 352, HB 380, HB 529, HB 535, HB 542, HB 575.**

**COMMUNICATIONS AND PETITIONS**

Mr. Speaker: We, your committee on Legislative Administration, having examined the daily journals for the fifty-first, fifty-second, fifty-third, fifty-fourth, fifty-fifth, fifty-sixth, fifty-seventh, fifty-eighth, fifty-ninth, sixtieth, and sixty-first legislative days, find the same to be correct.

Representative O'Hara, Chair

**REPORTS OF STANDING COMMITTEES**

**APPROPRIATIONS** (McNutt, Chairman):

4/4/2011

**HB 642**, do pass. Report adopted.

**SB 215**, be amended as follows:

1. Page 2, line 9.

**Insert:** "NEW SECTION. Section 3. Nonseverability. It is the intent of the legislature that each part of [this act] is essentially dependent upon every other part, and if one part is held unconstitutional or invalid, all other parts are invalid."

**Renumber:** subsequent section

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

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**BUSINESS AND LABOR** (Arntzen, Chairman):  
**SB 331**, be amended as follows:

4/5/2011

1. Title, page 1, lines 8 and 9.

**Strike:** "ESTABLISHING" on line 8 through "MANAGERS;" on line 9

**Insert:** "DEFINING "EXEMPT COMMERCIAL PURCHASER" AND "QUALIFIED RISK  
MANAGER";"

2. Title, page 1, line 16.

**Following:** "INSURED;"

**Insert:** "ESTABLISHING THE FUNCTIONS OF THE SURPLUS LINES INSURANCE ADVISORY  
ORGANIZATION;"

2.5 Title, line 17.

**Strike:** "IMMEDIATE"

3. Page 3, line 23.

**Strike:** "the state in which"

4. Page 3, line 24.

**Following:** "(i)"

**Insert:** "the state in which"

**Strike:** "is"

5. Page 4, line 3.

**Strike:** "the home state must be"

6. Page 4, line 4.

**Strike:** "and"

**Insert:** ", or"

7. Page 4, line 5.

**Strike:** "the home state must be"

8. Page 4, line 9.

**Strike:** "a nonadmitted"

**Insert:** "an unauthorized"

9. Page 4, line 11 through line 16.

**Strike:** subsections (M) and (N) in their entirety

**Renumber:** subsequent subsections

10. Page 4, line 27.

**Strike:** "a nonadmitted"

**Insert:** "an unauthorized"

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11. Page 4, line 30 through page 5, line 2.

**Strike:** ", where" on page 4, line 30 through "placed" on page 5, line 2

**Insert:** "any property or casualty insurance permitted in a state to be placed directly or through a surplus lines insurance producer"

12. Page 5, line 8 through line 9.

**Strike:** "an" on line 8 through "states" on line 9

**Insert:** ", with respect to a state, an insurer not authorized to transact the business of insurance in the state. The term includes an insurance exchange authorized under the laws of another state. The term does not include a risk retention group, as that term is defined in the Liability Risk Retention Act of 1986, 15 U.S.C. 3901(a)(4)"

13. Page 7, line 25.

**Strike:** "."

**Insert:** ";

14. Page 8, line 22.

**Strike:** "33-2-311(1)"

**Insert:** "[section 17]"

15. Page 8, line 23.

**Strike:** "33-2-311"

**Insert:** "[section 17]"

16. Page 8, line 24.

**Strike:** "33-2-311(1)"

**Insert:** "[section 17]"

17. Page 10, following line 12.

**Insert:** "(9) The commissioner may participate in the national association of insurance commissioners' producer licensing database regarding surplus lines insurance producer licensing."

18. Page 14, line 3.

**Following:** "~~Tax~~"

**Strike:** "Authorization" through "tax"

**Insert:** "Tax"

19. Page 14, line 4.

**Following:** "lines"

**Insert:** "insurance"

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20. Page 14, line 4 through line 10.  
**Strike:** subsection (1) in its entirety  
**Renumber:** subsequent subsections

21. Page 14, line 11.  
**Following:** "(2)"  
**Strike:** "There is a tax imposed"  
**Insert:** "Except as provided in [section 17], when this state is the home state of the insured, the surplus lines insurance producer shall collect from the insured and pay to the commissioner a tax"

22. Page 14, line 12.  
**Following:** "collected"  
**Insert:** "and the tax rate"

23. Page 14, line 13.  
**Strike:** "(1)"

24. Page 14, line 18.  
**Following:** "period"  
**Insert:** "as well as the stamping fee on the premium payable by the insured regardless of whether the coverage includes risks or exposures partially located or to be performed in another state"

25. Page 14, line 21 through page 15, line 3.  
**Strike:** subsections (3) and (4) in their entirety

26. Page 15, line 4 through line 10.  
**Strike:** "(5)" on line 4 through "Montana" on line 10  
**Insert:** "(2) Except as provided in [section 17], if this state"

27. Page 15, line 12.  
**Strike:** "Montana"  
**Insert:** "this state"

28. Page 15, line 13 through page 16, line 10.  
**Strike:** "(b)" on page 15, line 13 through "." on page 16, line 10  
**Insert:** "(3) The commissioner by rule shall establish procedures that provide for the collection and payment of premium taxes, as well as the reporting of premium tax and surplus lines insurance transaction data, in accordance with the provisions of the Nonadmitted and Reinsurance Reform Act of 2010, Title V, subtitle B, of Public Law 111-203, for payment of taxes on this state's portion of risks covered by surplus lines

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insurance policies transacted outside this state that cover risks with exposures both in this state and outside this state."

29. Page 19, line 19.

**Strike:** "33-2-311"

**Insert:** "[section 17]"

30. Page 19, line 27.

**Following:** "lines"

**Insert:** "insurance"

31. Page 19, line 30.

**Strike:** "INSURANCE PRODUCERS ASSOCIATION"

**Insert:** "advisory organization"

32. Page 20, lines 1 and 2.

**Strike:** subsection (1) in its entirety

**Insert:** "(1) A surplus lines insurance advisory organization of surplus lines insurance producers may be formed to:

(a) facilitate and encourage compliance by its members with the laws of this state and the rules of the commissioner relative to surplus lines insurance;

(b) communicate with organizations of authorized insurers with respect to the proper use of the surplus lines insurance market;

(c) receive and disseminate to its members information relative to surplus lines insurance; and

(d) communicate member and industry concerns to the commissioner.

(2) The surplus lines insurance advisory organization shall file with the commissioner:

(a) a copy of its constitution, its articles of agreement or association, or its certificate of incorporation;

(b) a copy of its bylaws, rules, and regulations governing its activities;

(c) a current list of its members."

**Renumber:** subsequent subsection

33. Page 20, line 3 through line 4.

**Strike:** "IF" on line 3 through "THE" on line 4

**Insert:** "The"

34. Page 20, line 4.

**Strike:** "ASSOCIATION"

**Insert:** "organization"

35. Page 20, following line 6.

**Insert:** "NEW SECTION. Section 17. Authorization for agreements with other state regarding multistate risks. (1) Following negotiated rulemaking under Title 2, chapter 5, the

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commissioner may enter into a cooperative or reciprocal agreement with other states, individually or collectively, for the purposes of collecting, allocating, and disbursing premium taxes and fees attributable to multistate risks. The allocation methodology of any agreement must be based upon readily available data, with simplicity and uniformity for the surplus lines insurance producer as a material consideration. Any agreement regarding multistate risks may require that a single, blended tax rate be used.

(2) An agreement entered into under this section must provide for:

(a) uniform eligibility standards for unauthorized insurers;

(b) uniform methods for reporting surplus lines insurance transactions and sharing information between the parties to the agreement based upon readily available data;

(c) uniform methods for allocating and reporting surplus lines insurance risk classifications based upon readily available data;

(d) uniform procedures for the collection, allocation, and distribution of taxes and fees attributable to the multistate risks;

(e) uniform disclosures to policyholders regarding the reporting and collection of premium taxes on multistate risks;

(f) an allocation methodology and resulting collection of premium tax revenue, less costs of administration and collection, that generate premium tax revenue not less than the premium tax revenue collected under 33-2-311;

(g) minimizing the data collection and reporting burden on insureds and surplus lines insurance producers;

(h) a withdrawal process that minimizes instability among the participating states and the surplus lines and insurance industries;

(i) regulatory provisions that provide certainty regarding compliance to all persons having an interest in surplus lines insurance transactions, including but not limited to insureds, regulators, surplus lines insurance producers, other insurance producers, and surplus lines insurers; and

(j) continued collection of premium taxes under 33-2-311 until the collection infrastructure under the agreement is fully operational and the provisions of the agreement are fully implemented.

(3) If the commissioner has entered into an agreement under subsection (1) for multistate risks and the agreement provides that each participating state develop a single, blended tax rate for multistate risks:

(a) the provisions of 50-3-109 are not applicable to the collection of premium taxes;

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(b) the single, blended tax rate must be 3.3% on premiums and must be computed in the manner provided in 33-2-705(1) as to premiums of authorized insurers, except that amounts collected from the insured specifically for applicable state and federal taxes and in excess of the premium otherwise required are not considered to be part of the premium for the purposes of the computation; and

(c) the 3.3% tax collected must be distributed as follows:

(i) 2.75% must be considered premium taxes as provided in 33-2-705 and paid to the state general fund; and

(ii) 0.55% must be considered fire premium taxes as provided in 50-3-109 and paid to the state general fund.

(4) If a single-state risk is involved and Montana is the home state of the insured, the surplus lines transaction must be submitted to the commissioner and the commissioner shall collect the tax at the same rate and in the same manner as provided in 33-2-705.

(5) If the commissioner has entered into a cooperative or reciprocal agreement under subsection (1), the commissioner may contract with the designated clearinghouse to process multistate risks and allocate and distribute taxes and fees collected.

(6) As used in this section, "readily available data" means Montana-specific data, if any, used to rate a surplus lines insurance policy."

**Renumber:** subsequent sections

36. Page 20, line 8.

**Strike:** "AND"

**Following:** "16"

**Insert:** ", and 17"

37. Page 20, line 10.

**Strike:** "AND"

**Following:** "16"

**Insert:** ", and 17"

38. Page 20, line 19.

**Strike:** "[the effective date of this act]"

**Insert:** "July 1, 2011"

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

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**SB 418**, be amended as follows:

1. Page 1, line 23.

**Strike:** "or"

2. Page 1, line 24.

**Following:** "action"

**Insert:** "; or

(c) the Montana university system as a requirement for students"

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

**FEDERAL RELATIONS, ENERGY, AND TELECOMMUNICATIONS** (Klock, Chair): 4/4/2011  
**SB 233**, be amended as follows:

1. Title, page 1, line 11.

**Following:** "ACT;"

**Insert:** "REVISING THE ENVIRONMENTAL REVIEW FEE ASSESSMENT;"

**Following:** "75-1-201,"

**Insert:** "75-1-203,"

2. Title, page 1, line 12.

**Strike:** "AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE"

**Insert:** "EFFECTIVE DATES, AN APPLICABILITY DATE, AND A CONTINGENT TERMINATION DATE"

3. Page 7, line 13.

**Insert:** "**Section 3.** Section 75-1-203, MCA, is amended to read:

**"75-1-203. Fee schedule -- maximums.** (1) In prescribing fees to be assessed against applicants for a lease, permit, contract, license, or certificate as specified in 75-1-202, an agency may adopt a fee schedule that may be adjusted depending upon the size and complexity of the proposed project. A fee may not be assessed unless the application for a lease, permit, contract, license, or certificate will result in the agency incurring expenses in excess of ~~\$2,500~~ \$2,501 to compile an environmental impact statement.

(2) The maximum fee that may be imposed by an agency may not exceed 2% of any estimated cost up to \$1 million, plus 1% of any estimated cost over \$1 million and up to \$20 million, plus 1/2 of 1% of any estimated cost over \$20 million and up to \$100 million, plus 1/4 of 1% of any estimated cost over \$100 million and up to \$300 million, plus 1/8 of 1% of any estimated cost in excess of \$300 million.

(3) If an application consists of two or more facilities, the filing fee must be based on the total estimated cost of the combined facilities. The estimated cost must be determined by the agency and the applicant at the time the application is filed.

(4) Each agency shall review and revise its rules imposing fees as authorized by this part at least every 2 years.

(5) In calculating fees under this section, the agency may not include in the estimated



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project cost the project sponsor's property or other interests already owned by the project sponsor at the time the application is submitted. Any fee assessed may be based only on the projected cost of acquiring all of the information and data needed for the environmental impact statement."

**Renumber:** subsequent sections

4. Page 11.

**Following:** line 5

**Insert:** "COORDINATION SECTION. Section 6. Coordination instruction. If [this act] is passed and approved and Senate Bill No. 317 is not passed and approved or if both [this act] and Senate Bill No. 317 are passed and approved, then Senate Bill No. 317 is void, the amendments to 75-1-201 contained in [section 2 of this act] are void, and 75-1-201 must be amended as follows:

**"75-1-201. General directions -- environmental impact statements.** (1) The legislature authorizes and directs that, to the fullest extent possible:

(a) the policies, regulations, and laws of the state must be interpreted and administered in accordance with the policies set forth in parts 1 through 3;

(b) under this part, all agencies of the state, except the legislature and except as provided in ~~subsection (2)~~ subsections (2) and (3), shall:

(i) use a systematic, interdisciplinary approach that will ensure:

(A) the integrated use of the natural and social sciences and the environmental design arts in planning and in decisionmaking for a state-sponsored project that may have an impact on the Montana human environment by projects in Montana; and

(B) that in any environmental review that is not subject to subsection (1)(b)(iv), when an agency considers alternatives, the alternative analysis will be in compliance with the provisions of ~~subsections (1)(b)(iv)(C)(I) through (1)(b)(iv)(C)(III) and (1)(b)(iv)(C)(II)~~ and (1)(b)(iv)(C)(II) and, if requested by the project sponsor or if determined by the agency to be necessary, ~~subsection (1)(b)(iv)(C)(IV)~~ (1)(b)(iv)(C)(III);

(ii) identify and develop methods and procedures that will ensure that presently unquantified environmental amenities and values may be given appropriate consideration in decisionmaking for state-sponsored projects, along with economic and technical considerations;

(iii) identify and develop methods and procedures that will ensure that state government actions that may impact the human environment in Montana are evaluated for regulatory restrictions on private property, as provided in subsection (1)(b)(iv)(D);

(iv) include in each recommendation or report on proposals for projects, programs, and other major actions of state government significantly affecting the quality of the human environment in Montana a detailed statement on:

(A) the environmental impact of the proposed action;

(B) any adverse ~~environmental~~ environmental effects on Montana's environment that cannot be avoided if the proposal is implemented;

(C) alternatives to the proposed action. An analysis of any alternative included in the environmental review must comply with the following criteria:

(I) any alternative proposed must be reasonable, in that the alternative must be achievable under current technology and the alternative must be economically feasible as determined solely by the economic viability for similar projects having similar conditions and physical locations and

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determined without regard to the economic strength of the specific project sponsor;

(II) the agency proposing the alternative shall consult with the project sponsor regarding any proposed alternative, and the agency shall give due weight and consideration to the project sponsor's comments regarding the proposed alternative;

~~(III) if the project sponsor believes that an alternative is not reasonable as provided in subsection (1)(b)(iv)(C)(I), the project sponsor may request a review by the appropriate board, if any, of the agency's determination regarding the reasonableness of the alternative. The appropriate board may, at its discretion, submit an advisory recommendation to the agency regarding the issue. The agency may not charge the project sponsor for any of its activities associated with any review under this section. The period of time between the request for a review and completion of a review under this subsection may not be included for the purposes of determining compliance with the time limits established for environmental review in 75-1-208.~~

~~(IV)(III)~~ the agency shall complete a meaningful no-action alternative analysis. The no-action alternative analysis must include the projected beneficial and adverse environmental, social, and economic impact of the project's noncompletion.

(D) any regulatory impacts on private property rights, including whether alternatives that reduce, minimize, or eliminate the regulation of private property rights have been analyzed. The analysis in this subsection (1)(b)(iv)(D) need not be prepared if the proposed action does not involve the regulation of private property.

(E) the relationship between local short-term uses of the Montana human environment and the maintenance and enhancement of long-term productivity;

(F) any irreversible and irretrievable commitments of resources that would be involved in the proposed action if it is implemented;

(G) the customer fiscal impact analysis, if required by 69-2-216; and

(H) the details of the beneficial aspects of the proposed project, both short-term and long-term, and the economic advantages and disadvantages of the proposal;

(v) in accordance with the criteria set forth in subsection (1)(b)(iv)(C), study, develop, and describe appropriate alternatives to recommend courses of action in any proposal that involves unresolved conflicts concerning alternative uses of available resources; If the alternatives analysis is conducted for a project that is not a state-sponsored project and alternatives are recommended, the project sponsor may volunteer to implement the alternative. Neither the alternatives analysis nor the resulting recommendations bind the project sponsor to take a recommended course of action, but the project sponsor may agree pursuant to subsection (4)(b) to a specific course of action.

(vi) recognize the national and potential long-range character of environmental problems impacts in Montana and, when consistent with the policies of the state, lend appropriate support to initiatives, resolutions, and programs designed to maximize ~~national~~ cooperation in anticipating and preventing a decline in the quality of ~~the world~~ Montana's environment;

(vii) make available to counties, municipalities, institutions, and individuals advice and information useful in restoring, maintaining, and enhancing the quality of ~~the~~ Montana's environment;

(viii) initiate and use ecological information in the planning and development of resource-oriented projects; and

(ix) assist the legislature and the environmental quality council established by 5-16-101;

(c) prior to making any detailed statement as provided in subsection (1)(b)(iv), the responsible state official shall consult with and obtain the comments of any state agency that has

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jurisdiction by law or special expertise with respect to any environmental impact involved in Montana and with any Montana local government, as defined in 7-12-1103, that may be directly impacted by the project. The responsible state official shall also consult with and obtain comments from any state agency in Montana with respect to any regulation of private property involved. Copies of the statement and the comments and views of the appropriate state, federal, and local agencies that are authorized to develop and enforce environmental standards must be made available to the governor, the environmental quality council, and the public and must accompany the proposal through the existing agency review processes.

(d) a transfer of an ownership interest in a lease, permit, license, certificate, or other entitlement for use or permission to act by an agency, either singly or in combination with other state agencies, does not trigger review under subsection (1)(b)(iv) if there is not a material change in terms or conditions of the entitlement or unless otherwise provided by law.

(2) (a) Except as provided in subsection (2)(b), an environmental review conducted pursuant to subsection (1) may not include a review of actual or potential impacts beyond Montana's borders. It may not include actual or potential impacts that are regional, national, or global in nature.

(b) An environmental review conducted pursuant to subsection (1) may include a review of actual or potential impacts beyond Montana's borders if it is conducted by:

- (i) the department of fish, wildlife, and parks for the management of wildlife and fish;
- (ii) an agency reviewing an application for a project that is not a state-sponsored project to the extent that the review is required by law, rule, or regulation; or
- (iii) a state agency and a federal agency to the extent the review is required by the federal agency.

(2)(3) The department of public service regulation, in the exercise of its regulatory authority over rates and charges of railroads, motor carriers, and public utilities, is exempt from the provisions of parts 1 through 3.

~~(3) (a) In any action challenging or seeking review of an agency's decision that a statement pursuant to subsection (1)(b)(iv) is not required or that the statement is inadequate, the burden of proof is on the person challenging the decision. Except as provided in subsection (3)(b), in a challenge to the adequacy of a statement, a court may not consider any issue relating to the adequacy or content of the agency's environmental review document or evidence that was not first presented to the agency for the agency's consideration prior to the agency's decision. A court may not set aside the agency's decision unless it finds that there is clear and convincing evidence that the decision was arbitrary or capricious or not in compliance with law. A customer fiscal impact analysis pursuant to 69-2-216 or an allegation that the customer fiscal impact analysis is inadequate may not be used as the basis of any action challenging or seeking review of the agency's decision.~~

~~(b) When new, material, and significant evidence or issues relating to the adequacy or content of the agency's environmental review document are presented to the district court that had not previously been presented to the agency for its consideration, the district court shall remand the new evidence or issue relating to the adequacy or content of the agency's environmental review document back to the agency for the agency's consideration and an opportunity to modify its findings of fact and administrative decision before the district court considers the evidence or issue relating to the adequacy or content of the agency's environmental review document within the administrative record under review. Immaterial or insignificant evidence or issues relating to the adequacy or content of the agency's environmental review document may not be remanded to the agency. The district court shall review the agency's findings and decision to determine whether they~~

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are supported by substantial, credible evidence within the administrative record under review.

~~(4)~~ To the extent that the requirements of subsections ~~(1)(b)(iv)(C)(I)~~ and ~~(1)(b)(iv)(C)(III)~~ are inconsistent with federal requirements, the requirements of subsections ~~(1)(b)(iv)(C)(I)~~ and ~~(1)(b)(iv)(C)(III)~~ do not apply to an environmental review that is being prepared by a state agency pursuant to this part and a federal agency pursuant to the National Environmental Policy Act or to an environmental review that is being prepared by a state agency to comply with the requirements of the National Environmental Policy Act.

~~(5)~~(4) (a) The agency may not withhold, deny, or impose conditions on any permit or other authority to act based on parts 1 through 3 of this chapter.

(b) Nothing in this subsection ~~(5)~~ (4) prevents a project sponsor and an agency from mutually developing measures that may, at the request of a project sponsor, be incorporated into a permit or other authority to act.

(c) Parts 1 through 3 of this chapter do not confer authority to an agency that is a project sponsor to modify a proposed project or action.

~~(6)~~(5) (a) (i) A challenge to an agency action under this part may only be brought against a final agency action and may only be brought in district court or in federal court, whichever is appropriate.

(ii) Any action or proceeding challenging a final agency action alleging failure to comply with or inadequate compliance with a requirement under this part must be brought within 60 days of the action that is the subject of the challenge.

(iii) For an action taken by the board of land commissioners or the department of natural resources and conservation under Title 77, "final agency action" means the date that the board of land commissioners or the department of natural resources and conservation issues a final environmental review document under this part or the date that the board approves the action that is subject to this part, whichever is later.

(b) Any action or proceeding under subsection ~~(6)(a)(ii)~~ (5)(a)(ii) must take precedence over other cases or matters in the district court unless otherwise provided by law.

(c) Any judicial action or proceeding brought in district court under subsection ~~(6)(a)~~ (5)(a) involving an equine slaughter or processing facility must comply with 81-9-240 and 81-9-241.

(6) (a) (i) In an action alleging noncompliance or inadequate compliance with a requirement of parts 1 through 3, including a challenge to an agency's decision that an environmental review is not required or a claim that the environmental review is inadequate, the agency shall compile and submit to the court the certified record of its decision at issue, and except as provided in subsection (6)(b), the person challenging the decision has the burden of proving the claim by clear and convincing evidence contained in the record.

(ii) Except as provided in subsection (6)(b), in a challenge to the agency's decision or the adequacy of an environmental review, a court may not consider any information, including but not limited to an issue, comment, argument, proposed alternative, analysis, or evidence, that was not first presented to the agency for the agency's consideration prior to the agency's decision or within the time allowed for comments to be submitted.

(iii) Except as provided in subsection (6)(b), the court shall confine its review to the record certified by the agency. The court shall affirm the agency's decision or the environmental review unless the court specifically finds that the agency's decision was arbitrary and capricious or was otherwise not in accordance with law.

(iv) A customer fiscal impact analysis pursuant to 69-2-216 or an allegation that the customer fiscal impact analysis is inadequate may not be used as the basis of an action

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challenging or seeking review of the agency's decision.

(b) (i) When a party challenging the decision or the adequacy of the environmental review or decision presents information not in the record certified by the agency, the challenging party shall certify under oath in an affidavit that the information is new, material, and significant evidence that was not publicly available before the agency's decision and that is relevant to the decision or the adequacy of the agency's environmental review.

(ii) If upon reviewing the affidavit the court finds that the proffered information is new, material, and significant evidence that was not publicly available before the agency's decision and that is relevant to the decision or to the adequacy of the agency's environmental review, the court shall remand the new evidence to the agency for the agency's consideration and an opportunity to modify its decision or environmental review before the court considers the evidence as a part of the administrative record under review.

(iii) If the court finds that the information in the affidavit does not meet the requirements of subsection (6)(b)(i), the court may not remand the matter to the agency or consider the proffered information in making its decision.

(c) The remedy in any action brought for failure to comply with or for inadequate compliance with a requirement of parts 1 through 3 of this chapter is limited to remand to the agency to correct deficiencies in the environmental review conducted pursuant to subsection (1).

(d) A permit, license, lease, or other authorization issued by an agency is valid and may not be enjoined, voided, nullified, revoked, modified, or suspended pending the completion of an environmental review that may be remanded by a court.

(e) An individual or entity seeking a lease, permit, license, certificate, or other entitlement or authority to act may intervene in a lawsuit in court challenging a decision or statement by a department or agency of the state as a matter of right if the individual or entity has not been named as a defendant.

(f) Attorney fees or costs may not be awarded to the prevailing party in an action alleging noncompliance or inadequate compliance with a requirement of parts 1 through 3.

(7) For purposes of judicial review, to the extent that the requirements of this section are inconsistent with the provisions of the National Environmental Policy Act, the requirements of this section apply to an environmental review or any severable portion of an environmental review within the state's jurisdiction that is being prepared by a state agency pursuant to this part in conjunction with a federal agency proceeding pursuant to the National Environmental Policy Act.

~~(7)~~(8) The director of the agency responsible for the determination or recommendation shall endorse in writing any determination of significance made under subsection (1)(b)(iv) or any recommendation that a determination of significance be made.

~~(8)~~(9) A project sponsor may request a review of the significance determination or recommendation made under subsection ~~(7)~~ (8) by the appropriate board, if any. The appropriate board may, at its discretion, submit an advisory recommendation to the agency regarding the issue. The period of time between the request for a review and completion of a review under this subsection may not be included for the purposes of determining compliance with the time limits established for environmental review in 75-1-208."

{Internal References to 75-1-201:

2-4-405x	75-1-104x	75-1-106x	75-1-106x
75-1-106x	75-1-202x	75-1-208x	75-1-208x
75-1-208x	75-2-211x	75-5-803x	75-20-231x
77-2-363x	77-5-201x	77-5-212x	82-4-250x

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82-4-250x 82-4-337x 90-6-307x }"

5. Page 11.

**Following:** line 5

**Insert:** "COORDINATION SECTION. Section 7. Coordination instruction. If [this act] is passed and approved and Senate Bill No. 317 is not passed and approved or if both [this act] and Senate Bill No. 317 are passed and approved, then Senate Bill No. 317 is void, the amendments to 75-1-201 contained in [section 2 of this act] are void, and 75-1-201 must be amended as follows:

**"75-1-201. General directions -- environmental impact statements.** (1) The legislature authorizes and directs that, to the fullest extent possible:

(a) the policies, regulations, and laws of the state must be interpreted and administered in accordance with the policies set forth in parts 1 through 3;

(b) under this part, all agencies of the state, except the legislature and except as provided in ~~subsection (2)~~ subsections (2) and (3), shall:

(i) use a systematic, interdisciplinary approach that will ensure:

(A) the integrated use of the natural and social sciences and the environmental design arts in planning and in decisionmaking for a state-sponsored project that may have an impact on the Montana human environment by projects in Montana; and

(B) that in any environmental review that is not subject to subsection (1)(b)(iv), when an agency considers alternatives, the alternative analysis will be in compliance with the provisions of ~~subsections (1)(b)(iv)(C)(I) through (1)(b)(iv)(C)(III) and (1)(b)(iv)(C)(II)~~ and, if requested by the project sponsor or if determined by the agency to be necessary, ~~subsection (1)(b)(iv)(C)(IV) (1)(b)(iv)(C)(III);~~

(ii) identify and develop methods and procedures that will ensure that presently unquantified environmental amenities and values may be given appropriate consideration in decisionmaking for state-sponsored projects, along with economic and technical considerations;

(iii) identify and develop methods and procedures that will ensure that state government actions that may impact the human environment in Montana are evaluated for regulatory restrictions on private property, as provided in subsection (1)(b)(iv)(D);

(iv) include in each recommendation or report on proposals for projects, programs, and other major actions of state government significantly affecting the quality of the human environment in Montana a detailed statement on:

(A) the environmental impact of the proposed action;

(B) any adverse ~~environmental~~ environmental effects on Montana's environment that cannot be avoided if the proposal is implemented;

(C) alternatives to the proposed action. An analysis of any alternative included in the environmental review must comply with the following criteria:

(I) any alternative proposed must be reasonable, in that the alternative must be achievable under current technology and the alternative must be economically feasible as determined solely by the economic viability for similar projects having similar conditions and physical locations and determined without regard to the economic strength of the specific project sponsor;

(II) the agency proposing the alternative shall consult with the project sponsor regarding any proposed alternative, and the agency shall give due weight and consideration to the project sponsor's comments regarding the proposed alternative;

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~~(III) if the project sponsor believes that an alternative is not reasonable as provided in subsection (1)(b)(iv)(C)(I), the project sponsor may request a review by the appropriate board, if any, of the agency's determination regarding the reasonableness of the alternative. The appropriate board may, at its discretion, submit an advisory recommendation to the agency regarding the issue. The agency may not charge the project sponsor for any of its activities associated with any review under this section. The period of time between the request for a review and completion of a review under this subsection may not be included for the purposes of determining compliance with the time limits established for environmental review in 75-1-208.~~

~~(IV)(III) the agency shall complete a meaningful no-action alternative analysis. The no-action alternative analysis must include the projected beneficial and adverse environmental, social, and economic impact of the project's noncompletion.~~

(D) any regulatory impacts on private property rights, including whether alternatives that reduce, minimize, or eliminate the regulation of private property rights have been analyzed. The analysis in this subsection (1)(b)(iv)(D) need not be prepared if the proposed action does not involve the regulation of private property.

(E) the relationship between local short-term uses of the Montana human environment and the maintenance and enhancement of long-term productivity;

(F) any irreversible and irretrievable commitments of resources that would be involved in the proposed action if it is implemented;

(G) the customer fiscal impact analysis, if required by 69-2-216; and

(H) the details of the beneficial aspects of the proposed project, both short-term and long-term, and the economic advantages and disadvantages of the proposal;

(v) in accordance with the criteria set forth in subsection (1)(b)(iv)(C), study, develop, and describe appropriate alternatives to recommend courses of action in any proposal that involves unresolved conflicts concerning alternative uses of available resources; if the alternatives analysis is conducted for a project that is not a state-sponsored project and alternatives are recommended, the project sponsor may volunteer to implement the alternative. Neither the alternatives analysis nor the resulting recommendations bind the project sponsor to take a recommended course of action, but the project sponsor may agree pursuant to subsection (4)(b) to a specific course of action.

(vi) recognize the ~~national and potential~~ long-range character of environmental ~~problems~~ impacts in Montana and, when consistent with the policies of the state, lend appropriate support to initiatives, resolutions, and programs designed to maximize ~~national~~ cooperation in anticipating and preventing a decline in the quality of ~~the world~~ Montana's environment;

(vii) make available to counties, municipalities, institutions, and individuals advice and information useful in restoring, maintaining, and enhancing the quality of ~~the~~ Montana's environment;

(viii) initiate and use ecological information in the planning and development of resource-oriented projects; and

(ix) assist the legislature and the environmental quality council established by 5-16-101;

(c) prior to making any detailed statement as provided in subsection (1)(b)(iv), the responsible state official shall consult with and obtain the comments of any state agency that has jurisdiction by law or special expertise with respect to any environmental impact involved in Montana and with any Montana local government, as defined in 7-12-1103, that may be directly impacted by the project. The responsible state official shall also consult with and obtain comments from any state agency in Montana with respect to any regulation of private property involved.

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Copies of the statement and the comments and views of the appropriate state, federal, and local agencies that are authorized to develop and enforce environmental standards must be made available to the governor, the environmental quality council, and the public and must accompany the proposal through the existing agency review processes.

(d) a transfer of an ownership interest in a lease, permit, license, certificate, or other entitlement for use or permission to act by an agency, either singly or in combination with other state agencies, does not trigger review under subsection (1)(b)(iv) if there is not a material change in terms or conditions of the entitlement or unless otherwise provided by law.

(2) (a) Except as provided in subsection (2)(b), an environmental review conducted pursuant to subsection (1) may not include a review of actual or potential impacts beyond Montana's borders. It may not include actual or potential impacts that are regional, national, or global in nature.

(b) An environmental review conducted pursuant to subsection (1) may include a review of actual or potential impacts beyond Montana's borders if it is conducted by:

- (i) the department of fish, wildlife, and parks for the management of wildlife and fish;
- (ii) an agency reviewing an application for a project that is not a state-sponsored project to the extent that the review is required by law, rule, or regulation; or
- (iii) a state agency and a federal agency to the extent the review is required by the federal agency.

~~(2)(3) The department of public service regulation, in the exercise of its regulatory authority over rates and charges of railroads, motor carriers, and public utilities, is exempt from the provisions of parts 1 through 3.~~

~~(3) (a) In any action challenging or seeking review of an agency's decision that a statement pursuant to subsection (1)(b)(iv) is not required or that the statement is inadequate, the burden of proof is on the person challenging the decision. Except as provided in subsection (3)(b), in a challenge to the adequacy of a statement, a court may not consider any issue relating to the adequacy or content of the agency's environmental review document or evidence that was not first presented to the agency for the agency's consideration prior to the agency's decision. A court may not set aside the agency's decision unless it finds that there is clear and convincing evidence that the decision was arbitrary or capricious or not in compliance with law. A customer fiscal impact analysis pursuant to 69-2-216 or an allegation that the customer fiscal impact analysis is inadequate may not be used as the basis of any action challenging or seeking review of the agency's decision.~~

~~(b) When new, material, and significant evidence or issues relating to the adequacy or content of the agency's environmental review document are presented to the district court that had not previously been presented to the agency for its consideration, the district court shall remand the new evidence or issue relating to the adequacy or content of the agency's environmental review document back to the agency for the agency's consideration and an opportunity to modify its findings of fact and administrative decision before the district court considers the evidence or issue relating to the adequacy or content of the agency's environmental review document within the administrative record under review. Immaterial or insignificant evidence or issues relating to the adequacy or content of the agency's environmental review document may not be remanded to the agency. The district court shall review the agency's findings and decision to determine whether they are supported by substantial, credible evidence within the administrative record under review.~~

~~(4) To the extent that the requirements of subsections (1)(b)(iv)(C)(I) and (1)(b)(iv)(C)(III) are inconsistent with federal requirements, the requirements of subsections (1)(b)(iv)(C)(I) and (1)(b)(iv)(C)(III) do not apply to an environmental review that is being prepared by a state agency~~



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pursuant to this part and a federal agency pursuant to the National Environmental Policy Act or to an environmental review that is being prepared by a state agency to comply with the requirements of the National Environmental Policy Act.

~~(5)~~(4) (a) The agency may not withhold, deny, or impose conditions on any permit or other authority to act based on parts 1 through 3 of this chapter.

(b) Nothing in this subsection ~~(5)~~ (4) prevents a project sponsor and an agency from mutually developing measures that may, at the request of a project sponsor, be incorporated into a permit or other authority to act.

(c) Parts 1 through 3 of this chapter do not confer authority to an agency that is a project sponsor to modify a proposed project or action.

~~(6)~~(5) (a) (i) A challenge to an agency action under this part may only be brought against a final agency action and may only be brought in district court or in federal court, whichever is appropriate.

(ii) Any action or proceeding challenging a final agency action alleging failure to comply with or inadequate compliance with a requirement under this part must be brought within 60 days of the action that is the subject of the challenge.

(iii) For an action taken by the board of land commissioners or the department of natural resources and conservation under Title 77, "final agency action" means the date that the board of land commissioners or the department of natural resources and conservation issues a final environmental review document under this part or the date that the board approves the action that is subject to this part, whichever is later.

(b) Any action or proceeding under subsection ~~(6)(a)(ii)~~ (5)(a)(ii) must take precedence over other cases or matters in the district court unless otherwise provided by law.

(c) Any judicial action or proceeding brought in district court under subsection ~~(6)(a)~~ (5)(a) involving an equine slaughter or processing facility must comply with 81-9-240 and 81-9-241.

(6) (a) (i) In an action alleging noncompliance or inadequate compliance with a requirement of parts 1 through 3, including a challenge to an agency's decision that an environmental review is not required or a claim that the environmental review is inadequate, the agency shall compile and submit to the court the certified record of its decision at issue, and except as provided in subsection (6)(b), the person challenging the decision has the burden of proving the claim by clear and convincing evidence contained in the record.

(ii) Except as provided in subsection (6)(b), in a challenge to the agency's decision or the adequacy of an environmental review, a court may not consider any information, including but not limited to an issue, comment, argument, proposed alternative, analysis, or evidence, that was not first presented to the agency for the agency's consideration prior to the agency's decision or within the time allowed for comments to be submitted.

(iii) Except as provided in subsection (6)(b), the court shall confine its review to the record certified by the agency. The court shall affirm the agency's decision or the environmental review unless the court specifically finds that the agency's decision was arbitrary and capricious or was otherwise not in accordance with law.

(iv) A customer fiscal impact analysis pursuant to 69-2-216 or an allegation that the customer fiscal impact analysis is inadequate may not be used as the basis of an action challenging or seeking review of the agency's decision.

(b) (i) When a party challenging the decision or the adequacy of the environmental review or decision presents information not in the record certified by the agency, the challenging party shall certify under oath in an affidavit that the information is new, material, and significant evidence

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that was not publicly available before the agency's decision and that is relevant to the decision or the adequacy of the agency's environmental review.

(ii) If upon reviewing the affidavit the court finds that the proffered information is new, material, and significant evidence that was not publicly available before the agency's decision and that is relevant to the decision or to the adequacy of the agency's environmental review, the court shall remand the new evidence to the agency for the agency's consideration and an opportunity to modify its decision or environmental review before the court considers the evidence as a part of the administrative record under review.

(iii) If the court finds that the information in the affidavit does not meet the requirements of subsection (6)(b)(i), the court may not remand the matter to the agency or consider the proffered information in making its decision.

(c) (i) The remedies provided in this section for successful challenges to a decision of the agency or the adequacy of the statement are exclusive.

(ii) Notwithstanding the provisions of 27-19-201 and 27-19-314, a court having considered the pleadings of parties and intervenors opposing a request for a temporary restraining order, preliminary injunction, permanent injunction, or other equitable relief may not enjoin the issuance or effectiveness of a license or permit or a part of a license or permit issued pursuant to Title 75 or Title 82 unless the court specifically finds that the party requesting the relief is more likely than not to prevail on the merits of its complaint given the uncontroverted facts in the record and applicable law and, in the absence of a temporary restraining order, a preliminary injunction, a permanent injunction, or other equitable relief, that the:

(A) party requesting the relief will suffer irreparable harm in the absence of the relief;

(B) issuance of the relief is in the public interest. In determining whether the grant of the relief is in the public interest, a court:

(I) may not consider the legal nature or character of any party; and

(II) shall consider the implications of the relief on the local and state economy and make written findings with respect to both.

(C) relief is as narrowly tailored as the facts allow to address both the alleged noncompliance and the irreparable harm the party asking for the relief will suffer. In tailoring the relief, the court shall ensure, to the extent possible, that the project or as much of the project as possible can go forward while also providing the relief to which the applicant has been determined to be entitled.

(d) The court may issue a temporary restraining order, preliminary injunction, permanent injunction, or other injunctive relief only if the party seeking the relief provides a written undertaking to the court in an amount reasonably calculated by the court as adequate to pay the costs and damages sustained by any party that may be found to have been wrongfully enjoined or restrained by a court through a subsequent judicial decision in the case. If the party seeking an injunction or a temporary restraining order objects to the amount of the written undertaking for any reason, including but not limited to its asserted inability to pay, that party shall file an affidavit with the court that states the party's income, assets, and liabilities in order to facilitate the court's consideration of the amount of the written undertaking that is required. The affidavit must be served on the party enjoined.

(e) An individual or entity seeking a lease, permit, license, certificate, or other entitlement or authority to act may intervene in a lawsuit in court challenging a decision or statement by a department or agency of the state as a matter of right if the individual or entity has not been named as a defendant.

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(f) Attorney fees or costs may not be awarded to the prevailing party in an action alleging noncompliance or inadequate compliance with a requirement of parts 1 through 3.

(7) For purposes of judicial review, to the extent that the requirements of this section are inconsistent with the provisions of the National Environmental Policy Act, the requirements of this section apply to an environmental review or any severable portion of an environmental review within the state's jurisdiction that is being prepared by a state agency pursuant to this part in conjunction with a federal agency proceeding pursuant to the National Environmental Policy Act.

(7)(8) The director of the agency responsible for the determination or recommendation shall endorse in writing any determination of significance made under subsection (1)(b)(iv) or any recommendation that a determination of significance be made.

(8)(9) A project sponsor may request a review of the significance determination or recommendation made under subsection (7) (8) by the appropriate board, if any. The appropriate board may, at its discretion, submit an advisory recommendation to the agency regarding the issue. The period of time between the request for a review and completion of a review under this subsection may not be included for the purposes of determining compliance with the time limits established for environmental review in 75-1-208."

{Internal References to 75-1-201:

2-4-405	75-1-104	75-1-106	75-1-106
75-1-106	75-1-202	75-1-208	75-1-208
75-1-208	75-2-211	75-5-803	75-20-231
77-2-363	77-5-201	77-5-212	82-4-250
82-4-250	82-4-337	90-6-307	}

**Renumber:** subsequent sections

6. Page 11, line 11.

**Strike:** section 6 in its entirety

**Insert:** "NEW SECTION. Section 9. Effective dates. (1) Except as provided in subsection (2), [this act] is effective on passage and approval.

(2) The amendments to 75-1-201 contained in [section 7] are effective on the date that the contingency provided for in [section 11] occurs."

**Renumber:** subsequent sections

7. Page 11.

**Following:** line 14

**Insert:** "NEW SECTION. Section 11. Termination -- contingency. If either subsection (6)(c) or (6)(d) of 75-1-201, as included in [section 6], is invalidated or found to be unconstitutional by the Montana supreme court, then the amendments to 75-1-201 contained in [section 6] terminate on the date of the invalidation or the finding of unconstitutionality."

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

**SB 415**, be concurred in. Report adopted.

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**NATURAL RESOURCES** (Hendrick, Chairman):  
**SB 409**, be amended as follows:

4/4/2011

1. Page 1, line 26.

**Strike:** "30"

**Insert:** "180"

2. Page 1, line 27.

**Strike:** "SHALL"

**Insert:** "may"

3. Page 4, line 9.

**Following:** line 8

**Insert:** "(iv) Within 3 years of canceling, terminating, or abandoning a cabin site lease, the owner of the improvements shall sell the improvements, remove the improvements, or transfer ownership of the improvements to the state. If ownership is transferred to the state, proceeds from the sale of the improvements must be paid to the owner who transferred the improvements. The board shall set the conditions of the sale of transferred improvements in order to sell the improvements in an expedient manner."

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

**SB 410**, be concurred in. Report adopted.

**MESSAGES FROM THE SENATE**

**House bill not** concurred in and returned to the House:

4/2/2011

**HB 206**, introduced by MacLaren

**MESSAGES FROM THE GOVERNOR**

April 4, 2011

The Honorable Jim Peterson  
President of the Senate  
State Capitol  
Helena, Montana 59620

The Honorable Mike Milburn  
Speaker of the House  
State Capitol  
Helena, Montana 59620

Dear President Peterson and Speaker Milburn:

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In accordance with the power vested in me as Governor by the Constitution and laws of the State of Montana, I hereby veto Senate Bill 176, **"AN ACT PROHIBITING QUALIFIED HEALTH INSURANCE PLANS OFFERED THROUGH A HEALTH INSURANCE EXCHANGE IN MONTANA FROM COVERING ABORTION SERVICES"** for the following reasons. I issue this veto because I have been advised that SB 176 is unconstitutional under Montana's constitutional guarantee of individual privacy.

Unlike the federal constitution, Article II, section 10 of the Montana Constitution guarantees Montanans an express right of privacy. The Montana Supreme Court has held, unequivocally, that the state constitutional right of privacy embraces the right of a woman to decide whether to have an abortion. *Armstrong v. State*, 1999 MT 261. I have been advised that SB 176 infringes upon the right of privacy and a woman's right to access reproductive health care found in the Montana Constitution, and for this reason is unconstitutional.

Senate Bill 176 implements a provision of the federal health care reform act related to insurance plans offered through health insurance exchanges, which will be launched in 2014. The federal act authorizes states to prohibit abortion coverage in health insurance plans offered through an exchange in their state (the "opt-out" provision). SB 176 is Montana lawmakers' attempt to implement the "opt-out" provision in Montana. It must be mentioned, also, that payment for a "rider" to a health insurance plan offered through an exchange would lie solely with the consumer purchasing the plan. It is not paid for by the federal government or with federal or state funds.

While the federal health care reform act gives states the option whether to exclude abortion coverage from all health insurance plans offered through an exchange, when Montana exercises its discretion, the state is bound by the requirements of Montana's own Constitution.

The Montana Supreme Court stated in *Armstrong*: "[T]he State has no more compelling interest or constitutional justification for interfering with the exercise of this right [of a woman to terminate her pre-viability pregnancy] than it would if she chose to carry the fetus to term. . . . [I]f the State has the power to infringe the right of procreative autonomy in favor of birth, then, necessarily, it also has the power to require abortion under some circumstances." *Id.* at ¶ 49.

Montana case law could not be clearer. Under that case law, I have been advised that SB 176 is unconstitutional. It would be a waste of taxpayer's money and the State's resources to sign a bill that is unconstitutional and subject the State and other parties to unnecessary litigation. It is for this reason that I have chosen to veto SB 176.

Each of us holds deep and differing opinions on the subject of abortion, including the circumstances under which either an abortion, itself, or government regulation of abortion is appropriate. However, given my obligation to uphold the Montana Constitution, and where legal counsel has advised me that SB 176 is unconstitutional, I believe I have no choice but to veto the bill.

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I respectfully ask that you sustain my veto of SB 176 for the same reasons.  
Sincerely,

BRIAN SCHWEITZER  
Governor

**FIRST READING AND COMMITMENT OF BILLS**

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

**HJR 32**, introduced by Connell, referred to Fish, Wildlife and Parks.

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

**HR 2**, introduced by Milburn, referred to State Administration.

**THIRD READING OF BILLS**

The following bills having been read three several times, title and history agreed to, were disposed of in the following manner:

**HB 12** passed as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, C. Smith, F. Smith, Squires, Swanson, Taylor, Vance, Warburton, Washburn, Williams, Wilmer, Yates, Mr. Speaker.

Total 88

Nays: Belcourt, Kerns, Klock, Miller, Skattum, Skees, Small, Stahl, Wagner, Welborn.

Total 10

Excused: Evans.

Total 1

Absent or not voting: Hale.

Total 1

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**HB 69** passed as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Furey, Hands, Hansen, Harris, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Kary, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 86

Nays: G. Bennett, Gibson, Hendrick, Ingraham, Kennedy, Kerns, Skattum, Skees, Small, Wagner, Warburton.

Total 11

Excused: Evans.

Total 1

Absent or not voting: Greef, Hale.

Total 2

**HB 107** passed as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Furey, Gibson, Hands, Hansen, Harris, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Kary, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 88

Nays: Flynn, Hale, Hendrick, Ingraham, Kennedy, Kerns, Skattum, Warburton.

Total 8

Excused: Evans.

Total 1

Absent or not voting: Court, Greef, Sesso.

Total 3

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**HB 125** passed as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Klock, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Small, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 90

Nays: Esp, Kerns, Knox, Skees, C. Smith, Wagner.  
Total 6

Excused: Evans.  
Total 1

Absent or not voting: Hiner, Knudsen, O'Hara.  
Total 3

**HB 216** passed as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, C. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 96

Nays: Ingraham, Lavin, F. Smith.  
Total 3

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0



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**HB 295** passed as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 99

Nays: None.

Total 0

Excused: Evans.

Total 1

Absent or not voting: None.

Total 0

**HB 310** passed as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 98

Nays: None.

Total 0

Excused: Evans.

Total 1

Absent or not voting: Washburn.

Total 1

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**HB 336** passed as follows:

Yeas: Bangerter, Barrett, Belcourt, B. Bennett, Boland, Brodehl, Burnett, Clark, Connell, Court, Cuffe, Driscoll, Edmunds, Esp, Fitzpatrick, Furey, Greef, Hands, Hansen, Hill, Hiner, Hollenbaugh, Hoven, Hunter, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McNally, McNutt, Mehlhoff, Menahan, Noonan, O'Hara, Pease-Lopez, Phillips, Price, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, F. Smith, Squires, Swanson, Vance, Washburn, Williams, Wilmer, Yates, Mr. Speaker.

Total 56

Nays: Ankney, Arntzen, B. Beck, G. Bennett, Berry, Blasdel, Blyton, Cook, Ehli, Flynn, Gibson, Hale, Harris, Hendrick, Hollandsworth, Howard, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, McGillvray, McNiven, Miller, More, O'Neil, Osmundson, Peterson, Randall, Read, Regier, Skattum, Skees, Small, C. Smith, Stahl, Taylor, Wagner, Warburton, Welborn.

Total 43

Excused: Evans.

Total 1

Absent or not voting: None.

Total 0

**HB 469** passed as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 99

Nays: None.

Total 0

Excused: Evans.

Total 1

Absent or not voting: None.

Total 0

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**HB 522** passed as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees,

Small, C. Smith, F. Smith, Squires, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 97

Nays: None.

Total 0

Excused: Evans.

Total 1

Absent or not voting: Hoven, Stahl.

Total 2

**HB 541** passed as follows:

Yeas: Ankney, Arntzen, Bangerter, B. Beck, Belcourt, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Gibson, Greef, Hale, Hansen, Harris, Hendrick, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacLaren, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Peterson, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Schmidt, Sesso, Skattum, Skees, Small, C. Smith, F. Smith, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 87

Nays: Barrett, B. Bennett, Court, Furey, Hands, Hill, MacDonald, Malek, Pease-Lopez, Phillips, Sands, Squires.

Total 12

Excused: Evans.

Total 1

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Absent or not voting: None.

Total 0

**HB 552** passed as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Clark, Connell, Cook, Court, Cuffe, Driscoll, Ehli, Fitzpatrick, Furey, Gibson, Greef, Hale, Hands, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Klock, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, Mehlhoff, Menahan, Miller, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Phillips, Price, Read, Regier, Reinhart, Roberts, Sands, Schmidt, Sesso, Small, F. Smith, Squires, Swanson, Taylor, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 75

Nays: G. Bennett, Burnett, Edmunds, Esp, Flynn, Hansen, Kary, Kennedy, Kerns, Knox, Knudsen, McNutt, More, Peterson, Randall, Reichner, Rosendale, Salomon, Skattum, Skees, C. Smith, Stahl, Vance, Wagner.

Total 24

Excused: Evans.

Total 1

Absent or not voting: None.

Total 0

**HB 584** passed as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Small, C. Smith, F. Smith, Squires,

Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 95

Nays: O'Neil, Skattum, Skees.

Total 3

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Excused: Evans.

Total 1

Absent or not voting: Stahl.

Total 1

**SB 330** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, B. Beck, G. Bennett, Berry, Blasdel, Blyton, Brodehl, Burnett, Clark, Connell, Cook, Cuffe, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Gibson, Greef, Hale, Hansen, Harris, Hendrick, Hollandsworth, Howard, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacLaren, McGillvray, McNiven, McNutt, Miller, More, O'Hara, O'Neil, Osmundson, Peterson, Randall, Read, Regier, Reichner, Roberts, Rosendale, Salomon, Skattum, Skees, Small, C. Smith, F. Smith, Stahl, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Mr. Speaker.

Total 66

Nays: Barrett, Belcourt, B. Bennett, Boland, Court, Driscoll, Furey, Hands, Hill, Hiner, Hollenbaugh, Hunter, MacDonald, Malek, McChesney, McClafferty, McNally, Mehlhoff, Menahan, Noonan, Pease-Lopez, Phillips, Price, Reinhart, Sands, Schmidt, Sesso, Squires, Swanson, Williams, Wilmer, Yates.

Total 32

Excused: Evans.

Total 1

Absent or not voting: Hoven.

Total 1

**SB 11** concurred in as follows:

Yeas: Ankney, Arntzen, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Ingraham, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, MacDonald, MacLaren, Malek, McChesney, McClafferty, McNally, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Phillips, Price, Randall, Read, Regier, Reinhart,

Rosendale, Sands, Schmidt, Sesso, Skattum, Skees, Small, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 86

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Nays: Bangerter, Fitzpatrick, Harris, Howard, Kary, Loney, McGillvray, McNiven, Peterson, Reichner, Roberts, Salomon, C. Smith.  
Total 13

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0

**SB 16** concurred in as follows:

Yeas: Ankney, Arntzen, Barrett, B. Beck, Belcourt, B. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Ehli, Furey, Gibson, Hands, Hansen, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Klock, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, Noonan, Osmundson, Pease-Lopez, Phillips, Price, Randall, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Small, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Warburton, Williams, Wilmer, Yates, Mr. Speaker.  
Total 70

Nays: Bangerter, G. Bennett, Edmunds, Esp, Fitzpatrick, Flynn, Greef, Hale, Harris, Hendrick, Ingraham, Kary, Kennedy, Kerns, Knox, Knudsen, McGillvray, More, O'Hara, O'Neil, Peterson, Read, Regier, Skattum, Skees, C. Smith, Wagner, Washburn, Welborn.  
Total 29

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0

**SB 29** concurred in as follows:

Yeas: Ankney, Arntzen, Barrett, Belcourt, B. Bennett, Boland, Burnett, Clark, Connell, Court, Driscoll, Ehli, Fitzpatrick, Furey, Gibson, Hands, Hill, Hiner, Hollandsworth, Hollenbaugh, Hunter, Klock, Lavin, MacDonald, MacLaren, Malek, McChesney, McClafferty, McNally, McNiven, Mehlhoff, Menahan, Noonan, O'Hara, Osmundson, Pease-Lopez, Phillips, Price, Reichner, Reinhart, Rosendale, Salomon, Sands, Schmidt, Sesso, Small, F. Smith, Squires, Swanson, Vance, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 56

Nays: Bangerter, B. Beck, G. Bennett, Berry, Blasdel, Blyton, Brodehl, Cook, Cuffe, Edmunds, Esp, Flynn, Greef, Hale, Hansen, Harris, Hendrick, Hoven, Howard, Ingraham, Kary, Kennedy,

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Kerns, Knox, Knudsen, Loney, McGillvray, McNutt, Miller, More, O'Neil, Peterson, Randall, Read, Regier, Roberts, Skattum, Skees, C. Smith, Stahl, Taylor, Wagner, Warburton.  
Total 43

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0

**SB 30** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, Blyton, Boland, Burnett, Clark, Connell, Cook, Court, Driscoll, Ehli, Fitzpatrick, Furey, Gibson, Greef, Hands, Harris, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Ingraham, Kary, Klock, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Small, F. Smith, Squires, Stahl, Swanson, Taylor, Warburton, Washburn, Williams, Wilmer, Mr. Speaker.  
Total 74

Nays: G. Bennett, Berry, Blasdel, Brodehl, Cuffe, Edmunds, Esp, Flynn, Hale, Hansen, Hendrick, Howard, Kennedy, Kerns, Knox, More, Randall, Read, Skattum, Skees, C. Smith, Vance, Wagner, Welborn, Yates.  
Total 25

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0

**SB 35** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, B. Beck, Belcourt, G. Bennett, Berry, Blasdel, Blyton, Brodehl, Burnett, Clark, Connell, Cook, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Gibson, Greef, Hale, Hansen, Harris, Hendrick, Hiner, Hollandsworth, Hoven, Howard, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacLaren, McChesney, McGillvray, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, O'Hara, Osmundson, Pease-Lopez, Peterson, Randall, Read, Regier, Reichner, Roberts, Rosendale, Salomon, Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Yates, Mr. Speaker.  
Total 75

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Nays: Barrett, B. Bennett, Boland, Court, Furey, Hands, Hill, Hollenbaugh, Hunter, MacDonald, Malek, McClafferty, McNally, Noonan, O'Neil, Phillips, Price, Reinhart, Sands, Schmidt, Sesso, Swanson, Williams, Wilmer.

Total 24

Excused: Evans.

Total 1

Absent or not voting: None.

Total 0

**SB 68** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, Berry, Blasdel, Blyton, Boland, Burnett, Clark, Connell, Cook, Court, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Furey, Greef, Hands, Hansen, Harris, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Kary, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, More, Noonan, O'Hara, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Sands, Schmidt, Sesso, F. Smith, Squires, Stahl, Swanson, Taylor, Warburton, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 75

Nays: G. Bennett, Brodehl, Cuffe, Flynn, Gibson, Hale, Hendrick, Ingraham, Kennedy, Kerns, Klock, Knox, Knudsen, Miller, O'Neil, Randall, Salomon, Skattum, Skees, Small, C. Smith, Vance, Wagner, Washburn.

Total 24

Excused: Evans.

Total 1

Absent or not voting: None.

Total 0

**SB 75** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso,



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Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 99

Nays: None.

Total 0

Excused: Evans.

Total 1

Absent or not voting: None.

Total 0

**SB 126** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, Belcourt, B. Bennett, Berry, Blyton, Boland, Burnett, Clark, Connell, Cook, Court, Driscoll, Ehli, Furey, Greef, Hale, Hands, Harris, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Klock, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McNally, McNiven, McNutt, Mehlhoff, Menahan, More, Noonan, O'Hara, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Reinhart, Salomon, Sands, Schmidt, Sesso, Small, F. Smith, Squires, Stahl, Swanson, Taylor, Washburn, Williams, Wilmer, Mr. Speaker.

Total 62

Nays: B. Beck, G. Bennett, Blasdel, Brodehl, Cuffe, Edmunds, Esp, Fitzpatrick, Flynn, Gibson, Hansen, Hendrick, Howard, Ingraham, Kary, Kennedy, Kerns, Knox, Knudsen, Lavin, McGillvray, Miller, O'Neil, Randall, Read, Regier, Reichner, Roberts, Rosendale, Skattum, Skees, C. Smith, Vance, Wagner, Warburton, Welborn, Yates.

Total 37

Excused: Evans.

Total 1

Absent or not voting: None.

Total 0

**SB 149** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Furey, Greef, Hands, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Klock, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Noonan, O'Hara, O'Neil, Pease-Lopez, Phillips, Price, Randall,

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Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 86

Nays: Gibson, Hale, Hansen, Kennedy, Kerns, Knox, Miller, More, Osmundson, Peterson, Skattum, Vance, Wagner.  
Total 13

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0

**SB 172** concurred in as follows:

Yeas: Ankney, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, Berry, Blasdel, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Ehli, Fitzpatrick, Furey, Gibson, Greef, Hands, Hansen, Harris, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Klock, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Small, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 82

Nays: Arntzen, G. Bennett, Blyton, Edmunds, Esp, Flynn, Hale, Hendrick, Kary, Kennedy, Kerns, Knox, Skattum, Skees, C. Smith, Wagner, Warburton.  
Total 17

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0

**SB 218** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris,

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Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 99

Nays: None.  
Total 0

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0

**SB 219** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 99

Nays: None.  
Total 0

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0

**SB 224** concurred in as follows:

Yeas: Arntzen, Bangerter, B. Beck, G. Bennett, Blasdel, Blyton, Brodehl, Burnett, Clark, Connell, Cook, Cuffe, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Gibson, Greef, Hale, Hansen,

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Harris, Hendrick, Hollandsworth, Howard, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacLaren, McGillvray, McNiven, McNutt, Miller, More, O'Hara, O'Neil, Osmundson, Peterson, Randall, Read, Regier, Reichner, Roberts, Rosendale, Salomon, Skattum, Skees, C. Smith, Stahl, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Yates, Mr. Speaker.  
Total 63

Nays: Ankney, Barrett, Belcourt, B. Bennett, Berry, Boland, Court, Driscoll, Furey, Hands, Hill, Hiner, Hollenbaugh, Hoven, Hunter, MacDonald, Malek, McChesney, McClafferty, McNally, Mehlhoff, Menahan, Noonan, Pease-Lopez, Phillips, Price, Reinhart, Sands, Schmidt, Sesso, Small, F. Smith, Squires, Swanson, Williams, Wilmer.  
Total 36

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0

**SB 237** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, B. Beck, Belcourt, G. Bennett, Berry, Blasdel, Blyton, Burnett, Clark, Connell, Cook, Cuffe, Ehli, Esp, Fitzpatrick, Flynn, Gibson, Hale, Hansen, Harris, Hendrick, Hiner, Hollandsworth, Hoven, Howard, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacLaren, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Peterson, Randall, Read, Regier, Reichner, Roberts, Rosendale, Salomon, Skattum, Skees, Small, C. Smith, Stahl, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Yates, Mr. Speaker.  
Total 71

Nays: Barrett, B. Bennett, Boland, Brodehl, Court, Driscoll, Edmunds, Furey, Greef, Hands, Hill, Hollenbaugh, Hunter, MacDonald, Malek, Menahan, Pease-Lopez, Phillips, Price, Reinhart, Sands, Schmidt, Sesso, F. Smith, Squires, Swanson, Williams, Wilmer.  
Total 28

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0

**SB 242** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli,

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Esp, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 95

Nays: Boland, Malek, Mehlhoff, Price.

Total 4

Excused: Evans.

Total 1

Absent or not voting: None.

Total 0

**SB 266** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, B. Beck, Belcourt, G. Bennett, Berry, Blasdel, Blyton, Brodehl, Burnett, Clark, Connell, Cook, Cuffe, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Gibson, Greef, Hale, Hansen, Harris, Hendrick, Hiner, Hollandsworth, Hoven, Howard, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacLaren, McChesney, McGillvray, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, O'Hara, O'Neil, Osmundson, Peterson, Randall, Read, Regier, Reichner, Roberts, Rosendale, Salomon, Skattum, Skees, Small, C. Smith, F. Smith, Stahl, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Yates, Mr. Speaker.

Total 73

Nays: Barrett, B. Bennett, Boland, Court, Driscoll, Furey, Hands, Hill, Hollenbaugh, Hunter, MacDonald, Malek, McClafferty, McNally, Noonan, Pease-Lopez, Phillips, Price, Reinhart, Sands, Schmidt, Sesso, Squires, Swanson, Williams, Wilmer.

Total 26

Excused: Evans.

Total 1

Absent or not voting: None.

Total 0

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**SB 278** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 99

Nays: None.

Total 0

Excused: Evans.

Total 1

Absent or not voting: None.

Total 0

**SB 338** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, B. Beck, G. Bennett, Berry, Blasdel, Blyton, Brodehl, Burnett, Clark, Connell, Cook, Cuffe, Ehli, Esp, Fitzpatrick, Flynn, Gibson, Greef, Hale, Hansen, Harris, Hendrick, Hollandsworth, Hoven, Howard, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacLaren, McGillvray, McNiven, McNutt, Miller, More, O'Hara, O'Neil, Osmundson, Peterson, Randall, Read, Regier, Reichner, Roberts, Rosendale, Salomon, Skattum, Skees, C. Smith, F. Smith, Stahl, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Yates, Mr. Speaker.

Total 66

Nays: Barrett, Belcourt, B. Bennett, Boland, Court, Driscoll, Edmunds, Furey, Hands, Hill, Hiner, Hollenbaugh, Hunter, MacDonald, Malek, McChesney, McClafferty, McNally, Mehlhoff, Menahan, Noonan, Pease-Lopez, Phillips, Price, Reinhart, Sands, Schmidt, Sesso, Small, Squires, Swanson, Williams, Wilmer.

Total 33

Excused: Evans.

Total 1

Absent or not voting: None.

Total 0

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**SB 389** concurred in as follows:

Yeas: Ankney, Arntzen, Barrett, B. Beck, Belcourt, B. Bennett, Blasdel, Blyton, Boland, Brodehl, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Furey, Gibson, Hale, Hands, Hansen, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hunter, Kary, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McNally, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Phillips, Price, Randall, Regier, Reichner, Reinhart, Rosendale, Salomon, Sands, Schmidt, Sesso, Skees, Small, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 79

Nays: Bangerter, G. Bennett, Berry, Burnett, Fitzpatrick, Flynn, Greef, Harris, Hoven, Howard, Ingraham, Kennedy, McGillvray, McNiven, Peterson, Read, Roberts, Skattum, C. Smith, Wagner.  
Total 20

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0

**SJR 4** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, B. Beck, G. Bennett, Berry, Blasdel, Blyton, Brodehl, Burnett, Clark, Connell, Cook, Cuffe, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Gibson, Greef, Hale, Hansen, Harris, Hendrick, Hollandsworth, Hoven, Howard, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacLaren, McGillvray, McNiven, McNutt, Miller, More, O'Hara, O'Neil, Osmundson, Peterson, Randall, Read, Regier, Reichner, Roberts, Rosendale, Salomon, Skattum, Skees, Small, C. Smith, Stahl, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Yates, Mr. Speaker.  
Total 67

Nays: Barrett, Belcourt, B. Bennett, Boland, Court, Driscoll, Furey, Hands, Hill, Hiner, Hollenbaugh, Hunter, MacDonald, Malek, McChesney, McClafferty, McNally, Mehlhoff, Menahan, Noonan, Pease-Lopez, Phillips, Price, Reinhart, Sands, Schmidt, Sesso, F. Smith, Squires, Swanson, Williams, Wilmer.  
Total 32

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0

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**SB 312** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, B. Beck, Belcourt, G. Bennett, Berry, Blasdel, Blyton, Brodehl, Burnett, Clark, Connell, Cook, Cuffe, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Gibson, Greef, Hale, Hansen, Harris, Hendrick, Hiner, Hollandsworth, Hoven, Howard, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacLaren, McChesney, McClafferty, McGillvray, McNiven, McNutt, Mehlhoff, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Randall, Read, Regier, Reichner, Roberts, Rosendale, Salomon, Sesso, Skattum, Skees, Small, C. Smith, F. Smith, Stahl, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Yates, Mr. Speaker.  
Total 76

Nays: Barrett, B. Bennett, Boland, Court, Driscoll, Furey, Hands, Hill, Hollenbaugh, Hunter, MacDonald, Malek, McNally, Menahan, Phillips, Price, Reinhart, Sands, Schmidt, Squires, Swanson, Williams, Wilmer.  
Total 23

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0

**SB 277** concurred in as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Flynn, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 96

Nays: Furey, MacDonald, Reinhart.  
Total 3

Excused: Evans.  
Total 1

Absent or not voting: None.  
Total 0



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

Majority Leader McGillvray moved the House resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Representative Gibson in the chair.

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

**SB 87** - Representative K. Williams moved **SB 87** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Clark, Connell, Cook, Court, Cuffe, Driscoll, Ehli, Esp, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Ingraham, Klock, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, Noonan, O'Hara, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Read, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Small, C. Smith, F. Smith, Squires, Swanson, Taylor, Vance, Warburton, Washburn, Welborn, Williams, Wilmer, Mr. Speaker.

Total 82

Nays: Burnett, Edmunds, Evans, Howard, Kary, Kennedy, Kerns, Knox, McGillvray, More, O'Neil, Randall, Regier, Skattum, Skees, Stahl, Wagner, Yates.

Total 18

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**SB 99** - Representative K. Peterson moved **SB 99** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Evans, Fitzpatrick, Flynn, Furey, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso,

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Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance,  
Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 98

Nays: Wagner.  
Total 1

Excused: None.  
Total 0

Absent or not voting: Gibson.  
Total 1

**SB 110** - Representative Knudsen moved **SB 110** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry,  
Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll,  
Edmunds, Ehli, Esp, Evans, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen,  
Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham,  
Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek,  
McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller,  
More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall,  
Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso,  
Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner,  
Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 100

Nays: None.  
Total 0

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**SB 166** - Representative Lavin moved **SB 166** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry,  
Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll,  
Edmunds, Ehli, Esp, Evans, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen,  
Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham,  
Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek,  
McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller,  
More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall,

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Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 100

Nays: None.

Total 0

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**SB 195** - Representative Clark moved **SB 195** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Clark, Connell, Cook, Court, Cuffe, Driscoll, Ehli, Esp, Evans, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Klock, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, More, Noonan, O'Hara, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 92

Nays: Burnett, Edmunds, Kennedy, Kerns, Knox, Miller, O'Neil, Skattum.

Total 8

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**SB 385** - Representative Clark moved **SB 385** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, Berry, Blasdel, Blyton, Boland, Clark, Connell, Cook, Court, Driscoll, Ehli, Esp, Evans, Furey, Gibson, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Klock, Knudsen, Lavin, MacDonald, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Noonan, O'Hara, Osmundson, Pease-Lopez, Phillips, Price,

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Regier, Reichner, Reinhart, Roberts, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, F. Smith, Squires, Stahl, Swanson, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 70

Nays: G. Bennett, Brodehl, Burnett, Cuffe, Edmunds, Fitzpatrick, Flynn, Greef, Hale, Howard, Ingraham, Kary, Kennedy, Kerns, Knox, Loney, MacLaren, Miller, More, O'Neil, Peterson, Randall, Read, Rosendale, C. Smith, Taylor, Vance, Wagner, Warburton, Washburn.  
Total 30

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**SJR 11** - Representative Milburn moved consideration of **SJR 11** be passed for the day.  
Motion carried.

**HB 166 - Senate Amendments** - Representative Esp moved Senate amendments to **HB 166** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Evans, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 100

Nays: None.  
Total 0

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**HB 277 - Senate Amendments** - Representative Washburn moved Senate amendments to **HB 277** be concurred in. Motion carried as follows:

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Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Fitzpatrick, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Klock, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNutt, Mehlhoff, Menahan, More, Noonan, O'Hara, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Read, Regier, Reinhart, Rosendale, Salomon, Sands, Schmidt, Sesso, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates.

Total 87

Nays: Flynn, Kennedy, Kerns, Knox, McNiven, Miller, O'Neil, Randall, Roberts, Skattum.

Total 10

Excused: Evans.

Total 1

Absent or not voting: Reichner, Mr. Speaker.

Total 2

**HB 291 - Senate Amendments** - Representative Sesso moved Senate amendments to **HB 291** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, Berry, Blasdel, Blyton, Boland, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Flynn, Furey, Gibson, Greef, Hale, Hands, Harris, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Hunter, Ingraham, Kary, Klock, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McNally, McNutt, Mehlhoff, Menahan, More, Noonan, O'Hara, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Regier, Reichner, Reinhart, Roberts, Rosendale, Sands, Schmidt, Sesso, Small, F. Smith, Squires, Swanson, Taylor, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 78

Nays: G. Bennett, Brodehl, Evans, Fitzpatrick, Hansen, Hendrick, Howard, Kennedy, Kerns, Knox, Knudsen, McGillvray, McNiven, Miller, O'Neil, Read, Salomon, Skattum, Skees, C. Smith, Stahl, Vance.

Total 22

Excused: None.

Total 0

Absent or not voting: None.

Total 0

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**HB 538 - Senate Amendments** - Representative K. Peterson moved Senate amendments to **HB 538** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Evans, Fitzpatrick, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 93

Nays: Burnett, Hendrick, Kennedy, Kerns, Phillips, Skattum, Skees.  
Total 7

Excused: None.  
Total 0

Absent or not voting: None.  
Total 0

**HB 548 - Senate Amendments** - Representative Bangerter moved Senate amendments to **HB 548** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Cook, Court, Cuffe, Driscoll, Edmunds, Ehli, Esp, Evans, Flynn, Furey, Gibson, Greef, Hands, Hansen, Harris, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reichner, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, C. Smith, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.  
Total 96

Nays: Fitzpatrick, Hale, Hendrick, Kerns.  
Total 4

Excused: None.  
Total 0

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Absent or not voting: None.

Total 0

Majority Leader McGillvray moved the committee rise and report. Motion carried. Committee arose. House resumed. Mr. Speaker in the chair. Chairman Gibson moved the Committee of the Whole report be adopted. Report adopted as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, B. Beck, Belcourt, B. Bennett, G. Bennett, Berry, Blasdel, Blyton, Boland, Brodehl, Burnett, Clark, Connell, Court, Driscoll, Edmunds, Esp, Flynn, Furey, Gibson, Greef, Hale, Hands, Hansen, Harris, Hendrick, Hill, Hiner, Hollandsworth, Hollenbaugh, Hoven, Howard, Hunter, Ingraham, Kary, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, MacDonald, MacLaren, Malek, McChesney, McClafferty, McGillvray, McNally, McNutt, Mehlhoff, Menahan, Miller, More, Noonan, O'Hara, O'Neil, Osmundson, Pease-Lopez, Peterson, Phillips, Price, Randall, Read, Regier, Reinhart, Roberts, Rosendale, Salomon, Sands, Schmidt, Sesso, Skattum, Skees, Small, F. Smith, Squires, Stahl, Swanson, Taylor, Vance, Wagner, Warburton, Washburn, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 92

Nays: Cook, Fitzpatrick, McNiven.

Total 3

Excused: Evans.

Total 1

Absent or not voting: Cuffe, Ehli, Reichner, C. Smith.

Total 4

**REPORTS OF STANDING COMMITTEES**

**TAXATION** (Blasdel, Chairman):  
**SB 295**, be amended as follows:

4/5/2011

1. Page 3, line 11.

**Strike:** "INFORMATION"

**Insert:** "aggregate model output"

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

**SB 371**, be amended as follows:

1. Title, page 1, line 9.

**Following:** "CHEMICALS;"

**Insert:** "PROVIDING EXEMPTIONS FROM PROPERTY TAXES, INDIVIDUAL INCOME TAXES, CORPORATION LICENSE TAXES, AND OTHER BUSINESS-RELATED TAXES; APPLYING THE FIREARMS LIABILITY LAW TO AMMUNITION;"

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2. Title, page 1, line 11.

**Following:** "~~21-1-720~~;"

**Insert:** "15-6-219, 15-30-2110, 15-31-113, 27-1-720,"

**Following:** "90-1-118;"

**Insert:** ", "

3. Title, page 1, line 12.

**Following:** "DATES"

**Insert:** "AND APPLICABILITY DATES"

4. Page 1.

**Following:** line 15

**Strike:** everything after the enacting clause

**Insert:** "NEW SECTION. Section 1. Short title. [Sections 1 through 6] may be cited as the "Montana Ammunition Availability Act"."

**Insert:** "NEW SECTION. Section 2. Legislative findings. (1) In recognition that the people of Montana have reserved to themselves the individual right to bear arms in Article II, section 12, of the Montana constitution, the legislature finds that both this right and the firearms that the people possess are at serious risk if the people cannot obtain ammunition for firearms. An adequate source of ammunition is an indivisible and essential part of the right to bear arms. The people of Montana are totally dependent upon a very few manufacturers of smokeless propellant, small arms primers, and cartridge cases located in other states for small arms ammunition used in Montana.

(2) The legislature intends to encourage the manufacture of smokeless propellant, small arms primers, and cartridge cases within the borders of Montana to ensure availability of small arms ammunition for the people of Montana and to fully implement the right to bear arms that the people have reserved to themselves. "

**Insert:** "NEW SECTION. Section 3. Definitions. As used in [sections 1 through 6], the following definitions apply:

(1) "Ammunition components" means smokeless propellants, small arms primers, and cartridge cases.

(2) "Black powder" means a propellant made from potassium or sodium nitrate, charcoal, and sulfur or a substitute for black powder made differently that is used for conventional small arms or antique or replica arms.

(3) "Cartridge cases" means the casings that contain and hold together the propellant, primer, and bullet and that may be formed from brass, aluminum, steel, plastic, or some combination of those or other materials.

(4) "Primary business" means a manufacturer in which more than one-half of its product produced is and more than one-half of its gross income comes from sales of smokeless propellant, small arms primers, cartridge cases, or any combination of those items.

(5) "Propellant" includes smokeless propellant and black powder or black powder substitutes.



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(6) "Small arms" means pistols, revolvers, rifles, shotguns, and other similar devices that are portable by one person, the possession and use of which are protected by Article II, section 12, of the Montana constitution.

(7) "Small arms primers" means the priming component for a round of ammunition intended for use in small arms that is usually made of a cup, an anvil, and a shock-sensitive chemical compound and is designed to ignite the propellant in an ammunition cartridge for conventional small arms.

(8) "Smokeless propellant" means a chemical substance designed to expel a projectile from small arms through burning and expansion at a quick but controlled burning rate."

**Insert:** "NEW SECTION. Section 4. Tax exemptions -- period -- conditions. (1) Subject to subsection (3), a person or entity in this state engaged in the primary business of the manufacture of ammunition components that meets the conditions in subsection (2) is exempt from:

(a) property taxes levied for state educational purposes under 15-10-108, 20-9-331, 20-9-333, 20-9-360, and 20-25-439;

(b) business equipment tax levied pursuant to 15-6-138;

(c) individual income taxes as provided in Title 15, chapter 30;

(d) corporate license or income tax as provided in Title 15, chapter 31; and

(e) any other tax on business activity levied by the state, except:

(i) the local portion of property tax not exempt under subsection (1)(a); or

(ii) an employer's share of employee payroll taxes that are used to finance state-mandated programs, including unemployment insurance and workers' compensation.

(2) A person or entity in this state engaged in the primary business of the manufacture of ammunition components is exempt from taxation as provided under subsection (1) until December 31, 2030, if the person's or entity's business meets the following conditions:

(a) the products of the business are and remain available to commercial and individual consumers in the state;

(b) in-state commercial and individual consumers have priority over out-of-state consumers for access to the products of the business;

(c) the business sells its products to in-state commercial and individual consumers for a price no greater than that for out-of-state purchasers, including any products that leave the state regardless of destination or purchaser; and

(d) the business does not enter into any agreement or contract that could actually or potentially command or commit all of its production to out-of-state consumers or interfere with or prohibit sales and provision of products to in-state consumers.

(3) The exemptions allowed under subsection (1) apply only to the property, income, and business activity attributable to the manufacture of ammunition components."

**Insert:** "NEW SECTION. Section 5. Tort liability. The provisions of 27-1-720 apply to ammunition components and propellants manufactured in Montana. "

**Insert:** "NEW SECTION. Section 6. Economic development. The manufacture of ammunition components is a qualified economic development purpose pursuant to 90-1-116 through 90-1-119 and Title 90, chapter 1, part 2. "

**Insert:** "Section 7. Section 15-6-219, MCA, is amended to read:

**"15-6-219. Personal and other property exemptions.** The following categories of property are exempt from taxation:

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- (1) harness, saddlery, and other tack equipment;
- (2) the first \$15,000 or less of market value of tools owned by the taxpayer that are customarily hand-held and that are used to:
  - (a) construct, repair, and maintain improvements to real property; or
  - (b) repair and maintain machinery, equipment, appliances, or other personal property;
- (3) all household goods and furniture, including but not limited to clocks, musical instruments, sewing machines, and wearing apparel of members of the family, used by the owner for personal and domestic purposes or for furnishing or equipping the family residence;
- (4) a bicycle, as defined in 61-8-102, used by the owner for personal transportation purposes;
- (5) items of personal property intended for rent or lease in the ordinary course of business if each item of personal property satisfies all of the following:
  - (a) the acquired cost of the personal property is less than \$15,000;
  - (b) the personal property is owned by a business whose primary business income is from rental or lease of personal property to individuals and no one customer of the business accounts for more than 10% of the total rentals or leases during a calendar year; and
  - (c) the lease of the personal property is generally on an hourly, daily, weekly, semimonthly, or monthly basis;
- (6) space vehicles and all machinery, fixtures, equipment, and tools used in the design, manufacture, launch, repair, and maintenance of space vehicles that are owned by businesses engaged in manufacturing and launching space vehicles in the state or that are owned by a contractor or subcontractor of that business and that are directly used for space vehicle design, manufacture, launch, repair, and maintenance; ~~and~~
- (7) a title plant owned by a title insurer or a title insurance producer, as those terms are defined in 33-25-105; and
- (8) property used in the manufacture of ammunition components as provided in [section 4]."

**Insert:**        "NEW SECTION. Section 8. Manufacture of ammunition components -- exemption from statewide property taxes. As provided in [section 4], property used in the manufacture of ammunition components is exempt from the property taxes levied for state educational purposes under 15-10-108, 20-9-331, 20-9-333, 20-9-360, and 20-25-439. The exemption must be administered and applied for as provided in [sections 1 through 6]."

**Insert: "Section 9.** Section 15-30-2110, MCA, is amended to read:

**"15-30-2110. Adjusted gross income.** (1) Subject to subsection (13), adjusted gross income is the taxpayer's federal adjusted gross income as defined in section 62 of the Internal Revenue Code, 26 U.S.C. 62, and in addition includes the following:

(a) (i) interest received on obligations of another state or territory or county, municipality, district, or other political subdivision of another state, except to the extent that the interest is exempt from taxation by Montana under federal law;

(ii) exempt-interest dividends as defined in section 852(b)(5) of the Internal Revenue Code, 26 U.S.C. 852(b)(5), that are attributable to the interest referred to in subsection (1)(a)(i);

(b) refunds received of federal income tax, to the extent that the deduction of the tax resulted in a reduction of Montana income tax liability;

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(c) that portion of a shareholder's income under subchapter S. of Chapter 1 of the Internal Revenue Code that has been reduced by any federal taxes paid by the subchapter S. corporation on the income;

(d) depreciation or amortization taken on a title plant as defined in 33-25-105;

(e) the recovery during the tax year of an amount deducted in any prior tax year to the extent that the amount recovered reduced the taxpayer's Montana income tax in the year deducted;

(f) if the state taxable distribution of an estate or trust is greater than the federal taxable distribution of the same estate or trust, the difference between the state taxable distribution and the federal taxable distribution of the same estate or trust for the same tax period; and

(g) except for exempt-interest dividends described in subsection (2)(a)(ii), for tax years commencing after December 31, 2002, the amount of any dividend to the extent that the dividend is not included in federal adjusted gross income.

(2) Notwithstanding the provisions of the Internal Revenue Code, adjusted gross income does not include the following, which are exempt from taxation under this chapter:

(a) (i) all interest income from obligations of the United States government, the state of Montana, or a county, municipality, district, or other political subdivision of the state and any other interest income that is exempt from taxation by Montana under federal law;

(ii) exempt-interest dividends as defined in section 852(b)(5) of the Internal Revenue Code, 26 U.S.C. 852(b)(5), that are attributable to the interest referred to in subsection (2)(a)(i);

(b) interest income earned by a taxpayer who is 65 years of age or older in a tax year up to and including \$800 for a taxpayer filing a separate return and \$1,600 for each joint return;

(c) (i) except as provided in subsection (2)(c)(ii), the first \$3,600 of all pension and annuity income received as defined in 15-30-2101;

(ii) for pension and annuity income described under subsection (2)(c)(i), as follows:

(A) each taxpayer filing singly, head of household, or married filing separately shall reduce the total amount of the exclusion provided in subsection (2)(c)(i) by \$2 for every \$1 of federal adjusted gross income in excess of \$30,000 as shown on the taxpayer's return;

(B) in the case of married taxpayers filing jointly, if both taxpayers are receiving pension or annuity income or if only one taxpayer is receiving pension or annuity income, the exclusion claimed as provided in subsection (2)(c)(i) must be reduced by \$2 for every \$1 of federal adjusted gross income in excess of \$30,000 as shown on their joint return;

(d) all Montana income tax refunds or tax refund credits;

(e) gain required to be recognized by a liquidating corporation under 15-31-113(1)(a)(ii);

(f) all tips or gratuities that are covered by section 3402(k) or service charges that are covered by section 3401 of the Internal Revenue Code of 1954, 26 U.S.C. 3402(k) or 3401, as amended and applicable on January 1, 1983, received by a person for services rendered to patrons of premises licensed to provide food, beverage, or lodging;

(g) all benefits received under the workers' compensation laws;

(h) all health insurance premiums paid by an employer for an employee if attributed as income to the employee under federal law;

(i) all money received because of a settlement agreement or judgment in a lawsuit brought against a manufacturer or distributor of "agent orange" for damages resulting from exposure to "agent orange";

(j) principal and income in a medical care savings account established in accordance with 15-61-201 or withdrawn from an account for eligible medical expenses, as defined in

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15-61-102, of the taxpayer or a dependent of the taxpayer or for the long-term care of the taxpayer or a dependent of the taxpayer;

(k) principal and income in a first-time home buyer savings account established in accordance with 15-63-201 or withdrawn from an account for eligible costs, as provided in 15-63-202(7), for the first-time purchase of a single-family residence;

(l) contributions withdrawn from a family education savings account or earnings withdrawn from a family education savings account for qualified higher education expenses, as defined in 15-62-103, of a designated beneficiary;

(m) the recovery during the tax year of any amount deducted in any prior tax year to the extent that the recovered amount did not reduce the taxpayer's Montana income tax in the year deducted;

(n) if the federal taxable distribution of an estate or trust is greater than the state taxable distribution of the same estate or trust, the difference between the federal taxable distribution and the state taxable distribution of the same estate or trust for the same tax period;

(o) deposits, not exceeding the amount set forth in 15-30-3003, deposited in a Montana farm and ranch risk management account, as provided in 15-30-3001 through 15-30-3005, in any tax year for which a deduction is not provided for federal income tax purposes;

(p) income of a dependent child that is included in the taxpayer's federal adjusted gross income pursuant to the Internal Revenue Code. The child is required to file a Montana personal income tax return if the child and taxpayer meet the filing requirements in 15-30-2602.

(q) principal and income deposited in a health care expense trust account, as defined in 2-18-1303, or withdrawn from the account for payment of qualified health care expenses as defined in 2-18-1303;

(r) that part of the refundable credit provided in 33-22-2006 that reduces Montana tax below zero; ~~and~~

(s) the amount of the gain recognized from the sale or exchange of a mobile home park as provided in 15-31-163; and

(t) income received from the manufacture of ammunition components by an owner, partner, or manager engaged in the primary business of the manufacture of ammunition as provided in [section 4].

(3) A shareholder of a DISC that is exempt from the corporation license tax under 15-31-102(1)(l) shall include in the shareholder's adjusted gross income the earnings and profits of the DISC in the same manner as provided by section 995 of the Internal Revenue Code, 26 U.S.C. 995, for all periods for which the DISC election is effective.

(4) A taxpayer who, in determining federal adjusted gross income, has reduced the taxpayer's business deductions by an amount for wages and salaries for which a federal tax credit was elected under sections 38 and 51(a) of the Internal Revenue Code, 26 U.S.C. 38 and 51(a), is allowed to deduct the amount of the wages and salaries paid regardless of the credit taken. The deduction must be made in the year that the wages and salaries were used to compute the credit. In the case of a partnership or small business corporation, the deduction must be made to determine the amount of income or loss of the partnership or small business corporation.

(5) Married taxpayers filing a joint federal return who are required to include part of their social security benefits or part of their tier 1 railroad retirement benefits in federal adjusted gross income may split the federal base used in calculation of federal taxable social security

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benefits or federal taxable tier 1 railroad retirement benefits when they file separate Montana income tax returns. The federal base must be split equally on the Montana return.

(6) Married taxpayers filing a joint federal return who are allowed a capital loss deduction under section 1211 of the Internal Revenue Code, 26 U.S.C. 1211, and who file separate Montana income tax returns may claim the same amount of the capital loss deduction that is allowed on the federal return. If the allowable capital loss is clearly attributable to one spouse, the loss must be shown on that spouse's return; otherwise, the loss must be split equally on each return.

(7) In the case of passive and rental income losses, married taxpayers filing a joint federal return and who file separate Montana income tax returns are not required to recompute allowable passive losses according to the federal passive activity rules for married taxpayers filing separately under section 469 of the Internal Revenue Code, 26 U.S.C. 469. If the allowable passive loss is clearly attributable to one spouse, the loss must be shown on that spouse's return; otherwise, the loss must be split equally on each return.

(8) Married taxpayers filing a joint federal return in which one or both of the taxpayers are allowed a deduction for an individual retirement contribution under section 219 of the Internal Revenue Code, 26 U.S.C. 219, and who file separate Montana income tax returns may claim the same amount of the deduction that is allowed on the federal return. The deduction must be attributed to the spouse who made the contribution.

(9) (a) Married taxpayers filing a joint federal return who are allowed a deduction for interest paid for a qualified education loan under section 221 of the Internal Revenue Code, 26 U.S.C. 221, and who file separate Montana income tax returns may claim the same amount of the deduction that is allowed on the federal return. The deduction may be split equally on each return or in proportion to each taxpayer's share of federal adjusted gross income.

(b) Married taxpayers filing a joint federal return who are allowed a deduction for qualified tuition and related expenses under section 222 of the Internal Revenue Code, 26 U.S.C. 222, and who file separate Montana income tax returns may claim the same amount of the deduction that is allowed on the federal return. The deduction may be split equally on each return or in proportion to each taxpayer's share of federal adjusted gross income.

(10) A taxpayer receiving retirement disability benefits who has not attained 65 years of age by the end of the tax year and who has retired as permanently and totally disabled may exclude from adjusted gross income up to \$100 a week received as wages or payments in lieu of wages for a period during which the employee is absent from work due to the disability. If the adjusted gross income before this exclusion exceeds \$15,000, the excess reduces the exclusion by an equal amount. This limitation affects the amount of exclusion, but not the taxpayer's eligibility for the exclusion. If eligible, married individuals shall apply the exclusion separately, but the limitation for income exceeding \$15,000 is determined with respect to the spouses on their combined adjusted gross income. For the purpose of this subsection, "permanently and totally disabled" means unable to engage in any substantial gainful activity by reason of any medically determined physical or mental impairment lasting or expected to last at least 12 months.

(11) An individual who contributes to one or more accounts established under the Montana family education savings program may reduce adjusted gross income by the lesser of \$3,000 or the amount of the contribution. In the case of married taxpayers, each spouse is entitled to a reduction, not in excess of \$3,000, for the spouses' contributions to the accounts. Spouses may jointly elect to treat half of the total contributions made by the spouses as being

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made by each spouse. The reduction in adjusted gross income under this subsection applies only with respect to contributions to an account of which the account owner, as defined in 15-62-103, is the taxpayer, the taxpayer's spouse, or the taxpayer's child or stepchild if the taxpayer's child or stepchild is a Montana resident. The provisions of subsection (1)(e) do not apply with respect to withdrawals of contributions that reduced adjusted gross income.

(12) (a) A taxpayer may exclude the amount of the loan payment received pursuant to subsection (12)(a)(iv), not to exceed \$5,000, from the taxpayer's adjusted gross income if the taxpayer:

- (i) is a health care professional licensed in Montana as provided in Title 37;
- (ii) is serving a significant portion of a designated geographic area, special population, or facility population in a federally designated health professional shortage area, a medically underserved area or population, or a federal nursing shortage county as determined by the secretary of health and human services or by the governor;
- (iii) has had a student loan incurred as a result of health-related education; and
- (iv) has received a loan payment during the tax year made on the taxpayer's behalf by a loan repayment program described in subsection (12)(b) as an incentive to practice in Montana.

(b) For the purposes of subsection (12)(a), a loan repayment program includes a federal, state, or qualified private program. A qualified private loan repayment program includes a licensed health care facility, as defined in 50-5-101, that makes student loan payments on behalf of the person who is employed by the facility as a licensed health care professional.

(13) Notwithstanding the provisions of subsection (1), adjusted gross income does not include 40% of capital gains on the sale or exchange of capital assets before December 31, 1986, as capital gains are determined under subchapter P. of Chapter 1 of the Internal Revenue Code as it read on December 31, 1986.

(14) By November 1 of each year, the department shall multiply the amount of pension and annuity income contained in subsection (2)(c)(i) and the federal adjusted gross income amounts in subsection (2)(c)(ii) by the inflation factor for that tax year, but using the year 2009 consumer price index, and rounding the results to the nearest \$10. The resulting amounts are effective for that tax year and must be used as the basis for the exemption determined under subsection (2)(c). (Subsection (2)(f) terminates on occurrence of contingency--sec. 3, Ch. 634, L. 1983; subsection (2)(o) terminates on occurrence of contingency--sec. 9, Ch. 262, L. 2001.)"

**Insert: "Section 10.** Section 15-31-113, MCA, is amended to read:

**"15-31-113. Gross income and net income.** (1) The term "gross income" means all income recognized in determining the corporation's gross income for federal income tax purposes and:

- (a) including:
  - (i) interest exempt from federal income tax and exempt-interest dividends as defined in section 852(b)(5) of the Internal Revenue Code of 1986, as that section may be amended or renumbered;
  - (ii) the portion of gain from a liquidation of the reporting corporation not recognized for federal corporate income tax purposes pursuant to sections 331 through 337 of the Internal Revenue Code, as those sections may be amended or renumbered, attributable to stockholders, either individual or corporate, not subject to Montana income or license tax under Title 15, chapter 30 or chapter 31, as appropriate, on the gain passing through to the stockholders pursuant to federal law; and

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(b) excluding:

(i) gain recognized for federal tax purposes as a shareholder of a liquidating corporation pursuant to sections 331 through 337 of the Internal Revenue Code, as those sections may be amended or renumbered, when the gain is required to be recognized by the liquidating corporation pursuant to subsection (1)(a)(ii) of this section; and  
(ii) income received by a corporation from the manufacture of ammunition components if it is engaged in the primary business of the manufacture of ammunition as provided in [section 4].

(2) The term "net income" means the gross income of the corporation less the deductions set forth in 15-31-114.

(3) A corporation is not exempt from the corporation license tax unless specifically provided for under 15-31-101(3) or 15-31-102. Any corporation not subject to or liable for federal income tax but not exempt from the corporation license tax under 15-31-101(3) or 15-31-102 shall compute gross income for corporation license tax purposes in the same manner as a corporation that is subject to or liable for federal income tax according to the provisions for determining gross income in the federal Internal Revenue Code in effect for the taxable year."

**"Section 11.** Section 27-1-720, MCA, is amended to read:

**"27-1-720. Liability -- defect in design of firearms or ammunition.** (1) In a products liability action, no firearm, ammunition component that was manufactured in Montana as provided in [section 5], or ammunition may be considered defective in design on the basis that the benefits of the product do not outweigh the risk of injury posed by its potential to cause serious injury, damage, or death when discharged.

(2) For purposes of this section:

(a) the potential of a firearm or ammunition to cause serious injury, damage, or death when discharged does not make the product defective in design; and

(b) injuries or damages resulting from the discharge of a firearm or ammunition are not proximately caused by its potential to cause serious injury, damage, or death but are proximately caused by the actual discharge of the product.

(3) The provisions of this section do not affect a products liability cause of action based upon the improper selection of design alternatives."

**Insert: "Section 12.** Section 90-1-118, MCA, is amended to read:

**"90-1-118. Small business eligibility criteria.** (1) To be eligible for a state matching grant under 90-1-117 through 90-1-119, a business shall provide evidence to the department of commerce that the business meets all of the following criteria:

~~(1)~~(a) the business is a for-profit sole proprietorship, partnership, limited liability company, limited liability partnership, or corporation registered with the secretary of state under Title 35 and has its principal place of business in this state;

~~(2)~~(b) the business has received a phase I award under a small business innovative research grant or small business technology transfer grant from a participating federal agency in response to a specific federal solicitation;

~~(3)~~(c) the business meets all federal eligibility requirements for a small business innovative research grant or a small business technology transfer grant;

~~(4)~~(d) the business is not concurrently receiving funding from other state funding programs that duplicate the purpose stated in 90-1-117;

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~~(5)(e)~~ the business certifies that at least 51% of the research described in the business's proposal for phase II funding under a small business innovative research grant or small business technology transfer grant is to be conducted in this state and that the business will remain a Montana-based business for the duration of a phase II project under a small business innovative research grant or small business technology transfer grant; and

~~(6)(f)~~ the business demonstrates an ability to conduct research for the business's phase II proposal under the small business innovative research grant or small business technology transfer grant.

(2) As provided in [section 6], the manufacture of ammunition components is a qualified economic development purpose."

**Insert: "Section 13.** Section 90-1-202, MCA, is amended to read:

**"90-1-202. Purpose.** (1) The legislature finds and declares that economic development is a public purpose. The purpose of the big sky economic development program is to assist in economic development for Montana that will:

~~(1)(a)~~ create good-paying jobs for Montana residents;

~~(2)(b)~~ promote long-term, stable economic growth in Montana;

~~(3)(c)~~ encourage local economic development organizations;

~~(4)(d)~~ create partnerships between the state, local governments, tribal governments, and local economic development organizations that are interested in pursuing these same economic development goals;

~~(5)(e)~~ retain or expand existing businesses;

~~(6)(f)~~ provide a better life for future generations through greater economic growth and prosperity in Montana; and

~~(7)(g)~~ encourage workforce development, including workforce training and job creation, in high-poverty counties by providing targeted assistance.

(2) As provided in [section 6], the manufacture of ammunition components is a qualified economic development purpose."

**Insert: "NEW SECTION. Section 14. Codification instruction.** (1) [Sections 1 through 6] are intended to be codified as an integral part of Title 30, chapter 20, and the provisions of Title 30, chapter 20, apply to [sections 1 through 6].

(2) [Section 8] is intended to be codified as an integral part of Title 15, chapter 24, and the provisions of Title 15, chapter 24, apply to [section 8]."

**Insert: "NEW SECTION. Section 15. Severability.** If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications."

**Insert: "NEW SECTION. Section 16. Effective date.** [This act] is effective on passage and approval."

**Insert: "NEW SECTION. Section 17. Retroactive applicability -- applicability.** (1) For the purposes of exemption from individual income taxes and corporation taxes pursuant to [section 4], [this act] applies retroactively, within the meaning of 1-2-109, to tax years beginning after December 31, 2010.

(2) For the purposes of exemption from all other taxes, [this act] applies to tax years beginning after December 31, 2012."

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



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**SB 372**, be amended as follows:

1. Title, page 1, line 8.

**Strike:** "PARTIAL"

2. Title, page 1, line 12.

**Following:** "REVENUE;"

**Insert:** "PROVIDING STATUTORY APPROPRIATIONS;"

3. Title, page 1, line 13.

**Following:** "SECTIONS"

**Insert:** "15-1-121,"

**Following:** "15-6-141,"

**Insert:** "15-10-420,"

**Strike:** the first "AND"

**Following:** "15-23-101,"

**Insert:** "17-7-502, AND 20-9-630,"

**Strike:** "AN IMMEDIATE"

4. Title, page 1, line 14.

**Strike:** the first "DATE"

**Insert:** "DATES"

5. Page 1.

**Following:** line 17

**Insert:** "**Section 1.** Section 15-1-121, MCA, is amended to read:

**"15-1-121. Entitlement share payment -- purpose -- appropriation.** (1) As described in 15-1-120(3), each local government is entitled to an annual amount that is the replacement for revenue received by local governments for diminishment of property tax base and various earmarked fees and other revenue that, pursuant to Chapter 574, Laws of 2001, amended by section 4, Chapter 13, Special Laws of August 2002, and later enactments, were consolidated to provide aggregation of certain reimbursements, fees, tax collections, and other revenue in the state treasury with each local government's share. The reimbursement under this section is provided by direct payment from the state treasury rather than the ad hoc system that offset certain state payments with local government collections due the state and reimbursements made by percentage splits, with a local government remitting a portion of collections to the state, retaining a portion, and in some cases sending a portion to other local governments. The amount calculated pursuant to this subsection, as adjusted pursuant to subsection (3)(a)(i), is each local government's base entitlement share. The department shall estimate the total amount of revenue that each local government received from the following sources for the fiscal year ending June 30, 2001:

(2) The sources of dedicated revenue that were relinquished by local governments in exchange for an entitlement share of the state general fund were:

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

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- (b) vehicle, boat, and aircraft taxes and fees pursuant to:
  - (i) Title 23, chapter 2, part 5;
  - (ii) Title 23, chapter 2, part 6;
  - (iii) Title 23, chapter 2, part 8;
  - (iv) 61-3-317;
  - (v) 61-3-321;
  - (vi) Title 61, chapter 3, part 5, except for 61-3-509(3), as that subsection read prior to the amendment of 61-3-509 in 2001;
  - (vii) Title 61, chapter 3, part 7;
  - (viii) 5% of the fees collected under 61-10-122;
  - (ix) 61-10-130;
  - (x) 61-10-148; and
  - (xi) 67-3-205;
- (c) gaming revenue pursuant to Title 23, chapter 5, part 6, except for the permit fee in 23-5-612(2)(a);
- (d) district court fees pursuant to:
  - (i) 25-1-201, except those fees in 25-1-201(1)(d), (1)(g), and (1)(j);
  - (ii) 25-1-202;
  - (iii) 25-9-506; and
  - (iv) 27-9-103;
- (e) certificate of title fees for manufactured homes pursuant to 15-1-116;
- (f) financial institution taxes collected pursuant to the former provisions of Title 15, chapter 31, part 7;
- (g) all beer, liquor, and wine taxes pursuant to:
  - (i) 16-1-404;
  - (ii) 16-1-406; and
  - (iii) 16-1-411;
- (h) late filing fees pursuant to 61-3-220;
- (i) title and registration fees pursuant to 61-3-203;
- (j) veterans' cemetery license plate fees pursuant to 61-3-459;
- (k) county personalized license plate fees pursuant to 61-3-406;
- (l) special mobile equipment fees pursuant to 61-3-431;
- (m) single movement permit fees pursuant to 61-4-310;
- (n) state aeronautics fees pursuant to 67-3-101; and
- (o) department of natural resources and conservation payments in lieu of taxes pursuant to Title 77, chapter 1, part 5.

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

~~(b)(3) The total amount estimated pursuant to subsections (1) and (2)(a) received by each local government in fiscal year 2010 as an entitlement share payment under this section is the base component for the fiscal year 2011 distribution, and in each subsequent year the prior year entitlement share payment, including any reimbursement payments received pursuant to subsection (7), is each local government's base year component. The sum of all local governments' base year components is the base fiscal year entitlement share pool. For the~~

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purpose of calculating the sum of all local governments' base year components, the base year component for a local government may not be less than zero.

(3)(4) (a) The base year entitlement share pool must be increased annually by a growth rate as provided for in this subsection (3) (4). The amount determined through the application of annual growth rates is the entitlement share pool for each fiscal year. By October 1 of each even-numbered year, the department shall calculate the growth rate of the entitlement share pool for each year of the next biennium in the following manner:

(i) ~~Before applying the growth rate for fiscal year 2007 to determine the fiscal year 2007 entitlement share payments, the department shall subtract from the fiscal year 2006 entitlement share payments the following amounts:~~

Beaverhead	<del>\$6,972</del>
Big Horn	<del>\$52,551</del>
Blaine	<del>\$13,625</del>
Broadwater	<del>\$2,564</del>
Carbon	<del>\$11,537</del>
Carter	<del>\$407</del>
Cascade	<del>\$100,000</del>
Chouteau	<del>\$3,536</del>
Custer	<del>\$7,011</del>
Daniels	<del>\$143</del>
Dawson	<del>\$3,893</del>
Fallon	<del>\$1,803</del>
Fergus	<del>\$9,324</del>
Flathead	<del>\$100,000</del>
Gallatin	<del>\$160,000</del>
Garfield	<del>\$91</del>
Glacier	<del>\$3,035</del>
Golden Valley	<del>\$2,282</del>
Granite	<del>\$4,554</del>
Hill	<del>\$31,740</del>
Jefferson	<del>\$5,700</del>
Judith Basin	<del>\$1,487</del>
Lake	<del>\$38,314</del>
Lewis and Clark	<del>\$160,000</del>
Liberty	<del>\$152</del>
Lincoln	<del>\$3,759</del>
Madison	<del>\$8,805</del>
McCone	<del>\$1,651</del>
Meagher	<del>\$2,722</del>
Mineral	<del>\$2,361</del>
Missoula	<del>\$200,000</del>
Musselshell	<del>\$23,275</del>
Park	<del>\$6,582</del>
Petroleum	<del>\$36</del>
Phillips	<del>\$653</del>
Pondera	<del>\$10,270</del>

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Powder River \$848  
Powell \$5,146  
Prairie \$717  
Ravalli \$93,090  
Richland \$3,833  
Roosevelt \$9,526  
Rosebud \$19,971  
Sanders \$30,712  
Sheridan \$271  
Stillwater \$12,117  
Sweet Grass \$2,463  
Teton \$5,560  
Toole \$7,113  
Treasure \$54  
Valley \$6,899  
Wheatland \$918  
Wibaux \$72  
Yellowstone \$270,000  
Anaconda-Deer Lodge \$20,707  
Butte-Silver Bow \$53,057  
Alberton \$675  
Bainville \$258  
Baker \$2,828  
Bearcreek \$143  
Belgrade \$11,704  
Belt \$1,056  
Big Sandy \$1,130  
Big Timber \$2,910  
Billings \$163,499  
Boulder \$2,340  
Bozeman \$52,805  
Bridger \$1,303  
Broadus \$766  
Broadview \$258  
Brockton \$414  
Browning \$1,830  
Cascade \$1,374  
Chester \$1,430  
Chinook \$2,275  
Choteau \$3,050  
Circle \$1,018  
Glyde Park \$572  
Colstrip \$4,090  
Columbia Falls \$6,805  
Columbus \$3,245  
Conrad \$4,562

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Culbertson—\$1,216  
Cut Bank—\$5,316  
Darby—\$1,348  
Deer Lodge—\$5,708  
Denton—\$503  
Dillon—\$6,928  
Dodson—\$194  
Drummond—\$561  
Dutton—\$661  
East Helena—\$2,888  
Ekalaka—\$689  
Ennis—\$1,518  
Eureka—\$1,733  
Fairfield—\$1,120  
Fairview—\$1,152  
Flaxville—\$143  
Forsyth—\$3,286  
Fort Benton—\$2,579  
Fort Peck—\$393  
Froid—\$328  
Fromberg—\$855  
Geraldine—\$457  
Glasgow—\$5,361  
Glendive—\$8,099  
Grass Range—\$254  
Great Falls—\$96,422  
Hamilton—\$7,148  
Hardin—\$5,920  
Harlem—\$1,422  
Harlowton—\$1,678  
Havre—\$16,223  
Helena—\$45,877  
Hingham—\$263  
Hobson—\$397  
Hot Springs—\$912  
Hysham—\$482  
Ismay—\$43  
Joliet—\$1,006  
Jordan—\$606  
Judith Gap—\$263  
Kalispell—\$28,144  
Kevin—\$304  
Laurel—\$10,804  
Lavina—\$361  
Lewistown—\$10,170  
Libby—\$4,475

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Lima—\$397  
Livingston—\$12,145  
Lodge Grass—\$889  
Malta—\$3,389  
Manhattan—\$2,485  
Medicine Lake—\$410  
Melstone—\$234  
Miles City—\$14,152  
Missoula—\$104,264  
Moore—\$319  
Nashua—\$536  
Neihart—\$149  
Opheim—\$180  
Outlook—\$125  
Philipsburg—\$1,612  
Pinesdale—\$1,413  
Plains—\$2,007  
Plentywood—\$3,185  
Plevna—\$225  
Polson—\$7,722  
Poplar—\$1,544  
Red Lodge—\$3,903  
Rexford—\$263  
Richey—\$309  
Ronan—\$3,262  
Roundup—\$3,280  
Ryegate—\$465  
Saco—\$354  
Scobey—\$1,798  
Shelby—\$5,677  
Sheridan—\$1,150  
Sidney—\$7,747  
Stanford—\$737  
Stevensville—\$3,063  
St. Ignatius—\$1,367  
Sunburst—\$709  
Superior—\$1,521  
Terry—\$1,011  
Thompson Falls—\$2,272  
Three Forks—\$3,130  
Townsend—\$3,286  
Troy—\$1,654  
Twin Bridges—\$695  
Valier—\$817  
Virginia City—\$223  
Walkerville—\$1,183

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West Yellowstone — \$2,083  
Westby — \$263  
White Sulphur Springs — \$1,734  
Whitefish — \$9,932  
Whitehall — \$1,889  
Wibaux — \$893  
Winifred — \$259  
Winnett — \$314  
Wolf Point — \$4,497

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

- (A) the last 4 calendar years for which the information has been published; and
- (B) the 4 calendar years beginning with the year before the first year in the period referred to in subsection (3)(a)(ii)(A).

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

- (A) the last 4 calendar years for which the information has been published; and
- (B) the 4 calendar years beginning with the year before the first year in the period referred to in subsection (3)(a)(iii)(A).

(b) (i) The entitlement share pool growth rate for the first each year of the biennium must be the following percentage of the average of the growth rates calculated in subsections (3)(a)(ii)(B) (4)(a)(i) and (3)(a)(iii)(B) (4)(a)(ii):

- (A)(i) for counties, 54%;
- (B)(ii) for consolidated local governments, 62%; and
- (C)(iii) for incorporated cities and towns, 70%.

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

- (A) for counties, 54%;
- (B) for consolidated local governments, 62%; and
- (C) for incorporated cities and towns, 70%.

(4)(5) As used in this section, "local government" means a county, a consolidated local government, an incorporated city, and an incorporated town. A local government does not include a tax increment financing district provided for in subsection (6) (8). For purposes of calculating the base year component for a county or consolidated local government, the department shall include the revenue listed in subsection (1) for all special districts within the county or consolidated local government. The county or consolidated local government is responsible for making an allocation from the county's or consolidated local government's share of the entitlement share pool to each special district within the county or consolidated local government in a manner that reasonably reflects each special district's loss of revenue sources listed in subsection (1) for which reimbursement is provided in this section.

(5)(6) (a) The entitlement share pools calculated in this section and the block grants funding provided for in subsection (6)(8) are statutorily appropriated, as provided in 17-7-502, from the general fund to the department for distribution to local governments. Each local

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government is entitled to a pro rata share of each year's entitlement share pool based on the local government's base component in relation to the base year entitlement share pool. The distributions must be made on a quarterly basis.

(b) (i) The growth amount is the difference between the entitlement share pool in the current fiscal year and the entitlement share pool in the previous fiscal year. ~~For the purposes of subsection (5)(b)(ii)(A), a county with a negative base year component has a base year component of zero.~~ The growth factor in the entitlement share must be calculated separately for:

- (A) counties;
- (B) consolidated local governments; and
- (C) incorporated cities and towns.

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

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

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

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

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

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

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

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

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

(v) In each fiscal year, the amount of the entitlement share pool ~~not represented by~~ before the growth amount or adjustments made under subsection (7) are applied is to be distributed to each local government in the same manner as the entitlement share pool was distributed in the prior fiscal year.

(7) If the legislature enacts a reimbursement provision that is to be distributed pursuant to this section, the department shall determine the reimbursement amount as provided in the enactment and add the appropriate amount to the entitlement share distribution under this section. The total entitlement share distributions in a fiscal year, including distributions made pursuant to this subsection, equal the local fiscal year entitlement share pool. The ratio of each



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local government's distribution from the entitlement share pool must be recomputed to determine each local government's ratio to be used in the subsequent year's distribution determination under subsections (6)(b)(ii)(A), (6)(b)(iii)(A), and (6)(b)(iv)(A).

~~(6)(8)~~ (a) If a tax increment financing district was not in existence during the fiscal year ending June 30, 2000, then the tax increment financing district is not entitled to any block grant funding. If a tax increment financing district referred to in subsection ~~(6)(b)~~ (8)(b) terminates, then the block grant funding for the district provided for in subsection ~~(6)(b)~~ (8)(b) terminates.

(b) One-half of the payments provided for in this subsection ~~(6)(b)~~ (8)(b) must be made by November 30 and the other half by May 31 of each year. Subject to subsection ~~(6)(a)~~ (8)(a), the entitlement share for tax increment financing districts is as follows:

Cascade	Great Falls - downtown	\$468,966
Deer Lodge	TIF District 1	3,148 <u>\$3,148</u>
Deer Lodge	TIF District 2	3,126
Flathead	Kalispell - District 1	758,359
Flathead	Kalispell - District 2	5,153
Flathead	Kalispell - District 3	41,368
Flathead	Whitefish District	164,660
Gallatin	Bozeman - downtown	34,620
Lewis and Clark	Helena - #2	731,614
Missoula	Missoula - 1-1B & 1-1C	1,100,507 <u>250,279</u>
Missoula	Missoula - 4-1C	33,343
Silver Bow	Butte - uptown	283,801
Yellowstone	Billings	436,815

~~(7)(9)~~ The estimated base fiscal year entitlement share pool and any subsequent entitlement share pool for local governments do not include revenue received from tax increment financing districts, from countywide transportation block grants, or from countywide retirement block grants.

~~(8)~~ (a) If revenue that is included in the sources listed in subsections ~~(1)(b)~~ through ~~(1)(o)~~ is significantly reduced, except through legislative action, the department shall deduct the amount of revenue loss from the entitlement share pool beginning in the succeeding fiscal year and the department shall work with local governments to propose legislation to adjust the entitlement share pool to reflect an allocation of the loss of revenue.

~~(b)~~ For the purposes of subsection ~~(8)(a)~~, a significant reduction is a loss that causes the amount of revenue received in the current year to be less than 95% of the amount of revenue received in the base year.

~~(9)(10)~~ A three-fifths vote of each house of the legislature is required to reduce the amount of the entitlement share calculated pursuant to subsections (1) through ~~(3)~~ (4).

~~(10)(11)~~ When there has been an underpayment of a local government's share of the entitlement share pool, the department shall distribute the difference between the underpayment and the correct amount of the entitlement share. When there has been an overpayment of a local government's entitlement share, the local government shall remit the overpaid amount to the department.

~~(11)(12)~~ A local government may appeal the department's estimation of the base year component, the entitlement share pool growth rate, or a local government's allocation of the entitlement share pool, according to the uniform dispute review procedure in 15-1-211.

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~~(12)~~(13) A payment required pursuant to this section may not be offset by a debt owed to a state agency by a local government in accordance with Title 17, chapter 4, part 1."

**Renumber:** subsequent sections

6. Page 3, line 7.

**Strike:** "2012"

**Insert:** "2013"

7. Page 4, line 1.

**Strike:** "Partial reimbursement"

**Insert:** "Reimbursement"

8. Page 4, line 2.

**Following:** "distribution"

**Insert:** "-- appropriations"

9. Page 4, line 3.

**Strike:** "1"

**Insert:** "2"

10. Page 4, line 5.

**Strike:** "[" through "]"

**Insert:** "15-1-121(5)"

11. Page 4, line 6 through line 7.

**Strike:** "90% of"

12. Page 4, line 7.

**Strike:** "1"

**Insert:** "2"

13. Page 4, line 9.

**Strike:** "1"

**Insert:** "2"

14. Page 4, line 13.

**Following:** "payments"

**Insert:** "under 15-1-121(7)"

15. Page 4, line 13 through page 14.

**Strike:** "under" on line 13 through "]" on line 14

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16. Page 4, line 15.

**Strike:** "[" through "]"

**Insert:** "15-1-121(6)"

17. Page 4, line 18.

**Strike:** "June 15 of each of those"

**Insert:** "August 1 following each of those fiscal"

18. Page 4, line 20.

**Strike:** "[" through "]"

**Insert:** "15-1-121(6)(a)"

19. Page 4, line 26.

**Strike:** "June 15 of each of those"

**Insert:** "August 1 following each of those fiscal"

20. Page 4.

**Following:** line 28

**Insert:** "(c) The amounts determined under this subsection (3) are statutorily appropriated, as provided in 17-7-502, from the general fund to the office of public instruction for distribution to school districts."

21. Page 5, line 1 through line 2.

**Strike:** "[" on line 1 through "]" on line 2

**Insert:** "15-1-121(8)(b)"

22. Page 5, line 3 through line 4.

**Strike:** "[" on line 3 through "]" on line 4

**Insert:** "15-1-121(8)"

23. Page 5, line 8.

**Strike:** "June 15, 2012"

**Insert:** "August 1 following each of those fiscal years"

24. Page 5, line 10.

**Strike:** "[" through "]"

**Insert:** "15-1-121(8)"

25. Page 5, line 17.

**Strike:** "June 15, 2012"

**Insert:** "August 1 following each of those fiscal years"

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26. Page 5.

**Following:** line 19

**Insert:** "(c) The amounts determined under this subsection (5) are statutorily appropriated, as provided in 17-7-502, from the general fund to the department for distribution to the Montana board of regents for the support of the Montana university system as provided in 15-10-108."

27. Page 6.

**Following:** line 21

**Insert:** "**Section 5.** Section 15-10-420, MCA, is amended to read:

**"15-10-420. Procedure for calculating levy.** (1) (a) Subject to the provisions of this section, a governmental entity that is authorized to impose mills may impose a mill levy sufficient to generate the amount of property taxes actually assessed in the prior year plus one-half of the average rate of inflation for the prior 3 years. The maximum number of mills that a governmental entity may impose is established by calculating the number of mills required to generate the amount of property tax actually assessed in the governmental unit in the prior year based on the current year taxable value, less the current year's value of newly taxable property, plus one-half of the average rate of inflation for the prior 3 years.

(b) A governmental entity that does not impose the maximum number of mills authorized under subsection (1)(a) may carry forward the authority to impose the number of mills equal to the difference between the actual number of mills imposed and the maximum number of mills authorized to be imposed. The mill authority carried forward may be imposed in a subsequent tax year.

(c) For the purposes of subsection (1)(a), the department shall calculate one-half of the average rate of inflation for the prior 3 years by using the consumer price index, U.S. city average, all urban consumers, using the 1982-84 base of 100, as published by the bureau of labor statistics of the United States department of labor.

(2) A governmental entity may apply the levy calculated pursuant to subsection (1)(a) plus any additional levies authorized by the voters, as provided in 15-10-425, to all property in the governmental unit, including newly taxable property.

(3) (a) For purposes of this section, newly taxable property includes:

- (i) annexation of real property and improvements into a taxing unit;
- (ii) construction, expansion, or remodeling of improvements;
- (iii) transfer of property into a taxing unit;
- (iv) subdivision of real property; and
- (v) transfer of property from tax-exempt to taxable status.

(b) Newly taxable property does not include an increase in value that arises because of an increase in the incremental value within a tax increment financing district.

(4) (a) For the purposes of subsection (1), the taxable value of newly taxable property includes the release of taxable value from the incremental taxable value of a tax increment financing district because of:

- (i) a change in the boundary of a tax increment financing district;
- (ii) an increase in the base value of the tax increment financing district pursuant to 7-15-4287; or
- (iii) the termination of a tax increment financing district.

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(b) If a tax increment financing district terminates prior to the certification of taxable values as required in 15-10-202, the increment value is reported as newly taxable property in the year in which the tax increment financing district terminates. If a tax increment financing district terminates after the certification of taxable values as required in 15-10-202, the increment value is reported as newly taxable property in the following tax year.

(c) For the purpose of subsection (3)(a)(ii), the value of newly taxable class four property that was constructed, expanded, or remodeled property since the completion of the last reappraisal cycle is the current year market value of that property less the previous year market value of that property.

(d) For the purpose of subsection (3)(a)(iv), the subdivision of real property includes the first sale of real property that results in the property being taxable as class four property under 15-6-134 or as nonqualified agricultural land as described in 15-6-133(1)(c).

(5) Subject to subsection (8), subsection (1)(a) does not apply to:

(a) school district levies established in Title 20; or

(b) a mill levy imposed for a newly created regional resource authority.

(6) For purposes of subsection (1)(a), taxes imposed do not include net or gross proceeds taxes received under 15-6-131 and 15-6-132.

(7) In determining the maximum number of mills in subsection (1)(a), the governmental entity:

(a) may increase the number of mills to account for a decrease in reimbursements; and

(b) may not increase the number of mills to account for a loss of tax base because of legislative action that is reimbursed under the provisions of 15-1-121(7).

(8) The department shall calculate, on a statewide basis, the number of mills to be imposed for purposes of 15-10-108, 20-9-331, 20-9-333, 20-9-360, and 20-25-439. However, the number of mills calculated by the department may not exceed the mill levy limits established in those sections. The mill calculation must be established in tenths of mills. If the mill levy calculation does not result in an even tenth of a mill, then the calculation must be rounded up to the nearest tenth of a mill.

(9) (a) The provisions of subsection (1) do not prevent or restrict:

(i) a judgment levy under 2-9-316, 7-6-4015, or 7-7-2202;

(ii) a levy to repay taxes paid under protest as provided in 15-1-402;

(iii) an emergency levy authorized under 10-3-405, 20-9-168, or 20-15-326;

(iv) a levy for the support of a study commission under 7-3-184;

(v) a levy for the support of a newly established regional resource authority; or

(vi) the portion that is the amount in excess of the base contribution of a governmental entity's property tax levy for contributions for group benefits excluded under 2-9-212 or 2-18-703.

(b) A levy authorized under subsection (9)(a) may not be included in the amount of property taxes actually assessed in a subsequent year.

(10) A governmental entity may levy mills for the support of airports as authorized in 67-10-402, 67-11-301, or 67-11-302 even though the governmental entity has not imposed a levy for the airport or the airport authority in either of the previous 2 years and the airport or airport authority has not been appropriated operating funds by a county or municipality during that time.

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(11) The department may adopt rules to implement this section. The rules may include a method for calculating the percentage of change in valuation for purposes of determining the elimination of property, new improvements, or newly taxable property in a governmental unit."

**Renumber:** subsequent sections

28. Page 7.

**Following:** line 15

**Insert:** "**Section 7.** Section 17-7-502, MCA, is amended to read:

**"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120; 5-11-407; 5-13-403; 7-4-2502; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-121; [section 3]; 15-1-218; 15-31-906; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121; 15-70-101; 15-70-369; 15-70-601; 16-11-509; 17-3-106; 17-3-112; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 18-11-112; 19-3-319; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622; 20-26-1503; 22-3-1004; 23-4-105; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; 44-12-206; 44-13-102; 50-4-623; 53-1-109; 53-9-113; 53-24-108; 53-24-206; 60-11-115; 61-3-415; 69-3-870; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518; 81-10-103; 82-11-161; 87-1-230; 87-1-603; 87-1-621; 90-1-115; 90-1-205; 90-1-504; 90-3-1003; 90-6-331; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability is 10 years or less; pursuant to sec. 10, Ch. 10, Sp. L. May 2000, secs. 3 and 6, Ch. 481, L. 2003, and sec. 2, Ch. 459, L. 2009, the inclusion of 15-35-108 terminates June 30, 2019; pursuant to sec. 17, Ch. 593, L. 2005, and sec. 1, Ch. 186, L. 2009, the inclusion of 15-31-906 terminates January 1, 2015; pursuant to sec. 73, Ch. 44, L. 2007, the inclusion of 19-6-410 terminates upon the death of the last recipient eligible under 19-6-709(2) for the supplemental benefit provided by 19-6-709; pursuant to sec. 14, Ch. 374, L. 2009, the inclusion of 53-9-113 terminates June 30, 2015; pursuant to sec. 8, Ch. 427,

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L. 2009, the inclusion of 87-1-230 terminates June 30, 2013; and pursuant to sec. 5, Ch. 442, L. 2009, the inclusion of 90-6-331 terminates June 30, 2019.)"

**Insert: "Section 8.** Section 20-9-630, MCA, is amended to read:

**"20-9-630. School district block grants.** (1) (a) The office of public instruction shall provide a block grant to each school district based on:

(i) the revenue received by each district in fiscal year 2001 from vehicle taxes and fees, corporate license taxes paid by financial institutions, aeronautics fees, state land payments in lieu of taxes, and property tax reimbursements pursuant to sections 167(1) through (5) and 169(6), Chapter 584, Laws of 1999; and

(ii) any reimbursement to be made to a school district pursuant to subsection (2).

(b) Block grants must be calculated using the electronic reporting system that is used by the office of public instruction and school districts. The electronic reporting system must be used to allocate the block grant amount into each district's budget as an anticipated revenue source by fund.

~~(c) With the exception of vehicle taxes and fees, the office of public instruction shall use the amount actually received from the sources listed in subsection (1)(a) in fiscal year 2001 in its calculation of the block grant for fiscal year 2002 budgeting purposes. For vehicle taxes and fees, the office of public instruction shall use 93.4% of the amount actually received in fiscal year 2001 in calculating the block grant for fiscal year 2002.~~

~~(2) If the fiscal year 2003 appropriation provided in section 248(1), Chapter 574, Laws of 2001, is insufficient to fund the school district block grants in fiscal year 2003 at the fiscal year 2002 level, the office of public instruction shall prorate the block grants to meet the remaining appropriation. School districts shall anticipate the prorated block grant amounts provided by the office of public instruction in their budgets for fiscal year 2003.~~

(2) If the legislature enacts a reimbursement provision that is to be distributed pursuant to this section, the office of public instruction shall determine the reimbursement amount as provided in the enactment and add the appropriate amount to block grant distributions under this section. The total of reimbursement distributions made pursuant to this subsection in a fiscal year must be added to all other distributions to the school district in the fiscal year to determine the distribution for the subsequent fiscal year. The block grant percentage increases in subsections (4)(a) through (4)(c) do not apply to reimbursements made under this subsection for the fiscal year of the first reimbursement but do apply to the block grant amounts in subsequent fiscal years that incorporate reimbursements added in previous fiscal years. For the purpose of this subsection, the fiscal year of the first reimbursement does not include the fiscal year in which the reimbursement under [section 3(3)(b)] is made.

(3) Each year, 70% of each district's block grant must be distributed in November and 30% of each district's block grant must be distributed in May at the same time that guaranteed tax base aid is distributed.

(4) (a) The block grant for the district general fund is equal to the ~~average~~ amount received in fiscal ~~years 2002 and 2003~~ year 2012, except for the amount received under [section 3(3)(b)], by the district general fund from the block grants provided for in ~~subsection~~ subsections (1) and (2). ~~The~~ Except as provided in subsection (2), the block grant must be increased by 0.76% in fiscal year ~~2004~~ 2013 and in each succeeding fiscal year.

(b) The block grant for the district transportation fund is ~~equal to one-half of the average~~ amount received in fiscal ~~years 2002 and 2003~~ year 2012, except for the amount received

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under [section 3(3)(b)], by the district transportation fund from the block grants provided for in subsection subsections (1) and (2). The Except as provided in subsection (2), the block grant must be increased by 0.76% in fiscal year ~~2004~~ 2013 and in each succeeding fiscal year.

(c) (i) The combined fund block grant is equal to the ~~average~~ amount received in fiscal ~~years 2002 and 2003~~ year 2012, except for the amount received under [section 3(3)(b)], by the district tuition, bus depreciation reserve, building reserve, nonoperating, and adult education funds from the block grants provided for in subsection subsections (1) and (2). The Except as provided in subsection (2), the block grant must be increased by 0.76% in fiscal year ~~2004~~ 2013 and in each succeeding fiscal year.

(ii) The school district may deposit the combined fund block grant into any budgeted fund of the district.""

**Renumber:** subsequent sections

29. Page 7, line 21.

**Strike:** "2"

**Insert:** "3"

30. Page 7, line 22.

**Strike:** "2"

**Insert:** "3"

31. Page 7, line 24 through line 25.

**Strike:** "If" on line 24 through "void." on line 25

**Insert:** "If House Bill No. 495 is passed and approved and if it includes a section that amends 15-1-121, then [section 1 of this act], amending 15-1-121, is void."

32. Page 7.

**Following:** line 25

**Insert:** "NEW SECTION. Section 12. Saving clause. [This act] does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act]."

**Renumber:** subsequent sections

33. Page 7, line 27.

**Strike:** "date"

**Insert:** "dates"

**Following:** "date."

**Insert:** "(1)"

**Strike:** "[This act]"

**Insert:** "Except as provided in subsection (2), [this act]"

**Strike:** "on passage and approval"

**Insert:** "July 1, 2011"



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34. Page 7.

**Following:** line 27

**Insert:** "(2) [Sections 2 through 8] are effective October 1, 2011."

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

**MOTIONS**

Representative B. Bennett moved to reconsider action taken previously on **SJ 8**.

Motion carried as follows:

Yeas: Ankney, Arntzen, Bangerter, Barrett, Belcourt, B. Bennett, Boland, Clark, Cook, Court, Cuffe, Driscoll, Esp, Fitzpatrick, Flynn, Furey, Hands, Harris, Hill, Hiner, Hollandsworth, Hollenbaugh, Hunter, Kary, MacDonald, Malek, McChesney, McClafferty, McGillvray, McNally, McNiven, McNutt, Mehlhoff, Menahan, Noonan, O'Hara, Pease-Lopez, Phillips, Price, Reichner, Reinhart, Roberts, Schmidt, Sesso, Small, F. Smith, Squires, Stahl, Swanson, Welborn, Williams, Wilmer, Yates, Mr. Speaker.

Total 54

Nays: B. Beck, G. Bennett, Blasdel, Blyton, Brodehl, Burnett, Connell, Edmunds, Ehli, Gibson, Greef, Hale, Hansen, Hendrick, Hoven, Howard, Ingraham, Kennedy, Kerns, Klock, Knox, Knudsen, Lavin, Loney, Miller, More, O'Neil, Osmundson, Peterson, Randall, Read, Regier, Rosendale, Salomon, Skattum, Skees, Taylor, Vance, Wagner, Warburton, Washburn.

Total 41

Excused: Evans.

Total 1

Absent or not voting: Berry, MacLaren, Sands, C. Smith.

Total 4

**ANNOUNCEMENTS**

Committee meetings were announced by the committee chairs.

Representative McGillvray moved that the House adjourn until 1:00 p.m., Wednesday, April 6, 2011. Motion carried.

House adjourned at 2:07 p.m.

BETH CARGO  
Chief Clerk of the House

MIKE MILBURN  
Speaker of the House