

**SENATE JOURNAL
64TH LEGISLATURE
SEVENTY-SEVENTH LEGISLATIVE DAY**

Helena, Montana
April 16, 2015

Senate Chambers
State Capitol

Senate convened at 1:00 p.m. President Barrett presiding. Invocation by Pastor Johnson. Pledge of Allegiance to the Flag.

Roll Call. All members present. Quorum present.

BILLS AND JOURNALS

4/16/2015

Correctly printed: **SR 52, SJ 27, SJ 29, HB 356, HB 421, HB 468, HB 488, HB 560, HB 577, HB 612, HB 628, HB 629.**

Correctly engrossed: **SJ 25, HB 6, HB 7, HB 9, HB 219, HB 223, HB 512.**

Correctly enrolled: **SB 54, SB 66, SB 128, SB 160, SB 169, SB 249, SB 280, SB 288, SB 289, SB 325, SB 345, SB 349, SB 355, SB 367, SR 29, SR 32, SR 33, SR 35, SR 37, SR 40, SR 41, SR 42, SR 47, SR 49.**

Transmitted to the House: **HB 472, HB 479, HB 614.**

Signed by the Speaker at 9:00 a.m., April 16, 2015: **SB 37, SB 68, SB 145, SB 168, SB 220, SB 235, SB 237, SB 240, SB 256, SB 270, SB 281, SB 330, SB 356, SB 361, SB 372.**

Signed by the Speaker at 3:30 p.m., April 16, 2015: **SB 34, SB 57, SB 112, SB 123, SB 126, SB 148, SB 149, SB 181, SB 191, SB 213, SB 216, SB 229, SB 230, SB 232, SB 248, SB 253, SB 276, SB 294, SB 298, SB 318, SB 335, SB 336, SB 347, SB 350, SB 368, SB 376, SB 379, SB 384, SJ 6, SJ 9, SJ 13, SJ 14.**

Delivered to the Secretary of State at 10:43 a.m., April 16, 2015: **SR 7, SR 36, SR 38, SR 39, SR 43, SR 48, SR 51.**

Delivered to the Governor at 11:45 a.m., April 16, 2015: **SB 37, SB 68, SB 145, SB 168, SB 220, SB 235, SB 237, SB 240, SB 256, SB 270, SB 281, SB 330, SB 356, SB 361, SB 372.**

REPORTS OF STANDING COMMITTEES

EDUCATION AND CULTURAL RESOURCES (T. Brown, Chair):

4/15/2015

SJ 28, do pass. Report adopted.

NATURAL RESOURCES (Vincent, Chair):

4/15/2015

HB 496, be concurred in. Report adopted.

HB 510, be concurred in. Report adopted.

HB 590, be concurred in. Report adopted.

HJ 13, be concurred in. Report adopted.

PUBLIC HEALTH, WELFARE AND SAFETY (Thomas, Chair):

4/15/2015

SJ 25, introduced joint resolution, be amended as follows:

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1. Page 2, line 18.

Insert: "BE IT FURTHER RESOLVED, that if both House Bill No. 614 and this resolution are passed and approved, then this resolution is void."

And, as amended, do pass. Report adopted.

SR 57, be adopted. Report adopted.

SR 58, preliminary report, be adopted. Report adopted.

REPORTS OF SELECT COMMITTEES

FREE CONFERENCE COMMITTEE
on **Senate Bill 385**
Report No. 001, April 15, 2015

Ms. President and Mr. Speaker:

We, your Free Conference Committee met and considered **Senate Bill 385** (reference copy -- salmon) and recommend this Free Conference Committee report be adopted.

And, recommend that **Senate Bill 385** (reference copy -- salmon) be amended as follows:

1. Page 1, line 30.

Strike: "oral or"

2. Page 2, line 27 through line 30.

Strike: "i" on line 27 through "emancipated" on line 30

3. Page 3, line 1.

Following: "with the"

Insert: "written"

4. Page 4, line 26 through line 29.

Strike: ", including a" on page 26 through "emancipated" on line 29

5. Page 4, line 30.

Following: "with the"

Insert: "written"

For the Senate:

Webb, Chair
Kary
Larsen

For the House:

Fiscus, Vice Chair
Lavin
B. Smith

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MESSAGES FROM THE GOVERNOR

April 15, 2015

The Honorable Debby Barrett
President of the Senate
State Capitol
Helena, Montana 59620

Dear President Barrett:

On Wednesday, April 15, 2015, I signed the following bills:

Senate Bill 101 - R. Driscoll

Senate Bill 255 - T. Brown

These bills were delivered to the Secretary of State's Office today.

Sincerely,

STEVE BULLOCK
Governor

MESSAGES FROM THE OTHER HOUSE

Senate bills concurred in and returned to the Senate: 4/15/2015

SB 54, introduced by Dick Barrett

SB 66, introduced by D. Sands

SB 160, introduced by D. Ankney

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

4/15/2015

SB 91, introduced by F. Thomas

SB 353, introduced by R. Ripley

SB 334, introduced by J. Fielder

This amended bill is being returned after the deadline for General Bills and requires 2/3 vote of the Senate to consider the bill.

Senate amendments to House bills concurred in: 4/15/2015

HB 60, introduced by W. Curdy

HB 119, introduced by T. Berry

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HB 244, introduced by J. Essmann
HB 374, introduced by E. McClafferty

SB 261 - The House acceded to the request of the Senate and authorized the Speaker to appoint the following **Free** Conference Committee to meet with a like committee from the Senate to confer on House amendments to **SB 261**:

4/15/2015

Representative Lang, Vice Chair
Representative Lynch
Representative Shaw

HB 2 - The House failed to concur in Senate amendments to **HB 2**, authorized the Speaker to appoint the following Conference Committee, and requested that the Senate appoint a like committee to confer on Senate amendments to **HB 2**:

4/15/2015

Representative Ballance, Vice Chair
Representative Noonan
Representative Osmundson

MOTIONS

Majority Leader Rosendale moved the Senate accede to the request of the House and authorize the President to appoint a Conference Committee on **HB 2**. Motion carried. President Barrett appointed:

4/16/2015

Senator L. Jones, Chair
Senator Keane
Senator Keenan

Senator Fielder moved the Senate suspend the rules to allow for the late acceptance of **SB 334** and that **SB 334** be scheduled for second reading. The bill missed the deadline for transmittal of amendments to general bills and therefore requires a 2/3 vote of the Senate to proceed. The motion **failed** as follows:

Yeas: Ankney, Arntzen, Blasdel, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Connell, Fielder, Hamlett, Hansen, Hinkle, Hoven, Howard, Jones, Kary, Keenan, Moore, Ripley, Rosendale, Sales, Smith, Stewart-Peregoy, Swandal, Taylor, Thomas, Vance, Vincent, Webb, Ms. President.
Total 31

Nays: Barrett Dick, Cohenour, Driscoll, Facey, Kaufmann, Keane, Larsen, Malek, McNally, Moe, Phillips, Pomnichowski, Sands, Sesso, Tutvedt, Vuckovich, Whitford, Windy Boy, Wolken.
Total 19

Absent or not voting: None.
Total 0

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Excused: None.

Total 0

FIRST READING AND COMMITMENT OF BILLS

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

SJ 30, introduced by J. Taylor, J. Pomnichowski, referred to Business, Labor, and Economic Affairs.

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

Majority Leader Rosendale moved the Senate resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Senator Ripley in the chair.

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

HB 11 - Senator Keenan moved **HB 11** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Barrett Dick, Blasdel, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Cohenour, Connell, Driscoll, Facey, Fielder, Hamlett, Hansen, Hinkle, Hoven, Howard, Jones, Kary, Kaufmann, Keane, Keenan, Larsen, Malek, McNally, Moe, Moore, Phillips, Pomnichowski, Rosendale, Sales, Sands, Sesso, Smith, Stewart-Peregoy, Swandal, Taylor, Thomas, Tutvedt, Vance, Vincent, Vuckovich, Webb, Whitford, Windy Boy, Wolken, Ms. President.

Total 49

Nays: Ripley.

Total 1

Absent or not voting: None.

Total 0

Excused: None.

Total 0

HB 89 - Senator Moe moved **HB 89** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Barrett Dick, Blasdel, D. Brown, T. Brown, Buttrey, Caferro, Cohenour, Connell, Driscoll, Facey, Fielder, Hamlett, Hansen, Hoven, Jones, Kaufmann, Keane, Keenan, Larsen, Malek, McNally, Moe, Moore, Phillips, Pomnichowski, Ripley, Sands, Sesso, Stewart-Peregoy, Swandal, Taylor, Thomas, Tutvedt, Vincent, Vuckovich, Whitford, Windy Boy, Wolken, Ms. President.

Total 41

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Nays: Brenden, Hinkle, Howard, Kary, Rosendale, Sales, Smith, Vance, Webb.
Total 9

Absent or not voting: None.
Total 0

Excused: None.
Total 0

HB 115 - Senator Caferro moved **HB 115** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Barrett Dick, Blasdel, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Cohenour, Connell, Driscoll, Facey, Fielder, Hamlett, Hansen, Hinkle, Hoven, Howard, Jones, Kary, Kaufmann, Keane, Keenan, Larsen, Malek, McNally, Moe, Moore, Phillips, Pomnichowski, Ripley, Rosendale, Sales, Sands, Sesso, Smith, Stewart-Peregoy, Swandal, Taylor, Thomas, Tutvedt, Vance, Vincent, Vuckovich, Webb, Whitford, Windy Boy, Wolken, Ms. President.
Total 50

Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: None.
Total 0

HB 123 - Senator Facey moved **HB 123** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Barrett Dick, Blasdel, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Cohenour, Connell, Driscoll, Facey, Hamlett, Hansen, Hinkle, Hoven, Howard, Jones, Kary, Kaufmann, Keane, Keenan, Larsen, Malek, McNally, Moe, Moore, Phillips, Pomnichowski, Ripley, Rosendale, Sales, Sands, Sesso, Smith, Stewart-Peregoy, Swandal, Taylor, Thomas, Tutvedt, Vance, Vincent, Vuckovich, Webb, Whitford, Windy Boy, Wolken, Ms. President.
Total 49

Nays: Fielder.
Total 1

Absent or not voting: None.
Total 0

Excused: None.
Total 0

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HB 322 - Senator Hansen moved **HB 322** be concurred in. Motion carried as follows:

Yeas: Arntzen, Blasdel, Brenden, D. Brown, T. Brown, Caferro, Fielder, Hansen, Hinkle, Howard, Jones, Kary, Keenan, Moore, Ripley, Rosendale, Sales, Smith, Swandal, Taylor, Thomas, Tutvedt, Vance, Vincent, Webb, Windy Boy, Ms. President.
Total 27

Nays: Ankney, Barrett Dick, Buttrey, Cohenour, Connell, Driscoll, Facey, Hamlett, Hoven, Kaufmann, Keane, Larsen, Malek, McNally, Moe, Phillips, Pomnichowski, Sands, Sesso, Stewart-Peregoy, Vuckovich, Whitford, Wolken.
Total 23

Absent or not voting: None.
Total 0

Excused: None.
Total 0

HB 389 - Senator Tutvedt moved **HB 389** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Barrett Dick, Blasdel, Brenden, D. Brown, Buttrey, Connell, Driscoll, Facey, Fielder, Hamlett, Hansen, Hinkle, Hoven, Jones, Kary, Kaufmann, Keenan, Larsen, Malek, McNally, Moe, Moore, Ripley, Rosendale, Sales, Sands, Smith, Stewart-Peregoy, Taylor, Thomas, Tutvedt, Vance, Vincent, Vuckovich, Webb, Whitford, Windy Boy, Wolken, Ms. President.
Total 41

Nays: T. Brown, Caferro, Cohenour, Howard, Keane, Phillips, Pomnichowski, Sesso, Swandal.
Total 9

Absent or not voting: None.
Total 0

Excused: None.
Total 0

HB 219 - Senator Hinkle moved **HB 219** be concurred in.

HB 219 - Senator Hinkle moved **HB 219**, second reading copy, be amended as follows:

1. Title, page 1, line 5.
Following: "RESIDE"
Strike: ", "
Insert: "OR"
Following: "WORK"

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Strike: ", OR TRAVEL"

2. Title, page 1, line 6.

Following: "PENALTY;"

Insert: "PROVIDING RULEMAKING AUTHORITY;"

3. Page 2, line 11.

Following: line 11

Insert: " (4) This section does not apply to offenders who are placed in a facility in operation by the department of corrections, the department of public health and human services, or a contractor with either department before October 1, 2015. The department of corrections and the department of public health and human services shall adopt rules specifying the type of facility to which this section applies.

(5) The department of corrections and the department of public health and human services may also exempt from the requirements of this section offenders who are placed in a facility to be operated by either department or a contractor with either department beginning on or after October 1, 2015. The department of corrections and the department of public health and human services shall adopt rules specifying facilities to which this subsection applies. As part of the process of granting an exemption to a facility constructed or designated after October 1, 2015, the department of corrections and the department of public health and human services shall hold at least one public hearing in the community where the facility is to be located."

Renumber: subsequent subsections

Amendment adopted as follows:

Yeas: Ankney, Arntzen, Barrett Dick, Blasdel, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Cohenour, Connell, Driscoll, Facey, Hamlett, Hansen, Hinkle, Hoven, Howard, Jones, Kary, Kaufmann, Keane, Keenan, Larsen, Malek, McNally, Moe, Moore, Phillips, Pomnichowski, Ripley, Rosendale, Sands, Sesso, Smith, Stewart-Peregoy, Swandal, Taylor, Thomas, Tutvedt, Vincent, Vuckovich, Webb, Whitford, Windy Boy, Wolken, Ms. President.

Total 47

Nays: Fielder, Sales, Vance.

Total 3

Absent or not voting: None.

Total 0

Excused: None.

Total 0

HB 219 - As amended, **HB 219** concurred in as follows:

Yeas: Ankney, Arntzen, Barrett Dick, Blasdel, Brenden, D. Brown, T. Brown, Buttrey, Cohenour,

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Connell, Driscoll, Facey, Fielder, Hamlett, Hansen, Hinkle, Hoven, Howard, Jones, Kary, Keane, Keenan, Larsen, Malek, McNally, Moe, Moore, Phillips, Ripley, Rosendale, Sales, Sands, Sesso, Smith, Stewart-Peregoy, Swandal, Taylor, Thomas, Tutvedt, Vance, Vincent, Vuckovich, Webb, Whitford, Windy Boy, Wolken, Ms. President.

Total 47

Nays: Caferro, Kaufmann, Pomnichowski.

Total 3

Absent or not voting: None.

Total 0

Excused: None.

Total 0

HB 627 - Majority Leader Rosendale moved consideration of **HB 627** be passed for the day. Without objection, so ordered.

HB 114 - Senator Dick Barrett moved **HB 114** be concurred in. Motion carried as follows:

Yeas: Ankney, Arntzen, Barrett Dick, Blasdel, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Connell, Driscoll, Facey, Fielder, Hamlett, Hansen, Hinkle, Howard, Jones, Kary, Kaufmann, Keane, Keenan, Larsen, McNally, Moe, Moore, Phillips, Pomnichowski, Ripley, Rosendale, Sales, Sands, Sesso, Smith, Stewart-Peregoy, Swandal, Taylor, Thomas, Tutvedt, Vance, Vincent, Vuckovich, Webb, Whitford, Windy Boy, Wolken, Ms. President.

Total 47

Nays: Cohenour, Hoven, Malek.

Total 3

Absent or not voting: None.

Total 0

Excused: None.

Total 0

HB 154 - Senator Tutvedt moved **HB 154** be concurred in.

HB 154 - Senator Dick Barrett moved **HB 154**, second reading copy, be amended as follows:

1. Title, page 1, line 8.

Following: "~~15-30-2302,~~"

Insert: "15-30-2301,"

2. Title, page 1, line 9.

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Following: "~~15-30-2341~~,"

Insert: "15-30-2337, 15-30-2338, 15-30-2339, 15-30-2340, 15-30-2341,"

3. Page 1, line 23.

Following: line 22

Insert: "(c) the elderly homeowner and renter tax credit provided for in 15-30-2337 through 15-30-2341;"

ReNUMBER: subsequent subsections

4. Page 2, line 2.

Following: line 1

Insert: "(c) the capital gains credit provided for in 15-30-2301;"

ReNUMBER: subsequent subsections

5. Page 5, line 2.

Insert: "**Section 3.** Section 15-30-2301, MCA, is amended to read:

"15-30-2301. Capital gains credit. (1) An individual taxpayer is allowed a credit against the taxes imposed by 15-30-2103 in an amount equal to ~~1% of the taxpayer's net capital gains for tax years 2005 and 2006~~ and 2% of the taxpayer's net capital gains for tax years beginning after 2006, as shown on the taxpayer's individual income tax return filed pursuant to 15-30-2602. The credit allowed under this section may not exceed the taxpayer's income tax liability.

(2) This tax credit is subject to termination on December 31, 2019, and every 8 years thereafter as provided in [section 1]."

ReNUMBER: subsequent sections

6. Page 12, line 12.

Insert: "**Section 8.** Section 15-30-2337, MCA, is amended to read:

"15-30-2337. Residential property tax credit for elderly -- definitions. (1) As used in 15-30-2337 through 15-30-2341, the following definitions apply:

(1)(a) "Claim period" means the tax year for individuals required to file Montana individual income tax returns and the calendar year for individuals not required to file returns.

(2)(b) "Claimant" means a person who is eligible to file a claim under 15-30-2338.

(3)(c) "Department" means the department of revenue.

(4)(d) "Gross household income" means all income received by all individuals of a household while they are members of the household.

(5)(e) "Gross rent" means the total rent in cash or its equivalent actually paid during the claim period by the renter or lessee for the right of occupancy of the homestead pursuant to an arm's-length transaction with the landlord.

(6)(f) "Homestead" means:

(a)(i) a single-family dwelling or unit of a multiple-unit dwelling that is subject to property taxes in Montana and as much of the surrounding land, but not in excess of 1 acre, as is reasonably necessary for its use as a dwelling; or

(b)(ii) a single-family dwelling or unit of a multiple-unit dwelling that is rented from a county or municipal housing authority as provided in Title 7, chapter 15.

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~~(7)(g)~~ ~~(a)(i)~~ "Household" means an association of persons who live in the same dwelling, sharing its furnishings, facilities, accommodations, and expenses.

~~(b)(ii)~~ The term does not include bona fide lessees, tenants, or roomers and boarders on contract.

~~(8)(h)~~ "Household income" means the amount obtained by subtracting \$6,300 from gross household income.

~~(9)(i)~~ ~~(a)(i)~~ "Income" means, except as provided in subsection ~~(9)(b)~~ (1)(i)(ii), federal adjusted gross income, without regard to loss, as that quantity is defined in the Internal Revenue Code of the United States, plus all nontaxable income, including but not limited to:

~~(i)(A)~~ the amount of any pension or annuity, including Railroad Retirement Act benefits and veterans' disability benefits;

~~(ii)(B)~~ the amount of capital gains excluded from adjusted gross income;

~~(iii)(C)~~ alimony;

~~(iv)(D)~~ support money;

~~(v)(E)~~ nontaxable strike benefits;

~~(vi)(F)~~ cash public assistance and relief;

~~(vii)(G)~~ interest on federal, state, county, and municipal bonds; and

~~(viii)(H)~~ all payments received under federal social security except social security income paid directly to a nursing home.

~~(b)(ii)~~ For the purposes of this subsection ~~(9)~~ (1)(i), income is reduced by the taxpayer's basis.

~~(10)(j)~~ "Property tax billed" means taxes levied against the homestead, including special assessments and fees but excluding penalties or interest during the claim period.

~~(11)(k)~~ "Rent-equivalent tax paid" means 15% of the gross rent.

(2) This tax credit is subject to termination on December 31, 2017, and every 8 years thereafter as provided in [section 1]."

Insert: "Section 9. Section 15-30-2338, MCA, is amended to read:

"15-30-2338. Residential property tax credit for elderly -- eligibility -- disallowance or adjustment. (1) In order to be eligible to make a claim under 15-30-2337 through 15-30-2341, an individual:

(a) must have reached age 62 or older during the claim period for which relief is sought;

(b) must have resided in Montana for at least 9 months of that period;

(c) must have occupied one or more dwellings in Montana as an owner, renter, or lessee for at least 6 months of the claim period; and

(d) must have less than \$45,000 of gross household income.

(2) A person is not disqualified as a claimant if the person changes residences during the claim period, provided that the person occupies one or more dwellings in Montana as an owner, renter, or lessee for at least 6 months during the claim period.

(3) A claim is disallowed if the department finds that the claimant received title to the claimant's homestead primarily for the purpose of receiving benefits under 15-30-2337 through 15-30-2341.

(4) When the landlord and tenant have not dealt at arm's length and the department judges the gross rent charged to be excessive, the department may adjust the gross rent to a reasonable amount.

(5) This tax credit is subject to termination on December 31, 2017, and every 8 years

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thereafter as provided in [section 1]."

Insert: "Section 10. Section 15-30-2339, MCA, is amended to read:

"15-30-2339. Residential property tax credit for elderly -- filing date. (1) Except as provided in subsection (3), a claim for relief must be submitted at the same time the claimant's individual income tax return is due. For an individual not required to file a tax return, the claim must be submitted on or before April 15 of the year following the year for which relief is sought.

(2) A receipt showing property tax billed or a receipt showing gross rent paid, whichever is appropriate, must be filed with each claim. In addition, each claimant shall, at the request of the department, supply all additional information necessary to support a claim.

(3) The department may grant a reasonable extension for filing a claim whenever, in its judgment, good cause exists.

(4) In the event that an individual who would have a claim under 15-30-2337 through 15-30-2341 dies before filing the claim, the personal representative of the estate of the decedent may file the claim.

(5) The department or an individual may revise a return and make a claim under 15-30-2337 through 15-30-2341 within 5 years from the last day prescribed for filing a claim for relief.

(6) This tax credit is subject to termination on December 31, 2017, and every 8 years thereafter as provided in [section 1]."

Insert: "Section 11. Section 15-30-2340, MCA, is amended to read:

"15-30-2340. Residential property tax credit for elderly -- computation of relief. (1) The amount of the tax credit granted under the provisions of 15-30-2337 through 15-30-2341 is computed as follows:

(1)(a) In the case of a claimant who owns the homestead for which a claim is made, the credit is the amount of property tax billed less the deduction specified in subsection (4) (1)(d).

(2)(b) In the case of a claimant who rents the homestead for which a claim is made, the credit is the amount of rent-equivalent tax paid less the deduction specified in subsection (4) (1)(d).

(3)(c) In the case of a claimant who both owns and rents the homestead for which a claim is made, the credit is:

(a)(i) the amount of property tax billed on the owned portion of the homestead less the deduction specified in subsection (4) (1)(d); plus

(b)(ii) the amount of rent-equivalent tax paid on the rented portion of the homestead less the deduction specified in subsection (4) (1)(d).

(4)(d) Property tax billed and rent-equivalent tax paid are reduced according to the following schedule:

Household income	Amount of reduction
\$0 - \$999	\$0
\$1,000 - \$1,999	\$0
\$2,000 - \$2,999	the product of .006 times the household income
\$3,000 - \$3,999	the product of .016 times the household income
\$4,000 - \$4,999	the product of .024 times the household income
\$5,000 - \$5,999	the product of .028 times the household income
\$6,000 - \$6,999	the product of .032 times the household income
\$7,000 - \$7,999	the product of .035 times the household income

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\$8,000 - \$8,999	the product of .039 times the household income
\$9,000 - \$9,999	the product of .042 times the household income
\$10,000 - \$10,999	the product of .045 times the household income
\$11,000 - \$11,999	the product of .048 times the household income
\$12,000 & over	the product of .050 times the household income

(5)(e) For a claimant whose household income is \$35,000 or more but less than \$45,000, the amount of the credit is equal to the credit calculated under this section multiplied by the decimal equivalent of a percentage figure according to the following table:

Gross household income	Percentage of credit allowed
\$35,000 - \$37,500	40%
\$37,501 - \$40,000	30%
\$40,001 - \$42,500	20%
\$42,501 - \$44,999	10%
\$45,000 or more	0%

(6)(f) The credit granted may not exceed \$1,000.

(7)(g) Relief under 15-30-2337 through 15-30-2341 is a credit against the claimant's Montana individual income tax liability for the claim period. If the amount of the credit exceeds the claimant's liability under this chapter, the amount of the excess must be refunded to the claimant. The credit may be claimed even though the claimant has no income taxable under this chapter.

(2) This tax credit is subject to termination on December 31, 2017, and every 8 years thereafter as provided in [section 1]."

Insert: "Section 12. Section 15-30-2341, MCA, is amended to read:

"15-30-2341. Residential property tax credit for elderly -- limitations -- denial of claim. (1) Only one claimant per household in a claim period under the provisions of 15-30-2337 through 15-30-2341 is entitled to relief.

(2) Except as provided in subsection (3), a claim for relief may not be allowed for any portion of property taxes billed or rent-equivalent taxes paid that is derived from a public rent or tax subsidy program.

(3) Except for dwellings rented from a county or municipal housing authority, a claim for relief may not be allowed on rented lands or rented dwellings that are not subject to Montana property taxes during the claim period.

(4) A person filing a false or fraudulent claim under the provisions of 15-30-2337 through 15-30-2341 must be charged with the offense of unsworn falsification to authorities pursuant to 45-7-203. If a false or fraudulent claim has been paid, the amount paid may be recovered as any other debt owed to the state. An additional 10% may be added to the amount due as a penalty. The unpaid debt must bear interest from the date of the original payment of claim until paid, at the rate of 1% per month.

(5) This tax credit is subject to termination on December 31, 2017, and every 8 years thereafter as provided in [section 1]."

Renumber: subsequent sections

Amendment **not** adopted as follows:

Yeas: Barrett Dick, T. Brown, Caferro, Cohenour, Facey, Hamlett, Kaufmann, Keane, Larsen,

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Malek, McNally, Moe, Phillips, Pomnichowski, Sands, Sesso, Stewart-Peregoy, Vuckovich, Whitford, Windy Boy, Wolken.
Total 21

Nays: Ankney, Arntzen, Blasdel, Brenden, D. Brown, Buttrey, Connell, Driscoll, Fielder, Hansen, Hinkle, Hoven, Howard, Jones, Kary, Keenan, Moore, Ripley, Rosendale, Sales, Smith, Swandal, Taylor, Thomas, Tutvedt, Vance, Vincent, Webb, Ms. President.
Total 29

Absent or not voting: None.
Total 0

Excused: None.
Total 0

HB 154 - Thereupon, the Senate reverted to the original motion of Senator Tutvedt which passed as follows:

Yeas: Ankney, Arntzen, Blasdel, Brenden, D. Brown, T. Brown, Buttrey, Connell, Fielder, Hansen, Hinkle, Hoven, Howard, Jones, Kary, Keenan, Moore, Ripley, Rosendale, Sales, Smith, Swandal, Taylor, Thomas, Tutvedt, Vance, Vincent, Webb, Ms. President.
Total 29

Nays: Barrett Dick, Caferro, Cohenour, Driscoll, Facey, Hamlett, Kaufmann, Keane, Larsen, Malek, McNally, Moe, Phillips, Pomnichowski, Sands, Sesso, Stewart-Peregoy, Vuckovich, Whitford, Windy Boy, Wolken.
Total 21

Absent or not voting: None.
Total 0

Excused: None.
Total 0

Majority Leader Rosendale moved the committee **rise and report**. Motion carried. Committee arose. Senate resumed. President Barrett presiding. Chair Ripley moved the Committee of the Whole report be adopted. Report adopted as follows:

Yeas: Ankney, Arntzen, Blasdel, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Connell, Driscoll, Facey, Fielder, Hamlett, Hansen, Hinkle, Hoven, Howard, Jones, Kary, Keenan, Larsen, McNally, Moore, Pomnichowski, Ripley, Rosendale, Sales, Sands, Smith, Stewart-Peregoy, Swandal, Taylor, Thomas, Tutvedt, Vance, Vincent, Vuckovich, Webb, Windy Boy, Wolken, Ms. President.
Total 41

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Nays: Barrett Dick, Cohenour, Kaufmann, Keane, Malek, Moe, Phillips, Sesso, Whitford.
Total 9

Absent or not voting: None.
Total 0

Excused: None.
Total 0

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:

SB 93, as amended by the House, passed as follows:

Yeas: Ankney, T. Brown, Buttrey, Caferro, Connell, Driscoll, Hamlett, Hansen, Hoven, Howard, Jones, Keane, Larsen, McNally, Moore, Ripley, Rosendale, Sesso, Stewart-Peregoy, Swandal, Thomas, Tutvedt, Vuckovich, Windy Boy, Wolken, Ms. President.
Total 26

Nays: Arntzen, Barrett Dick, Blasdel, Brenden, D. Brown, Cohenour, Facey, Fielder, Hinkle, Kary, Kaufmann, Keenan, Malek, Moe, Phillips, Pomnichowski, Sales, Sands, Smith, Taylor, Vance, Vincent, Webb, Whitford.
Total 24

Absent or not voting: None.
Total 0

Excused: None.
Total 0

SB 188, as amended by the Governor, passed as follows:

Yeas: Ankney, Arntzen, Barrett Dick, Blasdel, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Cohenour, Connell, Driscoll, Facey, Fielder, Hamlett, Hansen, Hinkle, Hoven, Howard, Jones, Kary, Kaufmann, Keane, Keenan, Larsen, Malek, McNally, Moe, Moore, Phillips, Pomnichowski, Ripley, Rosendale, Sales, Sands, Sesso, Smith, Stewart-Peregoy, Swandal, Taylor, Thomas, Tutvedt, Vance, Vincent, Vuckovich, Webb, Whitford, Windy Boy, Wolken, Ms. President.
Total 50

Nays: None.
Total 0

Absent or not voting: None.

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Total 0

Excused: None.

Total 0

SB 192, as amended by the House, passed as follows:

Yeas: Ankney, Arntzen, Barrett Dick, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Cohenour, Connell, Driscoll, Facey, Hamlett, Hinkle, Hoven, Howard, Jones, Kaufmann, Keane, Larsen, Malek, McNally, Moe, Moore, Phillips, Pomnichowski, Ripley, Sands, Sesso, Stewart-Peregoy, Tutvedt, Vincent, Vuckovich, Whitford, Windy Boy, Wolken, Ms. President.

Total 37

Nays: Blasdel, Fielder, Hansen, Kary, Keenan, Rosendale, Sales, Smith, Swandal, Taylor, Thomas, Vance, Webb.

Total 13

Absent or not voting: None.

Total 0

Excused: None.

Total 0

SB 258, as amended by the House, passed as follows:

Yeas: Ankney, Arntzen, Barrett Dick, Blasdel, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Cohenour, Connell, Driscoll, Facey, Fielder, Hamlett, Hansen, Hinkle, Hoven, Howard, Jones, Kary, Kaufmann, Keane, Keenan, Larsen, Malek, McNally, Moe, Moore, Phillips, Pomnichowski, Ripley, Rosendale, Sales, Sands, Sesso, Smith, Stewart-Peregoy, Swandal, Taylor, Thomas, Tutvedt, Vance, Vincent, Vuckovich, Webb, Whitford, Windy Boy, Wolken, Ms. President.

Total 50

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: None.

Total 0

HB 145, as amended by the Governor, concurred in as follows:

Yeas: Ankney, Arntzen, Barrett Dick, Blasdel, Brenden, D. Brown, T. Brown, Buttrey, Caferro, Cohenour, Connell, Driscoll, Facey, Hamlett, Hansen, Hinkle, Hoven, Jones, Kaufmann, Keane,

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Larsen, Malek, McNally, Moe, Moore, Phillips, Pomnichowski, Ripley, Sales, Sands, Sesso, Stewart-Peregoy, Swandal, Taylor, Thomas, Tutvedt, Vincent, Vuckovich, Whitford, Windy Boy, Wolken, Ms. President.

Total 42

Nays: Fielder, Howard, Kary, Keenan, Rosendale, Smith, Vance, Webb.

Total 8

Absent or not voting: None.

Total 0

Excused: None.

Total 0

REPORTS OF STANDING COMMITTEES

FINANCE AND CLAIMS (Jones, Chair):

4/16/2015

HB 10, be amended as follows:

1. Title, page 1, line 11.

Following: "ADMINISTRATION,"

Insert: "THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES,"

2. Page 2, line 30.

Following: line 29

Insert: "Enterprise Electronic Content Management

1,500,000 [LRITP] 1,500,000 [Total]

DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

Enhanced Federal Financial Participation and A-87 Cost Allocation Waiver

3,000,000 [LRITP] 27,000,000 [Federal] 30,000,000 [Total]"

3. Page 3, line 6.

Strike: "\$7.3"

Insert: "\$11.8"

4. Page 3, line 19.

Following: line 18

Insert: "NEW SECTION. **Section 5. Direction to department of administration -- state data center.** The department of administration is directed to:

(1) encourage all state agencies to transition to the state data center unless there is a documented financial or security reason that justifies why the agency should not use the state data center;

(2) leverage the state data center for local governments, school districts, and the university system to use; and

(3) market the use of the state data center to other states or third parties if excess

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capacity exists."

Insert: "NEW SECTION. Section 6. Statewide networks efficiencies. The department of administration is directed to leverage federal funds and other resources to the maximum extent possible to assist with infrastructure obligations associated with federal and other programs."

Insert: "NEW SECTION. Section 7. Appropriation -- third-party audit requirement for medicaid management information systems replacement. (1) The department of public health and human services is appropriated \$7,500 in general fund and \$67,500 in federal funds for the purpose of securing an independent audit as set forth in subsection (2).

(2) The department of public health and human services shall retain its current independent verification and validation vendor to audit, review, and issue a report regarding the medicaid management information systems replacement contract vendor's activities related to contract 12-12-1-01-001-1. At a minimum, the audit and report by the current independent verification and validation vendor must:

(a) analyze the ability of the replacement contract vendor to complete and comply with all contractual requirements, terms, and conditions, in particular, by the May 2017 implementation date pursuant to amendment number 5 to the contract; and

(b) review projects in other states where the replacement contract vendor has implemented or is in the process of implementing a medicaid management information system to understand and extrapolate the experiences, impacts, costs, and delays of those states and analyze the potential for the same issues occurring with the Montana systems replacement in the future.

(3) The outcomes and recommendations from the current independent verification and validation vendor must be reported to the legislative finance committee no later than July 1, 2015."

Insert: "NEW SECTION. Section 8. Fiscal agent services for current legacy medicaid management information systems. In the event of nonperformance or breach of contract 12-12-1-01-001-1 by the medicaid management information systems replacement contract vendor or of adverse audit recommendations by the independent verification and validation vendor regarding the inability of the replacement contract vendor to fulfill all contractual requirements, terms, and conditions of the contract by the May 2017 implementation date, the department of public health and human services is authorized to request a bid for a new fiscal agent for the current legacy medicaid management information system. The department may not accept any bids from the medicaid management information systems replacement contract vendor unless and until the department has reached an agreement with the contract vendor on any pending or threatened legal action."

Insert: "NEW SECTION. Section 9. Authorization for department of public health and human services to terminate medicaid management information systems replacement contract. (1) In the event of nonperformance or breach of contract 12-12-1-01-001-1 by the medicaid management information systems replacement contract vendor or of adverse audit recommendations by the independent verification and validation vendor regarding the inability of the replacement contract vendor to fulfill all contractual requirements, terms, and conditions of the contract by the May 2017 implementation date, the department of public health and human services is authorized to terminate contract 12-12-1-01-001-1 and to procure

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medicaid management information system services consistent with the direction and approval of the centers for medicare and medicaid services.

(2) If the department elects to terminate the contract, it is directed to take all legal action necessary to recover previously appropriated funds and any other damages caused by or related to the replacement contract vendor's inability to timely comply with its contractual obligations."

Renumber: subsequent sections

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

HB 156, be concurred in. Report adopted.

HB 228, be amended as follows:

1. Title, page 1, line 6.

Strike: "2019"

Insert: "2017"

2. Page 2, line 5.

Following: "2.9%"

Insert: "through June 30, 2017, and beginning July 1, 2017, the amount of 2.9%"

3. Page 4, line 8.

Insert: "COORDINATION SECTION. **Section 2. Coordination instruction.** If both House Bill No. 2 and [this act] are passed and approved, and if House Bill No. 2 appropriates an amount equal to or greater than \$3,514,423 for the fiscal year beginning July 1, 2015, or July 1, 2016, or the biennium ending June 30, 2017, to the coal board for the purposes provided for in 90-6-1001(2), then [this act] is void."

Renumber: subsequent sections

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

HB 245, be amended as follows:

1. Title, line 9.

Following: "ISSUES;"

Insert: "REQUIRING A REPORT TO AN INTERIM COMMITTEE;"

2. Page 1, line 17.

Strike: "4"

Insert: "5"

3. Page 1, line 18.

Strike: "4"

Insert: "5"

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4. Page 1, line 17.

Strike: "4"

Insert: "5"

5. Page 4, line 21.

Following: line 20

Insert: "NEW SECTION. Section 5. Report to interim committee -- recommendations. (1) In accordance with 5-11-210, the department shall provide a report to the economic affairs interim committee provided for in 5-5-223.

(2) The report must include an overview of the implementation of the small herd exemption permit and herd sharing provisions as established in [sections 1 through 5]. The report must also include an analysis of the revenue collected for issuance and renewal of small herd exemption permits and the cost of implementing the small herd exemption permit and herd sharing provisions of [sections 1 through 5]."

6. Page 8, line 6.

Strike: "up to"

Strike: "\$75"

Insert: "commensurate with the costs incurred by the department"

7. Page 16, line 23.

Strike: "4"

Insert: "5"

8. Page 16, line 25.

Strike: "4"

Insert: "5"

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

HB 423, be concurred in. Report adopted.

HB 559, be concurred in. Report adopted.

HB 617, be concurred in. Report adopted.

REPORTS OF SELECT COMMITTEES

FREE CONFERENCE COMMITTEE

on Senate Bill 261

Report No. 001, April 16, 2015

Ms. President and Mr. Speaker:

We, your Free Conference Committee met and considered **Senate Bill 261** (reference copy -- salmon) and recommend this Free Conference Committee report be adopted.

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And, recommend that **Senate Bill 261** (reference copy -- salmon) be amended as follows:

1. Title, page 1, line 9.

Following: "REPORTING;"

Insert: "PROVIDING A CONTINGENT FUND TRANSFER AND APPROPRIATION;"

2. Page 10.

Following: line 7

Insert: "COORDINATION SECTION. Section 18. Coordination instruction. If both House Bill No. 2 and [this act] are passed and approved, then:

(1) [sections 14 and 15 of this act] are void;

(2) the general fund appropriation to the department of natural resources and conservation for the sage grouse conservation fund contained in House Bill No. 2 is void;

(3) for the biennium beginning July 1, 2015, \$10 million is transferred from the general fund to the sage grouse stewardship account established in [section 7 of this act]; and

(4) for the biennium beginning July 1, 2015, \$10 million is appropriated from the sage grouse stewardship account established in [section 7 of this act] to the department of natural resources and conservation for the purposes of [this act]. If the United States fish and wildlife service lists the greater sage-grouse (*Centrocercus urophasianus*) as endangered under the Endangered Species Act, 16 U.S.C. 1531, et seq., any unencumbered portion of the appropriation made pursuant to this subsection (4) must revert to the general fund."

Renumber: subsequent section

For the Senate:

Hamlett, Chair
F. Moore
Vincent

For the House:

Lang, Vice Chair
Lynch
Shaw

CONFERENCE COMMITTEE
on Senate Amendments to **House Bill 211**
Report No. 001, April 16, 2015

Ms. President and Mr. Speaker:

We, your Conference Committee met and considered Senate amendments to **House Bill 211** (reference copy -- salmon) and recommend this Conference Committee report be adopted.

And, recommend that **House Bill 211** (reference copy -- salmon) be amended as follows:

1. Page 1, line 28.

Strike: "STATE"

Insert: "national"

For the Senate:

For the House:

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D. Brown, Chair
Driscoll
Kary

Wagoner, Vice Chair
Miller
Person

MOTIONS

Senator Rosendale moved **HB 140, HB 167, HB 223, HB 300, HB 421, HB 510, HB 599, and HB 628** be taken from the second reading board and re-referred to the Finance and Claims Committee. Without objection, so ordered.

SPECIAL ORDERS OF THE DAY

Senators Taylor Brown and Brad Hamlett made their farewell remarks to the Senate.

ANNOUNCEMENTS

Committee meetings were announced by the committee chairs.

Majority Leader Rosendale moved the Senate adjourn until 1:00 p.m., Friday, April 17, 2015, the seventy-eighth legislative day. Motion carried.

Senate adjourned at 3:25 p.m.

MARILYN MILLER
Secretary of the Senate

DEBBY BARRETT
President of the Senate