# HOUSE JOURNAL 65TH LEGISLATURE TWENTY-FOURTH LEGISLATIVE DAY

Helena, Montana February 2, 2017 House Chambers State Capitol

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

Roll Call. All members present, except Representative Eck, Hill Smith, excused. Quorum present.

**BILLS** (Ricci, Chair):

2/2/2017

Correctly printed: HB 22, HB 61, HB 71, HB 232, HB 261, HB 294, HB 314, HB 353, HB 354, HB 355, HB 356, HB 357, HB 358, HB 359, HB 360, HB 361, SB 56, SB 77, SB 84.

Correctly engrossed: HB 95, HB 147, HB 148, HB 236, HJR 4.

Correctly enrolled: HB 16, HB 25, HB 113.

Examined by the sponsor and found to be correct: HB 39, HB 40, HB 42, HB 74, HB 88, HB 197.

Transmitted to the Senate: HB 71, HB 231, HB 232, HB 261, SB 56, SB 84.

Signed by the Speaker at 11:00 a.m., February 2, 2017: HB 39, HB 42.

Signed by the Chief Clerk of the House at 3:15 p.m., February 2, 2017: HB 39, HB 42.

#### REPORTS OF STANDING COMMITTEES

## **APPROPRIATIONS** (Ballance, Chair):

2/1/2017

**HB 217**, do pass. Report adopted.

**HB 304**, do pass. Report adopted. **HB 307**, do pass. Report adopted.

### BUSINESS AND LABOR (Noland, Chair):

2/2/2017

**HB 137**, introduced bill, be amended as follows:

1. Title, page 1, line 10.

Following: "LIQUIDATION;"

Insert: "CLARIFYING INSURERS' SECURITY DEPOSIT REQUIREMENTS;"

2. Title, page 1, line 14.

Following: "COUNTY MUTUAL INSURERS;"

Insert: "REVISING THE DEFINITION OF "PUBLIC ADJUSTERS";"

3. Title, page 1, line 17.

Following: "HIPAA;"

Insert: "CLARIFYING TERMINOLOGY FOR UNFAIRLY DISCRIMINATORY RATES;"

4. Title, page 1, line 23.

Following: "15-31-511,"

STATE INTERNET/BBS COPY

Insert: "30-10-104,"

5. Title, page 1, line 24. **Strike:** "33-1-501,"

Following: "33-2-1363," Insert: "33-3-453," Following: "33-4-204," Insert: "33-17-102,"

6. Title, page 1, line 25. Following: "33-19-202," Insert: "33-22-157,"

7. Title, page 1, line 28.

Strike: "39-71-2316, 39-71-2375,"

8. Page 2, line 7.

Following: the first "the"

Insert: "proposed"
Following: "merger"

Insert: "prior to approval or disapproval of the merger"

9. Page 2, line 9.

Following: "notice to the public of the"

Insert: "proposed"
Following: "merger"

**Insert:** "prior to approval or disapproval of the merger"

10. Page 12, line 30.

**Insert: "Section 5.** Section 30-10-104, MCA, is amended to read:

**"30-10-104. Exempt securities.** Sections 30-10-202 through 30-10-207 and 30-10-211 do not apply to any of the following securities:

- (1) any security, including a revenue obligation, issued or guaranteed by the United States, any state, any political subdivision of a state, or any agency or corporate or other instrumentality of one or more of those entities. However, 30-10-202 through 30-10-207 and 30-10-211 apply to a security issued by any of those entities that is payable solely from payments to be received in respect to property or money used under a lease, sale, or loan arrangement by or for a nongovernmental industrial or commercial enterprise unless the enterprise or any security of which it is the issuer is within any of the exemptions listed in subsections (2) through (15).
- (2) any security issued or guaranteed by Canada, a Canadian province, a political subdivision of a province, or an agency or corporate or other instrumentality of one or more of those entities or any other foreign government with which the United States currently maintains diplomatic relations if the security is recognized as a valid obligation by the issuer or guarantor;
- (3) any security issued by and representing an interest in or a debt of or guaranteed by a bank organized under the laws of the United States or a bank, savings institution, or trust company

organized and supervised under the laws of any state;

- (4) any security issued by and representing an interest in, or a debt of, or guaranteed by a federal savings and loan association or a building and loan or similar association organized under the laws of any state and authorized to do business in this state;
- (5) any security issued or guaranteed by a federal credit union or a credit union, industrial loan association, or similar association organized and supervised under the laws of this state;
- (6) any security issued or guaranteed by a railroad, other common carrier, public utility, or holding company that is:
- (a) subject to the jurisdiction of the interstate commerce commission federal surface transportation board;
- (b) a registered holding company under the Energy Policy Act of 2005 or a subsidiary of a registered holding company within the meaning of that act;
- (c) regulated in respect of its rates and charges by a governmental authority of the United States or any state or municipality; or
- (d) regulated in respect to the issuance or guarantee of the security by a governmental authority of the United States, any state, Canada, or any Canadian province. A security referred to under this subsection (6)(d) includes equipment trust certificates in respect to equipment conditionally sold or leased to a railroad or public utility if other securities issued by the railroad or public utility would be exempt under this subsection (6)(d).
  - (7) any security that meets all of the following conditions:
- (a) if the issuer is not organized under the laws of the United States or a state, it has appointed an authorized agent in the United States for service of process and has set forth the name and address of the agent in its prospectus;
- (b) a class of the issuer's securities is required to be and is registered under section 12 of the Securities Exchange Act of 1934 and has been registered for the 3 years immediately preceding the offering date;
- (c) the issuer or a significant subsidiary has not had a material default during the last 7 years, or during the issuer's existence if that period is less than 7 years, in the payment of:
- (i) principal, interest, dividend, or sinking fund installment on preferred stock or indebtedness for borrowed money; or
  - (ii) rentals under leases with terms of 3 years or more;
- (d) the issuer has had consolidated net income, before extraordinary items and the cumulative effect of accounting changes, of at least \$1 million in 4 of its last 5 fiscal years, including its last fiscal year, and if the offering is of interest-bearing securities, has had for its last fiscal year consolidated net income, before deduction for income taxes and depreciation, of at least 1 1/2 times the issuer's annual interest expense, giving effect to the proposed offering and the intended use of the proceeds. "Last fiscal year", as used in this subsection (7)(d), means the most recent year for which audited financial statements are available provided that the statements cover a fiscal period that ended not more than 15 months from the commencement of the offering.
- (e) if the offering is of stock or shares, other than preferred stock or shares, the securities have voting rights and rights including the right to have at least as many votes per share and the right to vote on at least as many general corporate decisions as each of the issuer's outstanding classes of stock or shares except as otherwise required by law;
- (f) if the offering is of stock or shares, other than preferred stock or shares, the securities are owned beneficially or of record on any date within 6 months prior to the commencement of the offering by at least 1,200 persons and on that date there are at least 750,000 of the shares

outstanding with an aggregate market value, based on the average bid price for that day, of at least \$3,750,000. In connection with the determination of the number of persons who are beneficial owners of the stock or shares of an issuer, the issuer or broker-dealer may rely in good faith for the purposes of this section upon written information furnished by the record owners.

- (8) any security issued by a person organized and operated not for private profit but exclusively for religious, educational, benevolent, charitable, fraternal, social, athletic, or reformatory purposes if the issuer pays a fee of \$50 and files with the commissioner 20 days prior to the offering a written notice specifying the terms of the offer and the commissioner does not disallow the exemption in writing within the 20-day period;
- (9) any commercial paper that arises out of a current transaction or the proceeds of which have been or are to be used for the current transaction and that evidences an obligation to pay cash within 9 months of the date of issuance, exclusive of days of grace, or any renewal of the paper that is likewise limited or any guarantee of the paper or of any renewal when the commercial paper is sold to banks or insurance companies;
- (10) any investment contract issued in connection with an employee's stock purchase, savings, pension, profit-sharing, or similar benefit plan;
- (11) any security for which the commissioner determines by order that an exemption would better serve the purposes of 30-10-102 than would registration. The fee for this exemption must be as prescribed in 30-10-209(4).
- (12) any security listed or approved for listing upon notice of issuance on the New York stock exchange, the American stock exchange, the Pacific stock exchange, the Midwest stock exchange, the Chicago board of options exchange, the Philadelphia stock exchange, the Boston stock exchange, or any other stock exchange registered with the federal securities and exchange commission and approved by the commissioner, any other security of the same issuer that is of senior or substantially equal rank, any security called for by subscription rights or warrants listed or approved for listing as provided in this subsection, or any warrant or right to purchase or subscribe to any of the securities listed in this subsection. The commissioner may by rule or order limit, restrict, or otherwise condition the terms under which any security may be exempt under this subsection.
- (13) any national market system security listed or approved for listing upon notice of issuance on the national association of securities dealers automated quotation system or any other national quotation system approved by the commissioner, any other security of the same issuer that is of senior or substantially equal rank, any security called for by subscription rights or warrants listed or approved for listing as provided in this subsection, or any warrant or right to purchase or subscribe to any of the securities listed in this subsection. The commissioner may by rule or order limit, restrict, or otherwise condition the terms under which any security may be exempt under this subsection.
- (14) any security issued by and representing an interest in, or a debt of, or any security guaranteed by any insurer organized and authorized to transact business under the laws of any state;
- (15) any security for which an offer or sale is not directed to or received by a person in this state when the issuer does not maintain a place of business in the state.""

Renumber: subsequent sections

11. Page 15, line 5 through page 19, line 2.

**Strike:** section 7 through section 8 in their entirety

Renumber: subsequent sections

12. Page 21, line 8.

**Insert: "Section 11.** Section 33-3-453, MCA, is amended to read:

**"33-3-453. Deposit of securities by insurance companies.** (1) Securities qualified for deposit under 33-3-450 through 33-3-453 may be deposited with a clearing corporation or held in the federal reserve book-entry system. Securities deposited

- (2) An insurance company that is using securities to help meet the deposit requirements of Title 33, chapter 2, parts 1 and 6, and depositing those securities with a clearing corporation or held holding the securities in the federal reserve book-entry system:
- (a) may not be withdrawn by the insurance company withdraw the securities without the approval of the commissioner-; and
- (2)(b) An insurance company holding securities in the manner provided for in this section shall provide to the commissioner evidence issued by its custodian or member bank through which the insurance company has deposited the securities in a clearing corporation or through which the securities are held in the federal reserve book-entry system, respectively, in order to establish that the securities are actually recorded in an account in the name of the custodian, other direct participant, or member bank and that the records of the custodian, other direct participant, or member bank reflect that the securities are held subject to the order of the commissioner.""

**Renumber:** subsequent sections

13. Page 23, line 13. Following: "comply with"

Strike: "all laws in Title 33, including"

Following: "chapter 17"

**Insert:** ", as well as all other laws that apply to insurance producers"

14. Page 23, line 14 through line 15. **Strike:** "as operational expenses and not"

Following: "investments"
Strike: "for purposes"

**Insert:** "but are exempt from the requirements"

15. Page 24, line 7.

**Insert: "Section 17.** Section 33-17-102, MCA, is amended to read:

"33-17-102. Definitions. As used in this chapter, the following definitions apply:

- (1) (a) "Adjuster" means a person who, on behalf of the insurer, for compensation as an independent contractor or as the employee of an independent contractor or for a fee or commission investigates and negotiates the settlement of claims arising under insurance contracts or otherwise acts on behalf of the insurer.
  - (b) The term does not include a:
  - (i) licensed attorney who is qualified to practice law in this state;
  - (ii) salaried employee of an insurer or of a managing general agent;
  - (iii) licensed insurance producer who adjusts or assists in adjustment of losses arising under

policies issued by the insurer;

- (iv) licensed third-party administrator who adjusts or assists in adjustment of losses arising under policies issued by the insurer; or
  - (v) claims examiner as defined in 39-71-116.
- (2) "Adjuster license" means a document issued by the commissioner that authorizes a person to act as an adjuster or a public adjuster.
- (3) (a) "Administrator" means a person who collects charges or premiums from residents of this state in connection with life, disability, property, or casualty insurance or annuities or who adjusts or settles claims on these coverages.
  - (b) The term does not include:
- (i) an employer on behalf of its employees or on behalf of the employees of one or more subsidiaries of affiliated corporations of the employer;
  - (ii) a union on behalf of its members;
- (iii) (A) an insurer that is either authorized in this state or acting as an insurer with respect to a policy lawfully issued and delivered by the insurer in and pursuant to the laws of a state in which the insurer is authorized to transact insurance; or
  - (B) a health service corporation as defined in 33-30-101;
- (iv) a life, disability, property, or casualty insurance producer who is licensed in this state and whose activities are limited exclusively to the sale of insurance;
- (v) a creditor on behalf of its debtors with respect to insurance covering a debt between the creditor and its debtors:
- (vi) a trust established in conformity with 29 U.S.C. 186 or the trustees, agents, and employees of the trust;
- (vii) a trust exempt from taxation under section 501(a) of the Internal Revenue Code or the trustees and employees of the trust;
- (viii) a custodian acting pursuant to a custodian account that meets the requirements of section 401(f) of the Internal Revenue Code or the agents and employees of the custodian;
- (ix) a bank, credit union, or other financial institution that is subject to supervision or examination by federal or state banking authorities;
- (x) a company that issues credit cards and that advances for and collects premiums or charges from the company's credit card holders who have authorized the company to do so, if the company does not adjust or settle claims;
- (xi) a person who adjusts or settles claims in the normal course of the person's practice or employment as an attorney and who does not collect charges or premiums in connection with life or disability insurance or annuities; or
- (xii) a person appointed as a managing general agent in this state whose activities are limited exclusively to those described in 33-2-1501(10) and Title 33, chapter 2, part 16.
- (4) (a) "Business entity" means a corporation, association, partnership, limited liability company, limited liability partnership, or other legal entity.
  - (b) The term does not include an individual.
- (5) "Consultant" means an individual who for a fee examines, appraises, reviews, evaluates, makes recommendations, or gives advice regarding an insurance policy, annuity, or pension contract, plan, or program.
- (6) "Consultant license" means a document issued by the commissioner that authorizes an individual to act as an insurance consultant.
  - (7) "Exchange" means a health benefit exchange established by the state of Montana or

an exchange established by the United States department of health and human services in accordance with 42 U.S.C. 18031.

- (8) "Home state" means the District of Columbia or any state or territory of the United States in which a person licensed under this chapter maintains a principal place of residence or a principal place of business.
  - (9) "Individual" means a natural person.
- (10) "Insurance producer", except as provided in 33-17-103, means a person required to be licensed under the laws of this state to sell, solicit, or negotiate insurance.
- (11) "Lapse" means the expiration of the license for failure to renew by the biennial renewal date.
- (12) "License" means a document issued by the commissioner that authorizes a person to act as an insurance producer for the lines of authority specified in the document. The license itself does not create actual, apparent, or inherent authority in the holder to represent or commit an insurer to a binding agreement.
- (13) "Limited line credit insurance" includes credit life insurance, credit disability insurance, credit property insurance, credit unemployment insurance, involuntary unemployment insurance, mortgage life insurance, mortgage guaranty insurance, mortgage disability insurance, gap insurance, and any other form of insurance offered in connection with an extension of credit that is limited to partially or wholly extinguishing the credit obligation and that the commissioner determines should be designated as a form of limited line credit insurance.
- (14) "Limited line credit insurance producer" means a person who sells, solicits, or negotiates one or more forms of limited line credit insurance coverage to individuals through a master, corporate, group, or individual policy.
- (15) "Limited lines insurance" means those lines of insurance that the commissioner finds necessary to recognize for the purposes of complying with 33-17-401(3).
- (16) "Limited lines producer" means a person authorized by the commissioner to sell, solicit, or negotiate limited lines insurance.
  - (17) "Lines of authority" means any kind of insurance as defined in Title 33.
- (18) "Navigator" means a person certified by the commissioner under 33-17-241 and selected to perform the activities and duties identified in 42 U.S.C. 18031, et seq.
- (19) "Negotiate" means the act of conferring directly with or offering advice directly to a purchaser or prospective purchaser of a particular contract of insurance concerning any of the substantive benefits, terms, or conditions of the contract if the person engaged in negotiation either sells insurance or obtains insurance from insurers for purchasers.
  - (20) "Person" means an individual or a business entity.
- (21) (a) "Public adjuster" means an adjuster employed retained by and representing the interests of the insured.
- (b) The term does not include a person who provides an estimate of work to an insurer on behalf of an insured as long as the insured is notified of all communications between the person and the insurer related to the estimates.
- (22) "Sell" means to exchange a contract of insurance by any means, for money or the equivalent, on behalf of an insurance company.
- (23) "Solicit" means attempting to sell insurance or asking or urging a person to apply for a particular kind of insurance.
  - (24) "Suspend" means to bar the use of a person's license for a period of time.""

**Renumber:** subsequent sections

16. Page 29, line 7.

Following: "30 days after any"

Insert: "material"
Following: "change"

Insert: ", other than typographical,"

17. Page 31, line 21.

**Insert: "Section 24.** Section 33-22-157, MCA, is amended to read:

"33-22-157. Standards for review -- notice of deficiency. (1) (a) When reviewing a premium rate filing, the commissioner shall consider whether the proposed premium rate is excessive, inadequate, unjustified, or unfairly discriminatory. Rates may be considered excessive if they cause the premium charged for the health insurance coverage to be unreasonably high in relation to the benefits provided under the coverage. In order to determine if the rate is excessive, the commissioner shall consider whether:

- (i) the assumptions on which the rate increase is based are reasonable; and
- (ii) one or more of the assumptions is not supported by the evidence.
- (b) Rates may be considered inadequate if the rate is unreasonably low for the coverage provided, and the commissioner may consider if the rate would endanger the solvency of the insurer or disrupt the insurance market in Montana.
- (c) A rate increase may be considered unjustified if the health insurance issuer provides data or documentation in connection with the increase that is incomplete, inadequate, or otherwise does not provide a basis upon which the reasonableness of an increase may be determined.
- (d) Rates may be considered unfairly discriminatory if they violate 33-18-206, 33-22-526, 49-2-309, or other applicable state laws prohibiting discrimination in health insurance.
- (2) In order to determine whether the proposed premium rates for health insurance coverage are not excessive, inadequate, unjustified, or unfairly discriminatory, the commissioner may consider:
- (a) the health insurance issuer's financial position, including but not limited to surplus, reserves, and investment savings:
- (b) historical and projected administrative costs and medical and hospital expenses, including medical trends;
  - (c) the historical and projected medical loss ratio;
- (d) changes to covered benefits or health plan design, along with actuarial projections concerning cost savings or additional expenses related to those changes;
- (e) changes in the health insurance issuer's health care cost containment and quality improvement efforts following the health insurance issuer's last rate filing for the same category of health plan;
- (f) product development and startup costs, drug and other benefit costs or expenses, and product age and credibility;
- (g) whether the proposed change in the premium rate is necessary to maintain the health insurance issuer's solvency or to maintain rate stability and prevent excessive rate increases in the future:
  - (h) historical and projected claims experience;
  - (i) trend projections related to utilization and service or unit cost;
  - (i) allocation of the overall rate increase to claims and nonclaims costs;

- (k) allocation of current and projected premium for each enrollee each month;
- (I) the 3-year history of rate increases for the product or group of products associated with the rate increase if the product is 3 years old or older and otherwise any available rate history;
- (m) employee and executive compensation data from the health insurance issuer's annual financial statements; and
- (n) any other applicable information identified in administrative rules adopted pursuant to Title 33, except that the administrative rules may not include by reference any provisions of Public Law 111-148 and Public Law 111-152 or any regulations promulgated under those laws.
- (3) The commissioner shall review rate filings and, if applicable, shall provide a notice of deficiencies containing detailed reasons describing why the commissioner finds that the proposed premium rate is excessive, inadequate, unjustified, or unfairly discriminatory. The notice must be provided within 60 days of receipt of filing.
- (4) Within 30 days after receiving a notice of deficiencies alleging that a proposed rate is excessive, inadequate, unjustified, or unfairly discriminatory, the insurer may amend its rate filing, request reconsideration based upon additional information, or, unless the rate is unfairly discriminatory pursuant to subsection (1)(d), implement the proposed rate, unless the rate is unfairly discriminatory, pursuant to subsection (1)(d).
- (5) At the end of the 30-day period described in subsection (4), if the insurer implements a rate that the commissioner has determined to be excessive, inadequate, <u>or</u> unjustified, <del>or unfairly discriminatory,</del> the commissioner shall publish the finding on the commissioner's website indicating the commissioner's determination.""

Renumber: subsequent sections

18. Page 37, lines 7 through 8.

Strike: "a partnership" on line 7 through the first "agreement," on line 8

19. Page 43, line 4.

Following: "parts 13 and 19;" Insert: "Title 33, chapter 3, part 6;"

20. Page 44, line 6. **Following:** "33-3-431,"

Insert: "Title 33, chapter 3, part 6,"

21. Page 74, line 12.

Strike: "stock"
Insert: "mutual"

22. Page 75, line 10.

Strike: "stock"
Insert: "mutual"

23. Page 75, line 13 through page 78, line 5.

Strike: section 49 through section 50 in their entirety

Renumber: subsequent sections

24. Page 83, line 17.

**Strike:** "5, 6" **Insert:** "6, 7, 26,"

And, as amended, do pass. Report adopted.

HB 145, introduced bill, be amended as follows:

1. Title, page 1, line 7.

Strike: "CONTINUING"

Following: "EDUCATION"
Insert: "REQUIREMENTS"

2. Page 1, line 16. Strike: "continuing"

3. Page 1, line 18. Following: "annuity;"

Insert: "and"

4. Page 1, line 19 through line 28. **Following:** "training" on line 19

Strike: remainder of line 19 through "act]" on line 28

Renumber: subsequent subsections

5. Page 2, line 9 through line 10. **Strike:** subsection (5) in its entirety **Renumber:** subsequent subsection

6. Page 2, line 29 through page 3, line 2.

Strike: subsection (2) through subsection (3) in their entirety

Renumber: subsequent subsections

7. Page 4, line 18. **Strike:** "tangible net"

And, as amended, do pass. Report adopted.

HB 198, do pass. Report adopted.

HB 276, introduced bill, be amended as follows:

1. Title, page 1, line 7. **Strike:** "20-15-403," **Following:** "33-22-170"

Strike: ","

2. Page 1, line 12 through page 2, line 1.

Strike: section 1 through section 2 in their entirety

Renumber: subsequent sections

3. Page 2, line 4.

Strike: "[sections 1 and 5]"

Insert: "[section 3]"

4. Page 3, line 30.

Strike: "[Sections 1 and 5] are"

Insert: "[Section 3] is"

5. Page 4, line 2.

Strike: "[sections 1 and 5]"

Insert: "[section 3]"

And, as amended, do pass. Report adopted.

**EDUCATION** (Berglee, Chair):

2/1/2017

**HB 248**, do pass. Report adopted.

ENERGY, TECHNOLOGY, AND FEDERAL RELATIONS (Zolnikov, Chair):

2/1/2017

**SB 36**, be concurred in. Report adopted.

SB 101, be concurred in. Report adopted.

**HUMAN SERVICES** (Wagoner, Chair):

2/1/2017

HB 163, introduced bill, be amended as follows:

1. Title, page 1, line 6.

Following: "CAREGIVERS;"

Strike: "AND"

2. Title, page 1, line 7.

Following: "CAREGIVERS"

Insert: "; AND LIMITING GOVERNMENTAL LIABILITY"

3. Page 2, line 16. **Strike:** "promptly"

**Insert:** "appropriately"

Strike: "in the patient's medical record"

4. Page 2, line 21.

Strike: "record" through "medical record"

Insert: "appropriately document"

5. Page 2, line 27. Strike: "record"

Insert: "appropriately document"

Strike: "in the patient's medical record"

6. Page 3, line 9. Strike: "promptly" Insert: "appropriately"

Strike: "in the patient's medical record"

7. Page 3, line 13.

Strike: "about the" through "limitations"

8. Page 3, line 28. Following: "must be" Insert: "appropriately"

Strike: "in the patient's medical record"

9. Page 4, line 21 through line 22. **Strike:** subsection (3) in its entirety

**Insert:** "NEW SECTION. Section 8. Two-thirds vote required. Because [section 7] limits governmental liability, Article II, section 18, of the Montana constitution requires a vote of two-thirds of the members of each house of the legislature for passage."

Renumber: subsequent section

And, as amended, do pass. Report adopted.

## **NATURAL RESOURCES** (White, Chair):

2/1/2017

HB 99, introduced bill, be amended as follows:

1. Page 7, line 18. Following: "permit."

**Insert:** "However, the department shall determine if water is legally available to satisfy the proposed use."

And, as amended, do pass. Report adopted.

HB 110, introduced bill, be amended as follows:

1. Title, line 7.

Following: "FEES;"

Insert: "SETTING FILING FEES:"

2. Title, page 1, line 8.

Following: "85-2-234, MCA;"

Strike: "AND"

Following: "85-2-225, MCA"

Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

3. Page 3, line 20. Strike: "February 28" Insert: "June 30"

4. Page 3, line 21.

Strike: "and pay" through "and"

Insert: ";"

5. Page 3, line 22.

Following: "department"

Insert: "; and

(c) shall pay the following filing fees:

(i) for each claim up to 20 claims, \$160; and (ii) for each claim after 20 claims, \$100"

6. Page 4, line 8 through line 9. **Following:** "after" on line 8 **Strike:** "February 28" on line 8

Insert: "June 30"

Following: "claim after" on line 9

Strike: "February 28" Insert: "June 30"

7. Page 4, line 19. Strike: "February 28" Insert: "June 30"

8. Page 4, line 26. Strike: "March 1" Insert: "July 1"

9. Page 11, line 16. Following: line 15

Insert: "NEW SECTION. Section 9. Effective date. [This act] is effective on passage and

approval."

And, as amended, do pass. Report adopted.

## **TRANSPORTATION** (Lavin, Chair):

2/1/2017

HB 144, introduced bill, be amended as follows:

1. Page 2, line 8.

Strike: "request one or two placards"

**Insert:** "apply to the department for one or more placards"

2. Page 2, line 9. **Following:** "(3)"

Insert: "The department shall issue up to two placards to eligible individuals and may issue

additional placards."

3. Page 50, line 20. Following: "shall"

Insert: "slow the vehicle in order to"

4. Page 50, line 26.

Strike: "within approximately 1,500 feet of"

5. Page 50, line 26 through line 27.

Strike: "a signal" on line 26 through "distance" on line 27

Insert: "an audible signal"

And, as amended, do pass. Report adopted.

**HB 213**, introduced bill, be amended as follows:

1. Title, line 5 through line 6.

Strike: "THAT" on line 5 through "PLATE;" on line 6

Insert: "FOR ISSUANCE OF A WAIVER OF THE REQUIREMENT THAT A FRONT LICENSE PLATE BE DISPLAYED AFTER AN INSPECTION AND PAYMENT OF AN INSPECTION FEE; REQUIRING THE CERTIFICATE OF WAIVER TO BE CARRIED IN THE MOTOR VEHICLE; REQUIRING MONEY COLLECTED FROM THE FEE TO BE DEPOSITED IN THE HIGHWAY SPECIAL REVENUE ACCOUNT;"

2. Page 1, line 29 through page 2, line 2.

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

Insert: "(iv) If a person is not able to comply with the requirement that a front license plate be displayed because of the body construction of the motor vehicle, the person may submit to the highway patrol an application for a waiver along with a \$25 inspection fee. A certificate of waiver may be issued upon inspection of the vehicle by a highway patrol officer. If a certificate of waiver is issued, the certificate must at all times be carried in the motor vehicle and must be displayed upon demand of a peace officer. Money collected from the inspection fee must be deposited in a highway revenue account in the state special revenue fund to the credit of the department of transportation."

And, as amended, do pass. Report adopted.

**SB 33**, be concurred in. Report adopted.

#### **MESSAGES FROM THE SENATE**

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

1/31/2017

HB 122, introduced by Schreiner

House amendments to House bill concurred in:

1/31/2017

**HB 122**, introduced by Schreiner

**House bills** concurred in and returned to the House:

1/31/2017

**HB 40**, introduced by Abbott

HB 74, introduced by G. Hertz

HB 88, introduced by Funk

HB 120, introduced by Bachmeier

HB 132, introduced by McConnell

**HB 197**, introduced by Jacobson

**Senate bill** passed and transmitted to the House for concurrence:

1/31/2017

SB 59, introduced by Wolken

#### **MESSAGES FROM THE GOVERNOR**

February 2, 2017

Representative Austin Knudsen, Speaker Montana House of Representatives Capitol Building Helena, MT 59601

Dear Speaker Knudsen:

Today, Thursday, February 2, 2017, I am returning House Bill 1 – Ballance with amendments.

Sincerely,

STEVE BULLOCK Governor

#### FIRST READING AND COMMITMENT OF BILLS

The following House bills were introduced, read first time, and referred to committees:

HB 362, introduced by E. Hill Smith, referred to Human Services.

**HB 363**, introduced by D. Lenz, R. Webb, referred to Energy, Technology, and Federal Relations. **HB 364**, introduced by D. Loge, R. Cook, R. Fitzgerald, B. Grubbs, W. McKamey, W. Sales, D. Skees, S. Staffanson, J. Trebas, B. Usher, P. Webb, R. Webb, referred to Human Services.

**HB 365**, introduced by R. Shaw, D. Ankney, B. Brown, S. Fitzpatrick, B. Grubbs, L. Jones, D. Loge, W. McKamey, W. Sales, F. Thomas, J. Welborn, referred to Energy, Technology, and Federal Relations.

**HB 366**, introduced by A. Hertz, J. Eck, T. Facey, E. Greef, M. Hopkins, J. Karjala, D. Kary, M. MacDonald, S. Morigeau, D. Mortensen, A. Olszewski, A. Rosendale, R. Shaw, D. Zolnikov, referred to Judiciary.

**HB 367**, introduced by B. Beard, A. Doane, R. Fitzgerald, K. Flynn, W. Galt, F. Garner, T. Gauthier, C. Glimm, S. Gunderson, B. Harris, S. Hinebauch, J. Hinkle, G. Pierson, A. Redfield, M. Regier, T. Richmond, L. Sheldon-Galloway, S. Staffanson, F. Thomas, G. Vuckovich, P. Webb, R. Webb, T. Welch, K. White, referred to Fish, Wildlife and Parks.

HB 368, introduced by W. Sales, B. Harris, K. Holmlund, F. Moore, referred to Natural Resources.

HB 369, introduced by K. Wagoner, referred to Human Services.

HB 370, introduced by B. Bennett, J. Fleming, D. Hayman, S. Morigeau, referred to Judiciary.

**HB 371**, introduced by B. Bennett, J. Fleming, D. Hayman, S. Morigeau, referred to State Administration.

**HB 372**, introduced by A. Doane, referred to Education.

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

**SB 59**, introduced by C. Wolken (by request of the Commission on Sentencing), referred to Judiciary.

# SECOND READING OF BILLS (COMMITTEE OF THE WHOLE)

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

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

HB 140 - Representative Stewart-Peregoy moved HB 140 do pass. Motion carried as follows:

Yeas: Abbott, Anderson, Bachmeier, Ballance, Bartel, Beard, Bennett, Berglee, Bishop, Brodehl, B. Brown, Z. Brown, Burnett, Cook, Court, Cuffe, Curdy, Curtis, Custer, Doane, Dudik, Dunwell, Eck, Ehli, Ellis, Essmann, Fern, Fitzgerald, Fleming, Flynn, Funk, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Hamilton, Hamlett, Harris, Hayman, A Hertz, G Hertz, Hill-Smith, Holmlund, Hopkins, Jacobson, Jones, Karjala, Keane, Kelker, Kipp III, Knokey, C Knudsen, Lavin, Lenz, Loge, Lynch, Mandeville, Manzella, McCarthy, McConnell, McKamey, Morigeau, Mortensen, Noland, O'Hara, Olsen, Patelis, Peppers, Perry, Pierson,

Price, Redfield, Regier, Ricci, Rosendale, Ryan, Sales, Schreiner, Shaw, Skees, Smith, Staffanson, Stewart-Per, Swanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Webber, Welch, White, Windy Boy, Woods, Zolnikov, Mr. Speaker.

Total 100

Nays: None. Total 0

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**HB 294** - Representative C. Knudsen moved **HB 294**, second reading copy, be amended as follows:

1. Page 1, line 23.

Strike: "general fund"

Insert: "state special revenue account provided for in 61-3-321(19)(a) for state parks"

Amendment adopted as follows:

Yeas: Abbott, Anderson, Bachmeier, Ballance, Bartel, Beard, Bennett, Berglee, Bishop, Brodehl, B. Brown, Z. Brown, Court, Curdy, Curtis, Doane, Dunwell, Eck, Ehli, Ellis, Essmann, Fern, Fitzgerald, Flynn, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Hamilton, Hamlett, Hayman, A Hertz, G Hertz, Hill-Smith, Holmlund, Hopkins, Jacobson, Jones, Karjala, Keane, Kelker, Kipp III, Knokey, C Knudsen, Lavin, Lenz, Loge, Lynch, Manzella, McCarthy, McConnell, McKamey, Morigeau, Mortensen, Noland, O'Hara, Patelis, Perry, Pierson, Price, Redfield, Regier, Ricci, Rosendale, Ryan, Schreiner, Shaw, Skees, Staffanson, Swanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Webber, Woods, Zolnikov, Mr. Speaker. Total 82

Nays: Burnett, Cook, Cuffe, Custer, Dudik, Fleming, Funk, Galloway, Harris, Mandeville, Olsen, Peppers, Sales, Smith, Stewart-Per, Welch, White, Windy Boy.

Total 18

Excused: None.

Total 0

Absent or not voting: None.

Total 0

**HB 294** - Representative Price moved **HB 294** do pass as amended. Motion carried as follows:

Yeas: Abbott, Bachmeier, Bennett, Bishop, Z. Brown, Cook, Court, Curdy, Curtis, Custer, Dudik, Dunwell, Eck, Ellis, Essmann, Fern, Fleming, Funk, Garner, Greef, Grubbs, Hamilton, Hamlett, Hayman, Hill-Smith, Holmlund, Hopkins, Jacobson, Karjala, Keane, Kelker, Kipp III, Knokey, C Knudsen, Lenz, Lynch, McCarthy, McConnell, McKamey, Morigeau, Mortensen, Olsen, Patelis, Peppers, Perry, Pierson, Price, Ricci, Ryan, Schreiner, Shaw, Smith, Stewart-Per, Swanson, Vinton, Webber, Windy Boy, Woods.

Nays: Anderson, Ballance, Bartel, Beard, Berglee, Brodehl, B. Brown, Burnett, Cuffe, Doane, Ehli, Fitzgerald, Flynn, Galloway, Galt, Glimm, Gunderson, Harris, A Hertz, G Hertz, Jones, Lavin, Loge, Mandeville, Manzella, Noland, O'Hara, Redfield, Regier, Rosendale, Sales, Skees, Staffanson, Trebas, Tschida, Usher, Wagoner, Webb, Welch, White, Zolnikov, Mr. Speaker. Total 42

Excused: None.

Total 0

Absent or not voting: None.

Total 0

SB 77 - Representative Fitzgerald moved SB 77 be concurred in. Motion carried as follows:

Yeas: Abbott, Anderson, Bachmeier, Ballance, Bartel, Beard, Bennett, Berglee, Bishop, Brodehl, B. Brown, Z. Brown, Burnett, Court, Cuffe, Curdy, Curtis, Custer, Doane, Dudik, Dunwell, Eck, Ehli, Ellis, Essmann, Fern, Fleming, Flynn, Funk, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Hamilton, Hamlett, Harris, Hayman, A Hertz, G Hertz, Hill-Smith, Holmlund, Hopkins, Jacobson, Jones, Karjala, Keane, Kelker, Kipp III, Knokey, C Knudsen, Lavin, Lenz, Loge, Lynch, Mandeville, Manzella, McCarthy, McConnell, McKamey, Morigeau, Mortensen, Noland, O'Hara, Olsen, Patelis, Peppers, Perry, Pierson, Price, Redfield, Regier, Ricci, Rosendale, Ryan, Sales, Schreiner, Shaw, Skees, Smith, Staffanson, Stewart-Per, Swanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Webber, Welch, White, Windy Boy, Woods, Zolnikov, Mr. Speaker.

Nays: Cook. Total 1

Excused: None.

Total 0

Absent or not voting: Fitzgerald.

Total 1

Majority Leader Ehli moved the committee rise and report. Motion carried. Committee arose. House resumed. Mr. Speaker presiding. Chair Vinton moved the Committee of the Whole report be adopted. Report adopted as follows:

Yeas: Abbott, Anderson, Bachmeier, Ballance, Bartel, Beard, Bennett, Berglee, Bishop, Brodehl, B. Brown, Z. Brown, Burnett, Cook, Court, Cuffe, Curdy, Curtis, Custer, Doane, Dudik, Dunwell, Ehli, Ellis, Essmann, Fern, Fitzgerald, Fleming, Flynn, Funk, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Hamilton, Hamlett, Harris, Hayman, A Hertz, G Hertz, Holmlund, Hopkins, Jacobson, Jones, Karjala, Keane, Kelker, Kipp III, Knokey, C Knudsen, Lavin, Lenz, Loge, Lynch, Mandeville, Manzella, McCarthy, McConnell, McKamey, Morigeau, Mortensen, Noland, O'Hara, Olsen, Patelis, Peppers, Perry, Pierson, Price, Redfield, Regier, Ricci, Rosendale, Ryan, Sales, Schreiner, Shaw, Skees, Smith, Staffanson, Stewart-Per, Swanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Webber, Welch, White, Windy Boy, Woods, Zolnikov, Mr. Speaker.

Nays: None. Total 0

Excused: None.

Total 0

Absent or not voting: Eck, Hill-Smith.

Total 2

#### 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 71** passed as follows:

Yeas: Abbott, Anderson, Bachmeier, Ballance, Bartel, Bennett, Berglee, Bishop, Z. Brown, Cook, Court, Cuffe, Curdy, Curtis, Custer, Doane, Dudik, Dunwell, Ehli, Ellis, Essmann, Fern, Fitzgerald, Fleming, Flynn, Funk, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Hamilton, Hamlett, Harris, Hayman, A Hertz, G Hertz, Holmlund, Jacobson, Jones, Karjala, Keane, Kelker, Kipp III, Knokey, Lavin, Lenz, Loge, Lynch, Mandeville, McCarthy, McConnell, McKamey, Morigeau, Noland, O'Hara, Olsen, Patelis, Peppers, Perry, Pierson, Price, Ricci, Ryan, Sales, Schreiner, Shaw, Skees, Smith, Stewart-Per, Swanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Webber, Welch, White, Windy Boy, Woods, Mr. Speaker. Total 84

Nays: Beard, Brodehl, B. Brown, Burnett, Galloway, Hopkins, C Knudsen, Manzella, Mortensen, Redfield, Regier, Rosendale, Staffanson, Zolnikov.

Total 14

Excused: None.

Total 0

Absent or not voting: Eck, Hill-Smith.

Total 2

## HB 231 passed as follows:

Yeas: Anderson, Ballance, Bartel, Beard, Berglee, Brodehl, B. Brown, Burnett, Cook, Cuffe, Curtis, Custer, Doane, Ehli, Essmann, Fitzgerald, Fleming, Flynn, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Hamlett, Harris, A Hertz, G Hertz, Holmlund, Hopkins, Jacobson, Jones, Knokey, C Knudsen, Lavin, Lenz, Loge, Mandeville, Manzella, McKamey, Mortensen, Noland, O'Hara, Patelis, Pierson, Redfield, Regier, Ricci, Rosendale, Sales, Shaw, Skees, Staffanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Welch, White, Zolnikov, Mr. Speaker.

Total 64

Nays: Abbott, Bachmeier, Bennett, Bishop, Z. Brown, Court, Curdy, Dudik, Dunwell, Ellis, Fern, Funk, Hamilton, Hayman, Karjala, Keane, Kelker, Kipp III, Lynch, McCarthy, McConnell, Morigeau, Olsen, Peppers, Perry, Price, Ryan, Schreiner, Smith, Stewart-Per, Swanson, Webber, Windy Boy, Woods.

Total 34

Excused: None.

Total 0

Absent or not voting: Eck, Hill-Smith.

Total 2

#### **HB 232** passed as follows:

Yeas: Abbott, Anderson, Bachmeier, Ballance, Bartel, Beard, Bennett, Berglee, Bishop, Brodehl, B. Brown, Z. Brown, Cook, Court, Cuffe, Curdy, Curtis, Custer, Doane, Dudik, Dunwell, Ehli, Ellis, Essmann, Fern, Fitzgerald, Fleming, Flynn, Funk, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Hamilton, Hamlett, Harris, Hayman, A Hertz, G Hertz, Holmlund, Hopkins, Jacobson, Jones, Karjala, Keane, Kelker, Kipp III, Knokey, C Knudsen, Lavin, Lenz, Loge, Lynch, Mandeville, Manzella, McCarthy, McConnell, McKamey, Morigeau, Mortensen, Noland, O'Hara, Olsen, Patelis, Peppers, Perry, Pierson, Price, Redfield, Regier, Ricci, Rosendale, Ryan, Sales, Schreiner, Shaw, Skees, Smith, Staffanson, Stewart-Per, Swanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Webber, Welch, White, Windy Boy, Woods, Zolnikov, Mr. Speaker.

Total 97

Navs: Burnett.

Total 1

Excused: None.

Total 0

Absent or not voting: Eck, Hill-Smith.

Total 2

#### **HB 261** passed as follows:

Yeas: Abbott, Anderson, Bachmeier, Ballance, Bartel, Beard, Bennett, Berglee, Bishop, Brodehl, Z. Brown, Cook, Court, Cuffe, Curdy, Curtis, Custer, Doane, Dudik, Dunwell, Ehli, Ellis, Fern, Fitzgerald, Fleming, Flynn, Funk, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Hamilton, Hamlett, Harris, Hayman, G Hertz, Holmlund, Hopkins, Jacobson, Jones, Karjala, Keane, Kelker, Kipp III, Knokey, C Knudsen, Lavin, Lenz, Loge, Lynch, Mandeville, Manzella, McCarthy, McConnell, McKamey, Morigeau, Mortensen, Noland, O'Hara, Olsen, Patelis, Peppers, Perry, Pierson, Price, Redfield, Regier, Ricci, Ryan, Sales, Schreiner, Shaw, Skees, Smith, Staffanson, Stewart-Per, Swanson, Trebas, Tschida, Vinton, Wagoner, Webb, Webber, Welch, Windy Boy, Woods, Zolnikov, Mr. Speaker.

Nays: B. Brown, Burnett, Essmann, A Hertz, Rosendale, Usher, White.

Total 7

Excused: None.

Total 0

Absent or not voting: Eck, Hill-Smith.

Total 2

#### SB 56 concurred in as follows:

Yeas: Abbott, Anderson, Bachmeier, Ballance, Bartel, Beard, Bennett, Bishop, Z. Brown, Cook, Court, Curdy, Curtis, Custer, Dudik, Dunwell, Ehli, Ellis, Essmann, Fern, Fitzgerald, Fleming, Funk, Galloway, Garner, Glimm, Greef, Grubbs, Gunderson, Hamilton, Hamlett, Harris, Hayman, A Hertz, Holmlund, Hopkins, Jacobson, Jones, Karjala, Keane, Kelker, Kipp III, Knokey, C Knudsen, Lavin, Lenz, Loge, Lynch, Mandeville, Manzella, McCarthy, McConnell, McKamey, Morigeau, Noland, O'Hara, Olsen, Patelis, Peppers, Perry, Pierson, Price, Regier, Ricci, Ryan, Sales, Schreiner, Shaw, Smith, Stewart-Per, Swanson, Trebas, Tschida, Vinton, Wagoner, Webb, Webber, Welch, White, Windy Boy, Woods, Mr. Speaker.

Nays: Berglee, Brodehl, B. Brown, Burnett, Cuffe, Doane, Flynn, Galt, G Hertz, Mortensen, Redfield, Rosendale, Skees, Staffanson, Usher, Zolnikov.

Total 16

Excused: None.

Total 0

Absent or not voting: Eck, Hill-Smith.

Total 2

#### **SB 84** concurred in as follows:

Yeas: Abbott, Anderson, Bachmeier, Ballance, Bartel, Beard, Bennett, Berglee, Bishop, Brodehl, B. Brown, Z. Brown, Burnett, Cook, Court, Cuffe, Curdy, Curtis, Custer, Doane, Dudik, Dunwell, Ehli, Essmann, Fern, Fitzgerald, Fleming, Flynn, Funk, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Hamilton, Hamlett, Harris, Hayman, A Hertz, G Hertz, Holmlund, Hopkins, Jacobson, Jones, Karjala, Keane, Kelker, Kipp III, Knokey, C Knudsen, Lavin, Lenz, Loge, Lynch, Mandeville, Manzella, McCarthy, McConnell, McKamey, Morigeau, Mortensen, Noland, O'Hara, Patelis, Peppers, Perry, Pierson, Price, Redfield, Regier, Ricci, Rosendale, Ryan, Sales, Schreiner, Shaw, Skees, Smith, Staffanson, Stewart-Per, Swanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Webber, Welch, White, Windy Boy, Woods, Zolnikov, Mr. Speaker.

Total 96

Nays: Ellis, Olsen.

Total 2

Excused: None.

Total 0

Absent or not voting: Eck, Hill-Smith.

Total 2

#### **ANNOUNCEMENTS**

Committee meetings were announced by the committee chairs.

Representative Ehli moved that the House adjourn until 1:00 p.m., Friday, February 3, 2017. Motion carried.

House adjourned at 1:42 p.m.

LINDSEY VROEGINDEWEY
Chief Clerk of the House

AUSTIN KNUDSEN Speaker of the House