

**SENATE JOURNAL
65TH LEGISLATURE
EIGHTY-FOURTH LEGISLATIVE DAY**

Helena, Montana
April 24, 2017

Senate Chambers
State Capitol

Senate convened at 10:08 a.m. President Sales presiding. Invocation by Senator Cohenour. Pledge of Allegiance to the Flag.

Roll Call. Forty-six members present. Senators Hoven, McNally, Olszewski and Osmundson excused. Quorum present.

BILLS AND JOURNALS (Keenan, Chair):

4/24/2017

Correctly printed: **HB 294**.

Correctly enrolled: **SB 11, SB 15, SB 22, SB 24, SB 30, SB 57, SB 140, SB 160, SB 166, SB 235, SB 276, SB 302, SB 303, SB 324, SB 336, SB 342, SB 345, SB 362, SB 372**.

Examined by the sponsor and found to be correct: **SB 345**.

Signed by the President at 5:00 p.m., April 20, 2017: **SB 21, SB 73, SB 119, SB 154, SB 245, SB 315, SB 317, SB 329, SB 352, SR 57**.

Signed by the Secretary of the Senate at 9:28 a.m., April 24, 2017: **SB 21, SB 73, SB 119, SB 154, SB 245, SB 315, SB 317, SB 329, SB 352**.

Signed by the Secretary of the Senate at 2:24 p.m., April 24, 2017: **SR 57**.

Signed by the President at 11:30 a.m., April 24, 2017: **SB 124, SB 187, SB 285, SR 62, SR 67, SR 68, SJ 15**.

Signed by the Secretary of the Senate at 11:40 a.m., April 24, 2017: **SB 124, SB 187, SB 285, SR 62, SR 67, SR 68, SJ 15**.

Signed by the President at 12:00 p.m., April 24, 2017: **SB 208, SB 254, SB 268, SB 278, SB 279, SB 282, SB 283, SB 325**.

Signed by the Secretary of the Senate at 12:15 p.m., April 24, 2017: **SB 208, SB 254, SB 268, SB 278, SB 279, SB 282, SB 283, SB 325**.

Signed by the Speaker at 9:00 a.m., April 24, 2017: **SB 55**.

Signed by the Speaker at 1:30 p.m., April 24, 2017: **SB 270**.

Signed by the Speaker at 5:00 p.m., April 24, 2017: **SJ 15**.

Delivered to the Governor at 11:00 a.m., April 24, 2017: **SB 55**.

Delivered to the Secretary of State at 3:02 p.m., April 24, 2017: **SR 57, SR 62, SR 67, SR 68**.

Senator Blasdel **introduced the Pages** for this week:

Kate Indreland from Big Timber, sponsored by Representative Redfield
Braeden Tempel from Joplin, sponsored by Senator Tempel

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REPORTS OF SELECT COMMITTEES

FREE CONFERENCE COMMITTEE

on **Senate Bill 366**

Report No. 002, April 24, 2017

Mr. President and Mr. Speaker:

We, your Free Conference Committee met and considered **Senate Bill 366** (reference copy -- salmon) and recommend this Free Conference Committee report be adopted.

And, recommend that **Senate Bill 366** (reference copy -- salmon) be amended as follows:

1. Title, page 1, line 7.

Following: "AUTHORITY;"

Insert: "PROVIDING FOR APPROPRIATIONS; AUTHORIZING THE DEPARTMENT OF JUSTICE TO ENTER INTO A LOAN FOR IMPLEMENTATION OF THE REAL ID ACT; PROVIDING FOR CONTINGENT VOIDNESS;"

Strike: "SECTION"

Insert: "SECTIONS 17-5-2001 AND"

2. Page 2.

Following: line 8

Insert: "**Section 2.** Section 17-5-2001, MCA, is amended to read:

"17-5-2001. Loans to state agencies. (1) An agency responsible for the procurement and provision of vehicles, automated systems, and equipment using an enterprise fund or an internal service fund, as described in 17-2-102, is authorized to enter into contracts, loan agreements, or other forms of indebtedness payable over a term not to exceed 7 years for the purpose of financing the cost of the vehicles and equipment and to pledge to the repayment of the indebtedness the revenue of the enterprise fund or internal service fund if:

(a) the term of the indebtedness does not exceed the useful life of the items being financed; and

(b) at the time that the indebtedness is incurred, the projected revenue of the fund, based on the fees and charges approved by the legislature and other available fund revenue, will be sufficient to repay the indebtedness over the proposed term and to maintain the operation of the enterprise.

(2) (a) The department of justice is authorized to enter into contracts, loan agreements, or other forms of indebtedness with the board of investments for an amount not to exceed \$28.5 million, payable over a term not to exceed 15 years, for financing the cost of an information technology system for the production and maintenance of motor vehicle title and registration records and driver's license records.

(b) For purposes of the financing of the motor vehicle information technology system, loans are payable from the money in the motor vehicle information technology system account as provided in 61-3-550. The term of the indebtedness may not exceed the useful life of the items being financed. At the time that the loan is made, the projected revenue of the motor vehicle information technology system account, based upon the fees approved by the legislature, must be

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sufficient to repay the indebtedness over the proposed term.

(3) The department of justice is authorized to enter into contracts, loan agreements, or other forms of indebtedness with the board of investments for an amount not to exceed \$4.6 million, payable over a term not to exceed 10 years, for financing the cost of an information technology system, and other associated costs, for the implementation of the REAL ID Act of 2005. Loans are payable from the money from the state special revenue fund provided for in [section 1(4)(b)]."

Renumber: subsequent sections

3. Page 2.

Following: line 20

Insert: "NEW SECTION. Section 4. Appropriations. (1) For the biennium beginning July 1, 2017, there is appropriated \$75,000 from the state special revenue fund referenced in [section 1(4)(b)] to the motor vehicle division of the department of justice for providing information to the public about [this act]. (2) For the biennium beginning July 1, 2017, there is appropriated \$800,000 from the state special revenue fund referenced in [section 1(4)(b)] to the motor vehicle division of the department of justice for reprogramming information technology systems and modifying systems to implement [this act].

(3) For the fiscal year beginning July 1, 2017, there is appropriated \$1.852 million from the state special revenue fund referenced in [section 1(4)(b)] to the motor vehicle division of the department of justice for operating expenses related to the implementation of [this act].

(4) For the fiscal year beginning July 1, 2018, there is appropriated \$1.852 million from the state special revenue fund referenced in [section 1(4)(b)] to the motor vehicle division of the department of justice for operating expenses related to the implementation of [this act]."

Insert: "NEW SECTION. Section 5. Legislative intent. It is the intent of the legislature that the department of justice use modified full-time equivalent positions to implement [this act]."

Renumber: subsequent sections

4. Page 2.

Following: line 23

Insert: "NEW SECTION. Section 7. Contingent voidness. If before January 1, 2018, the state of Montana receives an extension from compliance with the REAL ID Act of 2005, Public Law 109-13, from the department of homeland security, the appropriation in [section 4(3)] is void."

Renumber: subsequent sections

5. Page 3, line 3.

Strike: "JULY"

Insert: "January"

For the Senate:

D. Brown, Chair
Cohenour
Osmundson

For the House:

Glimm, Vice Chair
Brodehl
Court

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FREE CONFERENCE COMMITTEE
on **House Bill 387**
Report No. 001, April 21, 2017

Mr. President and Mr. Speaker:

We, your Free Conference Committee met and considered **House Bill 387** (reference copy -- salmon) and recommend this Free Conference Committee report be adopted.

And, recommend that **House Bill 387** (reference copy -- salmon) be amended as follows:

1. Title, page 1, line 8 through line 9.

Strike: "EXTENDING" on line 8 through "CENTER;" on line 9

2. Title, page 1, line 10.

Following: "DEFINITIONS;"

Insert: "PROVIDING RULEMAKING AUTHORITY; PROVIDING AN APPROPRIATION;"

3. Title, page 1, line 11 through line 12.

Strike: "SECTIONS" on line 11 through "53-20-129" on line 12

Insert: "SECTION 53-20-126"

4. Page 1, line 12.

Strike: ",3,"

Strike: "4"

Insert: "3"

5. Title, page 1, line 13.

Strike: "AN IMMEDIATE"

Strike: "DATE"

Insert: "DATES"

6. Title, page 1, line 13 through line 14.

Strike: "AND" on line 13 through "DATE" on line 14

7. Page 2, line 1.

Following: "file"

Insert: "the department has asked a county attorney to file"

8. Page 2, line 2.

Strike: "HAS BEEN FILED"

9. Page 2, line 4.

Following: "53-20-124."

Insert: "The initial period of commitment to the center may not exceed 90 days. If recommitment is sought pursuant to 53-20-128, each subsequent recommitment period may not exceed

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90 days."

10. Page 2, line 7.

Strike: "3"

Insert: "4"

11. Page 2, line 12.

Insert: "NEW SECTION. Section 4. Rulemaking authority. The department may adopt rules to carry out [sections 1 through 4], including but not limited to rules for eligibility requirements for admission to the facility."

Renumber: subsequent sections

12. Page 2, line 13 through page 5, line 29.

Strike: section 4 and section 5 in their entirety

Renumber: subsequent sections

13. Page 5.

Following: line 30

Insert: "**Section 5.** Section 53-20-126, MCA, is amended to read:

"**53-20-126. Maximum period of commitment or treatment plan.** The court order approving the commitment to a residential facility or the imposition of the community treatment plan must specify the maximum period of time for which the person is committed or for which a community treatment plan is imposed. The Except as provided in [section 2] for an individual committed to the intensive behavior center, the maximum period may not exceed 90 days for commitment to a residential facility or 1 year for the imposition of a community treatment plan.""

14. Page 6, line 10.

Following: "i"

Insert: "and"

15. Page 6, line 22.

Strike: "AND"

16. Page 6, line 23.

Following: "SERVICES"

Insert: "; and

(c) cap the census at the intensive behavior center provided for in [section 2] at 12 residents after June 30, 2019"

17. Page 6, line 24 through page 7, line 4.

Strike: subsection (4) in its entirety

18. Page 7, line 16 through line 19.

Strike: section 8 in its entirety

Renumber: subsequent sections

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19. Page 7, line 22.

Strike: "-- REPORT TO LEGISLATURE"

20. Page 7, line 27.

Following: ".¹"

Insert: "and"

21. Page 7, line 28 through page 8, line 3.

Strike: subsection (3) in its entirety

Renumber: subsequent subsection

22. Page 8, line 4.

Following: "2019."

Insert: "The department is authorized to use two of the cottages located on the campus of the Montana developmental center for residential purposes until June 30, 2018, and is authorized to use one cottage for residential purposes until June 30, 2019."

23. Page 8.

Following: line 11

Insert: "NEW SECTION. Section 10. Appropriation. There is appropriated \$500,000 from the general fund to the department of public health and human services for the fiscal year beginning July 1, 2017, for a Boulder development fund to be administered by the director of the department."

Insert: "NEW SECTION. Section 11. Codification instruction. [Sections 1 through 4] are intended to be codified as an integral part of Title 53, chapter 20, and the provisions of Title 53, chapter 20, apply to [sections 1 through 4]."

24. Page 8, line 12.

Strike: "[This act]"

Insert: "(1) Except as provided in subsection (2), [this act]"

25. Page 8, line 13.

Insert: "(2) [Section 10] is effective July 1, 2017."

26. Page 8, line 14.

Strike: section 12 in its entirety

For the Senate:

Thomas, Chair
Caferro
Olszewski

For the House:

Wagoner, Vice Chair
Cook
Keane

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MESSAGES FROM THE GOVERNOR

April 21, 2017

Senator Scott Sales, President
Montana Senate
Capitol Building
Helena, MT 59601

Dear President Sales:

On Friday, April 21, 2017, I signed the following bill:

SB 319 - J. Gross

Sincerely,

STEVE BULLOCK
Governor

MESSAGES FROM THE OTHER HOUSE

Senate bills concurred in and returned to the Senate:

4/21/2017

SB 11, introduced by P. Connell
SB 15, introduced by J. Cohenour
SB 22, introduced by S. Malek
SB 24, introduced by J. Welborn
SB 30, introduced by D. Sands
SB 140, introduced by D. Ankney
SB 160, introduced by M. Caferro
SB 166, introduced by E. Buttrey
SB 172, introduced by M. Lang
SB 174, introduced by R. Webb
SB 177, introduced by R. Webb
SB 205, introduced by A. Olszewski
SB 258, introduced by N. Swandal
SB 272, introduced by R. Webb
SB 293, introduced by C. Smith
SB 295, introduced by J. Fielder
SB 302, introduced by E. Buttrey
SB 303, introduced by E. Buttrey
SB 311, introduced by E. Buttrey
SB 312, introduced by J. Welborn
SB 321, introduced by A. Olszewski

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Senate bills concurred in and returned to the Senate:

4/22/2017

SB 26, introduced by S. Malek
SB 123, introduced by N. Swandal
SB 138, introduced by D. Ankney
SB 153, introduced by M. MacDonald
SB 159, introduced by M. Bladel
SB 167, introduced by C. Vincent
SB 173, introduced by J. Cohenour
SB 183, introduced by J. Welborn
SB 193, introduced by D. Ankney
SB 196, introduced by S. Fitzpatrick
SB 218, introduced by M. Bladel
SB 235, introduced by T. Richmond
SB 276, introduced by R. Webb
SB 324, introduced by R. Tempel
SB 336, introduced by G. Vance
SB 337, introduced by D. Ankney
SB 339, introduced by D. Ankney
SB 340, introduced by C. Smith
SB 341, introduced by A. Olszewski
SB 342, introduced by C. Vincent
SB 372, introduced by F. Moore

Senate joint resolutions concurred in and returned to the Senate:

4/22/2017

SJ 6, introduced by D. Ankney
SJ 11, introduced by K. Regier
SJ 16, introduced by M. Caferro
SJ 19, introduced by M. Phillips
SJ 28, introduced by D. Ankney
SJ 29, introduced by D. Ankney

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

4/22/2017

SB 374, introduced by D. Ankney

This amended bill is being returned after the deadline for Revenue Bills. **Joint rule 40-200 requires a 2/3 vote** of the Senate before the bill can be considered.

Senate amendments to House bills concurred in:

4/21/2017

HB 2, introduced by N. Ballance

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HB 4, introduced by N. Ballance
HB 5, introduced by J. Keane
HB 390, introduced by D. Jones
HB 642, introduced by B. Tschida
HB 647, introduced by D. Jones
HB 650, introduced by R. Brodehl

House joint resolution passed and transmitted to the Senate for concurrence: 4/22/2017

HJ 39, introduced by A. Olsen

HB 562 - The House failed to concur in Senate amendments to **HB 562**, 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 562**: 4/21/2017

Representative Usher, Vice Chair
Representative Court
Representative C. Knudsen

SB 639 - The House failed to concur in Senate amendments to **SB 639**, authorized the Speaker to appoint the following **Free** Conference Committee, and requested that the Senate appoint a like committee to confer on **SB 639**: 4/22/2017

Representative Ryan, Vice Chair
Representative Ballance
Representative Cook

Conference Committee Report No.1 adopted: 4/21/2017

HB 280, introduced by R. Brodehl

Conference Committee Report No.1 adopted: 4/22/2017

SB 94, introduced by K. Regier
SB 111, introduced by K. Regier
HB 131, introduced by Z. Perry

Free Conference Committee Report No.1 adopted: 4/21/2017

SB 59, introduced by C. Wolken
SB 63, introduced by C. Wolken
SB 64, introduced by C. Wolken
SB 143, introduced by M. Lang
HB 145, introduced by Z. Brown

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FIRST READING AND COMMITMENT OF BILLS

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

HJ 39, introduced by A. Olsen, referred to Public Health, Welfare and Safety.

MOTIONS

Majority Leader Thomas moved the Senate **suspend joint rule 40-200** to accept late transmittal of **SB 368** and **SB 374** from the House. Motion carried as follows:

Yeas: Ankney, Barrett, Blasdel, Boland, Buttrey, Caferro, Cohenour, Connell, Facey, Fielder, Fitzpatrick, Gauthier, Gross, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, MacDonald, Malek, McClafferty, Moore, Phillips, Pomnichowski, Regier, Richmond, Sands, Sesso, Small, Smith C, Smith F, Swandal, Tempel, Thomas, Vance, Vincent, Vuckovich, Welborn, Whitford, Wolken, Mr. President.

Total 43

Nays: Brown, Salomon, Webb.

Total 3

Absent or not voting: None.

Total 0

Excused: Hoven, McNally, Olszewski, Osmundson.

Total 4

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

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

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

SB 359 - House Amendments - Senator Blasdel moved House amendments to **SB 359** be **not** concurred in. Motion carried as follows:

Yeas: Ankney, Barrett, Blasdel, Boland, Brown, Buttrey, Caferro, Cohenour, Connell, Facey, Fielder, Fitzpatrick, Gauthier, Gross, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, MacDonald, Malek, McClafferty, Moore, Phillips, Pomnichowski, Regier, Richmond, Salomon, Sands, Sesso, Small, Smith C, Smith F, Swandal, Tempel, Thomas, Vance, Vincent, Vuckovich, Webb, Welborn, Whitford, Wolken, Mr. President.

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Total 46

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: Hoven, McNally, Olszewski, Osmundson.

Total 4

SB 368 - House Amendments - Senator Richmond moved House amendments to **SB 368** be **not** concurred in. Motion carried as follows:

Yeas: Ankney, Barrett, Blasdel, Boland, Brown, Buttrey, Caferro, Cohenour, Connell, Facey, Fielder, Fitzpatrick, Gauthier, Gross, Hinebauch, Jones, Kary, Keenan, Lang, MacDonald, Malek, McClafferty, Moore, Phillips, Pomnichowski, Regier, Richmond, Salomon, Sands, Sesso, Small, Smith F, Swandal, Tempel, Thomas, Vance, Vincent, Vuckovich, Webb, Welborn, Whitford, Wolken, Mr.President.

Total 43

Nays: Hinkle, Howard, Smith C.

Total 3

Absent or not voting: None.

Total 0

Excused: Hoven, McNally, Olszewski, Osmundson.

Total 4

HB 434 - Conference Committee Report No. 1 - Senator Hinkle moved the Conference Committee report to **HB 434** be adopted. Motion carried as follows:

Yeas: Ankney, Barrett, Blasdel, Boland, Brown, Buttrey, Caferro, Cohenour, Connell, Facey, Fitzpatrick, Gauthier, Gross, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, MacDonald, Malek, McClafferty, Moore, Phillips, Pomnichowski, Richmond, Salomon, Sands, Sesso, Small, Smith C, Smith F, Swandal, Tempel, Thomas, Vance, Vincent, Vuckovich, Webb, Welborn, Whitford, Wolken, Mr.President.

Total 44

Nays: Fielder, Regier.

Total 2

Absent or not voting: None.

Total 0

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Excused: Hoven, McNally, Olszewski, Osmundson.

Total 4

Majority Leader Thomas moved the committee **rise, report progress, and beg leave to sit again**. Motion carried. Committee arose. Senate resumed. President Sales presiding.

Chair K. Regier moved the Committee of the Whole report be adopted. Report adopted as follows:

Yeas: Ankney, Barrett, Blasdel, Boland, Brown, Buttrey, Caferro, Cohenour, Connell, Facey, Fielder, Fitzpatrick, Gauthier, Gross, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, MacDonald, Malek, McClafferty, Moore, Phillips, Pomnichowski, Regier, Richmond, Salomon, Sands, Sesso, Small, Smith C, Smith F, Swandal, Tempel, Thomas, Vance, Vincent, Vuckovich, Webb, Welborn, Whitford, Wolken, Mr.President.

Total 46

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: Hoven, McNally, Olszewski, Osmundson.

Total 4

REPORTS OF STANDING COMMITTEES

FINANCE AND CLAIMS (Jones, Chair):

4/24/2017

HB 294, be concurred in.

HB 586, be amended as follows:

1. Title, page 1, line 6 through line 7.

Strike: "TEMPORARILY" on line 6 through "AMOUNT;" on line 7

2. Title, page 1, line 7 through line 8.

Strike: "PROVIDING" on line 7 through "MCA;" on line 8

3. Title, page 1, line 9.

Strike: "AND A TERMINATION DATE"

4. Page 1, line 13 through page 2, line 5.

Strike: section 1 through section 2 in their entirety

Renumber: subsequent sections

5. Page 2, line 7 through line 10.

Strike: subsection (1) in its entirety

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Insert: "(1) If a bonding bill is passed and approved that creates a state and local infrastructure account to be administered by the department of natural resources and conservation and provides for bonding proceeds to be deposited in that account that are dedicated for a grant to the city of Laurel for a water intake project pursuant to 85-1-602, the amount dedicated to the project is appropriated to the department from that account for that purpose in the biennium beginning July 1, 2017."

6. Page 2, line 15.

Strike: "[section 3]"

Insert: "[section 1]"

7. Page 2, line 17.

Strike: "[sections 2 through 4]"

Insert: "[sections 1 and 2]"

8. Page 2, line 26 through line 27.

Strike: "[section 3]"

Insert: "[section 1]"

9. Page 2, line 27.

Strike: "[section 3]"

Insert: "[section 1]"

10. Page 3, line 3.

Strike: section 8 in its entirety

And, as amended, be concurred in.

Without objection, committee reports were adopted.

MOTIONS

Majority Leader Thomas moved the Senate accede to the request of the House and appoint a Conference Committee on **HB 562**. Without objection, so ordered. President Sales appointed Senator Vance, chair, and Senators Buttrey and Whitford.

Majority Leader Thomas moved the Senate accede to the request of the House and appoint a **Free** Conference Committee on **HB 639**. Without objection, so ordered. President Sales appointed Senator Jones, chair, and Senators Moore and Sesso.

Majority Leader Thomas moved the Senate authorize the President to appoint a **Free** Conference Committee on **SB 359** and request the House to appoint a like committee. Without objection, so ordered. President Sales appointed: 4/24/2017

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Senator Blasdel, Chair
Senator Malek
Senator R. Webb

Majority Leader Thomas moved the Senate authorize the President to appoint a Conference Committee on **SB 368** and request the House to appoint a like committee. Without objection, so ordered. Motion carried. President Sales appointed: 4/24/2017

Senator Richmond, Chair
Senator Sesso
Senator Thomas

Senator Olszewski present at this time.

ANNOUNCEMENTS

Committee meetings were announced by the committee chairs.

Majority Leader Thomas moved the Senate recess until 1:00 p.m. this day. Motion carried. Senate recessed at 10:35 a.m.

Senate reconvened at 1:00 p.m., President Sales presiding. Forty-eight members present, Senators Hoven and Osmundson excused.

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

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

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

HB 660 - Majority Leader Thomas moved consideration of **HB 660** be passed for the day. Without objection, so ordered.

HB 133 - Conference Committee Report No. 1 - Senator K. Regier moved the Conference Committee report to **HB 133** be adopted. Motion carried as follows:

Yeas: Ankney, Barrett, Blasdel, Boland, Brown, Buttrey, Caferro, Cohenour, Connell, Facey, Fielder, Fitzpatrick, Gauthier, Gross, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, MacDonald, Malek, McClafferty, McNally, Moore, Olszewski, Phillips, Pomnichowski, Regier,

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Richmond, Salomon, Sands, Sesso, Small, Smith C, Smith F, Swandal, Tempel, Thomas, Vance, Vincent, Vuckovich, Webb, Welborn, Whitford, Wolken, Mr.President.
Total 48

Nays: None.
Total 0

Absent or not voting: None.
Total 0

Excused: Hoven, Osmundson.
Total 2

HB 376 - Majority Leader Thomas moved consideration of **HB 376** be placed at the bottom of the second reading board. Without objection, so ordered.

HB 294 - Senator Caferro moved **HB 294** be concurred in. Motion carried as follows:

Yeas: Ankney, Barrett, Boland, Buttrey, Caferro, Cohenour, Connell, Facey, Fitzpatrick, Gauthier, Gross, Lang, MacDonald, Malek, McClafferty, McNally, Moore, Phillips, Pomnichowski, Richmond, Salomon, Sands, Sesso, Small, Smith F, Tempel, Thomas, Vuckovich, Welborn, Whitford, Wolken.
Total 31

Nays: Blasdel, Brown, Fielder, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Olszewski, Regier, Smith C, Swandal, Vance, Vincent, Webb, Mr.President.
Total 17

Absent or not voting: None.
Total 0

Excused: Hoven, Osmundson.
Total 2

HB 387 - Free Conference Committee Report No. 1 - Majority Leader Thomas moved the Free Conference Committee report to **HB 387** be adopted. Motion carried as follows:

Yeas: Ankney, Barrett, Blasdel, Boland, Buttrey, Caferro, Cohenour, Connell, Facey, Fitzpatrick, Gauthier, Gross, Jones, Kary, MacDonald, Malek, McClafferty, McNally, Moore, Olszewski, Phillips, Pomnichowski, Richmond, Salomon, Sands, Sesso, Small, Smith F, Swandal, Tempel, Thomas, Vuckovich, Welborn, Whitford, Wolken.
Total 35

Nays: Brown, Fielder, Hinebauch, Hinkle, Howard, Keenan, Lang, Regier, Smith C, Vance, Vincent, Webb, Mr.President.

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Total 13

Absent or not voting: None.

Total 0

Excused: Hoven, Osmundson.

Total 2

SB 374 - House Amendments - Senator Ankney moved House amendments to **SB 374** be **not** concurred in. Motion carried as follows:

Yeas: Ankney, Barrett, Blasdel, Boland, Brown, Buttrey, Caferro, Cohenour, Connell, Facey, Fielder, Fitzpatrick, Gauthier, Gross, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, MacDonald, Malek, McClafferty, McNally, Moore, Olszewski, Phillips, Pomnichowski, Regier, Richmond, Salomon, Sands, Sesso, Small, Smith C, Smith F, Swandal, Tempel, Thomas, Vance, Vincent, Webb, Welborn, Whitford, Wolken, Mr.President.

Total 47

Nays: Vuckovich.

Total 1

Absent or not voting: None.

Total 0

Excused: Hoven, Osmundson.

Total 2

HB 83 - Governor's Amendments - Senator Kary moved Governor's amendments to **HB 83** be **not** concurred in. Motion carried as follows:

Yeas: Ankney, Blasdel, Brown, Buttrey, Fielder, Gauthier, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, Moore, Olszewski, Regier, Richmond, Salomon, Small, Smith C, Smith F, Swandal, Thomas, Vance, Vincent, Webb, Welborn, Mr.President.

Total 28

Nays: Barrett, Boland, Caferro, Cohenour, Connell, Facey, Fitzpatrick, Gross, MacDonald, Malek, McClafferty, McNally, Phillips, Pomnichowski, Sands, Sesso, Tempel, Vuckovich, Whitford, Wolken.

Total 20

Absent or not voting: None.

Total 0

Excused: Hoven, Osmundson.

Total 2

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HB 103 - Governor's Amendments - Senator Malek moved Governor's amendments to **HB 103** be concurred in. Motion carried as follows:

Yeas: Ankney, Barrett, Boland, Brown, Buttrey, Caferro, Cohenour, Connell, Facey, Fitzpatrick, Gauthier, Gross, Jones, Kary, Lang, MacDonald, Malek, McClafferty, McNally, Phillips, Pomnichowski, Richmond, Salomon, Sands, Sesso, Small, Smith F, Swandal, Tempel, Thomas, Vincent, Vuckovich, Welborn, Whitford, Wolken.
Total 35

Nays: Blasdel, Fielder, Hinebauch, Hinkle, Howard, Keenan, Moore, Olszewski, Regier, Smith C, Vance, Webb, Mr.President.
Total 13

Absent or not voting: None.
Total 0

Excused: Hoven, Osmundson.
Total 2

HB 198 - Governor's Amendments - Senator Facey moved Governor's amendments to **HB 198** be concurred in. Motion carried as follows:

Yeas: Ankney, Barrett, Boland, Brown, Buttrey, Caferro, Cohenour, Connell, Facey, Fitzpatrick, Gauthier, Gross, Howard, Jones, Kary, Lang, MacDonald, Malek, McClafferty, McNally, Moore, Olszewski, Phillips, Pomnichowski, Regier, Richmond, Salomon, Sands, Sesso, Small, Smith F, Swandal, Tempel, Thomas, Vuckovich, Webb, Welborn, Whitford, Wolken.
Total 39

Nays: Blasdel, Fielder, Hinebauch, Hinkle, Keenan, Smith C, Vance, Vincent, Mr.President.
Total 9

Absent or not voting: None.
Total 0

Excused: Hoven, Osmundson.
Total 2

HB 209 - Governor's Amendments - Senator Ankney moved Governor's amendments to **HB 209** be concurred in. Motion carried as follows:

Yeas: Ankney, Barrett, Blasdel, Boland, Brown, Buttrey, Caferro, Cohenour, Connell, Facey, Fitzpatrick, Gauthier, Gross, Jones, Kary, Keenan, MacDonald, Malek, McClafferty, McNally, Moore, Phillips, Pomnichowski, Richmond, Salomon, Sands, Sesso, Small, Smith F, Tempel, Thomas, Vuckovich, Welborn, Whitford, Wolken, Mr.President.
Total 36

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Nays: Fielder, Hinebauch, Hinkle, Howard, Lang, Olszewski, Regier, Smith C, Swandal, Vance, Vincent, Webb.

Total 12

Absent or not voting: None.

Total 0

Excused: Hoven, Osmundson.

Total 2

HB 334 - Governor's Amendments - Senator C. Smith moved Governor's amendments to **HB 334** be **not** concurred in. Motion carried as follows:

Yeas: Ankney, Blasdel, Brown, Buttrey, Connell, Fielder, Fitzpatrick, Gauthier, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, Moore, Olszewski, Regier, Richmond, Salomon, Small, Smith C, Swandal, Tempel, Thomas, Vance, Vincent, Webb, Welborn, Mr. President.

Total 30

Nays: Barrett, Boland, Caferro, Cohenour, Facey, Gross, MacDonald, Malek, McClafferty, McNally, Phillips, Pomnichowski, Sands, Sesso, Smith F, Vuckovich, Whitford, Wolken.

Total 18

Absent or not voting: None.

Total 0

Excused: Hoven, Osmundson.

Total 2

HB 358 - Governor's Amendments - Senator Fitzpatrick moved Governor's amendments to **HB 358** be **not** concurred in. Motion carried as follows:

Yeas: Ankney, Blasdel, Brown, Buttrey, Connell, Fielder, Fitzpatrick, Gauthier, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, Moore, Olszewski, Regier, Richmond, Salomon, Small, Smith C, Swandal, Tempel, Thomas, Vance, Vincent, Webb, Welborn, Mr. President.

Total 30

Nays: Barrett, Boland, Caferro, Cohenour, Facey, Gross, MacDonald, Malek, McClafferty, McNally, Phillips, Pomnichowski, Sands, Sesso, Smith F, Vuckovich, Whitford, Wolken.

Total 18

Absent or not voting: None.

Total 0

Excused: Hoven, Osmundson.

Total 2

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HB 360 - Governor's Amendments - Senator Vincent moved Governor's amendments to **HB 360** be concurred in. Motion carried as follows:

Yeas: Ankney, Barrett, Blasdel, Boland, Brown, Buttrey, Caferro, Cohenour, Connell, Facey, Fielder, Fitzpatrick, Gauthier, Gross, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, MacDonald, Malek, McClafferty, McNally, Moore, Olszewski, Phillips, Pomnichowski, Regier, Richmond, Salomon, Sands, Sesso, Small, Smith C, Smith F, Swandal, Tempel, Thomas, Vance, Vincent, Vuckovich, Webb, Welborn, Whitford, Wolken, Mr.President.

Total 48

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: Hoven, Osmundson.

Total 2

HB 367 - Majority Leader Thomas moved consideration of **HB 367** be passed for the day. Without objection, so ordered.

HB 494 - Governor's Amendments - Senator K. Regier moved Governor's amendments to **HB 494** be **not** concurred in. Motion carried as follows:

Yeas: Ankney, Blasdel, Brown, Buttrey, Connell, Fielder, Fitzpatrick, Gauthier, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, Moore, Olszewski, Regier, Richmond, Salomon, Small, Smith C, Smith F, Swandal, Tempel, Thomas, Vance, Vincent, Webb, Welborn, Mr.President.

Total 31

Nays: Barrett, Boland, Caferro, Cohenour, Facey, Gross, MacDonald, Malek, McClafferty, McNally, Phillips, Pomnichowski, Sands, Sesso, Vuckovich, Whitford, Wolken.

Total 17

Absent or not voting: None.

Total 0

Excused: Hoven, Osmundson.

Total 2

Majority Leader Thomas moved the committee **rise, report progress, and beg leave to sit again**. Motion carried. Committee arose. Senate resumed. President Sales presiding.

Chair Olszewski moved the Committee of the Whole report be adopted. Report adopted as

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follows:

Yeas: Ankney, Barrett, Blasdel, Boland, Brown, Buttrey, Caferro, Cohenour, Connell, Facey, Fielder, Fitzpatrick, Gauthier, Gross, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, MacDonald, Malek, McClafferty, McNally, Moore, Olszewski, Phillips, Pomnichowski, Regier, Richmond, Salomon, Sands, Sesso, Small, Smith C, Smith F, Swandal, Tempel, Thomas, Vance, Vincent, Vuckovich, Webb, Welborn, Whitford, Wolken, Mr. President.

Total 48

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: Hoven, Osmundson.

Total 2

REPORTS OF SELECT COMMITTEES

FREE CONFERENCE COMMITTEE

on **Senate Bill 363**

Report No. 001, April 21, 2017

Mr. President and Mr. Speaker:

We, your Free Conference Committee met and considered **Senate Bill 363** (reference copy -- salmon) and recommend this Free Conference Committee report be adopted.

And, recommend that **Senate Bill 363** (reference copy -- salmon) be amended as follows:

1. Title, page 1, line 13.

Following: "~~69-3-308,~~"

Insert: "69-3-308,"

2. Title, page 1, line 14.

Strike: "AND"

Following: "87-2-817,"

Insert: "AND 87-2-903,"

3. Page 3.

Following: line 10

Insert: "(7) For the purposes of this section, the public service commission shall determine the appropriate recovery of this fee in rates in a proceeding held pursuant to 69-3-302 for any hydroelectric facility approved pursuant to 69-8-421."

Renumber: subsequent subsections

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4. Page 12.

Following: line 24

Insert: "**Section 5.** Section 69-3-308, MCA, is amended to read:

"69-3-308. Disclosure of taxes and fees paid by customers of public utility -- automatic rate adjustment and tracking for taxes and fees. (1) A public utility may separately disclose in a customer's bill the amount of state and local taxes and fees assessed against the public utility that the customer is paying.

(2) (a) (i) ~~The~~ Except as provided in [section 2], the commission shall allow a public utility to file rate schedules containing provisions for the automatic adjustment and tracking of Montana state and local taxes and fees, except state income tax, paid by the public utility. The resulting rate schedule changes must include:

(A) adjustments for the net change in federal and state income tax liability caused by the deductibility of state and local taxes and fees;

(B) retroactive tax adjustments; and

(C) adjustments related to the resolution of property taxes paid under protest.

(ii) The rate schedules must include provisions for annual rate adjustments, including both tax increases and decreases.

(b) The amended rates must automatically go into effect on January 1 following the date of change in taxes paid on an interim basis, subject to any adjustments determined in subsection (2)(c).

(c) The amended rate schedule must be filed with the commission on or before the effective date of the change in taxes paid, and if the commission determines that the revised rate schedule is in error, the commission may, within 45 days of receipt of the revised rate schedule, ask for comment and order the public utility to address any errors or omissions including, if necessary, any refunds due customers.

(d) Failure of the commission to issue an order pursuant to subsection (2)(c) is considered approval on the part of the commission.

(e) A public utility may challenge an order issued by the commission under subsection (2)(c) in accordance with the provisions of 69-3-401 through 69-3-405."

Renumber: subsequent sections

5. Page 14, line 25.

Following: "(8)"

Insert: "(a)"

6. Page 14.

Following: line 26

Insert: "(b) The department of fish, wildlife, and parks shall report to the legislative finance committee at least biannually on expenditures made in the implementation of this part."

7. Page 20.

Following: line 8

Insert: "**Section 17.** Section 87-2-903, MCA, is amended to read:

"87-2-903. (Temporary) Compensation, fees, and duties of agents -- penalty for late submission of license money. (1) License agents, except salaried employees of the

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department, must receive for all services rendered a commission of 50 cents for each transaction, plus any additional amount as determined under subsection (9) and by rules adopted pursuant to subsection (10).

(2) A license agent may charge a convenience fee of up to 3% of the total amount of a transaction if a purchase is made with a credit card or a debit card. A financial institution or credit card company may not prohibit collection of the convenience fee provided for in this subsection.

(3) Each license agent shall submit to the department the money received from the sale of licenses and aquatic invasive species prevention passes and from donations received pursuant to 87-1-293, less the appropriate commission and convenience fee.

(4) Each license agent shall submit to the department copies of each paper license sold.

(5) The department may charge license agents appointed after March 1, 1998, an electronic license system fee not to exceed actual costs.

(6) The department may designate classes of license agents and may establish a protocol for each class of agent. Each license agent shall keep the license account open at all reasonable hours to inspection by the department, the director, the wardens, or the legislative auditor.

(7) For purposes of this section, the term "transaction" includes the sale of any license or permit, collection of any data or fee, or issuance of any certificate prescribed by the department. The term does not include donations collected pursuant to 87-1-293 or the sale of aquatic invasive species prevention passes pursuant to [section 1].

(8) If a license agent fails to submit to the department all money received from the declared sale of licenses and aquatic invasive species prevention passes and from donations received pursuant to 87-1-293, less the appropriate commission and convenience fee, by the deadline established by the department, an interest charge equal to the rate charged under 15-1-216 may be assessed. Acceptance of late payments with interest does not preclude the department from summarily revoking the appointment of a license agent under 87-2-904.

(9) A license agent, except for an electronic service provider, must receive a commission of 50 cents for each ticket the agent processes for a hunting license lottery held pursuant to 87-1-271.

(10) The department may adopt rules necessary to implement this section. (Terminates June 30, 2019--sec. 7, Ch. 83, L. 2013.)

87-2-903. (Effective July 1, 2019) Compensation, fees, and duties of agents -- penalty for late submission of license money. (1) License agents, except salaried employees of the department, must receive for all services rendered a commission of 50 cents for each transaction, plus any additional amount as determined under subsection (9) and by rules adopted pursuant to subsection (10).

(2) A license agent may charge a convenience fee of up to 3% of the total amount of a transaction if a purchase is made with a credit card or a debit card. A financial institution or credit card company may not prohibit collection of the convenience fee provided for in this subsection.

(3) Each license agent shall submit to the department the money received from the sale of licenses and aquatic invasive species prevention passes, less the appropriate commission and convenience fee.

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(4) Each license agent shall submit to the department copies of each paper license sold.

(5) The department may charge license agents appointed after March 1, 1998, an electronic license system fee not to exceed actual costs.

(6) The department may designate classes of license agents and may establish a protocol for each class of agent. Each license agent shall keep the license account open at all reasonable hours to inspection by the department, the director, the wardens, or the legislative auditor.

(7) For purposes of this section, the term "transaction" includes the sale of any license or permit, collection of any data or fee, or issuance of any certificate prescribed by the department. The term does not include the sale of aquatic invasive species prevention passes pursuant to [section 1].

(8) If a license agent fails to submit to the department all money received from the declared sale of licenses and aquatic invasive species prevention passes, less the appropriate commission and convenience fee, by the deadline established by the department, an interest charge equal to the rate charged under 15-1-216 may be assessed. Acceptance of late payments with interest does not preclude the department from summarily revoking the appointment of a license agent under 87-2-904.

(9) A license agent, except for an electronic service provider, must receive a commission of 50 cents for each ticket the agent processes for a hunting license lottery held pursuant to 87-1-271.

(10) The department may adopt rules necessary to implement this section."

Renumber: subsequent sections

8. Page 21, line 13.

Strike: "6"

Insert: "7"

9. Page 21, line 19.

Strike: "5, 12, 13, 14, AND 15"

Insert: "6, 13, 14, 15, 16, and 17"

10. Page 21, line 21.

Strike: "6(6)"

Insert: "7(6)"

11. Page 21, line 22.

Strike: "5"

Insert: "6"

For the Senate:

Vincent, Chair
Olszewski
Phillips

For the House:

Cuffe, Vice Chair
Z. Brown
Noland

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CONFERENCE COMMITTEE
on Senate Amendments to **House Bill 562**
Report No. 001, April 24, 2017

Mr. President and Mr. Speaker:

We, your Conference Committee met and considered Senate amendments to **House Bill 562** (reference copy -- salmon) and recommend this Conference Committee report be adopted.

And, recommend that **House Bill 562** (reference copy -- salmon) be amended as follows:

1. Page 1, line 28.

Following: "HOURS"

Insert: "to be performed within the county or municipality in which the person resides"

2. Page 2, line 22.

Following: "HOURS"

Insert: "to be performed within the county or municipality in which the person resides"

3. Page 4, line 13.

Following: "HOURS"

Insert: "to be performed in the county or municipality in which the person resides"

For the Senate:

Vance, Chair
Buttrey
Whitford

For the House:

Usher, Vice Chair
Court
C. Knudsen

MOTIONS

Senator C. Smith moved to change his second-reading vote on **HB 83** from No to Yes. Without objection, so ordered.

Majority Leader Thomas moved the Senate authorize the President to appoint a Conference Committee on **SB 374** and request the House to appoint a like committee. Without objection, so ordered. President Sales appointed: 4/24/2017

Senator Ankney, Chair
Senator Connell
Senator Wolken

ANNOUNCEMENTS

Committee meetings were announced by the committee chairs.

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Majority Leader Thomas moved the Senate recess until 4:00 p.m. this day. Motion carried.
Senate recessed at 1:50 p.m.

Senate reconvened at 4:00 p.m., President Sales presiding. Forty-eight members present,
Senators Hoven and Osmundson excused.

MESSAGES FROM THE OTHER HOUSE

Governor's amendments to Senate bill concurred in and returned to the Senate: 4/24/2017

SB 155, introduced by M. Lang

Governor's amendments to House bill concurred in and transmitted to the Senate for
concurrence in the Governor's amendments: 4/24/2017

HB 360, introduced by B. Hamlett

Governor's amendments to House bills not concurred in and transmitted to the Senate for
consideration of Governor's amendments: 4/24/2017

HB 198, introduced by K. Wagoner

HB 334, introduced by J. Knokey

HB 358, introduced by M. Noland

HB 494, introduced by S. Berglee

SB 359 - 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 **SB 359**: 4/24/2017

Representative Lavin, Vice Chair
Representative Abbott
Representative A. Hertz

SB 368 - The House acceded to the request of the Senate and authorized the Speaker to
appoint the following Conference Committee to meet with a like committee from the Senate to
confer on House amendments to **SB 368**: 4/24/2017

Representative Manzella, Vice Chair
Representative Bennett
Representative Mandeville

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

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

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

HB 376 - Majority Leader Thomas moved consideration of **HB 376** be passed for the day. Without objection, so ordered.

SB 363 - Free Conference Committee Report No. 1 - Senator Vincent moved the Free Conference Committee report to **SB 363** be adopted. Motion carried as follows:

Yeas: Ankney, Barrett, Blasdel, Boland, Buttrey, Cohenour, Fielder, Fitzpatrick, Gauthier, Gross, Hinebauch, Hinkle, Howard, Jones, Keenan, MacDonald, Malek, McNally, Moore, Olszewski, Phillips, Pomnichowski, Salomon, Sands, Small, Smith C, Swandal, Tempel, Thomas, Vance, Vincent, Wolken, Mr.President.
Total 33

Nays: Brown, Caferro, Connell, Facey, Kary, Lang, McClafferty, Regier, Richmond, Sesso, Smith F, Vuckovich, Webb, Welborn, Whitford.
Total 15

Absent or not voting: None.
Total 0

Excused: Hoven, Osmundson.
Total 2

SB 366 - Conference Committee Report No. 2 - Senator Cohenour moved the Conference Committee report to **SB 366** be adopted. Motion carried as follows:

Yeas: Ankney, Barrett, Boland, Buttrey, Caferro, Cohenour, Connell, Facey, Fitzpatrick, Gauthier, Gross, Jones, Lang, MacDonald, Malek, McClafferty, McNally, Moore, Olszewski, Phillips, Pomnichowski, Richmond, Salomon, Sands, Sesso, Small, Smith F, Swandal, Tempel, Thomas, Vance, Vincent, Vuckovich, Welborn, Whitford, Wolken.
Total 36

Nays: Blasdel, Brown, Fielder, Hinebauch, Hinkle, Howard, Kary, Keenan, Regier, Smith C, Webb, Mr.President.
Total 12

Absent or not voting: None.

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Total 0

Excused: Hoven, Osmundson.

Total 2

HB 562 - Conference Committee Report No. 1 - Senator Vance moved the Conference Committee report to **HB 562** be adopted. Motion carried as follows:

Yeas: Ankney, Blasdel, Brown, Buttrey, Caferro, Facey, Fielder, Fitzpatrick, Gauthier, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, Malek, McClafferty, McNally, Moore, Olszewski, Regier, Richmond, Salomon, Sands, Sesso, Small, Smith C, Smith F, Swandal, Tempel, Thomas, Vance, Vincent, Vuckovich, Webb, Welborn, Whitford, Wolken, Mr. President.
Total 40

Nays: Barrett, Boland, Cohenour, Connell, Gross, MacDonald, Phillips, Pomnichowski.

Total 8

Absent or not voting: None.

Total 0

Excused: Hoven, Osmundson.

Total 2

Majority Leader Thomas moved the committee **rise and report**. Motion carried. Committee arose. Senate resumed. President Sales presiding.

Chair Olszewski moved the Committee of the Whole report be adopted. Report adopted as follows:

Yeas: Ankney, Barrett, Blasdel, Boland, Brown, Buttrey, Caferro, Cohenour, Connell, Facey, Fielder, Fitzpatrick, Gauthier, Gross, Hinebauch, Hinkle, Howard, Jones, Kary, Keenan, Lang, MacDonald, Malek, McClafferty, McNally, Moore, Olszewski, Phillips, Pomnichowski, Regier, Richmond, Salomon, Sands, Sesso, Small, Smith C, Smith F, Swandal, Tempel, Thomas, Vance, Vincent, Vuckovich, Webb, Welborn, Whitford, Wolken, Mr. President.

Total 48

Nays: None.

Total 0

Absent or not voting: None.

Total 0

Excused: Hoven, Osmundson.

Total 2

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MOTIONS

Majority Leader Thomas moved that **HB 226** be taken from the Taxation Committee and placed on second reading the next legislative day. Without objection, so ordered.

REPORTS OF SELECT COMMITTEES

FREE CONFERENCE COMMITTEE
on **Senate Bill 359**
Report No. 001, April 24, 2017

Mr. President and Mr. Speaker:

We, your Free Conference Committee met and considered **Senate Bill 359** (reference copy -- salmon) and recommend this Free Conference Committee report be adopted.

And, recommend that **Senate Bill 359** (reference copy -- salmon) be amended as follows:

1. Title, page 1, line 9.

Following: "INFRASTRUCTURE;"

Insert: "PROVIDING A REDUCED TAX RATE FOR DEDICATED COMMUNICATIONS
INFRASTRUCTURE FOR A 15-YEAR PERIOD;"

2. Page 1, line 22 through page 2, line 22.

Strike: section 1 in its entirety

Insert: "NEW SECTION. **Section 1. Class seventeen property -- description -- taxable percentage.** (1) Class seventeen property includes the land, improvements, furniture, fixtures, equipment, tools that are not exempt under 15-6-219, and supplies except those included in class five under 15-6-135 of a qualified data center.

(2) (a) "Qualified data center" means the land, improvements, and personal property of a facility designed or modified to house networked computers or equipment supporting computing, networking, or data storage that is:

(i) composed of one or more buildings under single ownership on contiguous parcels of land that consist of at least 300,000 square feet, where the total cost of land, improvements, personal property, and software is at least \$150 million; and

(ii) commences construction after June 30, 2017.

(b) The term includes but is not limited to:

(i) cooling systems, cooling towers, and other temperature infrastructure;

(ii) power infrastructure for transformation, distribution, or management of electricity used for the maintenance and operation of the facility, such as exterior dedicated business-owned substations, backup power generation systems, battery systems, and related infrastructure; and

(iii) any other equipment necessary for the maintenance and operation of the facility.

(3) During construction, property not meeting the requirements of subsection (2) must be classified as class seventeen property if, prior to March 1 of the first tax year for which the

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classification will be applied, the taxpayer certifies to the department that the facility under construction will meet the requirements of subsection (2) within 2 years of the date of the certification.

(4) The taxable property of a qualified data center must be locally assessed.

(5) (a) Class seventeen property includes centrally assessed interstate or intrastate dedicated communications infrastructure that is owned or leased by the owner of a qualified data center and is composed of telecommunication or data lines, equipment, and services, including but not limited to copper or fiber optic lines or microwave, satellite, or other wireless communication systems.

(b) To qualify under this subsection (5), construction of the owned or leased interstate or intrastate communications infrastructure must commence after June 30, 2017, and before July 1, 2027, and must satisfy the criteria of this section.

(c) Dedicated communications infrastructure provided for in this subsection (5) is taxed at the rate provided for in subsection (6) for a period of 15 years from the time that construction commences. After the 15-year period, the dedicated communications infrastructure is taxed as class thirteen property at the rate provided in 15-6-156.

(6) Class seventeen property is taxed at 0.9% of its market value."

3. Page 3, line 4.

Strike: "and"

4. Page 3, line 5.

Following: "companies"

Insert: "; and"

(e) dedicated communications infrastructure described in [section 1(5)] for which construction commenced after June 30, 2027, or for which the 15-year period provided for in [section 1(5)(c)] has expired"

5. Page 3, line 16.

Strike: "property"

Insert: "qualified data centers"

6. Page 4, line 13.

Strike: "[section 1(2)(a)]"

Insert: "[section 1(5)]"

For the Senate:

Blasdel, Chair
Malek
R. Webb

For the House:

Lavin, Vice Chair
Abbott
A. Hertz

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ANNOUNCEMENTS

Committee meetings were announced by the committee chairs.

Majority Leader Thomas moved the Senate adjourn until 10:30 a.m., Tuesday, April 25, 2017, the eighty-fifth legislative day. Motion carried.

Senate adjourned at 4:14 p.m.

MARILYN MILLER
Secretary of the Senate

SCOTT SALES
President of the Senate