

**SENATE JOURNAL
65TH LEGISLATURE
ADDENDUM JOURNAL**

BILLS AND JOURNALS (Keenan, Chair):

Correctly enrolled: **SB 294, SB 307.**

Signed by the Speaker at 1:00 p.m., April 27, 2017: **SB 43, SB 45, SB 46, SB 93, SB 99, SB 116, SB 117, SB 118, SB 144, SB 158, SB 163, SB 175, SB 176, SB 200, SB 207, SB 213, SB 216, SB 240, SB 242, SB 260, SB 274, SB 284, SB 286, SB 291, SB 292.**

Signed by the Speaker at 1:10 p.m., April 27, 2017: **SB 25, SB 29, SB 197, SB 241, SB 299, SB 344.**

Signed by the Speaker at 1:15 p.m., April 27, 2017: **SB 42, SB 92, SB 120, SB 126.**

Signed by the Speaker at 1:20 p.m., April 27, 2017: **SB 27, SB 227, SJ 13, SJ 18.**

Signed by the Speaker at 1:25 p.m., April 27, 2017: **SB 124, SB 187, SB 285.**

Signed by the Speaker at 1:30 p.m., April 27, 2017: **SB 208, SB 254, SB 268, SB 278, SB 279, SB 282, SB 283, SB 325.**

Signed by the Speaker at 1:45 p.m., April 27, 2017: **SB 21, SB 73, SB 119, SB 154, SB 245, SB 315, SB 317, SB 329, SB 352.**

Signed by the Speaker at 1:50 p.m., April 27, 2017: **SB 345, SJ 6, SJ 11, SJ 16.**

Signed by the Speaker at 2:00 p.m., April 27, 2017: **SB 26, SB 138, SB 183, SB 321, SB 339.**

Signed by the Speaker at 2:05 p.m., April 27, 2017: **SB 176, SB 200, SB 207, SB 213, SB 216, SB 240, SB 242, SB 260, SB 274, SB 284, SB 286, SB 291, SB 292.**

Signed by the President at 11:50 a.m., April 28, 2017: **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 362, SB 372.**

Signed by the Secretary of the Senate at 12:15 p.m., April 28, 2017: **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 362, SB 372.**

Delivered to the Governor at 11:02 a.m., May 1, 2017: **SB 200, SB 207, SB 208, SB 213, SB 216, SB 227, SB 240, SB 241, SB 242, SB 245, SB 254, SB 260, SB 268, SB 274, SB 278, SB 279, SB 282, SB 283, SB 284, SB 285, SB 286, SB 291, SB 292, SB 299, SB 315, SB 317, SB 321, SB 325, SB 329, SB 339, SB 344, SB 345.**

Delivered to the Governor at 11:03 a.m., May 1, 2017: **SB 21, SB 25, SB 26, SB 27, SB 29, SB 42, SB 43, SB 45, SB 46, SB 73, SB 92, SB 93, SB 99, SB 116, SB 117, SB 118, SB 119, SB 120, SB 124, SB 126, SB 138, SB 144, SB 154, SB 158, SB 163, SB 175, SB 176, SB 183, SB 187, SB 197.**

Delivered to the Governor at 2:49 p.m., May 1, 2017: **SB 270.**

Transmitted to the House: **HJ 33, HJ 43.**

Delivered to the Secretary of State at 10:12 a.m., May 3, 2017: **SB 352, SJ 6, SJ 11, SJ 13, SJ 16, SJ 18.**

Signed by the President at 10:10 a.m., May 4, 2017: **SB 55, SB 95, SB 199, SB 250, SB 261, SB 314, SB 374.**

Signed by the President at 10:15 a.m., May 4, 2017: **SB 64, SB 248, SB 309, SB 366.**

Signed by the President at 10:20 a.m., May 4, 2017: **SR 64, SJ 31.**

Signed by the President at 10:25 a.m., May 4, 2017: **SB 294, SB 307, SB 337.**

Signed by the President at 10:30 a.m., May 4, 2017: **SB 127, SB 155, SB 189, SJ 3, SJ 5, SJ**

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

9, SJ 19, SJ 20, SJ 21, SJ 23, SJ 25, SJ 27, SJ 28, SJ 29, SJ 32.

Signed by the President at 10:35 a.m., May 4, 2017: **SB 59, SB 63, SB 90, SB 94, SB 111, SB 123, SB 143, SB 153, SB 159, SB 172, SB 173, SB 174, SB 177, SB 193, SB 196, SB 198, SB 205, SB 218, SB 233, SB 258, SB 272, SB 293, SB 295, SB 310, SB 311, SB 312, SB 333, SB 340, SB 341, SB 363.**

Signed by the President at 5:50 p.m., May 4, 2017: **SB 132, SB 167, SB 168, SB 359, SB 368.**
Signed by the Secretary of the Senate at 5:50 p.m., May 4, 2017: **SB 55, SB 95, SB 261, SB 314, SB 374, SJ 31.**

Signed by the Secretary of the Senate at 5:55 p.m., May 4, 2017: **SB 64, SB 127, SB 155, SB 189, SB 199, SB 248, SB 250, SB 294, SB 307, SB 309, SB 337, SB 366, SR 64.**

Signed by the Secretary of the Senate at 6:00 p.m., May 4, 2017: **SB 132, SB 167, SB 168, SB 359, SB 368, SJ 3, SJ 5, SJ 9, SJ 19, SJ 20, SJ 21, SJ 23, SJ 25, SJ 27, SJ 28, SJ 29, SJ 32.**

Signed by the Secretary of the Senate at 6:05 p.m., May 4, 2017: **SB 94, SB 198, SB 310, SB 333, SB 340, SB 363.**

Signed by the Secretary of the Senate at 6:10 p.m., May 4, 2017: **SB 59, SB 63, SB 90, SB 111, SB 123, SB 143, SB 153, SB 159, SB 172, SB 173, SB 174, SB 177, SB 193, SB 196, SB 205, SB 218, SB 233, SB 258, SB 272, SB 293, SB 295, SB 311, SB 312, SB 341.**

Delivered to the Secretary of State at 9:39 a.m., May 5, 2017: **SR 64.**

Signed by the Speaker at 10:00 a.m., May 10, 2017: **SB 11, SB 15, SB 22, SB 24, SB 30, SB 55, SB 57, SB 59, SB 63, SB 64, SB 90, SB 94, SB 95, SB 111, SB 123, SB 127, SB 132, SB 140, SB 143, SB 153, SB 155, SB 159, SB 160, SB 166, SB 167, SB 168, SB 172, SB 173, SB 174, SB 177, SB 189, SB 193, SB 196, SB 198, SB 199, SB 205, SB 218, SB 233, SB 235, SB 248, SB 250, SB 258, SB 261, SB 272, SB 276, SB 293, SB 294, SB 295, SB 302, SB 303, SB 307, SB 309, SB 310, SB 311, SB 312, SB 314, SB 324, SB 333, SB 336, SB 337, SB 340, SB 341, SB 342, SB 359, SB 362, SB 363, SB 366, SB 368, SB 372, SB 374, SJ 3, SJ 5, SJ 9, SJ 19, SJ 20, SJ 21, SJ 23, SJ 25, SJ 27, SJ 28, SJ 29, SJ 31, SJ 32.**

Delivered to the Governor at 2:35 p.m., May 17, 2017: **SB 11, SB 15, SB 22, SB 24, SB 30, SB 55, SB 57, SB 59, SB 63, SB 64, SB 90, SB 94, SB 95, SB 111, SB 123, SB 127, SB 132, SB 140, SB 143, SB 153, SB 155, SB 159, SB 160, SB 166, SB 167, SB 168, SB 172, SB 173, SB 174, SB 177, SB 189, SB 193, SB 196, SB 198, SB 199, SB 205, SB 218, SB 233, SB 235, SB 248, SB 250, SB 258, SB 261, SB 272, SB 276, SB 293, SB 294, SB 295, SB 302, SB 303, SB 307, SB 309, SB 310, SB 311, SB 312, SB 314, SB 324, SB 333, SB 336, SB 337, SB 340, SB 341, SB 342, SB 359, SB 362, SB 363, SB 366, SB 368, SB 372, SB 374.**

Delivered to the Secretary of State at 2:48 p.m., May 17, 2017: **SJ 3, SJ 5, SJ 9, SJ 19, SJ 20, SJ 21, SJ 23, SJ 25, SJ 27, SJ 28, SJ 29, SJ 31, SJ 32.**

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

MESSAGES FROM THE GOVERNOR

April 28, 2017

The Honorable Scott Sales
President of the Senate
State Capitol
Helena, MT 59620

Dear President Sales:

In accordance with the power vested in me as Governor by the Constitution and laws of the State of Montana, I hereby return with amendments Senate Bill 270 (SB 270), "AN ACT GENERALLY REVISING LAWS RELATED TO THE LEASE OR CONSTRUCTION OF BUILDINGS FOR THE STATE; REVISING THE TYPES OF LEASES AND BUILDING CONSTRUCTION THAT MUST BE APPROVED BY THE LEGISLATURE; PROHIBITING CERTAIN PROVISIONS IN LEASES; AMENDING SECTIONS 2-17-101 AND 18-2-102, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

Discussion of infrastructure investment has dominated the 65th legislative session. Montanans have watched and waited to see if elected officials in Helena could put the interests of Montana first and partisan politics aside.

My amendments to SB 270 provide us with that opportunity. With these amendments, we can invest in a Veterans Home to serve those who have sacrificed and served their country with honor; we can invest in our thriving campus at MSU where we educate engineers, nurses, and the students who represent the future of Montana agriculture; and we can preserve the unique history of Montana, that draws thousands of tourists to our state every year to experience the lure of the west.

I present these amendments, only after other bills that would have invested in critical infrastructure, like HB 14, HB 645 and SB 367, have died in the legislative process. I hope that Democrats and Republicans alike will join me in this final effort to deliver needed infrastructure and the jobs it brings for all Montana.

I respectfully ask for your support of these amendments.

Sincerely,

STEVE BULLOCK
Governor

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

MESSAGES FROM THE OTHER HOUSE

Governor's amendments to Senate bill concurred in and returned to the Senate: 4/28/2017

SB 307, introduced by L. Jones

Conference Committee Report No.1 adopted: 4/28/2017

SB 294, introduced by S. Fitzpatrick

MESSAGES FROM THE GOVERNOR

May 4, 2017

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

Dear President Sales:

On Thursday, May 4, 2017, I signed and delivered the following bills to the Secretary of State:

SB 21- E. Buttrey
SB 25 - M. Blasdel
SB 26 - S. Malek
SB 27 - F. Thomas
SB 29 - D. Sands
SB 42 - D. Barrett
SB 43 - J. Sesso
SB 45 - M. MacDonald
SB 46 - C. Vincent
SB 73 - P. Connell
SB 92 - A. Olszewski
SB 118 - M. McNally
SB 119 - J. Hinkle
SB 120 - N. Swandal
SB 138 - D. Ankney
SB 144 - R. Webb
SB 158 - M. MacDonald
SB 183 - J. Welborn
SB 187 - J. Cohenour
SB 197 - T. Gauthier

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

SB 200 - E. Buttrey
SB 207 - F. Moore
SB 213 - J. Cohenour
SB 216 - F. Thomas
SB 227 - J. Cohenour
SB 240 - E. Buttrey
SB 241 - E. Buttrey
SB 242 - S. Malek
SB 245 - D. Salomon
SB 254 - M. Blasdel
SB 268 - S. Fitzpatrick
SB 274 - E. Buttrey
SB 278 - S. Hinebauch
SB 279 - C. Vincent
SB 283 - A. Olszewski
SB 284 - M. Lang
SB 285 - M. Lang
SB 286 - F. Moore
SB 291 - T. Facey
SB 292 - T. Facey
SB 299 - T. Richmond
SB 315 - C. Vincent
SB 321 - A. Olszewski
SB 325 - B. Hoven
SB 339 - D. Ankney
SB 344 - F. Moore

I have vetoed **SB 126** - K. Regier, **SB 117** - R. Webb, **SB 154** - M. Lang, **SB 345** - C. Smith, **SB 184** - F. Moore, and **SB 329**, K. Regier. These bills and veto messages have been delivered to the Secretary of State.

Sincerely,

STEVE BULLOCK
Governor

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

May 4, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 117** (SB 117), "AN ACT REVISING LAWS REGARDING THE DELEGATION OF POWERS OVER A CHILD BY A PARENT OR LEGAL GUARDIAN BY EXECUTING A POWER OF ATTORNEY; PROVIDING THAT AN EXECUTION OF A POWER OF ATTORNEY DOES NOT CONSTITUTE ABANDONMENT FOR CHILD ABUSE AND NEGLECT PURPOSES; PROVIDING THAT A PERSON OR ENTITY INVOLVED IN AN EXECUTION OF A POWER OF ATTORNEY IS NOT SUBJECT TO CHILD PLACEMENT AND YOUTH CARE FACILITY LICENSURE LAWS; AND AMENDING SECTIONS 41-3-102, 52-2-602, 52-8-101, 52-8-103, AND 72-5-103, MCA."

SB 117 would allow parents to transfer the care and responsibility of their children to an unlicensed person or unlicensed "substitute care" for an unlimited time, using the power of attorney. The power of attorney can be re-executed any number of times, meaning children could be delivered indefinitely to third parties with no contact from their parents.

Even more disturbing, there are absolutely no protections for children in this bill. There is no requirement that a background check be conducted with regard to the person receiving a child. There are no minimum standards for the safety and welfare of the children. There is no requirement for a home check. There is no requirement that the parents visit or maintain communication with the child. Under existing law, organizations placing children in foster care or for adoption must be licensed and meet specific standards. If SB 117 passed, these licensed entities could be bypassed entirely.

Current law already allows for parents to temporarily place their children in the custody of someone else using the power of attorney for up to six months. SB 117 is an unnecessary and dangerous expansion of the law. This bill would put children at risk.

For these reasons, I veto SB 117.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

May 4, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

I accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 126** (SB 126), "AN ACT REVISING LAWS RELATED TO APPEALS OF PROPERTY VALUATION FOR TAX PURPOSES; ALLOWING THE DEPARTMENT OF REVENUE AND THE TAXPAYER TO PROVIDE INDEPENDENT APPRAISALS TO THE STATE TAX APPEAL BOARD; AMENDING SECTIONS 15-2-301, MCA; AND PROVIDING AN APPLICABILITY DATE."

Current law requires the State Tax Appeal Board to consider an independent appraisal provided by a taxpayer in a property appeal. The Board has the discretion to determine whether the appraisal is credible and accurate. The Montana Supreme Court has held that "tax appeal boards are particularly suited for settling disputes over the appropriate valuation of a given piece of property, and the judiciary cannot properly interfere with that function." *DeVoe v. Department of Revenue*, 233 Mont. 190, 759 P.2d 991 (1988). SB 126 limits the discretion of the Board--the expert in determining tax appeals--by requiring it to accept the taxpayer's independent appraisal as the presumed value. Even appraisals that value a property for purposes other than full market value (such as liquidation, partial interest, market value, leasehold, etc.) and are therefore not compatible, would have to be accepted by the Board as the established value.

The requirement to accept the independent appraisal as the market value shifts the burden of proof from the taxpayer to the Department of Revenue (Department). The Montana Supreme Court has clearly stated that the appraisal reached by the Department is presumed to be correct, and the burden is upon the taxpayer to overcome this presumption. *Farmers Union Central Exchange v. DOR*, 272 Mont. 471, 476, 901 P.2d 561, 564 (1995). Additionally, § 26-1-401, MCA, requires the burden of proof "is on the party who would be defeated if no evidence were given on either side." Most other states adhere to this maxim. As a mass appraisal state, there must be some reliance on the expertise of the Department's appraisers and their knowledge of the values across the state. To immediately dismiss those values with the submission of an independent appraisal, that may or may not be credible, will result in inequitable values in violation of the Montana Constitution. See, *Larson v. Department of Revenue*, 166 Mont 449, 534 P.2d 854 (1975).

Also, provisions of the bill require a taxpayer to have owned the property for a period of at least a five years for their independent appraisal to be presumed correct. A taxpayer who owns the property for less than five years will still have the burden of proof. This is an arbitrary distinction

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

that could raise issues of equal protection between taxpayers of these two classes.

For these reasons, I veto SB 126.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 4, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

I accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 154** (SB 154), "AN ACT ELIMINATING CERTAIN INCENTIVES FOR NET-METERED SYSTEMS; ELIMINATING CERTAIN SMALL GENERATION EQUIPMENT TAX EXEMPTIONS FOR NET-METERED SYSTEMS; ELIMINATING CERTAIN TAX CREDITS FOR NET-METERED SYSTEMS; PROHIBITING USE OF THE STATE BUILDING ENERGY CONSERVATION ACT FOR NET-METERED SYSTEMS; ELIMINATING USE OF THE ENERGY DEVELOPMENT AND DEMONSTRATION GRANT PROGRAM FOR NET-METERED SYSTEMS; AMENDING SECTIONS 15-6-224, 15-32-202, 15-32-301, 15-32-402, 15-32-404, 90-4-602, AND 90-4-1005, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

SB 154 makes net metered systems ineligible for tax credits and incentives which are designed to encourage the use of alternative energy sources. Removing the tax credit for residential net metering systems would increase the out-of-pocket costs of net metering systems, and may decrease Montanans' interest in investing in net metering renewable energy systems going forward.

SB 154 also prevents the State Building Energy Conservation Program from using net metering, making it difficult for the state to install cost-effective alternative energy on state facilities; projects that would ultimately save taxpayer dollars.

In the Energy Blueprint I released in June of 2016, I committed to oppose any efforts to weaken

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

our current net metering statutes. At this point in time I believe the distributed generation business sector would be negatively impacted by this bill. The number of new net metered systems being developed would be reduced as customers are forced to weight the risks of potential investments. Additionally, limiting the options available to state facilities to save money would prevent us from reducing costs for all Montanans.

For these reasons, I veto SB 154.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 4, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I **veto Senate Bill 184** (SB 184), "AN ACT REVISING LAWS TO ALLOW A WORKERS' COMPENSATION INSURER TO TERMINATE PAYMENT OF BENEFITS ON THE BASIS OF FRAUD, MISTAKE, OR RECEIPT OF EVIDENCE OF NONLIABILITY; AMENDING SECTION 39-71-609, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

After initially accepting a claim for benefits, Montana Code Annotated 39-71-609 provides that a workers' compensation insurer may, upon further investigation, unilaterally terminate benefits by giving 14 days' written notice to the claimant. Interpreting this law, the Montana Supreme Court has ruled that 14 days' written notice is not required when the insurer discovers that the claim is based on fraud. In that instance, the insurer has the right to terminate benefits immediately. SB 184 would extend the insurer's right to immediately terminate benefits to cases 1) involving a mutual mistake of material fact or 2) upon receiving evidence that the insurer was not liable for benefits.

No compelling policy arguments exist to allow a workers' compensation insurer to immediately terminate benefits in cases **not** involving fraud, without notice to the claimant and without judicial review. The workers' compensation system is "intended to be primarily self-

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

administering" and is designed to provide great predictability and certainty for employers, employees, and medical providers. Proponents of the legislation did not present any evidence that these changes would enhance certainty or drive down costs. In fact, these new provisions would likely have the opposite effect, encouraging more litigation and additional costs.

I sent SB 184 back to the legislature with amendments to clarify that termination of benefits due to fraud may occur without notice, but that termination of benefits due to mutual mistake requires 14 days' notice. Further, under my amendments, termination of benefits for other reasons could have continued to occur as already provided by law. Unfortunately, the legislature rejected my amendments.

For these reasons, I must now veto SB 184.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 4, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620
Dear Secretary Stapleton:

I accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 329** (SB 329), "AN ACT ADOPTING THE MONTANA PAIN-CAPABLE UNBORN CHILD PROTECTION ACT; PROHIBITING THE ABORTION OF AN UNBORN CHILD CAPABLE OF FEELING PAIN; PROVIDING EXCEPTIONS; PROVIDING DEFINITIONS; PROVIDING PENALTIES; PROVIDING CIVIL REMEDIES; PROVIDING PRIVACY PROTECTIONS; AND AMENDING SECTIONS 50-20-102 AND 50-20-109, MCA."

In 1999, the Montana Supreme Court ruled that the heightened right to privacy in Article II, Section 10 of the state constitution "guarantees each individual the right to make medical judgments affecting her or his bodily integrity and health in partnership with a chosen health care provider free from government interference." Further, for over forty years the U.S. Supreme Court has recognized that the U.S. Constitution prohibits a state from banning abortion. SB 329 runs counter to these decisions and to repeated Supreme Court rulings that a

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

woman has a right to access abortion at all states of pregnancy when necessary to protect her life *and* health.

As a father, husband, and son, I stand firmly opposed to restrictions on a woman's ability to make deeply personal medical decisions in consultation with her medical provider, family members, and spiritual leaders. Montana's elected officials have no business substituting their personal beliefs for the sound medical judgment of our healthcare professionals or the deeply personal medical decisions of their constituents.

For these reasons, I veto SB 329.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 4, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

I accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 345** (SB 345), "AN ACT RELATING TO HIGH-DEDUCTIBLE HEALTH INSURANCE PLANS AND EMPLOYER HEALTH REIMBURSEMENT ARRANGEMENTS; PROVIDING VARIOUS TAX INCENTIVES; IMPOSING DUTIES ON THE COMMISSIONER OF INSURANCE; PROVIDING RULEMAKING AUTHORITY TO THE COMMISSIONER OF INSURANCE; ALLOWING AN INCOME TAX CREDIT FOR CERTAIN EMPLOYER CONTRIBUTIONS TO HIGH-DEDUCTIBLE HEALTH INSURANCE PREMIUMS AND HEALTH REIMBURSEMENT ARRANGEMENT-ONLY PLANS; ALLOWING A REDUCTION IN ADJUSTED GROSS INCOME TO CERTAIN TAXPAYERS FOR HEALTH REIMBURSEMENT ARRANGEMENT-ONLY BENEFITS AND HIGH-DEDUCTIBLE HEALTH INSURANCE PREMIUMS; PROVIDING RULEMAKING AUTHORITY TO THE DEPARTMENT OF REVENUE; AMENDING SECTIONS 15-30-2110 AND 15-30-2131, MCA; AND PROVIDING EFFECTIVE DATES AND AN APPLICABILITY DATE."

As Governor, I manage the state's tax dollars with an eye toward fiscal responsibility, not unlike

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

Montana's small business owners. SB 345, as amended, would create a new tax credit for employers providing high-deductible insurance or a reimbursement-only health plan as a fringe benefit for their employees. SB 345 is fiscally irresponsible.

This bill would put the State of Montana in the business of providing financial incentives to employers to offer health plans that shift much more of the costs of receiving healthcare onto the employees. These plans are touted as enhancing savings for employers. If that is the case, they need not be subsidized with public funds.

For these reasons, I veto SB 345.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 7, 2017

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

Dear President Sales:

On Sunday, May 7, 2017, I signed and delivered the following bills to the Secretary of State:

SB 124 - E. McClafferty

Sincerely,

STEVE BULLOCK
Governor

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

May 8, 2017

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

Dear President Sales:

On Monday, May 8, 2017, I signed and delivered the following bills to the Secretary of State:

SB 163 - K. Regier

I have vetoed **SB 93** - T. Richmond, **SB 99** - C. Smith, **SB 208** - M. Caferro, and **SB 282** - A. Olszewski. These bills and veto messages have been delivered to the Secretary of State.

Sincerely,

STEVE BULLOCK
Governor

May 8, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 93** (SB 93), "AN ACT REVISING OIL AND GAS OPERATIONS' NOTICE REQUIREMENTS; REQUIRING NOTICE BE PROVIDED TO CERTAIN PROPERTY OWNERS; DEFINING TERMS; REQUIRING NOTICE TO ALLOW FOR THE EVALUATION OF DRILLING AND COMPLETION OPERATIONS; AND AMENDING SECTIONS 82-10-502 AND 82-10-503, MCA."

SB 93 weakens existing notification standards passed by the Board of Oil and Gas Conservation (Board) by reducing the notification distance from 1,320 feet to 990 feet and eliminating notification requirements to any occupied structures "suited for human occupancy," such as schools, offices, and hospitals.

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

The existing notification standards were put into place by the Board on December 14, 2016, after nearly 20 months of work and deliberation. As a result, the Board adopted a notification rule that enables a landowner to work with oil and gas companies to address concerns or bring concerns to the Board of Oil and Gas Conservation. The notification rule came about after the Board formed a committee to examine whether to adopt a numeric setback limit for how close oil and gas wells could be to any structure. While the Board ultimately decided to forego setback regulations, it did pass the current notification rule because it would allow the board to consider establishing conditions for issuance of a drilling permit near an occupied structure. This process was heavily vetted and is a compromise between landowners' and the industry's interests.

Concerns were raised by proponents of SB 93 that the Board may not have authority to pass a notification rule. This was considered and explicitly addressed during the Board's public comment period. The Board determined that it has the authority to adopt this rule under 82-11-122, 82-11-127, 82-11-134, and 82-11-141, MCA, and the Board voted to adopt the drilling notice requirement prior to the legislative session.

The current rule, adopted after a nearly 20-month review of the merits, considerations, and legality of establishing drilling notification for adjacent landowners, is weakened by SB 93.

For these reasons, I veto SB 93.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 8, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

I accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 99** (SB 99), "AN ACT PROHIBITING THE ENFORCEMENT OF A POTENTIAL FEDERAL BAN ON FIREARMS, MAGAZINES, AND AMMUNITION; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

SB 99 prohibits Montana state employees or peace officers from enforcing any federal ban on firearms, magazines, or ammunition. It is nearly identical to bills I vetoed during the 2013 and 2015 legislative sessions because those bills put law enforcement officers in the position of violating laws they are sworn to uphold. All Montana public safety officers taken an oath upon graduation from the Montana Law Enforcement Academy to "enforce or apply all laws and regulations appropriately, courteously, and responsibly." They also commit to "work in unison with all legally authorized agencies and their representatives in the pursuit of justice." In oppositional testimony, law enforcement officials expressed concerns that SB 99 would subject our law enforcement officers and other public officials to criminal sanctions for upholding the oaths that we ask them to take.

Further, SB 99 is unnecessary. Congress has not taken any action to ban firearms or magazines. I am and always have been a staunch supporter of our second amendment rights. This bill, however, is unnecessary political theater and puts law enforcement in an untenable position.

For these reasons, I veto SB 99.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 8, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 208** (SB 208), "AN ACT ESTABLISHING REQUIREMENTS FOR THE USE OF MONEY APPROPRIATED FOR MEDICAID HOME AND COMMUNITY-BASED WAIVER SLOTS; PROVIDING DIRECTION TO THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES ON THE 0208 WAIVER FOR INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES; AND PROVIDING AN EFFECTIVE DATE."

SB 208 restricts how the Department of Public Health and Human Services (DPHHS) may use

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

funding for home and community-based nursing care and other services. The bill would prohibit the transfer of unencumbered funding for these services between DPHHS divisions, and further requires that the Department address workforce shortages and other barriers to the full utilization of the funding set aside by the legislature for home and community-based services. Unfortunately, SB 208 would prevent the full use of DPHHS resources and harm the very people that need these services.

Home and community-based "waivers" are Medicaid services that assist in keeping people in their home or community, rather than a nursing home or the Montana Developmental Center. The cost of the home and community care can vary widely from less than \$10,000 to over \$400,000 annually per person. The DPHHS operates home and community-based waivers in three different divisions: (1) Senior and Long term care (serving the elderly and physically disabled); (2) Addictive and Mental Disorders (serving people with serious mental health issues who need a nursing-home level of care); and (3) Developmental Services (serving people with developmental disorders). Under SB 208, if the DPHHS is unable to find a community placement for a client with serious mental illness but *can* find a community placement for an older Montanan, the Department would be prohibited from using the available funding between divisions to allow the older Montanan to be served. In this scenario, rather than just one person going without services, two would not be served.

SB 208 also instructs the DPHHS to solve workforce shortages and other barriers to providing in-home health services. One way to address these issues would be to raise the hourly wage for direct care providers. However, the funding for home and community-based waiver slots is a fixed amount. Using limited waiver dollars to subsidize employer wages would mean that fewer dollars would be available to pay for services for those who need them. In this scenario, each person's services cost more so that fewer people can be served.

Current state law provides the DPHHS with the flexibility to manage the Medicaid program in a manner that can address an unforeseen health care crisis and/or rapidly respond to an opportunity for improved services, improved payment strategies or cost containment. The restrictions proposed by SB 208 are not an efficient or fiscally responsible way to manage government. Further, these restrictions would be detrimental to the very people these programs serve.

For these reasons, I veto SB 208.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

May 8, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 282** (SB 282), "AN ACT REVISING ABORTION LAWS TO RESTRICT THE PERFORMANCE OF AN ABORTION OF A VIABLE FETUS; REVISING THE DEFINITION OF A VIABLE FETUS; PROVIDING FOR THE DELIVERY OF A VIABLE FETUS IF CERTAIN CONDITIONS EXIST; AND AMENDING SECTIONS 50-20-102, 50-20-104, 50-20-106, 50-20-108, 50-20-109, 50-20-110, AND 50-20-306, MCA."

SB 282 bans abortion after a fetus achieves viability, which the bill defines as when a fetus has a 50 percent chance of living outside the woman's body. Because an outright ban on abortion would not withstand constitutional scrutiny, the sponsors of the bill attempt to circumvent *Roe v. Wade* by imposing an arbitrary "chance of survival" standard. The "chance of survival" standard is not supported either medically or legally.

Restrictions similar to SB 282 were attempted by politicians in Idaho in 2013 and Arizona in 2015. These restrictions were challenged in the Ninth Circuit Court of Appeals, which has jurisdiction over federal appeals in Montana. The court struck down both bans, holding that the U.S. Supreme Court has been "unalterably clear" that "a woman has a constitutional right to choose." SB 282 also runs counter to repeated Supreme Court rulings that establish a woman has a right to access abortion at all stages of pregnancy when necessary to protect her life *and* health. If this bill were enacted, a woman could be subject to forced caesarian section or inducement of labor if continuing her pregnancy after viability threatened her life -- in violation of established legal precedent.

Montana's elected officials have no business substituting their personal beliefs for the sound medical judgment of our healthcare professionals or the deeply personal medical decisions of their constituents. As a father, husband, and son, I stand firmly opposed to restrictions on a woman's ability to make deeply personal medical decisions in consultation with her medical provider, family members, and spiritual leaders.

For these reasons, I veto SB 282.

Sincerely,

STEVE BULLOCK
Governor

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 9, 2017

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

Dear President Sales:

On Tuesday, May 9, 2017, I vetoed and delivered the following bill and veto message to the Secretary of State:

SB 270 - D. Kary

Sincerely,

STEVE BULLOCK
Governor

May 9, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 270** (SB 270), "AN ACT GENERALLY REVISING LAWS RELATED TO THE LEASE OR CONSTRUCTION OF BUILDINGS FOR THE STATE; REVISING THE TYPES OF LEASES AND BUILDING CONSTRUCTION THAT MUST BE APPROVED BY THE LEGISLATURE; PROHIBITING CERTAIN PROVISIONS IN LEASES; AMENDING SECTIONS 2-17-101 AND 18-2-102; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

SB 270 requires legislative approval for certain leases of buildings for state use. Under the bill,

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

an initial lease for a building of more than 10,000 square feet, a renewal of a lease for a building of more than 30,000 square feet, and any lease for a term of more than 10 years must be submitted a part of the long-range building program and approved by the legislature.

SB 270 unreasonably interferes with the day-to-day operations of the executive branch. Existing law provides appropriate and adequate sideboards on the leasing of buildings for state programs and services. Decisions are made daily by state employees in compliance with the provisions established in law within the resources allocated by the legislature. The Executive is responsible for operating state government in the most efficient and cost-effective manner, both during and after the legislative session.

It is not the job of the legislature to micromanage as SB 270 proposes, but rather to set reasonable parameters to be implemented throughout the biennium. The narrowness and punitive nature of SB 270 does not further the cause of effective government.

For these reasons, I respectfully ask you to oppose SB 270 and sustain my veto.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 11, 2017

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

Dear President Sales:

On Thursday, May 11, 2017, I signed and delivered the following bills to the Secretary of State:

SB 260 - L. Jones

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

I have vetoed **SB 116** - M. Blasdel, **SB 175** - R. Webb, **SB 176** - R. Webb. These bills and veto messages have been delivered to the Secretary of State.

Sincerely,

STEVE BULLOCK
Governor

May 11, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and laws of the State of Montana, I hereby **veto Senate Bill 116** (SB 116), "AN ACT PROVIDING THAT A FALSE STATEMENT IN AN EMPLOYER-PROVIDED QUESTIONNAIRE UNDER CERTAIN CIRCUMSTANCES IS A BASIS FOR BARRING WORKERS' COMPENSATION BENEFITS; AND PROVIDING AN EFFECTIVE DATE."

An individual's private medical information is one of their most protected privacy interests, under both state and federal law. The conditions under which a worker is required to provide medical information to a prospective employer must be handled with that privacy right clearly defined and respected at the outset. SB 116 does not accomplish that task, is unnecessary, and will increase costs of litigation under both the Workers' Compensation Act and under the Human Rights Act.

SB 116 bars workers' compensation benefits to an injured worker if, at the time they were hired, they made a false representation concerning a medical condition.

In doing so, it fails to recognize protections for employees regarding medical inquiries under state and federal disability discrimination laws. The bill will encourage litigation under the Americans with Disabilities Act (ADA) because it does not properly protect workers from potential discrimination based on a disability related to a medical condition. In this failure, SB 116 may lead Montana's employers to make unlawful medical inquiries that do not equally apply to all applicants and are not job related and consistent with the demands of the job.

And, as I have already noted regarding HB 358 and SB 184, pursuant to 39-71-105(4), MCA, "Montana's workers' compensation and occupational disease insurance systems are intended

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

to be primarily self-administering" and "the system must be designed to minimize reliance upon lawyers and the courts to obtain benefits and interpret liabilities." SB 116 runs afoul of this basic principle of workers' compensation law and introduces potential for discrimination in hiring.

For these reasons, I veto SB 116.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 11, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 175** (SB 175), "AN ACT REVISING LANDLORD'S RIGHT TO ENTER AND REPAIR WHEN TENANT FAILS TO MAINTAIN A DWELLING; PROVIDING FOR AN ACTION AGAINST AN UNAUTHORIZED PERSON; REVISING THE TIMING FOR LANDLORD'S ACTION TO BE HEARD; REVISING REQUIREMENTS RELATED TO LANDLORD'S DISPOSITION OF ABANDONED PERSONAL PROPERTY; AMENDING SECTIONS 70-24-425, 70-24-427, 70-24-430, 70-33-425, 70-33-427, AND 70-33-430, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

SB 175 is one of more than a dozen bills that were introduced this session seeking to overhaul landlord-tenant law in Montana. If enacted, these bills would significantly alter the Residential Landlord and Tenant Act that has been in place since 1977. If there are problems with the state of landlord-tenant law in Montana, I would encourage the legislature to engage in a balanced, independent and thoughtful study of the issue rather than the haphazard approach of the slate of bills introduced this session. While I believe some bills introduced this session are appropriately balanced and reasonable, others are not.

SB 175 alters long-standing provisions of landlord-tenant law in a manner that is not reasonable. Under existing law, a landlord may, upon 14 days' written notice to the tenant,

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

enter a tenant's dwelling to address issues with the rental affecting *health and safety*. The 14-day time period exists so that a tenant can correct health and safety problems themselves, after notification by the landlord. If no remedial action has taken place after 14 days, the landlord may enter the premises, fix the problem, and thereafter charge the tenant for the costs of the remedial action.

SB 175 vastly expands the reasons for which a landlord may enter a dwelling for tenant "noncompliance" and shortens the timelines for tenants to remedy any "noncompliance" themselves. Under this bill, the categories of "noncompliance" for which a landlord may enter the premises would go far beyond health and safety to include *any* violation of the landlord's *rules* governing the unit, and any violations of the terms of the *rental agreement*. SB 175 would also shorten the timeline for the tenant to come into compliance to seven days. Further, the bill gives the landlord the right to repair newly discovered problems while inspecting the unit, and charge the tenant for those repairs, regardless of whether the current tenant caused those problems. These provisions, when read together, will lead to far greater intrusion by the landlord into the dwelling as well as far greater costs being charged to tenants--including costs for problems they did not themselves cause.

Even more problematic, SB 175 drastically and unrealistically shortens timelines for courts to hear and decide landlord-tenant claims. Most landlord-tenant claims are heard in justice courts, with concurrent and appellate jurisdiction in district courts. The bill would shorten the time period for a court to hold a hearing in a landlord-tenant dispute from 14 days to five days after the tenant's appearance or after the date the answer is due. In some instances, SB 175 requires the courts to hold a hearing within three days of the filing of a landlord's claim, regardless of whether the tenant even knows of the existence of the claim. The bill further requires that courts *decide* certain cases within five days of a hearing.

These timelines are completely unworkable. The courts of this state already have full dockets, including criminal cases that must comply with the constitutional right to a speedy trial. Courts simply cannot set aside their schedules to accommodate civil landlord-tenant claims. Further, serious violations of due process may occur because tenants may not even receive their summons before a hearing has been scheduled. Had this issue been more thoroughly studied, perhaps more reasonable timeframes could have been developed.

For these reasons, I veto SB 175.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

May 11, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 176** (SB 176), "AN ACT REVISING REQUIREMENTS FOR LANDLORDS TO MAINTAIN PREMISES; REVISING LANDLORDS' ACCESS TO PREMISES; AMENDING SECTIONS 70-24-303, 70-24-312, 70-24-424, 70-24-426, 70-33-303, 70-33-312, AND 70-33-426, MCA; REPEALING SECTIONS 70-24-322 AND 70-33-322, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

SB 176 is one of more than a dozen bills that were introduced this session seeking to overhaul landlord-tenant laws in Montana. If enacted, these bills would significantly alter the Residential Landlord and Tenant Act that has been in place since 1977. If there are problems with the state of landlord-tenant law in Montana, I would encourage the legislature to engage in a balanced, independent and thoughtful study of the issue rather than the haphazard approach of the slate of bills introduced this session. While I believe some bills introduced this session are appropriately balanced and reasonable, others are not.

SB 176 strikes in its entirety the current legal requirement that a landlord may not knowingly allow any tenant or other person to engage in activity that creates a reasonable potential that the premises will be damaged or destroyed or that neighboring tenants may be injured. This provision is not one that can be cast aside--it is a fundamental part of a landlord's obligation to ensure the safety of his or her tenants. If a landlord knows a tenant is engaging in activity that could injure other tenants or damage their dwelling units, the landlord has an obligation to intervene. The responsibility properly lies with the landlord, as other tenants cannot be expected to take matters into their own hands. Removing this common sense safety provision will increase tenant conflict, and decrease tenant safety.

For this reason, I veto SB 176.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

May 12, 2017

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

Dear President Sales:

On Friday, May 12, 2017, I delivered the following bill to the Secretary of State without my signature:

SB 317 - D. Salomon

Sincerely,

STEVE BULLOCK
Governor

May 18, 2017

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

Dear President Sales:

On Thursday, May 18, 2017, I delivered the following bill to the Secretary of State:

SB 363 - C. Vincent

Sincerely,

STEVE BULLOCK
Governor

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

May 19, 2017

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

Dear President Sales:

On Friday, May 19, 2017, I signed and delivered the following bills to the Secretary of State:

SB 22 - S. Malek
SB 55 - D. Salomon
SB 59 - C. Wolken
SB 63 - C. Wolken
SB 64 - C. Wolken
SB 123 - N. Swandal
SB 153 - M. MacDonald
SB 160 - M. Caferro
SB 167 - C. Vincent
SB 172 - M. Lang
SB 198 - M. Caferro
SB 199 - M. Caferro
SB 205 - A. Olszewski
SB 250 - N. Swandal
SB 272 - R. Webb
SB 302 - E. Buttrey
SB 307 - L. Jones
SB 309 - L. Whitford
SB 310 - L. Whitford
SB 324 - R. Tempel
SB 333 - M. Caferro

I have vetoed **SB 368** - T. Richmond, and delivered the bill and veto message to the Secretary of State.

Sincerely,

STEVE BULLOCK
Governor

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

May 19, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 368** (SB 368), "AN ACT GENERALLY REVISING CAMPAIGN PRACTICES LAWS; REVISING THE DEFINITION OF "EXPENDITURE"; INCREASING FILING FEES FOR LEGISLATIVE CANDIDATES; REVISING PROCEDURES USED BY THE COMMISSIONER TO ISSUE ORDERS OF NONCOMPLIANCE; REVISING LAWS RELATED TO INVESTIGATION OF CAMPAIGN PRACTICES AND ELECTION-RELATED COMPLAINTS; CREATING AN APPEAL PROCEDURE FOR A CANDIDATE, POLITICAL COMMITTEE, OR RESPONDENT TO APPEAL CERTAIN COMPLAINTS OR PRELIMINARY ORDERS OF NONCOMPLIANCE THAT ARE FILED OR ISSUED DURING CERTAIN TIME PERIODS; REVISING LIMITATIONS ON CAMPAIGN CONTRIBUTIONS; PROVIDING THAT THE COMMISSIONER MAY NOT INITIATE A CRIMINAL ACTION AGAINST A CANDIDATE FOR CERTAIN VIOLATIONS; REVISING THE AGGREGATE CONTRIBUTION AMOUNT THAT TRIGGERS DISCLOSURE OF CERTAIN CONTRIBUTOR INFORMATION; AND AMENDING SECTIONS 13-1-101, 13-10-202, 13-37-113, 13-37-115, 13-37-121, 13-37-124, 13-37-128, 13-37-206, 13-37-216, 13-37-218, 13-37-229, AND 13-37-232, MCA."

SB 368 restructures the Office of the Commissioner of Political Practices (COPP) and substantially raises campaign contribution limits in Montana. The proposed changes to the structure of the office would completely undermine its effectiveness and the increases in contribution limits are far above what Montanans believe to be acceptable. We would do well to remember that Montanans sent a very clear message with the passage of I-166 in 2012 that we do not need more money in politics.

SB 368--among other things--imposes costly, on-demand mediation; confuses provisions of the law concerning complaint investigations with provisions concerning reporting requirements; and shifts the venue for enforcement actions out of Lewis and Clark County. First, on-demand mediation could be exploited to delay and increase the costs of enforcement by those who wish to operate in violation of the law for as long as possible. Second, existing law provides statutory authority to investigate potential campaign violations and *separate* authority to issue orders of noncompliance for failure to file required reports and statements. SB 368 confuses and merges these two authorities, creating a more complicated, confusing and unworkable system of enforcement. Third, shifting the venue for enforcement of campaign practice violations outside of Lewis and Clark County would strain the COPP's limited staff and drain the office's resources. The combined effect of these changes would severely undermine the ability of the Commissioner to enforce our campaign finance laws.

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

Further, SB 368 dramatically raises contribution limits. Montanans put our contribution limits in place through a citizens' initiative passed in 1994. In 2012, Montanans voted by a 75 percent margin in favor of I-166. That initiative delivered clear instructions to Montana's leaders to fight against the ever-increasing amount of money in politics. Montana's contribution limits reflect the will of the people and we should respect the people's will.

Due to the Montana Disclose Act and the significant efforts of the COPP over the course of the last two years, our 2016 elections were among the most transparent and cleanest on record. SB 368 is a palpably political effort to undo this progress.

For these reasons, I veto SB 368.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 22, 2017

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

Dear President Sales:

On Monday, May 22, 2017, I signed and delivered the following bills to the Secretary of State:

SB 11 - P. Connell
SB 15 - J. Cohenour
SB 24 - J. Welborn
SB 30 - D. Sands
SB 57 - M. Blasdel
SB 90 - N. Swandal
SB 95 - L. Jones
SB 111 - K. Regier
SB 127 - M. Moe
SB 140 - D. Ankney
SB 155 - M. Lang

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

SB 159 - M. Blasdel
SB 168 - S. Malek
SB 173 - J. Cohenour
SB 189 - K. Regier
SB 193 - D. Ankney
SB 196 - S. Fitzpatrick
SB 218 - M. Blasdel
SB 258 - N. Swandal
SB 261 - L. Jones
SB 294 - S. Fitzpatrick
SB 303 - E. Buttrey
SB 311 - E. Buttrey
SB 312 - J. Welborn
SB 314 - C. Vincent
SB 335 - G. Vance
SB 341 - A. Olszewski
SB 342 - C. Vincent
SB 359 - M. Blasdel
SB 372 - F. Moore
SB 374 - D. Ankney

I have vetoed **SB 143** - M. Lang, **SB 177** - R. Webb, **SB 276** - R. Webb, **SB 295** - J. Fielder, and **SB 362** - E. Buttrey. These bills and veto messages have been delivered to the Secretary of State.

Sincerely,

STEVE BULLOCK
Governor

May 22, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 143** (SB 143), "AN ACT REVISING PROVISIONS RELATED TO RETIREES RETURNING TO WORK UNDER THE TEACHERS' RETIREMENT

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

SYSTEM; REVISING THE CRITERIA TO BE MET FOR A RETIREE TO RETURN TO EMPLOYMENT IN SPECIAL CIRCUMSTANCES WITHOUT LOSS OF RETIREMENT BENEFITS; LIMITING THE TYPES OF EMPLOYERS THAT MAY USE THE RETURN TO WORK PROVISIONS; AMENDING SECTION 19-20-732, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE."

SB 143 would reduce the number of years of creditable service necessary under which a retired member of the Teachers Retirement System (TRS) could return work under § 19-20-732, MCA, from 30 years to 27 years for anyone who is retired on or before July 1, 2017, without any earnings limitation and with no reduction to their monthly retirement benefit. Effectively, this allows those returning to "double dip."

Current law allows a TRS retired member with 30 or more years of service credit to be re-employed as a teacher, specialist, or administrator on a full-time basis by a school district without the loss or interruption of their TRS retirement benefits in limited circumstances when a school district is unable to fill a vacant position. A retired member hired under this provision is exempt from the one-third earnings and part-time employment limits under § 19-20-731, MCA as well as the 150 calendar day break-in-service requirement under § 19-20-734, MCA.

Schools across Montana, particularly in our more rural communities, are struggling to recruit and retain teachers, and it is important to acknowledge and do what we can to address this critical issue. In fact, educator recruitment and retention has been the subject of initiatives from the Board of Regents, the Board of Public Education, and education associations representing teachers, administrators, and school boards. Several bills that I signed earlier this year provide meaningful policy solutions to this challenge including Senate Bill 115, which incentivizes recruitment and retention of National Board Certified teachers in rural areas and House Bill 119, which revises the quality educator loan assistance program to prioritize educators teaching in geographically isolated areas.

However, SB 143 does little to improve the recruiting efforts of these districts, with the significant consequence of putting the solvency of TRS at risk. The proponents argued that the employer contributions required on the wages paid to working retirees under § 19-20-732, MCA, are sufficient to cover the cost to the system. In reality, in the eight years since this law took effect, TRS has received approximately \$250,000 in employer contributions for retirees working under this provision while paying them more than \$940,000 in retirement benefits. SB 143 would add to the imbalance in TRS contributions versus benefit payments while doing little to address our school districts' recruiting issues.

For these reasons, I veto SB 143.

Sincerely,

STEVE BULLOCK
Governor

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 22, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 177** (SB 177), "AN ACT PROVIDING THAT SELF-GOVERNING LOCAL GOVERNMENTS ARE SUBJECT TO THE PROVISIONS OF CERTAIN LAWS GOVERNING LANDLORDS AND TENANTS; INCLUDING THE LANDLORD AND TENANT ACT AND LAWS GOVERNING RESIDENTIAL TENANTS' SECURITY DEPOSITS AND RENTAL AGREEMENTS AMONG THE PROVISIONS ON WHICH A SELF-GOVERNING LOCAL GOVERNMENT IS PROHIBITED FROM ACTING OTHER THAN AS PROVIDED; AND AMENDING SECTION 7-1-114, MCA."

SB 177 is one of more than a dozen bills that were introduced this session seeking to overhaul landlord-tenant laws in Montana. If enacted, these bills would significantly alter the Residential Landlord and Tenant Act that has been in place since 1977. If there are problems with the state of landlord-tenant law in Montana, I would encourage the legislature to engage in a balanced, independent and thoughtful study of the issue rather than the haphazard approach of the slate of bills introduced this session. While I believe some bills introduced this session are appropriately balanced and reasonable, others are not.

SB 177 requires that local governments with self-governing powers be subject to the Residential Landlord and Tenant Act, the Residential Tenants' Security Deposits Act, and the Residential Mobile Home Lot Rental Act. The purpose of the bill, according to the sponsor, is to get assistance from the local police or sheriff for landlord-tenant problems.

I fundamentally disagree with the premise of SB 177 that landlord-tenant dispute should be settled using the police, rather than through the civil court system. Existing law designates the courts as the proper forum in which to settle landlord-tenant disputes. Attempting to turn civil matters into criminal enforcement matters is contrary to the spirit and written language of these statutes. No evidence was presented during the hearings on this bill that the court system does not fairly balance the interests of both landlord and tenant.

Further, this bill rises substantial concerns with regard to unintended consequences. There is a difference between enabling local governments to enforce landlord-tenant laws, and generally

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

subjecting local governments themselves to landlord-tenant laws. This bill does the latter, which will not assist with the former.

For these reasons, I veto SB 177.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 22, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 276** (SB 276), "AN ACT REVISING LAWS RELATED TO RETALIATION CONCERNING LANDLORDS AND TENANTS; AND AMENDING SECTIONS 70-24-411 AND 70-24-431, MCA."

SB 276 is one of more than a dozen bills that were introduced this session seeking to overhaul landlord-tenant laws in Montana. If enacted, these bills would significantly alter the Residential Landlord and Tenant Act that has been in place since 1977. If there are problems with the state of landlord-tenant law in Montana, I would encourage the legislature to engage in a balanced, independent and thoughtful study of the issue rather than the haphazard approach of the slate of bills introduced this session. While I believe some bills introduced this session are appropriately balanced and reasonable, others are not.

SB 276 entirely restructures the Montana code provisions concerning retaliatory conduct by landlords. Existing law prohibits retaliation by a landlord against a tenant if the tenant: (1) complains of a violation affecting health and safety to a government agency; (2) complains of a violation of 70-24-303 (landlord to maintain premises); or (3) organizes or joins a tenants union. "Retaliation" is defined as increasing rent, decreasing services or bringing an action--or threatening to bring an action--for possession of the premises.

SB 276 rewrites existing law. If the bill were to become law:

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

- ! A tenant complaint to a government agency of a problem with a dwelling would have to result in a finding by the agency, within 6 months of the complaint, that a violation did in fact occur, or the landlord could retaliate against the tenant;
- ! The rebuttable presumption in existing law that a landlord's conduct was done in retaliation if the alleged retaliation took place within 6 months of the tenant's complaint would be eliminated; and
- ! A landlord could bring an action against a tenant and recover civil penalties against the tenant for making a complaint in "bad faith."

As rewritten, a tenant is likely to end up in litigation with their landlord if they dare complain to a government agency of poor conditions in a dwelling unit. The purpose of these proposed changes to the law is clearly to intimidate tenants into silence rather than promote the resolution of problems.

For these reasons, I veto SB 276.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 22, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 295** (SB 295), "AN ACT PROVIDING FOR FEDERALISM TRAINING FOR LEGISLATIVE BRANCH EMPLOYEES; AND PROVIDING THAT CERTAIN LEGISLATIVE BRANCH EMPLOYEES ARE REQUIRED TO COMPLETE FEDERALISM TRAINING."

SB 295 requires certain employees of the Legislative Services Division (LSD) to take a seminar on the "principles of federalism" at least once in every 2-year period. The seminar must include a minimum of 4 hours of instruction in a variety of topic areas. While I do not object to training in the principles of federalism, this bill has three fundamental flaws that require a veto.

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

First, the bill is silent on the mechanics of insuring the required training takes place. Extensive trainings of this kind need to be organized and cost money. The bill contains no guidance as to who should provide these trainings; what would constitute an acceptable training; and, of course, who pays for these trainings. No money has been appropriated to implement the bill.

Second, SB 295 goes beyond mere training on the principles of federalism--it requires that the training be conducted pursuant to a particular ideological approach. The stated purpose of the bill is to "enhance certain state employees' ability to identify, prevent, or aid in repealing federal encroachments into state jurisdiction..." The LSD is a nonpartisan division of government that provides legal advice and services to the state legislature. The LSD's role with regard to providing legal advice in an area like "federalism" is to provide accurate and impartial information regarding the status of the law. It is the role of the legislature itself and the executive--not the LSD--to debate and decide when the federal government is encroaching upon our state's authority and prerogatives.

Finally, no real need was demonstrated for this bill. The LSD has long provided highly professional and essential support to the legislature. I have no doubt that the legal staff of the LSD knows the law of federalism, and can help impart that knowledge to other staff if deemed necessary.

For these reasons, I veto SB 295.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 22, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby **veto Senate Bill 362** (SB 362), "AN ACT REQUIRING TRANSPARENCY IN PRICING OF HEALTH CARE SERVICES; REQUIRING COST DISCLOSURES BY HEALTH CARE PROVIDERS AND HEALTH INSURERS; REQUIRING

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

HEALTH INSURERS TO OFFER TRANSPARENCY TOOLS FOR HEALTH CARE CONSUMERS; REQUIRING PUBLIC EMPLOYEE GROUP BENEFIT PLANS TO COMPLY WITH TRANSPARENCY REQUIREMENTS; PROVIDING PENALTIES; PROVIDING DEFINITIONS; AMENDING SECTIONS 2-18-702, 2-18-811, 20-25-1303, 33-22-101, 33-28-207, 33-35-306, 45-5-214, 50-4-504, 50-4-512, AND 50-4-518, MCA; AND PROVIDING EFFECTIVE DATES."

SB 362 is one of a handful of bills that were introduced this session seeking to overhaul health care payment methodology in Montana. I appreciate the legislature's work to control costs and improve quality for consumers. This bill was amended several times. Unfortunately, in its current form it does not advance Montanans' ability to make healthcare decisions in a cost-effective manner. It would require health plans to develop new technology and pass the costs on to patients, even though peer-reviewed medical and scientific studies show that online pricing tools are not used, and when they are, drive costs up. Absent data on quality, price is used as a proxy and people choose the more expensive service in hopes of getting the best treatment.

This legislature has passed HJ 20 which will provide for a study of the drivers of health care costs and look closely at health care payment and delivery reforms aimed at reducing healthcare costs that are grounded in evidence. I encourage the legislature to engage in a more thoughtful study, since the pace of the session can limit thorough consideration of such complex issues. I have directed my staff and Cabinet to help in this effort.

For these reasons, I veto SB 362.

Sincerely,

STEVE BULLOCK
Governor

cc: Scott Sales, President of the Senate
Austin Knudsen, Speaker of the House

May 25, 2017

Senator Scott Sales, President
Montana Senate
Capitol Building
Helena, MT 59620

Dear President Sales:

On Thursday, May 25, 2017, I signed and delivered the following bills to the Secretary of State:

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

SB 94 - K. Regier
SB 233 - M. Caferro
SB 366 - J. Cohenour

I have vetoed **SB 174** - R. Webb, **SB 235** - T. Richmond, **SB 248** - M. Blasdel, **SB 337** - D. Ankney, and **SB 340** - C. Smith. These bills and veto messages have been delivered to the Secretary of State.

Sincerely,

STEVE BULLOCK
Governor

May 25, 2017

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I do hereby **veto Senate Bill 235** (SB 235), "AN ACT ALLOWING THE LAND BOARD TO EXTEND A COAL LEASE IF THE EXTENSION IS IN THE BEST INTEREST OF THE STATE; AMENDING SECTION 77-3-314, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

SB 235 gives the state Land Board the power and discretion to extend a coal lease if it finds that the extension is in the "best interests" of the state. Under current law, a state coal lease that is not producing coal in commercial quantities prior to the end of the lease term must be terminated. The requirement is in place to ensure state lands are not indefinitely tied up in speculative leases.

SB 235 would take away that clarity and could allow the Land Board to continue a lease forever, regardless of whether coal is ever developed. Restricting state lands under semi-permanent lease, without any clarity as to whether coal will actually be developed, keeps nearby landowners--including the Northern Cheyenne Nation--in a state of perpetual uncertainty. Decisions about buying, selling, or improving land depend in part on the status of adjacent state lands. Speculative leases of the type proposed in SB 235 could undermine southeastern Montana's agricultural economy.

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

If, near the end of the term of a lease, a lessee wishes to simply extend the current lease, the Land Board already has a process in place for the lessee to bid and continue leasing the state coal when the current lease expires. If a lessee is operating under a valid permit and producing coal, the state must continue their lease. If the lessee does not have a valid permit and the lease expires, then the Land Board has the power already to award another lease through a competitive bid process. This process already has protected the trusts' interests and will continue to do so in the future, without the need for SB 235.

Moreover, to the extent this bill is particularly focused upon the Otter Creek Coal tracts, the State lease of those lands does not expire until 2022. Two additional legislative sessions remain prior to that lease expiration to continue these discussions.

For these reasons, I veto SB 235.

Sincerely,

STEVE BULLOCK
Governor

**LETTERS REGARDING POLL OF LEGISLATORS
FOLLOWING SESSION ADJOURNMENT**
Article VI, Section 10, Montana Constitution
Title 5, Section 4, Part 3, Montana Code Annotated

Letters from Corey Stapleton, Secretary of State, to Governor Steve Bullock and Susan Byorth-Fox, Director, Legislative Services Division, stating the Secretary of State had determined the following bills were not approved by two-thirds and would not be polled:

May 12, 2017	SB 93, SB 99, SB 117, SB 154, SB 184, SB 270, SB 282, SB 329, SB 345
May 17, 2017	SB 116, SB 175, SB 176
May 26, 2017	SB 143, SB 177, SB 276, SB 295, SB 368
May 31, 2017	SB 174, SB 248, SB 337, SB 340

Letters from Corey Stapleton, Secretary of State, to Governor Steve Bullock and Susan Byorth-Fox, Director, Legislative Services Division, stating the Secretary of State had determined the following bills were approved by a vote of at least two-thirds and a mail ballot vote would be conducted:

SENATE JOURNAL
ADDENDUM
65TH LEGISLATURE

May 15, 2017 **SB 126, SB 208**

May 26, 2017 **SB 362**

May 31, 2017 **SB 235**

Letters from Corey Stapleton, Secretary of State, to Governor Steve Bullock and Susan Byorth-Fox, Director, Legislative Services Division, stating the Secretary of State had conducted a poll of the members of the legislature and the Governor's veto was not overridden. Results are:

June 13, 2017 SB 126 FOR Override: House 50, Senate 22
AGAINST Override: House 30, Senate 16

June 15, 2017 SB 208 FOR Override: House 53, Senate 26
AGAINST Override: House 31, Senate 14

June 27, 2017 SB 362 FOR Override: House 41, Senate 26
AGAINST Override: House 28, Senate 13

July 5, 2017 SB 235 FOR Override: House 42, Senate 27
AGAINST Override: House 25, Senate 16