

1 HOUSE BILL NO. 597

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5
6 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING THE MONTANA PUBLIC LAND ACCESS NETWORK
7 GRANT PROGRAM; AUTHORIZING DONATIONS; CREATING THE MONTANA PUBLIC LAND ACCESS
8 NETWORK ACCOUNT; AUTHORIZING DISBURSEMENTS; REQUIRING BOARD OF LAND COMMISSIONER
9 APPROVAL; REQUIRING ACCESS EASEMENTS TO BE HELD AND ENFORCED BY THE DEPARTMENT OF
10 NATURAL RESOURCES AND CONSERVATION; EXCLUDING PAYMENTS FOR ACCESS FROM ADJUSTED
11 GROSS INCOME; PROVIDING A STATUTORY APPROPRIATION; PROVIDING DEFINITIONS; PROVIDING
12 RULEMAKING AUTHORITY; AMENDING SECTIONS 15-30-2110, 17-1-508, ~~AND 17-7-502, AND 87-2-903,~~
13 MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

14
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

16
17 **NEW SECTION. Section 1. Montana public land access network grant program -- donations --**
18 **rulemaking -- definitions.** (1) There is a Montana public land access network grant program. An individual or
19 organization may seek a grant from the program to secure public access through private land to public land, as
20 defined in 15-30-2380, for which there is no other legal public access or to enhance existing access to public land.

21 (2) The grant program is funded by private donations. State agencies shall, as appropriate, facilitate
22 private donations to the Montana public land access network account established in [section 2], including but not
23 limited to the following methods:

24 (a) a donation by a person of \$1 or more above the price of a wildlife conservation license purchased
25 pursuant to 87-2-202 or the price of a combination license that includes a conservation license; and

26 (b) a donation by a person, as defined in 2-4-102, through the websites of the department of natural
27 resources and conservation, the department of fish, wildlife, and parks, and the state of Montana.

28 (3) (a) The department of natural resources and conservation shall adopt a logo for the Montana public
29 land access network grant program, using the acronym "MT-PLAN". The department of natural resources and
30 conservation and the department of fish, wildlife, and parks shall use the logo on signs and maps indicating the

1 locations and access points of public lands made accessible through the grant program.

2 (b) Subject to the limitations provided in [section 2(4)], either department may be reimbursed from the
3 Montana public land access network account established in [section 2] for reasonable costs, as determined by
4 the board, that are associated with subsection (3)(a).

5 (4) The department of natural resources and conservation may adopt rules to implement the provisions
6 of this part.

7 (5) As used in this part, unless the context clearly indicates otherwise, the following definitions apply:

8 (a) "Board" means the board of land commissioners.

9 (b) "Department" means the department of natural resources and conservation.

10

11 **NEW SECTION. Section 2. Montana public land access network account.** (1) There is a Montana
12 public land access network account to the credit of the department in the state special revenue fund established
13 in 17-2-102. Money deposited in the account is statutorily appropriated, as provided in 17-7-502, and may be
14 used only for the purposes of this part.

15 (2) The following funds must be deposited in the account:

16 (a) money received pursuant to [section 1] or from any other source for the purposes of this part; and

17 (b) any interest or income earned on the account.

18 (3) The department shall make disbursements from the account for access project grants that are
19 approved by the board pursuant to [section 3].

20 (4) An amount that equals up to 10% of the grants awarded pursuant to this part in each fiscal year may
21 be used by the department for administrative purposes. In addition, during the first 5 years of the grant program,
22 the department may use up to 5% of the funds in the account each year to advertise the Montana public land
23 access network. After that, the department may use up to 2% of the funds in the account each year for
24 advertising. All administrative costs paid from the account must be approved by the board.

25 (5) Any unspent or unencumbered money in the account at the end of a fiscal year must remain in the
26 account.

27 (6) Any unspent or unencumbered money in the account on [the termination date of this act] must be
28 transferred to a state special revenue account to the credit of the department and used to secure public access
29 to public land for which there is no other legal public access or to enhance existing access to public land.

30

1 **NEW SECTION. Section 3. Grants -- eligibility.** (1) An individual or organization may apply to the
 2 department for a grant to pay for costs associated with an access project that secures public access through
 3 private land to public land, as defined in 15-30-2380, for which there is no other legal public access or to enhance
 4 existing access to public land. THE COSTS MUST INCLUDE PAYMENTS TO THE OWNER OF PRIVATE LAND WHO ALLOWS
 5 PUBLIC ACCESS. GRANTS MAY NOT BE MADE TO PAY COSTS ASSOCIATED WITH LITIGATION RELATED TO PUBLIC ACCESS.

6 (2) An access project that is eligible to receive a grant:

7 (a) (i) except as provided in subsection (2)(a)(ii), must provide public access for recreational purposes;

8 and

9 (ii) if the access project would provide access to state trust land, as defined in 77-1-101, must provide
 10 access for all lawful purposes to the state trust land;

11 (b) may have a term that ranges from ~~40~~ 3 years to in perpetuity. A termed easement that is awarded
 12 a grant pursuant to this section creates no expectation of access after the term expires.

13 (c) may not provide access to a previously inaccessible parcel of land if that parcel is leased state land
 14 under Title 77, chapter 1, and the lessee is not the landowner granting access to the parcel.

15 (3) The department shall make recommendations to the board regarding grant applications received
 16 pursuant to this section. A grant must be approved by the board before it is disbursed pursuant to [section 2].

17 (4) An access easement that is awarded a grant pursuant to this part must be held and enforced by the
 18 department.

19 (5) The department shall report the details of approved access project grants to the legislative auditor.

20

21 **Section 4.** Section 15-30-2110, MCA, is amended to read:

22 **"15-30-2110. Adjusted gross income.** (1) Subject to subsection (14), adjusted gross income is the
 23 taxpayer's federal adjusted gross income as defined in section 62 of the Internal Revenue Code, 26 U.S.C. 62,
 24 and in addition includes the following:

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

28 (ii) exempt-interest dividends as defined in section 852(b)(5) of the Internal Revenue Code, 26 U.S.C.
 29 852(b)(5), that are attributable to the interest referred to in subsection (1)(a)(i);

30 (b) refunds received of federal income tax, to the extent that the deduction of the tax resulted in a

1 reduction of Montana income tax liability as determined under subsection (15);

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

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

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

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

10 (g) except for exempt-interest dividends described in subsection (2)(a)(ii), the amount of any dividend
11 to the extent that the dividend is not included in federal adjusted gross income.

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

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

17 (ii) exempt-interest dividends as defined in section 852(b)(5) of the Internal Revenue Code, 26 U.S.C.
18 852(b)(5), that are attributable to the interest referred to in subsection (2)(a)(i);

19 (b) interest income earned by a taxpayer who is 65 years of age or older in a tax year up to and including
20 \$800 for a taxpayer filing a separate return and \$1,600 for each joint return;

21 (c) (i) except as provided in subsection (2)(c)(ii) and subject to subsection (16), the first \$4,070 of all
22 pension and annuity income received as defined in 15-30-2101;

23 (ii) subject to subsection (16), for pension and annuity income described under subsection (2)(c)(i), as
24 follows:

25 (A) each taxpayer filing singly, head of household, or married filing separately shall reduce the total
26 amount of the exclusion provided in subsection (2)(c)(i) by \$2 for every \$1 of federal adjusted gross income in
27 excess of \$33,910 as shown on the taxpayer's return;

28 (B) in the case of married taxpayers filing jointly, if both taxpayers are receiving pension or annuity
29 income or if only one taxpayer is receiving pension or annuity income, the exclusion claimed as provided in
30 subsection (2)(c)(i) must be reduced by \$2 for every \$1 of federal adjusted gross income in excess of \$33,910

- 1 as shown on their joint return;
- 2 (d) all Montana income tax refunds or tax refund credits;
- 3 (e) gain required to be recognized by a liquidating corporation under 15-31-113(1)(a)(ii);
- 4 (f) all tips or gratuities that are covered by section 3402(k) or service charges that are covered by section
5 3401 of the Internal Revenue Code of 1954, 26 U.S.C. 3402(k) or 3401, as amended and applicable on January
6 1, 1983, received by a person for services rendered to patrons of premises licensed to provide food, beverage,
7 or lodging;
- 8 (g) all benefits received under the workers' compensation laws;
- 9 (h) all health insurance premiums paid by an employer for an employee if attributed as income to the
10 employee under federal law;
- 11 (i) all money received because of a settlement agreement or judgment in a lawsuit brought against a
12 manufacturer or distributor of "agent orange" for damages resulting from exposure to "agent orange";
- 13 (j) principal and income in a medical care savings account established in accordance with 15-61-201
14 or withdrawn from an account for eligible medical expenses, as defined in 15-61-102, of the taxpayer or a
15 dependent of the taxpayer or for the long-term care of the taxpayer or a dependent of the taxpayer;
- 16 (k) principal and income in a first-time home buyer savings account established in accordance with
17 15-63-201 or withdrawn from an account for eligible costs, as provided in 15-63-202(7), for the first-time purchase
18 of a single-family residence;
- 19 (l) contributions or earnings withdrawn from a family education savings account or from a qualified tuition
20 program established and maintained by another state as provided by section 529(b)(1)(A)(ii) of the Internal
21 Revenue Code, 26 U.S.C. 529(b)(1)(A)(ii), for qualified higher education expenses, as defined in 15-62-103, of
22 a designated beneficiary;
- 23 (m) the recovery during the tax year of any amount deducted in any prior tax year to the extent that the
24 recovered amount did not reduce the taxpayer's Montana income tax in the year deducted;
- 25 (n) if the federal taxable distribution of an estate or trust is greater than the state taxable distribution of
26 the same estate or trust, the difference between the federal taxable distribution and the state taxable distribution
27 of the same estate or trust for the same tax period;
- 28 (o) deposits, not exceeding the amount set forth in 15-30-3003, deposited in a Montana farm and ranch
29 risk management account, as provided in 15-30-3001 through 15-30-3005, in any tax year for which a deduction
30 is not provided for federal income tax purposes;

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

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

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

7 (s) the amount of the gain recognized from the sale or exchange of a mobile home park as provided in
8 15-31-163; ~~and~~

9 (t) the amount of a scholarship to an eligible student by a student scholarship organization pursuant to
10 15-30-3104; and

11 (u) a payment received by a private landowner for providing public access to public land pursuant to
12 [sections 1 through 3].

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

17 (4) A taxpayer who, in determining federal adjusted gross income, has reduced the taxpayer's business
18 deductions by an amount for wages and salaries for which a federal tax credit was elected under sections 38 and
19 51(a) of the Internal Revenue Code, 26 U.S.C. 38 and 51(a), is allowed to deduct the amount of the wages and
20 salaries paid regardless of the credit taken. The deduction must be made in the year that the wages and salaries
21 were used to compute the credit. In the case of a partnership or small business corporation, the deduction must
22 be made to determine the amount of income or loss of the partnership or small business corporation.

23 (5) Married taxpayers filing a joint federal return who are required to include part of their social security
24 benefits or part of their tier 1 railroad retirement benefits in federal adjusted gross income may split the federal
25 base used in calculation of federal taxable social security benefits or federal taxable tier 1 railroad retirement
26 benefits when they file separate Montana income tax returns. The federal base must be split equally on the
27 Montana return.

28 (6) Married taxpayers filing a joint federal return who are allowed a capital loss deduction under section
29 1211 of the Internal Revenue Code, 26 U.S.C. 1211, and who file separate Montana income tax returns may
30 claim the same amount of the capital loss deduction that is allowed on the federal return. If the allowable capital

1 loss is clearly attributable to one spouse, the loss must be shown on that spouse's return; otherwise, the loss
2 must be split equally on each return.

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

8 (8) Married taxpayers filing a joint federal return in which one or both of the taxpayers are allowed a
9 deduction for an individual retirement contribution under section 219 of the Internal Revenue Code, 26 U.S.C.
10 219, and who file separate Montana income tax returns may claim the same amount of the deduction that is
11 allowed on the federal return. The deduction must be attributed to the spouse who made the contribution.

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

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

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

1 or expected to last at least 12 months.

2 (11) (a) An individual who contributes to one or more accounts established under the Montana family
3 education savings program or to a qualified tuition program established and maintained by another state as
4 provided by section 529(b)(1)(A)(ii) of the Internal Revenue Code, 26 U.S.C. 529(b)(1)(A)(ii), may reduce adjusted
5 gross income by the lesser of \$3,000 or the amount of the contribution. In the case of married taxpayers, each
6 spouse is entitled to a reduction, not in excess of \$3,000, for the spouses' contributions to the accounts. Spouses
7 may jointly elect to treat half of the total contributions made by the spouses as being made by each spouse. The
8 reduction in adjusted gross income under this subsection applies only with respect to contributions to an account
9 of which the account owner is the taxpayer, the taxpayer's spouse, or the taxpayer's child or stepchild if the
10 taxpayer's child or stepchild is a Montana resident. The provisions of subsection (1)(e) do not apply with respect
11 to withdrawals of contributions that reduced adjusted gross income.

12 (b) Contributions made pursuant to this subsection (11) are subject to the recapture tax provided in
13 15-62-208.

14 (12) (a) An individual who contributes to one or more accounts established under the Montana achieving
15 a better life experience program or to a qualified program established and maintained by another state as
16 provided by section 529A(e)(7) of the Internal Revenue Code, 26 U.S.C. 529A(e)(7), may reduce adjusted gross
17 income by the lesser of \$3,000 or the amount of the contribution. In the case of married taxpayers, each spouse
18 is entitled to a reduction, not to exceed \$3,000, for the spouses' contributions to the accounts. Spouses may
19 jointly elect to treat one-half of the total contributions made by the spouses as being made by each spouse. The
20 reduction in adjusted gross income under this subsection (12)(a) applies only with respect to contributions to an
21 account for which the account owner is the taxpayer, the taxpayer's spouse, or the taxpayer's child or stepchild
22 if the taxpayer's child or stepchild is a Montana resident. The provisions of subsection (1)(e) do not apply with
23 respect to withdrawals of contributions that reduced adjusted gross income.

24 (b) Contributions made pursuant to this subsection (12) are subject to the recapture tax provided in
25 53-25-118.

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

28 (i) is a health care professional licensed in Montana as provided in Title 37;

29 (ii) is serving a significant portion of a designated geographic area, special population, or facility
30 population in a federally designated health professional shortage area, a medically underserved area or

1 population, or a federal nursing shortage county as determined by the secretary of health and human services
2 or by the governor;

3 (iii) has had a student loan incurred as a result of health-related education; and

4 (iv) has received a loan payment during the tax year made on the taxpayer's behalf by a loan repayment
5 program described in subsection (13)(b) as an incentive to practice in Montana.

6 (b) For the purposes of subsection (13)(a), a loan repayment program includes a federal, state, or
7 qualified private program. A qualified private loan repayment program includes a licensed health care facility, as
8 defined in 50-5-101, that makes student loan payments on behalf of the person who is employed by the facility
9 as a licensed health care professional.

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

13 (15) A refund received of federal income tax referred to in subsection (1)(b) must be allocated in the
14 following order as applicable:

15 (a) to federal income tax in a prior tax year that was not deducted on the state tax return in that prior tax
16 year;

17 (b) to federal income tax in a prior tax year that was deducted on the state tax return in that prior tax year
18 but did not result in a reduction in state income tax liability in that prior tax year; and

19 (c) to federal income tax in a prior tax year that was deducted on the state tax return in that prior tax year
20 and that reduced the taxpayer's state income tax liability in that prior tax year.

21 (16) By November 1 of each year, the department shall multiply the amount of pension and annuity
22 income contained in subsection (2)(c)(i) and the federal adjusted gross income amounts in subsection (2)(c)(ii)
23 by the inflation factor for the following tax year, rounded to the nearest \$10. The resulting amounts are effective
24 for that following tax year and must be used as the basis for the exemption determined under subsection (2)(c).
25 (Subsection (2)(f) terminates on occurrence of contingency--sec. 3, Ch. 634, L. 1983; subsection (2)(o) terminates
26 on occurrence of contingency--sec. 9, Ch. 262, L. 2001; subsection (2)(t) terminates December 31, 2023--sec.
27 33, Ch. 457, L. 2015.)"

28

29 **Section 5.** Section 17-1-508, MCA, is amended to read:

30 **"17-1-508. Review of statutory appropriations.** (1) Each biennium, the office of budget and program

1 planning shall, in development of the executive budget, review and identify instances in which statutory
2 appropriations in current law do not appear consistent with the guidelines set forth in subsection (2).

3 (2) The review of statutory appropriations must determine whether a statutory appropriation meets the
4 requirements of 17-7-502. Except as provided in [section 2] and 77-1-108, a statutory appropriation from a
5 continuing and reliable source of revenue may not be used to fund administrative costs. In reviewing and
6 establishing statutory appropriations, the legislature shall consider the following guidelines. A proposed or existing
7 statutory appropriation may not be considered appropriate if:

8 (a) the money is from a continuing, reliable, and estimable source;

9 (b) the use of the appropriation or the expenditure occurrence is predictable and reliable;

10 (c) the authority exists elsewhere;

11 (d) an alternative appropriation method is available, practical, or effective;

12 (e) it appropriates state general fund money for purposes other than paying for emergency services;

13 (f) the money is used for general purposes;

14 (g) the legislature wishes to review expenditure and appropriation levels each biennium; and

15 (h) an expenditure cap and sunset date are excluded.

16 (3) The office of budget and program planning shall prepare a fiscal note for each piece of legislation
17 that proposes to create or amend a statutory appropriation. It shall, consistent with the guidelines in this section,
18 review each of these pieces of legislation. Its findings concerning the statutory appropriation must be contained
19 in the fiscal note accompanying that legislation."
20

21 **Section 6.** Section 17-7-502, MCA, is amended to read:

22 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory
23 appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the
24 need for a biennial legislative appropriation or budget amendment.

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

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

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

30 (3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120;

1 5-11-407; 5-13-403; 7-4-2502; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-3-203; 10-3-310; 10-3-312;
2 10-3-314; 10-4-301; 15-1-121; 15-1-218; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121; 15-70-101;
3 15-70-433; 15-70-601; 16-11-509; 17-3-106; 17-3-112; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-215;
4 18-11-112; 19-3-319; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506;
5 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-517; 20-9-520; 20-9-534; 20-9-622; 20-9-905; 20-26-617;
6 20-26-1503; 22-1-327; 22-3-116; 22-3-117; 22-3-1004; 23-4-105; 23-5-306; 23-5-409; 23-5-612; 23-7-301;
7 23-7-402; 30-10-1004; 37-43-204; 37-50-209; 37-51-501; 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; 44-12-213;
8 44-13-102; 50-1-115; 53-1-109; 53-6-1304; 53-9-113; 53-24-108; 53-24-206; 60-11-115; 61-3-415; 69-3-870;
9 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 76-13-150; 76-13-416; [section 2]; 77-1-108; 77-2-362; 80-2-222;
10 80-4-416; 80-11-518; 81-1-112; 81-7-106; 81-10-103; 82-11-161; 85-20-1504; 85-20-1505; [85-25-102]; 87-1-603;
11 90-1-115; 90-1-205; 90-1-504; 90-3-1003; 90-6-331; and 90-9-306.

12 (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,
13 paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued
14 pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana
15 to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state
16 treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory
17 appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the inclusion
18 of 19-20-604 terminates contingently when the amortization period for the teachers' retirement system's unfunded
19 liability is 10 years or less; pursuant to sec. 10, Ch. 10, Sp. L. May 2000, secs. 3 and 6, Ch. 481, L. 2003, and
20 sec. 2, Ch. 459, L. 2009, the inclusion of 15-35-108 terminates June 30, 2019; pursuant to sec. 73, Ch. 44, L.
21 2007, the inclusion of 19-6-410 terminates contingently upon the death of the last recipient eligible under
22 19-6-709(2) for the supplemental benefit provided by 19-6-709; pursuant to sec. 5, Ch. 442, L. 2009, the inclusion
23 of 90-6-331 terminates June 30, 2019; pursuant to sec. 16, Ch. 58, L. 2011, the inclusion of 30-10-1004
24 terminates June 30, 2017; pursuant to sec. 6, Ch. 61, L. 2011, the inclusion of 76-13-416 terminates June 30,
25 2019; pursuant to sec. 13, Ch. 339, L. 2011, the inclusion of 81-1-112 and 81-7-106 terminates June 30, 2017;
26 pursuant to sec. 11(2), Ch. 17, L. 2013, the inclusion of 17-3-112 terminates on occurrence of contingency;
27 pursuant to sec. 5, Ch. 244, L. 2013, the inclusion of 22-1-327 terminates July 1, 2017; pursuant to sec. 27, Ch.
28 285, L. 2015, and sec. 1, Ch. 292, L. 2015, the inclusion of 53-9-113 terminates June 30, 2021; pursuant to sec.
29 6, Ch. 291, L. 2015, the inclusion of 50-1-115 terminates June 30, 2021; pursuant to sec. 28, Ch. 368, L. 2015,
30 the inclusion of 53-6-1304 terminates June 30, 2019; pursuant to sec. 5, Ch. 383, L. 2015, the inclusion of

1 85-25-102 is effective on occurrence of contingency; pursuant to sec. 5, Ch. 422, L. 2015, the inclusion of
2 17-7-215 terminates June 30, 2021; pursuant to sec. 6, Ch. 423, L. 2015, the inclusion of 22-3-116 and 22-3-117
3 terminates June 30, 2025; pursuant to sec. 10, Ch. 427, L. 2015, the inclusion of 37-50-209 terminates
4 September 30, 2019; and pursuant to sec. 33, Ch. 457, L. 2015, the inclusion of 20-9-905 terminates December
5 31, 2023.)"

6

7 **SECTION 7. SECTION 87-2-903, MCA, IS AMENDED TO READ:**

8 **"87-2-903. (Temporary) Compensation, fees, and duties of agents -- penalty for late submission**
9 **of license money.** (1) License agents, except salaried employees of the department, must receive for all services
10 rendered a commission of 50 cents for each transaction, plus any additional amount as determined under
11 subsection (9) and by rules adopted pursuant to subsection (10).

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

15 (3) Each license agent shall submit to the department the money received from the sale of licenses and
16 donations received pursuant to 87-1-293 and [section 1], less the appropriate commission and convenience fee.

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

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

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

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

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

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

3 (10) The department may adopt rules necessary to implement this section. (Terminates June 30,
4 2019--sec. 7, Ch. 83, L. 2013.)

5 **87-2-903. (Effective July 1, 2019) Compensation, fees, and duties of agents -- penalty for late**
6 **submission of license money.** (1) License agents, except salaried employees of the department, must receive
7 for all services rendered a commission of 50 cents for each transaction, plus any additional amount as determined
8 under subsection (9) and by rules adopted pursuant to subsection (10).

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

12 (3) Each license agent shall submit to the department the money received from the sale of licenses and
13 donations received pursuant to [section 1], less the appropriate commission and convenience fee.

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

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

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

20 (7) For purposes of this section, the term "transaction" includes the sale of any license or permit,
21 collection of any data or fee, or issuance of any certificate prescribed by the department. The term does not
22 include donations collected pursuant to [section 1].

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

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

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

1
2 NEW SECTION. **Section 8. Codification instruction.** [Sections 1 through 3] are intended to be codified
3 as an integral part of Title 76, and the provisions of Title 76 apply to [sections 1 through 3].

4
5 NEW SECTION. **Section 9. Effective date.** [This act] is effective July 1, 2017.

6
7 NEW SECTION. **Section 10. Termination.** [This act] terminates June 30, 2027.

8 - END -