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

Roll Call. All members present, except Representative Mortensen, excused. Quorum present.

**BILLS** (Ricci, Chair):


Correctly engrossed: HB 19, HB 74, HB 85, HB 86, HB 128, HB 137, HB 139, HB 169, HB 186, HB 200, HB 201, HB 213.

Correctly enrolled: HB 1.

Examined by the sponsor and found to be correct: HB 1.

Transmitted to the Senate: HB 61, HB 71, HB 156.

Signed by the Speaker at 12:19 p.m., January 25, 2019: HB 1.

Signed by the Chief Clerk of the House at 12:23 p.m., January 25, 2019: HB 1.

**COMMUNICATIONS AND PETITIONS**

Mr. Speaker:

We, your committee on Legislative Administration, having examined the daily journals for the first, second, third, fourth, and fifth legislative days, find the same to be correct.

Representative Ricci, Chair

**REPORTS OF STANDING COMMITTEES**

**AGRICULTURE** (Shaw, Chair):


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


HB 64, do pass. Report adopted.

HB 74, introduced bill, be amended as follows:

1. Title, page 1, line 6.
   Following: "STATE AUDITOR;"
   Strike: "REVISING LAWS RELATED TO INJUNCTIONS;"

2. Title, page 1, line 7.
   Following: "AMENDING"
   Strike: "SECTION 33-1-318"

3. Page 1, line 11 through page 2, line 29.
   Strike: everything after the enacting clause
   Insert: "Section 1. Section 33-1-317, MCA, is amended to read:
   "33-1-317. Penalty imposed by commissioner -- restitution. (1) The commissioner may, after having conducted a hearing pursuant to 33-1-701, impose a fine not to exceed the sum of $25,000 upon a person found to have violated a provision of this code or regulation promulgated by the commissioner, except that the fine imposed upon insurance producers or adjusters may not exceed $5,000 per violation. The fine is in addition to all other penalties imposed by the laws of this state and must be collected by the commissioner in the name of the state of Montana. Imposition of a fine under this section is an order from which an appeal may be taken, pursuant to the provisions of 33-1-711.
   (2) (a) The commissioner may, after giving reasonable notice and an opportunity for a hearing, require a person who commits a violation of this title or any rule or order issued under this title to make restitution, with interest, to a person who has sustained a financial loss resulting from the violation.
   (b) The interest rate must be calculated as of the date of the final order or upon final judgment if the matter is appealed.
   (c) Interest accrues at a rate commensurate with that specified in 25-9-205.
   (3) (a) Fines and restitution under this section are in addition to all other penalties imposed by the laws of this state.
   (b) Imposition of a fine or restitution under this section is an order that is subject to an appeal as provided in 33-1-711."

Insert: "Section 2. Section 33-1-1211, MCA, is amended to read:
"33-1-1211. Administrative or civil penalties. (1) If, after a hearing conducted under 33-1-701, the commissioner determines that a person has committed administrative or civil insurance fraud, the commissioner may:
   (a) impose any penalty or procedure provided for in 33-1-317; or
   (b) require the person to pay the costs of the proceeding.
   (2) In addition to any other penalties, the commissioner shall require a person who commits administrative or civil insurance fraud to make restitution to the insurer or to any other person for all financial loss sustained as a result of the insurance fraud."

Insert: "Section 3. Section 33-1-1302, MCA, is amended to read:
"33-1-1302. Insurance, viatical settlement, medical care discount card, and pharmacy
discount card administrative or civil fraud -- insurer. (1) A person commits the act of insurance, viatical settlement, medical care discount card, or pharmacy discount card fraud when:

(a) in the course of offering or selling insurance, a medical care discount card, or a pharmacy discount card, the person misrepresents a material fact, known to the person to be untrue or made with reckless indifference as to whether it is true, with the intention of causing another person to rely upon the misrepresentation to that relying person's detriment; or

(b) with respect to a viatical settlement, the person violates the provisions of 33-1-1304.

(2) A person commits the act of insurance fraud or viatical settlement fraud by engaging in any transaction, act, practice, course of business, or course of dealing that involves a violation of insurable interest laws.

(3) The commissioner may, after having conducted a hearing pursuant to 33-1-701, impose the penalties or procedures provided for in 33-1-317 for a violation of 33-1-1304 or this section. Failure to pay a fine under this section results in a lien upon the assets and property of the person as provided in 33-1-318(3).

(4) In addition to any penalty provided for in 33-1-317, the commissioner may require a person regulated under this title who commits insurance, viatical settlement, medical care discount card, or pharmacy discount card fraud to make full restitution to the victim for all financial losses sustained as a result of the fraud with interest of 10% a year from the date of the fraud plus any costs and reasonable attorney fees, less the amount of any income, refund, or other benefit received by the victim from the insurance, viatical settlement, medical care discount card, or pharmacy discount card.

(5) The commissioner may require a person who commits a violation of this part to make full restitution to any person who may have sustained any losses as a result of the fraud with interest of 10% a year from the date of the loss plus any costs and reasonable attorney fees.

(6) An insurer, insurance producer, or other person who sustained any losses and who was awarded restitution may bring suit to recover those sums, including any attorney fees, interest at 10% a year, and costs incurred in obtaining a judgment.

(7) Failure of a person to pay any amount ordered under this section constitutes a forfeiture of the right to do business in this state."

Insert: "Section 4. Section 33-17-502, MCA, is amended to read:

"33-17-502. Prohibition on representation as consultant -- receiving fee. (1) A person not licensed as an insurance consultant in this state who identifies or represents to the public that the person is an insurance consultant without having been licensed as an insurance consultant under this part or a person who uses any other designation or title that is likely to mislead the public and represents to the public that the person has particular insurance qualifications other than those for which the person may be otherwise licensed or otherwise qualified may be fined or subject to procedures pursuant to 33-1-317.

(2) A person not licensed as an insurance consultant with respect to the relevant kinds of insurance who receives a fee for examining, appraising, reviewing, or evaluating any insurance policy, annuity or pension contract, plan, or program or who makes recommendations or gives advice with regard to any insurance policy, annuity or pension contract, plan, or program without first having been licensed by the commissioner as an insurance consultant may be fined or subject to procedures pursuant to 33-1-317.

(3) This part does not apply to:

(a) licensed attorneys at law in this state acting in their professional capacity; or
(b) an actuary or a certified public accountant who provides information, recommendations, advice, or services in a professional capacity if neither the actuary nor the certified public accountant or the actuary’s or certified public accountant’s employer receives any compensation directly or indirectly on account of any insurance, bond, annuity or pension contract that results in whole or part from that information, recommendation, advice, or services."

Insert: "Section 5. Section 33-17-1001, MCA, is amended to read:

"33-17-1001. Suspension, revocation, or refusal of license. (1) The commissioner may suspend, revoke, refuse to renew, or refuse to issue a license under this chapter, may levy a civil penalty or enforce other procedures in accordance with 33-1-317, or may choose any combination of actions when a licensee or applicant for licensure has:

(a) engaged or is about to engage in an act or practice for which issuance of the license could have been refused;

(b) obtained or attempted to obtain a license through misrepresentation or fraud, including but not limited to providing incorrect, misleading, incomplete, or materially untrue information in the license application or in the continuing education affidavit;

(c) violated or failed to comply with a provision of this code or has violated a rule, subpoena, or order of the commissioner or of the commissioner of any other state;

(d) improperly withheld, misappropriated, or converted to the licensee's or applicant's own use money or property belonging to policyholders, insurers, beneficiaries, or others and received in conduct of business under the license;

(e) been convicted of a felony;

(f) in the conduct of the affairs under the license, used fraudulent, coercive, or dishonest practices or the licensee or applicant is incompetent, untrustworthy, financially irresponsible, or a source of injury and loss to the public;

(g) misrepresented the terms of an actual or proposed insurance contract or application for insurance;

(h) been found guilty of an unfair trade practice or fraud prohibited by Title 33, chapter 18;

(i) had a similar license denied, suspended, or revoked in any other state;

(j) forged another's name to an application for insurance or to any document related to an insurance transaction;

(k) cheated on an examination for a license;

(l) knowingly accepted insurance business from a person who is not licensed;

(m) failed to comply with a final administrative or court order imposing a child support obligation; or

(n) failed to pay state income tax determined to be delinquent or to comply with any final administrative or court order directing payment of state income tax.

(2) The license of a business entity may be suspended, revoked, refused, or denied if a reason listed in subsection (1) applies to an individual designated in the license to exercise its powers.

(3) The commissioner retains the authority to enforce the provisions of and impose any penalty or remedy authorized by the insurance code against any person who is under investigation for or charged with a violation of the insurance code even if the person's license or registration has been surrendered, suspended, revoked, refused, or denied or has lapsed."

Insert: "Section 6. Section 33-18-233, MCA, is amended to read:

"33-18-233. Administrative penalty or other procedures for failure to pay promptly.
(1) The commissioner may, after a hearing, impose an administrative fine or other procedures as provided in 33-1-317 on an insurer if the commissioner finds that the insurer as a general course of business practice in this state fails to:
   (a) use due diligence in processing all claims;
   (b) pay claims in a timely manner;
   (c) provide proper notice, when required, with respect to the reasons for the insurer's failure to make claim payments when due;
   (d) pay, without just cause, proper claims arising under coverage provided by its policies, whether the claims are in favor of an insured, in favor of a third person with respect to the liability of an insured to the third person, or in favor of any other person entitled to the benefits of a policy; or
   (e) pay interest pursuant to 33-18-232(2).
(2) If an insurer can demonstrate that it has consistently paid 90% of the total dollar amount outstanding in claims to each claimant within 20 working days and all of the amount within 30 working days of receipt of claims during the 6-month period immediately preceding the hearing date, the insurer is not subject to the fine described in subsection (1)."

Insert: "Section 7. Section 33-19-405, MCA, is amended to read:
"33-19-405. Civil penalty and procedures. A person who violates this chapter is subject to the civil penalty and procedures provided in 33-1-317.""

Insert: "Section 8. Section 33-20-805, MCA, is amended to read:
"33-20-805. Duties of insurers, insurance producers, and independent agencies. (1) In recommending to a consumer the purchase of an annuity or the exchange of an annuity that results in another insurance transaction or series of insurance transactions, the insurance producer or the insurer when an insurance producer is not involved must have reasonable grounds for believing that the recommendation is suitable for the consumer on the basis of the facts disclosed by the consumer as to the consumer's investments, other insurance products, financial situation, and needs, including the consumer's suitability information, and that there is a reasonable basis to believe all of the following:
   (a) the consumer has been reasonably informed of various features of the annuity, including the potential surrender period and surrender charge, potential tax penalty if the consumer sells, exchanges, surrenders, or annuitizes the annuity, mortality and expense fees, investment advisory fees, potential charges for and features of riders, limitations on interest returns, insurance and investment components, and market risk;
   (b) the consumer would receive a benefit from the transaction;
   (c) the particular annuity as a whole, the underlying subaccounts to which funds are allocated at the time of the purchase, exchange, or replacement of the annuity, and riders and similar product enhancements, if any, are suitable for the particular consumer based on the consumer's suitability information; and
   (d) in the case of an exchange or replacement of an annuity, the exchange or replacement is suitable, including taking into consideration whether:
      (i) the consumer will incur a surrender charge, be subject to the commencement of a new surrender period, lose existing benefits, or be subject to increased fees, investment advisory fees, or charges for riders and similar product enhancements;
      (ii) the consumer would benefit from product enhancements and improvements;
      (iii) the consumer has had another annuity exchange or replacement and, in particular, an
exchange or replacement within the preceding 36 months; and

(iv) the transaction as a whole is suitable for the consumer based on the consumer's suitability information.

(2) Prior to the execution of a purchase, exchange, or replacement of an annuity resulting from a recommendation, an insurance producer or an insurer when an insurance producer is not involved shall make reasonable efforts to obtain the consumer's suitability information.

(3) Except as permitted under subsection (4), an insurer may not issue an annuity recommended to a consumer unless there is a reasonable basis to believe the annuity is suitable based on the consumer's suitability information.

(4) (a) Except as provided under subsection (4)(b), an insurance producer or an insurer when an insurance producer is not involved does not have any obligation to a consumer under subsection (1) or (3) related to any annuity transaction if:

(i) no recommendation is made;

(ii) a recommendation is made but later found to have been prepared based on materially inaccurate information provided by the consumer;

(iii) the consumer refuses to provide relevant suitability information requested by the insurer or insurance producer and the annuity transaction is not recommended; or

(iv) the consumer decides to enter into an annuity transaction that is not based on a recommendation of the insurer or insurance producer.

(b) An insurer's or insurance producer's issuance of an annuity under subsection (4)(a) must be reasonable under all the circumstances actually known or which after reasonable inquiry should be known to the insurer or insurance producer at the time the annuity is issued.

(5) An insurance producer or an insurer when an insurance producer is not involved shall at the time of sale:

(a) make a record of any recommendation subject to subsection (1);

(b) obtain a statement signed by the consumer acknowledging the consumer's refusal to provide suitability information, if any; and

(c) if a consumer decides to enter into an annuity transaction that is not based on the insurance producer's or insurer's recommendation, obtain a statement signed by the consumer acknowledging that the annuity transaction is not recommended.

(6) An insurer shall establish and maintain a supervision system that is reasonably designed to achieve the insurer's and its insurance producers' compliance with this section and, at a minimum, shall:

(a) maintain reasonable procedures to inform its insurance producers of the requirements of this section and shall incorporate the requirements of this section into relevant insurance producer training manuals;

(b) establish standards for insurance producer product training and maintain reasonable procedures to require its insurance producers to comply with the requirements of 33-20-807;

(c) provide product-specific training and training materials that explain all material features of its annuity products to its insurance producers;

(d) maintain procedures that are designed to ensure that there is a reasonable basis for determining that a recommendation is suitable for the consumer prior to issuance of an annuity. The review procedures must establish selection criteria for the purpose of identifying selected transactions for additional review.

(e) maintain reasonable procedures, such as confirmation of consumer suitability information, systematic consumer surveys, interviews, confirmation letters, and programs of
internal monitoring, to detect recommendations that are not suitable; and

(f) annually provide a report to senior management, including to the senior manager responsible for audit functions, that details a review, with appropriate testing, reasonably designed to determine the effectiveness of the supervision system, the exceptions found, and corrective action taken or recommended, if any.

(7) (a) An insurer may contract with a third party to establish and maintain a system of supervision as provided for in subsection (6).

(b) An insurer is responsible for taking appropriate corrective action and may be subject to sanctions and the penalties and procedures under 33-1-317 and 33-1-318 regardless of whether the insurer contracts for performance of a function and regardless of the insurer's compliance with subsection (7)(c).

(c) An insurer's supervision system under subsection (6) must include supervision of the performance of third parties under this subsection (7) and must include, at a minimum, the following:

(i) annually obtaining a certification from a director, officer, or principal of the third party that the third party is performing the required functions; and

(ii) monitoring and, as appropriate, conducting audits to ensure that the third parties are performing the required functions.

(8) An insurer is not required by this section to:

(a) review or provide for review of insurance producer solicited transactions not related to annuities; or

(b) include in its system of supervision an insurance producer's recommendations to consumers of products other than the annuities offered by the insurer.

(9) An insurance producer or an insurer when an insurance producer is not involved may not dissuade or attempt to dissuade a consumer from:

(a) truthfully responding to an insurer's request for confirmation of suitability information;

(b) filing a complaint; or

(c) cooperating with the investigation of a complaint.

(10) (a) Insurers, insurance producers, and independent agencies shall maintain or must be able to make available to the commissioner records of the information collected from the consumer and other information used in making the recommendations that were the basis for insurance transactions for 5 years after the insurance transaction is completed by the insurer. An insurer is permitted, but is not required, to maintain documentation on behalf of an insurance producer.

(b) Records required to be maintained by this section may be maintained in paper, photographic, microprocess, magnetic, mechanical, or electronic media or by any process that accurately reproduces the actual document."

Insert: "Section 9. Section 33-20-806, MCA, is amended to read:

"33-20-806. Mitigation of responsibility. (1) The commissioner may order:

(a) an insurer or insurance producer to take reasonably appropriate corrective action for any consumer harmed by the insurer's or insurance producer's violation of this part; or

(b) an insurance producer or independent agency that employs or contracts with another insurance producer to sell or solicit the sale of annuities to consumers to take reasonably appropriate corrective action for any consumer harmed by the other insurance producer's violation of this part."
(2) A violation of this part is an unfair trade practice under Title 33, chapter 18. Fines, penalties, and procedures may be imposed pursuant to 33-1-317."

Insert: "Section 10. Section 33-22-115, MCA, is amended to read:

"33-22-115. Provider agreement limited to covered services -- dental network constraints -- penalty -- definitions. (1) A provider agreement entered into or renewed on or after July 1, 2013, between dentists licensed under Title 37, chapter 4, and an issuer that offers an excepted benefits plan for limited-scope dental benefits or a health benefit plan that includes covered services may not:

(a) require the dentist to provide dental services to an individual covered under the excepted benefits plan or health benefit plan at a fee set by or subject to the approval of the issuer unless the dental services are covered services; or

(b) prohibit the dentist from offering or providing to an individual covered under the excepted benefits plan or health benefit plan any dental services that are not covered services. The fee for the noncovered services may be determined only under terms or conditions set by the dentist or negotiated by the dentist with the individual covered under the excepted benefits plan or health benefit plan.

(c) provide minimal coverage for covered services under the provider agreement for the sole purpose of avoiding the requirements of this section.

(2) A business entity that owns a network of health care providers and markets access to that network may not circumvent the terms of this section by making available to an issuer of an excepted benefits plan for limited-scope dental benefits or a health benefit plan that includes covered services any dentists in that network if the business entity sets dental services fees in its network for any services except covered services.

(3) An issuer of an excepted benefits plan for limited-scope dental benefits or a health benefit plan that includes covered services is subject to a fine or other procedure as provided in 33-1-317 for a violation of this section.

(4) For the purposes of this section, the following definitions apply:

(a) "Covered services" means dental care services provided under a plan for limited-scope dental benefits or a health benefit plan for which a payment is available subject to the application of contractual terms, including but not limited to annual or lifetime maximums, deductibles, copayments, coinsurance, waiting periods, frequency limitations, or alternative benefit reimbursement.

(b) "Issuer" includes an insurer, a health service corporation, or a third-party administrator that offers or administers an excepted benefits plan for limited-scope dental benefits or a health benefit plan that includes covered services."

Insert: "Section 11. Section 33-38-108, MCA, is amended to read:

"33-38-108. Pharmacy discount card supplier requirements. (1) A pharmacy discount card supplier that sells, markets, promotes, or distributes, for a consideration, a pharmacy discount card in Montana:

(a) shall clearly and conspicuously disclose on all advertising, marketing materials, and enrollment materials that discounts offered through the use of a pharmacy discount card are not insurance and are not intended as a substitute for insurance;

(b) shall clearly and conspicuously disclose on all pharmacy discount cards that discounts offered through the use of the pharmacy discount card are not insurance;

(c) shall disclose, when a pharmacy discount card is sold in combination with a group..."
limited supplemental insurance policy, that discounts offered through the use of the pharmacy discount card are not insurance;

(d) may not, in the advertising or offering of the pharmacy discount card, use terms or phrases commonly associated only with insurance products that could lead a prospective purchaser or user of the card to believe that the pharmacy discount card is composed of insurance products or is a substitute for insurance, despite disclaimers to the contrary by the pharmacy discount card supplier;

(e) shall ensure that each prescription drug provider claimed by the pharmacy discount card supplier to offer a discount in conjunction with the pharmacy discount card is contractually bound to provide that discount to the purchaser or user;

(f) may not make misleading, deceptive, or fraudulent representations regarding a discount or range of discounts available through the use of a pharmacy discount card;

(g) shall provide to each prospective purchaser or user prior to purchase reasonable access to a list of the benefits and services provided through the use of a pharmacy discount card;

(h) shall provide a prospective purchaser or user prior to purchase access to a list of any prescription drug providers in the prospective purchaser's or user's service area;

(i) shall disclose in all enrollment materials that a pharmacy discount card purchaser or user has 30 days to cancel a pharmacy discount card as provided in 33-38-104;

(j) shall make available to each pharmacy discount card user continuously after purchase of a pharmacy discount card, through a toll-free telephone number, the internet, and in writing upon request, the name, address, and telephone number of each prescription drug provider in the user's service area, including mail order prescription drug providers, that are bound by contract to offer prescription drugs in accordance with the terms and conditions of the pharmacy discount card; and

(k) shall designate and provide the commissioner with the name, address, and telephone number of a pharmacy discount card compliance officer responsible for ensuring compliance with the provisions of this part applicable to pharmacy discount cards and pharmacy discount card suppliers.

(2) A person violating the provisions of subsection (1) is subject to the fine or other procedures provided for in 33-1-317."

Insert: "NEW SECTION. Section 12. Effective date. [This act] is effective on passage and approval."

Insert: "NEW SECTION. Section 13. Applicability. [This act] applies to all orders entered on or after [the effective date of this act], including orders relating to acts or practices that occurred before [the effective date of this act]."


HB 85, introduced bill, be amended as follows:

1. Page 1, line 24 through line 25.

Strike: "the secretary of state" on line 24 through "commissioner of insurance" on line 25

Insert: "the commissioner of insurance may furnish the certificate verifying that the corporation has filed all applicable returns and that taxes have been paid through and including the corporation's final year of existence in Montana"
   Following: "originals of the"
   Insert: "proposed"

   Following: "reasons for the refusal."
   Insert: "The commissioner shall forward the approved articles and the applicable fees to the secretary of state."

   Following: "remaining set of"
   Insert: "approved"

5. Page 4, line 15.
   Following: "amendment's adoption"
   Insert: "in articles of amendment"
   Strike: "certificate"
   Insert: "articles of amendment"

   Strike: the first "certificate"
   Insert: "articles of amendment"
   Strike: the second "certificate"
   Insert: "articles of amendment"
   Strike: "amendments"
   Insert: "the amendment"

   Strike: "certificate does"
   Insert: "the articles of amendment do"

   Strike: "certificate"
   Insert: "the articles of amendment"

   Following: "must be approved."
   Insert: "The commissioner shall forward the approved articles and the applicable fees to the secretary of state."

    Following: "33-4-505"
    Strike: "qualified" through "title"
    Insert: "obtained a certificate of authority as provided in 33-4-505"
Strike: "secretary of state shall"
Insert: “authorized insurance company may”


FISH, WILDLIFE AND PARKS (Brown, Chair): 1/24/2019

HUMAN SERVICES (Lenz, Chair): 1/24/2019
HB 86, introduced bill, be amended as follows:

1. Title, page 1, line 7 through line 8.
Strike: "REQUIRING ELECTRONIC" on line 7 through "CIRCUMSTANCES;" on line 8
Strike: "FIRST-TIME OPIOID" on line 8
Following: "PRESCRIPTIONS"
Insert: "FOR OPIOID-NAIVE PATIENTS"
Strike: "5-DAY"
Insert: "7-DAY"

2. Title, page 1, line 14.
Following: "DATES"
Insert: "AND A TERMINATION DATE"

Strike: section 2 in its entirety
Renumber: subsequent sections

Strike: "first-time opioid"
Following: "prescriptions"
Insert: "for opioid-naive patients"

5. Page 3, line 11 through line 12.
Following: "practitioner" on line 11
Strike: ", a naturopath" on line 11 through "agreement" on line 12
Insert: "or a naturopathic physician"
Strike: "for the first time to a"
Insert: "to an opioid-naive"
Strike: "5-day"
Insert: "7-day"

Following: "judgment of the"
Insert: "medical"
Following: "practitioner"
Strike: ", naturopath, or pharmacist"
Insert: "or naturopathic physician"

Strike: "5-day"
Insert: "7-day"

Strike: "5"
Insert: "7"

Strike: "or"
Insert: "(5) the patient is being treated for chronic pain and the prescriber reviews the patient's records under the prescription drug registry every 3 months; or"
Renumber: subsequent subsection

11. Page 4, line 5.
Strike: subsection (1) in its entirety
Renumber: subsequent subsections

Strike: "Naturopath"
Insert: "Naturopathic physician"

Following: line 21
Insert: "(10) "Opioid-naive patient" means a patient who has not been prescribed a drug containing an opioid in the 90 days prior to the acute event or surgery for which an opioid is prescribed."

Strike: "[Sections 2 and 3] are"
Insert: "[Section 2] is"

15. Page 5, line 18.
Strike: "[sections 2 and 3]"
Strike: "[section 2]"
**Following:** "[Section"

**Strike:** "4"

**Insert:** "3"

17. Page 5, line 20.  
**Following:** "[section"

**Strike:** "4"

**Insert:** "3"

**Strike:** "[Sections 2 and 4] are"

**Insert:** "[Section 3] is"

**Insert:** "NEW SECTION. Section 8. Termination. [Section 2] terminates June 30, 2025."


**HB 186**, introduced bill, be amended as follows:

**Insert:** "NEW SECTION. Section 3. Notification to tribal governments. The secretary of state shall send a copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell Chippewa tribe."

**Renumber:** subsequent sections


**JUDICIARY** (Doane, Chair):  

**LOCAL GOVERNMENT** (Custer, Chair):  

**STATE ADMINISTRATION** (Mandeville, Chair):  
**HB 128**, introduced bill, be amended as follows:

1. Title, page 1, line 5.  
**Following:** "EMPLOYER"

**Insert:** "AND EMPLOYEE"
2. Title, page 1, line 7.
Strike: "SECTION"
Insert: "SECTIONS 19-8-502 AND"

Following: line 9
Insert: "Section 1.
Section 19-8-502, MCA, is amended to read:
"19-8-502. Member's contribution. (1) Each member's contribution is 11% of the member's compensation.
(2) Each employer, pursuant to section 414(h)(2) of the federal Internal Revenue Code of 1954, as amended and applicable on July 1, 1985, shall pick up and pay the contributions that would be payable by the member under subsection (1) for service rendered after June 30, 1985.
(3) The member's contributions picked up by the employer must be designated for all purposes of the retirement system as the member's contributions, except for the determination of a tax upon a distribution from the retirement system. These contributions must become part of the member's accumulated contributions but must be accounted for separately from those previously accumulated.
(4) The member's contributions picked up by the employer must be payable from the same source as is used to pay compensation to the member and must be included in the member's wages, as defined in 19-1-102, and the member's compensation as used to define the member's highest average compensation in 19-8-101. The employer shall deduct from the member's compensation an amount equal to the amount of the member's contributions picked up by the employer and remit the total of the contributions to the board."
Renumber: subsequent sections


HB 137, introduced bill, be amended as follows:

1. Title, page 1, line 4.
Strike: "OCTOBER 20"
Insert: "THE DAY IN OCTOBER DESIGNATED AS NATIONAL PRESCRIPTION DRUG TAKE-BACK DAY"

2. Page 1, line 16.
Strike: "October 20"
Insert: "The day in October designated as national prescription drug take-back day"


HB 139, introduced bill, be amended as follows:

1. Page 2, line 6.
Strike: "Printed"
Insert: "All"
2. Page 2, line 11.
   Following: "resolution."
   Insert: "For the purposes of this subsection (3)(a)(iii), the first clause of the bill or resolution’s title or a concise abbreviation of the title’s substance is sufficient."

3. Page 2, line 12.
   Strike: "Printed"
   Insert: "All"


TAXATION (Redfield, Chair):
HB 200, introduced bill, be amended as follows:

1. Title, page 1, line 7.
   Following: "15-24-202"

2. Page 2, line 16.
   Insert: "Section 2. Section 15-24-206, MCA, is amended to read:

   "15-24-206. Declaration of destination on imported mobile homes and manufactured homes -- display -- tax receipt -- exemptions. (1) A person who brings a mobile home or manufactured home or housetrailer into the state shall immediately upon arrival in the state execute a written declaration, verified under oath, stating the destination of the mobile home or manufactured home or housetrailer and any other information the department of revenue may require and shall deliver the original of the declaration to whomever is on duty at the nearest port of entry station, state vehicle weight station, or other place the department may prescribe. The person shall also immediately upon arrival in the state affix a copy of the declaration to the mobile home or manufactured home or housetrailer at a conspicuous place.

   (2) The treasurer shall issue the mobile home or manufactured home or housetrailer movement declaration provided for in this section to a person required by this section to execute it, in quantities the person requests to a maximum of 100. The treasurer shall issue additional quantities of the declaration to a maximum of 100 as the person requests at the discretion of the county treasurer upon receipt from the person of the previously issued declarations properly executed. Executed declarations must be delivered to the treasurer within 30 days from their issue.

   (3) A person who moves a mobile home or manufactured home or housetrailer from a point within the state to another point within or outside of the state shall first:

   (a) execute the declaration provided for in subsection (1), deliver the original of it to the treasurer of the county in which the move originates or to any other person the department prescribes, and affix a copy of it in a conspicuous place on the mobile home or manufactured home or housetrailer to be moved;"
(b) obtain from the county treasurer of the county in which the move originates a receipt showing:
   (i) payment in full of property taxes with respect to that mobile home, or manufactured home, or housetrailer; or
   (ii) payment of the property taxes provided for in 15-24-209.
(4) The provisions of subsection (3)(b) do not apply whenever a person moves a mobile home, or manufactured home, or housetrailer:
   (a) from a point outside of to a point within the state;
   (b) between places of business of dealers within or outside of the state;
   (c) from the place of business of a dealer to a point within or outside of the state; or
   (d) pursuant to the repossession of a mobile home, or manufactured home, or housetrailer, unless the treasurer has furnished the lienholder or secured party with timely notice of the delinquent tax due when information has been requested under 15-24-202(2).

Insert: "Section 3. Section 15-24-208, MCA, is amended to read:

"15-24-208. Penalty for moving mobile home or manufactured home on which taxes due. Any person who moves a mobile home, or manufactured home, or housetrailer on which property taxes are unpaid is guilty of a misdemeanor.""

Insert: "Section 4. Section 15-24-210, MCA, is amended to read:

"15-24-210. Notice of impending sale to certain lienholders. After entry of a notation by a county treasurer concerning a mobile home, or manufactured home, or housetrailer that is not taxed as an improvement to real property but before directing the sheriff to make a levy and sale on the mobile home, or manufactured home, or housetrailer, the treasurer shall notify a person who has a properly perfected security interest in the mobile home, or manufactured home, or housetrailer and who has furnished the treasurer a copy of the instrument by which the interest was perfected of the levy and sale. The notice must state that the sheriff may soon be requested to make a levy and sale on the mobile home, or manufactured home, or housetrailer.""

Renumber: subsequent sections


HB 201, introduced bill, be amended as follows:

   Strike: "(Notice expires 60 days from date of notice)"

   Following: line 9
   Insert: "Date tax lien will be purchased if delinquent taxes are not paid............."

   Following: line 13
   Insert: "..........
Printed name of company (if applicable)"

HB 213, introduced bill, be amended as follows:

1. Title, page 1, line 5.
   **Strike:** "IMMEDIATE"

   **Strike:** "for a barrel of west Texas intermediate crude oil"
   **Insert:** "reported and received by the producer for Montana oil marketed"
   **Following:** "$54"
   **Insert:** "a barrel"

   **Following:** "$54"
   **Insert:** "a barrel"

   **Strike:** section 2 in its entirety
   **Insert:** "NEW SECTION. Section 2. Effective date. [This act] is effective July 1, 2019."


**MESSAGES FROM THE SENATE**

**Senate bills** passed and transmitted to the House for concurrence: 1/23/2019

- **SB 2**, introduced by M. MacDonald
- **SB 14**, introduced by D. Brown
- **SB 25**, introduced by M. Blasdel
- **SB 28**, introduced by T. Richmond
- **SB 42**, introduced by J. Cohenour
- **SB 51**, introduced by D. Barrett
- **SB 56**, introduced by J. Ellis
- **SB 57**, introduced by J. Ellis
- **SB 63**, introduced by D. Sands
- **SB 67**, introduced by B. Gillespie
- **SB 75**, introduced by G. Vuckovich
- **SB 90**, introduced by N. McConnell

**House bill** concurred in and returned to the House: 1/23/2019

- **HB 1**, introduced by C. Glimm
The following House bills were introduced, read first time, and referred to committees:


**HB 301**, introduced by D. Loge, D. Fern, referred to Fish, Wildlife and Parks.

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

**SB 2**, introduced by M. MacDonald (by request of the Local Government Interim Committee), referred to Local Government.

**SB 14**, introduced by D. Brown (by request of the State Administration and Veterans' Affairs Interim Committee), referred to State Administration.

**SB 25**, introduced by M. Blasdel (by request of the Department of Justice), referred to Business and Labor.

**SB 28**, introduced by T. Richmond, referred to Taxation.

**SB 42**, introduced by J. Cohenour (by request of the Department of Revenue), referred to Taxation.

**SB 51**, introduced by D. Barrett (by request of the Department of Transportation), referred to Transportation.

**SB 56**, introduced by J. Ellis (by request of the Department of Livestock), referred to Agriculture.

**SB 57**, introduced by J. Ellis (by request of the Department of Livestock), referred to Agriculture.

**SB 63**, introduced by D. Sands (by request of the Board of Funeral Service), referred to Business and Labor.

**SB 67**, introduced by B. Gillespie (by request of the Department of Livestock), referred to Agriculture.

**SB 75**, introduced by G. Vuckovich (by request of the Board of Public Accountants), referred to Business and Labor.

**SB 90**, introduced by N. McConnell, referred to Judiciary.
Majority Leader Tschida moved the House resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Representative Glimm in the chair.

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

**HB 55** - Representative Mandeville moved **HB 55** do pass. Motion carried as follows:

Total 96

**Nays:** Fitzgerald, Loge, Morigeau.
Total 3

Voted absentee: Mortensen, Aye.

Excused: Mortensen.
Total 1

Absent or not voting: Hamilton.
Total 1

**HB 73** - Representative Dudik moved **HB 73** do pass. Motion carried as follows:

HB 123 - Representative Doane moved HB 123 do pass. Motion carried as follows:


Total 99

Nays: None.

Total 0

Voted absentee: Mortensen, Aye.

Excused: Mortensen.

Total 1

Absent or not voting: Holmlund.

Total 1

HB 124 - Representative Mandeville moved HB 124 do pass. Motion carried as follows:

Total  99

Nays: Fitzgerald.
Total  1

Voted absentee: Mortensen, Aye.

Excused: Mortensen.
Total  1

Absent or not voting: None.
Total  0

**HB 136** - Representative Dudik moved **HB 136** do pass. Motion carried as follows:

Total  96

Nays: Glimm, Noland, Vinton, White.
Total  4

Voted absentee: Mortensen, Aye.

Excused: Mortensen.
Total  1

Absent or not voting: None.
Total  0
HB 175 - Representative Dooling moved HB 175 do pass. Motion carried as follows:

Total 91

Nays: Berglee, Burnett, DeVries, Fuller, Manzella, Redfield, Regier, Usher, White.
Total 9

Voted absentee: Mortensen, Aye.

Excused: Mortensen.
Total 1

Absent or not voting: None.
Total 0

HB 198 - Representative Duram moved HB 198 do pass. Motion carried as follows:

Total 100

Nays: None.
Total 0

Voted absentee: Mortensen, Aye.

Excused: Mortensen.
Total 1
Absent or not voting: None.
Total 0

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

Total 97

Nays: Bachmeier, Glimm.
Total 2

Voted absentee: None.

Excused: Mortensen.
Total 1

Absent or not voting: None.
Total 0

THIRD READING OF BILLS

The following bills having been read three several times, title and history agreed to, were disposed of in the following manner:

HB 61 passed as follows:

HB 71 passed as follows:


Total 99

Nays: None.
Total 0

Voted absentee: None.

Excused: Mortensen.
Total 1

Absent or not voting: None.
Total 0

HB 156 passed as follows:

Total 99  
Nays: None.  
Total 0  
Voted absentee: None.  
Excused: Mortensen.  
Total 1  
Absent or not voting: None.  
Total 0  

ANNOUNCEMENTS  

Committee meetings were announced by the committee chairs.  

Majority Leader Tschida moved the House adjourn until 1:00 p.m., Monday, January 28, 2019. Motion carried.  

House adjourned at 1:38 p.m.