Senate convened at 2:00 p.m. President Sales presiding. Invocation by Senator Blasdel. Pledge of Allegiance to the Flag.

Roll Call. Forty-six members present. Senators Howard, Sesso, Thomas and Vuckovich excused. Quorum present.

BILLS AND JOURNALS (Keenan, Chair):
Correctly printed: SB 100, SB 137, SB 196, SB 209, SB 210, SB 211, SB 212, SB 213, SB 214, SB 215, SB 216, SB 217, SB 218, SB 219, SB 220, SB 221, SB 222, SB 223, SB 224, SR 26, SR 27, SR 28, HB 20, HB 63, HB 101, HB 156.
Correctly enrolled: SR 4, SR 5.
Correctly engrossed: SB 9, SB 47, SB 160, SB 168, SB 179, HB 79.
Examined by the sponsor and found to be correct: SR 4, SR 5.
Transmitted to the House: SB 79, SB 144, SB 161, SB 163.
Signed by the Secretary of the Senate at 1:15 p.m., February 7, 2019: SR 4, SR 5.
Signed by the President at 2:45 p.m., February 7, 2019: SR 4, SR 5.
Delivered to the Secretary of State at 3:53 p.m., February 7, 2019: SR 4, SR 5.

REPORTS OF STANDING COMMITTEES

BUSINESS, LABOR, AND ECONOMIC AFFAIRS (Fitzpatrick, Chair):
SB 160, introduced bill, be amended as follows:
1. Page 1, line 27.
   Following: "each occupational disease"
   Strike: "or"
   Insert: "and"

2. Page 2, line 3.
   Strike: "4"
   Insert: "10"

   Following: "15 years;"
   Insert: "and"

4. Page 2, line 11.
   Strike: subsection (k) in its entirety
   Renumber: subsequent subsections
   **Following:** line 12
   **Insert:** "(3) For purposes of calculating the number of years of a firefighter's employment history under subsection (2), a firefighter's employment history after July 1, 2014, may be calculated."
   **Renumber:** subsequent subsections

6. Page 2, line 16.
   **Strike:** "(3)"
   **Insert:** "(4)"

   **Following:** "claimant's job history."
   **Insert:** "For pulmonary or respiratory diseases under subsection (2), the diseases must be the type that can reasonably be caused by firefighting activities."

8. Page 2, line 23.
   **Strike:** "substantial"
   **Insert:** "a preponderance of the"

   **Following:** "chapter 71, part 24."
   **Insert:** "Nothing in this section limits an insurer's ability to assert that the occupational disease was not caused by the firefighter's employment history as a firefighter."

    **Following:** line 3
    **Insert:** "(7) [Section 2] and this section:
        (a) apply only to presumptive occupational diseases for firefighters; and
        (b) do not apply to any other issue relating to workers' compensation and may not be used or cited as guidance in the administration of Title 33 or 37."
    **Renumber:** subsequent subsections

    **Following:** "investigating fires"
    **Insert:** ", with at least 1 year of firefighting operations in Montana beginning on or after July 1, 2019,"

12. Page 3, line 16 through line 17.
    **Strike:** subsection (c) in its entirety
    **Renumber:** subsequent subsections

13. Page 3, line 21 through line 27.
    **Following:** "specific to an accident."
    **Strike:** remainder of line 21 through line 27 in their entirety
Strike: "substantial"
Insert: "objective medical"

Strike: "noncancer respiratory"

Strike: "5"
Insert: "10"

17. Page 7, line 6.
Following: "but may be overcome by"
Strike: "substantial evidence, as defined in [section 1]"
Insert: "a preponderance of the evidence"

18. Page 9, line 19.
Following: line 18
Insert: "NEW SECTION. Section 7. Contingent voidness. If a court finds any part of [this act] to be in violation of the equal protection clauses of the U.S. or Montana constitutions relating to workers' compensation claims or a court applies the presumption in [sections 1 and 2] to another class of occupation other than firefighters, then [this act] is void."

Renumber: subsequent sections

And, as amended, do pass.

SB 168, introduced bill, be amended as follows:

1. Title, page 1, line 4.
Strike: "REVISING THE"
Insert: "PROHIBITING AN"

2. Title, page 1, line 4 through line 5.
Strike: "TO" on line 4 through "RESTRICT USE OF" on line 5
Insert: "FROM INQUIRING ABOUT THE APPLICANT'S"

3. Title, page 1, line 6.
Following: "LABOR AND INDUSTRY;"
Insert: "PROVIDING FOR RULEMAKING;"

4. Page 1, line 14.
Following: "an employer may require"
Insert: "on the initial application form"

5. Page 1, line 15.
Following: "criminal history"
Strike: "on an initial application form"

6. Page 1, line 16.
Following: "(a) when "
Insert: "the disclosure is"
Following: "required"
Insert: "for the position"

7. Page 1, line 17.
Strike: "or"

8. Page 1, line 18.
Following: line 17
Insert: "(c) for hiring by an employer whose business requires cataloging and retention of personal private information;
(d) for hiring by any employer whose business is on school district property;
(e) for hiring an employee who will work in direct proximity to:
(i) persons under 18 years of age; or
(ii) persons for whom the employer owes a particular duty of care because of the person's vulnerability caused by a physical, mental, or developmental condition;"
Renumber: subsequent subsections

Following: line 20
Insert: "(a) an employer from asking an applicant about the applicant’s conviction history or criminal history after the initial application has been submitted by the applicant;"
Renumber: subsequent subsections

10. Page 1, line 22.
Following: "references from"
Insert: "also"

11. Page 1, line 22 through line 23.
Following: "criminal history"
Strike: "when making a" on line 22 through "hiring decision" on line 23

Following: "nonhiring authority required"
Insert: "by law, rule, or regulation"

13. Page 1, line 25.
Following: "requesting information"
Strike: "related to a"
Insert: "from the individual about the individual's"
Following: "conviction history or"
Strike: "a"

Following: "[section 1]"
Strike: "at least once" on line 3 through "process" on line 4
Insert: "to employers and employees through its official internet website and by any other means determined suitable by the department"

Following: line 12
Insert: "(3) An employer may object to a penalty imposed pursuant to subsection (2) by requesting that a contested case proceeding be held by the department. The department shall conduct the contested case proceeding pursuant to the Montana Administrative Procedure Act."

Insert: "NEW SECTION. Section 3. Rulemaking authority. The department may adopt rules to implement the provisions of [sections 1 and 2]."

Renumber: subsequent sections

Strike: "and 2"
Insert: "through 3"

17. Page 2, line 15.
Strike: "and 2"
Insert: "through 3"

And, as amended, do pass.

SB 171, do pass.
HB 64, be concurred in.
HB 67, be concurred in.

EDUCATION AND CULTURAL RESOURCES (Salomon, Chair):

SB 9, introduced bill, be amended as follows:

1. Title, page 1, line 8.
Following: "TAXPAYERS"
Insert: "AND THAT GENERAL FUND BUDGET LIMITS IN THE SUBSEQUENT YEAR ARE RECALCULATED TO REFLECT ACTUAL ANB"
Following: "20-9-141"
Insert: ", 20-9-308,"

Insert: "Section 2. Section 20-9-308, MCA, is amended to read:
"20-9-308. BASE budgets and maximum general fund budgets budget limits, (1) (a)
The trustees of a district shall adopt a general fund budget that is at least equal to the BASE budget established for the district. The trustees of a district may adopt a general fund budget up to the greater of:

(i) the current year's maximum general fund budget; or
(ii) the previous year's general fund budget, whichever is greater plus any increase in direct state aid for the basic and per-ANB entitlements and any increases in state funding of the data-for-achievement payment under 20-9-325 and in the general fund payments in 20-9-327 through 20-9-330.

(b) When anticipated enrollment increases under 20-9-314 are not realized in the previous year, the trustees may adopt a general fund budget up to the greater of:

(i) the current year's maximum general fund budget; or
(ii) the previous year's adopted general fund budget recalculated to reflect the previous year's actual enrollment pursuant to 20-9-314(6)(b) plus any increase in direct state aid for the basic and per-ANB entitlements and any increases in state funding of the data-for-achievement payment under 20-9-325 and in the general fund payments in 20-9-327 through 20-9-330.

(b) For purposes of the budget limitation in subsection (1)(a), the trustees may add any increase in direct state aid for the basic and per-ANB entitlements and any increases in state funding of the data-for-achievement payment under 20-9-325 and in the general fund payments in 20-9-327 through 20-9-330 to the district's previous year's general fund budget.

(2) (a) Except as provided in subsection (2)(b), whenever the trustees of a district propose to adopt a general fund budget that exceeds the BASE budget for the district and propose to increase the over-BASE budget levy over the highest revenue previously authorized by the electors of the district or imposed by the district in any of the previous 5 years to support the general fund budget, the trustees shall submit a proposition to the electors of the district, as provided in 20-9-353.

(b) The intent of this section is to increase the flexibility and efficiency of elected school boards without increasing school district property taxes. In furtherance of this intent and provided that budget limitations otherwise specified in law are not exceeded, the trustees of a district may increase the district's over-BASE budget levy without a vote if the board of trustees reduces nonvoted property tax levies authorized by law to be imposed by action of the trustees of the district by at least as much as the amount by which the over-BASE budget levy is increased. The ongoing authority for any nonvoted increase in the over-BASE budget levy imposed under this subsection (2)(b) must be decreased in future years to the extent that the trustees of the district impose any increase in other nonvoted property tax levies.

(3) The BASE budget for the district must be financed by the following sources of revenue:

(a) state equalization aid, as provided in 20-9-343, including any guaranteed tax base aid for which the district may be eligible, as provided in 20-9-366 through 20-9-369;
(b) county equalization aid, as provided in 20-9-331 and 20-9-333;
(c) a district levy for support of a school not approved as an isolated school under the provisions of 20-9-302;
(d) payments in support of special education programs under the provisions of 20-9-321;
(e) nonlevy revenue, as provided in 20-9-141; and
(f) a BASE budget levy on the taxable value of all property within the district.

(4) The over-BASE budget amount of a district must be financed by a levy on the taxable value of all property within the district or other revenue available to the district, as provided in 20-9-141.
Renumber: subsequent sections

Following: "limitations"
Insert: ", adopted budget,"

And, as amended, do pass.

HB 61, be concurred in.

JUDICIARY (Regier, Chair): 2/7/2019
SR 10, be adopted.

LOCAL GOVERNMENT (Lang, Chair): 2/6/2019
SB 179, introduced bill, be amended as follows:

1. Title, page 1, line 5.
Strike: "A LOCAL GOVERNING BODY"
Insert: "CERTAIN ELECTED OFFICIALS"
Following: ","
Strike: "AND"

2. Title, page 1, line 6.
Following: "MCA"
Insert: "; AND PROVIDING A RETROACTIVE APPLICABILITY DATE"

3. Page 1, line 14.
Following: "other than"
Insert: "in"

4. Page 1, line 15.
Strike: "local governing body"
Insert: "governing city council, city commission, or board of county commissioners"

5. Page 1.
Following: line 16
Insert: "NEW SECTION. Section 2. Retroactive applicability. [This act] applies retroactively, within the meaning of 1-2-109, to any rule or ordinance that prohibits smoking in places other than in an enclosed public place that became effective without being adopted or approved by the governing city council, city commission, or board of county commissioners."

And, as amended, do pass.

NATURAL RESOURCES (Welborn, Chair): 2/6/2019
SB 47, introduced bill, be amended as follows:

STATE INTERNET/BBS COPY
1. Title, page 1, line 5.
   Following: "BASIN"
   Insert: "ADVISORY"

2. Title, page 1, line 7.
   Following: "BASIN"
   Insert: "ADVISORY"

3. Title, page 1, line 9.
   Following: "BASIN"
   Insert: "ADVISORY"

4. Page 2, line 16 through line 17.
   Strike: "a new" on line 16 through "council" on line 17
   Insert: "a basin advisory council"

5. Page 2, line 22.
   Following: "basin"
   Insert: "advisory"

6. Page 2, line 22 through line 23.
   Strike: "members" on line 22 through "specialists" on line 23
   Insert: "key water interests within the basins, including, on recommendation from relevant water
   user interest groups, at least one representative each from:
   (i) agricultural;
   (ii) industrial;
   (iii) conservation;
   (iv) municipal;
   (v) recreational;
   (vi) tribal;
   (vii) irrigation;
   (viii) conservation district; and
   (ix) watershed organizations"

   Following: "basin"
   Insert: "advisory"

   Following: "basin"
   Insert: "advisory"

   Following: line 26
   Insert: "(e) The department may use existing basin councils as a basin advisory council if the"
composition and purpose of the existing basin council is consistent with this subsection (4)."

And, as amended, do pass.

HB 119, be concurred in.

PUBLIC HEALTH, WELFARE AND SAFETY (Howard, Chair):
HB 79, be amended as follows:

1. Page 10, line 29.  
Strike: "department of labor and industry may use the"

2. Page 10, line 30.  
Strike: "only"  
Insert: "must be used by the department of labor and industry"

Following: "purpose"  
Insert: "of the state and for no other purpose"

Strike: "department" on line 6 through "use the" on line 7  
Strike: "only" on line 7  
Insert: "must be used by the department of labor and industry"

Following: "purpose"  
Insert: "of the state and for no other purpose"

Strike: "may only"  
Insert: "must"

And, as amended, be concurred in.

HB 83, be concurred in.  
HB 103, be concurred in.

STATE ADMINISTRATION (Brown, Chair):
SB 108, introduced bill, be amended as follows:

1. Page 1, line 28.  
Following: "(4)"  
Insert: "(a)"
2. Page 1, lines 29 through 30.
Strike: "$150,000" in two places
Insert: "$90,000" in two places

3. Page 1, line 30.
Strike: "$75,000"
Insert: "$30,000"

4. Page 2, line 2.
Following: line 1
Insert: "(b) Starting on July 1, 2024, and every 5 years thereafter, the department of administration shall adjust the limits in subsection (4)(a) for inflation. The newly adjusted limits must be published by rule. The inflation adjustment is found by dividing the consumer price index for June of the year prior by the consumer price index for June 2019."

Following: "(1)"
Insert: "(a)"

Strike: "$150,000"
Insert: "$90,000"

7. Page 5, line 3.
Following: line 2
Insert: "(b) Starting on July 1, 2024, and every 5 years thereafter, the department of administration shall adjust the limits in subsection (1)(a) for inflation. The newly adjusted limits must be published by rule. The inflation adjustment is found by dividing the consumer price index for June of the year prior by the consumer price index for June 2019."

And, as amended, do pass.

SB 148, introduced bill, be amended as follows:

1. Page 1, line 30.
Following: "day."
Insert: "to the election office or"

And, as amended, do pass.

TAXATION (Webb, Chair):
SB 152, do pass.
SB 165, introduced bill, be amended as follows:

1. Title, page 1, line 4.
2. Title, page 1, line 5.
Strike: "TRAILERS"
Insert: "MOVABLE HOUSING"

3. Title, page 1, line 5 through line 6.
Strike: "AND REFUND" on line 5 through "STATUS" on line 6
Insert: "FOR UNINHABITABLE MOVABLE HOUSING"
Strike: "A DEFINITION" on line 6
Insert: "DEFINITIONS"
Strike: "SECTIONS" on line 6
Insert: "SECTION"

4. Title, page 1, line 7.
Strike: "15-16-611, AND 15-16-612;"

5. Page 2, line 10.
Strike: "house trailer"
Insert: "housetrailer, manufactured home;"
Following: "based on"
Strike: "trailer"

6. Page 2, line 11.
Strike: "status"
Strike: "defined"
Insert: "provided"
Strike: "15-16-611"
Insert: "[section 2]"

7. Page 2, line 15 through page 3, line 29.
Strike: section 2 through section 3 in their entirety
Insert: "NEW SECTION. Section 2. Exemption -- abandoned housetrailer, manufactured home, or mobile home. (1) There is a property tax exemption for movable housing that is uninhabited because it is no longer fit for human habitation. To be eligible for the exemption, an applicant must meet the requirements of this section. This section does not apply to movable housing that receives an abatement for a natural disaster as provided in 15-16-611.

(2) If the movable housing has a productive use other than human habitation, the department shall assess a value to the property based on the productive use.

(3) (a) A claim for an exemption must be filed by March 1 of the tax year for which the exemption is sought on an application form provided by the department. An applicant that does not apply for an exemption during the first year of the valuation cycle may apply during the second year of the cycle.

(b) The exemption application form must contain an affirmation that the movable housing
satisfies the provisions of this section and any other information required by the department that is relevant to the applicant's eligibility.

(c) When providing information to the department for qualification under this section, an applicant is subject to the false swearing penalties established in 45-7-202.

(d) The department shall investigate the information provided in an application and any information provided by a third party or local government. A local government may assist an owner of movable housing to submit an application for an exemption.

(4) After an exemption is approved, the applicant remains eligible for the exemption as long as the property continues to satisfy the provisions of this section.

(5) As used in this section, the following definitions apply:

(a) "Movable housing" means a housetrailer, manufactured home, or mobile home that is not treated as an improvement to real property as defined in 15-1-101.

(b) "Productive use" means used for livestock or storage of personal property.

Insert: "NEW SECTION. Section 3. Codification instruction. [Section 2] is intended to be codified as an integral part of Title 15, chapter 6, part 2, and the provisions of Title 15, chapter 6, part 2, apply to [section 2]."

Renumber: subsequent sections

And, as amended, do pass.

HB 72, be concurred in.
HB 84, be concurred in.
HB 88, be concurred in.

Without objection, committee reports were adopted.

MESSAGES FROM THE OTHER HOUSE

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

2/6/2019

SJ 1, introduced by F. Thomas

House bills passed and transmitted to the Senate for concurrence:

2/6/2019

HB 16, introduced by D. Fern
HB 24, introduced by A. Redfield
HB 154, introduced by K. Sullivan
HB 162, introduced by T. Welch
HB 163, introduced by T. Welch
HB 164, introduced by B. Usher
HB 170, introduced by M. Sweeney
HB 196, introduced by T. Welch
HB 257, introduced by W. Curdy
FIRST READING AND COMMITMENT OF BILLS

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

**SB 225**, introduced by S. Fitzpatrick, K. Dudik, J. Krautter, M. McNally, B. Mercer, referred to Judiciary.


**SB 227**, introduced by J. Ellis, referred to State Administration.

**SB 228**, introduced by B. Hoven, referred to Highways and Transportation.

**SB 229**, introduced by B. Hoven, referred to Judiciary.

**SB 230**, introduced by D. Sands, J. Cohenour, referred to Agriculture, Livestock and Irrigation.


**SB 232**, introduced by B. Bennett, referred to State Administration.

The following Senate bill was introduced and read first time:

**SB 233**, introduced by T. Gauthier.

The following Senate bills, previously introduced, were referred to committees:


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

**SJ 10**, introduced by K. Bogner, J. Fuller, referred to State Administration.

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

**HB 16**, introduced by D. Fern (by request of the Local Government Interim Committee), referred to Taxation.
HB 24, introduced by A. Redfield (by request of the Revenue and Transportation Interim Committee), referred to Taxation.

HB 154, introduced by K. Sullivan, referred to Local Government.

HB 162, introduced by T. Welch, referred to Business, Labor, and Economic Affairs.

HB 163, introduced by T. Welch, referred to Business, Labor, and Economic Affairs.


HB 170, introduced by M. Sweeney, referred to State Administration.

HB 196, introduced by T. Welch, referred to Business, Labor, and Economic Affairs.

HB 257, introduced by W. Curdy, N. Duram, referred to Judiciary.

HB 259, introduced by D. Bedey, referred to Local Government.

SECOND READING OF BILLS
(COMMITTEE OF THE WHOLE)

Senator Fitzpatrick moved the Senate resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Senator Gillespie in the chair.

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

SJ 4 - Senator Pomnichowski moved that consideration of SJ 4 be passed to Monday, February 11, 2019, the twenty-eighth legislative day. Without objection, so ordered.

SB 114 - Senator Gross moved SB 114 do pass. Motion carried as follows:

Total 37

Nays: Brown, Ellsworth, Hinebauch, Kary, Lang, Mr President, Smith C, Tempel, Vance.
Total 9

Paired: None.

Excused: Howard, Sesso, Thomas, Vuckovich.
Total 4

Absent or not voting: None.
Total 0

STATE INTERNET/BBS COPY 14
SB 151 - Senator Fitzpatrick moved SB 151 do pass. Motion carried as follows:

Total 46

Nays: None.
Total 0

Paired: None.

Excused: Howard, Sesso, Thomas, Vuckovich.
Total 4

Absent or not voting: None.
Total 0

SR 8 - Senator K. Regier moved the nomination transmitted by the Governor be concurred in and confirmed by the Senate in accordance with SR 8. Motion carried as follows:

Total 46

Nays: None.
Total 0

Paired: None.

Excused: Howard, Sesso, Thomas, Vuckovich.
Total 4

Absent or not voting: None.
Total 0

SR 9 - Senator K. Regier moved the nominations transmitted by the Governor be concurred in and confirmed by the Senate in accordance with SR 9. Motion carried as follows:

Yeas: Ankney, Barrett, Bennett, Blasdel, Bogner, Boland, Brown, Cohenour, Cuffe, Ellis,
Total 44

Nays: Fielder, Hinebauch.
Total 2

Paired: None.

Excused: Howard, Sesso, Thomas, Vuckovich.
Total 4

Absent or not voting: None.
Total 0

**SR 14** - Senator Fitzpatrick moved the nominations transmitted by the Governor be concurred in and confirmed by the Senate in accordance with **SR 14**. Motion carried as follows:

Total 46

Nays: None.
Total 0

Paired: None.

Excused: Howard, Sesso, Thomas, Vuckovich.
Total 4

Absent or not voting: None.
Total 0

Senator McConnell excused at this time.

**SR 15** - Senator Fitzpatrick moved the nominations transmitted by the Governor be concurred in and confirmed by the Senate in accordance with **SR 15**.

**SR 15** - Senator Fitzpatrick moved **SR 15**, second reading copy, be amended as follows:
1. Page 1, line 19.
   **Strike:** "2-15-1874"
   **Insert:** "2-15-1814"

Amendment **adopted** as follows:

Total 45

Nays: None.
Total 0

Paired: None.

Excused: Howard, McConnell, Sesso, Thomas, Vuckovich.
Total 5

Absent or not voting: None.
Total 0

**SR 15** - As amended, resolution adopted as follows:

Total 45

Nays: None.
Total 0

Paired: None.

Excused: Howard, McConnell, Sesso, Thomas, Vuckovich.
Total 5

Absent or not voting: None.
Total 0

**SR 24** - Senator Welborn moved the nomination transmitted by the Governor be concurred in
and confirmed by the Senate in accordance with **SR 24**. Motion carried as follows:

Total 45

Nays: None.
Total 0

Paired: None.

Excused: Howard, McConnell, Sesso, Thomas, Vuckovich.
Total 5

Absent or not voting: None.
Total 0

Senator Fitzpatrick moved the committee **rise and report**. Motion carried. Committee arose. Senate resumed. President Sales presiding.

Senator Gillespie moved the Committee of the Whole report be adopted. Report adopted as follows:

Total 45

Nays: None.
Total 0

Paired: None.

Excused: Howard, McConnell, Sesso, Thomas, Vuckovich.
Total 5

Absent or not voting: None.
Total 0
MOTIONS

Senator Fitzpatrick moved that SB 114, heard on second reading this date, be re-referred to the Finance and Claims Committee. Without objection, so ordered.

ANNOUNCEMENTS

Committee meetings were announced by the committee chairs.

Senator Fitzpatrick moved the Senate adjourn until 1:00 p.m., Friday, February 8, 2019, the twenty-sixth legislative day. Motion carried.

Senate adjourned at 2:42 p.m.

MARILYN MILLER
Secretary of the Senate

SCOTT SALES
President of the Senate