

**HOUSE JOURNAL
65TH LEGISLATURE / SPECIAL SESSION NOVEMBER 2017
FIRST LEGISLATIVE DAY**

Helena, Montana
November 14, 2017

House Chambers
State Capitol

House convened at 12:00 p.m. Mr. Speaker presiding. Invocation by Representative Tschida. Pledge of Allegiance to the Flag.

Roll Call. All members present. Quorum present.

BILLS (Ricci, Chair)

Correctly printed: **HB 5, HB 8, HR 1, SJ 1.**

Correctly engrossed: **HR 1.**

LEGISLATIVE ADMINISTRATION (Ricci, Chair):

11/14/2017

MR. SPEAKER:

We recommend that the following pages of the House be employed as of 12:00 p.m., Wednesday, November 14, 2017:

Alida Royal, Helena
Abraham Osmundson, Buffalo
Jordan Straub, Helena
Emma Sihler, Helena

Report Adopted.

COMMUNICATIONS AND PETITIONS

November 6, 2017

To: Members of the Montana Senate
Members of the Montana House of Representatives
Members of the Montana Supreme Court c/o Clerk of the Court Ed Smith
Secretary of State Corey Stapleton

PROCLAMATION

Call to the 65th Legislature for a Special Session

WHEREAS, Article V, Section 6, of the Montana Constitution and § 5-3-101, MCA, provide that the Legislature may be convened in special session by the Governor;

WHEREAS, Article VI, Section 11, of the Montana Constitution provides that whenever the Governor considers it in the public interest, the Governor may convene the Legislature;

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WHEREAS, Montana experienced the most expensive fire season in state history;

WHEREAS, fire suppression costs exceeded available appropriations for the biennium;

WHEREAS, general fund revenues were short of legislative projections (HJ 2) for FY 2017 and are projected to fall significantly short of HJ 2 in FY 2018 and FY 2019;

WHEREAS, to ensure that the expenditure of appropriations does not exceed available revenue, the Governor invoked § 17-7-140, MCA and directed agencies to reduce spending in an amount that ensures that the projected ending general fund balance for the biennium will be at least 6 percent of all general fund appropriations in the second year of the biennium ending June 30, 2019;

WHEREAS, based upon the revenue estimates available at the time and in accordance with § 17-7-140, MCA, the Budget Director recommended to the Legislative Fiscal Analyst, the Legislative Finance Committee, and the Revenue and Finance Committee a 9.7 percent reduction in general fund expenditures;

WHEREAS, after considering the Budget Director's proposed spending reductions, the Legislative Finance Committee recommended that the Governor prioritize cuts that: 1) cause the least possible impact to services to Montana's most vulnerable citizens; 2) would impose the least possible increase to local property taxes; 3) could be made with the least impact on safety and security of Montana's communities; and 4) were consistent with legislative policies enacted in 2017 that would have a positive long-term fiscal impact;

WHEREAS, following the special session, the Governor will implement a 6.61 percent reduction in general fund expenditures;

WHEREAS the Governor cannot implement cuts beyond 6.61 percent that conform with the recommendations of the Legislative Finance Committee;

WHEREAS, based upon current revenue projections from the Budget Director, a general fund budget deficit will remain after the Governor implements his 6.61 percent reduction;

WHEREAS, it is in the public interest of all Montanans that any reductions beyond the Governor's reductions of 6.61 percent be considered by the Sixty-Fifth Montana Legislature; and

WHEREAS, it is in the public interest of all Montanans that a special session of the Legislature be called for the limited purpose of approving fund transfers, reducing general fund expenditures, and adopting temporary revenue measures to address the projected shortfall in revenue for the 2019 biennium and to provide for appropriations for fire suppression and mitigation costs.

NOW, THEREFORE I, STEVE BULLOCK, Governor of the State of Montana, pursuant to the authority vested in me by the Constitution and laws of the State of Montana, do hereby call the Sixty-Fifth Montana Legislature into special session in Helena, at the Capitol Complex at the hour of 12:00 p.m., the 14th day of November, 2017, and hereby direct the special session of the

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Sixty-Fifth Legislature to consider action limited to the following subjects:

1. Legislation approving fund balance and other transfers as submitted by the Office of Budget and Program Planning.
2. Legislation providing for a two-month employer contribution holiday to the state employee group benefits plan.
3. Legislation temporarily suspending employer share contributions to the judges' retirement system.
4. Legislation revising the sale of new liquor licenses by requiring an auction of newly created licenses.
5. Legislation eliminating the transportation and combined block grant payments and suspending the coal fired generating unit payment for the current biennium.
6. Legislation revising the state fire assessment to apply to all parcels.
7. Legislation temporarily increasing the accommodations and rental car tax rates to increase general fund revenues to offset state fire costs.
8. Legislation authorizing a management fee on excess investment holdings of the Montana State Fund to offset state fire costs.
9. Legislation providing appropriations for fire suppression costs and emergency funds for FY 2018 and FY 2019.

Dated this 6th day of November 2017.

STEVE BULLOCK
Governor

AMENDED PROCLAMATION

November 13, 2017

To: Members of the Montana Senate
Members of the Montana House of Representatives
Members of the Montana Supreme Court c/o Clerk of the Court Ed Smith
Secretary of State Corey Stapleton

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Call to the 65th Legislature for a Special Session

WHEREAS, Article V, Section 6, of the Montana Constitution and § 5-3-101, MCA, provide that the Legislature may be convened in special session by the Governor;

WHEREAS, Article VI, Section 11, of the Montana Constitution provides that whenever the Governor considers it in the public interest, the Governor may convene the Legislature;

WHEREAS, Montana experienced the most expensive fire season in state history;

WHEREAS, fire suppression costs exceeded available appropriations for the biennium;

WHEREAS, general fund revenues were short of legislative projections (HJ 2) for FY 2017 and are projected to fall significantly short of HJ 2 in FY 2018 and FY 2019;

WHEREAS, to ensure that the expenditure of appropriations does not exceed available revenue, the Governor invoked § 17-7-140, MCA, and directed agencies to reduce spending in an amount that ensures that the projected ending general fund balance for the biennium will be at least 6 percent of all general fund appropriations in the second year of the biennium ending June 30, 2019;

WHEREAS, based upon the revenue estimates available at the time and in accordance with § 17-7-140, MCA, the Budget Director recommended to the Legislative Fiscal Analyst, the Legislative Finance Committee, and the Revenue and Finance Committee a 9.7 percent reduction in general fund expenditures;

WHEREAS, after considering the Budget Director's proposed spending reductions, the Legislative Finance Committee recommended that the Governor prioritize cuts that: 1) cause the least possible impact to services to Montana's most vulnerable citizens; 2) would impose the least possible increase to local property taxes; 3) could be made with the least impact on safety and security of Montana's communities; and 4) were consistent with legislative policies enacted in 2017 that would have a positive long-term fiscal impact;

WHEREAS, following the special session, the Governor will implement a 6.61 percent reduction in general fund expenditures;

WHEREAS, the Governor cannot implement cuts beyond 6.61 percent that conform with the recommendations of the Legislative Finance Committee;

WHEREAS, based upon current revenue projections from the Budget Director, a general fund budget deficit will remain after the Governor implements his 6.61 percent reduction;

WHEREAS, it is in the public interest of all Montanans that any reductions beyond the Governor's reductions of 6.61 percent be considered by the Sixty-Fifth Montana Legislature; and

WHEREAS, it is in the public interest of all Montanans that a special session of the Legislature be called for the limited purpose of approving fund transfers, reducing general fund expenditures, and

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adopting temporary revenue measures to address the projected shortfall in revenue for the 2019 biennium and to provide for appropriations for fire suppression and mitigation costs.

NOW, THEREFORE I, STEVE BULLOCK, Governor of the State of Montana, pursuant to the authority vested in me by the Constitution and laws of the State of Montana, do hereby call the Sixty-Fifth Montana Legislature into special session in Helena, at the Capitol Complex at the hour of 12:00 p.m., the 14th day of November 2017, and hereby direct the special session of the Sixty-Fifth Legislature to consider action limited to the following subjects:

1. Legislation approving fund balance and other transfers as submitted by the Office of Budget and Program Planning.
2. Legislation providing for a two-month employer contribution holiday to the state employee group benefits plan.
3. Legislation temporarily suspending employer share contributions to the judges' retirement system.
4. Legislation revising the sale of new liquor licenses by requiring an auction of newly created licenses.
5. Legislation eliminating the transportation and combined block grant payments and suspending the coal fired generating unit payment for the current biennium.
6. Legislation revising the state fire assessment to apply to all parcels.
7. Legislation temporarily increasing the accommodations and rental car tax rates to increase general fund revenues to offset state fire costs.
8. Legislation authorizing a management fee on excess investment holdings of the Montana State Fund to offset state fire costs.
9. Legislation providing appropriations for fire suppression costs and emergency funds for FY 2018 and FY 2019.
10. Legislation to require third-party reservation intermediaries to pay and remit the lodging facility use tax.
11. Confirmation of judicial appointments subject to the provisions of § 3-1-1013, MCA.

Dated this 13th day of November 2017.

STEVE BULLOCK
Governor

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PETITION OF THE SIXTY-FIFTH LEGISLATURE FOR A CALL OF SPECIAL SESSION

WHEREAS, Article VIII, section 9, of the Montana Constitution requires a balanced budget; and

WHEREAS, the Governor called a special session of the Sixty-Fifth Legislature to convene on November 14, 2017; and

WHEREAS, section 17-7-140, MCA, requires the Governor to reduce spending to meet certain projected ending general fund balances; and

WHEREAS, pursuant to section 17-7-140, MCA, the Governor plans to implement a 6.61 percent reduction in general fund expenditures following the special legislative session; and

WHEREAS, while the Governor has the authority to reduce general fund expenditures, only the Legislature has the authority to reduce appropriations by 6.61 percent; and

WHEREAS, the Governor submitted legislation to be considered in a special session by the Sixty-Fifth Legislature while also potentially limiting the ability of the Sixty-Fifth Legislature to revise the legislation based on the narrow call; and

WHEREAS, the Sixty-Fifth Legislature needs additional flexibility to revise the Governor's legislation or introduce new legislation for the purpose of balancing the budget and providing budget stability; and

WHEREAS, it is in the public interest of all Montanans that the Legislature consider legislation that balances the budget, in addition to revising insurance laws; and

WHEREAS, Article V, section 6, of the Montana Constitution and section 5-3-101, MCA, provide that the Legislature may be convened in special session at the request of a majority of the members.

NOW, THEREFORE, WE THE UNDERSIGNED, being a majority of the members of the Sixty-Fifth Legislature, pursuant to Article V, section 6, of the Montana Constitution and section 5-3-101, MCA, hereby convene the Sixty-Fifth Legislature into special session in Helena to run concurrently with the special session beginning November 14, 2017, called by the Governor.

The special session hereby convened shall consider legislation to:

- (1) amend section 17-7-140, MCA, to reduce the amount of the projected ending general fund balance the Governor must ensure for the biennium;
- (2) provide legislative intent and direction to accept proceeds from a private prison contractor (CoreCivic, formerly known as Corrections Corporation of America) while maintaining the state's option to purchase as well as the state's termination rights for the purposes of deposit to the general fund, the fire suppression account, or the budget stabilization reserve fund;

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- (3) reduce appropriations for the biennium starting July 1, 2017:
 - (a) to account for the Governor's proposed reductions in spending that were referenced in the Governor's special session call;
 - (b) for the Legislative Branch;
 - (c) for the Judicial Branch;
 - (d) from the state special revenue fund to the Department of Commerce, the State Auditor, and the Public Service Commission;
 - (e) from the highway nonrestricted account in the state special revenue fund;
 - (f) to account for rate reductions to the state employee benefit holiday;
 - (g) to account for rate reductions to the Department of Administration, Information Technology Services Division, Rates Maintained/Based Upon Financial Transparency Model;
 - (h) to account for rate reductions to the Department of Administration, State Financial Services Division, SABHRS Services Fee;
 - (i) to account for revisions of combined fund and transportation fund block grants to school districts and coal-fired generating unit closure mitigation block grants; and
 - (j) to implement statutory changes adopted by the Sixty-Fifth Legislature during the special session;
- (4) expand the Governor's call for legislation to include legislation that:
 - (a) provides for fund balance transfers and other transfers within the state treasury to the general fund, the fire suppression account, the budget stabilization reserve fund, and the guarantee account for the purpose of balancing the budget and providing budget stability;
 - (b) provides for a contribution holiday to the state employee benefit group;
 - (c) temporarily revises employer share contributions to the judges' retirement system;
 - (d) revises the combined fund and transportation fund block grants to school districts;
 - (e) revises or eliminates the coal-fired generating unit closure mitigation block grants;
 - (f) revises the state fire assessment;
 - (g) deposits any additional revenue derived from taxes or fees to the general fund, the fire

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suppression account, and the budget stabilization reserve fund for the purpose of balancing the budget and providing budget stability; and

- (h) reduces general fund appropriations or increases state special revenue fund appropriations to the Department of Natural Resources and Conservation, Forestry Division;
- (5) revise existing appropriation authority through an appropriation reduction to an account or fund within the state treasury and a corresponding appropriation increase to another account or fund within the state treasury to implement statutory changes adopted by the Sixty- Fifth Legislature during the special session;
- (6) expand use of funds in the fire suppression account for the biennium starting July 1, 2017, to provide for fuel reduction and mitigation, forest restoration, grants for the purchase of fire suppression equipment, forest management projects on federal land, support for collaborative groups, and road maintenance on federal lands;
- (7) revise health care and insurance coverage laws by authorizing application for state innovation waivers and the development of programs to ensure affordable care and coverage for high-risk individuals;
- (8) provide for greater equality between insurance providers by reducing statutory financial advantages that are received by some but not all insurance providers; and
- (9) appropriate funds for the operation of the special session. Members of the Sixty-Fifth Legislature:

- | | |
|-----------------|-----------------|
| 1. Anderson | 2. Ballance |
| 3. Bartel | 4. Beard |
| 5. Berglee | 6. Brodehl |
| 7. Brown, B. | 8. Burnett |
| 9. Cook | 10. Cuffe |
| 11. Custer | 12. Doane |
| 13. Ehli | 14. Essmann |
| 15. Fitzgerald | 16. Flynn |
| 17. Galt | 18. Garner |
| 19. Glimm | 20. Greef |
| 21. Grubbs | 22. Gunderson |
| 23. Harris | 24. Hertz, A. |
| 25. Hertz, G. | 26. Holmlund |
| 27. Hopkins | 28. Jones |
| 29. Knokey | 30. Knudsen, A. |
| 31. Knudsen, C. | 32. Lavin |
| 33. Lenz | 34. Loge |
| 35. Mandeville | 36. Manzella |
| 37. McKamey | 38. Mortensen |
| 39. Noland | 40. O'Hara |

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- | | |
|-----------------|----------------------|
| 41. Patelis | 42. Redfield |
| 43. Regier | 44. Ricci |
| 45. Rosendale | 46. Sales |
| 47. Shaw | 48. Sheldon-Galloway |
| 49. Skees | 50. Staffanson |
| 51. Trebas | 52. Tschida |
| 53. Usher | 54. Vinton |
| 55. Wagoner | 56. Webb |
| 57. Welch | 58. White |
| 59. Zolnikov | |
| 60. Ankney | 61. Blasdel |
| 62. Brown | 63. Buttrey |
| 64. Connell | 65. Fielder |
| 66. Fitzpatrick | 67. Gauthier |
| 68. Hinebauch | 69. Hinkle |
| 70. Hoven | 71. Howard |
| 72. Jones | 73. Kary |
| 74. Keenan | 75. Lang |
| 76. Moore | 77. Olszewski |
| 78. Osmundson | 79. Regier |
| 80. Richmond | 81. Sales |
| 82. Salomon | 83. Small |
| 84. Smith, C. | 85. Swandal |
| 86. Tempel | 87. Thomas |
| 88. Vance | 89. Vincent |
| 90. Webb | 91. Welborn |

PETITION OF THE SIXTY-FIFTH LEGISLATURE FOR A CALL OF SPECIAL SESSION

WHEREAS, Article VIII, section 9, of the Montana Constitution requires a balanced budget; and

WHEREAS, the Governor called a special session of the Sixty-Fifth Legislature to convene on November 14, 2017; and

WHEREAS, the Governor submitted legislation to be considered in a special session by the Sixty-Fifth Legislature while also potentially limiting the ability of the Sixty-Fifth Legislature to revise the legislation based on the narrow call; and

WHEREAS, the Sixty-Fifth Legislature needs additional flexibility to revise the Governor's legislation or introduce new legislation for the purpose of balancing the budget and providing budget stability; and

WHEREAS, it is in the public interest of all Montanans that the Legislature consider legislation that balances the budget; and

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WHEREAS, Article V, section 6, of the Montana Constitution and section 5-3-101, MCA, provide that the Legislature may be convened in special session at the request of a majority of the members.

NOW, THEREFORE, WE THE UNDERSIGNED, being a majority of the members of the Sixty-Fifth Legislature, pursuant to Article V, section 6, of the Montana Constitution and section 5-3-101, MCA, hereby convene the Sixty-Fifth Legislature into special session in Helena to run concurrently with the special session beginning November 14, 2017, called by the Governor.

The special session hereby convened shall consider legislation to repeal certain individual income tax credits and corporate income tax credits and use the estimated additional revenue for:

- (1) transfers to the fire suppression account;
- (2) transfers to the budget stabilization reserve fund;
- (3) school block grants; and
- (4) local emergency services.

1. Anderson
2. Ballance
3. Bartel
4. Beard
5. Berglee
6. Brodehl
7. Brown, B.
8. Cook
9. Cuffe
10. Doane
11. Ehli
12. Essmann
13. Fitzgerald
14. Flynn
15. Galt
16. Greef
17. Gunderson
18. Harris
19. Hertz, A.
20. Hertz, G.
21. Holmlund
22. Hopkins
23. Jones
24. Knokey
25. Knudsen, A.
26. Knudsen, C.
27. Lavin
28. Lenz
29. Loge

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30. Mandeville
31. Manzella
32. McKamey
33. Mortensen
34. Noland
35. O'Hara
36. Patelis
37. Redfield
38. Regier
39. Ricci
40. Rosendale
41. Sales
42. Shaw
43. Sheldon-Galloway
44. Skees
45. Staffanson
46. Trebas
47. Tschida
48. Usher
49. Vinton
50. Wagoner
51. Webb
52. Welch
53. White
54. Zolnikov
55. Blasdel
56. Brown
57. Connell
58. Fielder
59. Fitzpatrick
60. Gauthier
61. Howard
62. Jones
63. Kary
64. Keenan
65. Lang
66. Moore
67. Olszewski
68. Osmondson
69. Regier
70. Richmond
71. Salomon
72. Small
73. Smith, C.
74. Swandal
75. Vance

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- 76. Vincent
- 77. Webb
- 78. Welborn

PETITION OF THE SIXTY-FIFTH LEGISLATURE FOR A CALL OF SPECIAL SESSION

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WHEREAS, the Governor called a special session of the Sixty-Fifth Legislature to convene on November 14, 2017; and

WHEREAS, the Governor submitted legislation to be considered in a special session by the Sixty-Fifth Legislature while also potentially limiting the ability of the Sixty-Fifth Legislature to revise the legislation based on the narrow call; and

WHEREAS, the Sixty-Fifth Legislature needs additional flexibility to revise the Governor's legislation or introduce new legislation for the purpose of balancing the budget and providing budget stability; and

WHEREAS, it is in the public interest of all Montanans that the Legislature consider legislation that balances the budget; and

WHEREAS, Article V, section 6, of the Montana Constitution and section 5-3-101, MCA, provide that the Legislature may be convened in special session at the request of a majority of the members.

NOW, THEREFORE, WE THE UNDERSIGNED, being a majority of the members of the Sixty-Fifth Legislature, pursuant to Article V, section 6, of the Montana Constitution and section 5-3-101, MCA, hereby convene the Sixty-Fifth Legislature into special session in Helena to run concurrently with the special session beginning November 14, 2017, called by the Governor.

The special session hereby convened shall consider legislation to authorize furloughs for state employees and use the estimated savings for the purpose of balancing the budget and providing budget stability.

- 1. Anderson
- 2. Ballance
- 3. Beard
- 4. Berglee
- 5. Brodehl
- 6. Brown, B.
- 7. Burnett
- 8. Cook
- 9. Cuffe
- 10. Doane

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11. Ehli
12. Essmann
13. Fitzgerald
14. Flynn
15. Galt
16. Garner
17. Glimm
18. Greef
19. Grubbs
20. Gunderson
21. Hertz, A.
22. Hertz, G.
23. Holmlund
24. Hopkins
25. Jones
26. Knokey
27. Knudsen, A.
28. Knudsen, C.
29. Lenz
30. Loge
31. Mandeville
32. Manzella
33. McKamey
34. Mortensen
35. Noland
36. O'Hara
37. Patelis
38. Redfield
39. Regier
40. Ricci
41. Rosendale
42. Sales
43. Shaw
44. Sheldon-Galloway
45. Skees
46. Staffanson
47. Trebas
48. Tschida
49. Usher
50. Vinton
51. Wagoner
52. Webb
53. Welch
54. White
55. Zolnikov
56. Ankney

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57. Blasdel
58. Brown
59. Buttrey
60. Connell
61. Fielder
62. Fitzpatrick
63. Gauthier
64. Hinebauch
65. Hinkle
66. Hoven
67. Howard
68. Jones
69. Kary
70. Keenan
71. Lang
72. Moore
73. Olszewski
74. Osmundson
75. Regier
76. Richmond
77. Smith
78. Swandal
79. Thomas
80. Vance
81. Vincent
82. Webb

REPORTS OF STANDING COMMITTEES

RULES (Essmann, Chair):

11/13/2017

HR 1, introduced resolution, be amended as follows:

1. Page 18, line 3.

Following: "amend"

Insert: ", except as provided in H70-10(2)"

2. Page 18, line 27.

Following: "Approval by"

Strike: "not less than two-thirds"

Insert: "a majority"

3. Page 26, line 30.

Strike: subsection (7) in its entirety

And, as amended, be adopted. Report adopted.

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SJR 1, be concurred in. Report adopted.

MESSAGES FROM THE SENATE

Senate joint resolution passed and transmitted to the House for concurrence: 11/14/2017

SJR 1, introduced by Thomas

Motions to expand the special session:

Motion by Senator Connell to expand the Special Session of the 65th Legislature to include issues pertaining to transferring coal trust funds to the state fire fund and related issues thereto.

Senate Vote: 21 aye - 27 no.

Motion by Senator Regier to expand the Special Session of the 65th Legislature to include issues pertaining to legislation to transfer a portion of the general fund appropriation from the Montana Developmental Center to the state fire fund and issues related thereto.

Senate Vote: 30 aye - 18 no.

Motion by Senator Olszewski to expand the Special Session of the 65th Legislature to include issues pertaining to administrative rules and issues related thereto.

Senate Vote: 31 aye - 17 no.

Motion by Senator Regier to expand the Special Session of the 65th Legislature to include issues pertaining to legislation eliminating state funded health centers for state employees and transferring the savings to the state fire fund and issues related thereto.

Senate Vote: 17 aye - 31 no.

MESSAGES FROM THE GOVERNOR

November 14, 2017

The Honorable Austin Knudsen
Speaker of the House
Montana House of Representatives

Dear Speaker Knudsen:

I'd like to welcome the members of the 65th Legislature back to Helena. I am hopeful that we are all committed to resolving our current budget challenges with responsible solutions.

In order to streamline the work of the Legislature and in response to questions raised about my intent to implement cuts, pursuant to my authority under 17-7-140, MCA, I hereby order immediate implementation of my proposed spending reductions. These are cuts I prefer not to make and I am open to proposals from the Legislature to fund the essential services in their entirety per House

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Bill 2 as passed in regular session. Further, I accept in full the voluntary reductions offered by the legislative and judicial branches. Your full participation ensures fewer reductions in services to Montana's citizens and families.

In addition to these cuts I have proposed a variety of other bills to mitigate the cuts to critical services Montanans rely on. I look forward to working with you to address the remaining budget shortfall to protect our state's sterling bond rating and to ensure we are meeting the statutory obligation for a legal budget.

Sincerely,

STEVE BULLOCK
Governor

FIRST READING AND COMMITMENT OF BILLS

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

HB 1, introduced by N. Ballance, referred to Appropriations.
HB 2, introduced by N. Ballance, referred to Appropriations.
HB 3, introduced by N. Ballance, referred to Appropriations.
HB 4, introduced by K. Holmlund, referred to Appropriations.
HR 1, introduced by G. Hertz, referred to Rules
SJ 1, introduced by F. Thomas, referred to Committee of the Whole.

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

Majority Leader Ehli moved the House resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Representative C. Knudsen in the chair.

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

SJR 1 - Representative G. Hertz moved **SJR 1** be concurred in. Motion carried as follows:

Yeas: Anderson, Ballance, Bartel, Beard, Berglee, Brodehl, B. Brown, Burnett, Cook, Cuffe, Custer, Doane, Ehli, Essmann, Fitzgerald, Flynn, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Harris, A Hertz, G Hertz, Holmlund, Hopkins, Jones, Knokey, C Knudsen, Lavin, Lenz, Loge, Mandeville, Manzella, McKamey, Mortensen, Noland, O'Hara, Patelis,

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Redfield, Regier, Ricci, Rosendale, Sales, Shaw, Skees, Staffanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Welch, White, Zolnikov, Mr. Speaker.
Total 59

Nays: Abbott, Bachmeier, Bennett, Bishop, Z. Brown, Court, Curdy, Curtis, Dudik, Dunwell, Eck, Ellis, Fern, Fleming, Funk, Hamilton, Hamlett, Hayman, Hill-Smith, Jacobson, Karjala, Keane, Kelker, Kipp III, Lynch, McCarthy, McConnell, Morigeau, Olsen, Peppers, Perry, Pierson, Price, Ryan, Schreiner, Smith, Stewart-Per, Swanson, Webber, Windy Boy, Woods.
Total 41

Excused: None.
Total 0

Absent or not voting: None.
Total 0

HR 1 - Representative Bennett moved **HR 1**, second reading copy, be amended as follows:

1. Page 2, line 12.

Following: line 12

Insert: "(8) Upon request of the Minority Leader, the Speaker will submit a request for a fiscal note on any bill."

2. Page 11, line 9.

Strike: "and"

3. Page 11, line 10.

Following: "and"

Insert: "and"

4. Page 11, line 11.

Following: "available"

Insert: "(d) a fiscal note, if required and available"

Amendment **not** adopted as follows:

Yeas: Abbott, Bachmeier, Bennett, Bishop, Z. Brown, Court, Curdy, Curtis, Dudik, Dunwell, Eck, Ellis, Fern, Fleming, Funk, Hamilton, Hayman, Hill-Smith, Jacobson, Karjala, Kipp III, Lynch, Manzella, McCarthy, McConnell, Morigeau, Olsen, Peppers, Perry, Pierson, Price, Ryan, Schreiner, Smith, Staffanson, Stewart-Per, Swanson, Webber, Windy Boy, Woods.
Total 40

Nays: Anderson, Ballance, Bartel, Beard, Berglee, Brodehl, B. Brown, Burnett, Cook, Cuffe, Custer, Doane, Ehli, Essmann, Fitzgerald, Flynn, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Hamlett, Harris, A Hertz, G Hertz, Holmlund, Hopkins, Jones, Keane,

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Kelker, Knokey, C Knudsen, Lavin, Lenz, Loge, Mandeville, McKamey, Mortensen, Noland, O'Hara, Patelis, Redfield, Regier, Ricci, Rosendale, Sales, Shaw, Skees, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Welch, White, Zolnikov, Mr. Speaker.

Total 60

Excused: None.

Total 0

Absent or not voting: None.

Total 0

HR 1 - Representative G. Hertz moved **HR 1** be adopted. Motion carried as follows:

Yeas: Anderson, Ballance, Bartel, Beard, Berglee, Brodehl, B. Brown, Burnett, Cook, Cuffe, Custer, Doane, Ehli, Essmann, Fitzgerald, Flynn, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Harris, A Hertz, G Hertz, Holmlund, Hopkins, Jones, Knokey, C Knudsen, Lavin, Lenz, Loge, Mandeville, Manzella, McKamey, Mortensen, Noland, O'Hara, Patelis, Redfield, Regier, Ricci, Rosendale, Sales, Shaw, Skees, Staffanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Welch, White, Zolnikov, Mr. Speaker.

Total 59

Nays: Abbott, Bachmeier, Bennett, Bishop, Z. Brown, Court, Curdy, Curtis, Dudik, Dunwell, Eck, Ellis, Fern, Fleming, Funk, Hamilton, Hamlett, Hayman, Hill-Smith, Jacobson, Karjala, Keane, Kelker, Kipp III, Lynch, McCarthy, McConnell, Morigeau, Olsen, Peppers, Perry, Pierson, Price, Ryan, Schreiner, Smith, Stewart-Per, Swanson, Webber, Windy Boy, Woods.

Total 41

Excused: None.

Total 0

Absent or not voting: None.

Total 0

Majority Leader Ehli moved the committee rise, report progress, and beg leave to sit again. Motion carried. Committee arose. House resumed. Mr. Speaker presiding. Chair C. Knudsen moved the Committee of the Whole report be adopted. Report adopted as follows:

Yeas: Anderson, Ballance, Bartel, Beard, Berglee, Brodehl, B. Brown, Burnett, Cook, Cuffe, Custer, Doane, Essmann, Fern, Fitzgerald, Fleming, Flynn, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Hamlett, Harris, A Hertz, G Hertz, Holmlund, Hopkins, Jones, Knokey, C Knudsen, Lavin, Lenz, Loge, Mandeville, Manzella, McKamey, Mortensen, Noland, O'Hara, Patelis, Redfield, Regier, Ricci, Rosendale, Sales, Shaw, Skees, Staffanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Welch, White, Zolnikov, Mr. Speaker.

Total 61

Nays: Abbott, Bachmeier, Bennett, Bishop, Z. Brown, Court, Curdy, Curtis, Dudik, Dunwell, Eck,

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Ellis, Funk, Hamilton, Hayman, Hill-Smith, Jacobson, Karjala, Keane, Kelker, Kipp III, Lynch, McCarthy, McConnell, Morigeau, Olsen, Peppers, Perry, Pierson, Price, Ryan, Schreiner, Smith, Stewart-Per, Swanson, Windy Boy, Woods.

Total 37

Excused: None.

Total 0

Absent or not voting: Ehli, Webber.

Total 2

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:

SJR 1 concurred in as follows:

Yeas: Anderson, Ballance, Bartel, Beard, Berglee, Brodehl, B. Brown, Burnett, Cook, Cuffe, Custer, Doane, Ehli, Essmann, Fitzgerald, Flynn, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Harris, A Hertz, G Hertz, Holmlund, Hopkins, Jones, Knokey, C Knudsen, Lavin, Lenz, Loge, Mandeville, Manzella, McKamey, Mortensen, Noland, O'Hara, Patelis, Redfield, Regier, Ricci, Rosendale, Sales, Shaw, Skees, Staffanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Welch, White, Zolnikov, Mr. Speaker.

Total 59

Nays: Abbott, Bachmeier, Bennett, Bishop, Z. Brown, Court, Curdy, Curtis, Dudik, Dunwell, Eck, Ellis, Fern, Fleming, Funk, Hamilton, Hamlett, Hayman, Hill-Smith, Jacobson, Karjala, Keane, Kelker, Kipp III, Lynch, McCarthy, McConnell, Morigeau, Olsen, Peppers, Perry, Pierson, Price, Ryan, Schreiner, Smith, Stewart-Per, Swanson, Webber, Windy Boy, Woods.

Total 41

Excused: None.

Total 0

Absent or not voting: None.

Total 0

MOTIONS

Representative Lenz moved the legislature convene itself into a special session to run concurrently with the special session beginning November 14, 2017 to consider legislation revising the vital statistic laws to prohibit the amendment or correction of gender designations in vital records. The Senate heard the motion, made by Senator Olszewski and the vote was 31-17.

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Motion **passed** as follows:

Yeas: Anderson, Ballance, Bartel, Beard, Berglee, Brodehl, B. Brown, Burnett, Cook, Cuffe, Doane, Ehli, Essmann, Fitzgerald, Flynn, Galloway, Galt, Garner, Glimm, Greef, Gunderson, Harris, G Hertz, Holmlund, Jones, Lavin, Lenz, Loge, Mandeville, Manzella, McKamey, Mortensen, Noland, O'Hara, Patelis, Redfield, Regier, Ricci, Rosendale, Shaw, Skees, Staffanson, Trebas, Tschida, Usher, Webb, Welch, White, Zolnikov, Mr. Speaker.

Total 50

Nays: Abbott, Bachmeier, Bennett, Bishop, Z. Brown, Court, Curdy, Curtis, Custer, Dudik, Dunwell, Eck, Ellis, Fern, Fleming, Funk, Grubbs, Hamilton, Hamlett, Hayman, A Hertz, Hill-Smith, Hopkins, Jacobson, Karjala, Keane, Kelker, Kipp III, Knokey, C Knudsen, Lynch, McCarthy, McConnell, Morigeau, Olsen, Peppers, Perry, Pierson, Price, Ryan, Sales, Schreiner, Smith, Stewart-Per, Swanson, Vinton, Wagoner, Webber, Windy Boy, Woods.

Total 50

Excused: None.

Total 0

Absent or not voting: None.

Total 0

Representative M. Regier moved the legislature convene itself into a special session to run concurrently with the special session beginning November 14, 2017 to consider legislation to include issues pertaining to the elimination of state-funded health centers for state employees and the reallocation of funds to state fire funds. The Senate heard the motion, made by Senator Regier and the vote was 17-31.

Motion **failed** as follows:

Yeas: Anderson, Ballance, Bartel, Beard, Berglee, Brodehl, B. Brown, Burnett, Cook, Cuffe, Custer, Doane, Ehli, Essmann, Fitzgerald, Flynn, Galloway, Galt, Glimm, Greef, Gunderson, Harris, A Hertz, G Hertz, Holmlund, Hopkins, Jones, C Knudsen, Lavin, Lenz, Mandeville, Manzella, McKamey, Mortensen, Noland, O'Hara, Patelis, Redfield, Regier, Ricci, Rosendale, Skees, Staffanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Welch, White, Zolnikov, Mr. Speaker.

Total 53

Nays: Abbott, Bachmeier, Bennett, Bishop, Z. Brown, Court, Curdy, Curtis, Dudik, Dunwell, Eck, Ellis, Fern, Fleming, Funk, Garner, Grubbs, Hamilton, Hamlett, Hayman, Hill-Smith, Jacobson, Karjala, Keane, Kelker, Kipp III, Knokey, Loge, Lynch, McCarthy, McConnell, Morigeau, Olsen, Peppers, Perry, Pierson, Price, Ryan, Sales, Schreiner, Shaw, Smith, Stewart-Per, Swanson, Webber, Windy Boy, Woods.

Total 47

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Excused: None.

Total 0

Absent or not voting: None.

Total 0

Representative Harris moved the legislature convene itself into a special session to run concurrently with the special session beginning November 14, 2017 to consider legislation to include issues pertaining to the closing of the Montana Developmental Center and transfer of a portion of the General Fund appropriation to state fire funds. The Senate heard the motion, made by Senator Regier and the vote was 30-18.

Motion **passed** as follows:

Yeas: Anderson, Ballance, Bartel, Beard, Berglee, Brodehl, B. Brown, Cook, Cuffe, Doane, Ehli, Fitzgerald, Flynn, Galloway, Galt, Garner, Glimm, Greef, Gunderson, Harris, A Hertz, G Hertz, Holmlund, Jones, Knokey, C Knudsen, Lavin, Lenz, Loge, Mandeville, Manzella, McKamey, Noland, O'Hara, Patelis, Redfield, Regier, Rosendale, Sales, Skees, Staffanson, Tschida, Usher, Vinton, Webb, Welch, White, Zolnikov, Mr. Speaker.

Total 49

Nays: Abbott, Bachmeier, Bennett, Bishop, Z. Brown, Burnett, Court, Curdy, Curtis, Custer, Dudik, Dunwell, Eck, Ellis, Essmann, Fern, Fleming, Funk, Grubbs, Hamilton, Hamlett, Hayman, Hill-Smith, Hopkins, Jacobson, Karjala, Keane, Kelker, Kipp III, Lynch, McCarthy, McConnell, Morigeau, Mortensen, Olsen, Peppers, Perry, Pierson, Price, Ricci, Ryan, Schreiner, Shaw, Smith, Stewart-Per, Swanson, Trebas, Wagoner, Webber, Windy Boy, Woods.

Total 51

Excused: None.

Total 0

Absent or not voting: None.

Total 0

Representative Welch moved the legislature convene itself into a special session to run concurrently with the special session beginning November 14, 2017 to consider legislation to include issues pertaining to transferring coal trust funds to state fire funds. The Senate heard the motion, made by Senator Connell and the vote was 21-27.

Motion **failed** as follows:

Yeas: Brodehl, Fitzgerald, Flynn, Galt, G Hertz, Lavin, Trebas, Welch, Mr. Speaker.

Total 9

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Nays: Abbott, Anderson, Bachmeier, Ballance, Bartel, Beard, Bennett, Berglee, Bishop, B. Brown, Z. Brown, Burnett, Cook, Court, Cuffe, Curdy, Curtis, Custer, Doane, Dudik, Dunwell, Eck, Ehli, Ellis, Essmann, Fern, Fleming, Funk, Galloway, Garner, Glimm, Greef, Grubbs, Gunderson, Hamilton, Hamlett, Harris, Hayman, A Hertz, Hill-Smith, Holmlund, Hopkins, Jacobson, Jones, Karjala, Keane, Kelker, Kipp III, Knokey, C Knudsen, Lenz, Loge, Lynch, Mandeville, Manzella, McCarthy, McConnell, McKamey, Morigeau, Mortensen, Noland, O'Hara, Olsen, Patelis, Peppers, Perry, Pierson, Price, Redfield, Regier, Ricci, Rosendale, Ryan, Sales, Schreiner, Shaw, Skees, Smith, Staffanson, Stewart-Per, Swanson, Tschida, Usher, Vinton, Wagoner, Webb, Webber, White, Windy Boy, Woods, Zolnikov.

Total 91

Excused: None.

Total 0

Absent or not voting: None.

Total 0

House in Recess.

House Reconvened.

FIRST READING AND COMMITMENT OF BILLS

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

HB 5, introduced by R. Cook, referred to Appropriations.

HB 6, introduced by N. Ballance, referred to Appropriations.

HB 7, introduced by A. Redfield, referred to Taxation.

HB 8, introduced by B. Usher, referred to Appropriations.

House in Recess.

House Reconvened.

REPORTS OF STANDING COMMITTEES

APPROPRIATIONS (Ballance, Chair):

11/14/2017

HB 5, do pass. Report adopted.

HB 8, introduced bill, be amended as follows:

1. Title, line 5.

Following: "REDUCING"

Strike: "GENERAL FUND APPROPRIATIONS"

Insert: "AGENCY EXPENDITURES"

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2. Page 1, line 17.

Strike: "3%"

Insert: "\$15 million"

3. Page 1, line 18.

Following: "public employer of"

Insert: "executive branch"

4. Page 1, line 29.

Strike: "general fund appropriation is"

Insert: "agency expenditures are"

5. Page 2, line 25 through page 2, line 28.

Strike: section 4 in its entirety

Insert: "NEW SECTION. Section 4. Reduction in expenditures. The budget director, taking into account the legislative intent and provisions of [sections 1 through 3], shall mandate reductions to executive branch agency expenditures for personal services for executive branch state employees funded by the state general fund of at least \$15 million for the biennium ending June 30, 2019."

And, as amended, do pass. Report adopted.

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

Majority Leader Ehli moved the House resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Representative C. Knudsen in the chair.

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

HB 5 - Representative Cook moved **HB 5** do pass. Motion carried as follows:

Yeas: Anderson, Ballance, Bartel, Beard, Berglee, Brodehl, B. Brown, Burnett, Cook, Cuffe, Custer, Doane, Ehli, Essmann, Fitzgerald, Flynn, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Harris, A Hertz, G Hertz, Holmlund, Jones, Knokey, C Knudsen, Lavin, Lenz, Loge, Mandeville, Manzella, McKamey, Mortensen, Noland, O'Hara, Patelis, Redfield, Regier, Ricci, Rosendale, Sales, Shaw, Skees, Staffanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Welch, White, Zolnikov, Mr. Speaker.

Total 58

Nays: Abbott, Bachmeier, Bennett, Bishop, Z. Brown, Court, Curdy, Curtis, Dudik, Dunwell, Eck, Ellis, Fern, Fleming, Funk, Hamilton, Hamlett, Hayman, Hill-Smith, Hopkins, Jacobson, Karjala,

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Keane, Kelker, Kipp III, Lynch, McCarthy, McConnell, Morigeau, Olsen, Peppers, Perry, Pierson, Price, Ryan, Schreiner, Smith, Stewart-Per, Swanson, Webber, Windy Boy, Woods.
Total 42

Excused: None.
Total 0

Absent or not voting: None.
Total 0

HB 8 - Representative Usher moved **HB 8** do pass. Motion carried as follows:

Yeas: Anderson, Ballance, Bartel, Beard, Berglee, Brodehl, B. Brown, Burnett, Cook, Cuffe, Doane, Ehli, Essmann, Fitzgerald, Flynn, Galloway, Galt, Garner, Glimm, Greef, Grubbs, Gunderson, Harris, A Hertz, G Hertz, Holmlund, Jones, C Knudsen, Lenz, Loge, Mandeville, Manzella, McKamey, Mortensen, Noland, O'Hara, Patelis, Redfield, Regier, Ricci, Rosendale, Sales, Shaw, Skees, Staffanson, Trebas, Tschida, Usher, Vinton, Wagoner, Webb, Welch, White, Zolnikov, Mr. Speaker.
Total 55

Nays: Abbott, Bachmeier, Bennett, Bishop, Z. Brown, Court, Curdy, Curtis, Custer, Dudik, Dunwell, Eck, Ellis, Fern, Fleming, Funk, Hamilton, Hamlett, Hayman, Hill-Smith, Hopkins, Jacobson, Karjala, Keane, Kelker, Kipp III, Knokey, Lavin, Lynch, McCarthy, McConnell, Morigeau, Olsen, Peppers, Perry, Pierson, Price, Ryan, Schreiner, Smith, Stewart-Per, Swanson, Webber, Windy Boy, Woods.
Total 45

Excused: None.
Total 0

Absent or not voting: None.
Total 0

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

Yeas: Ballance, Bartel, Beard, Berglee, Brodehl, B. Brown, Burnett, Cook, Cuffe, Custer, Doane, Ehli, Essmann, Fern, Galloway, Galt, Garner, Glimm, Greef, Harris, A Hertz, G Hertz, Holmlund, Hopkins, Jones, Knokey, Lavin, Lenz, Mandeville, Manzella, McKamey, Mortensen, O'Hara, Patelis, Redfield, Regier, Ricci, Sales, Shaw, Skees, Staffanson, Tschida, Usher, Vinton, Wagoner, Webb, Welch, White, Zolnikov, Mr. Speaker.
Total 50

Nays: Abbott, Bachmeier, Bennett, Bishop, Z. Brown, Court, Curdy, Curtis, Dudik, Dunwell, Eck,

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Total 39

Excused: None.

Total 0

Absent or not voting: Anderson, Fitzgerald, Flynn, Grubbs, Gunderson, C Knudsen, Loge, Noland, Rosendale, Stewart-Per, Trebas.

Total 11

ANNOUNCEMENTS

Committee meetings were announced by the committee chairs.

Representative Ehli moved that the House adjourn until 10:00 a.m., Wednesday, November 15, 2017. Motion carried.

House adjourned at 9:49 p.m.

LINDSEY VROEGINDEWEY
Chief Clerk of the House

AUSTIN KNUDSEN
Speaker of the House