

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: By **CHAIRMAN ROSALIE (ROSIE) BUZZAS**, on March 22, 2005 at 8:00 A.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. Rosalie (Rosie) Buzzas, Chairman (D)
Rep. Carol C. Juneau, Vice Chairman (D)
Rep. John E. Witt, Vice Chairman (R)
Rep. Tim Callahan (D)
Rep. Eve Franklin (D)
Rep. Bill E. Glaser (R)
Rep. Ray Hawk (R)
Rep. Cynthia Hiner (D)
Rep. Verdell Jackson (R)
Rep. Joey Jayne (D)
Rep. Christine Kaufmann (D)
Rep. Ralph L. Lenhart (D)
Rep. Walter McNutt (R)
Rep. Penny Morgan (R)
Rep. John L. Musgrove (D)
Rep. Rick Ripley (R)
Rep. Jon C. Sesso (D)
Rep. John Sinrud (R)
Rep. Janna Taylor (R)
Rep. Jack Wells (R)

Members Excused: None.

Members Absent: None.

Staff Present: Marcy McLean, Committee Secretary
Laura Dillon, Committee Secretary
Jon Moe, Legislative Branch

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: HB 124, 3/18/2005; HB 742, 3/18/2005; HB 633, 3/18/2005; HB 796, 3/18/2005

Executive Action: HB 89; HB 531; HB 35; HB 552; HB 249; HB 749; HB 704; HB 667; HB 326; HB 288; HB 151; HB 512; HB 742; HB 633; HB 423; HB 336; HB 773; HB 31; HB 379; HB 69; HB 484; HB 134; HB 264

HEARING ON HB 124**Opening Statement by Sponsor:**

REP. TOM FACEY, HD 95, Missoula, opened the hearing on **HB 124**, a bill for a kindergarten through grade 12 health insurance program. He said that the bill sets up basic and catastrophic health options for school employees. This will be paid for by a \$200 per month per eligible employee contribution from the State General Fund to a School Health Insurance Program (SHIP) Board that will regulate the program. The \$200 contribution will be indexed to inflation. He continued that SHIP would bring efficiency and savings to Montana schools without raising local property taxes. The State's share in school budgets has dropped significantly in recent years, placing more of a burden on local districts. Proposed amendments to the bill will prevent schools from jumping in and out of the program and also make State Loan Fund dollars separate from premium payments.

{Tape: 1; Side: A; Approx. Time Counter: 0 - 9.3. Comments: REP. BUZZAS exited the meeting.}

Proponents' Testimony:

Linda McCulloch, State Superintendent of Public Instruction, read and submitted written testimony for the record in support of the bill.

EXHIBIT(aph63a01)

Tom Bilodeau, Montana Education Association-Montana Federation of Teachers (MEA-MFT), distributed handouts and read written testimony in favor of HB 124.

EXHIBIT(aph63a02)

{Tape: 1; Side: A; Approx. Time Counter: 9.3 - 18.9}

Jack Copps, Montana Quality Education Coalition (MQEC), testified that the State's share in the cost of education is too low. This bill will establish a statewide insurance pool, which will stabilize the costs.

Lance Melton, Montana School Boards Association (MTSBA), testified in support of the bill and distributed a handout that outlined how HB 124 would be funded.

EXHIBIT(aph63a03)

{Tape: 1; Side: A; Approx. Time Counter: 18.9 - 28}

Wade Johnson, Broadus Public Schools, and Paul Huber, Wolf Point Public Schools, spoke in support of the bill because it will benefit smaller school districts.

{Tape: 1; Side: A; Approx. Time Counter: 28 - 33. Comments: End of Tape 1, Side A.}

Dick Cameron, Glendive Public Schools; Dave Puyear, Montana Rural Education Association; Linda Gryczan, League of Women Voters, Darrell Rudd, School Administrators of Montana; Bob Robinson, Montana School Services; Tanya Ask, Blue Cross Blue Shield; Kirk Miller, Havre Public Schools; Larry Wilson, and Helena School District, concurred with the previous testimony in support of the bill.

Erin McGowan-Fincham, State Auditor's Office, explained that the Auditor's Office will be the regulating agency to ensure the financial viability of SHIP. The Auditor's Office will also help with claim issues.

{Tape: 1; Side: B; Approx. Time Counter: 0 - 12.2}

Opponents' Testimony:

David Ewer, Executive Budget Director, said that there are already increases for education included in the Governor's Budget and local school districts may use this funding wherever they wish. He added that HB 124 is a statutory appropriation and the financial burden will be born by the State. There are uncertainties regarding revenue availability and payment accountability if the bill is enacted.

{Tape: 1; Side: B; Approx. Time Counter: 12.2 - 25; Comments: REP. WELLS exited the meeting.}

Carroll South, Montana Board of Investments, added that the entire system included in the bill is built on money borrowed from programs that already have a significant amount of problems. He feels the bill should require a two-thirds vote because it will create State debt.

Susan Witte, Allegiance Benefit Plan Management, stated that the money would be better spent going directly to local school districts, rather than on administration of a costly and monopolistic insurance plan.

[EXHIBIT\(aph63a04\)](#)

(REP. BUZZAS entered the meeting.)

John Steele, Montana Association of Insurance and Financial Providers, said the number of school district retirees who stay on the program add considerably to program costs. He believes that creating a large pool will require the State to become the primary payor for a greater number of individuals.

{Tape: 1; Side: B; Approx. Time Counter: 25 - 32.9; Comments: End of Tape 1, Side B.}

Gary Griffith, Monforton School, Four Corners, testified that schools need more funding for local control issues, rather than insurance benefit packages.

{Tape: 2; Side: A; Approx. Time Counter: 0 - 5.7}

Mary Whittinghill, Montana Taxpayers' Association, stated that the money would be better spent helping rural districts with recruitment.

[EXHIBIT\(aph63a05\)](#)

[EXHIBIT\(aph63a06\)](#)

[EXHIBIT\(aph63a07\)](#)

Cori Cook, Employee Benefit Management Services, spoke in opposition of HB 124 because current insurance options already exist.

{Tape: 2; Side: A; Approx. Time Counter: 5.7 - 19.2}

Informational Testimony: None.

Questions from Committee Members and Responses:

REP. FRANKLIN asked how many school employees currently do not have access to health insurance. **REP. FACEY** replied that there are about 500 teachers that do not have any access to health insurance and 4,000 total school employees without access.

REP. FRANKLIN asked which school districts do not offer insurance plans. **Tom Bilodeau**, stated that according to information collected by the Alliance of Small Schools, there are at least 70 and possibly as many as 90 school districts that do not offer a group health plan for any of their employees.

REP. RIPLEY commented that opponents to the bill have raised many questions about how the money will be used. He asked Mr. Bilodeau to explain how this program will still be good for Montana. **Mr. Bilodeau** explained that the bill will not require a two-thirds vote and the State is under no obligation to fund the program. The bill provides that no greater than seven percent of premiums will be used for administrative costs.

{Tape: 2; Side: A; Approx. Time Counter: 19.2 - 32; Comments: End of Tape 2, Side B.}

(REP. WELLS entered the hearing.)

REP. RIPLEY asked how school districts would be able to maintain local control under the bill. **REP. FACEY** replied that school districts will have options of different rates, which will help them to maintain local control.

REP. JAYNE asked if the bill would create State debt. **REP. FACEY** responded that the \$24 million in the bill will be for a line of credit, so no actual loan is made. The bill does not obligate taxing authority of future legislatures and does not require a two-thirds vote.

{Tape: 2; Side: B; Approx. Time Counter: 0 - 5.1}

REP. JAYNE asked for further explanation of Tax Sheltered Annuity (TSA) issue and why this may not be favorable to all schools.

REP. FACEY replied that districts with growing enrollments are not usually impacted by the funding formula because they continue to have growing funds.

REP. FRANKLIN commented that this plan depends upon a loan from the Board of Investments and a \$24 million line of credit. The Board of Investments has indicated that they do not believe this is a good investment. She asked what options were available for the program based upon this consensus. **David Ewer** responded that SHIP is not an enterprise, although proponents have indicated otherwise. This program requires a General Fund obligation from the State and requires a cash flow of general tax monies.

Carroll South added that the program will not be able to move forward without Intercap assets and feels a two-thirds vote is appropriate.

{Tape: 2; Side: B; Approx. Time Counter: 5.1 - 15.5}

REP. MORGAN asked for further explanation of the limitations on amounts outlined on Page 22, Section 28 of the bill. **REP. FACEY** replied that this allows the Board of Investments to authorize a higher amount in bonds. He continued that the amount of credit authorized was increased to provide for the total amount necessary.

REP. JACKSON asked for further explanation of how retirees will impact the State. **John Steele** stated that currently Medicare is usually the secondary payor in larger school districts. Creating a large pool will make the State become the primary payor and Medicare will be secondary for everyone. The bill shifts retiree costs from the Federal government to the State.

REP. JACKSON asked what will happen if an insurance company goes bankrupt. **Mr. Steele** replied that the State program will have reserves to cover such incidences.

REP. JACKSON asked if there will be future costs associated with the program. **Mr. Ewer** responded that the \$90 million dollar impact to the General Fund indicated on the fiscal note is only a base. He continued that future costs are likely because the State does not know how many people will be eligible for the program and how significantly inflation will affect costs.

REP. SESSO asked how the program will be funded after its start-up year. **Lance Melton** explained that the current funding proposal has not met with any objection from educational advocacy groups. Funding for subsequent years will be addressed along with the rest of the education formula.

{Tape: 2; Side: B; Approx. Time Counter: 15.5 - 32.8; Comments: End of Tape 2, Side B.}

REP. SESSO asked how participation in the program will be guaranteed. **REP. FACEY** replied that although the program may not be better than what is currently available, primarily with larger school districts, most teachers and unions have indicated that they would be willing to participate in the program because it is a fairness issue. He added that a larger pool will make future premiums more predictable.

{Tape: 3; Side: A; Approx. Time Counter: 0 - 5.5}

REP. TAYLOR asked how the bill will address the issue of equatibility among students. **REP. FACEY** replied that the bill is equitable because it is based on the number of teachers and staff in each district.

REP. BUZZAS asked why the bill was amended to allow districts to opt out of the program. **REP. FACEY** replied that the amendment is the result of recommendations from the Governor's Office. He feels that it would be best to not have an opt-out plan, at least for the first few years of the program.

REP. MORGAN asked if a school could choose to rejoin the program if they opted out previously. **REP. FACEY** responded that the way

the bill is currently written the decision to opt-out is permanent.

Closing by Sponsor:

REP. FACEY explained that HB 124 is an attempt to address problems and inadequacies with current plans that are offered. He reviewed the funding sources of the bill for the Committee and stated that the bill will be a benefit to schools. He added that he would clarify the two-thirds vote issue and report back to the Committee if necessary.

{Tape: 3; Side: A; Approx. Time Counter: 5.5 - 19.3}

HEARING ON HB 742

Opening Statement by Sponsor:

REP. ROSALIE (ROSIE) BUZZAS, HD 93, Missoula, opened the hearing on **HB 742**, a bill to create a registry for declarations concerning life-sustaining treatment. She explained that a website would be set up through the State Attorney General's office for an electronic database of individual health care wishes. Creating an entry in such a database will alleviate the burden on families and enable hospitals to provide accurate medical care for patients who cannot speak for themselves. This will also save on treatment costs.

Proponents' Testimony:

Lilly Tuholske, Life's End Institute, testified that research indicates addressing advance care planning issues greatly improves the quality of life for both the patient and their family members. Creating a State database will allow any hospital to access these care plans as necessary.

[EXHIBIT](#)(aph63a08)

Susan Hancock, Choices Bank Program, discussed an Internet registry project that was developed in Missoula and the benefits of advanced care planning.

[EXHIBIT](#)(aph63a09)

[EXHIBIT](#)(aph63a10)

{Tape: 3; Side: A; Approx. Time Counter: 19.3 - 33; Comments: End of Tape 3, Side A.}

Robert Speirer, American Association of Retired Persons (AARP) Montana, said that advanced care planning allows an individual to involve family members in the decision making process.
EXHIBIT (aph63a11)

Pam Bucy, Assistant Attorney General, said that databases similar to the one in this bill are being implemented in states across the nation. She added that there will be a cost to the State of approximately \$100,000 to implement the program. This includes the training and marketing required for the program.

Tom Ebzery, Saint Vincent's Healthcare, Billings, added that this bill has the support of both Saint Vincent's and Billings Deaconess Hospitals.
{Tape: 3; Side: B; Approx. Time Counter: 0 - 5.5}

Nanette Smith, American Cancer Society, went on record in support of the bill.

Opponents' Testimony: None.

Informational Testimony: None.

Questions from Committee Members and Responses:

REP. MORGAN asked how costs associated with program maintenance would be handled. **REP. BUZZAS** replied that the program will cost around \$25,000 per year to maintain and these costs will initially be taken from the General Fund. It may be possible to create an account specific to the program for future years.

REP. FRANKLIN asked if the costs could possibly be mitigated by charging a filing fee. **Ms. Hancock** responded that this is a possibility. However, research has indicated that charging a fee reduces the number of people who participate in the program.

REP. TAYLOR asked how high the costs were associated with the already existing program in Missoula and how these costs were paid. **Ms. Hancock** answered that this program costs roughly \$50,000 per year and were paid through a Federal grant and donations. The Federal loan is limited to three years, so they are currently in the process of securing other sources of funding.

{Tape: 3; Side: B; Approx. Time Counter: 5.5 - 12.6}

REP. SESSO asked if insurance companies had contributed to the programs currently running in other states. **Ms. Hancock** answered

that she was not aware that any contributions had been made by the insurance industry.

REP. MCNUTT commented that fees are paid to create most other forms of legal documents and it would not be inappropriate to charge those who wished to create advanced care plans. He feels that tacking on a fee may be necessary to sustain the program.

REP. BUZZAS replied that the costs associated with this program will not be as high as for the Missoula program because the State already has a website and staff in place. Also, costs are reduced because it will not be necessary to complete the advanced planning document through an attorney.

REP. JAYNE asked if there would be any liability associated with filing an advanced care plan. **Ms. Bucy** replied that there should not be any question of liability because filing the document is voluntary.

REP. TAYLOR asked if there were any possibility that the process could be completed online. **Ms. Hancock** responded that this was unlikely because the document requires a physical signature of the filer and a witness.

Closing by Sponsor:

REP. BUZZAS stated that the bill will allow individuals to have information available so that their wishes can be immediately known in any given hospital. She said that she is open to finding alternate means of funding the program, but feels it is important that the program be implemented as soon as possible.

HEARING ON HB 633

Opening Statement by Sponsor:

REP. LARRY JENT, HD 64, Bozeman, opened the hearing on **HB 633**, a bill to increase the Teachers Retirement System (TRS) Guaranteed Annual Benefit Adjustment (GABA). This will be an adjustment from the current 1.5% to 2%. The funding required for the bill will be taken from lottery proceeds and contributed to a fund, which will then be allocated to counties on a percentage basis.

Proponents' Testimony:

Hazel Johnson, Montana Retired Educators' Association (MREA), explained that her condition as a diabetic has greatly increased her health care costs. An increase in GABA would help her to afford these costs.

EXHIBIT(aph63a12)

Tom Altmaier, MREA, stated that retired educators were not included in the increase previously awarded by the legislature to Montana public employees.

EXHIBIT(aph63a13)

*{Tape: 3; Side: B; Approx. Time Counter: 12.6 - 32.8; Comments:
End of Tape 3, Side B.}*

Dorathy Kendall, MREA, stated that the GABA increase was necessary to correspond with general cost of living increases over the years.

Charlotte Thomas, MREA, stated that retirement pensions do affect teacher retention. The GABA increase will help retired educators to meet the increasing costs of health care and prescription drugs.

Marg Crennen, AARP, said the current increase is not keeping up with cost of living increases and is affecting the ability of retirees to maintain their lifestyles.

EXHIBIT(aph63a14)**Opponents' Testimony:**

Mr. Ewer stated that a defined benefit plan is currently being offered to public school educators. In addition to lottery money, this bill will also require an increase in the employer contribution. He added that lottery money is already being put into the General Fund, which helps to pay these benefits.

{Tape: 4; Side: A; Approx. Time Counter: 0 - 14}

Informational Testimony:

David Senn, Montana Teachers' Retirement Board, commented that he would be available for questions on the bill.

Questions from Committee Members and Responses: None.

Closing by Sponsor:

REP. JENT clarified that nearly all of the state retirement systems are defined benefit systems. TRS is currently adequately funded and if the investment strategy of the Board of Investments produces income that makes those contributions unnecessary, the employer contribution will revert back to what it was before. He asked the Committee to pass the bill.

{Tape: 4; Side: A; Approx. Time Counter: 14 - 18}

HEARING ON HB 796

Opening Statement by Sponsor:

REP. TIM CALLAHAN, HD 21, Great Falls, opened the hearing on **HB 796**, a bill to create and fund a study of the correctional system. He stated that this study will provide a global look at the Department of Corrections (DOC) and particularly address policy costs. The bill is the request of the Subcommittee on Corrections. The funding for this bill will come from several State department budgets.

{Tape: 4; Side: A; Approx. Time Counter: 18 - 23.4}

Proponents' Testimony:

Bill Slaughter, DOC, stated that the study is intended to identify ways to reduce recidivism, provide adequate treatment to chemically dependent and mentally ill inmates, and examine transportation policies and procedures within the department. Possible locations for secure facilities within the State will also be addressed through the study.

Joe Williams, DOC, added that money will be saved in the long-run, once these issues within the department are identified and addressed.

{Tape: 4; Side: A; Approx. Time Counter: 23.4 - 29.2}

Opponents' Testimony:

Jim Opedahl, Administrator, Montana Supreme Court, stated that the Court's budget goes through a different Subcommittee and did not get the opportunity to be discussed by the Subcommittee on Corrections. He said that providing the necessary materials for this study will place a severe strain on the Court's budget and staff.

{Tape: 4; Side: A; Approx. Time Counter: 29.2 - 31.6; Comments: End of Tape 4, Side A.}

Informational Testimony: None.

Questions from Committee Members and Responses:

REP. JAYNE commented that there was no referring section on the bill. She asked where the resulting law would be found. **Mr. Moe**

replied that this type of bill is found in Session Laws, rather than Statute and explained the difference between the two.

REP. JAYNE asked why this study was not included in HB 2. **REP. CALLAHAN** explained that the concept came about too late in the legislative process to be included in HB 2.

REP. JAYNE asked if the bill could be amended to include more corrections experts on the study panel. **REP. CALLAHAN** replied that corrections experts would be those who testified before and supplied information to the Interim Study Committee.

{Tape: 4; Side: B; Approx. Time Counter: 0 - 8}

REP. TAYLOR asked if it would be beneficial to study the policies of other states before progressing to a study in Montana. **REP. CALLAHAN** replied that the interim study is likely to look at the policies of other states and gathering this information is the first step.

CHAIRMAN BUZZAS asked how the cost estimates were calculated.

REP. CALLAHAN replied that these figures were based off of the cost of hiring one expert for the study.

Closing by Sponsor:

REP. CALLAHAN stated the Subcommittee understands that the plan for the study needs to be further investigated. However, they felt that this is an important issue that needs to be addressed.

CHAIRMAN BUZZAS announced that the Committee would recess until after the House floor session.

{Tape: 4; Side: B; Approx. Time Counter: 8 - 12.5; Comments: End of Tape 4, Side B.}

NOTE: Meeting reconvened at 3:30 p.m.

Information was handed out from Greg Petesch, Legislative Legal Division, on HB 124.

EXHIBIT(aph63a15)

Jon Moe, Legislative Fiscal Division, handed out a report prepared by his Department that shows the fiscal impact of the bills that have been in the Appropriations Committee. The purpose of the report is to inform the Committee how these bills will affect the General Fund or the budget cap.

EXHIBIT(aph63a16)

REP. SESSO asked how they can tell if the appropriation is factored into the General Fund balance. **Jon Moe** said that some of the bills listed are either an appropriation or a potential appropriation. Only the ones listed "appropriation" are factored into the General Fund balance. Those listing a "potential appropriation" are reflected on the status sheet, but not in the General Fund balance.

{Tape: 5; Side: A; Approx. Time Counter: 0 - 6.8; Comments: Rep. Sinrud entered hearing}

REP. WITT requested that there not be a hearing on HB 3.

{Tape: 5; Side: A; Approx. Time Counter: 6.8 - 12}

EXECUTIVE ACTION ON HB 89

Motion: **REP. WITT** moved that HB 89 DO PASS.

Discussion:

REP. WITT said this agency bill would eliminate the gambling machines dial-up system and replace it with a Web-based system. The agency has agreed to the \$1.1 million General Fund appropriation being removed. The \$1.1 million was originally in the Governor's budget, but has been amended out of it.

REP. MORGAN asked how this Web-based system would be funded.

REP. WITT said it would give the Department of Justice (DOJ) the authority to move forward with this new system, and they would need to look for other sources of funding within their department.

REP. KAUFMANN asked if HB 89 is passed with a fiscal note that says \$1.1 million, but there is no appropriation for it in HB 2, then does the DOJ have to do the job with no money provided.

Gene Huntington, DOJ, said current law requires the dial-up system, but provides no funding for it. Therefore, HB 89 would substitute one unfunded system for a more expensive unfunded system. Even without the appropriation, they need the bill to be passed so they can operate under current conditions.

REP. JAYNE asked if there is no money in the bill, then hasn't it missed the transmittal deadline. **Jon Moe** said since it was referred to the Appropriations Committee, it is considered to be an appropriations bill and subject to that transmittal date.

Vote: Motion carried unanimously by voice vote. REP. SINRUD voted by proxy.

EXECUTIVE ACTION ON HB 531

Motion: REP. FRANKLIN moved that HB 531 DO PASS.

Discussion:

REP. FRANKLIN said this bill would appropriate \$1.5 million from the General Fund to the McLaughlin Research Institute and they would match it with private funds. Under the current conditions, she requested that the General Fund appropriation be reduced to \$750,000.

Motion: REP. FRANKLIN moved the CONCEPTUAL AMENDMENT TO DECREASE THE APPROPRIATION TO \$750,000 BE ADOPTED.

CHAIRMAN BUZZAS said she will vote for the bill because it supports a Montana-based business that wants to expand and hire more employees. It is a good investment.

REP. LENHART said that although he resides 365 miles away from McLaughlin, people in his area have been utilizing their services with great success.

REP. WITT said that this is well worth the money.

Vote: Motion carried unanimously by voice vote.

Motion: REP. FRANKLIN moved that HB 531 BE AMENDED.
[EXHIBIT](#)(aph63a17)

Discussion:

Jon Moe explained the amendment clarifies that the funding is for the biennium beginning July 1, 2005.

Vote: Motion carried unanimously by voice vote.

Motion/Vote: REP. FRANKLIN moved that HB 531 DO PASS AS AMENDED.
Motion carried 16-4 by roll call vote with REP. HAWK, REP. JACKSON, REP. SINRUD, and REP. WELLS voting no.

EXECUTIVE ACTION ON HB 35

Motion: REP. WELLS moved that HB 35 DO PASS.

Motion: REP. WELLS moved that HB 35 BE AMENDED.

EXHIBIT(aph63a18)

Discussion:

REP. WELLS explained the amendment would change the funding for the Montana Highway Patrol (MHP) from the tax on vehicles to a direct General Fund appropriation. This would put the MHP payroll on par with other State workers, and future raises would be covered by the General Fund. The General Fund impact would be \$3.4 million FY06 and \$3.8 million in FY07. Jon Moe said the appropriation for FY07 would be \$3.5 million because at that time the MHP would be exempt from vacancy savings.

{Tape: 5; Side: A; Approx. Time Counter: 12 - 32.6; Comments: End of Side A, Tape 5}

The vacancy savings exemption, which begins July 1, 2005, applies to both FY06 and FY07.

REP. JAYNE said that if the amendment passes, they would need to reverse the vehicle fee increases that were made by another committee. REP. WELLS said that he does not want to increase vehicle fees to pay for MHP salaries. Jon Moe said the amendments eliminate all sections of the bill that increase vehicle fees, including the one on recreational vehicles.

REP. LENHART said the Interim State Administration Committee did a lot of good work on this bill, therefore, he would vote against the amendment.

Vote: Motion carried 11-9 by roll call vote with REP. BUZZAS, REP. CALLAHAN, REP. FRANKLIN, REP. HINER, REP. JUNEAU, REP. KAUFMANN, REP. LENHART, REP. MUSGROVE, and REP. SESSO voting no. REP. GLASER voted by proxy.

Motion: REP. SINRUD moved that HB 35 BE AMENDED.

EXHIBIT(aph63a19)

Discussion:

Jon Moe explained that this technical amendment coordinates the outcome of HB 447, the State pay plan bill.

Vote: Motion carried unanimously by voice vote. REP. GLASER voted by proxy.

Motion: REP. WELLS moved that HB 35 DO PASS AS AMENDED.

Discussion:

REP. JUNEAU said that HB 35 is important, but now that the amendment has moved the funding into the General Fund, she said she would not support the bill.

Vote: Motion carried 11-9 by roll call vote with REP. BUZZAS, REP. CALLAHAN, REP. FRANKLIN, REP. HINER, REP. JUNEAU, REP. KAUFMANN, REP. LENHART, REP. MUSGROVE, and REP. SESSO voting no. REP. GLASER voted by proxy.

EXECUTIVE ACTION ON HB 552

Motion: REP. KAUFMANN moved that HB 552 DO PASS.

Motion: REP. KAUFMANN moved that amendment HB55201.ajw BE ADOPTED.

Discussion:

REP. KAUFMANN explained that the amendment reduces the appropriation from \$2.1 million to \$1.8 million to comply with the fiscal note. HB 552 raises the asset test limit up to \$15,000 for healthcare qualification. The amendment would also make the bill conform with the \$1.8 million provided for in HB 2.

Vote: Motion carried unanimously by voice vote.

Motion: REP. KAUFMANN moved that HB 552 DO PASS AS AMENDED.

Discussion:

REP. MORGAN said she opposes the bill because her amendment to HB 2 to delay I-149 did not pass. If it had, she said she would have supported HB 552, however, passage of this is going to lead to a train wreck.

REP. SINRUD said he cannot support this bill because he does not believe that there will be enough revenue from the I-149 tobacco tax to support these numerous programs.

REP. JUNEAU said she supports the bill because it will increase the number of kids that will be covered by health insurance by 3,800.

REP. KAUFMANN said the Governor's Budget Office predicts that there will be enough revenue from I-149 to support these programs. The legislature has already approved a bill to spend \$10 million to extend health care benefits to small businesses. She said this is a better deal because for only \$1.8 million they will be able to cover an additional 3,800 children.

Vote: Motion carried 11-9 by roll call vote with **REPS. GLASER, HAWK, MCNUTT, MORGAN, RIPLEY, SINRUD, TAYLOR, WELLS and WITT** voting no.

EXECUTIVE ACTION ON HB 249

Motion: **REP. HINER** moved that HB 249 DO PASS.

Motion: **REP. MCNUTT** moved that HB 249 BE AMENDED.
[EXHIBIT](#)(aph63a20)

Discussion:

REP. MCNUTT said that in order to participate in this program, the bill says that you must be a certified regional development corporation. Neither Lake County nor Sidney are certified. Therefore, the amendment removes the certification requirement.

Vote: Motion carried 19-1 by voice vote with **REP. JUNEAU** voting no. **REP. LENHART** voted by proxy.

Motion/Vote: **REP. HINER** moved that HB 249 DO PASS AS AMENDED. Motion carried 15-5 by roll call vote with **REP. HAWK, REP. KAUFMANN, REP. RIPLEY, REP. TAYLOR, and REP. WELLS** voting no. **REP. JACKSON** voted by proxy.

EXECUTIVE ACTION ON HB 749

Motion: **REP. RIPLEY** moved that HB 749 DO PASS.

Motion: **REP. RIPLEY** moved that HB 749 BE AMENDED.
[EXHIBIT](#)(aph63a21)

Discussion:

REP. RIPLEY explained that the technical amendment changes the year from 2007 to 2006, because of a typographical error.

Vote: Motion carried unanimously by voice vote.

Motion: REP. RIPLEY moved that HB 749 DO PASS AS AMENDED.

Discussion:

REP. MORGAN said it is important that they pass HB 749 in order for the DPHHS to collect this nursing home tax to match with Federal dollars. Nursing homes in small communities will close if they lose this source of funding.

REP. KAUFMANN said she agreed with REP. MORGAN, and wanted to point out that the \$7 million will go against the budget cap. She said she thought both parties need to recognize that bills such as this are important enough that it will be necessary to push against the cap.

{Tape: 5; Side: B; Approx. Time Counter: 0 - 32.6; Comments: End of Tape 5}

Vote: Motion carried unanimously by roll call vote. REP. JACKSON voted by proxy.

EXECUTIVE ACTION ON HB 326

Motion: REP. WITT moved that HB 326 DO PASS.

Motion: REP. WITT moved that HB 326 BE AMENDED.
[EXHIBIT](#)(aph63a22)

Discussion:

REP. WITT said the amendment removes the money from HB 326 for creating a meth treatment facility. The Department of Corrections (DOC) asked him if he would present this amendment; they want to try and find other sources of funding.

CHAIRMAN BUZZAS said she thought some of the money requested in this bill would go to local residential meth treatment facilities, as is stated on Page 4 Line 14 of the bill. She said she is troubled to hear that the DOC already has the money in their budget to pay for this new program.

Jon Moe said there is no appropriation in the bill, so he was confused by REP. PETERSON's proposed amendment.

REP. SINRUD said the DOC may have money in carry-forward funds that they can use to fund this treatment center.

{Tape: 6; Side: A; Approx. Time Counter: 0 - 7.3}

REP. KAUFMANN said if there is no appropriation in the bill and it is passed out of this Committee, it will appear on the status sheet as \$2 million against the budget cap and ending fund balance. Then when HB 2 is in the Conference Committee, the \$2 million may be added to pay for this bill. She asked how this bill is passed out of the Appropriations Committee with the reminder that they do not want it to be funded.

CHAIRMAN BUZZAS said when the bill comes to the House floor, it will still have the Fiscal Note attached, which may prove to be confusing.

REP. WITT noted that the amendment was not drafted by the Legislative Fiscal Division, it was drafted by REP. PETERSON.

CHAIRMAN BUZZAS said it was not a legitimate amendment, however, it may not be necessary anyway since there is no money appropriated in the bill.

REP. CALLAHAN said the Fiscal Note was developed in conjunction with the DOC, so obviously they felt that these would be the expenses associated with developing this new program. Perhaps the wording of the bill could be changed so a new Fiscal Note could be prepared stating that they are not obligated to spend any money. Their intent is to give the courts the option of sentencing people to these treatment programs. Eventually, these treatment programs will reduce the DOC expenses as the offenders become rehabilitated. He suggested that the Committee withhold action on HB 326 until a new Fiscal Note can be written.

REP. WITT removed his motion, without objection.

Vote: Motion carried 12-8 by roll call vote with REP. BUZZAS, REP. HAWK, REP. JAYNE, REP. JUNEAU, REP. KAUFMANN, REP. LENHART, REP. MUSGROVE, and REP. RIPLEY voting no. REP. SINRUD voted by proxy.

EXECUTIVE ACTION ON HB 704

Motion: REP. MORGAN moved that HB 704 DO PASS AS AMENDED.

Discussion:

REP. MORGAN said previous Executive Action on HB 704 had resulted in a 10-10 tie. She said she wanted to revisit it because the sponsor would like to have it amended to remove the appropriation. HB 704 would force the DPHHS to handle complaints against long-term care facilities in an appropriate amount of time. The Federal government has begun to fine states that do not conduct these reviews in a timely manner, and she said HB 704 would help in avoiding these fines.

REP. LENHART said that when the bill goes to the House floor, it will have the Fiscal Note attached.

REP. JUNEAU said she is concerned about passing bills out of Committee with no appropriation and then passing them onto the House floor with a Fiscal Note attached. She said she thought the bills needed to be amended to reflect that there is no appropriation. If a bill has an appropriation, it should either be passed or failed, or an amendment should be passed to strike the appropriation. Otherwise, in the next 30 days some other Committee would be making the decision relative to the funding.

Motion: **REP. MORGAN** moved **CONCEPTUAL AMENDMENT TO REMOVE THE APPROPRIATION FROM HB 704.**

Discussion:

REP. SESSO said he originally voted against this bill because of the appropriation. He said that DPHHS should be doing this job without an appropriation.

Jon Moe said he has seen these rare conceptual amendments before to strip an appropriation from a bill.

Vote: Motion carried 18-2 by voice vote with **REP. CALLAHAN** and **REP. SINRUD** voting no.

Motion/Vote: **REP. MCNUTT** moved that HB 704 DO PASS AS AMENDED. Motion carried 17-3 by voice vote with **REP. CALLAHAN**, **REP. JUNEAU**, and **REP. SINRUD** voting no.

EXECUTIVE ACTION ON HB 667

Motion: **REP. FRANKLIN** moved that HB 667 DO PASS.

Motion: REP. TAYLOR moved that HB 667 BE AMENDED.
EXHIBIT (aph63a23)

Discussion:

REP. TAYLOR said there are two parts to the amendment. The first would change the \$75,000 employee limit down to \$45,000 with a cost of living increase. The second states that the administrative costs would not exceed 7% in the first year and 6% every year thereafter. The Auditor's Office just informed REP. TAYLOR that there is no way they can get their costs under 9% because of first-year expenses, so she said she would be willing to change the amendment to 9% for the first year and 5% for subsequent years.

REP. SESSO asked if the employee income limit is changed from \$75,000 down to \$45,000, then what is the fiscal impact.

REP. TAYLOR said it was originally set at \$75,000 in order to make it attractive enough to small business owners. She said she didn't want to give tax breaks to someone making that much money.

REP. SESSO asked if there were fewer participants, then would it decrease the cost of the program to the State.

{Tape: 6; Side: A; Approx. Time Counter: 7.3 - 32.6; Comments: End of Side A, Tape 6}

Erin McGowan, Auditor's Office, said originally they had proposed that the income limit should be set at \$150,000. It was negotiated to \$75,000 by the parties involved. They anticipate that the program will fill up at the \$45,000 limit because there is a set amount of money for the tax credits. They had proposed the \$75,000 limit to give the program some flexibility.

REP. KAUFMANN asked if the effect of the amendment would be to cover the same number of people, but they would be people at the lower income level. **Erin McGowan** said, "Yes." She said it is a first-come, first-served program.

REP. JUNEAU asked if small businesses would be eliminated from the program if only one employee is earning more than \$45,000. That one employee could potentially eliminate all of the other employees from participating. **REP. TAYLOR** said that is a problem, because her intent is to only exclude the one higher income employee.

REP. TAYLOR said she would like to segregate her amendment.

REP. WELLS said that Page 4, Lines 36-37 of the Fiscal Note states the estimate is based upon the number of uninsured Montanans who are working for employers with two to nine employees. If the income limit is dropped to \$45,000, he asked if the estimate of 6,200 eligible employees would drop, because then the Fiscal Note should drop.

Erin McGowan said it is correct that fewer people would be eligible. She said the number of eligible participants was prepared by DPHHS.

REP. SESSO asked how the income threshold was established.

Erin McGowan said the employer is exempt from the income limit. The National Federation of Independent Businesses said that the average income of their employees is \$33,000; if one employee is earning above the income limit, then none of the employees would be allowed to participate in this program. The \$75,000 income limit would ensure that fewer businesses were excluded from participating.

REP. TAYLOR withdrew her amendment motion, without objection.

Motion: **REP. TAYLOR** moved that amendment HB66702.asb BE ADOPTED AS AMENDED.

Discussion:

REP. TAYLOR said she was changing the amendment to read, "not to exceed 9% in the first year, and 5% in each of the subsequent years."

Vote: Motion carried unanimously by voice vote. **REP. MORGAN** voted by proxy.

Motion: **REP. SINRUD** moved that HB 667 BE AMENDED.

[**EXHIBIT**\(aph63a24\)](#)

[**EXHIBIT**\(aph63a25\)](#)

Discussion:

REP. SINRUD explained that this amendment would change this bill to a tax credit, since the bill is fiscally and structurally unsound. He reviewed the handout, which was a spreadsheet of projected revenue and expenditures associated with I-149; by 2013 the fund balance would be a negative \$5.8 million. The current revenues do not support the current expenses and choices need to

be made as to what bills will be funded by the I-149 tobacco tax.

REP. SESSO asked what data was used to make these revenue projections.

Terry Johnson, Legislative Fiscal Division, said it is based upon actual tax collections for 2000-2005, and shows the various State accounts that the revenue is deposited into. Only three months of 2005 reflect the revenue collected under the new I-149 tax law.

REP. SINRUD said tobacco tax revenues declined when the I-149 tax increase was implemented, and there are too many programs competing to use these dollars.

Vote: Motion failed 10-10 by roll call vote with **REP. GLASER, REP. HAWK, REP. JACKSON, REP. MCNUTT, REP. MORGAN, REP. RIPLEY, REP. SINRUD, REP. TAYLOR, REP. WELLS, and REP. WITT** voting aye. **REPS. FRANKLIN and GLASER** voted by proxy.

Motion/Vote: **REP. SINRUD** moved that HB 667 BE TABLED. Motion failed 10-10 by roll call vote with **REP. GLASER, REP. HAWK, REP. JACKSON, REP. MCNUTT, REP. MORGAN, REP. RIPLEY, REP. SINRUD, REP. TAYLOR, REP. WELLS, and REP. WITT** voting aye. **REPS. FRANKLIN and GLASER** voted by proxy.

Motion/Vote: **REP. CALLAHAN** moved that HB 667 DO PASS AS AMENDED. Motion failed 10-10 by roll call vote with **REP. BUZZAS, REP. CALLAHAN, REP. FRANKLIN, REP. HINER, REP. JAYNE, REP. JUNEAU, REP. KAUFMANN, REP. LENHART, REP. MUSGROVE, and REP. SESSO** voting aye. **REPS. FRANKLIN, GLASER and LENHART** voted by proxy.

EXECUTIVE ACTION ON HB 326

Motion: **REP. WELLS** moved that HB 326 DO PASS.

Discussion:

REP. WITT asked the DOC to comment on the appropriation being removed from this bill.

Joe Williams, DOC, said that the bill is permissive; it does not mandate that the DOC establish a methamphetamine treatment center. A lot of things have changed since they originally wrote the Fiscal Note prior to the start of the session. They are currently negotiating their budget with the Governor's Budget Office and the legislature and based upon their anticipated

increase, they believe they will be able to cover the cost of some form of this new program. Therefore, it would be legitimate to pass this bill with a zero Fiscal Note.

REP. FRANKLIN said she is uncomfortable passing this bill without an appropriation. Judges could be sentencing offenders to the methamphetamine treatment program, which is either not in place or ready to accept participants.

CHAIRMAN BUZZAS said this involves a big policy change and the DOC can make this change without having the authority granted by the legislature.

REP. CALLAHAN said the DOC estimated in the Fiscal Note the cost of a 40-bed methamphetamine treatment center, based upon HB 667 giving them permission, not mandating, to establish a center.

REP. WELLS said he wished **REP. PETERSON** had worked out the Fiscal Note controversy, and recommended that the Committee delay action on HB 667 until they get a legitimate Fiscal Note.

CHAIRMAN BUZZAS said that they can pass the bill because it has no appropriation, without getting the Fiscal Note corrected.

Jon Moe said if the bill is passed as is, then it will appear on the status sheet as a potential appropriation and charged against the General Fund. It would be appropriate to request a change in the Fiscal Note.

Vote: Motion carried 12-8 by roll call vote with **REP. BUZZAS**, **REP. HAWK**, **REP. JAYNE**, **REP. JUNEAU**, **REP. KAUFMANN**, **REP. LENHART**, **REP. MUSGROVE**, and **REP. RIPLEY** voting no. **REP. SINRUD** voted by proxy.

EXECUTIVE ACTION ON HB 687

Motion: **REP. WELLS** moved that HB 687 BE REMOVED FROM THE TABLE.

Discussion:

REP. WELLS said he was unsure why the Committee had tabled this bill, which would stop people from obtaining their tobacco products via the Internet. HB 687 would protect small businesses by discouraging people from buying their tobacco products this way in order to avoid the tobacco tax.

Vote: Motion failed 7-13 with REP. GLASER, REP. JACKSON, REP. RIPLEY, REP. SINRUD, REP. TAYLOR, REP. WELLS, and REP. WITT voting aye.

EXECUTIVE ACTION ON HB 288

Motion: REP. WITT moved that HB 288 DO PASS.

Discussion:

Joe Williams, DOC, said they support this bill to transfer the collection of offender fees from the District Clerks of Court to the DOC. They would hire three clerks to process 87,000 payments per year.

CHAIRMAN BUZZAS said that the \$235,000 appropriated in this bill would go against the budget cap because it is an appropriation authority to State Special Revenue.

Vote: Motion carried 12-8 by roll call vote with REP. BUZZAS, REP. CALLAHAN, REP. FRANKLIN, REP. HINER, REP. JAYNE, REP. JUNEAU, REP. KAUFMANN, and REP. MUSGROVE voting no.

EXECUTIVE ACTION ON HB 151

Motion: REP. CALLAHAN moved that HB 151 DO PASS.

Motion: REP. FRANKLIN moved that HB 151 BE AMENDED.
[EXHIBIT](#) (aph63a26)

Discussion:

REP. FRANKLIN said the amendment puts structure and responsibility back on the teacher who is receiving these funds.

REP. SINRUD said enforcing these contracts would place a burden on the local schools.

CHAIRMAN BUZZAS said she agreed that the requirements in this amendment would be difficult to enforce.

Vote: Motion failed unanimously by voice vote.

Substitute Motion/Vote: REP. RIPLEY made a substitute motion that HB 151 BE TABLED. Substitute motion carried 17-3 by voice vote with REP. FRANKLIN, REP. JAYNE, and REP. SESSO voting no.

EXECUTIVE ACTION ON HB 512

Motion: REP. WITT moved that HB 512 DO PASS.

Discussion:

REP. WITT explained that this bill would appropriate \$1.1 million in Federal funds to the Department of Transportation (DOT) for local rail freight assistance programs. It gives the State a way of helping to keep short-line rails in operation.

{Tape: 7; Side: A; Approx. Time Counter: 0 - 32.6; Comments: End of Side A, Tape 7}

Motion: REP. WITT moved that HB 512 BE AMENDED.

EXHIBIT (aph63a27)

Discussion:

REP. JACKSON said the State should work to maintain their rail lines.

REP. SESSO explained that the source of funds comes from Federal money the State loaned 20 years ago to build the Port of Butte. The money has been paid back over the past 20 years and it will soon be paid in full. The loan repayments would be redirected to this short-line rail program.

Jon Moe said the amendment is necessary to make sure that bill is not contrary to Federal law.

Vote: Motion carried unanimously by voice vote.

Motion/Vote: REP. WITT moved that HB 512 DO PASS AS AMENDED.

Motion carried 17-3 by voice vote with REP. MORGAN, REP. RIPLEY, and REP. SINRUD voting no.

EXECUTIVE ACTION ON HB 742

Motion/Vote: REP. BUZZAS moved that HB 742 DO PASS. Motion carried 14-6 by roll call vote with REP. GLASER, REP. HAWK, REP. RIPLEY, REP. SINRUD, REP. TAYLOR, and REP. WELLS voting no.

EXECUTIVE ACTION ON HB 633

Motion/Vote: REP. SINRUD moved that HB 633 BE TABLED. Motion carried unanimously by voice vote.

EXECUTIVE ACTION ON HB 423

Motion/Vote: REP. FRANKLIN moved that HB 423 BE TABLED. Motion carried 15-5 by voice vote with REP. MORGAN, REP. MUSGROVE, REP. SESSO, REP. TAYLOR, and REP. WITT voting no.

EXECUTIVE ACTION ON HB 336

Motion: REP. MORGAN moved that HB 336 DO PASS.

Discussion:

REP. FRANKLIN said she had concerns about the bill being too narrowly focused on one person, when there is a 500-person waiting list at DPHHS. It also does not clearly define how the department is to use this appropriated money.

Substitute Motion/Vote: REP. FRANKLIN made a substitute motion that HB 336 BE TABLED. Substitute motion failed 10-10 by roll call vote with REP. BUZZAS, REP. CALLAHAN, REP. FRANKLIN, REP. HINER, REP. JAYNE, REP. JUNEAU, REP. KAUFMANN, REP. LENHART, REP. MUSGROVE, and REP. SESSO voting aye.

Motion: REP. MORGAN moved that HB 336 BE AMENDED.
[EXHIBIT](#)(aph63a28)

Discussion:

Jon Moe said the amendment would clarify the dates the funding is for.

Vote: Motion carried unanimously by voice vote.

Motion: REP. MORGAN moved that HB 336 DO PASS AS AMENDED.

Discussion:

REP. MORGAN said this bill has to do with providing services to developmentally disabled students who have graduated from high school.

CHAIRMAN BUZZAS said she opposes the bill because it would add almost \$300,000 to the base budget and only cover a project 10 people.

Vote: Motion failed 8-12 by roll call vote with REP. GLASER, REP. MCNUTT, REP. MORGAN, REP. RIPLEY, REP. SINRUD, REP. TAYLOR, REP. WELLS, and REP. WITT voting aye.

{Tape: 7; Side: B; Approx. Time Counter: 0 - 32.6; Comments: End of Tape 7}

EXECUTIVE ACTION ON HB 773

Motion: REP. MORGAN moved that HB 773 DO PASS.

Discussion:

REP. MORGAN reminded the Committee this bill would appropriate \$125,000 to each of four different Mental Health districts for drop-in centers.

CHAIRMAN BUZZAS said she was concerned about the \$500,000 from the General Fund, and that there is no direction as to how this money is to be allocated according to need.

Vote: Motion failed 6-14 by roll call vote with REP. GLASER, REP. MORGAN, REP. RIPLEY, REP. SINRUD, REP. TAYLOR, and REP. WITT voting aye. REP. MCNUTT voted by proxy.

EXECUTIVE ACTION ON HB 31

Motion: REP. BUZZAS moved that HB 31 DO PASS.

Discussion:

CHAIRMAN BUZZAS said this bill came at the request of the Children, Families, Health, and Human Services Interim Committee and establishes the Office of Substance Abuse and Treatment. The money for this office is already included in the Governor's budget.

REP. FRANKLIN said she served on this interim committee and they felt this position needed to be in the Governor's Cabinet. It would serve as an oversight to all of the various methamphetamine-related bills that are being passed.

REP. TAYLOR said she talked to her local sheriff and he said most law enforcement people do not support this bill.

CHAIRMAN BUZZAS said the recommendation came out of Gov. Martz's Task Force on Substance Abuse. Since so much money is being spent on substance abuse, this group felt that it needed coordination and oversight.

{Tape: 8; Side: A; Approx. Time Counter: 0 - 11.4}

Vote: Motion failed 10-10 by roll call vote with **REP. BUZZAS**, **REP. CALLAHAN**, **REP. FRANKLIN**, **REP. HINER**, **REP. JAYNE**, **REP. JUNEAU**, **REP. KAUFMANN**, **REP. LENHART**, **REP. MUSGROVE**, and **REP. SESSO** voting aye. **REP. MCNUTT** voted by proxy.

EXECUTIVE ACTION ON HB 379

Motion: **REP. JAYNE** moved that HB 379 DO PASS.

Motion: **REP. JAYNE** moved that amendment HB037902.ate BE ADOPTED. [EXHIBIT](#)(aph63a29)

Discussion:

REP. JAYNE explained that the amendment moves the funding for HB 379 to the Orphan Share Fund. Funds would be allocated from the Resource Indemnity Fund (RIT) and groundwater tax proceeds. These proceeds come from the oil and gas production taxes.

REP. SINRUD asked how this bill would impact the RIT.

Amy Sassano, Governor's Budget Office, said the amended bill directs all the Orphan Share proceeds to this other fund in perpetuity. The purpose is to get enough money into the trust to pay for water treatment into perpetuity. When enough money is accumulated, the proceeds will again revert back to the Orphan Share Fund.

CHAIRMAN BUZZAS said she supports the amendment because this is exactly the purpose of the Orphan Share Fund. HB 379 would allow them to build up funds as they continue to seek additional federal funds.

REP. RIPLEY said that Page 3, Line 19 of the Fiscal Note states the estimated cost would range from \$43-173 million, which he said is too big of a range.

REP. MUSGROVE said this is an appropriate funding source for this project. Either the State pays now or it will pay later.

REP. WITT said that based upon past discussions, there is not a problem with the water at this point and it is a ridiculous bill.

REP. RIPLEY said that he and **REP. MUSGROVE** have both visited the mine site. During his visit he was told by an elderly citizen that the ancestors had called it Red Creek because it always ran red. He said he thought the water they are treating now is superior to what it ever was in the past.

Vote: Motion carried unanimously by voice vote.

Motion/Vote: **REP. JAYNE** moved that HB 379 DO PASS AS AMENDED. Motion carried 11-9 by roll call vote with **REPS. GLASER, HAWK, JACKSON, MCNUTT, RIPLEY, SINRUD, TAYLOR, WELLS,** and **WITT** voting no. **REP. MCNUTT** voted by proxy.

EXECUTIVE ACTION ON HB 69

Motion/Vote: **REP. SESSO** moved that HB 69 BE TABLED. Motion carried 11-9 by roll call vote with **REP. GLASER, REP. HAWK, REP. MCNUTT, REP. MORGAN, REP. RIPLEY, REP. SINRUD, REP. TAYLOR, REP. WELLS,** and **REP. WITT** voting no. **REP. MCNUTT** voted by proxy.

EXECUTIVE ACTION ON HB 484

Motion: **REP. KAUFMANN** moved that HB 484 DO PASS.

*{Tape: 8; Side: A; Approx. Time Counter: 11.4 - 32.6; Comments:
End of Side A, Tape 8}*

Motion: **REP. KAUFMANN** moved that HB 484 BE AMENDED.
EXHIBIT(aph63a30)

Discussion:

REP. KAUFMANN said the amendment would provide a restricted appropriation.

Vote: Motion carried unanimously by voice vote.

Motion/Vote: REP. SINRUD moved that HB 484 DO PASS AS AMENDED. Motion carried 16-4 by roll call vote with REP. FRANKLIN, REP. HAWK, REP. JUNEAU, and REP. SESSO voting no. REP. MCNUTT voted by proxy.

EXECUTIVE ACTION ON HB 134

Motion: REP. MORGAN moved that HB 134 DO PASS.

Discussion:

REP. MORGAN said the bill would provide a \$500 income tax credit for people who have children at a Montana university.

REP. JUNEAU said she could not support this bill because it would cost the General Fund \$2 million per year in lost tax revenue.

Vote: Motion failed 9-11 by roll call vote with REP. GLASER, REP. HAWK, REP. MCNUTT, REP. MORGAN, REP. RIPLEY, REP. SINRUD, REP. TAYLOR, REP. WITT and REP. WELLS voting aye. REP. MCNUTT voted by proxy.

EXECUTIVE ACTION ON HB 264

Motion: REP. JAYNE moved that HB 264 DO PASS.

Discussion:

REP. JAYNE said this bill would move fees collected for the Crime Victims Fund from the General Fund to State Special Revenue.

REP. KAUFMANN said this bill should not impact the budget cap and would result in a 60% matching in federal funds.

Vote: Motion carried 12-8 by roll call vote with REP. CALLAHAN, REP. GLASER, REP. MCNUTT, REP. MUSGROVE, REP. RIPLEY, REP. SINRUD, REP. WELLS, and REP. WITT voting no. REP. MCNUTT voted by proxy.

ADJOURNMENT

Adjournment: 7:30 P.M.

REP. ROSALIE (ROSIE) BUZZAS, Chairman

MARCY MCLEAN, Secretary

RB/mm

Additional Exhibits:

EXHIBIT ([aph63aad0.PDF](#))