

1 SENATE BILL NO. 538

2 INTRODUCED BY C. FRIEDEL, E. BUTTREY, D. ZOLNIKOV, D. BARTEL, J. SMALL, M. HOPKINS, J.  
3 ELLSWORTH, J. KASSMIER

4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING MARIJUANA LAWS; CREATING A  
6 MARIJUANA ADMINISTRATION STATE SPECIAL REVENUE ACCOUNT FOR THE DEPARTMENT OF  
7 REVENUE; CREATING A HABITAT LEGACY ACCOUNT FOR THE BENEFIT OF THE DEPARTMENT OF  
8 FISH, WILDLIFE, AND PARKS; CREATING A STATE SPECIAL REVENUE ACCOUNT FOR THE BENEFIT  
9 OF THE DEPARTMENT OF JUSTICE; AUTHORIZING THE DEPARTMENT OF REVENUE TO SPEND  
10 APPROPRIATED LOCAL OPTION MARIJUANA TAX REVENUE; REVISING THE ALLOCATION OF THE  
11 MARIJUANA STATE SPECIAL REVENUE ACCOUNT; REVISING THE MONTANA WILDLIFE HABITAT  
12 IMPROVEMENT ACT; CREATING STATUTORY APPROPRIATIONS; USING A PORTION OF MARIJUANA  
13 REVENUE DISTRIBUTED TO THE VETERANS AND SURVIVING SPOUSES STATE SPECIAL REVENUE  
14 ACCOUNT TO FUND AN EXPANDED DISABLED VETERANS PROPERTY TAX ASSISTANCE PROGRAM;  
15 PROVIDING PROPERTY TAX ASSISTANCE FOR DISABLED VETERANS WHO ARE RATED 80% OR 90%  
16 DISABLED; ADDING A FEE FOR DISPENSARIES FOR DRUG EDUCATION PROGRAMS; INCREASING  
17 THE PENALTY FOR FRAUDULENT REPRESENTATION; ALLOWING A LAW ENFORCEMENT OFFICIAL TO  
18 SEIZE MARIJUANA AND MARIJUANA PRODUCTS IN CERTAIN CASES; AMENDING SECTIONS 10-2-108,  
19 15-6-301, 15-6-302, 15-6-311, 16-12-111, 16-12-224, AND 16-12-302, 16-12-310, 17-1-508, 17-7-502, AND  
20 87-5-806, MCA; AND PROVIDING AN A DELAYED EFFECTIVE DATE EFFECTIVE DATES."

21  
22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

23  
24 NEW SECTION. SECTION 1. MARIJUANA ADMINISTRATION STATE SPECIAL REVENUE ACCOUNT -- USE --  
25 STATUTORY APPROPRIATION. (1) THERE IS A SPECIAL REVENUE ACCOUNT WITHIN THE STATE SPECIAL REVENUE FUND  
26 ESTABLISHED IN 17-2-102. MONEY IN THE ACCOUNT IS STATUTORILY APPROPRIATED, AS PROVIDED IN 17-7-502, TO THE  
27 DEPARTMENT OF REVENUE AND MAY ONLY BE USED TO ADMINISTER THE LOCAL-OPTION MARIJUANA EXCISE TAX

**Amendment - 2nd Reading/2nd House-tan - Requested by: Scot Kerns - (H) Committee of the Whole**

- 2023

68th Legislature 2023

Drafter: Megan Moore, 406-444-4496

SB0538.003.001

1 PURSUANT TO 16-12-309 THROUGH 16-12-312 AND 16-12-317.

2 (2) THERE MUST BE DEPOSITED IN THE ACCOUNT MONEY RECEIVED FROM TAX REVENUE PURSUANT TO 16-  
3 12-310(3)(C).

4  
5 NEW SECTION. SECTION 2. HABITAT LEGACY ACCOUNT. (1) THERE IS A HABITAT LEGACY ACCOUNT IN THE  
6 STATE SPECIAL REVENUE FUND ESTABLISHED IN 17-2-102. ALL FUNDS RECEIVED PURSUANT TO 16-12-111 ARE  
7 STATUTORILY APPROPRIATED, AS PROVIDED IN 17-7-502, AND MUST BE DEPOSITED IN THE ACCOUNT AND TRANSFERRED  
8 TO THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS.

9 (2) AT THE END OF EACH FISCAL YEAR, 75% OF THE FUNDS RECEIVED PURSUANT TO 16-12-111 MUST BE  
10 TRANSFERRED AND USED SOLELY AS FUNDING FOR WILDLIFE HABITAT IN THE SAME MANNER AS FUNDING UNDER 87-1-  
11 242(3) AND USED PURSUANT TO 87-1-209.

12 (3) IF, AT THE END OF ANY FISCAL YEAR, THE UNOBLIGATED CASH BALANCE IN THE ACCOUNT SET UP TO  
13 ADMINISTER FUNDING UNDER 87-1-242(3) AND USED PURSUANT TO 87-1-209 EQUALS OR EXCEEDS \$50 MILLION,  
14 ADJUSTED ANNUALLY FOR INFLATION, THE TRANSFER MAY NOT BE MADE.

15 (4) IF, AT THE END OF ANY FISCAL YEAR, THE UNOBLIGATED CASH BALANCE IN THE ACCOUNT SET UP TO  
16 ADMINISTER FUNDING UNDER 87-1-242(3) AND USED PURSUANT TO 87-1-209 IS LESS THAN \$50 MILLION, ADJUSTED  
17 ANNUALLY FOR INFLATION, THEN AN AMOUNT LESS THAN OR EQUAL TO THE DIFFERENCE BETWEEN THE UNOBLIGATED  
18 CASH BALANCE AND \$50 MILLION, ADJUSTED ANNUALLY FOR INFLATION, BUT NOT TO EXCEED 75% OF THE TAXES  
19 RECEIVED PURSUANT TO 16-12-111, MUST BE TRANSFERRED TO THE ACCOUNT SET UP TO ADMINISTER FUNDING UNDER  
20 87-1-242(3) AND USED PURSUANT TO 87-1-209.

21 (5) THE INFLATION ADJUSTMENTS MADE UNDER THIS SECTION MUST BE BASED ON ANY CHANGE TO THE  
22 CONSUMER PRICE INDEX FROM THE PREVIOUS YEAR. THE CONSUMER PRICE INDEX TO BE USED FOR CALCULATIONS IS  
23 THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (CPI-U).

24 (6) TWENTY-FIVE PERCENT, AND ANY AMOUNT ABOVE THE CAP ESTABLISHED IN SUBSECTION (2), IS  
25 RETAINED IN THE HABITAT LEGACY ACCOUNT, AND MUST BE USED EXCLUSIVELY IN THE SAME MANNER AS FUNDING  
26 UNDER 87-5-806 OR 87-1-209.

27 (7) ANY INTEREST OR INCOME EARNED ON THE MONEY IN THE HABITAT LEGACY ACCOUNT MUST BE

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1 DEPOSITED INTO THE ACCOUNT.

2 (8) ANY UNSPENT OR UNENCUMBERED MONEY IN THE HABITAT LEGACY ACCOUNT AT THE END OF A FISCAL  
3 YEAR MUST REMAIN IN THE ACCOUNT.

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5 NEW SECTION. SECTION 3. MARIJUANA DISTRIBUTION ACCOUNT. (1) THERE IS A MARIJUANA DISTRIBUTION  
6 ACCOUNT IN THE STATE SPECIAL REVENUE FUND TO BE ADMINISTERED BY THE DEPARTMENT OF JUSTICE. THE ACCOUNT  
7 CONSISTS OF REVENUE DEPOSITED PURSUANT TO 16-12-111 AND FEES COLLECTED UNDER 16-12-224(7).

8 (2) THE ACCOUNT MAY BE USED FOR:

9 (A) PROGRAM ENHANCEMENTS IN COMBATTING CRIME, TO INCLUDE HUMAN TRAFFICKING, INVESTIGATIONS,  
10 NARCOTICS, AND THE ASSOCIATED LEGAL CASEWORK;

11 (B) ADDITIONAL RESOURCES TO SUPPORT THE MONTANA HIGHWAY PATROL; AND

12 (C) PUBLIC SAFETY GRANT PROGRAMS FUNDED FOR LAW ENFORCEMENT SUPPORT.

13 (3) THE DEPARTMENT OF JUSTICE MAY USE UP TO 10% OF THE ANNUAL APPROPRIATION INTO THE  
14 ACCOUNT FOR THE PURPOSES OF SUBSECTION (2)(C).

15

16 **Section 4.** Section 10-2-108, MCA, is amended to read:

17 **"10-2-108. Veterans and surviving spouses state special revenue account.** (1) There is a  
18 veterans and surviving spouses account in the state special revenue fund to be administered by the veterans'  
19 affairs division of the department of military affairs. The account consists of revenue deposited pursuant to 16-  
20 12-111.

21 (2) The account must be used:

22 (a) to provide services and assistance for all Montana veterans and surviving spouses and  
23 dependents; and

24 (b) for the expanded disabled veteran property tax assistance program provided for in 15-6-311.

25 (3) (a) The department of revenue shall annually calculate and notify the department of military  
26 affairs of the additional relief provided for the expanded disabled veteran property tax assistance program from  
27 amendments to 15-6-311 provided for in [this act].

1 (b) The following amounts calculated by the department of revenue must be transferred annually  
2 by June 30 from the account:

3 (i) the amount calculated that represents the state equalization mills provided for in 20-9-331, 20-  
4 9-333, and 20-9-360 to the general fund;

5 (ii) the amount calculated that represents the vocational-technical education mills provided for in  
6 20-25-439 to the general fund; and

7 (iii) the amount that represents the university system mills provided for in 15-10-109 to the state  
8 special revenue account for the Montana university system."

9  
10 **Section 5.** Section 15-6-301, MCA, is amended to read:

11 **"15-6-301. Definitions.** As used in this part, the following definitions apply:

12 (1) "Annual verification" means the use of a process to:

13 (a) verify an applicant's income;

14 (b) approve, renew, or deny benefits for the current year based ~~upon~~ on the applicant's eligibility;

15 and

16 (c) terminate participation based ~~upon~~ on death or loss of status as a qualified veteran or veteran's  
17 spouse.

18 (2) "PCE" means the implicit price deflator (price index) for personal consumption expenditures as  
19 published in the national income and product accounts by the bureau of economic analysis of the U.S.  
20 department of commerce.

21 (3) "PCE inflation factor" for a tax year means the PCE price index value for the first quarter of the  
22 prior tax year before the tax year divided by the PCE price index value for the first quarter of 2015.

23 (4) (a) "Primary residence" is, subject to the provisions of subsection (4)(b), a dwelling:

24 (i) in which a taxpayer can demonstrate the taxpayer lived for at least 7 months of the year for  
25 which benefits are claimed;

26 (ii) that is the only residence for which property tax assistance is claimed; and

27 (iii) determined using the indicators provided for in the rules authorized by 15-6-302(2).

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1 (b) A primary residence may include more than one dwelling when the taxpayer's combined  
2 residence in the dwellings is at least 7 months of the tax year.

3 (5) "Qualified veteran" means a veteran:

4 (a) who was killed while on active duty or died as a result of a service-connected disability; or

5 (b) if living:

6 (i) was honorably discharged from active service in any branch of the armed services; and

7 (ii) is currently rated ~~100%~~ 80% disabled or higher or is paid at the ~~100%~~ 80% disabled rate or

8 higher by the U.S. department of veterans affairs for a service-connected disability, as verified by official

9 documentation from the U.S. department of veterans affairs.

10 (6) "Qualifying income" means:

11 (a) the federal adjusted gross income excluding capital and income losses of an applicant and the  
12 applicant's spouse as calculated on the Montana income tax return for the prior year;

13 (b) for assistance under 15-6-311, the federal adjusted gross income excluding capital and income  
14 losses of an applicant as calculated on the Montana income tax return for the prior tax year; or

15 (c) for an applicant who is not required to file a Montana income tax return, the income determined  
16 using available income information.

17 (7) "Qualifying property" means a primary residence that a qualified applicant owned and occupied  
18 for at least 7 months during the tax year.

19 (8) "Residential real property" means the land and improvements of a taxpayer's primary  
20 residence."

21

22 **Section 6.** Section 15-6-302, MCA, is amended to read:

23 **"15-6-302. Property tax assistance -- rulemaking.** (1) The requirements of this section must be met  
24 for a taxpayer to qualify for property tax assistance under 15-6-305 or 15-6-311.

25 (2) For the property tax assistance programs provided for in 15-6-305 and 15-6-311, the residential  
26 real property must be owned by the applicant or under contract for deed and be the primary residence as  
27 defined in 15-6-301. The department shall make rules specifying the indicators used for determining whether a

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- 1 residence is a primary residence for purposes of property tax assistance programs.
- 2 (3) An applicant's qualifying income, as defined in 15-6-301, may not exceed the threshold
- 3 established in 15-6-305 ~~or 15-6-311~~ or in rules established pursuant to ~~those sections~~ that section.
- 4 (4) (a) A claim for assistance must be submitted on a form prescribed by the department.
- 5 (b) The form must contain:
- 6 (i) the qualifying income of the applicant and the applicant's spouse;
- 7 (ii) an affirmation that the applicant owns and maintains the land and improvements as the primary
- 8 residence as defined in 15-6-301;
- 9 (iii) the social security number of the applicant and of the applicant's spouse; and
- 10 (iv) any other information required by the department that is relevant to the applicant's eligibility.
- 11 (5) (a) An application must be filed by April 15 of the year for which assistance is first claimed.
- 12 (b) Once assistance is approved, the applicant remains eligible for property tax assistance in
- 13 subsequent years through the annual verification process defined in 15-6-301 without the need to reapply.
- 14 (c) A taxpayer shall inform the department of any change in eligibility occurring from one year to
- 15 the next.
- 16 (6) The department may verify an applicant's and an applicant's spouse's social security number
- 17 and benefits with the social security administration and the U.S. department of veterans affairs.
- 18 (7) The department must annually verify an applicant's eligibility, including the applicant's and
- 19 spouse's income, and approve, renew, or deny benefits for the current year based ~~upon~~ on the findings.
- 20 (8) (a) When providing information for property tax assistance under 15-6-305 or 15-6-311,
- 21 applicants are subject to the false swearing penalties established in 45-7-202.
- 22 (b) The department may investigate the information provided in an application and an applicant's
- 23 continued eligibility.
- 24 (c) The department may request applicant verification of the primary residence.
- 25 (9) The department may address unusual circumstances of ownership and income that arise in
- 26 administering taxpayer assistance programs provided for in 15-6-305 and 15-6-311.
- 27 (10) A temporary stay in a nursing home or similar facility does not change a taxpayer's primary

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1 residence for the purposes of taxpayer assistance programs provided for in 15-6-305 and 15-6-311.

2 (11) The department shall award property assistance under the property tax assistance program  
 3 that provides the greatest benefit to the taxpayer by reviewing applications and eligibility requirements, and  
 4 notify the applicant of the department's decision."  
 5

6 **Section 7.** Section 15-6-311, MCA, is amended to read:

7 **"15-6-311. Disabled veteran program.** (1) The residential real property of a qualified veteran or a  
 8 qualified veteran's spouse is eligible to receive a tax rate reduction as provided in 15-6-302 and this section.

9 (2) Property qualifying under subsection (1) and owned by a qualified veteran is taxed at the rate  
 10 provided in 15-6-134 multiplied by a percentage figure based on the applicant's qualifying income and disability  
 11 rating determined from the following table:

<u>Income</u>	<u>Income</u>	<u>Percentage</u>	
<u>Single Person</u>	<u>Married Couple</u>	<u>Multiplier</u>	
	<u>Head of Household</u>		
<del>\$0 — \$37,404</del>	<del>\$0 — \$44,885</del>	<del>0%</del>	
<del>\$37,405 — \$41,145</del>	<del>\$44,886 — \$48,626</del>	<del>20%</del>	
<del>\$41,146 — \$44,885</del>	<del>\$48,627 — \$52,366</del>	<del>30%</del>	
<del>\$44,886 — \$48,626</del>	<del>\$52,367 — \$56,107</del>	<del>50%</del>	
<u>Income - Single Person</u>	<u>Income - Married Couple</u> <u>or Head of Household</u>	<u>Percentage Multiplier -</u> <u>100% Disabled</u>	<u>Percentage Multiplier -</u> <u>80% or 90% Disabled</u>
<u>\$0 - \$37,404</u>	<u>\$0 - \$44,885</u>	<u>0%</u>	<u>50%</u>
<u>\$37,405 - \$41,145</u>	<u>\$44,886 - \$48,626</u>	<u>20%</u>	<u>60%</u>
<u>\$41,146 - \$44,885</u>	<u>\$48,627 - \$52,366</u>	<u>30%</u>	<u>65%</u>
<u>\$44,886 - \$60,000</u>	<u>\$52,367 - \$75,000</u>	<u>50%</u>	<u>70%</u>

12  
 13 (3) For a surviving spouse who owns property qualifying under subsection (4), the property is  
 14 taxed at the rate established by 15-6-134 multiplied by a percentage figure based on the spouse's qualifying

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1 income and the veteran's disability rating determined from the following table:

<u>Income</u>	<u>Percentage</u>
<u>Surviving Spouse</u>	<u>Multiplier</u>
<del>\$0 — \$31,170</del>	<del>0%</del>
<del>\$31,171 — \$34,911</del>	<del>20%</del>
<del>\$34,912 — \$38,651</del>	<del>30%</del>
<del>\$38,652 — \$42,392</del>	<del>50%</del>

2

<u>Income - Surviving Spouse</u>	<u>Percentage Multiplier - 100% Disabled</u>	<u>Percentage Multiplier - 80% or 90% Disabled</u>
<u>\$0 - \$31,170</u>	<u>0%</u>	<u>50%</u>
<u>\$31,171 - \$34,911</u>	<u>20%</u>	<u>60%</u>
<u>\$34,912 - \$38,651</u>	<u>30%</u>	<u>65%</u>
<u>\$38,652 - \$60,000</u>	<u>50%</u>	<u>70%</u>

3

(4) The property tax exemption under this section remains in effect as long as the qualifying income requirements are met and the property is the primary residence owned and occupied by the veteran or, if the veteran is deceased, by the veteran's spouse and the spouse:

6

(a) is the owner and occupant of the house;

7

(b) is unmarried; and

8

(c) has obtained from the U.S. department of veterans affairs a letter indicating that the veteran

9

was rated ~~100%~~ 80% disabled or higher or was paid at the ~~100%~~ 80% disabled or higher rate by the U.S.

10

department of veterans affairs for a service-connected disability at the time of death or that the veteran died

11

while on active duty or as a result of a service-connected disability.

12

(5) The qualifying income levels contained in subsections (2) and (3) must be adjusted annually by

13

using the PCE inflation factor defined in 15-6-301, rounded to the nearest whole dollar amount. If the

14

adjustment results in a decrease in qualifying income levels from the previous year, the qualifying income levels

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must remain the same for that year."

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**Section 8.** SECTION 16-12-111, MCA, IS AMENDED TO READ:

**"16-12-111. Marijuana state special revenue account -- operating reserve -- transfer of excess funds.** (1) There is a dedicated marijuana state special revenue account within the state special revenue fund established in 17-2-102, to be administered by the department.

(2) The account consists of:

- (a) money deposited into the account pursuant to this chapter;
- (b) the taxes collected pursuant to Title 15, chapter 64, part 1;
- (c) license and registered cardholder fees deposited into the account pursuant to this chapter; and
- ~~(d) taxes deposited into the account pursuant to 16-12-310; and~~
- ~~(e)~~(d) civil penalties collected under this chapter.

(3) Except as provided in subsection (4), money in the account must be used by the department for the purpose of administering the provisions of this chapter.

(4) At the end of each fiscal year, the department shall transfer funds in excess of a 3-month operating reserve necessary to fund operating costs at the beginning of the next fiscal year ~~in the following order as follows:~~

- (a) 20% to the habitat legacy account provided for in [section 2];
- ~~(a)~~(b) an amount not to exceed \$6 million must be transferred 15% to the healing and ending addiction through recovery and treatment (HEART) account established in 16-12-122;
- ~~(b) the net balance remaining after distribution to the HEART account must be distributed as follows:~~
  - ~~(i) 20% to the credit of the department of fish, wildlife, and parks to be used solely as funding for wildlife habitat in the same manner as funding generated under 87-1-242(3) and used pursuant to 87-1-209 ;~~
  - ~~(ii) 4% to the state park account established in 23-1-105(1);~~
  - ~~(iii) 4% to the trails and recreational facilities account established in 23-2-108 ;~~
  - ~~(iv) 4% to the nongame wildlife account established in 87-5-121 ;~~
- (c) 10% to the marijuana distribution state special revenue account provided for in [section 3];
- ~~(v)~~(d) 3% or \$200,000, whichever is less, 6% to the veterans and surviving spouses state special

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1 revenue account provided for in 10-2-108;

2 ~~(vi)(e)~~ for the biennium beginning July 1, ~~2021~~ 2023, \$300,000 to the department of justice to  
3 administer grant funding to local and state law enforcement agencies for the purpose of purchasing and training  
4 drug detection canines and canine handlers, including canines owned by local law enforcement agencies to  
5 replace canines who were trained to detect marijuana; and

6 ~~(vii) \$150,000 to the board of crime control to fund crisis intervention team training as provided in 44-7-~~  
7 ~~110 ; and~~

8 ~~(viii)(f)~~ the remainder to the general fund. (Subsection ~~(4)(b)(vi)~~ (4)(e) terminates June 30, 2025--sec.  
9 117(2), Ch. 576, L. 2021.)"

10

11 **Section 9.** Section 16-12-224, MCA, is amended to read:

12 **"16-12-224. Licensing of dispensaries.** (1) Except as provided in 16-12-201(2), an applicant for a  
13 dispensary license shall demonstrate that the local government approval provisions in 16-12-301 have been  
14 satisfied in the jurisdiction where each proposed dispensary is located if the proposed dispensary would be  
15 located in a county in which the majority of voters voted against approval of Initiative Measure No. 190 in the  
16 November 3, 2020, general election.

17 (2) When evaluating an initial or renewal application, the department shall evaluate each proposed  
18 dispensary for compliance with the provisions of 16-12-207 and 16-12-210.

19 (3) An adult-use dispensary licensee may operate at a shared location with a medical marijuana  
20 dispensary if the adult-use dispensary and medical marijuana dispensary are owned by the same person.

21 (4) A medical marijuana dispensary is authorized to sell exclusively to registered cardholders  
22 marijuana, marijuana products, and live marijuana plants.

23 (5) An adult-use dispensary is authorized to sell marijuana, marijuana products, and live marijuana  
24 plants to consumers or registered cardholders.

25 (6) The department shall charge a dispensary license fee for an initial application and at each  
26 renewal. The dispensary license fee is \$5,000 for each location that a licensee operates as an adult-use  
27 dispensary or a medical marijuana dispensary.

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1           ~~(7)~~ The department shall charge a dispensary an additional \$50 fee at each renewal for a drug  
2 education program THE PURPOSES UNDER [SECTION 3]. The DEPARTMENT SHALL USE THE fees collected under this  
3 subsection (7) are transferred quarterly to the department of justice to administer the drug education program  
4 ARE TRANSFERRED QUARTERLY TO THE MARIJUANA DISTRIBUTION ACCOUNT UNDER [SECTION 3].

5           ~~(7)~~(8) The department may adopt rules:

6           (a) for inspection of proposed dispensaries;

7           (b) for investigating owners or applicants for a determination of financial interest; and

8           (c) establishing or limiting the THC content of the marijuana or marijuana products that may be  
9 sold at an adult-use dispensary or medical marijuana dispensary.

10          ~~(8)~~(9) (a) Marijuana and marijuana products sold at a dispensary are regulated and sold on the basis  
11 of the concentration of THC in the products and not by weight.

12          (b) Except as provided in subsection ~~(8)~~(e) ~~(9)~~(c), for purposes of this chapter, a single package is  
13 limited to:

14          (i) for marijuana sold as flower, 1 ounce of usable marijuana. The total potential psychoactive  
15 THC of marijuana flower may not exceed 35%.

16          (ii) for a marijuana product sold as a capsule, no more than 100 milligrams of THC per capsule  
17 and no more than 800 milligrams of THC per package.

18          (iii) for a marijuana product sold as a tincture, no more than 800 milligrams of THC;

19          (iv) for a marijuana product sold as an edible or a food product, no more than 100 milligrams of  
20 THC. A single serving of an edible marijuana product may not exceed 10 milligrams of THC.

21          (v) for a marijuana product sold as a topical product, a concentration of no more than 6% THC and  
22 no more than 800 milligrams of THC per package;

23          (vi) for a marijuana product sold as a suppository or transdermal patch, no more than 100  
24 milligrams of THC per suppository or transdermal patch and no more than 800 milligrams of THC per package;  
25 and

26          (vii) for any other marijuana product, no more than 800 milligrams of THC.

27          (c) A dispensary may sell marijuana or marijuana products having higher THC potency levels than

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1 described in subsection ~~(8)~~ (9) to registered cardholders.

2 ~~(9)~~ (10) A licensee or employee is prohibited from conducting a transaction that would result in a  
3 consumer or registered cardholder exceeding the personal possession amounts set forth in 16-12-106 and 16-  
4 12-515."

5

6 **Section 2.** Section 16-12-302, MCA, is amended to read:

7 ~~"16-12-302. Fraudulent representation -- penalties. (1) In addition to any other penalties provided~~  
8 ~~by law, an individual who fraudulently represents to a law enforcement official that the individual is a cultivator,~~  
9 ~~manufacturer, adult-use dispensary, medical marijuana dispensary, testing laboratory, or marijuana transporter~~  
10 ~~or has a marijuana worker permit is guilty of a civil fine not to exceed \$1,000 \$1,500.~~

11 ~~(2) Subject to the provisions of 16-12-304, a law enforcement official may seize marijuana and~~  
12 ~~marijuana products from an individual in violation of 16-12-107 and subsection (1) of this section and may~~  
13 ~~charge the individual with a misdemeanor.~~

14 ~~(2)~~ (3) — An individual convicted under this section may not be licensed under this chapter."

15

16 **Section 10.** SECTION 16-12-310, MCA, IS AMENDED TO READ:

17 **"16-12-310. Limit on local-option marijuana excise tax rate -- goods subject to tax.** (1) The rate  
18 of the local-option marijuana excise tax must be established by the election petition or resolution provided for in  
19 16-12-311, and the rate may not exceed 3%.

20 (2) The local-option marijuana excise tax is a tax on the retail value of all marijuana and marijuana  
21 products sold at an adult-use dispensary or medical marijuana dispensary within a county.

22 (3) If a county imposes a local-option marijuana excise tax:

23 (a) 50% of the resulting tax revenue must be retained by the county;

24 (b) 45% of the resulting tax revenue must be apportioned to the municipalities on the basis of the  
25 ratio of the population of the city or town to the total county population; and

26 (c) the remaining 5% of the resulting tax revenue ~~must be retained by~~ is allocated to the

27 department to defray costs associated with administering 16-12-309 through 16-12-312 and 16-12-317. The

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1 funds retained by the department under this subsection (3)(c) must be deposited into the marijuana  
2 administration state special revenue account established under ~~46-12-114~~ [section 1].

3 (4) For the purposes of this section, "tax revenue" means the combined taxes collected under any  
4 local-option marijuana excise tax collected on retail sales within the county."  
5

6 **Section 11.** SECTION 17-1-508, MCA, IS AMENDED TO READ:

7 **"17-1-508. Review of statutory appropriations.** (1) Each biennium, the office of budget and  
8 program planning shall, in development of the executive budget, review and identify instances in which  
9 statutory appropriations in current law do not appear consistent with the guidelines set forth in subsection (2).

10 (2) The review of statutory appropriations must determine whether a statutory appropriation meets  
11 the requirements of 17-7-502. Except as provided in [ ~~76-17-103,~~ 77-1-108, ~~and 87-5-909,~~ and [section 1], a  
12 statutory appropriation from a continuing and reliable source of revenue may not be used to fund administrative  
13 costs. In reviewing and establishing statutory appropriations, the legislature shall consider the following  
14 guidelines. A proposed or existing statutory appropriation may not be considered appropriate if:

- 15 (a) the money is from a continuing, reliable, and estimable source;  
16 (b) the use of the appropriation or the expenditure occurrence is predictable and reliable;  
17 (c) the authority exists elsewhere;  
18 (d) an alternative appropriation method is available, practical, or effective;  
19 (e) it appropriates state general fund money for purposes other than paying for emergency  
20 services;  
21 (f) the money is used for general purposes;  
22 (g) the legislature wishes to review expenditure and appropriation levels each biennium; and  
23 (h) an expenditure cap and sunset date are excluded.

24 (3) The office of budget and program planning shall prepare a fiscal note for each piece of  
25 legislation that proposes to create or amend a statutory appropriation. It shall, consistent with the guidelines in  
26 this section, review each of these pieces of legislation. Its findings concerning the statutory appropriation must  
27 be contained in the fiscal note accompanying that legislation. (Bracketed language in subsection (2) terminates

1 June 30, 2027--sec. 10, Ch. 374, L. 2017.)"

2

3 **Section 12.** SECTION 17-7-502, MCA, IS AMENDED TO READ:

4 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory  
5 appropriation is an appropriation made by permanent law that authorizes spending by a state agency without  
6 the need for a biennial legislative appropriation or budget amendment.

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

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

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

12 (3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120; 5-  
13 11-407; 5-13-403; 5-13-404; 7-4-2502; 7-4-2924; 7-32-236; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-2-  
14 807; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-3-802; 10-3-1304; 10-4-304; 10-4-310; 15-1-121; 15-1-218;  
15 15-31-165; 15-31-1004; 15-31-1005; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121; 15-70-101; 15-  
16 70-130; 15-70-433; 16-11-119; 16-11-509; [section 1]; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-  
17 215; 18-11-112; 19-3-319; 19-3-320; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-  
18 305; 19-19-506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622; [ 20-15-328]; 20-26-617; 20-  
19 26-1503; 22-1-327; 22-3-116; 22-3-117; [ 22-3-1004]; 23-4-105; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-  
20 402; 30-10-1004; 37-43-204; 37-50-209; 37-54-113; 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; 44-12-213;  
21 44-13-102; 46-32-108; 50-1-115; 53-1-109; 53-6-148; 53-9-113; 53-24-108; 53-24-206; 60-5-530; 60-11-115;  
22 61-3-321; 61-3-415; 67-1-309; 69-3-870; 69-4-527; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 75-26-308; 76-  
23 13-150; 76-13-151; 76-13-417; 76-17-103; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-11-518; 80-11-1006;  
24 81-1-112; 81-1-113; 81-7-106; 81-7-123; 81-10-103; 82-11-161; 85-2-526; 85-20-1504; 85-20-1505; [ 85-25-  
25 102]; 87-1-603; 87-5-909; [section 2]; 90-1-115; 90-1-205; 90-1-504; 90-6-331; and 90-9-306.

26 (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,  
27 paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued

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1 pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of  
2 Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined  
3 by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have  
4 statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the  
5 inclusion of 19-20-604 terminates contingently when the amortization period for the teachers' retirement  
6 system's unfunded liability is 10 years or less; pursuant to sec. 73, Ch. 44, L. 2007, the inclusion of 19-6-410  
7 terminates contingently upon the death of the last recipient eligible under 19-6-709(2) for the supplemental  
8 benefit provided by 19-6-709; pursuant to sec. 5, Ch. 383, L. 2015, the inclusion of 85-25-102 is effective on  
9 occurrence of contingency; pursuant to sec. 6, Ch. 423, L. 2015, the inclusion of 22-3-116 and 22-3-117  
10 terminates June 30, 2025; pursuant to sec. 12, Ch. 55, L. 2017, the inclusion of 37-54-113 terminates June 30,  
11 2023; pursuant to sec. 4, Ch. 122, L. 2017, the inclusion of 10-3-1304 terminates September 30, 2025;  
12 pursuant to sec. 1, Ch. 213, L. 2017, the inclusion of 90-6-331 terminates June 30, 2027; pursuant to secs. 5, 8,  
13 Ch. 284, L. 2017, the inclusion of 81-1-112, 81-1-113, and 81-7-106 terminates June 30, 2023; pursuant to sec.  
14 1, Ch. 340, L. 2017, the inclusion of 22-1-327 terminates July 1, 2023; pursuant to sec. 10, Ch. 374, L. 2017,  
15 the inclusion of 76-17-103 terminates June 30, 2027; pursuant to sec. 5, Ch. 50, L. 2019, the inclusion of 37-50-  
16 209 terminates September 30, 2023; pursuant to sec. 1, Ch. 408, L. 2019, the inclusion of 17-7-215 terminates  
17 June 30, 2029; pursuant to secs. 11, 12, and 14, Ch. 343, L. 2019, the inclusion of 15-35-108 terminates June  
18 30, 2027; pursuant to sec. 7, Ch. 465, L. 2019, the inclusion of 85-2-526 terminates July 1, 2023; pursuant to  
19 sec. 5, Ch. 477, L. 2019, the inclusion of 10-3-802 terminates June 30, 2023; pursuant to secs. 1, 2, 3, Ch. 139,  
20 L. 2021, the inclusion of 53-9-113 terminates June 30, 2027; pursuant to sec. 8, Ch. 200, L. 2021, the inclusion  
21 of 10-4-310 terminates July 1, 2031; pursuant to secs. 3, 4, Ch. 404, L. 2021, the inclusion of 30-10-1004  
22 terminates June 30, 2027; pursuant to sec. 5, Ch. 548, L. 2021, the inclusion of 50-1-115 terminates June 30,  
23 2025; pursuant to secs. 5 and 12, Ch. 563, L. 2021, the inclusion of 22-3-1004 is effective July 1, 2027; and  
24 pursuant to sec. 15, Ch. 574, L. 2021, the inclusion of 46-32-108 terminates June 30, 2023.)"

25

26 **Section 13.** SECTION 87-5-806, MCA, IS AMENDED TO READ:

27 **"87-5-806. (Temporary) Administration and expenditure of funds —~~cooperation with other~~**

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1 **entities.** ~~(1) (a) State, tribal, and federal agencies, as well as conservation districts, irrigation districts, grazing~~  
2 ~~associations, county weed boards, and 501(c)(3) organizations, may apply for project funding.~~

3 ~~(2) The department may expend funds deposited under [section 2] and pursuant to 87-5-805~~  
4 ~~through grants or contracts in order to: communities, noxious weed management districts, conservation~~  
5 ~~districts, nonprofit organizations exempt from taxation under 26 U.S.C. 501(c)(3), or other entities that it~~  
6 ~~considers appropriate for wildlife habitat improvement projects.~~

7 ~~(b)(a) The department shall consider project recommendations from the council. improve, conserve,~~  
8 ~~protect, and maintain terrestrial habitat;~~

9 ~~(c)(b) The department may cooperate in and coordinate the planning and disbursement of these~~  
10 ~~funds with federal, state, and local agencies responsible for the management of noxious weeds. improve,~~  
11 ~~conserve, and maintain aquatic habitat;~~

12 ~~(c) participate in water enhancement projects to benefit aquatic habitat and allow for other~~  
13 ~~watershed enhancements that benefit fish, wildlife, and water conservation;~~

14 ~~(d) improve and maintain range conditions, restoration of habitat, and drought resilience designed~~  
15 ~~to create habitat uplift on private, public, and tribal lands;~~

16 ~~(e) address and mitigate impacts that are detrimental to wildlife habitat and the environment and~~  
17 ~~improve the condition of the land due to noxious weeds, soil disturbance, and loss of diverse habitat~~  
18 ~~communities;~~

19 ~~(f) mitigate conflicts and reduce potential for disease transmission between wildlife and domestic~~  
20 ~~livestock;~~

21 ~~(g) help fund activities and employees of the state tribal wildlife programs; and~~

22 ~~(h) create habitat uplift and net conservation gain for species of conservation need.~~

23 ~~(2) A project is eligible to receive funds only if the county in which the project occurs has funded its~~  
24 ~~own weed management program using one of the following methods, whichever is less:~~

25 ~~(a) levying an amount of not less than 1.6 mills or an equivalent amount from another source; or~~

26 ~~(b) appropriating an amount of not less than \$100,000 from any source.~~

27 ~~(3) The department may expend money deposited pursuant to 87-5-805 to:~~

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1           ~~(a) restore, rehabilitate, improve, or manage areas of land as wildlife habitat by controlling noxious~~  
2 ~~weeds;~~

3           ~~(b) acquire goods and services that will help control noxious weeds in order to restore, rehabilitate,~~  
4 ~~improve, or manage land as wildlife habitat;~~

5           ~~(c) fund cost share noxious weed management programs with local noxious weed management~~  
6 ~~districts; or~~

7           ~~(d) provide special grants to local noxious weed management districts to eradicate or contain~~  
8 ~~significant noxious weeds newly introduced into the county that affect wildlife habitat.~~

9           ~~(4) Expenditures allowed pursuant to subsection (3) are limited to:~~

10           ~~(a) biological or mechanical control of noxious weeds;~~

11           ~~(b) purchases and application of approved herbicides;~~

12           ~~(c) seed purchases and application of seed; and~~

13           ~~(d) grazing costs as a component of an overall integrated noxious weed management plan.~~

14           ~~(5)(3)~~ The department may expend the funds deposited pursuant to 87-5-805 [section 2] to pay costs  
15 incurred by the department for administering this part and providing support to the council, including but not  
16 limited to personal services costs, operating costs, and other administrative costs. ~~After fiscal year 2019,~~  
17 ~~administrative~~ Administrative costs may not exceed 15% of the total amount expended pursuant to subsection  
18 ~~(3) (2).~~

19           ~~(4)~~ Any funds used pursuant to an appropriation of special federal reserve funding as described in  
20 87-5-505 must comply with 50 CFR, chapter 1, subchapter F, part 80. (Terminates June 30, 2023--sec. 11, Ch.  
21 342, L. 2017.)"

22  
23           NEW SECTION. Section 14. CODIFICATION INSTRUCTION. (1) [SECTION 1] IS INTENDED TO BE CODIFIED AS  
24 AN INTEGRAL PART OF TITLE 16, CHAPTER 12, PART 1, AND THE PROVISIONS OF TITLE 16, CHAPTER 12, PART 1, APPLY  
25 TO [SECTION 1].

26           ~~(2)~~ [SECTION 2] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 87, CHAPTER 5, AND THE  
27 PROVISIONS OF TITLE 87, CHAPTER 5, APPLY TO [SECTION 2].

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1           (3) [SECTION 3] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 44, CHAPTER 4, AND THE  
2 PROVISIONS OF TITLE 44, CHAPTER 4, APPLY TO [SECTION 3].

3

4           NEW SECTION. Section 3. — Effective date. [This act] is effective July 1, 2023 JANUARY 1, 2024.

5

6           COORDINATION SECTION. Section 15. — COORDINATION INSTRUCTION. (1) IF SENATE BILL NO. 442 AND  
7 [THIS ACT] ARE PASSED AND APPROVED AND IF BOTH CONTAIN SECTIONS THAT AMEND 16-12-111, THEN SENATE BILL  
8 NO. 442 IS VOID.

9

10           COORDINATION SECTION. Section 16. — COORDINATION INSTRUCTION. IF HOUSE BILL NO. 86 AND [THIS  
11 ACT] ARE PASSED AND APPROVED AND IF BOTH CONTAIN A SECTION THAT AMENDS 87-5-806, THEN THE SECTIONS  
12 AMENDING 87-5-806 ARE VOID AND 87-5-806 MUST BE AMENDED AS FOLLOWS:

13           **"87-5-806. (Temporary) Administration and expenditure of funds -- cooperation with other**  
14 **entities.** (1) (a) State, tribal, and federal agencies, as well as conservation districts, irrigation districts, grazing  
15 associations, county weed boards, and 501(c)(3) organizations, may apply for project funding.

16           (2) The department may expend funds deposited under [section 2] and pursuant to 87-5-805  
17 through grants or contracts in order to:

18           (a) improve, conserve, protect, and maintain terrestrial habitat;

19           (b) improve, conserve, and maintain aquatic habitat;

20           (c) participate in water enhancement projects to benefit aquatic habitat and allow for other  
21 watershed enhancements that benefit fish, wildlife, and water conservation;

22           (d) improve and maintain range conditions, restoration of habitat, and drought resilience designed  
23 to create habitat uplift on private, public, and tribal lands;

24           (e) address and mitigate impacts that are detrimental to wildlife habitat and the environment and  
25 improve the condition of the land due to noxious weeds, soil disturbance, and loss of diverse habitat  
26 communities;

27           (f) mitigate conflicts and reduce potential for disease transmission between wildlife and domestic

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1 livestock;

2 (g) help fund activities and employees of the state tribal wildlife programs;

3 (h) create habitat uplift and net conservation gain for species of conservation need;

4 (i) implement weed and soil treatment options and methods recommended by the council to

5 reduce noxious weeds and support native vegetation; and

6 (j) fund grant administration, vegetation monitoring, and related administrative costs not to exceed

7 10% of a total project amount.

8 ~~communities, noxious weed management districts, conservation districts, nonprofit organizations~~

9 ~~exempt from taxation under 26 U.S.C. 501(c)(3), or other entities that it considers appropriate for wildlife habitat~~

10 ~~improvement projects.~~

11 ~~(b) The department shall consider project recommendations from the council.~~

12 ~~(c) The department may cooperate in and coordinate the planning and disbursement of these funds~~

13 ~~with federal, state, and local agencies responsible for the management of noxious weeds.~~

14 ~~(2) A project is eligible to receive funds only if the county in which the project occurs has funded its~~

15 ~~own weed management program using one of the following methods, whichever is less:~~

16 ~~(a) levying an amount of not less than 1.6 mills or an equivalent amount from another source; or~~

17 ~~(b) appropriating an amount of not less than \$100,000 from any source.~~

18 ~~(3) The department may expend money deposited pursuant to 87-5-805 to:~~

19 ~~(a) restore, rehabilitate, improve, or manage areas of land as wildlife habitat by controlling noxious~~

20 ~~weeds;~~

21 ~~(b) acquire goods and services that will help control noxious weeds in order to restore, rehabilitate,~~

22 ~~improve, or manage land as wildlife habitat;~~

23 ~~(c) fund cost share noxious weed management programs with local noxious weed management~~

24 ~~districts; or~~

25 ~~(d) provide special grants to local noxious weed management districts to eradicate or contain~~

26 ~~significant noxious weeds newly introduced into the county that affect wildlife habitat.~~

27 ~~(4) Expenditures allowed pursuant to subsection (3) are limited to:~~

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- 1           ~~(a) biological or mechanical control of noxious weeds;~~
- 2           ~~(b) purchases and application of approved herbicides;~~
- 3           ~~(c) seed purchases and application of seed; and~~
- 4           ~~(d) grazing costs as a component of an overall integrated noxious weed management plan.~~
- 5           ~~(5)(3)~~ The department may expend the funds deposited pursuant to ~~87-5-805~~ [section 2] to pay costs
- 6 incurred by the department for administering this part and providing support to the council, including but not
- 7 limited to personal services costs, operating costs, and other administrative costs. ~~After fiscal year 2019,~~
- 8 administrative Administrative costs may not exceed 15% of the total amount expended pursuant to subsection
- 9 ~~(3)~~ (2). (Terminates June 30, 2023--sec. 11, Ch. 342, L. 2017.)"

10

11           COORDINATION SECTION. Section 17. Coordination instruction. If both House Bill No. 189 and

12 [this act] are passed and approved and if both contain a section that amends 15-6-311, then the sections

13 amending 15-6-311 are void and 15-6-311 must be amended as follows:

14           "**15-6-311. Disabled veteran program.** (1) The residential real property of a qualified veteran or a

15 qualified veteran's spouse is eligible to receive a tax rate reduction as provided in 15-6-302 and this section.

16           (2) Property qualifying under subsection (1) and owned by a qualified veteran is taxed at the rate

17 provided in 15-6-134 multiplied by a percentage figure based on the applicant's qualifying income and disability

18 rating determined from the following table:

<u>Income</u>	<u>Income</u>	<u>Percentage</u>	
<u>Single Person</u>	<u>Married Couple</u>	<u>Multiplier</u>	
	<u>Head of Household</u>		
<del>\$0 — \$37,404</del>	<del>\$0 — \$44,885</del>	0%	
<del>\$37,405 — \$41,145</del>	<del>\$44,886 — \$48,626</del>	20%	
<del>\$41,146 — \$44,885</del>	<del>\$48,627 — \$52,366</del>	30%	
<del>\$44,886 — \$48,626</del>	<del>\$52,367 — \$56,107</del>	50%	
<u>Income - Single Person</u>	<u>Income - Married Couple or</u>	<u>Percentage</u>	<u>Percentage</u>
	<u>Head of Household</u>	<u>Multiplier - 100%</u>	<u>Multiplier - 80% or</u>

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		<u>Disabled</u>	<u>90% Disabled</u>
<u>\$0 - \$45,803</u>	<u>\$0 - \$54,963</u>	<u>0%</u>	<u>50%</u>
<u>\$45,804 - \$50,384</u>	<u>\$54,964 - \$59,544</u>	<u>20%</u>	<u>60%</u>
<u>\$50,385 - \$54,963</u>	<u>\$59,545 - \$64,124</u>	<u>30%</u>	<u>65%</u>
<u>\$54,964 - \$73,470</u>	<u>\$64,125 - \$91,838</u>	<u>50%</u>	<u>70%</u>

1 (3) For a surviving spouse who owns property qualifying under subsection (4), the property is  
 2 taxed at the rate established by 15-6-134 multiplied by a percentage figure based on the spouse's qualifying  
 3 income and the veteran's disability rating determined from the following table:

<u>Income</u>	<u>Percentage</u>	
<u>Surviving Spouse</u>	<u>Multiplier</u>	
<del>\$0 — \$31,170</del>	<del>0%</del>	
<del>\$31,171 — \$34,911</del>	<del>20%</del>	
<del>\$34,912 — \$38,651</del>	<del>30%</del>	
<del>\$38,652 — \$42,392</del>	<del>50%</del>	
<u>Income - Surviving Spouse</u>	<u>Percentage Multiplier - 100%</u>	<u>Percentage Multiplier - 80%</u>
	<u>Disabled</u>	<u>or 90% Disabled</u>
<u>\$0 - \$38,169</u>	<u>0%</u>	<u>50%</u>
<u>\$38,170 - \$42,750</u>	<u>20%</u>	<u>60%</u>
<u>\$42,751 - \$47,330</u>	<u>30%</u>	<u>65%</u>
<u>\$47,331 - \$73,470</u>	<u>50%</u>	<u>70%</u>

4 (4) The property tax exemption under this section remains in effect as long as the qualifying  
 5 income requirements are met and the property is the primary residence owned and occupied by the veteran or,  
 6 if the veteran is deceased, by the veteran's spouse and the spouse:

- 7 (a) is the owner and occupant of the house;
- 8 (b) is unmarried; and
- 9 (c) has obtained from the U.S. department of veterans affairs a letter indicating that the veteran

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1 was rated ~~100%~~ 80% disabled or higher or was paid at the ~~100%~~ 80% disabled rate or higher by the U.S.  
2 department of veterans affairs for a service-connected disability at the time of death or that the veteran died  
3 while on active duty or as a result of a service-connected disability.

4 (5) The qualifying income levels contained in subsections (2) and (3) must be adjusted annually by  
5 using the PCE inflation factor defined in 15-6-301, rounded to the nearest whole dollar amount. If the  
6 adjustment results in a decrease in qualifying income levels from the previous year, the qualifying income levels  
7 must remain the same for that year."

8  
9 COORDINATION SECTION. Section 18. Coordination instruction. If House Bill No. 587 and [this  
10 act] are both passed and approved and if [this act] amends 10-2-108 to include a transfer for the expanded  
11 disabled veteran property tax assistance program, then "general fund" in 10-2-108(3)(b)(i) must be changed to  
12 "school equalization and property tax reduction account provided for in [section 1 of House Bill No. 587".

13  
14 NEW SECTION. Section 19. EFFECTIVE DATES. (1) EXCEPT AS PROVIDED IN SUBSECTION (2), [THIS ACT]  
15 IS EFFECTIVE JULY 1, 2023

16 (2) [SECTIONS 1, ~~7~~ 11, AND ~~8~~ 12] AND THIS SECTION ARE EFFECTIVE ON PASSAGE AND APPROVAL.

17  
18 NEW SECTION. Section 20. Applicability. [Sections 5 through 7] apply to property tax years  
19 beginning after December 31, 2023.

20 - END -