MONTANA ADMINISTRATIVE REGISTER

ISSUE NO. 18

The Montana Administrative Register (MAR or Register), a twice-monthly publication, has three sections. The Notice Section contains state agencies' proposed new, amended, or repealed rules; the rationale for the change; date and address of public hearing; and where written comments may be submitted. The Rule Section contains final rule notices which show any changes made since the proposal stage. All rule actions are effective the day after print publication of the adoption notice unless otherwise specified in the final notice. The Interpretation Section contains the Attorney General's opinions and state declaratory rulings. Special notices and tables are found at the end of each Register.

Inquiries regarding the rulemaking process, including material found in the Montana Administrative Register and the Administrative Rules of Montana, may be made by calling the Secretary of State's Office, Administrative Rules Services, at (406) 444-2055.

Page Number

TABLE OF CONTENTS

NOTICE SECTION

PUBLIC HEALTH AND HUMAN SERVICES, Department of, Title 37

37-452 Notice of Public Hearing on Proposed Adoption - Medical Marijuana Program.

2027-2033

RULE SECTION

ADMINISTRATION, Department of, Title 2

AMD Licensing and Regulation of Mortgage Brokers and Loan NEW Originators - Continuing Education - Prelicensing Examination - Designated Managers - Examinations - Failure to Correct Deficiencies - Grounds for the Denial of an Application - Costs in Bringing the Administrative Action - Scheme to Defraud or Mislead.

2034-2044

AGRICULTURE, Department of, Title 4

AMD Organic Program.

2045

STATE AUDITOR, Title 6

AMD Judicial Review - Securities Regulation - Senior Specific TRANS Certifications and Designations - Filing Requirements for NEW Transactional Exemptions.

-i-

2046-2047

	Page Number	
EDUCATION, Department of, Title 10		
(Board of Public Education)		
AMD Distance Learning.	2048-2049	
NEW Class 8 Licensure. AMD	2050-2052	
CORRECTIONS, Department of, Title 20		
NEW Confidentiality of Youth Records.	2053	
JUSTICE, Department of, Title 23		
AMD Tow Truck Complaint Resolution.	2054	
LABOR AND INDUSTRY, Department of, Title 24		
AMD (Board of Outfitters) Fees - Emergency Guide License - Unprofessional Conduct.	2055	
SECRETARY OF STATE, Office of, Title 44		
NEW Business Entity and Uniform Commercial Code (UCC) AMD Filings.		
REP	2056	
SPECIAL NOTICE AND TABLE SECTION		
Function of Administrative Rule Review Committee.	2057-2058	
How to Use ARM and MAR.	2059	
Accumulative Table.	2060-2069	
Boards and Councils Appointees.	2070-2074	
Vacancies on Boards and Councils.	2075-2087	

18-9/25/08 -ii-

BEFORE THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES OF THE STATE OF MONTANA

In the matter of the adoption of New)	NOTICE OF PUBLIC HEARING ON
Rules I through VI pertaining to the)	PROPOSED ADOPTION
medical marijuana program)	

TO: All Concerned Persons

- 1. On October 17, 2008, at 1:30 p.m., the Department of Public Health and Human Services will hold a public hearing in the Wilderness Room of the Colonial Building, at 2401 Colonial Drive, Helena, Montana, to consider the proposed adoption of the above-stated rules.
- 2. The Department of Public Health and Human Services will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact Department of Public Health and Human Services no later than 5:00 p.m. on October 6, 2008, to advise us of the nature of the accommodation that you need. Please contact Gwen Knight, Department of Public Health and Human Services, Office of Legal Affairs, P.O. Box 202951, Helena, Montana, 59620-2951; telephone (406)444-9503; fax (406)444-6744; or e-mail dphhslegal@mt.gov.
 - 3. The rules as proposed to be adopted provide as follows:

NEW RULE I DEFINITIONS In addition to the terms defined in 50-46-102, MCA, the following definitions apply to this chapter:

- (1) "Adult applicant" means a qualifying patient of 18 years of age or older.
- (2) "Applicant" means an individual applying for registration in the Montana Medical Marijuana Program.
- (3) "Approved patient" means a qualified patient who is on the program registry and has been issued a registry identification card.
- (4) "Attending physician" means a Doctor of Osteopathy or medical doctor who has established a bona fide physician/patient relationship with the applicant, is licensed under Title 37, chapter 3, MCA, and who, with respect to an applicant diagnosed with a debilitating medical condition:
- (a) is primarily responsible for the medical care and treatment of the applicant;
- (b) has reviewed the applicant's medical records at the request of the applicant;
 - (c) has conducted a thorough physical examination of the applicant;
 - (d) has provided or planned follow-up care; and
 - (e) has documented these activities in the applicant's medical record.

- (5) "Bona fide physician/patient relationship" means a physician/patient relationship made in good faith without fraud or deceit and is sincere with earnest and wholehearted intent.
 - (6) "Minor applicant" means a qualifying patient less than 18 years of age.
- (7) "Registry" means the department's Medical Marijuana Program confidential listing of approved patients and approved caregivers.

AUTH: <u>50-46-2</u>10, MCA

IMP: <u>50-46-103</u>, <u>50-46-210</u>, MCA

NEW RULE II REGISTRATION AND APPLICATION PROCESS (1) An adult applicant, or a parent or guardian of a minor applicant, must have a Montana mailing address and submit an application form provided by the department for consideration to be placed in the state's confidential medical marijuana registry. An application form is available by contacting the Department of Public Health and Human Services, Licensure Bureau, 2401 Colonial Drive, Helena, MT 59620-2925. Application forms are also available on the department's web site at www.dphhs.mt.gov.

- (2) Application materials that must be provided include:
- (a) application fee;
- (b) the applicant's name, address, date of birth, social security number, or state of Montana identification (ID) number;
- (c) the name, address, date of birth, and social security number or state of Montana ID number of the applicant's designated caregiver, if any;
- (d) the attending physician's signed and dated statement which includes their name, address, telephone number, Montana medical license number, and written certification attesting to the attending physician's diagnosis that the applicant has a debilitating medical condition as defined in 50-46-102, MCA.
- (3) A copy of the relevant portions of an applicant's medical record may serve as the attending physician's written certification as long as it clearly states:
- (a) the patient has been diagnosed by the attending physician with a qualifying debilitating medical condition;
- (b) the medical use of marijuana may mitigate the symptoms or effects of the debilitating medical condition; and
- (c) the date the medical record was made and the attending physician's signature.
- (4) The signed and dated attending physician's statement or copies of chart notes or medical records must be current within three months of the date of an applicant's new or renewal application.
- (5) The department will verify with the Montana Board of Medical Examiners that the attending physician is licensed to practice in the state of Montana, is currently on active status, and the license is in good standing.
- (6) If the applicant wants to use a caregiver, a caregiver must be designated on the application. The caregiver must sign a statement agreeing to provide medical marijuana only to those qualifying patients who have designated on their application that individual as their caregiver.

- (7) The department will conduct a name-based criminal background check using the Montana Criminal Justice Information Network to verify that a person designated to be a caregiver has not been convicted of a felony drug offense in accordance with 50-46-103, MCA.
- (8) The department will issue a registry identification card to an approved caregiver for each approved applicant who lists them as their caregiver.
- (9) The department will either approve or deny an application within 15 working days of receipt of the application. If approved, the department shall issue a registry identification card to the applicant within five working days of approving the application.
- (10) The registry identification card expires one year from the date of issuance and may be renewed.
- (11) If the application is denied, the department will send the applicant notice of this denial and inform the applicant the reasons for denial.

AUTH: 50-46-210, MCA

IMP: <u>50-46-103</u>, <u>50-46-210</u>, MCA

NEW RULE III INVALIDATION OR REVOCATION OF REGISTRY IDENTIFICATION CARD (1) An approved patient who no longer has a debilitating medical condition and their approved caregiver, if any, shall return all registry identification cards to the department within ten days of the patient receiving written diagnosis by the approved patient's attending physician. It is the responsibility of the cardholder to return the registry identification card.

- (2) A registration card is not valid if the card has been altered or mutilated in a way that impairs legibility. A photocopy of a registry identification card is not valid.
- (3) The department may revoke an approved caregiver's registry identification card if the department determines that an approved caregiver has violated the provisions of this chapter or the Montana Medical Marijuana Act.

AUTH: 50-46-210, MCA

IMP: <u>50-46-103</u>, <u>50-46-210</u>, MCA

NEW RULE IV FEES (1) The application fee is \$50.

- (2) The annual renewal fee is \$50.
- (3) All fees:
- (a) must be submitted with the application;
- (b) must be paid by check or money order made payable to the Department of Public Health and Human Services; and
 - (c) are nonrefundable unless the applicant is denied.

AUTH: <u>50-46-210</u>, MCA

IMP: 50-46-103, 50-46-210, MCA

NEW RULE V CHANGE OF CAREGIVER (1) Caregiver changes may be initiated no more than two times in a 12-month period unless extenuating

circumstances exist. Such circumstances may include, but are not limited to, the following:

- (a) death of an approved caregiver;
- (b) documented family discord, if the approved caregiver is considered a family member; or
- (c) approved caregiver relocation to another area and can no longer serve the approved patient.
- (2) When changes are requested, the department must be notified in writing of the changes, including:
 - (a) new caregiver, if designated;
 - (b) adding a caregiver if no caregiver previously designated; or
 - (c) removing current caregiver with no replacement assigned.
- (3) The department shall process any change of caregiver requests within ten working days of receipt of a written request.
- (4) Upon receipt of a change of caregiver request, the department will notify the cardholders in writing regarding the termination date of their registry identification cards. When a change in approved caregiver occurs, both the approved patient and previously approved caregiver must destroy their registry identification card.
- (5) Upon approval of the written change request, the approved patient and new approved caregiver, if designated, must be sent a new registry identification card and correspondence listing the effective date of the approved caregiver change.

AUTH: 50-46-210, MCA

IMP: <u>50-46-103</u>, <u>50-46-210</u>, MCA

NEW RULE VI REPLACING LOST OR STOLEN REGISTRY

<u>IDENTIFICATION CARDS</u> (1) If a program registry identification card has been lost or stolen, the department must receive written notification from the approved patient or the approved caregiver prior to replacing the registry identification card.

- (2) If the registry identification card has been lost or stolen, the department will advise the approved patient or approved caregiver to notify local law enforcement.
- (3) Upon receipt of notification by the cardholder, the department will reissue as duplicate the registry identification card and send it to the approved patient or approved caregiver.
- (4) The approved patient's file will include the notification regarding the lost or stolen card and duplicate registry identification card reissue information.

AUTH: <u>50-46-210</u>, MCA

IMP: 50-46-103, 50-46-210, MCA

4. On November 2, 2004, Initiative I-148 (otherwise known as the Montana Medical Marijuana Act) was approved by 62 percent of Montana voters. The Department of Public Health and Human Services was the designated agency to develop and implement a program in which qualified patients and identified caregivers were confidentially "registered" under the Montana Medical Marijuana

Act. In early 2005, the department issued the first Medical Marijuana Program registry identification cards.

The Legislative Audit Division performed an audit of the Montana Medical Marijuana Program during the summer of 2007. The Legislative Audit Division recommended that the department develop rules to establish fees as required under 50-46-210, MCA.

As a result, the department has prepared a proposed rule package based on existing policy pertaining to the Medical Marijuana Program. The rules contained in this package address the statutory mandate to develop an administrative process for the initial application and subsequent renewal of registry identification cards for qualifying patients and caregivers. Further, the rules establish application and renewal fees that generate revenue sufficient to offset all expenses of implementing and administering the requirements under the Act.

There is no other option for meeting the mandate of 50-46-210, MCA, therefore the department is proposing New Rules I through VI to address the manner in which the department will consider applications for and renewals of registry identification cards for qualifying applicants and caregivers.

The department is proposing New Rule I to define terms used in conjunction with the program not defined in 50-46-102, MCA. Defining the terms provides clarification to applicants, caregivers, physicians, the general public, and department staff.

New Rule II is proposed to place in administrative rule the process which the department has been using to implement the Montana Medical Marijuana Act. Through the provisions of the Act, the department has developed policies and procedures to implement and administer the Act. Due to the specificity of the Act and until the previously mentioned legislative audit, the department felt it was unnecessary to promulgate rules. The department concurred with the Legislative Audit Division's recommendation to promulgate rules, and therefore proposes this rule to address the registration and application process. The application form must contain enough unique identifying information to adequately identify applicants and caregivers.

The department is proposing New Rule III to clarify the impact of a written diagnosis that an approved patient no longer has a debilitating illness, as well as to clarify when the department may revoke a caregiver registry identification card. In the event an approved patient's diagnosis changes, this rule reinforces that the patient no longer meets the conditions necessary for possession of a registry identification card or placement on the registry.

New Rule IV is proposed in response to the recommendation of the Legislative Audit Division. When the department implemented the program, the initial fee charged was \$200. The department reduced the fee to \$100 six months after implementation and the fee was reduced to \$50 on July 1, 2006. It is anticipated that an average of

300 qualifying patients per year will be approved for the program generating \$15,000 in revenue and \$39,050 will be generated from 781 approved patient renewals.

New Rule V is proposed to identify the process for changes in caregiver. Either the approved patient or approved caregiver can terminate the patient/caregiver relationship. This rule is necessary to minimize the number of times this relationship may be changed. When an approved patient designates a caregiver on an application, when approved, that caregiver can then grow up to six marijuana plants for each approved patient that has designated that individual as caregiver. If this relationship terminates, the caregiver could have six marijuana plants for an approved patient where a patient/caregiver relationship no longer exists. Minimizing the number of times the approved patient/caregiver relationship can be terminated during a 12-month period prevents unnecessary changes in caregivers, protects the caregiver from having to destroy plants too often thereby creating a financial burden, minimizes the time caregivers have plants with no approved patients, yet allows the approved patient the flexibility to maintain a satisfactory patient/caregiver relationship.

The rule is also necessary to remove from the registry those caregivers who are no longer approved caregivers. These provisions help ensure than an approved patient has only one caregiver as authorized by 50-46-102, MCA.

The department is proposing New Rule VI to identify the process for replacing registry identification cards because the registry identification card protects the approved patient and approved caregiver for the medical use of marijuana. It is in the best interests of both the patient and caregiver to notify the department as soon as possible regarding the loss or theft of a registry identification card.

- 5. Concerned persons may submit their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to: Gwen Knight, Department of Public Health and Human Services, Office of Legal Affairs, P.O. Box 202951, Helena, Montana, 59620-2951; telephone (406) 444-9503; fax (406) 444-9744; or e-mail dphhslegal@mt.gov, and must be received no later than 5:00 p.m., October 23, 2008.
- 6. Office of Legal Affairs, Department of Public Health and Human Services, has been designated to preside over and conduct this hearing.
- 7. The department maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list shall make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Such written request may be mailed or delivered to the contact person in 5 above or may be made by completing a request form at any rules hearing held by the department.

- 8. An electronic copy of this Proposal Notice is available through the Secretary of State's web site at http://sos.mt.gov/ARM/Register. The Secretary of State strives to make the electronic copy of the Notice conform to the official version of the Notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the Notice and the electronic version of the Notice, only the official printed text will be considered. In addition, although the Secretary of State works to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.
 - 9. The bill sponsor notice requirements of 2-4-302, MCA, do not apply.

/s/ Lisa Swanson/s/ Russell E. Cater forRule ReviewerJoan Miles, DirectorPublic Health and Human Services

Certified to the Secretary of State September 15, 2008.

BEFORE THE DEPARTMENT OF ADMINISTRATION OF THE STATE OF MONTANA

In the matter of the amendment of ARM)	NOTICE OF AMENDMENT
2.59.1701 through 2.59.1705 and)	AND ADOPTION
2.59.1710 pertaining to the licensing and)	
regulation of mortgage brokers and loan)	
originators and the adoption of NEW)	
RULES I through VIII regarding)	
continuing education, prelicensing)	
examination, designated managers,)	
examinations, failure to correct)	
deficiencies, grounds for the denial of an)	
application, costs in bringing the)	
administrative action, and scheme to)	
defraud or mislead)	

TO: All Concerned Persons

- 1. On April 24, 2008, the Department of Administration published MAR Notice No. 2-59-396 regarding the proposed amendment and adoption of the above-stated rules at page 666 of the 2008 Montana Administrative Register, Issue No. 8.
- 2. On May 21, 2008, a public hearing was held in Helena concerning the proposed amendment and adoption. Four people testified. Five people submitted written comments. One person who commented at the hearing also submitted additional written comments.
- 3. The department has thoroughly considered the comments and testimony received. A summary of the comments and testimony received and the department's responses are as follows:

Comment #1: Cyndy Rigler, president of Western Home Mortgage Corporation and of the Montana Association of Mortgage Brokers (MAMB), opposed the fee increase in ARM 2.59.1704. She submitted an additional comment comparing licensing fees that other professions in Montana pay to the licensing fees that mortgage brokers pay. Brian Gorman of Alpha Mortgage Investments, Inc. also commented that the fee increase is a substantial increase with no justification as to why, but it appears to be an attempt to grow the revenues of the department so as to justify its growth and existence. Charles Bott, secretary of the Montana Association of Mortgage Brokers and president of CrossBow Mortage, Inc., submitted comments identical to those of Cyndy Rigler. Steve Stiles, Big Sky Mortgage Services, commented that the licensing fees are unnecessary and put an undue burden on brokers. He stated that the cost will ultimately be passed on to consumers. He commented that the state should go to a two-year license instead of a one-year license.

Response #1: The department proposed the fee increase because the cost of regulating mortgage brokers and loan originators exceeds the revenue from this licensing program. Section 32-9-117, MCA, states, "The fees set by the department must be commensurate with the costs of the program." In order to cover the costs of the program administration, the department must raise the renewal licensing fees. In fiscal year 2008, the department operated this licensing program at a loss of \$180,218. The department has not increased renewal fees since the inception of the program in 2004. By virtue of this new fee increase for license renewals, the department estimates that it would gain an additional \$76,250 in revenue. This estimate is based upon the current number of licensees. Even with the fee increase, the department may have to absorb an additional revenue loss in FY 2009. However, the department is taking a reasonable action to raise the renewal fees to match the fees that are paid for the initial licenses. The department is not aware of the operational costs to administer other licensing professions in Montana. The department is bound by statute to set fees to be commensurate with the cost of this program. Therefore, the department cannot draw a comparison to fees charged for other licensing professions in Montana. The one-year license format is set by statute and cannot be changed by administrative rule.

<u>Comment #2</u>: Cyndy Rigler commented that the fee increase rule was not provided to MAMB in the proposed notice of amendment and adoption issued in September 2007 or in the draft of the rules provided to MAMB in January. MAMB would like the opportunity to review this matter with the department prior to the fee increase being adopted.

Response #2: The department provided a representative of the MAMB Board with an e-mail notifying him of the department's intent to raise fees on March 11, 2008. In addition, the department provided MAMB with a notice of the proposed rulemaking and opportunity to comment on the proposed rules at the hearing as well as by written comment. The MAMB has taken advantage of both those opportunities to comment on the proposed amendments to the rules. The proposed rulemaking notice, which was published on September 20, 2007, was separate from the proposed rulemaking notice published on April 24, 2008. The department did not propose a fee increase in the notice that was published on September 20, 2007. In fiscal year 2008, the division operated the mortgage broker and loan originator program at a loss of \$180,218. This revenue loss for this program loss was not yet apparent to the department in September of 2007 or at the time when the department provided MAMB with another rule draft in January of 2008.

Comment #3: Dave Christensen, Mountain Lake Mortgage Corporation, commented that the timing and amount of the proposed license renewal fee increases will put considerable burden on small mortgage brokers who are already struggling to survive in the current environment. He states that the increase in the entity fee from \$50 to \$500, unless you are the sole owner of a corporation, means that a small, family-owned or closely held corporation is charged the full fee. He encourages the department to allow small, family-owned or closely held corporations to be treated the same as solely owned entities.

Response #3: Section 32-9-117(1)(b), MCA, requires that an individual seeking licensure as a mortgage broker and who is the sole owner of an entity seeking licensure as a mortgage broker be charged a single application fee. From the regulatory perspective, an entity that is licensed separately from an individual is a separate applicant and must be investigated and licensed separately. When an entity applies for licensure, it must provide the documentation showing its separate existence as an entity as well as the names and addresses of the owners or managers of the entity. There is as much or more regulatory review and investigation that goes into the licensure of an entity as goes into licensure of an individual. Therefore, the entity should pay the same amount as the individual being licensed. However, in the case of a solely owned entity, the individual and the sole owner of the entity are one and the same, resulting in one investigation and requiring less regulatory time than an entity that is made of other individuals.

Comment #4: Cyndy Rigler, Charles Bott, and Kristi Blazer, lobbyist for the MAMB, opposed the testing at the end of continuing education courses, which must be passed with a 75% score as proposed in the amendments to ARM 2.59.1705. Ms. Blazer commented that other professions in Montana are not required to pass a test after continuing education courses; however, other states are adopting testing requirements for the mortgage broker industry.

Response #4: The department agrees and will remove the testing requirement after continuing education courses.

Comment #5: Cyndy Rigler and Charles Bott commented that New Rule VIII(1)(c) appears to prohibit the acceptance of any fees to be remitted to a third party.

Response #5: The subsection will be redrafted to read, "charging or accepting any fees in excess of fees that have been or will be remitted to third parties."

<u>Comment #6</u>: Brian Gorman commented that he found the language "sole owner of an entity" within ARM 2.59.1704 confusing and unfair to closely held, family corporations.

Response #6: The language "sole owner of an entity" comes from 32-9-117(1)(b), MCA. That section states: "An individual who is seeking licensure as a mortgage broker and who is the sole owner of an entity that is seeking licensure as a mortgage broker shall pay a single initial nonrefundable license application fee of \$500." The department, in proposing the rules, has complied with 32-9-117(2), MCA. The statute requires the department to charge a single fee to an individual who is seeking to renew an individual license and who is also sole owner of an entity that is seeking to renew its entity license. The department drafted the proposed rule to be consistent with the statutes. In the case of a closely held corporation, if the corporation is not solely owned by the individual seeking licensure or renewing its license as a mortgage broker, the entity is subject to a separate licensing or relicensing fee. This is because the entity must apply separately and the entity

application or renewal must be reviewed and investigated separately from the individual application or renewal.

Comment #7: Brian Gorman commented on ARM 2.59.1705(16) that, while it is of marginal concern to him personally, if he were an education provider, he would skip over Montana if the department was going to charge fees for both reviewing the class and for each hour and not refund any of the above fees if approval is denied.

Response #7: The department charges education providers the application fee of \$100 that is required every two years. If a licensed education provider wants to offer a class, it must submit the class materials for review and approval by the department. There is a \$50 fee per credit hour requested. The department does not refund the fees if approval is denied for a particular class because the department staff must commit their time to reviewing the materials whether the class is approved or denied. The department would lose money if its employees spent time reviewing a course that was not adequate and then refunded the fees to the provider of the unapproved course.

Comment #8: Brian Gorman commented that in the statement of reasonable necessity for the amendment to ARM 2.59.1705(2) this statement appears: "The department is concerned, based on the examinations that it conducts, that mortgage brokers and loan originators do not comprehend the training that they are receiving." Mr. Gorman commented that the department has no evidence to support this statement, which is insulting on its surface and would be an indication that the courses the department approved are not adequate. He said mortgage brokers could comprehend laws and administrative rules more easily if they were not constantly changing.

Response #8: In conducting examinations of mortgage brokers and loan originators, it has become clear that brokers and loan originators do not understand the Montana statutes and rules that govern them. Of particular concern to the department is that mortgage brokers and loan originators are not properly disclosing closing costs, fees, and yield spread premiums to borrowers as Montana law requires. The acceptance of fees that have not been properly disclosed frequently results in an order from the department to refund the undisclosed amounts to the borrowers. The department has proposed amendments to the rules in this rulemaking to try to address this situation. The department has proposed that it approve all continuing education providers and courses. The department has proposed these changes in an attempt to ensure that Montana mortgage brokers and loan originators know and understand Montana and federal law and comply with the laws.

Comment #9: Brian Gorman commented that ARM 2.59.1710, Records to be Maintained, is another example of creating law by rule and an example of something that they were assured would not be coming when they supported the passage of the mortgage broker licensing law, namely additional documents for the state. A grander example of administrative rule growth that micromanages the brokers' businesses and has nothing to do with helping consumers could not be thought of by

anybody other than a bureaucrat who has time to waste and does not understand that business people put their time to good use, not shuffling unnecessary paperwork. Mr. Gorman opposes the requirement for a spreadsheet but not the request for the spreadsheet because he currently keeps the spreadsheet. Steve Stiles commented that the spreadsheet is unnecessary because it contains the same information that the examiners physically look at when reviewing files. He commented that the spreadsheet is meaningless because the same information is in the files.

Response #9: The department has stated that it believes that most mortgage brokers presently maintain the information required to be on the spreadsheet in some form or other. The department does not require the information to be in any particular format and has stated that as long as the information can be generated by computer in any format, the licensee would be in compliance with the rule. The spreadsheet, or the availability of this information during an examination, will reduce examination time since the examiners use the information in the spreadsheet to identify which loan files to review. Not only do examiners use the information in the spreadsheet to determine which loan files to review, but also, and more importantly, which loan files not to review. The end result is a shorter examination time at less cost to the mortgage broker. Since this information is readily available to mortgage brokers, it is not unduly burdensome to require the mortgage broker to keep the information in some format. However, the department will remove the requirement for the following items in the spreadsheet: the age of the borrower(s), the loan number, the settlement date, the date the initial good faith estimate was mailed or hand delivered, the date the initial Truth in Lending disclosure was mailed or handdelivered, and the loan-to-value ratio.

<u>Comment #10</u>: Brian Gorman commented on ARM 2.59.1710, stating that some borrowers simply will not sign, date, and return forms. Maybe the state should adopt a rule to fine the borrowers or force them to sign and date forms, but how much force is acceptable? Doug Lovely commented that it should not be a violation if the borrower refuses to sign and date a document.

Response #10: The existing rule requires that the borrower sign all disclosures required by state and federal law. The proposed amendment adds "and dated" and "and where applicable, signed and dated by the individual mortgage broker or loan originator." Mr. Gorman's comment addresses the existing rule rather than the proposed amendment to the rule, but if the forms are not signed by the borrower, the mortgage origination process should not progress until the forms are signed and returned.

<u>Comment #11</u>: Brian Gorman commented that on the statement of reasonable necessity for New Rule II he opposes the use of political rhetoric citing one-half of a proposed law as a rational reason to support changes and additions to the current administrative rules of the state of Montana.

Response #11: The department thanks Mr. Gorman for his comment. President Bush signed into law on July 30, 2008, the Housing and Economic Recovery Act, which includes the S.A.F.E. Mortgage Licensing Act (Act). The Act supports the changes and additions made within New Rule II, but the department is not adopting New Rule II since it has decided not to assume the role of being the sole prelicensing test administrator. The decision has been made in part because of the passage of the Act, which provides for a prelicensing test approved by the Nationwide Mortgage Licensing System and Registry. The department does not think it would be a good use of its time to develop its own test if in the future it may participate in the Nationwide Mortgage Licensing System and Registry.

<u>Comment #12</u>: Brian Gorman commented on New Rule VIII that brokers don't determine the borrower's equity in the dwelling and it is the lenders' job to determine if there is equity they want to lend against.

Response #12: The department concurs with both those statements, but they are not relevant to the proposed new rule. New Rule VIII states, "For purposes of 32-9-124, MCA, a scheme to defraud or mislead a borrower, lender, or any other person shall include but is not limited to: (a) misstating a borrower's income, assets, obligations, employment status, credit history, and financial resources, or the borrower's equity in the dwelling which secures repayment of the loan to the lender." The proposed new rule prohibits brokers from misstating the borrower's equity in the dwelling that secures repayment of the loan to the lender. But in reviewing this rule, it is clear that the "and" between credit history and financial resources should be an "or."

<u>Comment #13</u>: Doug Lovely commented that in ARM 2.59.1701(9) the definition of "restitution" is too broad and should not include fees paid to others.

Response #13: The definition was drafted as broadly as it was in order to include situations where a mortgage broker charges a fee that should be paid to a third party but increases the fee and pockets the difference. The department has encountered this practice during examinations.

<u>Comment #14</u>: Doug Lovely commented that New Rule VIII has some interesting definitions. He commented that as long as the broker or originator is not held liable for borrower misstatements, fine.

Response #14: The department thanks Mr. Lovely for his comments.

<u>Comment #15</u>: Jim Smith commented on ARM 2.59.1705, stating that eliminating courses that deal with programs, product requirements, appraisal issues, underwriting, fraudulent practices, and due diligence in meeting the needs to the housing industry is a mistake.

Response #15: The department has no jurisdiction over the appraisal process and will not accept continuing education courses that have to do with appraisal process.

Since mortgage broker and loan originators are not underwriters, underwriting courses are not relevant continuing education courses. The existing rule currently states that courses are acceptable if they discuss features of various loan products. That section of the existing rule is not being amended in this rulemaking.

Comment #16: Jim Smith commented that if the department is going to require a test with a 75% pass rate, then the department must specify what right the attendee has to retake the test if they fail and what the rights of the educators are if they continue to fail the tests. He commented that some states allow the attendee to retake the test once within two to three weeks of attending the course. If the attendee fails the test a second time or fails to retake to the test within the time period, then the attendee has to retake the course in order to get credit.

Response #16: The department agrees with Mr. Smith and will remove the testing requirement after continuing education courses.

Comment #17: Primerica commented on ARM 2.59.1701(11), arguing that striking the phrase, "other work or education experience as approved by the department" from the "definition of work in a related field" is inappropriate for three reasons. First, the change is not legally required. Striking the language is in derogation of the broad statutory authority held by the department and contrary to the intent of the legislature. Second, the revisions contradict the stated purpose of the revisions. The general statement of intent is to broaden acceptable areas of experience for applicants but this revision removes the only exception that allows training opportunities. Third, the practical impact of the proposed amendment is to foreclose work opportunities for Montanans in favor of out-of-state people. Primerica suggests that the rule be redrafted as follows (with new matter underlined):

"Work in a related field" means:

- (a) through (b)(v) remain the same.
- (vi) as a residential real estate loan closing agent; or
- (vii) for employees or exclusive agents of a mortgage broker that offers fully amortizing loan products and accepts no upfront fees, other work or education experience as approved by the department, on a case by case basis; or
- (viii) <u>as a state or federal regulator that examines compliance of residential</u> mortgages of state or federally chartered financial institutions.

Response #17: The department deleted "other educational experience" from the definition of other "work in a related field" because allowing educational experience is outside of the authority granted to the department in 32-9-109, MCA. That section states, in relevant part, "[a]n individual applying for a license as a loan originator must have a minimum of 6 months of experience working in a related field. The department shall by rule establish what constitutes work in a related field." The statute contains mandatory language "must have a minimum of 6 months experience." A rule that allows "other educational experience as approved by the department" is clearly inconsistent with the statute. A rule is not valid or effective unless it is consistent and not in conflict with the statute pursuant to 2-4-305(6), MCA. The existing rule is invalid and the proposed amendment to the rule proposed

by Primerica would also be invalid. Therefore, the department is deleting the invalid section of the rule.

<u>Comment #18</u>: Primerica commented that requiring the age of the borrower on the spreadsheet could lead a disgruntled borrower to perceive discriminatory behavior and so the age requirement should be eliminated.

Response #18: The spreadsheet is not seen by borrowers so it is not clear to the department the manner in which a borrower could use that information to perceive discriminatory behavior. The federal Equal Credit Opportunity Act and federal Home Mortgage Disclosure Act both require that a creditor ask an applicant who is applying for credit primarily for the purchase or refinancing of a dwelling occupied or to be occupied by the applicant as a principal residence, where the extension of credit will be secured by the dwelling, ethnicity, sex, marital status, and age for purposes of monitoring compliance with federal statutes that prohibit creditors from discriminating against applicants on those bases. So the information should already be in the possession of the mortgage broker who takes an application. Nevertheless, the department has agreed to remove the age requirement from the spreadsheet.

Comment #19: Primerica commented on ARM 2.59.1710(3), stating that it is structured in a manner that the loan originator takes the application from the applicant, then Primerica's affiliated federal lender generates all other documents and obtains additional information. Therefore, Primerica requests that the rule be redrafted to state: "To the extent such information is unavailable, the mortgage broker shall write 'not applicable'."

Response #19: The department does not believe such an amendment is necessary and fears it would lead to all mortgage brokers filling out the spreadsheet with N/A even if the information is available or known to the mortgage broker or loan originator.

- 4. The department has amended ARM 2.59.1701, 2.59.1702, 2.59.1703, and 2.59.1704 exactly as proposed and adopted New Rule I (2.59.1711), New Rule III (2.59.1712), New Rule IV (2.59.1713), New Rule V (2.59.1714), New Rule VI (2.59.1715), and New Rule VII (2.59.1716) exactly as proposed.
 - 5. The department is not adopting New Rule II.
- 6. The department has amended ARM 2.59.1705, 2.59.1710, and adopted New Rule VIII (2.59.1717) with the following changes, stricken matter interlined, new matter underlined:

2.59.1705 LICENSING EXAMINATION AND CONTINUING EDUCATION PROVIDER REQUIREMENTS (1) remains as proposed.

- (2) To receive approval of a <u>licensing examination or</u> continuing education course, the <u>examination or</u> course provider must file an application with the department, which includes, but is not limited to the following items:
 - (a) and (b) remain as proposed.
- (c) a complete set of <u>the examination or</u> curriculum materials. Materials will be retained by the department. Electronic format is acceptable;
 - (d) and (e) remain as proposed.
- (f) list of other states in which approval to provide similar education is held; and
- (g) a satisfactory timing method to properly monitor licensee's attendance and attention for the approved hours of the course; and.
- (h) a comprehensive test approved by the department, to be taken at the end of the course. The licensee must pass the test with a minimum 75%.
 - (3) and (4) remain as proposed.
- (5) Courses <u>and licensing examinations</u> must reflect the activities performed by <u>applicants or</u> licensees and must provide <u>applicants or</u> licensees with a basic knowledge of and competency in any of the following:
 - (a) through (g) remain as proposed.
 - (6) Appropriate subjects for licensing examinations may include:
 - (a) the Montana Mortgage Broker and Loan Originator Licensing Act;
 - (b) state and federal consumer protection acts;
- (c) the federal Real Estate Settlement Procedures Act, Truth in Lending Act, Equal Credit Opportunity Act, Fair Credit Reporting Act, Fair Housing Act, Home Mortgage Disclosure Act, Community Reinvestment Act, and the regulations promulgated pursuant to these acts;
- (d) trust account and recordkeeping requirements of the Montana Mortgage Broker and Loan Originator Licensing Act;
 - (e) real estate and appraisal law;
- (f) arithmetical computation common to mortgage lending, including but not limited to:
 - (i) the computation of an annual percentage rate;
 - (ii) finance charges;
 - (iii) amount financed;
 - (iv) payment and amortization;
 - (v) credit evaluation; and
 - (vi) calculating debt-to-income; and
 - (g) ethics in the mortgage industry.
 - (6) remains as proposed, but is renumbered (7).
- (7) (8) The provider shall file an application with the department that includes a copy of examinations to be used, if any, in determining satisfactory comprehension of the contents of the course and the grading scale to be used. Any new or revised courses, examinations, or grading scales to be used shall be submitted to the department for approval at least 60 days prior to use. Course materials may be submitted in electronic format. The department will consider examinations and continuing education disseminated by written or electronic means, including by the Internet.

- (8) through (12)(a) remain as proposed, but are renumbered (9) through (13)(a).
- (b) during any six-month period, fewer than 50% of the provider's program students taking the examination for the first time achieve a passing score;
 - (b) through (d) remain the same, but are renumbered (c) through (e).
 - (13) through (19) remain as proposed, but are renumbered (14) through (20).

AUTH: 32-9-130, MCA

IMP: 32-9-110, 32-9-118, 32-9-130, MCA

- <u>2.59.1710 RECORDS TO BE MAINTAINED</u> (1) through (3)(a) remain as proposed.
 - (b) the age of the borrower(s);
 - (c) the loan number;
 - (d) through (g) remain as proposed, but are renumbered (b) through (e).
 - (h) the settlement date;
 - (i) the date the good-faith estimate was mailed or hand delivered;
 - (j) the date the Truth in Lending statement was mailed or hand delivered;
 - (k) remains as proposed, but is renumbered (f).
 - (I) the loan-to-value ratio;
 - (m) through (p) remain as proposed, but are renumbered (g) through (j).

AUTH: 32-9-130, MCA

IMP: 32-9-121, 32-9-124, 32-9-125, MCA

NEW RULE VIII (2.59.1717) SCHEME TO DEFRAUD OR MISLEAD

- (1) remains as proposed.
- (a) misstating a borrower's income, assets, obligations, employment status, credit history, and or financial resources, or the borrower's equity in the dwelling which secures repayment of the loan to a lender;
 - (b) remains as proposed.
- (c) acceptance of any fees, or charge in excess of the fees, that have been or will be remitted to a third party; and charging or accepting any fees in excess of fees that have been or will be remitted to third parties; and
 - (d) remains as proposed.

AUTH: 32-9-130, MCA IMP: 32-9-124, MCA

7. The department has amended ARM 2.59.1705 to include the original references to the prelicensing test. The department has decided that it will continue to use approved education providers to administer the test. The department is not adopting New Rule II since it has decided not to assume the role of being the sole prelicensing test administrator. The decision has been made in part because of the passage of the S.A.F.E. Mortgage Licensing Act, which provides for a prelicensing test approved by the Nationwide Mortgage Licensing System and Registry. The department does not think it would be a good use of its time to develop its own test if

in the future it may participate in the Nationwide Mortgage Licensing System and Registry.

By: /s/ Janet R. Kelly By: /s/ Michael P. Manion

Janet R. Kelly, Director

Department of Administration

Michael P. Manion, Rule Reviewer

Department of Administration

Certified to the Secretary of State September 15, 2008.

BEFORE THE DEPARTMENT OF AGRICULTURE OF THE STATE OF MONTANA

In the matter of the amendment of ARM) NOTICE OF AMENDMENT 4.17.102 relating to the organic program)	
TO: All Concerned Persons	
1. On July 31, 2008, the Montana Department of Agriculture published MAI Notice No. 4-14-180 regarding the public hearing on the proposed amendment of tabove-stated rule at page 1518 of the 2008 Montana Administrative Register, Issu Number 14.	the
2. The agency has amended ARM 4.17.102 exactly as proposed.	
3. No comments or testimony were received.	
DEPARTMENT OF AGRICULTURE	
/s/ Ron de Yong /s/ Cort Jensen Ron de Yong, Director Cort Jensen, Rule Reviewer	

Certified to the Secretary of State, September 15, 2008.

BEFORE THE STATE AUDITOR AND COMMISSIONER OF SECURITIES OF THE STATE OF MONTANA

In the matter of the amendment of ARM 6.2.124 regarding Judicial Review, ARM 6.10.101 and 6.10.102 regarding Securities Regulation, the transfer of ARM 6.10.104, 6.10.105, 6.10.108, 6.10.110, 6.10.125, 6.10.132, 6.10.134, 6.10.147, and 6.10.148, the amendment and transfer of ARM 6.10.103, 6.10.111, 6.10.120, 6.10.121, 6.10.126, 6.10.127, 6.10.130, 6.10.131, 6.10.135, 6.10.136, 6.10.138, 6.10.140, 6.10.141, 6.10.142, 6.10.143, 6.10.145, and 6.10.149 regarding Securities Regulation, and the adoption of NEW RULES I through VI pertaining to Senior Specific Certifications and Designations, and Filing Requirements for Transactional **Exemptions**

NOTICE OF AMENDMENT, TRANSFER, AMENDMENT AND TRANSFER, AND ADOPTION

TO: All Concerned Persons

- 1. On August 14, 2008, the State Auditor and Commissioner of Securities published MAR Notice No. 6-180 regarding the public hearing on the proposed amendment, transfer, amendment and transfer, and adoption of the above-stated rules at page 1635 of the 2008 Montana Administrative Register, issue number 15.
- 2. On September 5, 2008, the State Auditor and Commissioner of Securities held a public hearing to consider the proposed amendment, transfer, amendment and transfer, and adoption of the above-stated rules.
- 3. The State Auditor and Commissioner of Securities has amended ARM 6.2.124, 6.10.101, and 6.10.102; transferred ARM 6.10.104 (6.10.202), 6.10.105 (6.10.203), 6.10.108 (6.10.205), 6.10.110 (6.10.206), 6.10.125 (6.10.302), 6.10.132 (6.10.403), 6.10.134 (6.10.306); 6.10.147 (6.10.208), and 6.10.148 (6.10.209); amended and transferred ARM 6.10.103 (6.10.201), 6.10.111 (6.10.207), 6.10.120 (6.10.301), 6.10.121 (6.10.501), 6.10.126 (6.10.401), 6.10.127 (6.10.402), 6.10.130 (6.10.303), 6.10.131 (6.10.305), 6.10.135 (6.10.502), 6.10.136 (6.10.503), 6.10.138 (6.10.504), 6.10.142 (6.10.508), 6.10.143 (6.10.510), 6.10.145 (6.10.511), and 6.10.149 (6.10.210); and has adopted New Rule I (ARM 6.10.601), New Rule II (ARM 6.10.602), New Rule III (ARM 6.10.604), New Rule IV (ARM 6.10.605), New Rule V (ARM 6.10.607), and New Rule VI (ARM 6.10.608), exactly as proposed.

ARM 6.10.140 (6.10.506) and 6.10.141 (6.10.507) are not being amended as proposed, but are being transferred as proposed.

4. No comments were heard at the hearing, and no written comments were received before the comment deadline.

/s/ Christina L. Goe/s/ Janice S. VanRiperChristina L. GoeJanice S. VanRiperRule ReviewerDeputy State Auditor

Certified to the Secretary of State September 15, 2008.

BEFORE THE BOARD OF PUBLIC EDUCATION OF THE STATE OF MONTANA

)	NOTICE OF AMENDMENT
)	
)	
)

TO: All Concerned Persons

- 1. On July 31, 2008 the Board of Public Education published MAR Notice No. 10-57-247 pertaining to the public hearing on the proposed amendment of the above-stated rule at page 1525 of the 2008 Montana Administrative Register, Issue Number 14.
 - 2. The board has amended the above-stated rule as proposed.
- 3. The board has thoroughly considered the comments and testimony received. A summary of the comments received and the department's responses are as follows:

<u>COMMENT #1</u>: Mr. Darrell Rud, SAM, thanked the board and the Distance Learning Task Force for their willingness to listen to constructive criticism and make amendments to provide more flexibility in the rule.

RESPONSE #1: The Board of Public Education appreciates the support from Mr. Rud.

<u>COMMENT #2</u>: Mr. Bob Vogel, MTSBA, commented that the rule is more flexible as amended and appreciates the direction of the board to support the academic enhancement of Montana students.

RESPONSE #2: The Board of Public Education appreciates the support from Mr. Vogel.

COMMENT #3: Dr. Bruce Messinger, Superintendent of Helena Public Schools and Chair of the E-Learning Consortium, appreciates the flexibility of the rule as amended. He stated it is important for Montana students to have the opportunity to work with highly qualified educators well versed in their area of expertise. Distance learning is rapidly changing and he is pleased that the board is willing to review this rule as needed.

<u>RESPONSE #3</u>: The Board of Public Education appreciates the comments from Dr. Messinger.

<u>COMMENT #4</u>: Dr. Thomas Gibson, OCHE, stated that the delivery methods are changing and evolving and appreciates the Board of Public Education's review of the distance learning rules to meet the needs of the students.

<u>RESPONSE #4</u>: The Board of Public Education appreciates the comments from Dr. Gibson.

<u>COMMENT #5</u>: Mr. Bruce Wallace of Vision Net, came to the hearing to observe the direction of the Board of Public Education in connection with distance learning and to maintain an involvement and awareness of the board's position on this issue.

<u>RESPONSE #5</u>: The Board of Public Education appreciates the comments from Mr. Wallace.

/s/ Steve Meloy /s/ Patty Myers

Steve Meloy Patty Myers, Chairperson Rule Reviewer Board of Public Education

Certified to the Secretary of State September 15, 2008.

BEFORE THE BOARD OF PUBLIC EDUCATION OF THE STATE OF MONTANA

In the matter of the adoption of NEW)	NOTICE OF ADOPTION AND
RULE I and amendment of ARM)	AMENDMENT
10.57.102 and 10.57.201 relating to)	
Class 8 licensure)	

TO: All Concerned Persons

- 1. On July 31, 2008 the Board of Public Education published MAR Notice No. 10-57-246 pertaining to the public hearing on the proposed adoption and amendment of the above-stated rules at page 1521 of the 2008 Montana Administrative Register, Issue Number 14.
- 2. The board has amended the following rules as proposed: ARM 10.57.102 and 10.57.201.
- 3. The board has adopted the following rule as proposed, but with the following changes from the original proposal, new matter underlined, deleted matter interlined:

NEW RULE I (10.57.437) CLASS 8 DUAL CREDIT-ONLY POSTSECONDARY FACULTY LICENSE (1) through (2)(b) remain as proposed.

- (c) only when teaching dual credit courses within the role and scope of their duties assigned by the employing <u>post</u>secondary institution.
 - (3) through (5) remain as proposed.
 - (6) This rule shall be applied beginning with the fall semester of 2009.
- 4. The board has thoroughly considered the comments and testimony received. A summary of the comments received and the department's responses are as follows:

<u>COMMENT #1</u>: Dr. Thomas Gibson, OCHE, stated that higher education is supportive of New Rule I as written, but continues to have some concern about the rubric/matrix not being completed at the time of the proposed adoption of the rule. Other concerns addressed were in connection with training, fingerprinting, oath, and the time connected to this licensing process. Overall, higher education's spirit of serving K-12 students drives this support and they appreciate the opportunity to participate.

<u>RESPONSE #1</u>: The Board of Public Education appreciates Dr. Gibson's concern and is confident that the rubric and implementation of the rubric will be fair, understandable, easy to administer, and will honor the skills and proficiencies of all qualified postsecondary faculty.

<u>COMMENT #2</u>: Dr. Bruce Messinger, Superintendent of Helena Public Schools and Chair of the E-Learning Consortium, supports this rule for the students at the secondary level to provide opportunities to take dual-credit courses. Dr. Messinger did caution the Board of Public Education to be wary about the equity of opportunities for students.

<u>RESPONSE #2</u>: The Board of Public Education appreciates Dr. Messinger's concern and believes if all postsecondary faculty teaching dual-credit are licensed, there will be no adverse equity of opportunity issues.

COMMENT #3: Ms. Cathy Swift, OCHE, wanted to clarify the rules listed in New Rule I(3)(c) to be "as required by 20-4-104, MCA, ARM 10.57.201(4) and 10.57.201A."

<u>RESPONSE #3</u>: The Board of Public Education appreciates the review of citations by Ms. Swift and will endeavor to review drafts for accuracy before they are released to the public. The citations stated by Ms. Swift are correct and are the ones contained in the Notice of Proposed Adoption and Amendment published by the Secretary of State on July 31, 2008.

<u>COMMENT #4</u>: Mr. Darrell Rud, SAM, thanked the Board of Public Education and the Distance Learning Task Force for the work that may have seemed arduous at times, but felt the input from the School Administrators of Montana was appreciated and valued.

<u>RESPONSE #4</u>: The Board of Public Education appreciates the input from the School Administrators of Montana.

<u>COMMENT #5</u>: Mr. Dan Zorn, Assistant Superintendent of Kalispell Public Schools, submitted a written comment on July 24, 2008 expressing concern that teachers at postsecondary institutions, which do not include an accredited professional educator preparation program, would be excluded from eligibility for a Class 8 license.

RESPONSE #5: The Board of Public Education appreciates Mr. Zorn's concern, and asserts that an appropriate official from a Montana or NCATE accredited professional education preparation program will be part of the review and verification process for Class 8 applications. The board feels this will satisfy the requirements of New Rule I (ARM 10.57.437(3)(b)). Therefore any college faculty from any postsecondary institution would be eligible for a Class 8 dual-credit only postsecondary faculty license provided they meet the other requirements of ARM 10.57.437.

<u>COMMENT #6</u>: Mr. Dan Zorn, Assistant Superintendent of Kalispell Public Schools, submitted a written comment on August 25, 2008 expressing reservations regarding the fact that the rubric for qualifying Class 8 license recipients is not complete.

<u>RESPONSE #6</u>: The Board of Public Education appreciates Mr. Zorn's concern and is confident the rubric and implementation of the rubric will be fair, understandable, easy to administer, and will honor the skills and proficiencies of all qualified postsecondary faculty.

<u>COMMENT #7</u>: Mr. Bob Vogel, MTSBA Director of Governmental Relations, expressed MTSBA's appreciation to the Board of Public Education for its effort to bring stakeholders together to craft a rule that will allow for greater student opportunities through the promotion of dual-credit instruction.

<u>RESPONSE #7</u>: The Board of Public Education appreciates Mr. Vogel's comment on behalf of MTSBA.

/s/ Steve Meloy /s/ Patty Myers

Steve Meloy Patty Myers, Chairperson Rule Reviewer Board of Public Education

Certified to the Secretary of State September 15, 2008.

BEFORE THE DEPARTMENT OF CORRECTIONS OF THE STATE OF MONTANA

In the matter of the adoption of New)	NOTICE OF ADOPTION
Rules I through V pertaining to)	
confidentiality of youth records)	

TO: All Concerned Persons

- 1. On July 17, 2008 the Department of Corrections published MAR Notice No. 20-9-40 pertaining to the public hearing on the proposed adoption of the above-stated rules at page 1382 of the 2008 Montana Administrative Register, Issue Number 13.
- 2. The department has adopted the above-stated rules as proposed: New Rule I (20.9.801), New Rule II (20.9.802), New Rule III (20.9.803), New Rule IV (20.9.804), New Rule V (20.9.805).
 - 3. No comments or testimony were received.

/s/ Colleen A. White
COLLEEN A. WHITE
Rule Reviewer

Director
Department of Corrections

Certified to the Secretary of State September 15, 2008.

BEFORE THE DEPARTMENT OF JUSTICE OF THE STATE OF MONTANA

In the matter of the amendment of)	NOTICE OF AMENDMENT
ARM 23.6.106, pertaining to tow truck)	
complaint resolution)	

TO: All Concerned Persons

- 1. On July 31, 2008, the Department of Justice published MAR Notice No. 23-6-198, pertaining to the public hearing on the proposed amendment of the above-stated rule at page 1531 of the 2008 Montana Administrative Register, Issue No. 14.
 - 2. A public hearing was held on August 26, 2008.

<u>Comment</u>: One individual opposed the proposed rules as being unnecessary. In particular, he stated suspending tow truck operators from the state and local rotation systems for 30 days for failing to respond to a complaint within 20 days is harsh because he believes that not all tow truck operators receive copies of the complaint filed with the department.

Response: The proposed rules make certain that all tow truck operators who have complaints filed against them will receive copies of such complaints because the Office of Consumer Protection has an effective system in place to perform such a task. Since tow truck operators will receive copies of the complaints, a suspension from the rotation systems will only occur if the operator deliberately refuses or fails to respond to the department. The department believes that the sanction is a necessary incentive to ensure that all complaints are responded to and disposed of accordingly.

3. The department has amended ARM 23.6.106 as proposed.

By: /s/ Mike McGrath /s/ J. Stuart Segrest

MIKE McGRATH J. STUART SEGREST

Attorney General Rule Reviewer

Department of Justice

Certified to the Secretary of State on September 15, 2008.

BEFORE THE BOARD OF OUTFITTERS DEPARTMENT OF LABOR AND INDUSTRY STATE OF MONTANA

In the matter of the amendment of ARM) NOTICE OF AMENDMENT
24.171.401 fees, 24.171.604 emergency)
guide license, and 24.171.2301)
unprofessional conduct)

TO: All Concerned Persons

- 1. On June 12, 2008, the Board of Outfitters (board) published MAR Notice No. 24-171-26 regarding the amendment of the above-stated rules, at page 1116 of the 2008 Montana Administrative Register, issue no. 11.
- 2. On July 3, 2008, a public hearing was held on the proposed amendment of the above-stated rules in Helena. No comments or testimony were received.
- 3. The board has amended ARM 24.171.401, 24.171.604, and 24.171.2301 exactly as proposed.

BOARD OF OUTFITTERS LEE KINSEY, CHAIRPERSON

/s/ DARCEE L. MOE
Darcee L. Moe
Alternate Rule Reviewer

/s/ KEITH KELLY
Keith Kelly, Commissioner
DEPARTMENT OF LABOR AND INDUSTRY

Certified to the Secretary of State September 15, 2008

BEFORE THE SECRETARY OF STATE OF THE STATE OF MONTANA

In the matter of the adoption of New) NOTICE OF ADOPTION,
Rules I and II, amendment of ARM) AMENDMENT, AND REPEAL
44.5.111, 44.5.121, 44.6.105,)
44.6.108, 44.6.109, 44.6.201, and	
44.6.203, and repeal of 44.2.201)
pertaining to business entity and)
uniform commercial code (UCC) filings)

TO: All Concerned Persons

- 1. On July 31, 2008, the Secretary of State published MAR Notice No. 44-2-148 pertaining to the public hearing on the proposed adoption, amendment, and repeal of the above-stated rules at page 1562 of the 2008 Montana Administrative Register, Issue Number 14.
- 2. The department has adopted the above-stated rules as proposed: New Rules I (44.5.301) and II (44.6.302).
- 3. The department has amended and repealed the above-stated rules as proposed.
 - 4. No comments or testimony were received.
 - 5. The adoptions, amendments, and repeal will be effective October 1, 2008.

/s/ Janice Doggett	/s/ Brad Johnson
Janice Doggett	Brad Johnson
Rule Reviewer	Secretary of State

Dated this 15th day of September 2008.

NOTICE OF FUNCTION OF ADMINISTRATIVE RULE REVIEW COMMITTEE Interim Committees and the Environmental Quality Council

Administrative rule review is a function of interim committees and the Environmental Quality Council (EQC). These interim committees and the EQC have administrative rule review, program evaluation, and monitoring functions for the following executive branch agencies and the entities attached to agencies for administrative purposes.

Economic Affairs Interim Committee:

- Department of Agriculture;
- Department of Commerce;
- Department of Labor and Industry;
- Department of Livestock;
- Office of the State Auditor and Insurance Commissioner; and
- Office of Economic Development.

Education and Local Government Interim Committee:

- State Board of Education:
- Board of Public Education;
- Board of Regents of Higher Education; and
- Office of Public Instruction.

Children, Families, Health, and Human Services Interim Committee:

Department of Public Health and Human Services.

Law and Justice Interim Committee:

- Department of Corrections; and
- Department of Justice.

Energy and Telecommunications Interim Committee:

Department of Public Service Regulation.

Revenue and Transportation Interim Committee:

- Department of Revenue; and
- Department of Transportation.

State Administration and Veterans' Affairs Interim Committee:

- Department of Administration;
- Department of Military Affairs; and
- Office of the Secretary of State.

Environmental Quality Council:

- Department of Environmental Quality;
- Department of Fish, Wildlife, and Parks; and
- Department of Natural Resources and Conservation.

These interim committees and the EQC have the authority to make recommendations to an agency regarding the adoption, amendment, or repeal of a rule or to request that the agency prepare a statement of the estimated economic impact of a proposal. They also may poll the members of the Legislature to determine if a proposed rule is consistent with the intent of the Legislature or, during a legislative session, introduce a bill repealing a rule, or directing an agency to adopt or amend a rule, or a Joint Resolution recommending that an agency adopt, amend, or repeal a rule.

The interim committees and the EQC welcome comments and invite members of the public to appear before them or to send written statements in order to bring to their attention any difficulties with the existing or proposed rules. The mailing address is P.O. Box 201706, Helena, MT 59620-1706.

HOW TO USE THE ADMINISTRATIVE RULES OF MONTANA AND THE MONTANA ADMINISTRATIVE REGISTER

Definitions:

Administrative Rules of Montana (ARM) is a looseleaf compilation by department of all rules of state departments and attached boards presently in effect, except rules adopted up to three months previously.

Montana Administrative Register (MAR or Register) is a soft back, bound publication, issued twice-monthly, containing notices of rules proposed by agencies, notices of rules adopted by agencies, and interpretations of statutes and rules by the Attorney General (Attorney General's Opinions) and agencies (Declaratory Rulings) issued since publication of the preceding register.

Use of the Administrative Rules of Montana (ARM):

Known Subject Consult ARM Topical Index.
 Update the rule by checking the accumulative table and the table of contents in the last Montana Administrative Register issued.

Statute

2. Go to cross reference table at end of each number and title which lists MCA section numbers and department corresponding ARM rule numbers.

ACCUMULATIVE TABLE

The Administrative Rules of Montana (ARM) is a compilation of existing permanent rules of those executive agencies that have been designated by the Montana Administrative Procedure Act for inclusion in the ARM. The ARM is updated through June 30, 2008. This table includes those rules adopted during the period July 1, 2008, through September 30, 2008, and any proposed rule action that was pending during the past six-month period. (A notice of adoption must be published within six months of the published notice of the proposed rule.) This table does not include the contents of this issue of the Montana Administrative Register (MAR or Register).

To be current on proposed and adopted rulemaking, it is necessary to check the ARM updated through June 30, 2008, this table, and the table of contents of this issue of the MAR.

This table indicates the department name, title number, rule numbers in ascending order, catchphrase or the subject matter of the rule, and the page number at which the action is published in the 2007 and 2008 Montana Administrative Register.

To aid the user, the Accumulative Table includes rulemaking actions of such entities as boards and commissions listed separately under their appropriate title number.

GENERAL PROVISIONS, Title 1

1.3.101	and other rules - Secretary of State's Model Rules, p. 1003, 1593
1.3.211	and other rules - Attorney General's Model Rules, p. 988, 1700

ADMINISTRATION, Department of, Title 2

I-IV	Mortgage Lender Surety Bond - Branch Office Licensing - Supervision of Branch Offices and Loan Officers - Responsibility for Acts of Agents, p. 862, 1579
2.6.205	and other rule - State Vehicle Use, p. 355, 614
2.13.202	and other rules - Implementing HB 27: Defining Eligibility and
	Distribution of HB 27 Surcharge Funds for Wireless 911 Emergency
	Systems, p. 210, 558
2.59.1401	and other rules - Regulation of Title Lenders - Title Loan Designation -
	Notification to the Department - Rescinded Loans - Failure to Correct
	Deficiencies - Department's Cost of Administrative Action -
	Examination Fees - Required Record Keeping - Sale of Repossessed
	Property - Unfair Practice, p. 846, 1571
2.59.1701	and other rules - Licensing and Regulation of Mortgage Brokers and
	Loan Originators - Continuing Education - Prelicensing Examination -
	Designated Managers - Examinations - Failure to Correct Deficiencies
	- Grounds for the Denial of an Application - Costs in Bringing the
	, ,
	Administrative Action - Scheme to Defraud or Mislead, p. 666

(Public Employees' Retirement Board)		
2.43.203	and other rules - Operation of the Retirement Systems and Plans	
	Administered by the Montana Public Employees' Retirement Board, p. 1852	
2.43.304	Actuarial Rates and Assumptions, p. 430, 1018	
2.43.427	Reinstatement Credit for Lost Time, p. 1946	

AGRICULTURE, Department of, Title 4

I-VII	(Departments of Agriculture and Livestock) Montana Certified Natural
	Beef Cattle Marketing Program, p. 1, 564
4.2.101	and other rules - Model Procedural Rules - Wheat and Barley
	Procedural Rule - Public Participation Rule in the Mint Program - Hail
	Insurance Program Public Participation, p. 433, 942
4.4.303	Insured Crops, p. 215, 562
4.5.201	and other rules - Noxious Weed List Categories, p. 217, 563
4.6.302	Cherry Assessment, p. 1074, 1582
4.10.1806	Waste Pesticide Disposal and Recyclable Plastic Container Fees,
	p. 1364, 1800
4.14.303	and other rules - Montana Agricultural Loan Authority, p. 1950
4.17.102	Organic Program, p. 1518

STATE AUDITOR, Title 6

I-IV	Debt Collections, p. 509, 943
6.2.124	and other rules - Judicial Review - Securities Regulation - Senior
	Specific Certifications and Designations - Filing Requirements for
	Transactional Exemptions, p. 1635
6.6.3101	and other rules - Long-Term Care, p. 222, 615
6.6.4201	Continuing Education Program for Insurance Producers, Adjusters, and Consultants, p. 868, 1455
6.6.5221	Small Business Health Insurance Purchasing Pool and Tax Credits, p. 436, 944
6.6.8301	(Classification Review Committee) Updating References to the NCCI Basic Manual for New Classifications for Various Industries, p. 1173
6.6.8301	Updating References to the NCCI Basic Manual for New Classifications for Various Industries, p. 513, 1135
6.10.126	and other rule - Unethical Practices by Broker-Dealers and Salesmen Defined - Filing Requirements for Transactional Exemption, p. 1367, 1583

COMMERCE, Department of, Title 8

1	Administration of Treasure State Endowment (TSEP) Grants Awarded
	by the 2007 Legislature, p. 872, 1308
I	Administration of the 2008-2009 Federal Community Development
	Block Grant (CDBG) Program, p. 1850, 802

8.2.101 8.99.401	Incorporation of Model Rules by Reference, p. 1652 and other rules - Microbusinesses, p. 1730, 486, 624
(Montana Coa	al Board) Internal Management Procedures of the Montana Coal Board, p. 603
(Hard-Rock N 8.104.101	lining Impact Board) and other rules - Organizational and Procedural Rules of the Hard-Rock Mining Impact Board, p. 81, 945, 1309
(Board of Hou 8.111.305	using) and other rule - Homeownership Program, p. 267, 1137
(Montana He 10.125.101	ritage Preservation and Development Commission) and other rules - Transfer from the Department of Education - Sale of Real and Personal Property by the Montana Heritage Preservation and Development Commission, p. 2026, 492
EDUCATION	, Department of, Title 10
(Superintende 10.7.101	ent of Public Instruction) and other rules - School Finance, p. 1176, 1692
	olic Education) and other rules - Information Literacy/Library Media Content Standards and Performance Descriptors, p. 1223, 1693 and other rules - Technology Content Standards and Performance Descriptors, p. 1198, 1696 Distance Learning, p. 1525 and other rules - Class 8 Licensure, p. 1521
FISH, WILDL	IFE, AND PARKS, Department of, Title 12
(Department 12.2.501	and Fish, Wildlife and Parks Commission) and other rules - Gray Wolf Management in Montana, p. 1252
(Fish, Wildlife I	e, and Parks Commission) Notice of Adoption of a Temporary Emergency Rule - Closing the Canyon Ferry Reservoir, Broadwater County, From the Silos to the Southern Shore, p. 1801, 1977
I	Notice of Adoption of a Temporary Emergency Rule - Closing the Big Hole River, Silver Bow County, From Silver Bridge to Divide Bridge, p. 1698, 1976
I	Notice of Adoption of a Temporary Emergency Rule - Closing the Yellowstone River From Carters Bridge to Highway 89 North Bridge, p. 1456, 1584, 1975
I	Notice of Adoption of a Temporary Emergency Rule - Closing the

Smith River From Camp Baker to Eden Bridge, p. 626, 805

I No Wake Zone on Echo Lake, p. 85, 1019I No Wake Zone on Swan Lake, p. 87, 1024

I-III Delegating Commission Authority to the Department to Close Public

Waters in the Event of a Fire Emergency, p. 520, 1317

I-VI Angling Restrictions and Fishing Closures, p. 516, 1310

12.6.2208 and other rules - Exotic Species, p. 1527

ENVIRONMENTAL QUALITY, Department of, Title 17

I-III Definitions - Certification of Energy Production, Transportation, and

Research Facilities for Tax Abatement and Classification, p. 2046,

1027

17.50.501 and other rules - Licensing and Operation of Solid Waste Landfill

Facilities, p. 688, 985

(Board of Environmental Review)

17.8.102 and other rules - Air Quality - Incorporation by Reference of Current

Federal Regulations and Other Materials Into Air Quality Rules,

p. 1371, 1743

17.8.505 and other rule - Air Quality - Air Quality Operation Fees and Open

Burning Fees, p. 1378, 1745

17.30.502 and other rules - Water Quality - Subdivisions - CECRA - Underground

Storage Tanks - Department Circular DEQ-7, p. 2035, 946

17.30.610 Water Quality - Surface Water Quality, p. 2043, 948

17.30.617 and other rule - Water Quality - Outstanding Resource Water

Designation for the Gallatin River, p. 2294, 328, 1398, 438, 1953

17.38.101 and other rules - Public Water Supply - Incorporation by Reference of

Current Federal Regulations and Other Materials in the Public Water

Supply Rules - Consecutive System Coverage, p. 1731

TRANSPORTATION, Department of, Title 18

18.6.202 and other rules - Transportation Commission - Outdoor Advertising

Control, p. 1747

18.6.202 and other rule - Transportation Commission - Electronic Billboards,

p. 523, 1458

CORRECTIONS, Department of, Title 20

I-V Notice of Public Hearing on Proposed Adoption - Confidentiality of

Youth Records, p. 1382

20.7.801 Eastmont Chemical Dependency Treatment Program, p. 605, 1142

20.7.1101 and other rule - Conditions on Probation or Parole, p. 1984, 273, 1145

JUSTICE, Department of, Title 23

I-XXV	Establishment of Peace Officers Standards and Training (POST), p. 732
1.3.211	and other rules - Model Rules, p. 988, 1700
23.6.106	Tow Truck Complaint Resolution, p. 1531
23.7.101A	and other rules - Transfer of Title 23, chapter 7 - Fire Prevention and Investigation, p. 1467
23.10.101	and other rules - Transfer of Title 23, chapter 10 - Controlled
	Substances and the Regulation of Ephedrine and Pseudoephedrine, p. 1468
23.12.102	and other rules - Transfer of ARM 23.12.102 Through 23.12.204 -
	Criminal History and Criminal Justice Information, p. 1469, 1803
23.15.102	Definitions, p. 1092, 1589
23.17.101	and other rules - Transfer of ARM 23.17.101 Through 23.17.316 - Law
	Enforcement Academy Bureau, p. 1470

(Public Safety Officer Standards and Training Council)

I-XXV Establishment of Peace Officers Standards and Training (POST) Council, p. 1076, 1587

(Board of Crime Control)

23.14.401 and other rules - Transfer of POST Duties to a New Division Decision-making Authority - Payments of Claims - Establishing Appeal
Procedures From POST Decisions - Changes in Statute, p. 748, 1588

(Gambling Control Division)

Procedure for Providing Notice to Multi-Game Machine Owners and Lessees to Connect to an Approved Accounting and Reporting System, p. 440, 806

Refund of Permit Fee, p. 762, 1150

23.16.1827 Record Keeping Requirements, p. 1386, 1804

LABOR AND INDUSTRY, Department of, Title 24

Boards under the Business Standards Division are listed in alphabetical order following the department rules.

8.11.101	and other rules - Transfer from the Department of Commerce -
	Licensed Addiction Counselors, p. 380
24.7.302	and other rules - Board of Labor Appeals Procedural Rules, p. 8, 628
24.17.127	Prevailing Wage Rates for Public Works Projects Using Building
	Construction Services, Heavy Construction Services, and Highway
	Construction Services, p. 765, 1471
24.29.1402	and other rules - Workers' Compensation Medical Fee Schedule for
	Facilities, p. 1779

24.29.1402 and other rules - Workers' Compensation Medical Fee Schedule for Facilities, p. 768

24.30.102 Occupational Safety Matters in Public Sector Employment, p. 1388, 1805

24.101.413 and other rule - Licensed Addiction Counselors - Renewals - Fees, p. 444, 949

(Alternative Health Care Board)

24.111.407 and other rules - Nonroutine Applications - Licensing by Examination - Licensing by Endorsement - Natural Substance Formulary - Apprenticeship Requirements, p. 358, 1033

(Board of Architects and Landscape Architects)

24.114.401 and other rule - Fee Schedule - Examination, p. 11, 1481

(Board of Athletic Trainers)

24.101.413 and other rule - Renewal Dates and Requirements - Fees, p. 1094, 1705

(Board of Barbers and Cosmetologists)

24.121.301 and other rules - Definitions - Premises and General Requirements - Applications for Licensure - School-Facility and Operation - Teacher-Training Curriculum - Salons/Booth Rental - Sanitary Standards - Unprofessional Conduct - Anonymous Complaints - Disinfecting Agents - Blood Spills, p. 1502, 382

(Board of Chiropractors)

24.126.406 and other rules - Record of Minutes and Hearings - Applications - Exam Requirements - Temporary Permit - Endorsement - Inactive Status and Conversion to Active Status - Interns and Preceptors - Impairment Evaluators - Renewals and Continuing Education - Unprofessional Conduct - Continuing Education, p. 1097, 1978

(Board of Clinical Laboratory Science Practitioners)

24.129.401 and other rules - Fees - Supervision - Standards for Licensure - Unprofessional Conduct - Inspections - Notification, p. 1584, 629, 1482

(Board of Dentistry)

24.138.407 and other rules - Functions for Dental Hygienists - Specialty
Advertising - Hygiene Diagnosis and Treatment Planning, p. 14, 566
24.138.502 and other rules - Licensure, p. 527, 1483

(Board of Medical Examiners)

24.156.1306 Professional Conduct - Standards of Professional Practice, p. 1751, 807

(Board of Nursing)

24.159.301 and other rules - Definitions - Foreign Educated Applicants for RN Licensure Requirements - APRNs, p. 875

24.159.301 and other rules - Definitions - Standards Related to the Practical Nurse
 - Prohibited IV Therapies, p. 279, 532, 1709

(Board of Occupational Therapy Practice)

24.165.404 and other rule - Licensure - Approved Instruction, p. 997, 1716

(Board of Optometry)

24.168.401 and other rules, Fees - Licensure - General Practice Requirements - Unprofessional Conduct, p. 1111

(Board of Outfitters)

24.171.401 and other rules, Fees - Emergency Guide License - Unprofessional Conduct, p. 1116

(Board of Pharmacy)

24.174.301 and other rules - Definitions - Fee Schedule - Ambulatory Surgical Facilities - Continuing Education, p. 447, 1151

24.174.401 Fee Schedule, p. 2051, 631

(Board of Plumbers)

24.180.301 and other rules - Definitions - Fees - Applications - Examinations - Journeyman Qualifications - Master Qualifications - Reciprocity - Temporary Practice Permits - Medical Gas Piping Endorsement - Reissuance of Retirement Status License, p. 1391

(Board of Private Alternative Adolescent Residential or Outdoor Programs)

24.101.413 and other rules - Renewals - Registration Fee Schedule - Fee Abatement - Licensing Fee Schedule, p. 451, 1031

(Board of Private Security)

24.182.401 and other rule - Experience Requirements, p. 89, 951

(Board of Public Accountants)

24.201.301 and other rules - Accounting, p. 1654

(Board of Real Estate Appraisers)

24.207.401 and other rules - Fees - Adoption of USPAP - Regulatory Reviews - Examination - Application Requirements - Education Requirements - Experience - Scope of Practice - Trainee Requirements - Mentor Requirements - Renewals - Continuing Education, p. 1402

(Board of Realty Regulation)

24.210.301 and other rules - Definitions - Licensure - Unprofessional Conduct - Supervising Broker Endorsement - Citations and Fines, p. 1679

24.210.641 Unprofessional Conduct, p. 366, 808

(Board of Speech-Language Pathologists and Audiologists)

24.222.301 and other rules - Definitions - Licensure - Temporary Practice Permits - Supervision - Functions of Aides or Assistants - Continuing Education, p. 2054, 385

(Board of Veterinary Medicine)

24.225.401 and other rules - Fees - Infectious Waste - Licensing - Embryo Transfer - Euthanasia Technicians and Agencies - Complaints - Screening Panel - Nonroutine Applications, p. 2062, 633

LIVESTOCK, Department of, Title 32

32.6.712 Food Safety and Inspection Service (Meat, Poultry), p. 1120, 1590

(Board of Horse Racing)

I-VIII Advance Deposit Account Wagering on Horse Racing and Greyhound Racing, p. 18, 494

I-XIII Parimutuel Wagering on Fantasy Sports Leagues, p. 1261, 1806

32.28.1402 Horse Racing, p. 1123, 1591

NATURAL RESOURCES AND CONSERVATION, Department of, Title 36

36.10.129	and other rules - Wildland-Urban Interface - Guidelines for
	Development Within the Wildland-Urban Interface, p. 1794
36.12.101	and other rules - Definitions - Filing Fee Refunds - Objection to
	Application, p. 1527, 567
36.12.102	and other rules - Forms - Form and Special Fees - Water Use
	Standards - Public Notice Costs, p. 1413, 1820
36.12.1704	and other rule - Permit Application - Existing Legal Demands - Permit
	Application Criteria - Adverse Effect, p. 1278, 1534, 1979

(Board of Land Commissioners)

I-XVIII	(Board and Department) Selection, Implementation, and Reporting of
	Real Estate Projects on State Trust Lands, p. 1955
36.25.301	and other rules - Coal Leasing Rules, p. 900, 1319, 1484
36.25.801	and other rules - Land Banking Program, p. 289, 1153

PUBLIC HEALTH AND HUMAN SERVICES, Department of, Title 37

I & II	General Medicaid Services - Physician Administered Drugs, p. 376,
	956
I-IX	Awarding Grants to Carry Out the Purposes of the Montana
	Community Health Center Support Act, p. 1990, 959
I-X	72-Hour Presumptive Eligibility for Adult Crisis Stabilization Services,
	p. 307, 641, 1489

37.10.101	and other rules - Living Wills, p. 1686
37.12.401	Laboratory Testing Fees, p. 1000, 1486
37.12.401	Laboratory Testing Fees, p. 780
37.30.405	Vocational Rehabilitation Program Payment for Services, p. 369, 953
37.40.302	and other rules - Medicaid Nursing Facility Reimbursement, p. 783, 1320
37.70.601	Low Income Energy Assistance Program (LIEAP), p. 372, 810
37.71.401	and other rule - Low Income Weatherization Assistance Program (LIWAP), p. 1125, 1592
37.78.102	and other rules - Temporary Assistance for Needy Families (TANF), p. 1970
37.78.102	and other rules - Temporary Assistance for Needy Families (TANF), p. 534, 1154
37.81.104	and other rules - Pharmacy Access Prescription Drug Benefit Program (Big Sky Rx), p. 457, 954
37.82.101	and other rules - Medicaid Eligibility, p. 915, 1325, 1487
37.85.212	Resource Based Relative Value Scale (RBRVS), p. 607, 1155
37.86.610	and other rules - Medicaid Acute Services Reimbursement, p. 1420, 1980
37.86.805	and other rules - Hearing Aid Services - Dental - Home Infusion
	Therapy - Durable Medical Equipment - Ambulance Services, p. 797, 1156
37.86.1101	and other rules - Medicaid Requirements and Reimbursement for Outpatient Drugs, p. 792, 1157
37.86.2207	and other rules - Medicaid and MHSP Reimbursement for Youth Mental Health Services, p. 1536
37.86.2207	Medicaid Reimbursement for the Therapeutic Portion of Therapeutic Youth Group Home Treatment Services, p. 31, 634, 1488
37.86.2402	Preferred Hospital Transportation Reimbursement, p. 1417, 1685, 1982
37.86.2801	and other rules - Medicaid Inpatient Hospital Reimbursement, p. 1281, 1983
37.88.206	and other rules - Mental Health Services Plan, p. 1424, 1988
37.88.1111	Direct Care Wage Add-on for Certain Mental Health Care Providers, p. 612, 1160
37.106.1946	and other rules - Crisis Stabilization Facilities, p. 905, 1993
37.108.507	Components of Quality Assessment Activities, p. 301, 958

PUBLIC SERVICE REGULATION, Department of, Title 38

38.5.6001 and other rules - Public Utilities - Electricity Suppliers - Natural Gas Suppliers, p. 93, 575

REVENUE, Department of, Title 42

I-III Property Tax Incentives for New Investment, Development Research, and Technology Related to Renewable Energy, p. 1878, 811

I-XII	Local Government Tax Increment Financing Districts (TIFD), p. 548, 1490
42.4.118	and other rules - Alternative Energy Tax Credits, p. 1913, 387
42.13.107	and other rules - Liquor Licensing Rules, p. 1450, 1821
42.18.110	and other rules - Montana's Property Appraisal Plan, p. 1555, 2006
42.20.620	and other rules - Real Property and Agricultural Land, p. 1301, 1822
42.31.501	Telecommunications License and Telecommunications Excise Tax,
	p. 1655, 642

SECRETARY OF STATE, Office of, Title 44

1.3.101	and other rules - Model Rules, p. 1003, 1593
44.3.102	and other rules - Elections, p. 930, 1329
44.5.111	and other rules - Business Entity and Uniform Commercial Code
	(UCC) Filings, p. 1562

(Commissioner of Political Practices)

Limitations on Individual and Political Party Contributions, p. 471, 1034 44.10.335 and other rules - Constituent Services Accounts, p. 474, 1130, 2009

BOARD APPOINTEES AND VACANCIES

Section 2-15-108, MCA, passed by the 1991 Legislature, directed that all appointing authorities of all appointive boards, commissions, committees, and councils of state government take positive action to attain gender balance and proportional represent ation of minority residents to the greatest extent possible.

One directive of 2-15-108, MCA, is that the Secretary of State publish monthly in the *Montana Administrative Register* a list of appointees and upcoming or current vac ancies on those boards and councils.

In this issue, appointments effective in August 2008 appear. Vacancies scheduled to appear from October 1, 2008, through December 31, 2008, are listed, as are current vacancies due to resignations or other reasons. Individuals interested in serving on a board should refer to the bill that created the board for details about the number of members to be appointed and necessary qualifications.

Each month, the previous month's appointees are printed, and current and upcoming vacancies for the next three months are published.

IMPORTANT

Membership on boards and commissions changes constantly. The following lists are current as of September 1, 2008.

For the most up-to-date information of the status of membership, or for more detailed information on the qualifications and requirements to ser ve on a board, contact the appointing authority.

<u>Appointee</u>	Appointed by	<u>Succeeds</u>	Appointment/End Date
Board of Veterans' Affairs (Military A Mr. Donald Kettner Glendive Qualifications (if required): veteran ar	Governor	reappointed	8/6/2008 8/1/2012
Mr. Matthew McCombs Helena Qualifications (if required): representa	Governor ative of Senator Jon Tester	Lombardi	8/6/2008 8/1/2012
Mr. Don Slavens Billings Qualifications (if required): representa	Governor ative of Senator Max Baucu	reappointed	8/6/2008 8/1/2012
Mr. Mike Waite Helena Qualifications (if required): representa	Governor ative of Congressman Denr	reappointed nis Rehberg	8/6/2008 8/1/2012
Board of Veterinary Medicine (Labor Dr. Jean Lindley Miles City Qualifications (if required): veterinaria	Governor	reappointed	8/6/2008 7/31/2013
Economic Development Advisory Co Ms. Kathie Bailey Lewistown Qualifications (if required): public rep	Governor	reappointed	8/6/2008 7/23/2011

<u>Appointee</u>	Appointed by	<u>Succeeds</u>	Appointment/End Date
Economic Development Add Ms. Sheila Hogan Butte Qualifications (if required):	visory Council (Commerce) conf Governor public representative	t. reappointed	8/6/2008 7/23/2011
Ms. Estelle Tafoya Red Lodge Qualifications (if required): p	Governor public representative	reappointed	8/6/2008 7/23/2011
Ms. Linda Twitchell Wolf Point Qualifications (if required): p	Governor public representative	reappointed	8/6/2008 7/23/2011
Mental Disabilities Board of Ms. Joan Nell Macfadden Great Falls Qualifications (if required):	Visitors (Governor) Governor experience with emotionally disture	reappointed bed children	8/19/2008 7/1/2010
Ms. Sandra Mihelish Helena Qualifications (if required):	Governor experience with welfare of mentall	reappointed y ill individuals	8/19/2008 7/1/2010
Mr. Graydon Davies Moll Polson Qualifications (if required):	Governor experience with developmentally of	reappointed	8/19/2008 7/1/2010

<u>Appointee</u>	Appointed by	Succeeds	Appointment/End Date
Rep. Holly Raser Missoula	of Visitors (Governor) cont. Governor consumer of developmental disability	Duffy y services	8/19/2008 7/1/2009
Ms. Mary Alexine Eureka	Governor representing residential adolescent p	reappointed	8/6/2008 4/19/2011
Rep. Tim Callahan Great Falls Qualifications (if required):	Governor public member	Brooker	8/6/2008 4/19/2011
Ms. Penny James Trout Creek Qualifications (if required):	Governor representing residential adolescent p	Clark programs (small size)	8/6/2008 4/19/2011
Ms. Darcie Kelly Helena Qualifications (if required):	Governor public member	Bidegaray	8/6/2008 4/19/2011
Mr. John Santa Kalispell Qualifications (if required):	Governor representing residential adolescent p	Manning programs (large size)	8/6/2008 4/19/2011

<u>Appointee</u>	Appointed by	<u>Succeeds</u>	Appointment/End Date
Ms. Emorie Davis-Bird Browning	velopment Commission (Commerce) Governor alternate representative of the Blackfe	Kittson	8/6/2008 6/30/2010
Mr. Joseph Durglo Pablo Qualifications (if required):	Governor representative of the Confederated Sa	reappointed alish & Kootenai Tribe	8/6/2008 6/30/2011
Ms. Lesa Evers Helena Qualifications (if required):	Governor representative of the Governor's Office	Lamb e	8/6/2008 0/0/0
Mr. Allen Fisher Lame Deer Qualifications (if required):	Governor alternate representative of the Northe	reappointed rn Cheyenne Tribe	8/6/2008 6/30/2011
Mr. Joe Fox Jr. Lame Deer Qualifications (if required):	Governor representative of the Northern Cheyer	reappointed nne Tribe	8/6/2008 6/30/2011
Mr. Bud Moran Pablo Qualifications (if required):	Governor alternate representative of the Confed	reappointed derated Salish & Koote	8/6/2008 6/30/2011 enai Tribes
Mr. Richard Sangrey Box Elder Qualifications (if required):	Governor representative of the Chippewa Cree	reappointed Tribe of the Rocky Bo	8/6/2008 6/30/2011 y's Reservation

Board/current position holder	Appointed by	Term end
Agriculture Land Valuation Advisory Council (Revenue) Mr. Melvin Goffena, Wilsall Qualifications (if required): knowledge in agriculture and agricultural economic	Governor	12/31/2008
Mr. Jim Johnson, Bozeman Qualifications (if required): knowledge in agriculture and agricultural economic	Governor cs	12/31/2008
Mr. Al Kington, Helena Qualifications (if required): knowledge in agriculture and agricultural economic	Governor cs	12/31/2008
Mr. John Lawyer, Plains Qualifications (if required): knowledge in agriculture and agricultural economic	Governor cs	12/31/2008
Mr. Jerry Nielsen, Bozeman Qualifications (if required): member of the Montana State University College of	Governor of Agriculture staff	12/31/2008
Mr. Richard O'Brien, Great Falls Qualifications (if required): knowledge in agriculture and agricultural economic	Governor	12/31/2008
Ms. Rhonda Pimley, Chester Qualifications (if required): knowledge in agriculture and agricultural economic	Governor cs	12/31/2008
Mr. Ernie Ratzburg, Ledger Qualifications (if required): knowledge in agriculture and agricultural economic	Governor cs	12/31/2008
Mr. John Schutter, Manhattan Qualifications (if required): knowledge in agriculture and agricultural economic	Governor	12/31/2008

Board/current position holder	Appointed by	Term end
Agriculture Land Valuation Advisory Council (Revenue) cont. Ms. Helen (Jo) Shipman, Lewistown Qualifications (if required): knowledge in agriculture and agricultural economic	Governor	12/31/2008
Ms. Kathy Sikorski, Baker Qualifications (if required): knowledge in agriculture and agricultural economic	Governor cs	12/31/2008
Mr. Lon Withrow, Geraldine Qualifications (if required): knowledge in agriculture and agricultural economic	Governor	12/31/2008
Board of Barbers and Cosmetologists (Labor and Industry) Mr. Wendell Petersen, Missoula Qualifications (if required): cosmetologist	Governor	10/1/2008
Ms. Delores Lund, Plentywood Qualifications (if required): public representative	Governor	10/1/2008
Mr. Edward Dutton, Kalispell Qualifications (if required): barber	Governor	10/1/2008
Ms. Maxine Collins, Helena Qualifications (if required): manicurist	Governor	10/1/2008
Board of Occupational Therapy Practice (Labor and Industry) Ms. Sue Furey, Missoula Qualifications (if required): public representative	Governor	12/31/2008

Board/current position holder		Appointed by	Term end
Board of Outfitters (Govern Rep. Carol Gibson, Billings Qualifications (if required): s	,	Governor	10/1/2008
Mr. John R. Redman, Sidney Qualifications (if required): p		Governor	10/1/2008
Mr. Thomas Sather, Bozeman Qualifications (if required): s		Governor	10/1/2008
Mr. Tim Linehan, Troy Qualifications (if required): b	oig game outfitter	Governor	10/1/2008
Building Codes Council (L Director Joan Miles, Helena Qualifications (if required):	Labor and Industry) Director of the Department of Public Health and Hu	Governor ıman Services	10/1/2008
Commissioner Carol Brooker, Qualifications (if required): p		Governor	10/1/2008
Mr. Burl French, Kalispell Qualifications (if required): re	representative of the Board of Electricians	Governor	10/1/2008
Mr. Paul Filicetti, Missoula Qualifications (if required): li	icensed architect	Governor	10/1/2008
Mr. Michael McCourt, Missoul Qualifications (if required): p		Governor	10/1/2008

Board/current position holder	Appointed by	Term end
Building Codes Council (Labor and Industry) cont. Mr. Dave Broquist, Great Falls Qualifications (if required): professional engineer	Governor	10/1/2008
Mr. Scott Lemert, Livingston Qualifications (if required): representative of the Board of Plumbers	Governor	10/1/2008
Mr. Mick Wonnacott, Butte Qualifications (if required): representative of the building contractor indus	Governor try	10/1/2008
Mr. Neil Poulsen, Bozeman Qualifications (if required): building inspector	Governor	10/1/2008
Mr. Mike Seaman, Kalispell Qualifications (if required): manufactured housing industry representative	Governor	10/1/2008
Mr. Tony Laslovich, Anaconda Qualifications (if required): home building industry representative	Governor	10/1/2008
Mr. Rodney N. Driver, Bigfork Qualifications (if required): elevator mechanic selected by the Departmen	Governor t of Labor and Industry	10/1/2008
Mr. Allen Lorenz, Helena Qualifications (if required): state fire marshal	Governor	10/1/2008
Mr. Steven Meismer, Missoula Qualifications (if required): building inspector	Governor	10/1/2008

Board/current position holder	Appointed by	Term end
Eastern Montana State Veterans Cemetery Advisory Council (Military Af Ms. Donna Dukart, Miles City Qualifications (if required): American Legion Auxiliary	ffairs) Director	10/1/2008
Labor-Management Advisory Council on Workers' Compensation (Labor Mr. Don Judge, Helena Qualifications (if required): representing injured workers	or and Industry) Director	12/1/2008
Mr. Bill Dahlgren, Missoula Qualifications (if required): representing employers	Director	12/1/2008
Lt. Governor John Bohlinger, Helena Qualifications (if required): none specified	Director	12/1/2008
Mr. Riley Johnson, Helena Qualifications (if required): representing employers	Director	12/1/2008
Mr. Jerry Keck, Helena Qualifications (if required): ex-officio	Director	12/1/2008
Ms. Connie Welsh, Helena Qualifications (if required): representing employers	Director	12/1/2008
Ms. Jacquie Helt, Missoula Qualifications (if required): representing injured workers	Director	12/1/2008
Mr. Doug Buman, Seattle Qualifications (if required): representing injured workers	Director	12/1/2008

Board/current position holder	Appointed by	Term end
Labor-Management Advisory Council on Workers' Compensation (Lab Mr. Dan Lee, Missoula Qualifications (if required): representing injured workers	or and Industry) cont. Director	12/1/2008
Mr. Jason Miller, Helena Qualifications (if required): representing injured workers	Director	12/1/2008
Ms. Annette Hoffman, Billings Qualifications (if required): representing employers	Director	12/1/2008
Mr. Bob Worthington, Helena Qualifications (if required): representing employers	Director	12/1/2008
Montana Alfalfa Seed Committee (Agriculture) Mr. James Whitmer, Glendive Qualifications (if required): alfalfa seed grower	Governor	12/21/2008
Mr. John Mehling, Hardin Qualifications (if required): alfalfa seed grower	Governor	12/21/2008
Mr. Marvin Frank, Joliet Qualifications (if required): alfalfa seed grower	Governor	12/21/2008
Montana Council on Homelessness (Public Health and Human Services) Mr. Nicholas Peterson Vrooman, Helena Qualifications (if required): public representative	Governor	12/21/2008

Board/current position holder	Appointed by	Term end
Montana Council on Homelessness (Public Health and Human Services) of Mr. Eric Sells, Missoula Qualifications (if required): public representative	cont. Governor	12/21/2008
Mr. Thomas Huddleston, Helena Qualifications (if required): public representative	Governor	12/21/2008
Ms. Gloria O'Rourke, Anaconda Qualifications (if required): public representative	Governor	12/21/2008
Ms. Trish Flynn, Billings Qualifications (if required): public representative	Governor	12/21/2008
Mr. Doug Overman, Kalispell Qualifications (if required): public representative	Governor	12/21/2008
Ms. Mary Guokas, Helena Qualifications (if required): public representative	Governor	12/21/2008
Mr. Robert Buzzas, Bozeman Qualifications (if required): public representative	Governor	12/21/2008
Ms. Mary Berg, Butte Qualifications (if required): public representative	Governor	12/21/2008
Mr. Eric Berger, Great Falls Qualifications (if required): public representative	Governor	12/21/2008

Board/current position holder	Appointed by	Term end
Montana Council on Homelessness (Public Health and Human Services) of Ms. Judy Stewart, Billings Qualifications (if required): public representative	ont. Governor	12/21/2008
Mr. Lafe Haugen, Lame Deer Qualifications (if required): public representative	Governor	12/21/2008
Risk Management Advisory Council (Administration) Mr. Jeff Shada, Bozeman Qualifications (if required): public self-insured organizations	Director	11/1/2008
Mr. Allen Hulse, Helena Qualifications (if required): public self-insured organizations	Director	11/1/2008
Mr. Greg Jackson, Helena Qualifications (if required): public self-insured organizations	Director	11/1/2008
Ms. Tana Wilcox, Butte Qualifications (if required): private self-insured organizations	Director	11/1/2008
Ms. Jacquie Duhame, Missoula Qualifications (if required): private self-insured organizations	Director	11/1/2008
Ms. Sheryl Olson, Helena Qualifications (if required): Director of the Department of Administration design	Director Inee	11/1/2008
Mr. Bill Price, Bozeman Qualifications (if required): insurance agent	Director	11/1/2008

Board/current position holder	Appointed by	Term end
Speech-Language Pathologists and Audiologists (Labor and Industry) Ms. Lynn Harris, Missoula Qualifications (if required): speech-language pathologist) Governor	12/31/2008
Ms. Tina Hoagland, Billings Qualifications (if required): audiologist	Governor	12/31/2008
State Employee Group Benefits Advisory Council (Administration) Sen. Mike Cooney, Helena Qualifications (if required): representing Legislature	Director	12/31/2008
Mr. Thomas Schneider, Helena Qualifications (if required): representing Labor Organization	Director	12/31/2008
Ms. Mary Dalton, Helena Qualifications (if required): representing State Employees/Executive Branch	Director ch Agencies	12/31/2008
Mr. Steve Barry, Helena Qualifications (if required): representing State Employees/Executive Branch	Director ch Agencies	12/31/2008
Mr. John McEwen, Helena Qualifications (if required): representing Retired State Employees	Director	12/31/2008
Mr. Richard Cooley, Helena Qualifications (if required): representing State Employees/Executive Brane	Director ch Agencies	12/31/2008
Mr. Monte Brown, Helena Qualifications (if required): representing State Employees/Executive Branch	Director ch Agencies	12/31/2008

Board/current position holder	Appointed by	Term end
State Employee Group Benefits Advisory Council (Administration) cont. Ms. Connie Welsh, Helena Qualifications (if required): Ex-Officio Member and Presiding Officer	Director	12/31/2008
Mr. Tom Bilodeau, Helena Qualifications (if required): representing Labor Organization	Director	12/31/2008
Ms. Christi Jacobsen, Helena Qualifications (if required): representing State Employees/ICCW	Director	12/31/2008
Ms. Kelly DaSilva, Helena Qualifications (if required): Legislative branch agency representative	Director	12/31/2008
Trauma Care Committee (Public Health and Human Services) Dr. J. Bradley Pickhardt, Missoula Qualifications (if required): Western Region Trauma Care Advisory Committee	Governor e representative	11/2/2008
Ms. Carol Kussman, Helena Qualifications (if required): Central Region Trauma Care Advisory Committee	Governor representative	11/2/2008
Dr. Charles Swannack, Missoula Qualifications (if required): Montana Medical Association representative	Governor	11/2/2008
Mr. Jay Pottenger, Fort Benton Qualifications (if required): Montana Hospital Association representative	Governor	11/2/2008

Board/current position holder	Appointed by	Term end
Upper Clark Fork River Basin Remediation and Restoration Advisory Cou Mr. Larry Curran, Butte Qualifications (if required): resident of Upper Clark Fork River Basin	incil (Justice) Governor	12/31/2008
Mr. John Hollenback, Gold Creek Qualifications (if required): resident of Upper Clark Fork River Basin	Governor	12/31/2008
Ms. Sally Johnson, Missoula Qualifications (if required): resident of Upper Clark Fork River Basin	Governor	12/31/2008
Ms. Barbara Evans, Missoula Qualifications (if required): resident of Upper Clark Fork River Basin	Governor	12/31/2008
Ms. Kathy Hadley, Deer Lodge Qualifications (if required): resident of Upper Clark Fork River Basin	Governor	12/31/2008
Director Jeff Hagener, Helena Qualifications (if required): Director of the Department of Fish, Wildlife and Pa	Governor arks	12/31/2008
Director Mary Sexton, Helena Qualifications (if required): Director of the Department of Natural Resources	Governor and Conservation	12/31/2008
Mr. James Dinsmore, Hall Qualifications (if required): resident of Upper Clark Fork River Basin	Governor	12/31/2008
Director Richard Opper, Helena Qualifications (if required): Director of the Department of Environmental Qual	Governor ity	12/31/2008

Board/current position holder	Appointed by	Term end
Upper Clark Fork River Basin Remediation and Restoration Advisory Cour Mr. Dennis Daneke, Missoula Qualifications (if required): resident of Upper Clark Fork River Basin	ncil (Justice) cont. Governor	12/31/2008
Mr. Paul Babb, Butte Qualifications (if required): resident of Upper Clark Fork River Basin	Governor	12/31/2008
Mr. Milo Manning, Anaconda Qualifications (if required): resident of Upper Clark Fork River Basin	Governor	12/31/2008
Ms. Robbie Taylor, Butte Qualifications (if required): resident of Upper Clark Fork River Basin	Governor	12/31/2008
Mr. James Yeoman, Anaconda Qualifications (if required): resident of Upper Clark Fork River Basin	Governor	12/31/2008
Ms. Rebecca Guay, Anaconda Qualifications (if required): resident of Upper Clark Fork River Basin	Governor	12/31/2008
Vocational Rehabilitation Council (Public Health and Human Services) Ms. Arlene Templer, Pablo Qualifications (if required): Section 121 representative	Governor	10/1/2008
Ms. Maureen Kenneally, Butte Qualifications (if required): representative of the Workforce Investment Board	Governor	10/1/2008
Ms. Jacqueline Colombe, Basin Qualifications (if required): representative of the disabilities community	Governor	10/1/2008

Board/current position holder	Appointed by	Term end
Vocational Rehabilitation Council (Public Health and Human Services) con Mr. Dan Burke, Missoula Qualifications (if required): representative of the disabilities community	nt. Governor	10/1/2008
Ms. Michelle Williamson, Pablo Qualifications (if required): representative of the disabilities community	Governor	10/1/2008
Mr. Paul Pearson, Anaconda Qualifications (if required): representative of the disabilities community	Governor	10/1/2008
Ms. Sharla LaFountain, Lewistown Qualifications (if required): representative of the disabilities community	Governor	10/1/2008
Ms. Faith Dawson, Missoula Qualifications (if required): representative of the disabilities community	Governor	10/1/2008
Ms. Dalayna Faught, Missoula Qualifications (if required): vocational rehabilitation counselor	Governor	10/1/2008
Ms. Christina Mattlin, Billings Qualifications (if required): representative of the disabilities community	Governor	10/1/2008
Ms. Mavis Young Bear, Harlem Qualifications (if required): Section 121 representative	Governor	10/1/2008
Water and Wastewater Operators' Advisory Council (Environmental Qualifum Mr. Grant Burroughs, Bozeman Qualifications (if required): wastewater plant operator with highest class certifum Council (Environmental Qualifications)	Governor	10/16/2008