

MONTANA ADMINISTRATIVE REGISTER

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MONTANA ADMINISTRATIVE REGISTER

ISSUE NO. 23

The Montana Administrative Register (MAR or Register), a twice-monthly publication, has three sections. The Proposal Notice Section contains state agencies' proposed new, amended, or repealed rules; the rationale for the change; date and address of public hearing; and where written comments may be submitted.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 Adoption Section contains final rule notices which show any changes made since the proposal stage. All rule actions are effective the day after 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) 444-9000.

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BEFORE THE DEPARTMENT OF ADMINISTRATION
OF THE STATE OF MONTANA

In the matter of the amendment of ARM) NOTICE OF PROPOSED
2.59.406 pertaining to definitions for) AMENDMENT
credit unions)
) NO PUBLIC HEARING
) CONTEMPLATED

TO: All Concerned Persons

1. On January 15, 2019, the Department of Administration proposes to amend the above-stated rule.

2. The Department of Administration 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 the Department of Administration no later than 5:00 p.m. on December 21, 2018, to advise us of the nature of the accommodation that you need. Please contact Heather Hardman, Division of Banking and Financial Institutions, P.O. Box 200546, Helena, Montana 59620-0546; telephone (406) 841-2922; TDD (406) 841-2974; facsimile (406) 841-2930; or e-mail banking@mt.gov.

3. The rule proposed to be amended provides as follows, new matter underlined, deleted matter interlined:

2.59.406 DEFINITIONS APPLICABLE TO DEBT CANCELLATION AND
DEBT SUSPENSION BY A CREDIT UNION The following definitions apply in ARM
2.59.407 through 2.59.414:

(1) through (8) remain the same.

AUTH: 32-3-201, MCA

IMP: 32-3-609, MCA

STATEMENT OF REASONABLE NECESSITY: It is necessary to amend this rule to update the language of the catchphrase and clarify the scope of the definitions. Without this clarification, the definitions may appear to apply to all credit union rules in general; however, it was the department's intention at the time of adoption that the definitions apply only to credit union debt cancellation contracts and credit union debt suspension agreements.

4. Concerned persons may present their data, views, or arguments concerning the proposed action to Kelly O'Sullivan, Legal Counsel, Division of Banking and Financial Institutions, P.O. Box 200546, Helena, Montana 59620-0546; faxed to the office at (406) 841-2930; or e-mailed to banking@mt.gov; and must be received no later than 5:00 p.m., January 7, 2019.

5. If persons who are directly affected by the proposed action wish to express their data, views, or arguments orally or in writing at a public hearing, they must make written request for a hearing and submit this request along with any written comments to the person listed in 4 above no later than 5:00 p.m., January 7, 2019.

6. If the Division of Banking and Financial Institutions receives requests for a public hearing on the proposed action from either 10 percent or 25, whichever is less, of the persons directly affected by the proposed action; from the appropriate administrative rule review committee of the Legislature; from a governmental subdivision or agency; or from an association having not less than 25 members who will be directly affected, a hearing will be held at a later date. Notice of the hearing will be published in the Montana Administrative Register. Ten percent of those directly affected has been determined to be one person based on the ten existing state-chartered credit unions.

7. An electronic copy of this proposal notice is available through the department's website at <http://doa.mt.gov/administrativerules>. The department 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 if a discrepancy exists 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 department works to keep its website accessible at all times, concerned persons should be aware that the website may be unavailable during some periods due to system maintenance or technical problems.

8. The Division of Banking and Financial Institutions maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this division. Persons who wish to have their name added to the mailing list shall make a written request that includes the name, mailing address, and e-mail address of the person to receive notices and specifies that the person wishes to receive notices regarding division rulemaking actions. Notices will be sent by e-mail unless a mailing preference is noted in the request. Such written requests may be mailed or delivered to Heather Hardman, Division of Banking and Financial Institutions, 301 S. Park, Ste. 316, P.O. Box 200546, Helena, Montana 59620-0546; faxed to the office at (406) 841-2930; e-mailed to banking@mt.gov; or may be made by completing a request form at any rules hearing held by the department.

9. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

10. The department has determined that under 2-4-111, MCA, the proposed rule actions will not significantly and directly impact small businesses.

By: /s/ John Lewis
John Lewis, Director
Department of Administration

By: /s/ Michael P. Manion
Michael P. Manion, Rule Reviewer
Department of Administration

Certified to the Secretary of State November 27, 2018.

BEFORE THE DEPARTMENT OF AGRICULTURE
OF THE STATE OF MONTANA

In the matter of the amendment of) NOTICE OF PUBLIC HEARING ON
ARM 4.6.202 pertaining to potato) PROPOSED AMENDMENT
commodity assessment collection)

TO: All Concerned Persons

1. On January 3, 2019, at 10:00 a.m., the Department of Agriculture will hold a public hearing in Room 225 of the Scott Hart Building, at 302 N. Roberts, in Helena, Montana, to consider the proposed amendment of the above-stated rule.

2. The Department of Agriculture 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 the Department of Agriculture no later than 5:00 p.m. on December 28, 2018, to advise us of the nature of the accommodation that you need. Please contact Cort Jensen, Department of Agriculture, P.O. Box 200201, Helena, Montana, 59620-0201; telephone (406) 444-3144; fax (406) 444-5409; or e-mail agr@mt.gov.

3. The rule proposed to be amended provides as follows, new matter underlined, deleted matter interlined:

4.6.202 ANNUAL POTATO COMMODITY ASSESSMENT-COLLECTION

(1) Section 80-11-516, MCA charges the Montana Department of Agriculture with collecting the commodity assessment.

(2) The assessment ~~shall~~ must be ~~\$.03~~ \$.025 per hundredweight on all potatoes grown and marketed commercially in Montana by those growers producing and marketing more than 50,000 pounds annually.

(3) The assessment will be collected by the Montana Department of Agriculture at the time certified seed potato producers are invoiced for inspection fees for certification and by the purchaser at the first point of sale for all other potato producers.

AUTH: 80-11-504, MCA

IMP: 80-11-515, MCA

REASON: The Montana Potato Advisory Committee recommended lowering the assessment based on the needs of their industry at their meeting held on November 6, 2018. Based on the amount of total collected assessments last year, reducing the assessment will generate \$15,444 less per year for research and marketing.

The number of persons affected by reducing the assessment is 43 individuals. Each grower receives a potato research fee which is included with their invoice upon inspection from the department. Savings among the growers will vary from 20 cents to \$1,132.

4. 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: Cort Jensen, Department of Agriculture, PO Box 200201, Helena, Montana, 59620-0201, telephone (406) 444-3144; fax (406) 444-5409; or e-mail agr@mt.gov, and must be received no later than 5:00 p.m., January 11, 2019.

5. Cort Jensen, Department of Agriculture, has been designated to preside over and conduct this hearing.

6. 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 4 above or may be made by completing a request form at any rules hearing held by the department.

7. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

8. With regard to the requirements of 2-4-111, MCA, the department has determined that the amendment of the above-referenced rule will not significantly and directly impact small businesses.

/s/ Cort Jensen
Cort Jensen
Rule Reviewer

/s/ Ben Thomas
Ben Thomas
Director
Agriculture

Certified to the Secretary of State November 27, 2018.

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

In the matter of the amendment of) NOTICE OF PUBLIC HEARING ON
ARM 24.138.304 definition of) PROPOSED AMENDMENT
nonroutine application, 24.138.3101)
general standards for specialties, and)
24.138.3102 specialty advertising)

TO: All Concerned Persons

1. On January 7, 2019, at 11:00 a.m., a public hearing will be held in the Small Conference Room, 301 South Park Avenue, 4th Floor, Helena, Montana, to consider the proposed amendment of the above-stated rules.

2. The Department of Labor and Industry (department) will make reasonable accommodations for persons with disabilities who wish to participate in this public hearing or need an alternative accessible format of this notice. If you require an accommodation, contact the Board of Dentistry (board) no later than 5:00 p.m., on December 31, 2018, to advise us of the nature of the accommodation that you need. Please contact Dennis Clark, Board of Dentistry, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513; telephone (406) 841-2390; Montana Relay 1 (800) 253-4091; TDD (406) 444-2978; facsimile (406) 841-2305; or dlibsdden@mt.gov (board's e-mail).

3. The rules proposed to be amended are as follows, stricken matter interlined, new matter underlined:

24.138.304 DEFINITION OF NONROUTINE APPLICATION (1) "Nonroutine application" means an application ~~submitted to the division in which the application is defined as nonroutine either by ARM 24.101.402 or by these rules~~ this rule.

(a) A nonroutine application ~~means that according to the application, the applicant reveals that one or more of the following scenarios apply to the applicant:~~

(i) ~~they have~~ voluntarily surrendered, canceled, forfeited, or failed to renew a license as a result of any of the following:

(A) a complaint filed against ~~them~~ the applicant;

(B) and (C) remain the same.

(ii) ~~they have~~ voluntarily or involuntarily surrendered ~~their~~ privileges to provide services to health maintenance organizations, Medicare/Medicaid, or other payers, or ~~have~~ voluntarily or involuntarily surrendered hospital privileges, health maintenance organization participation, Medicare/Medicaid, or other payers during a pending investigation or in anticipation of an investigation, or ~~have~~ had such privileges reprimanded, denied, restricted, suspended, placed on probation, revoked, or subjected to other sanction or action;

(iii) ~~they have been~~ was expelled from or asked to resign from any professional organization, or ~~have been~~ was censured by a professional organization;

(iv) ~~they have~~ had civil or criminal charges pending or ~~have~~ pleaded guilty, forfeited bond, or ~~been~~ was convicted of a crime (including plea of no contest or deferred prosecution), whether ~~or not~~ an appeal is pending, with the exception of the following:

(A) and (B) remain the same.

(C) traffic offenses, unless the illegal use or possession of alcohol or drugs ~~is~~ was involved; or

(v) ~~the applicant's~~ had a health care professional license ~~was~~ disciplined or ~~was~~ voluntarily surrendered in this state or another state or jurisdiction; ~~and,~~

~~(vi) (b) there are~~ Department staff may also determine that applications with inconsistencies in the application or in the supporting documentation of the application, or any substantive irregularity deemed by department staff to warrant irregularities require board review and approval prior to license issuance of the license.

(2) The board may also consider applications as nonroutine in ~~any of the~~ following instances:

(a) through (d) remain the same.

~~(3) All dental credentialing applications are considered nonroutine.~~

~~(4) All denturist applications are considered nonroutine.~~

AUTH: 37-1-131, 37-4-205, 37-29-201, MCA

IMP: 37-1-101, 37-1-131, 37-4-301, 37-4-402, 37-29-306, MCA

REASON: The board determined it is reasonably necessary to amend this rule to further implement 37-1-101, MCA, which provides the department shall process routine licensure applications on behalf of the professional and occupational licensing boards. Nonroutine applications requiring board review and approval are generally defined in department rule at ARM 24.101.402. The board is simplifying and streamlining (1) to enhance readability and more clearly identify additional criteria for nonroutine applications that require board review.

The board is eliminating (3) and (4) to further facilitate the timely licensure of qualified applicants via the department's standardized application procedures. The board concluded there is no reason to require the board's review of all denturist and dental credentialing applications prior to licensure which may delay issuing a license for several months until the next board meeting. Because the board has established clear licensure standards for staff to follow, the board determined this amendment will improve licensing efficiency and respond to the need for timely licensure of dentists and denturists in Montana. With these changes, the board believes that licensing processes and decisions are based on sound principles that will ensure adequate protection of the public.

24.138.3101 GENERAL STANDARDS FOR SPECIALTIES (1) The following are included within the standards of the ~~American Dental Association~~ National Commission on Recognition for Dental Specialties and Certifying Boards for

determining what dentists have the education experience and other appropriate requirements for announcing specialization and limitation of practice:

(a) The ~~special~~ specialty area(s) of dental practice and an appropriate certifying board must be approved by the ~~American Dental Association~~ National Commission on Recognition for Dental Specialties and Certifying Boards.

(b) remains the same.

(c) The practice carried on by dentists who announce as specialists shall be limited exclusively to the ~~special~~ specialty area(s) of dental practice announced by the dentist.

AUTH: 37-4-205, MCA

IMP: 37-4-205, 37-4-301, MCA

REASON: For years the board, like most throughout the nation, has deferred to the American Dental Association's (ADA) process for recognizing dental specialties. However, the ADA's process resulted in several groups (e.g., implantologists and anesthesiologists) claiming that they were wrongly excluded from the specialty list, with some threatening litigation. In 2015, the U.S. Supreme Court ruled in *N.C. State Bd. of Dental Exam'rs v. FTC*, 135 S. Ct. 1101, that among other things, licensing boards should retain their own decision-making authority rather than defer that authority to professional associations. In reaction to the decision, the ADA and states throughout the country have revisited this issue. Further, the ADA created an independent National Commission on Recognition for Dental Specialties and Certifying Boards to hopefully remove some of the objectionable behavior in the previous process. Numerous state boards are now updating regulations to both protect the public from deceptive advertisements and boards from legal liability. Following consideration and discussion at several committee and full board meetings, the board determined it is reasonably necessary to amend this rule and ARM 24.138.3102 to align with these national-level changes and recognize those dental specialty areas as approved by the National Commission on Recognition for Dental Specialties and Certifying Boards.

24.138.3102 SPECIALTY ADVERTISING (1) The board finds that terms stating or implying that a dentist is a specialist in some field of dentistry are terms of art indicating that the dentist has completed an accredited post-doctoral educational program in that field of at least two years. Therefore, a licensed dentist seeking specialty recognition must have successfully completed a post-doctoral program in a specialty area of dentistry consisting of at least two full-time years and which is accredited by an accreditation agency that is recognized by the Commission on Dental Accreditation.

(4) (2) The ~~special~~ specialty areas of dental practice approved by the ~~American Dental Association~~ National Commission on Recognition for Dental Specialties and Certifying Boards and the designation for ethical specialty announcement limitation of practice are:

- (a) dental public health;
- (b) endodontics;
- (c) oral pathology;

- (d) oral and maxillofacial surgery;
- (e) orthodontic dentofacial orthopedics;
- (f) pedodontics (dentistry for children);
- (g) periodontics;
- (h) prosthodontics;
- (i) oral and maxillofacial radiology; and
- (j) other board-approved specialties.

~~(2)~~ (3) A licensee shall not advertise using the terms "specialist," "specializing," or "practice limited to" unless the licensee has met the board standards for specialization as set forth in ARM 24.138.3101 and 24.138.3103 and the branch of dentistry advertised as a specialty branch of dentistry is sanctioned as a specialty branch of dentistry by ~~(1)~~ (2).

(3) remains the same but is renumbered (4).

~~(4)~~ (5) A Montana licensed dentist listing or advertising the dentist's services under any dental category that is a specialty recognized by the ~~American Dental Association~~ National Commission on Recognition for Dental Specialties and Certifying Boards must clearly disclose within the licensee's individual advertisement that the services are provided by a general dentist. Any general disclosure or disclaimer made by the advertiser or not located within the specific licensee's advertisement does not comply with this requirement.

AUTH: 37-4-205, MCA

IMP: 37-4-205, MCA

4. Concerned persons may present their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to the Board of Dentistry, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513, by facsimile to (406) 841-2305, or e-mail to dlibsdden@mt.gov, and must be received no later than 5:00 p.m., January 8, 2019.

5. An electronic copy of this notice of public hearing is available at www.dentistry.mt.gov (department and board's web site). Although the department strives to keep its web sites accessible at all times, concerned persons should be aware that web sites may be unavailable during some periods, due to system maintenance or technical problems, and that technical difficulties in accessing a web site do not excuse late submission of comments.

6. The board maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this board. 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 that the person wishes to receive notices regarding all board administrative rulemaking proceedings or other administrative proceedings. The request must indicate whether e-mail or standard mail is preferred. Such written request may be sent or delivered to the Board of Dentistry, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513; faxed to the office at (406) 841-2305; e-mailed to

dlibsdden@mt.gov; or made by completing a request form at any rules hearing held by the agency.

7. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

8. Regarding the requirements of 2-4-111, MCA, the board has determined that the amendment of ARM 24.138.304, 24.138.3101, and 24.138.3102 will not significantly and directly impact small businesses.

Documentation of the board's above-stated determination is available upon request to the Board of Dentistry, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513; telephone (406) 841-2390; facsimile (406) 841-2305; or to dlibsdden@mt.gov.

9. Dennis Clark, Executive Officer, has been designated to preside over and conduct this hearing.

BOARD OF DENTISTRY
GEORGE JOHNSTON, DDS
PRESIDENT

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

/s/ GALEN HOLLENBAUGH
Galen Hollenbaugh, Commissioner
DEPARTMENT OF LABOR AND INDUSTRY

Certified to the Secretary of State November 27, 2018.

BEFORE THE DEPARTMENT OF PUBLIC SERVICE REGULATION
OF THE STATE OF MONTANA

In the matter of the amendment of)	NOTICE OF PROPOSED
ARM 38.5.2202 and 38.5.2302)	AMENDMENT
pertaining to pipeline safety)	
)	NO PUBLIC HEARING
)	CONTEMPLATED

TO: All Concerned Persons

1. On January 14, 2019, the Department of Public Service Regulation proposes to amend the above-stated rules.

2. The Department of Public Service Regulation 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 the Department of Public Service Regulation no later than 5:00 p.m. on January 2, 2019 to advise us of the nature of the accommodation that you need. Please contact Rhonda Simmons, Department of Public Service Regulation, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana, 59620-2601; telephone (406) 444-6170; fax (406) 444-7618; TDD (406) 444-6199; or e-mail rhonda.simmons@mt.gov.

3. The rules as proposed to be amended provide as follows, new matter underlined, deleted matter interlined:

38.5.2202 INCORPORATION BY REFERENCE OF FEDERAL PIPELINE SAFETY REGULATIONS (1) The commission adopts and incorporates by reference the U.S. Department of Transportation (DOT) Pipeline Safety Regulations, Code of Federal Regulations (CFR), Title 49, chapter 1, subchapter D, parts 191, 192, and 193, including all revisions and amendments enacted by DOT on or before ~~October 30, 2017~~ November 20, 2018. A copy of the referenced regulations may be obtained from United States Department of Transportation, Office of Pipeline Safety, Western Region, 12300 West Dakota Avenue, Suite 110, Lakewood, Colorado 80228, or may be reviewed at the Public Service Commission Offices, 1701 Prospect Avenue, Helena, Montana 59620-2601.

AUTH: 69-3-207, MCA
IMP: 69-3-207, MCA

38.5.2302 INCORPORATION BY REFERENCE OF FEDERAL PIPELINE SAFETY REGULATIONS -- DRUG AND ALCOHOL TESTING AND PREVENTION PROGRAMS (1) Except as otherwise provided in this subchapter, the commission adopts and incorporates by reference the DOT Pipeline Safety Regulations, Drug and Alcohol Testing, 49 CFR 199, including all revisions and amendments enacted by DOT on or before October 30, ~~2017~~ 2018. A copy of the referenced CFRs is

available from the United States Department of Transportation, Office of Pipeline Safety, Western Region, 12300 West Dakota Avenue, Suite 110, Lakewood, Colorado 80228, or may be reviewed at the Public Service Commission Offices, 1701 Prospect Avenue, Helena, Montana 59620-2601.

AUTH: 69-3-207, MCA

IMP: 69-3-207, MCA

REASON: Amendment of ARM 38.5.2202 and 38.5.2302 (annual update) is necessary to allow the department to administer the most recent version of federal rules applicable in the department's administration of all federal aspects of Montana's pipeline safety programs. A copy of the referenced regulations may be reviewed at the department's offices or are available online at <http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=3e139b8fe42796ca0335e22c595fab2a&r=PART&n=49y3.1.1.1.7>.

4. Concerned persons may submit their written data, views, or arguments to Legal Division, Department of Public Service Regulation, 1701 Prospect Avenue, P.O. Box 202601, Helena, MT 59620-2601; telephone (406) 444-6170; fax (406) 444-7618; or e-mail rhonda.simmons@mt.gov and must be received no later than 5:00 p.m., January 7, 2019.

5. The Montana Consumer Counsel, 111 North Last Chance Gulch, Helena, Montana 59620-1703, telephone (406) 444-2771, is available and may be contacted to represent consumer interests in this matter.

6. If persons who are directly affected by the proposed amendment wish to express their data, views, or arguments either orally or in writing at a public hearing, they must make written request for a hearing and submit this request along with any written comments to Rhonda Simmons, Legal Division, Department of Public Service Regulation, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana 59620-2601, or e-mail rhonda.simmons@mt.gov to be received no later than 5:00 p.m., January 7, 2019.

7. If the department receives requests for a public hearing on the proposed action from either 10 percent or 25, whichever is less, of the persons directly affected by the proposed action; from the appropriate administrative rule review committee of the Legislature; from a governmental subdivision or agency; or from an association having not less than 25 members who will be directly affected, a hearing will be held at a later date. Notice of the hearing will be published in the Montana Administrative Register. Ten percent of those directly affected has been determined to be 2 entities based on the 27 entities affected.

8. The department maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by the department. Persons who wish to have their name added to the list shall make a written request which includes that name, e-mail address, and mailing address of the person to receive notices and

specifies that the person wishes to receive notices regarding: electric utilities, providers, and suppliers; natural gas utilities, providers, and suppliers; telecommunications utilities and carriers; water and sewer utilities; common carrier pipelines; motor carriers; rail carriers; and/or administrative procedures. Such written request may be mailed or delivered to the Department of Public Service Regulation, Legal Division, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana 59620-2601, faxed to Rhonda Simmons at (406) 444-7618, e-mailed to rhonda.simmons@mt.gov, or may be made by completing a request form at any rules hearing held by the department.

9. With regard to the requirements of 2-4-111, MCA, the department has determined that the amendment of the above-referenced rules will not significantly and directly impact small businesses.

10. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

/s/ JUSTIN KRASKE

Justin Kraske
Rule Reviewer

/s/ BRAD JOHNSON

Brad Johnson
Chairman
Department of Public Service Regulation

Certified to the Secretary of State November 27, 2018.

BEFORE THE DEPARTMENT OF REVENUE
OF THE STATE OF MONTANA

In the matter of the amendment of)	NOTICE OF PUBLIC HEARING ON
ARM 42.21.154, 42.21.155,)	PROPOSED AMENDMENT AND
42.21.158, and 42.22.1311, and)	REPEAL
repeal of ARM 42.21.113, 42.21.123,)	
42.21.131, 42.21.132, 42.21.137,)	
42.21.138, 42.21.139, 42.21.140,)	
42.21.151, 42.21.153, 42.21.156, and)	
42.21.157 pertaining to trended)	
depreciation schedules for valuing)	
personal property)	

TO: All Concerned Persons

1. On December 28, 2018, at 10:00 a.m., the Department of Revenue will hold a public hearing in the Third Floor Reception Area Conference Room of the Sam W. Mitchell Building, located at 125 North Roberts, Helena, Montana, to consider the proposed amendment and repeal of the above-stated rules. The conference room is most readily accessed by entering through the east doors of the building.

2. The Department of Revenue will make reasonable accommodations for persons with disabilities who wish to participate in this public hearing or need an alternative accessible format of this notice. If you require an accommodation, please advise the department of the nature of the accommodation needed, no later than 5 p.m. on December 17, 2018. Please contact Todd Olson, Department of Revenue, Director's Office, P.O. Box 7701, Helena, Montana 59604-7701; telephone (406) 444-7905; fax (406) 444-3696; or todd.olson@mt.gov.

3. GENERAL STATEMENT OF REASONABLE NECESSITY. This proposed rulemaking by the department addresses two tasks of importance to the public and the department: (1) the 2019 update of the department's trended depreciation schedules (schedules) for tangible personal property; and (2) the consolidation of several rules and the repeal of obsolete or redundant rules, which is the first step for the department's goal to reorganize ARM Title 42, chapter 21, and relocate certain schedule content to the department's web-based sources by January 1, 2020.

ARM 42.21.155 through 42.21.157 currently require the department to update trends, trend factors, and depreciation schedules for the tangible personal property described in ARM Title 42, chapter 21, subchapter 1 on an annual basis. The schedules provide taxpayers with the current depreciation percentage for each of the personal property classifications for the upcoming year. The annual changes affect all businesses with taxable tangible personal property. The department develops the schedules from data provided from the guides and valuation manuals described or adopted in its administrative rules. Because the schedules change annually, the department must provide taxpayers with notice of those changes through the

rulemaking process. It is reasonably necessary for the department to conduct this annual update of the schedules to reflect any changes for the upcoming year. If these schedules were not updated, small businesses would see a negative impact because they would not be able to accurately account for the impact an additional year of wear and tear has on the value of their taxable tangible personal property.

Based on a periodic review of the department's rules, and in pursuit of the department's goal to eliminate redundancies and provide a more central source for valuation methodology and the schedules, the department proposes the consolidation of similar rules or rule language by amending four and repealing 12 rules in ARM Title 42, chapter 21, subchapter 1, which is necessary to reorganize the subchapter. This reflects the department's first step in its eventual goal to remove the schedules from its administrative rules and post them on the department's website, with the appropriate cross-referencing in rule. The department's goal for this transition is January 1, 2020. These proposed changes and the future transition of the schedules to an online medium are consistent with other department efforts intended to benefit taxpayers by simplifying their personal property reporting experience and providing a readily available source to the schedules.

The department also proposes amending ARM 42.22.1311 to include relevant mining machinery and equipment language that is currently in ARM 42.21.132. The department is proposing to repeal ARM 42.21.132 in this rule notice to eliminate redundancy.

While this general statement of reasonable necessity covers the basis for the following proposed rulemaking actions, it is supplemented below to explain rule-specific changes.

4. The rules as proposed to be amended provide as follows, new matter underlined, deleted matter interlined:

42.21.154 ANNUAL VALUATION OF FURNITURE AND FIXTURES
PERSONAL PROPERTY (1) Except as provided in (4) and (6), personal property is valued annually using the cost approach to market value. ~~The market value of furniture and fixtures is determined by multiplying an indexed~~ a trended depreciation factor percentage times the installed ~~acquired~~ original cost of the property. The department has established ~~seven specific categories and one general category to determine specific trend factors for this type of property~~ of personal property which are provided in ARM 42.21.155. ~~Each specific category uses data particular to the type of property in the category. The indexed depreciation factor is the product of the trend factor (based on age and category of property) times the depreciation factor from the appropriate table.~~

(2) Leased or rental equipment that is not exempt under 15-6-202 or 15-6-219, MCA, is taxable and is valued in the same manner as similar non-leased equipment.

(3) Rental videos that are not exempt under 15-6-202 or 15-6-219, MCA, are taxable and have a trended percent good of 25% in year one, 15% in year two, and 10% each year thereafter.

(4) Locally assessed television cable system transmission line is valued at \$2,000 per mile; service drops are valued at \$25 each.

(5) All downhole equipment installed in oil and gas wells, such as sucker rods, tubing, casing, and submersible pumps are exempt from taxation. Downhole equipment not installed in an oil or gas well as of the January 1 assessment date is taxable.

(6) For farm machinery and equipment and heavy equipment, the department will apply the valuation methods in descending order beginning with the method in (a) and proceeding, where necessary, through the method in (e) until a market value can be determined for the equipment.

(a) The market value will be the "average wholesale" or a comparable category of value as shown in the online version of the national agricultural and implement valuation guide known as Equipment Watch (Equipment Watch), as of September-October of the year prior to the year of assessment. Equipment Watch is adopted and incorporated by reference in accordance with 15-8-111, MCA, and may be reviewed in a department field office or purchased from the publisher: Dataquest, 1290 Ridder Park Drive, San Jose, California 95131.

(b) If market value cannot be determined under (a), the department will approximate average wholesale value of farm machinery and equipment through application of its Farm Machinery Manual dated January 1, 1998, which the department adopts and incorporates by reference into this rule. The purpose of the Farm Machinery Manual is to function as a resource to approximate average wholesale value of farm machinery and equipment. The Farm Machinery Manual may be reviewed in a department field office or a copy of the Manual may be requested from the Department of Revenue, Property Assessment Division, P.O. Box 8018, Helena, MT 59604-8018.

(c) For all farm machinery and equipment, and heavy equipment that cannot be valued under (a) and (b), the department may determine the original free on-board value (FOB) using archival valuation guidebooks and best available data. If an original FOB cannot be ascertained, the department may use trending to determine the FOB. The FOB or trended FOB will be depreciated to arrive at a value that approximates average wholesale value.

(d) A trended average wholesale value will be applied to the equipment if:

(i) the equipment cannot be valued under (a), but an average wholesale value is available for the same make and model with a different year new; and

(ii) the equipment cannot be valued under (c) or the value as calculated under (c) results in a higher value being placed on a piece of equipment than the last year listed in Equipment Watch for the same make and model. The trended average wholesale value will be determined by trending the average wholesale value as found in Equipment Watch, for the same make and model with a different year new.

(e) If the valuation methods in (a) through (d) cannot be used, the owner or applicant must certify to the department the year acquired and the acquired price. If the item was acquired through a means other than the open marketplace, the owner must provide a reasonable estimate of the item's value at the time of acquisition. The reported value will be trended and depreciated.

(7) Items of farm machinery and equipment valued below \$100 are exempt from taxation.

(2) (8) This rule is effective for tax years beginning after December 31, ~~1999~~ 2018.

AUTH: 15-1-201, 15-23-108, MCA

IMP: 15-6-135, 15-6-138, 15-6-202, 15-6-207, 15-6-213, 15-6-219, 15-8-111, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, it is necessary for the department to amend ARM 42.21.154 by placing similar content regarding the valuation of all categories of personal property into a single rule for efficiency and ease of reference. The department will achieve this by transferring certain relevant language into the rule from ARM 42.21.113, 42.21.123, 42.21.138, and 42.21.151, which are proposed for repeal.

The department proposes adding the word "annual" to the catchphrase to better describe the valuation schedule of personal property and proposes removing "furniture and fixtures" as the proposed changes for this rule pertain to the valuation of all personal property.

The department proposes revising the words "indexed" and "acquired" in (1) to "trended" and "original" to be a more accurate and appropriate description of market value determined by the cost approach. It is necessary for the department to strike the last two sentences in (1) as the content is present in the proposed amendments to ARM 42.21.155 and is unnecessarily redundant in this rule.

In proposed (2), the department proposes to eliminate the lease and rental equipment category, and alternatively, value all leased and rental equipment that is not exempt under 15-6-202 or 15-6-219, MCA, in the same manner as similar non-leased equipment. The leased and rental equipment cost categories, historically provided in ARM 42.21.113(1)(a) through (d), used the same depreciation schedules as similar non-leased equipment and the department contends the changes are necessary as it received feedback that the leased and rental distinction had little to no impact on assessed value and was confusing to taxpayers completing their annual personal property reporting requirements.

In proposed (3), the department proposes transferring and revising language from ARM 42.21.113(1)(e), reflecting rental video media valuation and depreciation, which eliminates potentially outdated media formats and eliminates an unnecessary depreciation schedule.

In proposed (4), the department proposes transferring language from ARM 42.21.151(1) to provide information on how locally assessed cable television systems are valued.

In proposed (5), the department proposes transferring language from ARM 42.21.138(4) and (5) which describes which downhole equipment is exempt from taxation and which is taxable.

The department proposes consolidating the valuation methods for farm machinery and equipment and heavy equipment provided in ARM 42.21.123(1) through (7) and (9), and ARM 42.21.131(1) through (4), and revising the transferred language to proposed (6) and (7). This transfer and revision is necessary for clarity because valuation methods for farm machinery and equipment and heavy

equipment are substantially identical so consolidating and clarifying the language results in more efficient rulemaking.

The department further proposes updating the applicable year reference in (8) which is necessary to advance the applicability of the rule and reflect renumbering through the proposed amendments.

The department further proposes adding 15-23-108, MCA, as rulemaking authority, as it pertains to some centrally assessed personal property. The department is also updating the implementing citations to correspond with the relocation of language into this rule from repealed rules to ensure that the relevant statutes are cited both as a reference for users and as support for the rule content.

42.21.155 CATEGORIES FOR PERSONAL PROPERTY; TREND
DEPRECIATION SCHEDULES; TREND FACTOR CALCULATION (1) The
department has established eight categories of personal property for determination
of trend factors and depreciation, and T~~trended~~ depreciation schedules of four, five,
and ten, fifteen, or twenty years have been established assigned for each category
of property based on its type and expected useful lifespan, as provided in (4). The
equipment listings in (4) provide representative examples of property in a category
and are not meant to be an exhaustive list. The number of years corresponds to the
useful life of the property taking into account physical obsolescence. The trended
depreciation schedules reflect the remaining life of the property over the term of
years assigned with a 5 percent to 20 percent residual. The five- and ten-year
depreciation schedules "% good" numbers were extracted from the Marshall & Swift
Valuation Service Guide, "Fixtures and Equipment Table." The four year table was
derived from consultation with industry representatives. "Remaining Life" is a form
of depreciation.

(2) ~~The trended depreciation schedules for tax year 2018 are listed below.~~
The categories are explained in ARM 42.21.156. The trend factors are derived
according to ARM 42.21.156 and 42.21.157.

CATEGORY 1

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>TRENDED % GOOD</u>
2017	70%	1.000	70%
2016	45%	0.982	44%
2015	20%	0.951	19%
2014	10%	0.930	9%
Older			5%

CATEGORY 2

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>TRENDED % GOOD</u>
2017	85%	1.000	85%
2016	69%	1.002	69%
2015	52%	1.018	53%
2014	34%	1.042	35%

2013	23%	1.040	24%
Older			18%

CATEGORY 3

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>TRENDED % GOOD</u>
2017	85%	1.000	85%
2016	69%	0.994	69%
2015	52%	0.982	51%
2014	34%	0.977	33%
2013	23%	0.976	22%
Older			18%

CATEGORY 4

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>TRENDED % GOOD</u>
2017	85%	1.000	85%
2016	69%	0.992	68%
2015	52%	0.994	52%
2014	34%	0.984	33%
2013	23%	0.980	23%
Older			18%

CATEGORY 5

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>TRENDED % GOOD</u>
2017	85%	1.000	85%
2016	69%	1.004	69%
2015	52%	1.009	52%
2014	34%	1.022	35%
2013	23%	1.031	24%
Older			18%

CATEGORY 6

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>TRENDED % GOOD</u>
2017	85%	1.000	85%
2016	69%	1.021	70%
2015	52%	1.040	54%
2014	34%	1.057	36%
2013	23%	1.071	25%
Older			18%

CATEGORY 7

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>TRENDED % GOOD</u>
2017	92%	1.000	92%
2016	84%	1.006	84%
2015	76%	1.014	77%
2014	67%	1.026	69%
2013	58%	1.040	60%
2012	49%	1.058	52%
2011	39%	1.089	42%
2010	30%	1.107	33%
2009	24%	1.101	26%
2008	21%	1.136	24%
Older			20%

CATEGORY 8

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>TRENDED % GOOD</u>
2017	92%	1.000	92%
2016	84%	1.009	85%
2015	76%	1.015	77%
2014	67%	1.040	70%
2013	58%	1.053	61%
2012	49%	1.057	52%
2011	39%	1.088	42%
2010	30%	1.099	33%
2009	24%	1.104	26%
2008	21%	1.174	25%
Older			20%

(2) Each trended depreciation schedule contains a residual trended percent good, designated as "older" in the final row of each schedule, which is applied to an item of personal property that exceeds the typical lifespan because personal property remains taxable until its disposal. The purpose of trended depreciation is to bring the cost of equipment acquired in a previous year to an approximate current cost before depreciating it.

(3) Prior to January 1 of each year, the department will use cost index trends for equipment and depreciation percentages for furniture and fixtures from the previous July's edition of Marshall & Swift Valuation Service Guide (Marshall & Swift Guide) to calculate the trend factors and the trended percent good for the schedules in (4). The Marshall & Swift Guide is a widely recognized valuation authority which the department adopts and incorporates by reference. The Marshall & Swift Guide may be reviewed at the department's central office or purchased from the publisher: Corelogic, 777 South Figueroa, 12th Floor, Los Angeles, California 90026-0307.

(a) The trends from the Marshall & Swift Guide represent industry-wide national average changes in equipment costs - customarily increases - from the base year, 1926. Trends are typically greater than a value of one, but may be less than one.

(b) For trended depreciation schedules, the department calculates the year one trend for each schedule as the average trend of the first three quarters of the current year. The trend for each successive year is the final trend for that year.

(i) Using year one as the base year, the department calculates the changes in equipment costs - the trend factors - for each schedule in (4), as the quotient of the year one trend and any following year's trend.

(ii) The department then uses the depreciation percentages from the Marshall & Swift Guide to calculate the "percent good" over the period of years that is typical for each property category. Trended percent good is then calculated as the product of the percent good and the trend factor for each year represented in a schedule.

(4) The trended depreciation schedules for the categories of personal property equipment are as follows:

(a) Computerized Equipment - a four-year depreciation and a residual percentage will be applied to computerized equipment such as computers, peripheral equipment that cannot function independently of a computer, computerized medical equipment, and gaming machines. The four-year depreciation schedule was developed and implemented after consultation with industry representatives; the trend factors are calculated from the office equipment category of the Marshall & Swift Guide.

Computerized Equipment

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>TRENDED % GOOD</u>
<u>2018</u>	<u>70</u>	<u>1.000</u>	<u>70</u>
<u>2017</u>	<u>45</u>	<u>1.022</u>	<u>46</u>
<u>2016</u>	<u>20</u>	<u>1.039</u>	<u>21</u>
<u>2015</u>	<u>10</u>	<u>1.038</u>	<u>10</u>
<u>older</u>	<u>5</u>	<u>1.051</u>	<u>5</u>

(b) Office and Commercial Equipment - a five-year depreciation and a residual percentage will be applied to non-computerized equipment such as office equipment and furnishings, specialized medical equipment, janitorial equipment, coin-operated washers and dryers, beauty and barber shop equipment, tanning beds, furnishings for hotels, motels, rental apartments, rental homes, nursing home and other care facilities, and locally assessed cable tv dishes. The trend factors are calculated from the average of all category of the Marshall & Swift Guide.

Office and Commercial Equipment

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>TRENDED % GOOD</u>
<u>2018</u>	<u>85</u>	<u>1.000</u>	<u>85</u>

<u>2017</u>	<u>69</u>	<u>1.026</u>	<u>71</u>
<u>2016</u>	<u>52</u>	<u>1.047</u>	<u>54</u>
<u>2015</u>	<u>34</u>	<u>1.038</u>	<u>35</u>
<u>2014</u>	<u>23</u>	<u>1.048</u>	<u>24</u>
<u>older</u>	<u>18</u>	<u>1.062</u>	<u>18</u>

(c) Furniture, Fixtures, and Miscellaneous Equipment - a ten-year depreciation and a residual percentage will be applied to all other commercial furniture and fixtures such as handheld and non-handheld shop and construction tools and equipment, medical and dental chairs and tables, theater equipment, survey equipment, billboards and signage, garbage bins, coin-operated pool and other game tables, gas pumps, bar and restaurant equipment and furnishings, bowling alleys and equipment, excepting auto-scorers which have a four-year depreciation, photo and developing equipment, mortuary equipment, safes, security systems, port-a-potties, locally assessed cable tv towers, ski lift equipment including aerial lifts, surface lifts, portable lifts and tows including the towers, cables, ropes, sheave assemblies, the conveying devices, power units, and all accessories. The trend factors are calculated from the average of all category of the Marshall & Swift Guide.

Furniture, Fixtures, and Miscellaneous Equipment

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>TRENDED % GOOD</u>
<u>2018</u>	<u>92</u>	<u>1.000</u>	<u>92</u>
<u>2017</u>	<u>84</u>	<u>1.026</u>	<u>86</u>
<u>2016</u>	<u>76</u>	<u>1.047</u>	<u>80</u>
<u>2015</u>	<u>67</u>	<u>1.038</u>	<u>70</u>
<u>2014</u>	<u>58</u>	<u>1.048</u>	<u>61</u>
<u>2013</u>	<u>49</u>	<u>1.062</u>	<u>52</u>
<u>2012</u>	<u>39</u>	<u>1.070</u>	<u>42</u>
<u>2011</u>	<u>30</u>	<u>1.101</u>	<u>33</u>
<u>2010</u>	<u>24</u>	<u>1.135</u>	<u>27</u>
<u>2009</u>	<u>21</u>	<u>1.127</u>	<u>24</u>
<u>older</u>	<u>20</u>	<u>1.159</u>	<u>23</u>

(d) Seismograph Units and Allied Equipment - a five-year depreciation and a residual percentage will be applied to seismograph units and allied equipment. An 80 percent wholesale factor is used for wheeled seismograph units. The trend factors are calculated from the chemical industry category of the Marshall & Swift Guide.

Wheeled Seismograph Units

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>WHOLESALE FACTOR</u>	<u>WHOLESALE TRENDED % GOOD</u>
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<u>2019</u>	<u>100</u>	<u>1.000</u>	<u>80</u>	<u>80</u>
<u>2018</u>	<u>85</u>	<u>1.000</u>	<u>80</u>	<u>68</u>
<u>2017</u>	<u>69</u>	<u>1.019</u>	<u>80</u>	<u>56</u>
<u>2016</u>	<u>52</u>	<u>1.032</u>	<u>80</u>	<u>43</u>
<u>2015</u>	<u>34</u>	<u>1.021</u>	<u>80</u>	<u>28</u>
<u>2014</u>	<u>23</u>	<u>1.030</u>	<u>80</u>	<u>19</u>
<u>2013 and older</u>	<u>18</u>	<u>1.042</u>	<u>80</u>	<u>15</u>

Seismograph Allied Equipment

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>TRENDED % GOOD</u>
<u>2019</u>	<u>100</u>	<u>1.000</u>	<u>100</u>
<u>2018</u>	<u>85</u>	<u>1.000</u>	<u>85</u>
<u>2017</u>	<u>69</u>	<u>1.019</u>	<u>70</u>
<u>2016</u>	<u>52</u>	<u>1.032</u>	<u>54</u>
<u>2015</u>	<u>34</u>	<u>1.021</u>	<u>35</u>
<u>2014</u>	<u>23</u>	<u>1.030</u>	<u>24</u>
<u>2013 and older</u>	<u>18</u>	<u>1.042</u>	<u>19</u>

(e) Oil Drilling, Workover, and Service Rigs - a ten-year depreciation and a residual percentage will be applied to all oil drilling, workover, and service rigs. An 80 percent wholesale factor is applied to self-propelled wheeled workover and service rigs. The trend factors are calculated from the chemical industry category of the Marshall & Swift Guide.

Self-Propelled Wheeled Workover and Service Rigs

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>WHOLESALE FACTOR</u>	<u>WHOLESALE TRENDED % GOOD</u>
<u>2019</u>	<u>100</u>	<u>1.000</u>	<u>80</u>	<u>80</u>
<u>2018</u>	<u>92</u>	<u>1.000</u>	<u>80</u>	<u>74</u>
<u>2017</u>	<u>84</u>	<u>1.019</u>	<u>80</u>	<u>68</u>
<u>2016</u>	<u>76</u>	<u>1.032</u>	<u>80</u>	<u>63</u>
<u>2015</u>	<u>67</u>	<u>1.021</u>	<u>80</u>	<u>55</u>
<u>2014</u>	<u>58</u>	<u>1.030</u>	<u>80</u>	<u>48</u>
<u>2013</u>	<u>49</u>	<u>1.042</u>	<u>80</u>	<u>41</u>
<u>2012</u>	<u>39</u>	<u>1.044</u>	<u>80</u>	<u>33</u>
<u>2011</u>	<u>30</u>	<u>1.072</u>	<u>80</u>	<u>26</u>
<u>2010</u>	<u>24</u>	<u>1.101</u>	<u>80</u>	<u>21</u>
<u>2009</u>	<u>21</u>	<u>1.086</u>	<u>80</u>	<u>18</u>
<u>older</u>	<u>20</u>	<u>1.124</u>	<u>22</u>	<u>18</u>

Drill Rigs

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>WHOLESALE TRENDED % GOOD</u>
<u>2019</u>	<u>100</u>	<u>1.000</u>	<u>100</u>
<u>2018</u>	<u>92</u>	<u>1.000</u>	<u>92</u>
<u>2017</u>	<u>84</u>	<u>1.019</u>	<u>86</u>
<u>2016</u>	<u>76</u>	<u>1.032</u>	<u>78</u>
<u>2015</u>	<u>67</u>	<u>1.021</u>	<u>68</u>
<u>2014</u>	<u>58</u>	<u>1.030</u>	<u>60</u>
<u>2013</u>	<u>49</u>	<u>1.042</u>	<u>51</u>
<u>2012</u>	<u>39</u>	<u>1.044</u>	<u>41</u>
<u>2011</u>	<u>30</u>	<u>1.072</u>	<u>32</u>
<u>2010</u>	<u>24</u>	<u>1.101</u>	<u>26</u>
<u>2009</u>	<u>21</u>	<u>1.086</u>	<u>23</u>
<u>older</u>	<u>20</u>	<u>1.124</u>	<u>22</u>

(f) Oil and Gas Field Machinery and Equipment - a fifteen-year depreciation and a residual percentage will be applied to oil and gas field machinery and equipment. The trend factors are calculated from the chemical industry category of the Marshall & Swift Guide.

Oil and Gas Field Machinery and Equipment

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>TRENDED % GOOD</u>
<u>2019</u>	<u>100</u>	<u>1.000</u>	<u>100</u>
<u>2018</u>	<u>95</u>	<u>1.000</u>	<u>95</u>
<u>2017</u>	<u>90</u>	<u>1.019</u>	<u>92</u>
<u>2016</u>	<u>85</u>	<u>1.032</u>	<u>88</u>
<u>2015</u>	<u>79</u>	<u>1.021</u>	<u>81</u>
<u>2014</u>	<u>73</u>	<u>1.030</u>	<u>75</u>
<u>2013</u>	<u>68</u>	<u>1.042</u>	<u>71</u>
<u>2012</u>	<u>62</u>	<u>1.044</u>	<u>65</u>
<u>2011</u>	<u>55</u>	<u>1.072</u>	<u>59</u>
<u>2010</u>	<u>49</u>	<u>1.101</u>	<u>54</u>
<u>2009</u>	<u>43</u>	<u>1.086</u>	<u>47</u>
<u>2008</u>	<u>37</u>	<u>1.124</u>	<u>42</u>
<u>2007</u>	<u>31</u>	<u>1.175</u>	<u>36</u>
<u>2006</u>	<u>26</u>	<u>1.244</u>	<u>32</u>
<u>2005</u>	<u>23</u>	<u>1.307</u>	<u>30</u>
<u>2004</u>	<u>21</u>	<u>1.418</u>	<u>30</u>
<u>older</u>	<u>20</u>	<u>1.467</u>	<u>29</u>

(g) Farm Machinery and Equipment - a twenty-year depreciation and a residual percentage will be applied to farm machinery and equipment. An 80 percent wholesale factor is applied. The trend factors are calculated from the average of all category of the Marshall & Swift Guide.

Farm Machinery and Equipment

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>WHOLESALE FACTOR</u>	<u>WHOLESALE TRENDED % GOOD</u>
<u>2019</u>	<u>100</u>	<u>1.000</u>	<u>80</u>	<u>80</u>
<u>2018</u>	<u>97</u>	<u>1.000</u>	<u>80</u>	<u>78</u>
<u>2017</u>	<u>93</u>	<u>0.974</u>	<u>80</u>	<u>72</u>
<u>2016</u>	<u>90</u>	<u>0.955</u>	<u>80</u>	<u>69</u>
<u>2015</u>	<u>86</u>	<u>0.963</u>	<u>80</u>	<u>66</u>
<u>2014</u>	<u>82</u>	<u>0.954</u>	<u>80</u>	<u>63</u>
<u>2013</u>	<u>78</u>	<u>0.942</u>	<u>80</u>	<u>59</u>
<u>2012</u>	<u>74</u>	<u>0.934</u>	<u>80</u>	<u>55</u>
<u>2011</u>	<u>70</u>	<u>0.908</u>	<u>80</u>	<u>51</u>
<u>2010</u>	<u>65</u>	<u>0.881</u>	<u>80</u>	<u>46</u>
<u>2009</u>	<u>60</u>	<u>0.887</u>	<u>80</u>	<u>43</u>
<u>2008</u>	<u>55</u>	<u>0.863</u>	<u>80</u>	<u>38</u>
<u>2007</u>	<u>50</u>	<u>0.830</u>	<u>80</u>	<u>33</u>
<u>2006</u>	<u>45</u>	<u>0.787</u>	<u>80</u>	<u>28</u>
<u>2005</u>	<u>40</u>	<u>0.752</u>	<u>80</u>	<u>24</u>
<u>2004</u>	<u>35</u>	<u>0.699</u>	<u>80</u>	<u>20</u>
<u>2003</u>	<u>31</u>	<u>0.676</u>	<u>80</u>	<u>17</u>
<u>2002</u>	<u>27</u>	<u>0.665</u>	<u>80</u>	<u>14</u>
<u>2001</u>	<u>24</u>	<u>0.661</u>	<u>80</u>	<u>13</u>
<u>2000</u>	<u>22</u>	<u>0.655</u>	<u>80</u>	<u>12</u>
<u>1999</u>	<u>21</u>	<u>0.644</u>	<u>80</u>	<u>11</u>
<u>older</u>	<u>20</u>	<u>0.642</u>	<u>80</u>	<u>10</u>

(h) Heavy Equipment - a twenty-year depreciation and a residual percentage will be applied to heavy equipment. An 80 percent wholesale factor is applied. The trend factors are calculated from the contractor's equipment category of the Marshall & Swift Guide.

Heavy Equipment

<u>YEAR NEW/ ACQUIRED</u>	<u>% GOOD</u>	<u>TREND FACTOR</u>	<u>WHOLESALE FACTOR</u>	<u>WHOLESALE TRENDED % GOOD</u>
<u>2019</u>	<u>100</u>	<u>1.000</u>	<u>80</u>	<u>80</u>
<u>2018</u>	<u>97</u>	<u>1.000</u>	<u>80</u>	<u>78</u>
<u>2017</u>	<u>93</u>	<u>1.018</u>	<u>80</u>	<u>76</u>

<u>2016</u>	<u>90</u>	<u>1.034</u>	<u>80</u>	<u>74</u>
<u>2015</u>	<u>86</u>	<u>1.032</u>	<u>80</u>	<u>71</u>
<u>2014</u>	<u>82</u>	<u>1.045</u>	<u>80</u>	<u>69</u>
<u>2013</u>	<u>78</u>	<u>1.059</u>	<u>80</u>	<u>66</u>
<u>2012</u>	<u>74</u>	<u>1.079</u>	<u>80</u>	<u>64</u>
<u>2011</u>	<u>70</u>	<u>1.115</u>	<u>80</u>	<u>62</u>
<u>2010</u>	<u>65</u>	<u>1.147</u>	<u>80</u>	<u>60</u>
<u>2009</u>	<u>60</u>	<u>1.143</u>	<u>80</u>	<u>55</u>
<u>2008</u>	<u>55</u>	<u>1.177</u>	<u>80</u>	<u>52</u>
<u>2007</u>	<u>50</u>	<u>1.214</u>	<u>80</u>	<u>49</u>
<u>2006</u>	<u>45</u>	<u>1.257</u>	<u>80</u>	<u>45</u>
<u>2005</u>	<u>40</u>	<u>1.313</u>	<u>80</u>	<u>42</u>
<u>2004</u>	<u>35</u>	<u>1.403</u>	<u>80</u>	<u>39</u>
<u>2003</u>	<u>31</u>	<u>1.444</u>	<u>80</u>	<u>36</u>
<u>2002</u>	<u>27</u>	<u>1.466</u>	<u>80</u>	<u>32</u>
<u>2001</u>	<u>24</u>	<u>1.478</u>	<u>80</u>	<u>28</u>
<u>2000</u>	<u>22</u>	<u>1.486</u>	<u>80</u>	<u>26</u>
<u>1999</u>	<u>21</u>	<u>1.512</u>	<u>80</u>	<u>25</u>
<u>older</u>	<u>20</u>	<u>1.524</u>	<u>80</u>	<u>24</u>

(3) (5) This rule is effective for tax years beginning after ~~December 31, 2017~~
December 31, 2018.

AUTH: 15-1-201, 15-23-108, MCA

IMP: 15-6-135, 15-6-138, 15-6-202, 15-6-207, 15-6-213, 15-6-219, 15-8-111,
MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, it is necessary for the department to amend ARM 42.21.155 to place similar content regarding the depreciation schedules for all personal property categories into a single rule for efficiency and ease of reference. The eight personal property categories, their respective depreciation schedules, and references to trend factor schedules have historically been provided in ARM 42.21.123, 42.21.131, 42.21.137, 42.21.138, 42.21.139, 42.21.140, 42.21.151, 42.21.153, 42.21.156, and 42.21.157, which are proposed for repeal.

The department proposes updating the catchphrase to include the words "trended" and "categories for personal property" and "trend factor calculation" to clarify the types of schedules referenced in the rule, to specify the categories of property to which the rule pertains, and to provide the methodology of the department's trend factor calculation.

The department proposes revising language in (1) for clarity and brevity, which reflect current rule writing styles and preferences. The department proposes moving, and revising to comply with the Montana Administrative Procedure Act, the reference language to the Marshall & Swift Valuation Service Guide in (1) to

proposed (3) and striking obsolete depreciation language in (1) given the relocation and reorganization of the trended depreciation schedules in this rule.

The department proposes replacing outdated trended depreciation schedule information and rule cross-references in (2) to reflect the schedules in proposed (4). The department proposes to transfer from ARM 42.21.157, and revise for clarity, the explanation of how the department calculates trend factors. The department proposes the repeal of ARM 42.21.157. This consolidation of the two rules' most pertinent provisions into one is necessary to provide a more direct and cohesive reference for trended depreciation schedules and their underlying components. The department further proposes transferring equipment category description language for each proposed trended depreciation schedule provided in proposed (4). The proposed equipment categories transferred and revised from other rules in Chapter 21, Subchapter 1, which are proposed for repeal, are as follows:

Computerized equipment language, with a four-year depreciation schedule, in proposed (4)(a) is a combination of lease and rental equipment language in ARM 42.21.113(1)(a) and related equipment language in ARM 42.21.156(2).

Office and commercial equipment language, with a five-year depreciation schedule, in proposed (4)(b) is a combination of lease and rental equipment language in ARM 42.21.113(b), local cable tv "five-year dishes" language from ARM 42.21.151(4), and related equipment language in ARM 42.21.156(3) through (7).

Furniture, fixtures, and miscellaneous equipment provisions, with a ten-year depreciation schedule, in proposed (4)(c) was combined with leased and rental equipment from ARM 42.21.113(1)(c), local cable tv "ten-year towers" from ARM 42.21.151(2), ski lift equipment from ARM 42.21.153, and current categories 7 and 8 from (2) of this rule.

Seismograph units and allied equipment, with a five-year depreciation schedule, in proposed (4)(d) was moved from ARM 42.21.137(1) and revised to eliminate the unnecessary mention of units and equipment less than one year old or acquired in 2005 or before. The department deemed the prior practice, which is not based on or justifiable through use of the Marshall & Swift Guide, unsustainable under the equalization standards described in 15-9-101(1), MCA, and proposes to correct it as a part of the transfer and consolidation of depreciation schedules into ARM 42.21.155.

Oil drilling, workover, and service rigs, with a ten-year depreciation schedule, in proposed (4)(e) were combined with work-over and service rigs rule text from ARM 42.21.139 and oil drilling rigs rule text from ARM 42.21.140. The text was revised to eliminate the unnecessary mention of units and equipment less than one year old for the same reasons described for seismograph units and allied equipment.

Oil and gas field machinery and equipment, with a fifteen-year depreciation schedule, in proposed (4)(f) was moved from ARM 42.21.138(2).

Farm machinery and equipment, with a twenty-year depreciation schedule in proposed (4)(g), was moved from ARM 42.21.123.

Heavy equipment, with a twenty-year depreciation schedule in proposed (4)(h), was moved from ARM 42.21.131.

Further, in proposed (4)(g) and (h), the department proposes using the Marshall & Swift Guide for calculating the trended schedules for farm machinery and equipment and heavy equipment, which is consistent for the valuation of other

personal property described in the subchapter. The department also proposes to implement an 80% wholesale factor into those calculations to "approximate wholesale value." This reflects a substantial update in the method the department uses to develop the farm machinery and equipment and heavy equipment depreciation schedules, which consisted of a manual system of valuation by department staff that was unnecessarily burdensome, time-consuming, and problematic because of limited availability of valuation data, which can have a significant impact on the outcome of a valuation and may not result in a truly appropriate assessed value. The department believes that changing the way farm machinery and equipment and heavy equipment depreciation are calculated will provide taxpayers with a stable, consistent, and predictable trended depreciation schedule from year to year.

The department further proposes renumbering and updating the year reference in proposed (5) which is necessary to advance the applicability of the rule and reflect renumbering through the proposed amendments.

The department further proposes adding 15-23-108, MCA, as rulemaking authority as it pertains to some centrally assessed personal property. The revision of the rule's implementing citations is necessary to correspond with the relocation of rule text to this rule from the rules proposed for repeal and comply with 2-4-304, MCA.

42.21.158 PERSONAL PROPERTY REPORTING REQUIREMENTS (1) A taxpayer having property in the state of Montana on January 1 of each tax year, must complete the statement as provided in 15-8-301, MCA, by submitting a completed personal property reporting form.

(2) The statement must provide pertinent information about each item of personal property, including the year acquired, acquired cost, and installation cost. For any items acquired through a means other than the open marketplace, the owner must provide a reasonable estimate of the item's open market value at the time of acquisition. Multiple smaller items acquired in the same year can be reported as a group rather than itemized, such as hand-held tools.

(3) Personal property that is expensed or fully depreciated for other tax or accounting purposes remains taxable for property tax purposes and must be reported.

(2) through (6) remain the same, but are renumbered (4) through (8).

~~(7)~~ (9) When the department requires a personal property statement/reporting form as provided in 15-8-301, MCA, the statement/reporting form shall advise the taxpayer that they are subject to penalty under the provisions of 15-1-303 and 15-8-309, MCA, or any other applicable statute, for refusing or neglecting to respond to the department's request for information. The taxpayer's completed personal property statement/reporting form must be returned to the department by electronic submission or postmarked no later than March 1.

~~(8)~~ (10) A taxpayer's completed statement/reporting form with an electronic date stamp or postmarked after March 1 will be subject to the penalties referenced in ~~(7)~~ (9) unless the taxpayer provides:

(a) and (b) remain the same.

(9) through (12) remain the same, but are renumbered (11) through (14).

AUTH: 15-1-201, 15-9-101, MCA

IMP: 15-1-121, 15-1-123, 15-1-303, 15-6-138, 15-6-201, 15-6-202, 15-6-203, 15-6-206, 15-6-213, 15-6-215, 15-6-217, 15-6-218, 15-6-219, 15-6-220, 15-6-225, 15-6-228, 15-8-104, 15-8-301, 15-8-303, 15-8-309, 15-9-101, 15-24-3001, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, it is necessary for the department to amend ARM 42.21.158 by adding clarifying language in proposed (2) and (3) for the benefit of taxpayers who are required to report their personal property or business equipment and to clarify the reporting process.

The department also proposes revising the language in proposed (9) and (10) to clarify that reporting forms submitted electronically or by mail must have an electronic date stamp or postmark no later than March 1.

Based on the department's proposed amendments, it will be necessary for the department to renumber the remaining rule sections.

The department further proposes adding 15-1-123, MCA, as an implementing citation as it pertains to class eight personal property. The revision of the rule's implementing citations is necessary to comply with 2-4-304, MCA.

42.22.1311 INDUSTRIAL MACHINERY AND EQUIPMENT TREND

FACTORS (1) ~~The trend~~ Trend factors will be used to value industrial machinery and equipment for ad valorem tax purposes pursuant to ARM 42.22.1306. The department uses annual cost indexes from the Marshall & Swift ~~Valuation Service~~ Guide described in ARM 42.21.155. The current index is divided by the annual index for each year to arrive at a trending factor. Each major industry has its own trend table. Where no index ~~existed~~ exists in the Marshall & Swift ~~Valuation Service~~ Guide for ~~a particular~~ an industry, that industry ~~was~~ is grouped with other industries using similar equipment. The department will utilize the trend table and life expectancy indicated in the industry table below ~~machinery and equipment trend factors that are set forth in the tables in (2) and (3).~~

~~(2) Life expectancies for industrial machinery and equipment are shown in the trend table below.~~

INDUSTRIAL MACHINERY AND EQUIPMENT TREND FACTORS

<u>Industry</u> <u>Description</u>	<u>Trend Table</u>	<u>Life</u> <u>Expectancy</u>
(a) through (c) remain the same.		

(3) ~~(2)~~ Tables 1 through 32 represent the yearly trend factors for each of the ~~categories-~~ industry.

<u>YEAR</u>	<u>TABLE 1</u> <u>Airplane Mfg.</u>	<u>TABLE 2</u> <u>Baking</u>	<u>TABLE 3</u> <u>Bottling</u>	<u>TABLE 4</u> <u>Brew/Dis.</u>	<u>TABLE 5</u> <u>Candy</u> <u>Confect.</u>
2017	1.000	1.000	1.000	1.000	1.000

2016	1.017	1.019	1.015	1.011	1.018
2015	1.002	1.011	1.003	1.005	1.011
2014	1.006	1.021	1.011	1.016	1.023
2013	1.016	1.036	1.024	1.030	1.038
2012	1.016	1.045	1.029	1.038	1.047
2011	1.046	1.074	1.057	1.066	1.077
2010	1.085	1.109	1.091	1.095	1.112
2009	1.067	1.101	1.081	1.089	1.105
2008	1.098	1.128	1.109	1.120	1.131
2007	1.143	1.173	1.158	1.170	1.177
2006	1.206	1.256	1.227	1.239	1.264
2005	1.269	1.314	1.290	1.303	1.322
2004	1.374	1.413	1.399	1.408	1.420
2003	1.426	1.467	1.451	1.456	1.472
2002	1.452	1.492	1.477	1.482	1.497
2001	1.457	1.501	1.484	1.492	1.506
2000	1.467	1.518	1.497	1.508	1.524
1999	1.494	1.548	1.526	1.536	1.554
1998	1.496	1.554	1.529	1.544	1.559
1997	1.508	1.570	1.540	1.559	1.576

<u>YEAR</u>	<u>TABLE 6</u> <u>Cement</u> <u>Mfg.</u>	<u>TABLE 7</u> <u>Chemical Mfg.</u>	<u>TABLE 8</u> <u>Clay Mfg.</u>	<u>TABLE 9</u> <u>Contractor</u> <u>Eq.</u>	<u>TABLE 10</u> <u>Creamery/Dairy</u>
2017	1.000	1.000	1.000	1.000	1.000
2016	1.014	1.011	1.016	1.013	1.015
2015	1.007	1.001	1.012	1.012	1.008
2014	1.015	1.009	1.021	1.024	1.020
2013	1.028	1.021	1.035	1.038	1.035
2012	1.038	1.023	1.047	1.058	1.044
2011	1.074	1.050	1.081	1.093	1.073
2010	1.104	1.079	1.113	1.124	1.108
2009	1.089	1.064	1.105	1.120	1.103
2008	1.139	1.101	1.156	1.153	1.128
2007	1.189	1.151	1.205	1.189	1.175
2006	1.252	1.219	1.270	1.232	1.258
2005	1.313	1.280	1.330	1.287	1.320
2004	1.428	1.389	1.436	1.375	1.421
2003	1.484	1.438	1.488	1.415	1.470
2002	1.515	1.467	1.517	1.437	1.495
2001	1.524	1.475	1.528	1.448	1.505
2000	1.539	1.489	1.544	1.456	1.521
1999	1.565	1.513	1.570	1.482	1.552
1998	1.572	1.520	1.576	1.494	1.559
1997	1.588	1.536	1.592	1.511	1.574

<u>YEAR</u>	<u>TABLE 11</u>	<u>TABLE 12</u>	<u>TABLE 13</u>	<u>TABLE 14</u>	<u>TABLE 15</u>
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	<u>Elec. Pwr. Eq.</u>	<u>Elec. Eq. Mfg.</u>	<u>Cannery/Fish</u>	<u>Flour, Cer. Feed</u>	<u>Cannery/Fruit</u>
2017	1.000	1.000	1.000	1.000	1.000
2016	1.019	1.019	1.019	1.016	1.019
2015	0.989	0.995	1.011	1.008	1.012
2014	0.985	0.994	1.021	1.017	1.024
2013	0.987	0.999	1.037	1.031	1.040
2012	0.975	0.992	1.045	1.039	1.053
2011	0.997	1.018	1.075	1.069	1.082
2010	1.052	1.068	1.111	1.104	1.117
2009	1.044	1.053	1.101	1.095	1.113
2008	1.048	1.070	1.130	1.124	1.135
2007	1.105	1.122	1.175	1.172	1.178
2006	1.197	1.201	1.259	1.249	1.254
2005	1.284	1.275	1.316	1.312	1.309
2004	1.405	1.390	1.419	1.416	1.404
2003	1.469	1.449	1.473	1.468	1.456
2002	1.493	1.473	1.499	1.493	1.479
2001	1.488	1.472	1.509	1.501	1.490
2000	1.498	1.482	1.525	1.517	1.505
1999	1.528	1.509	1.556	1.547	1.536
1998	1.521	1.504	1.560	1.554	1.541
1997	1.523	1.511	1.576	1.569	1.555

<u>YEAR</u>	<u>TABLE 16 Packing/ Fruit</u>	<u>TABLE 17 Laundry/ Clean</u>	<u>TABLE 18 Logging Eq.</u>	<u>TABLE 19 Packing/ Meat</u>	<u>TABLE 20 Metal Work</u>
2017	1.000	1.000	1.000	1.000	1.000
2016	1.019	1.017	1.016	1.017	1.018
2015	1.016	1.008	1.005	1.014	1.004
2014	1.030	1.016	1.012	1.027	1.009
2013	1.048	1.029	1.025	1.043	1.020
2012	1.068	1.037	1.035	1.055	1.020
2011	1.098	1.067	1.066	1.086	1.051
2010	1.130	1.102	1.097	1.118	1.087
2009	1.130	1.092	1.082	1.113	1.066
2008	1.152	1.128	1.118	1.148	1.106
2007	1.192	1.175	1.157	1.194	1.149
2006	1.248	1.239	1.206	1.272	1.213
2005	1.300	1.295	1.259	1.326	1.266
2004	1.387	1.397	1.353	1.421	1.366
2003	1.435	1.447	1.401	1.469	1.410
2002	1.457	1.474	1.423	1.494	1.433
2001	1.470	1.482	1.432	1.506	1.435
2000	1.482	1.494	1.440	1.522	1.445
1999	1.513	1.522	1.466	1.551	1.465
1998	1.520	1.525	1.472	1.558	1.465

1997	1.532	1.537	1.484	1.576	1.479
<u>YEAR</u>	<u>TABLE 21</u>	<u>TABLE 22</u>	<u>TABLE 23</u>	<u>TABLE 24</u>	<u>TABLE 25</u>
	<u>Mine</u>	<u>Paint</u>			<u>Paper</u>
	<u>Mill</u>	<u>Mfg.</u>	<u>Petroleum</u>	<u>Printing</u>	<u>Mfg.</u>
2017	1.000	1.000	1.000	1.000	1.000
2016	1.014	1.016	1.009	1.016	1.017
2015	1.012	1.006	0.999	1.005	1.007
2014	1.023	1.014	1.006	1.008	1.016
2013	1.038	1.027	1.018	1.016	1.031
2012	1.058	1.032	1.025	1.020	1.040
2011	1.105	1.063	1.054	1.047	1.071
2010	1.141	1.098	1.082	1.080	1.106
2009	1.140	1.086	1.064	1.069	1.094
2008	1.192	1.123	1.109	1.093	1.129
2007	1.242	1.173	1.163	1.131	1.174
2006	1.297	1.241	1.237	1.193	1.234
2005	1.360	1.303	1.310	1.241	1.290
2004	1.475	1.413	1.423	1.323	1.398
2003	1.530	1.467	1.474	1.362	1.452
2002	1.560	1.497	1.503	1.384	1.480
2001	1.578	1.505	1.518	1.385	1.492
2000	1.590	1.519	1.537	1.397	1.501
1999	1.616	1.548	1.559	1.417	1.532
1998	1.624	1.552	1.567	1.418	1.536
1997	1.641	1.567	1.588	1.426	1.549

<u>YEAR</u>	<u>TABLE 26</u>	<u>TABLE 27</u>	<u>TABLE 28</u>	<u>TABLE 29</u>	<u>TABLE 30</u>
	<u>Refrigeration</u>	<u>Rubber</u>	<u>Steam</u>		
			<u>Power</u>	<u>Textile</u>	<u>Warehousing</u>
2017	1.000	1.000	1.000	1.000	1.000
2016	1.017	1.017	1.015	1.011	1.019
2015	1.009	1.009	1.001	0.998	1.013
2014	1.019	1.016	1.005	1.004	1.025
2013	1.033	1.028	1.016	1.017	1.039
2012	1.039	1.028	1.016	1.022	1.055
2011	1.071	1.056	1.045	1.048	1.086
2010	1.107	1.087	1.082	1.074	1.117
2009	1.100	1.071	1.071	1.060	1.111
2008	1.138	1.110	1.108	1.092	1.145
2007	1.187	1.153	1.161	1.130	1.186
2006	1.256	1.215	1.239	1.179	1.229
2005	1.317	1.266	1.305	1.223	1.272
2004	1.420	1.357	1.423	1.309	1.361
2003	1.471	1.405	1.475	1.347	1.409
2002	1.500	1.434	1.505	1.367	1.426
2001	1.513	1.438	1.510	1.373	1.431

2000	1.527	1.450	1.523	1.384	1.439
1999	1.557	1.472	1.546	1.404	1.466
1998	1.563	1.478	1.548	1.407	1.467
1997	1.579	1.494	1.559	1.418	1.472

<u>YEAR</u>	<u>TABLE 31</u> <u>Woodworking</u>	<u>TABLE 32</u> <u>Glass Mfg.</u>
2017	1.000	1.000
2016	1.026	1.015
2015	1.024	1.004
2014	1.043	1.011
2013	1.061	1.022
2012	1.079	1.028
2011	1.108	1.058
2010	1.142	1.094
2009	1.133	1.083
2008	1.159	1.118
2007	1.197	1.170
2006	1.245	1.240
2005	1.292	1.307
2004	1.380	1.422
2003	1.422	1.478
2002	1.444	1.507
2001	1.457	1.515
2000	1.458	1.530
1999	1.483	1.559
1998	1.485	1.562
1997	1.491	1.575

<u>YEAR</u>	<u>TABLE 1</u> <u>Airplane</u> <u>Mfg.</u>	<u>TABLE 2</u> <u>Baking</u>	<u>TABLE 3</u> <u>Bottling</u>	<u>TABLE 4</u> <u>Brew/Dist.</u>	<u>TABLE 5</u> <u>Candy</u> <u>Confect.</u>
2018	1.000	1.000	1.000	1.000	1.000
2017	1.024	1.025	1.021	1.017	1.024
2016	1.046	1.048	1.039	1.030	1.047
2015	1.030	1.040	1.027	1.024	1.039
2014	1.034	1.051	1.036	1.035	1.051
2013	1.044	1.065	1.049	1.049	1.066
2012	1.045	1.075	1.053	1.058	1.077
2011	1.076	1.105	1.082	1.086	1.107
2010	1.116	1.141	1.118	1.116	1.143
2009	1.097	1.132	1.107	1.109	1.136
2008	1.129	1.160	1.136	1.141	1.163
2007	1.175	1.207	1.186	1.192	1.210
2006	1.240	*	*	1.263	1.299
2005	1.305	*	*	1.327	1.358

<u>2004</u>	<u>1.412</u>	<u>*</u>	<u>*</u>	<u>1.434</u>	<u>1.460</u>
<u>2003</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>1.484</u>	<u>1.513</u>
<u>2002</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>1.510</u>	<u>1.538</u>
<u>2001</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>1.520</u>	<u>1.548</u>
<u>2000</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>1.536</u>	<u>1.566</u>
<u>1999</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>1.565</u>	<u>1.597</u>
<u>1998</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>

	<u>TABLE 6</u>	<u>TABLE 7</u>	<u>TABLE 8</u>	<u>TABLE 9</u>	<u>TABLE 10</u>
<u>YEAR</u>	<u>Cement</u> <u>Mfg.</u>	<u>Chemical</u> <u>Mfg.</u>	<u>Clay Mfg.</u>	<u>Contractor</u> <u>Eq.</u>	<u>Creamery/Dairy</u>
<u>2018</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
<u>2017</u>	<u>1.018</u>	<u>1.015</u>	<u>1.020</u>	<u>1.015</u>	<u>1.022</u>
<u>2016</u>	<u>1.035</u>	<u>1.028</u>	<u>1.040</u>	<u>1.031</u>	<u>1.041</u>
<u>2015</u>	<u>1.028</u>	<u>1.018</u>	<u>1.035</u>	<u>1.030</u>	<u>1.033</u>
<u>2014</u>	<u>1.036</u>	<u>1.026</u>	<u>1.045</u>	<u>1.042</u>	<u>1.046</u>
<u>2013</u>	<u>1.049</u>	<u>1.038</u>	<u>1.059</u>	<u>1.057</u>	<u>1.061</u>
<u>2012</u>	<u>1.060</u>	<u>1.040</u>	<u>1.071</u>	<u>1.077</u>	<u>1.071</u>
<u>2011</u>	<u>1.096</u>	<u>1.068</u>	<u>1.106</u>	<u>1.113</u>	<u>1.100</u>
<u>2010</u>	<u>1.127</u>	<u>1.097</u>	<u>1.139</u>	<u>1.145</u>	<u>1.135</u>
<u>2009</u>	<u>1.112</u>	<u>1.082</u>	<u>1.131</u>	<u>1.140</u>	<u>1.131</u>
<u>2008</u>	<u>1.162</u>	<u>1.120</u>	<u>1.183</u>	<u>*</u>	<u>1.156</u>
<u>2007</u>	<u>1.214</u>	<u>1.171</u>	<u>1.233</u>	<u>*</u>	<u>1.205</u>
<u>2006</u>	<u>1.278</u>	<u>*</u>	<u>1.300</u>	<u>*</u>	<u>*</u>
<u>2005</u>	<u>1.341</u>	<u>*</u>	<u>1.361</u>	<u>*</u>	<u>*</u>
<u>2004</u>	<u>1.457</u>	<u>*</u>	<u>1.470</u>	<u>*</u>	<u>*</u>
<u>2003</u>	<u>1.515</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
<u>2002</u>	<u>1.546</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
<u>2001</u>	<u>1.556</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
<u>2000</u>	<u>1.571</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
<u>1999</u>	<u>1.597</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
<u>1998</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>

	<u>TABLE 11</u>	<u>TABLE 12</u>	<u>TABLE 13</u>	<u>TABLE 14</u>	<u>TABLE 15</u>
<u>YEAR</u>	<u>Elec. Pwr.</u> <u>Equip.</u>	<u>Elec.</u> <u>Equip.</u> <u>Mfg.</u>	<u>Cannery/Fish</u>	<u>Flour,</u> <u>Cert. Feed</u>	<u>Cannery/Fruit</u>
<u>2018</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
<u>2017</u>	<u>1.029</u>	<u>1.028</u>	<u>1.025</u>	<u>1.023</u>	<u>1.026</u>
<u>2016</u>	<u>1.053</u>	<u>1.052</u>	<u>1.049</u>	<u>1.042</u>	<u>1.049</u>
<u>2015</u>	<u>1.023</u>	<u>1.028</u>	<u>1.040</u>	<u>1.034</u>	<u>1.042</u>
<u>2014</u>	<u>1.019</u>	<u>1.027</u>	<u>1.052</u>	<u>1.044</u>	<u>1.055</u>
<u>2013</u>	<u>1.020</u>	<u>1.032</u>	<u>1.067</u>	<u>1.058</u>	<u>1.071</u>
<u>2012</u>	<u>1.008</u>	<u>1.025</u>	<u>1.076</u>	<u>1.066</u>	<u>1.085</u>
<u>2011</u>	<u>1.031</u>	<u>1.052</u>	<u>1.107</u>	<u>1.097</u>	<u>1.115</u>

<u>2010</u>	<u>1.088</u>	<u>1.103</u>	<u>1.143</u>	<u>1.133</u>	<u>1.151</u>
<u>2009</u>	<u>1.079</u>	<u>1.088</u>	<u>1.133</u>	<u>1.123</u>	<u>1.146</u>
<u>2008</u>	<u>1.083</u>	<u>*</u>	<u>1.163</u>	<u>1.153</u>	<u>1.169</u>
<u>2007</u>	<u>1.143</u>	<u>*</u>	<u>1.210</u>	<u>1.202</u>	<u>1.213</u>
<u>2006</u>	<u>1.237</u>	<u>*</u>	<u>*</u>	<u>1.281</u>	<u>*</u>
<u>2005</u>	<u>1.327</u>	<u>*</u>	<u>*</u>	<u>1.346</u>	<u>*</u>
<u>2004</u>	<u>1.452</u>	<u>*</u>	<u>*</u>	<u>1.453</u>	<u>*</u>
<u>2003</u>	<u>1.519</u>	<u>*</u>	<u>*</u>	<u>1.506</u>	<u>*</u>
<u>2002</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>

	<u>TABLE 16</u>	<u>TABLE 17</u>	<u>TABLE 18</u>	<u>TABLE 19</u>	<u>TABLE 20</u>
<u>YEAR</u>	<u>Packing/ Fruit</u>	<u>Laundry/ Clean</u>	<u>Logging Equip.</u>	<u>Packing/ Meat</u>	<u>Metal Work</u>
<u>2018</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
<u>2017</u>	<u>1.026</u>	<u>1.024</u>	<u>1.021</u>	<u>1.023</u>	<u>1.022</u>
<u>2016</u>	<u>1.050</u>	<u>1.045</u>	<u>1.042</u>	<u>1.045</u>	<u>1.045</u>
<u>2015</u>	<u>1.047</u>	<u>1.035</u>	<u>1.030</u>	<u>1.041</u>	<u>1.031</u>
<u>2014</u>	<u>1.062</u>	<u>1.044</u>	<u>1.038</u>	<u>1.055</u>	<u>1.036</u>
<u>2013</u>	<u>1.080</u>	<u>1.058</u>	<u>1.050</u>	<u>1.071</u>	<u>1.047</u>
<u>2012</u>	<u>1.101</u>	<u>1.066</u>	<u>1.061</u>	<u>1.083</u>	<u>1.047</u>
<u>2011</u>	<u>1.131</u>	<u>1.096</u>	<u>1.093</u>	<u>1.115</u>	<u>1.079</u>
<u>2010</u>	<u>1.165</u>	<u>1.132</u>	<u>1.124</u>	<u>1.148</u>	<u>1.116</u>
<u>2009</u>	<u>1.164</u>	<u>1.122</u>	<u>1.109</u>	<u>1.143</u>	<u>1.094</u>
<u>2008</u>	<u>1.187</u>	<u>*</u>	<u>*</u>	<u>1.179</u>	<u>1.135</u>
<u>2007</u>	<u>1.228</u>	<u>*</u>	<u>*</u>	<u>1.226</u>	<u>1.179</u>
<u>2006</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>1.245</u>
<u>2005</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>1.299</u>
<u>2004</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>1.402</u>
<u>2003</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>1.447</u>
<u>2002</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>1.471</u>
<u>2001</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>1.473</u>
<u>2000</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>1.483</u>
<u>1999</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>1.504</u>
<u>1998</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>

	<u>TABLE 21</u>	<u>TABLE 22</u>	<u>TABLE 23</u>	<u>TABLE 24</u>	<u>TABLE 25</u>
<u>YEAR</u>	<u>Mine Mill</u>	<u>Paint Mfg.</u>	<u>Petroleum</u>	<u>Printing</u>	<u>Paper Mfg.</u>
<u>2018</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
<u>2017</u>	<u>1.021</u>	<u>1.021</u>	<u>1.014</u>	<u>1.022</u>	<u>1.024</u>
<u>2016</u>	<u>1.038</u>	<u>1.041</u>	<u>1.024</u>	<u>1.042</u>	<u>1.044</u>
<u>2015</u>	<u>1.036</u>	<u>1.030</u>	<u>1.014</u>	<u>1.030</u>	<u>1.034</u>
<u>2014</u>	<u>1.048</u>	<u>1.039</u>	<u>1.022</u>	<u>1.034</u>	<u>1.044</u>
<u>2013</u>	<u>1.063</u>	<u>1.052</u>	<u>1.033</u>	<u>1.043</u>	<u>1.059</u>
<u>2012</u>	<u>1.084</u>	<u>1.057</u>	<u>1.040</u>	<u>1.047</u>	<u>1.069</u>

<u>2011</u>	<u>1.131</u>	<u>1.089</u>	<u>1.071</u>	<u>1.074</u>	<u>1.101</u>
<u>2010</u>	<u>1.169</u>	<u>1.125</u>	<u>1.098</u>	<u>1.107</u>	<u>1.136</u>
<u>2009</u>	<u>1.168</u>	<u>1.112</u>	<u>1.081</u>	<u>1.097</u>	<u>1.124</u>
<u>2008</u>	<u>1.221</u>	<u>1.151</u>	<u>1.126</u>	<u>1.121</u>	<u>1.160</u>
<u>2007</u>	<u>1.272</u>	<u>1.202</u>	<u>1.181</u>	<u>1.160</u>	<u>1.206</u>
<u>2006</u>	<u>1.328</u>	*	<u>1.256</u>	*	<u>1.268</u>
<u>2005</u>	<u>1.393</u>	*	<u>1.330</u>	*	*
<u>2004</u>	<u>1.510</u>	*	<u>1.445</u>	*	*
<u>2003</u>	*	*	<u>1.496</u>	*	*
<u>2002</u>	*	*	*	*	*

	<u>TABLE 26</u>	<u>TABLE 27</u>	<u>TABLE 28</u>	<u>TABLE 29</u>	<u>TABLE 30</u>
<u>YEAR</u>	<u>Refrigeration</u>	<u>Rubber</u>	<u>Steam Power</u>	<u>Textile</u>	<u>Warehousing</u>
<u>2018</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
<u>2017</u>	<u>1.024</u>	<u>1.019</u>	<u>1.020</u>	<u>1.018</u>	<u>1.024</u>
<u>2016</u>	<u>1.045</u>	<u>1.039</u>	<u>1.038</u>	<u>1.033</u>	<u>1.048</u>
<u>2015</u>	<u>1.037</u>	<u>1.031</u>	<u>1.023</u>	<u>1.019</u>	<u>1.042</u>
<u>2014</u>	<u>1.047</u>	<u>1.039</u>	<u>1.028</u>	<u>1.025</u>	<u>1.054</u>
<u>2013</u>	<u>1.061</u>	<u>1.050</u>	<u>1.039</u>	<u>1.038</u>	<u>1.068</u>
<u>2012</u>	<u>1.068</u>	<u>1.051</u>	<u>1.039</u>	<u>1.044</u>	<u>1.085</u>
<u>2011</u>	<u>1.100</u>	<u>1.079</u>	<u>1.068</u>	<u>1.070</u>	<u>1.116</u>
<u>2010</u>	<u>1.138</u>	<u>1.110</u>	<u>1.106</u>	<u>1.097</u>	<u>1.149</u>
<u>2009</u>	<u>1.130</u>	<u>1.094</u>	<u>1.096</u>	<u>1.082</u>	<u>1.142</u>
<u>2008</u>	<u>1.169</u>	<u>1.134</u>	<u>1.133</u>	*	*
<u>2007</u>	<u>1.219</u>	<u>1.178</u>	<u>1.187</u>	*	*
<u>2006</u>	*	<u>1.242</u>	<u>1.267</u>	*	*
<u>2005</u>	*	<u>1.293</u>	<u>1.335</u>	*	*
<u>2004</u>	*	<u>1.387</u>	<u>1.455</u>	*	*
<u>2003</u>	*	*	<u>1.508</u>	*	*
<u>2002</u>	*	*	*	*	*

	<u>TABLE 31</u>	<u>TABLE 32</u>
<u>YEAR</u>	<u>Woodworking</u>	<u>Glass Mfg.</u>
<u>2018</u>	<u>1.000</u>	<u>1.000</u>
<u>2017</u>	<u>1.032</u>	<u>1.021</u>
<u>2016</u>	<u>1.064</u>	<u>1.038</u>
<u>2015</u>	<u>1.062</u>	<u>1.027</u>
<u>2014</u>	<u>1.082</u>	<u>1.034</u>
<u>2013</u>	<u>1.101</u>	<u>1.046</u>
<u>2012</u>	<u>1.120</u>	<u>1.052</u>
<u>2011</u>	<u>1.150</u>	<u>1.083</u>
<u>2010</u>	<u>1.185</u>	<u>1.120</u>
<u>2009</u>	<u>1.175</u>	<u>1.108</u>
<u>2008</u>	<u>1.203</u>	<u>1.145</u>

<u>2007</u>	<u>1.242</u>	<u>1.198</u>
<u>2006</u>	<u>1.292</u>	<u>1.269</u>
<u>2005</u>	<u>1.340</u>	<u>1.337</u>
<u>2004</u>	<u>1.432</u>	<u>1.455</u>
<u>2003</u>	<u>1.476</u>	<u>1.513</u>

(*) Equipment remains taxable at the level of the final year of life expectancy until its disposal.

(3) Mining machinery and equipment is engaged in the extraction, excavation, burrowing, or otherwise freeing raw material from the earth. Mobile mining equipment moves under its own power or on its own wheels and chassis, including any attachments used with or attached to such equipment, but does not include equipment that requires a foundation for the performance of the function for which it was designed and built. Mobile mining equipment used for extraction is valued by using the procedures established for heavy equipment found in ARM 42.21.154 and 42.21.155.

(4) This rule is effective for tax years beginning after December 31, 2018.

AUTH: 15-1-201, MCA

IMP: 15-6-135, 15-6-138, 15-8-111, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, it is necessary for the department to amend ARM 42.22.1311 by cross-referencing the Marshall & Swift Guide from ARM 42.21.155 into (1), striking language in (2) and incorporating the revised text within (1), and inserting the words "industry" in the heading for industry description and "expectancy" for the life expectancy heading for clarification purposes. In proposed (2), the department proposes to strike the word "categories" and insert "industries" as industries is the correct term for the tables provided under this section. The department further proposes inserting relevant mining machinery and equipment language in proposed (3) that defines mining machinery and equipment used for extraction and provides a reference for equipment valuation. This language has historically been provided in ARM 42.21.132(2) and (3), which the department is proposing to repeal. The department proposes inserting effective date language in proposed (4). The department further proposes adding 15-6-135, MCA, as an implementing citation to correspond with the relocation of rule text to this rule from the rules proposed for repeal and to comply with 2-4-304, MCA.

5. The department proposes to repeal the following rules:

42.21.113 LEASED AND RENTAL EQUIPMENT

AUTH: 15-1-201, 15-23-108, MCA

IMP: 15-6-135, 15-6-138, 15-6-202, 15-6-219, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, the department proposes repealing ARM 42.21.113 as part of reorganizing and combining the relevant content of the rules in ARM Title 42, chapter 21, subchapter 1 for efficiency and ease of reference.

The department has proposed transferring the relevant leased and rental equipment language from ARM 42.21.113(1), (2), (3), and (4) to ARM 42.21.154(2). The references in ARM 42.21.113(1) and (2) to equipment that is leased on an hourly, daily, weekly, semimonthly, or monthly basis are not proposed for transfer because they unnecessarily repeat statute related to criteria under which leased and rental equipment can be exempt. The acquired cost groupings in ARM 42.21.113(1)(a) through (d) are not proposed for transfer; however the concepts contained in those provisions are incorporated into the depreciation schedules proposed for like equipment in ARM 42.21.155, since they have historical similarities and function.

42.21.123 FARM MACHINERY AND EQUIPMENT

AUTH: 15-1-201, MCA

IMP: 15-6-135, 15-6-138, 15-6-202, 15-6-207, 15-6-219, 15-8-111, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, the department proposes repealing ARM 42.21.123 as part of reorganizing and combining the relevant content of the rules in ARM Title 42, chapter 21, subchapter 1 for efficiency and ease of reference.

The department proposes to transfer the farm machinery valuation methods from 42.21.123(1) through (7), and (9), to ARM 42.21.154, which is proposed to contain all the relevant information concerning personal property valuation. The farm machinery depreciation schedule is proposed for transfer from ARM 42.21.123(8) to ARM 42.21.155, which would contain all the personal property depreciation schedules. More specific descriptions and necessity for each transfer of rule provisions are provided in the respective statements of reasonable necessity for ARM 42.21.154 and 42.21.155.

42.21.131 HEAVY EQUIPMENT

AUTH: 15-1-201, 15-23-108, MCA

IMP: 15-6-135, 15-6-138, 15-6-202, 15-6-219, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, the department proposes repealing ARM 42.21.131 as part of reorganizing and combining the relevant content of the rules in ARM Title 42, chapter 21, subchapter 1 for efficiency and ease of reference.

The department proposes to transfer the heavy equipment valuation methods from 42.21.131(1) through (4) to ARM 42.21.154, which is proposed to contain all

the relevant information concerning personal property valuation. The heavy equipment depreciation schedule is proposed for transfer from ARM 42.21.131(5) to ARM 42.21.155(4)(h). ARM 42.21.155 is proposed to contain all the personal property depreciation schedules. The necessity and descriptions of the transfers of rule provisions are described in the respective statements of reasonable necessity for ARM 42.21.154 and 42.21.155.

42.21.132 MINING EQUIPMENT

AUTH: 15-1-201, MCA

IMP: 15-6-135, 15-6-138, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, the department proposes repealing ARM 42.21.132 as part of reorganizing and combining the relevant content of the rules in ARM Title 42, chapter 21, subchapter 1 and ARM 42.22.1311 for efficiency and ease of reference.

The department proposes utilizing the most relevant mining equipment language from this rule, revising it for clarity, and incorporating it into ARM 42.22.1311(3). Mining is one of the industry categories for which ARM 42.22.1311 provides life expectancy and trended depreciation schedules. The necessity and description of the transfer of rule provisions is described in the statement of reasonable necessity for ARM 42.22.1311.

42.21.137 SEISMOGRAPH UNITS AND ALLIED EQUIPMENT

AUTH: 15-1-201, MCA

IMP: 15-6-135, 15-6-138, 15-6-219, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, the department proposes repealing ARM 42.21.137 as part of reorganizing and combining the relevant content of the rules in ARM Title 42, chapter 21, subchapter 1 for efficiency and ease of reference.

The department proposes to eliminate the redundant cost approach language from ARM 42.21.137(1) by consolidating it with all other relevant personal property cost approach into ARM 42.21.154; and consolidating personal property reporting requirements into ARM 42.21.158. Further, the department proposes to transfer the most relevant language from ARM 42.21.137(2) through (4) including the depreciation schedules to ARM 42.21.155(4)(d) consolidating all the personal property depreciation schedules into ARM 42.21.155. These actions will render any remaining rule provisions in ARM 42.21.137 obsolete.

42.21.138 OIL AND GAS FIELD MACHINERY AND EQUIPMENT

AUTH: 15-1-201, MCA

IMP: 15-6-135, 15-6-138, 15-6-213, 15-6-219, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, the department proposes repealing ARM 42.21.138 as part of reorganizing and combining the relevant content of the rules in ARM Title 42, chapter 21, subchapter 1 for efficiency and ease of reference.

The department proposes to eliminate the redundant language from ARM 42.21.138(1), transfer relevant language from ARM 42.21.138(4) and (5) to ARM 42.21.154(4), and consolidate the relevant information regarding reporting requirements into ARM 42.21.158. Further, the department proposes to transfer rule text from ARM 42.21.138(2) and (3), including the depreciation schedule, to ARM 42.21.155, which is the proposed location in rule for all the personal property depreciation schedules.

42.21.139 WORK-OVER AND SERVICE RIGS

AUTH: 15-1-201, MCA

IMP: 15-6-135, 15-6-138, 15-6-219, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, the department proposes repealing ARM 42.21.139 as part of reorganizing and combining the relevant content of the rules in ARM Title 42, chapter 21, subchapter 1 for efficiency and ease of reference.

The department contends that the valuation method described in this rule is obsolete. The department's efforts to solicit information from valuation sources in the industry have proven unsuccessful or too costly. Therefore, the department proposes to replace the obsolete method with the cost approach valuation method as described in ARM 42.21.154 which is used for valuing most other categories of personal property. The department also proposes to transfer relevant language from ARM 42.21.139(2) through (5), including the depreciation schedule, to ARM 42.21.155, which is the proposed location in rule for all the personal property depreciation schedules.

42.21.140 OIL DRILLING RIGS

AUTH: 15-1-201, MCA

IMP: 15-6-135, 15-6-138, 15-6-219, MCA

REASONABLE NECESSITY: As explained in the general statement of reasonable necessity at the beginning of this notice, the department proposes repealing ARM 42.21.140 as part of reorganizing and combining the relevant content of the rules in ARM Title 42, chapter 21, subchapter 1 for efficiency and ease of reference.

The valuation method described in this rule is obsolete. The department's efforts to solicit information from valuation sources in the industry have proven unfruitful or too costly. Therefore, the department proposes to replace the obsolete

method with the cost approach valuation method as described in ARM 42.21.154 which is used for valuing most other categories of personal property. Further, the department proposes to transfer relevant language from ARM 42.21.140(2), including the depreciation schedule, to ARM 42.21.155, which is the proposed location in rule for all the personal property depreciation schedules.

42.21.151 LOCALLY ASSESSED CABLE TELEVISION SYSTEMS

AUTH: 15-1-201, MCA

IMP: 15-6-135, 15-6-138, 15-6-219, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, the department proposes repealing ARM 42.21.151 as part of reorganizing and combining the relevant content of the rules in ARM Title 42, chapter 21, subchapter 1 for efficiency and ease of reference.

The department proposes to transfer the relevant content of ARM 42.21.151(1) to ARM 42.21.154(3) combining all the relevant information concerning personal property valuation into ARM 42.21.154. Further, the department proposes to transfer the relevant language from ARM 42.21.151(2) through (4), including the depreciation schedules, into ARM 42.21.155, consolidating 'five-year dishes' into ARM 42.21.155(4)(b) with other like equipment and "ten-year towers" into ARM 42.21.155(4)(c) with other like equipment.

42.21.153 SKI LIFT EQUIPMENT

AUTH: 15-1-201, MCA

IMP: 15-6-135, 15-6-138, 15-6-219, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, the department proposes repealing ARM 42.21.153 as part of reorganizing and combining the relevant content of the rules in ARM Title 42, chapter 21, subchapter 1 for efficiency and ease of reference.

The department proposes to consolidate the relevant content and the depreciation schedule from ARM 42.21.153(1) and (4) into ARM 42.21.155(4)(c), grouping it with other like equipment that also has a ten-year useful life and is calculated from the same trend category. By the department's proposal to consolidate valuation content into ARM 42.21.154 and reporting requirements into ARM 42.21.158, the department would eliminate redundant language from this rule and render the rule obsolete and unnecessary.

42.21.156 CATEGORIES

AUTH: 15-1-201, MCA

IMP: 15-6-138, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, the department proposes repealing ARM 42.21.156 as part of reorganizing and combining the relevant content of the rules in ARM Title 42, chapter 21, subchapter 1 for efficiency and ease of reference.

The department proposes to combine certain property categories and depreciation schedules for property that have had the same historical useful life and nearly identical depreciation schedules into a single rule with other personal property valued using the Marshall & Swift Guide. Specifically, the department proposes to transfer relevant language from: 1) ARM 42.21.156(2) to ARM 42.21.155(4)(a); 2) ARM 42.21.156(3) through (7) to ARM 42.21.155(4)(b); and 3) ARM 42.21.156(8) and (9) to ARM 42.21.155(4)(c). By the department's proposal to consolidate trended depreciation schedule and personal property category content into ARM 42.21.155, the department would render this rule obsolete and unnecessary.

42.21.157 PREPARATION OF TREND FACTOR SCHEDULES

AUTH: 15-1-201, MCA

IMP: 15-6-138, MCA

REASONABLE NECESSITY: In addition to the general statement of reasonable necessity provided at the beginning of this notice, the department proposes repealing ARM 42.21.157 as part of reorganizing and combining the relevant content of the rules in ARM Title 42, chapter 21, subchapter 1 for efficiency and ease of reference.

The repeal of this rule is necessary because the department is discontinuing the use of the Producer Price Indexes (PPI) published by the United States Department of Labor, Bureau of Labor Statistics, to compute trend factors in favor of the Marshall & Swift Guide that the department uses, as described in ARM 42.21.155. The department proposes to remove the trend factor schedules from ARM 42.21.157, and alternatively, describe the trend and trend factor methodology and calculation processes the department uses together with the Marshall & Swift Guide data to determine the depreciation schedules proposed in ARM 42.21.155(4). By the department's proposal to consolidate trend factor schedule and other depreciation percentage content into ARM 42.21.155, this rule would become obsolete and unnecessary.

6. 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: Todd Olson, Department of Revenue, Director's Office, P.O. Box 7701, Helena, Montana 59604-7701; telephone (406) 444-7905; fax (406) 444-3696; or e-mail todd.olson@mt.gov and must be received no later than January 4, 2019.

7. Todd Olson, Department of Revenue, Director's Office, has been designated to preside over and conduct the hearing.

8. The Department of Revenue 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, which includes the name and e-mail or mailing address of the person to receive notices and specifies that the person wishes to receive notice regarding particular subject matter or matters. Notices will be sent by e-mail unless a mailing preference is noted in the request. A written request may be mailed or delivered to the person in number 6 above or faxed to the office at (406) 444-3696, or may be made by completing a request form at any rules hearing held by the Department of Revenue.

9. An electronic copy of this notice is available on the department's web site at revenue.mt.gov, or through the Secretary of State's web site at sosmt.gov/ARM/register.

10. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

11. With regard to the requirements of 2-4-111, MCA, the department has determined that the amendment and repeal of the above-referenced rules will not significantly and directly impact small businesses.

/s/ Todd Olson

Todd Olson
Rule Reviewer

/s/ Gene Walborn

Gene Walborn
Director of Revenue

Certified to the Secretary of State November 27, 2018.

BEFORE THE DEPARTMENT OF ADMINISTRATION
OF THE STATE OF MONTANA

In the matter of the repeal of ARM)
2.13.202, 2.13.204, and 2.13.207)
pertaining to the statewide emergency)
telephone system)

NOTICE OF REPEAL

TO: All Concerned Persons

1. On October 19, 2018, the Department of Administration published MAR Notice No. 2-13-580 pertaining to the proposed repeal of the above-stated rules at page 1991 of the 2018 Montana Administrative Register, Issue Number 20.

2. No comments were received.

3. The department has repealed ARM 2.13.202, 2.13.204, and 2.13.207 exactly as proposed.

By: /s/ John Lewis
John Lewis, Director
Department of Administration

By: /s/ Michael P. Manion
Michael P. Manion, Rule Reviewer
Department of Administration

Certified to the Secretary of State November 27, 2018.

BEFORE THE DEPARTMENT OF COMMERCE
OF THE STATE OF MONTANA

In the matter of the amendment of) NOTICE OF AMENDMENT
ARM 8.22.2702, 8.22.3201,)
8.22.3421, and 8.22.3706 pertaining)
to the Montana Board of Horse)
Racing)

TO: All Concerned Persons

1. On September 21, 2018, the Department of Commerce published MAR Notice No. 8-22-161 pertaining to the proposed amendment of the above-stated rules at page 1847 of the 2018 Montana Administrative Register, Issue Number 18.
2. The department has amended the above-stated rules as proposed.
3. No comments or testimony were received.

/s/ MARTY TUTTLE
MARTY TUTTLE
Rule Reviewer

/s/ PAM HAXBY-COTE
PAM HAXBY-COTE
Director
Department of Commerce

Certified to the Secretary of State November 27, 2018.

BEFORE THE DEPARTMENT OF COMMERCE
OF THE STATE OF MONTANA

In the matter of the amendment of) NOTICE OF AMENDMENT
ARM 8.99.917 pertaining to the)
implementation of the Big Sky)
Economic Development Trust)
Program)

TO: All Concerned Persons

1. On September 21, 2018, the Department of Commerce published MAR Notice No. 8-99-159 pertaining to the public hearing on the proposed amendment of the above-stated rule at page 1850 of the 2018 Montana Administrative Register, Issue Number 18.

2. The department has amended the above-stated rule as proposed.

3. The department has thoroughly considered the comments and testimony received. A summary of the comments received and the department's responses are as follows:

COMMENT #1: A commenter stated that the Statement of Purpose in the program guidelines differ from the statutory language of 90-1-202, MCA. Purpose.

RESPONSE #1: The department disagrees. The Statement of Purpose in the guidelines and the statutory language of 90-1-202, MCA are the same.

COMMENT #2: A commenter stated the program does not provide loans.

RESPONSE #2: The department disagrees. Pursuant to 90-1-203, MCA, the program offers grants and loans.

COMMENT #3: A commenter stated the program should not allow in-kind contributions.

RESPONSE #3: In-kind contributions of donated time and effort, real and personal property, and goods and services do not meet the match requirements for job creation or planning.

COMMENT #4: A commenter stated the administration fees allowed by the program result in unbalanced distribution between urban and rural areas.

RESPONSE #4: The department thanks the commenter for the suggestion, but the department is not proposing any changes to administrative costs.

COMMENT #5: A commenter stated communities that are not part of a CRDC should not be coerced to join a CRDC to be eligible for CEDS funds.

RESPONSE #5: The department thanks the commenter for the suggestion, but the department is not proposing any changes to ineligible uses of funds for planning grant projects.

COMMENT #6: A commenter stated match should be a requirement of the program.

RESPONSE #6: The department disagrees. Encouraging match, rather than requiring, broadens the application pool.

COMMENT #7: A commenter stated the additional criteria for funding factors delineated in the program guidelines are vague and the Big Sky Trust Fund program is the best economic development program in Montana.

RESPONSE #7: The department thanks the commenter for the compliment. The department disagrees regarding the additional criteria. The additional criteria are utilized to prioritize projects that support a basic sector company engaged in a critical activity.

/s/ G. Martin Tuttle

G. Martin Tuttle
Rule Reviewer

/s/ Pam Haxby-Cote

Pam Haxby-Cote
Director
Department of Commerce

Certified to the Secretary of State November 27, 2018.

BEFORE THE DEPARTMENT OF COMMERCE
OF THE STATE OF MONTANA

In the matter of the amendment of) NOTICE OF AMENDMENT
ARM 8.99.806 pertaining to the)
implementation of the Primary Sector)
Workforce Training Program)

TO: All Concerned Persons

1. On September 21, 2018, the Department of Commerce published MAR Notice No. 8-99-160 pertaining to the public hearing on the proposed amendment of the above-stated rule at page 1852 of the 2018 Montana Administrative Register, Issue Number 18.

2. The department has amended the above-stated rule as proposed.

3. No comments or testimony were received.

/s/ G. Martin Tuttle
G. Martin Tuttle
Rule Reviewer

/s/ Pam Haxby-Cote
Pam Haxby-Cote
Director
Department of Commerce

Certified to the Secretary of State November 27, 2018.

BEFORE THE DEPARTMENT OF COMMERCE
OF THE STATE OF MONTANA

In the matter of the amendment of) NOTICE OF AMENDMENT
ARM 8.111.602 definitions and)
8.111.603 housing credit allocation)
procedure)

TO: All Concerned Persons

1. On October 19, 2018, the Department of Commerce published MAR Notice No. 8-111-162 pertaining to the public hearing on the proposed amendment of the above-stated rules at page 1994 of the 2018 Montana Administrative Register, Issue Number 20.

2. No comments or testimony were received

3. The department has amended the above-stated rules as proposed.

/s/ MARTY TUTTLE
MARTY TUTTLE
Rule Reviewer

/s/ PAM HAXBY-COTE
PAM HAXBY-COTE
Director
Department of Commerce

Certified to the Secretary of State November 27, 2018.

BEFORE THE BOARD OF PUBLIC EDUCATION
OF THE STATE OF MONTANA

In the matter of the amendment of) NOTICE OF AMENDMENT
ARM 10.57.421 pertaining to teacher)
licensure)

TO: All Concerned Persons

1. On October 5, 2018, the Board of Public Education (board) published MAR Notice No. 10-57-284 pertaining to the public hearing on the proposed amendment of the above-stated rule at page 1940 of the 2018 Montana Administrative Register, Issue Number 19.

2. The board has amended the above-stated rule as proposed.

3. No comments or testimony were received.

/s/ Peter Donovan
Peter Donovan
Rule Reviewer

/s/ Dr. Darlene Schottle
Dr. Darlene Schottle
Chair
Board of Public Education

Certified to the Secretary of State November 27, 2018.

BEFORE THE BOARD OF PUBLIC ACCOUNTANTS
DEPARTMENT OF LABOR AND INDUSTRY
STATE OF MONTANA

In the matter of the amendment of)	NOTICE OF AMENDMENT
ARM 24.201.410 fee schedule,)	
24.201.415 use of CPA/LPA)	
designation, 24.201.503 applicant for)	
initial license, 24.201.510 certified)	
public accountant examination,)	
24.201.528 out-of-state licensees)	
seeking a Montana license,)	
24.201.529 foreign licensees seeking)	
a Montana license, 24.201.532)	
application review, 24.201.1103 peer)	
review enrollment, 24.201.1108)	
alternatives and exemptions,)	
24.201.1109 approved peer review)	
sponsoring organizations, programs,)	
and peer review standards,)	
24.201.2124 standards for CPE)	
reporting, 24.201.2145 reporting)	
requirements, and 24.201.2154)	
extension or hardship exception)	

TO: All Concerned Persons

1. On July 20, 2018, the Board of Public Accountants (board) published MAR Notice No. 24-201-51 regarding the public hearing on the proposed amendment of the above-stated rules, at page 1359 of the 2018 Montana Administrative Register, Issue No. 14.

2. On August 14, 2018, a public hearing was held on the proposed amendment of the above-stated rules in Helena. Numerous comments were received by the August 17, 2018, deadline.

3. The board has thoroughly considered the comments received. A summary of the comments and the board responses are as follows:

COMMENT 1: Numerous commenters supported the proposed rule amendments.

RESPONSE 1: The board appreciates all comments received during the rulemaking process.

COMMENT 2: One commenter supported the amendments to ARM 24.201.528 but encouraged the board to consider including a minimal residency requirement.

RESPONSE 2: The board appreciates all comments and the recommendation. The suggested change exceeds the scope of this rulemaking and cannot be accomplished in a final notice, but may be considered during a future rule project.

4. The board has amended ARM 24.201.410, 24.201.415, 24.201.503, 24.201.510, 24.201.528, 24.201.529, 24.201.532, 24.201.1103, 24.201.1108, 24.201.1109, 24.201.2124, 24.201.2145, and 24.201.2154 exactly as proposed.

BOARD OF PUBLIC ACCOUNTANTS
MICHAEL HUOTTE, CPA
PRESIDING OFFICER

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

/s/ GALEN HOLLENBAUGH
Galen Hollenbaugh, Commissioner
DEPARTMENT OF LABOR AND INDUSTRY

Certified to the Secretary of State November 27, 2018.

BEFORE THE DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION OF THE STATE OF MONTANA

In the matter of the adoption of New) NOTICE OF ADOPTION
Rule I regarding the Burlington)
Northern and Santa Fe Somers Site)
Controlled Groundwater Area)

TO: All Concerned Persons

1. On September 7, 2018, the Department of Natural Resources and Conservation published MAR Notice No. 36-22-199 pertaining to the public hearing on the proposed adoption of the above-stated rule at page 1781 of the 2018 Montana Administrative Register, Issue Number 17.

2. The department has adopted NEW RULE I (36.12.908) as proposed.

3. No comments or testimony pertaining to the proposed rulemaking were received.

/s/ John E. Tubbs
JOHN E. TUBBS
Director
Natural Resources and Conservation

/s/ Barbara Chillcott
BARBARA CHILLCOTT
Rule Reviewer

Certified to the Secretary of State November 27, 2018.

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

In the matter of the amendment of) NOTICE OF AMENDMENT
ARM 37.27.902, 37.85.104,)
37.85.105, and 37.88.101 pertaining)
to updating the effective dates of)
Medicaid fee schedules)

TO: All Concerned Persons

1. On October 19, 2018, the Department of Public Health and Human Services published MAR Notice No. 37-869 pertaining to the public hearing on the proposed amendment of the above-stated rules at page 2024 of the 2018 Montana Administrative Register, Issue Number 20.

2. The department has amended the above-stated rules as proposed.

3. The department has thoroughly considered the comments and testimony received. A summary of the comments received and the department's responses are as follows:

COMMENT #1: One commenter asked if the rate listed on the non-Medicaid Substance Use Disorder fee schedule applied to only individual peer support services or if it also applied to the provision of group peer support services.

RESPONSE #1: The department thanks the commenter for their question. The rate listed on the non-Medicaid Substance Use Disorder fee schedule is applicable to only individual peer support services. The department is currently researching the provision of group peer support services and an applicable rate methodology but nothing has been established to date. The department will add language to the non-Medicaid Substance Use Disorder fee schedule to indicate that this rate applies only to individual peer support services.

4. These rule amendments are effective January 1, 2019.

/s/ Brenda K. Elias
Brenda K. Elias
Rule Reviewer

/s/ Sheila Hogan
Sheila Hogan, Director
Public Health and Human Services

Certified to the Secretary of State November 27, 2018.

BEFORE THE DEPARTMENT OF REVENUE
OF THE STATE OF MONTANA

In the matter of the amendment of)	NOTICE OF AMENDMENT AND
ARM 42.18.121, 42.18.127,)	REPEAL
42.18.128, and 42.20.455, and the)	
repeal of ARM 42.18.122, 42.18.124,)	
42.18.129, 42.18.134, 42.18.135,)	
42.18.136, and 42.18.137 pertaining)	
to the reappraisal cycles for)	
residential, commercial, forest, and)	
agricultural properties, and)	
development of a reappraisal plan)	
and valuation manuals)	

TO: All Concerned Persons

1. On October 19, 2018, the Department of Revenue published MAR Notice No. 42-2-996 pertaining to the public hearing on the proposed amendment and repeal of the above-stated rules at page 2038 of the 2018 Montana Administrative Register, Issue Number 20.
2. The department has amended and repealed the above-stated rules as proposed.
3. No comments or testimony were received.
4. These rule amendments and repeals are effective January 1, 2019.

/s/ Todd Olson
Todd Olson
Rule Reviewer

/s/ Gene Walborn
Gene Walborn, Director
Department of Revenue

Certified to the Secretary of State November 27, 2018

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.

Water Policy Interim Committee (where the primary concern is the quality or quantity of water):

- 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 an online 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

1. Consult ARM Topical Index.
Update the rule by checking recent rulemaking 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.

RECENT RULEMAKING BY AGENCY

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, 2018. This table includes notices in which those rules adopted during the period June 6, 2018, through November 16, 2018, occurred and any proposed rule action that was pending during the past 6-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, 2018, this table, and the table of contents of this issue of the Register.

This table indicates the department name, title number, notice numbers in ascending order, the subject matter of the notice, and the page number(s) at which the notice is published in the 2018 Montana Administrative Registers.

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

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