

MONTANA ADMINISTRATIVE REGISTER

ISSUE NO. 18

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 The Proposal Notice Section contains state agencies' proposed new, amended, or repealed rules; the rationale for the change; date and address of public hearing; and where written comments may be submitted.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 print publication of the adoption notice unless otherwise specified in the final notice. The Interpretation Section contains the Attorney General's opinions and state declaratory rulings. Special notices and tables are found at the end of each Register.

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

Page Number

TABLE OF CONTENTS

PROPOSAL NOTICE SECTION

ADMINISTRATION, Department of, Title 2

2-43-464 (Public Employees' Retirement Board) Notice of Public Hearing on Proposed Adoption and Amendment - Return of PERS Retirees to PERS-Covered Employment.	1839-1841
2-59-459 Notice of Public Hearing on Proposed Adoption - Credit Union Debt Cancellation Contract - Debt Suspension Agreements.	1842-1852
2-59-463 Notice of Proposed Adoption and Amendment - Renewal Fees for Mortgage Brokers, Mortgage Lenders, and Mortgage Loan Originators. No Public Hearing Contemplated.	1853-1856

STATE AUDITOR, Office of, Title 6

6-198 (Commissioner of Insurance) Notice of Public Hearing on Proposed Amendment - Surplus Lines Insurance Transactions.	1857-1865
--	-----------

COMMERCE, Department of, Title 8

8-94-95 Notice of Public Hearing on Proposed Amendment - Treasure State Endowment Program.	1866-1867
--	-----------

EDUCATION, Department of, Title 10

10-53-256 (Board of Public Education) Notice of Public Hearing on Proposed Adoption and Repeal - Content Standards for English Language Arts and Literacy - General Standards - Communication Arts Content Standards and Performance Descriptors. 1868-1930

10-53-257 (Board of Public Education) Notice of Public Hearing on Proposed Adoption and Repeal - Content Standards for Mathematics - Mathematics Content Standards and Performance Descriptors. 1931-1975

PUBLIC HEALTH AND HUMAN SERVICES, Department of, Title 37

37-556 Amended Notice of Proposed Amendment and Extension of Comment Period -. Audiology - Hearing Aids. 1976-1977

37-560 Notice of Public Hearing on Proposed Amendment - Low Income Energy Assistance Program (LIEAP). 1978-1987

REVENUE, Department of, Title 42

42-2-868 Notice of Public Hearing on Proposed Adoption - Issuing Tax Certificates to LLCs Following Administrative Dissolution. 1988-1991

42-2-869 Notice of Public Hearing on Proposed Adoption and Amendment - Pass-Through Entities. 1992-2004

42-2-870 Notice of Public Hearing on Proposed Adoption and Amendment - Alcohol Server Training Requirements. 2005-2015

SECRETARY OF STATE, Office of, Title 44

44-2-178 (Commissioner of Political Practices) Notice of Public Hearing on Proposed Amendment - Statements - Filing Reports. 2016-2018

RULE ADOPTION SECTION

ADMINISTRATION, Department of, Title 2

2-4-451 Notice of Amendment - Single Audit Act. 2019

2-21-453 Corrected Notice of Amendment - Employee Records Management. 2020

2-59-456 Notice of Adoption - Montana Mortgage Loan Origination Disclosure Form. 2021-2023

COMMERCE, Department of, Title 8

8-111-93 (Board of Housing) Notice of Adoption - Montana Veterans' Home Loan Program. 2024-2025

EDUCATION, Department of, Title 10

10-54-255 (Board of Public Education) Notice of Adoption - English Language Proficiency (ELP) Standards and Performance Descriptors. 2026

CORRECTIONS, Department of, Title 20

20-7-48 Notice of Adoption - Expansion of Adult Community Corrections Contracted Treatment Facilities or Programs. 2027-2029

20-7-49 Notice of Amendment, Adoption, and Repeal - Siting, Establishment - Expansion of Prerelease Center. 2030-2032

JUSTICE, Department of, Title 23

23-3-220 Notice of Adoption - Establishing the 24/7 Sobriety Program. 2033-2037

LABOR AND INDUSTRY, Department of, Title 24

24-219-23 (Board of Social Work Examiners and Professional Counselors) Notice of Amendment and Adoption - Definitions - Application Procedures - Supervisor Qualifications - Parenting Plan Evaluations. 2038-2042

NATURAL RESOURCES AND CONSERVATION, Department of, Title 36

36-22-154 Notice of Amendment - Water Right Permitting. 2043-2044

PUBLIC HEALTH AND HUMAN SERVICES, Department of, Title 37

37-551 Corrected Notice of Adoption, Amendment, and Repeal - Home and Community-Based Services (HCBS) for the Elderly and People With Physical Disabilities. 2045-2046

37-554 Notice of Adoption and Repeal - Montana Marijuana Act. 2047-2052

REVENUE, Department of, Title 42

42-2-863 Notice of Adoption, Amendment, Amendment and Transfer, Transfer, and Repeal - Corporation License Tax - General and Corporate Multistate Activities.	2053-2063
---	-----------

SPECIAL NOTICE AND TABLE SECTION

Function of Administrative Rule Review Committee.	2064-2065
How to Use ARM and MAR.	2066
Accumulative Table.	2067-2075
Boards and Councils Appointees.	2076-2084
Vacancies on Boards and Councils.	2085-2100

BEFORE THE PUBLIC EMPLOYEES' RETIREMENT BOARD
OF THE STATE OF MONTANA

In the matter of the adoption of New) NOTICE OF PUBLIC HEARING ON
Rules I and II and amendment of) PROPOSED ADOPTION AND
ARM 2.43.2608 pertaining to the) AMENDMENT
return of PERS retirees to PERS-)
covered employment)

TO: All Concerned Persons

1. On October 19, 2011, at 9:00 a.m., the Public Employees' Retirement Board (PER Board) will hold a public hearing in the board room at 100 North Park Avenue, Suite 200, at Helena, Montana, to consider the proposed adoption and amendment of the above-stated rules.

2. The PER Board 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 Public Employees' Retirement Board no later than 5:00 p.m. on October 17, 2011, to advise us of the nature of the accommodation that you need. Please contact Dena Helman, Montana Public Employee Retirement Administration, 100 North Park Avenue, Suite 200, P.O. Box 200131, Helena, Montana, 59620; telephone (406) 444-2578; fax (406) 444-5428; TDD (406) 444-1421; or e-mail dhelman@mt.gov.

3. The rules as proposed to be adopted provide as follows:

NEW RULE I RETURN TO COVERED EMPLOYMENT BY PERS RETIREE – LESS THAN 90 DAYS SINCE TERMINATION OF EMPLOYMENT (1) A retired PERS member who returns to PERS-covered employment of any type less than 90 days following termination of employment is no longer a retired PERS member and is no longer eligible to receive a retirement benefit.

(a) The member's retirement benefit will be stopped effective the month the member returns to PERS-covered employment.

(b) The member will become an active PERS member, ineligible to receive a PERS retirement benefit.

AUTH: 19-2-403, MCA

IMP: 19-3-1106, MCA

REASON: House Bill 122 requires that a PERS retiree not return to PERS-covered employment until at least 90 days following termination of employment. The Bill does not provide a method of enforcement. If a PERS retiree returns to PERS-covered employment prior to becoming eligible to be a working retiree, there is no recourse other than to return the retiree to active PERS membership. The rule is also necessary to clarify that the retirement benefit is stopped, not prorated.

NEW RULE II RETURN TO COVERED EMPLOYMENT BY PERS RETIREE – EARNINGS LIMITATIONS (1) If a retired PERS member returns to a position covered by PERS and is also currently employed by the same employer in one or more positions not covered by PERS, the earnings attributable to all positions with the employer must be used to determine whether the retired member's retirement benefit must be reduced pursuant to 19-3-1106, MCA.

(2) The PERS retirement benefit of a working retiree under 65 years of age who exceeds 960 hours of PERS-covered employment in a calendar year must be reduced by earnings attributable to all positions with the employer.

(3) The PERS retirement benefit of a working retiree 65 years of age and older but less than 70 1/2 years of age, who either exceeds 960 hours of PERS-covered employment or whose benefit and all earnings listed in (1) exceed the member's highest average compensation, whichever provides the higher compensation, must be reduced by earnings attributable to all positions with the employer.

AUTH: 19-2-403, MCA

IMP: 19-3-1106, MCA

REASON: House Bill 122 requires that all earnings of a retired PERS member employed by an employer in a position reportable to PERS and in a position not reportable to PERS count against the earnings limit applicable to PERS working retirees. Earnings are treated differently for working retirees depending on whether they are over or under 65 years of age. New Rule II is necessary to explain how the earnings attributable to a non-PERS position will impact the various working retiree limits.

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

2.43.2608 RETURN TO COVERED EMPLOYMENT BY PERS, SRS, OR FURS RETIREE – REPORT (1) An employer who employs a retired PERS member in a position covered by PERS or in "employment covered by the retirement system" as specified in 19-3-1106, MCA, must submit a certification report to MPERA for each payroll period during which a retired PERS member is employed.

(a) This certification requirement does not apply to a PERS retiree who is elected to a state or local public office and chooses to not become an active member of PERS.

(b) The PERS certification report must contain information for every position held by the PERS retiree, whether the position is covered by PERS or not.

(2) through (6) remain the same.

AUTH: 19-2-403, MCA

IMP: 19-3-1104, 19-3-1106, 19-7-1101, 19-13-301, MCA

REASON: House Bill 122 requires that all earnings of a retired PERS member employed by an employer in a position reportable to PERS and in a position not

reportable to PERS count against the earnings limit applicable to PERS working retirees. The amendments to ARM 2.43.2608 are necessary to ensure that employers report all earnings of their PERS working retirees, not just those attributable to PERS-covered employment.

5. Concerned persons may submit their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to: Roxanne M. Minnehan, Executive Director, Montana Public Employee Retirement Administration, 100 North Park Avenue, Suite 200, P.O. Box 200131, Helena, Montana, 59620; telephone (406) 444-5459; fax (406) 444-5428; or e-mail rminnehan@mt.gov, and must be received no later than 5:00 p.m., October 21, 2011.

6. Dena Helman, Montana Public Employee Retirement Administration, has been designated to preside over and conduct this hearing.

7. The PER Board maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list shall make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Such written request may be mailed or delivered to the contact person in 5 above or may be made by completing a request form at any rules hearing held by the board.

8. An electronic copy of this proposal notice is available through the Secretary of State's web site at <http://sos.mt.gov/ARM/Register>. The Secretary of State strives to make the electronic copy of the notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the Secretary of State works to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

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

/s/ Melanie A. Symons
Melanie A. Symons
Chief Legal Counsel
and Rule Reviewer

/s/ John Nielsen
John Nielsen
President
Public Employees' Retirement Board

Certified to the Secretary of State September 12, 2011.

BEFORE THE DEPARTMENT OF ADMINISTRATION
OF THE STATE OF MONTANA

In the matter of the adoption of New)
Rules I through IX pertaining to credit)
union debt cancellation contracts and)
debt suspension agreements)

NOTICE OF PUBLIC HEARING
ON PROPOSED ADOPTION

TO: All Concerned Persons

1. On October 13, 2011, at 10:00 a.m., the Department of Administration will hold a public hearing in Room 342 of 301 South Park, at Helena, Montana, to consider the proposed adoption of the above-stated rules.

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 October 6, 2011, to advise us of the nature of the accommodation that you need. Please contact Wayne Johnston, Division of Banking and Financial Institutions, P.O. Box 200546, Helena, Montana 59620-0546; telephone (406) 841-2918; TDD (406) 444-1421; facsimile (406) 841-2930; or e-mail to banking@mt.gov.

3. The proposed new rules provide as follows:

GENERAL STATEMENT OF REASONABLE NECESSITY: HB 432 was passed by the 2011 Montana Legislature and signed into law by the Governor on April 7, 2011. Its effective date is October 1, 2011. The law authorizes state-chartered credit unions, with department approval, to offer debt cancellation contracts and debt suspension agreements to their members in connection with loans or extensions of credit. The law states that such contracts are not insurance and requires the department to adopt rules that are substantially equivalent to or more stringent than federal laws, regulations, and guidelines applicable to federal credit unions that offer debt cancellation contracts and debt suspension agreements.

The National Credit Union Administration (NCUA) regulation 12 CFR Chapter VII, Subchapter A, §721.3(g) states that debt cancellation contracts and debt suspension agreements are loan-related products that federal credit unions are preapproved to offer under the incidental powers granted to them by 12 USC Chapter 14, Subchapter 1, §1757(17). The NCUA has not adopted specific regulations pertaining to debt cancellation contracts and debt suspension agreements. However, NCUA Letter No. 03-FCU-06 states that for guidance as to best practices, federal credit unions should review the Office of the Comptroller of the Currency (OCC) regulation 12 CFR Part 37 relating to debt cancellation/suspension (DCS) programs offered by national banks. The department believes that state-chartered credit unions should follow best practices pertaining to debt cancellation contracts and debt suspension agreements consistent

with safety and soundness principles. Therefore, the department has patterned these proposed credit union rules after 12 CFR Part 37.

The department's proposed rules for state-chartered banks pertaining to debt cancellation contracts and debt suspension agreements (MAR Notice No. 2-59-452) are also patterned after 12 CFR Part 37. The department is aware of no reason for variances to exist between the rules governing banks and the rules governing credit unions pertaining to the same topic. A competitive advantage should not accrue to the benefit of one group of institutions over the other based on the administrative rules applicable to each. The objective of the department's rulemaking in both instances is to help ensure the institutions' safety and soundness.

NEW RULE I DEFINITIONS (1) "Actuarial method" means the method of allocating payments made on a debt between the amount financed and the finance charge. Under this method, a payment is applied first to the accumulated finance charge and any remainder is subtracted from, or any deficiency is added to, the unpaid balance of the amount financed.

(2) "Contract" means a debt cancellation contract or a debt suspension agreement.

(3) "Debt cancellation contract" means a loan term or contractual arrangement modifying loan terms under which a credit union agrees, for a fee, to cancel all or part of a member's obligation to repay an extension of credit from that credit union upon the occurrence of a specified event. The agreement must specify the extension of credit to which it pertains. The agreement may be separate from or a part of other loan documents. A debt cancellation contract may be offered and purchased either contemporaneously with the other terms of the loan agreement or subsequently.

(4) "Debt suspension agreement" means a loan term or contractual arrangement modifying loan terms under which a credit union agrees, for a fee, to suspend all or part of a member's obligation to repay an extension of credit from that credit union upon the occurrence of a specified event. The agreement must specify the extension of credit to which it pertains. The agreement may be separate from or a part of other loan documents. The term "debt suspension agreement" does not include loan payment deferral arrangements in which the triggering event is the member's unilateral election to defer repayment or the credit union's unilateral decision to allow a deferral of repayment.

(5) "Guaranteed asset protection (GAP) waiver or agreement" means a term of an extension of credit or contractual arrangement modifying terms of an extension of credit for the purchase of titled personal property under which a credit union agrees to cancel the member's obligation to repay the portion of the extension of credit that exceeds the amount paid by the primary insurer of the titled personal property upon the insurer's declaration that the titled personal property is a total loss or determination that the titled personal property is stolen and not recoverable.

(6) "Loan" or "extension of credit" means a direct or indirect advance of funds to a member made on the basis of any obligation of that member to repay the funds or that is repayable from specific property pledged by or on the member's behalf. The term also includes any liability of a credit union to advance funds to or on behalf of any member under a contractual commitment.

(7) "Member" means an individual who obtains from a credit union an extension of credit that is primarily for personal, family, or household purposes. In the case of a credit union serving low income individuals, a qualifying nonmember is considered a "member." For purposes of this subchapter, the term means the same thing as borrower.

(8) "Residential mortgage loan" means a loan for personal, family, or household purposes secured by a one- to four-family residential property.

AUTH: 32-3-201, MCA; Sec. 2, Ch. 138, L. 2011

IMP: 32-3-609, MCA; Sec. 2, Ch. 138, L. 2011

STATEMENT OF REASONABLE NECESSITY: Definitions of the terms in (1), (2), (3), (4), and (8) are substantially equivalent to the definitions of the same terms in 12 CFR 37.2 that is applicable to national banks. The department has determined that the federal definitions will be sufficient to serve the department's purposes and meet the Legislature's intent. Because these definitions already exist, the department saw no need to write its own original definitions.

The definition of "guaranteed asset protection (GAP) waiver or agreement" in (5) is substantially equivalent to and adapted from Office of the Comptroller of the Currency (OCC) Interpretive Letters #1028 and #1032 concerning GAP waivers or agreements as they relate to debt cancellation contracts offered by national banks. The department believes the OCC's description of GAP waivers or agreements in the interpretive letters is clear, that the definition adapted from the OCC interpretive letters is equally germane to credit unions, and that the definition adapted from the letters is sufficient to serve the department's purposes and meet the Legislature's intent.

The definition of "loan" or "extension of credit" in (6) is substantially equivalent to and adapted from 12 USC 84(b)(1). The definition was selected because it encompasses both advanced funds and commitments to advance funds. Loans and commitments to advance funds are both addressed in NCUA regulation 12 CFR §701.21 and are treated similarly throughout that regulation in all pertinent respects. The department chose to define "loan" or "extension of credit" for clarification purposes because the term is used throughout 12 CFR Part 37 upon which these rules are patterned, but the term is not defined in that part.

The definition of "member" in (7) is adapted from the definition of "customer" in 12 CFR 37.2 that is applicable to national banks, in order to make the definition specific to credit unions.

NEW RULE II DEBT CANCELLATION AND DEBT SUSPENSION PROGRAMS – REQUIREMENTS (1) A credit union offering debt cancellation contracts and/or debt suspension agreements shall:

(a) manage the risks associated with debt cancellation contracts and debt suspension agreements in accordance with credit union safety and soundness principles by establishing and maintaining effective risk management and control processes over its debt cancellation contracts and debt suspension agreements to include:

(i) appropriate recognition and financial reporting of income, expenses, assets, and liabilities;

(ii) appropriate treatment of all expected and unexpected losses associated with the contracts; and

(iii) assessment of the adequacy of its internal control and risk mitigation activities in view of the nature and scope of the credit union's debt cancellation and debt suspension program; and

(b) obtain and maintain in effect, insurance from an insurer authorized or otherwise registered with the State Auditor and Commissioner of Insurance to do business in Montana. The insurance must cover 100% of the at-risk loan balances to which the credit union's debt cancellation contracts pertain.

AUTH: 32-3-201, MCA; Sec. 2, Ch. 138, L. 2011

IMP: 32-3-609, MCA; Sec. 2, Ch. 138, L. 2011

STATEMENT OF REASONABLE NECESSITY: Subsection (1)(a) is substantially equivalent to 12 CFR 37.8 that is applicable to national banks. The department has determined that the federal regulation, together with (1)(b), will be sufficient to serve the department's purposes and meet the Legislature's intent.

Subsection (1)(b) adds a requirement that has no counterpart or equivalent in the federal regulations, making this rule more stringent than 12 CFR 37.8. NCUA Letter No. 03-FCU-06 to Credit Unions states that insurance coverage is not required for the at-risk balance of loans covered by DCS programs but that credit unions may insure all or part of the risk. However, the department believes the best practice, consistent with credit union safety and soundness principles, is to require insurance coverage. The potential losses that a credit union is exposed to when it offers debt cancellation contracts could be significant. Ideally, a credit union could maintain a robust and effective internal program of monitoring and managing the risk without insurance, but that ideal may not always be met. A credit union may not fully appreciate the extent of its risk exposure at all times if, for example, it does not retain an actuarial consultant. The department believes this reality poses an unacceptable risk to the credit union's safety and soundness.

Credit union service organizations and other vendors offer services to credit unions related to administration of debt cancellation and debt suspension programs offered by credit unions. The service organizations' and vendors' products include an insurance component that was cited by the industry and by vendors in their discussions with the department regarding HB 432 prior to its passage. The insurance component was an important consideration of the department in its decision not to oppose the bill. The department does not believe that requiring a credit union to obtain insurance coverage for the at-risk balances of loans to which debt cancellation contracts pertain, for example, changes the essential character of the two-party debt cancellation contract or converts it to an insurance product.

Under HB 432, debt cancellation contracts and debt suspension agreements between members and credit unions under which there is no obligation on the part of a third-party insurer to pay the member's loan balance or make loan payments on the member's behalf upon the occurrence of the identified event are not insurance. By contrast, under an insurance contract between a credit union and an insurer

covering the credit union's risks associated with offering debt cancellation contracts, for example, the insurer is obligated to pay the credit union for the loss it sustains when a debt cancellation contract is activated by the occurrence of the identified event. Clearly, the latter transaction is an insurance transaction that is subject to the provisions of Title 33, MCA.

NEW RULE III REQUIRED DISCLOSURES (1) A credit union shall provide the following disclosures to the credit union's member at the time of offering the member a debt cancellation contract or debt suspension agreement:

- (a) notice of the prohibited acts or practices contained in [NEW RULE IV];
- (b) the fee applicable to the contract and any payment options;
- (c) any refund policy if the fee is paid in a single payment and added to the amount borrowed;
- (d) whether the member is barred from using the credit line to which it pertains if the debt cancellation contract or debt suspension agreement is activated;
- (e) eligibility requirements, conditions, and exclusions;
- (f) that a debt suspension agreement, if activated, does not cancel the debt, but only suspends payment requirements; and
- (g) notice that cancellation of debt may result in a tax liability to the member if activated.

AUTH: 32-3-201, MCA; Sec. 2, Ch. 138, L. 2011

IMP: 32-3-609, MCA; Sec. 2, Ch. 138, L. 2011

STATEMENT OF REASONABLE NECESSITY: Subsections (1)(b) through (1)(f) are substantially equivalent to 12 CFR 37.6 that is applicable to national banks. The department has determined that the federal regulation, when combined with (1)(a) and (1)(g) of this rule, provides sufficient information to enable a credit union member to make an informed decision concerning the purchase of a debt cancellation or debt suspension contract.

Subsection (1)(a) requires a credit union to give the member notice of what acts or practices of a credit union pertaining to debt cancellation contracts and debt suspension agreements are prohibited under New Rule IV. The department believes that members with knowledge of the prohibited acts and practices can more effectively assert the protections that the law affords them. Subsection (1)(a) may also protect credit unions from unfounded member claims that the member was unaware of relevant information or was misled.

Subsection (1)(g) has no equivalent or counterpart in 12 CFR 37.6 that is applicable to national banks. During the hearings on HB 432, Sen. Balyeat asked the bill proponents whether activation of a debt cancellation contract was a taxable event. While (1)(g) does not require a credit union to give its member tax advice on Internal Revenue Code §6050P or any other provisions of the tax code, it requires that the member be given notice of the potential tax liability if a debt cancellation contract is activated. The requirement in (1)(g) makes this rule more stringent than 12 CFR 37.6 that is applicable to national banks. The department believes that, given Sen. Balyeat's comment, it is important that the member know of a potential tax liability.

NEW RULE IV PROHIBITED ACTS OR PRACTICES (1) A credit union is prohibited from engaging in any of the following acts or practices:

(a) extending credit or altering the terms or conditions of an extension of credit conditioned upon the member entering into a debt cancellation contract or debt suspension agreement with the credit union. The prohibition is commonly referred to in the regulatory context as the anti-tying provision;

(b) engaging in any practice or using any advertisement that could mislead or otherwise cause a reasonable person to reach an erroneous belief with respect to information that must be disclosed under [NEW RULE III], including what is being offered, the cost, and/or the terms of the contract;

(c) offering debt cancellation contracts or debt suspension agreements that contain terms:

(i) giving the credit union the right unilaterally to modify the contract unless:

(A) the modification is favorable to the member and is made without additional charge to the member; or

(B) the member is notified of any proposed change and is provided a reasonable opportunity to cancel the contract without penalty before the change goes into effect; or

(ii) requiring an up-front, lump-sum single payment for the contract if the extension of credit to which the contract pertains is a residential mortgage loan.

AUTH: 32-3-201, MCA; Sec. 2, Ch. 138, L. 2011

IMP: 32-3-609, MCA; Sec. 2, Ch. 138, L. 2011

STATEMENT OF REASONABLE NECESSITY: This rule is substantially equivalent to 12 CFR 37.3 that is applicable to national banks. The department believes that the federal regulation will serve the department's purposes and meet the Legislature's intent. The OCC regulation is being applied to state credit unions because the NCUA stated in 03-FCU-06 that the OCC regulations at 12 CFR 37 represent best practices for federal credit unions and the department believes state credit unions should use best practices in the administration of their debt cancellation and debt suspension programs. In addition, the prohibited practices included in this rule are equally important for the protection of state credit union members as they are for the protection of national banks' customers. This rule adds examples of the areas in which a member could be misled or come to an erroneous belief as a result of a credit union's practices or advertising. The examples were cited in a recent case in which a federal regulator imposed large civil penalties against a national bank related to its marketing of credit protection products. The department believes that inclusion of specific examples in (1)(b) provides more clarity to the rule. The department believes the OCC rule, after which this rule is patterned, will serve the department's purposes and will meet the Legislature's intent.

NEW RULE V REFUNDS OF FEES UPON TERMINATION OR PREPAYMENT OF COVERED LOAN (1) If a debt cancellation contract or debt suspension agreement is terminated, including, for example, when the member

prepays the covered loan, a credit union shall refund to the member any unearned fees paid for the contract unless the contract provides otherwise.

(2) A credit union may offer a member a contract that does not provide for a refund only if the credit union also offers that member a bona fide option to purchase a comparable contract that provides for a refund.

(3) A credit union shall calculate the amount of a refund using a method at least as favorable to the member as the actuarial method.

AUTH: 32-3-201, MCA; Sec. 2, Ch. 138, L. 2011

IMP: 32-3-609, MCA; Sec. 2, Ch. 138, L. 2011

STATEMENT OF REASONABLE NECESSITY: This rule is substantially equivalent to 12 CFR 37.4 that is applicable to national banks. The OCC regulation is being applied to state credit unions because the NCUA stated in 03-FCU-06 that the OCC regulations at 12 CFR 37 represent best practices for federal credit unions and the department believes that state credit unions should use best practices in their debt cancellation and debt suspension programs. Clarity of the refund issue serves state credit union members equally well as it serves customers of national banks. The department believes that the federal regulation will be sufficient to serve the department's purposes, meet the Legislature's intent, and ensure fairness to a credit union's member by providing refund options as well as overall clarity to the refund issue.

NEW RULE VI METHOD OF PAYMENT OF FEES (1) Except as provided in [NEW RULE IV(1)(c)(ii)], a credit union may offer a member the option of paying the fee for a debt cancellation contract or a debt suspension agreement in a single payment, provided the credit union also offers the member a bona fide option of paying the fee for that contract in periodic installment payments.

(2) If a credit union offers the member the option to finance the single payment by adding it to the loan principal, the credit union must also disclose, in accordance with [NEW RULE V], whether the member may cancel the agreement and receive a refund, and, if so, the time period during which the member may do so.

AUTH: 32-3-201, MCA; Sec. 2, Ch. 138, L. 2011

IMP: 32-3-609, MCA; Sec. 2, Ch. 138, L. 2011

STATEMENT OF REASONABLE NECESSITY: This rule is substantially equivalent to 12 CFR 37.5 that is applicable to national banks. The OCC regulation is being applied to state credit unions because the NCUA stated in 03-FCU-06 that the OCC regulations at 12 CFR 37 represent best practices for federal credit unions and the department believes that state credit unions should use best practices in the administration of their debt cancellation and debt suspension programs. The department believes that a rule that provides payment options will be beneficial to members. The department believes that the federal regulation will be sufficient to serve the department's purposes, meet the Legislature's intent, and, together with NEW RULE V, provide overall clarity to the refund issue.

NEW RULE VII AFFIRMATIVE ELECTION TO PURCHASE AND ACKNOWLEDGMENT OF RECEIPT OF DISCLOSURES (1) Before entering into a debt cancellation contract or debt suspension agreement, a credit union shall obtain the member's written affirmative election to purchase the contract and a written acknowledgment of receipt of the disclosures required under [NEW RULE III].

(2) The election and acknowledgment information must be conspicuous, simple, direct, readily understandable, and designed to call attention to its significance.

(3) The election and acknowledgment information satisfies these standards if it conforms to the following requirements:

(a) if the sale of a contract occurs by telephone, the member's affirmative election to purchase may be made orally, provided that the credit union:

(i) maintains sufficient documentation to show that the member received the short-form disclosures substantially similar to [NEW RULE VIII(1)] and then affirmatively elected to purchase the contract;

(ii) mails to the member the affirmative written election and written acknowledgment together with a long-form disclosure substantially similar to [NEW RULE VIII(2)], within three business days after the telephone solicitation, and maintains sufficient documentation to show it made reasonable efforts to obtain the documents from the member; and

(iii) permits the member to cancel the purchase of the contract without penalty within 30 days after the credit union has mailed the long-form disclosures to the member; or

(b) if the contract is solicited through written materials such as mail inserts or "take one" applications and a credit union provides only the short-form disclosures in the written materials, then the credit union shall mail the acknowledgment of receipt of disclosures, together with a long-form disclosure as provided under [NEW RULE VIII(2)], to the member within three business days, beginning on the first business day after the member contacts the credit union or otherwise responds to the solicitation. A credit union may not obligate the member to pay for the contract until after the credit union has received the member's written acknowledgment of receipt of disclosures unless the credit union:

(i) maintains sufficient documentation to show that the credit union provided the acknowledgment of receipt of disclosures to the member;

(ii) maintains sufficient documentation to show that the credit union made reasonable efforts to obtain from the member a written acknowledgment of receipt of the long-form disclosures; and

(iii) permits the member to cancel the purchase of the contract without penalty within 30 days after the credit union has mailed the long-form disclosures to the member.

(4) The affirmative election and acknowledgment may be made electronically in a manner consistent with the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001 et seq. and the Uniform Electronic Transaction Act, Title 30, chapter 18, part 1, MCA.

AUTH: 32-3-201, MCA; Sec. 2, Ch. 138, L. 2011

IMP: 32-3-609, MCA; Sec. 2, Ch. 138, L. 2011

STATEMENT OF REASONABLE NECESSITY: This rule is substantially equivalent to 12 CFR 37.7 that is applicable to national banks. The OCC regulation is being applied to state credit unions because the NCUA stated in 03-FCU-06 that the OCC regulations at 12 CFR 37 represent best practices for federal credit unions. The department believes that state credit unions should use best practices in the administration of their debt cancellation and debt suspension programs. The requirement for an affirmative election to purchase and for an acknowledgment of receipt of disclosures is a consumer protection issue that is equally important for state credit union members as it is for customers of national banks. The requirement also protects credit unions. The department believes that the federal regulation is sufficient to serve the department's purposes and to meet the Legislature's intent. Section (4) includes a citation to state law relating to electronic transactions that is not included in 12 CFR 37.7. The addition of the reference to state law will clarify for credit unions that a member's affirmative election and acknowledgment pertaining to the purchase of a debt cancellation or debt suspension contract may be in electronic form.

NEW RULE VIII DISCLOSURE FORMS (1) The department adopts as a model, but not as a requirement, the Comptroller of the Currency's model short-form disclosure at 12 CFR 37 Appendix A revised as of January 1, 2010. The form must be adapted by the credit union to include the disclosures required under [NEW RULE III(1)(a) and (g)].

(2) The department adopts as a model, but not as a requirement, the Comptroller of the Currency's model long-form disclosure at 12 CFR 37 Appendix B revised as of January 1, 2010. The form must be adapted by the credit union to include the disclosures required under [NEW RULE III(1)(a) and (g)].

(3) The model forms in (1) and (2), which are available at Title 12, Volume I, Part 37, Appendices A and B in the Code of Federal Regulations, are not mandatory, but a credit union that provides disclosures in a form substantially similar to the adapted model forms will be deemed to have satisfied the disclosure requirements applicable to the credit union concerning its debt cancellation and/or debt suspension program.

AUTH: 32-3-201, MCA; Sec. 2, Ch. 138, L. 2011

IMP: 32-3-609, MCA; Sec. 2, Ch. 138, L. 2011

STATEMENT OF REASONABLE NECESSITY: This rule is substantially equivalent to 12 CFR Part 37, Appendices A and B, that are applicable to national banks except this rule requires a credit union to adapt the federal forms to include the requirements imposed by these rules that have no counterpart or equivalent in federal regulations so that the disclosures are consistent with these rules. The department believes the OCC disclosure forms, when adapted to include the disclosures required by NEW RULE III(1)(a) and (g), are comprehensive model forms and that there is no need for the department to write its own original model form. The model forms include provisions that may not be applicable to every credit

union's debt cancellation and debt suspension program. A credit union will have to tailor the model forms to match the scope of its own program. To require use of the OCC form containing provisions inapplicable to the credit union's particular program would be more confusing than informative to the credit union's members. For that reason the department chose not to require use of the OCC forms but to adopt those forms as models.

NEW RULE IX GUARANTEED ASSET PROTECTION (GAP) FEATURE

(1) A debt cancellation contract with a GAP feature offered in connection with an extension of credit for the purchase of titled personal property for personal, family, or household use is a single product and does not require a separate agreement related to financing for the GAP feature. A credit union offering a debt cancellation contract with a GAP feature may do so through nonexclusive agents such as automobile dealers.

AUTH: 32-3-201, MCA; Sec. 2, Ch. 138, L. 2011

IMP: 32-3-609, MCA; Sec. 2, Ch. 138, L. 2011

STATEMENT OF REASONABLE NECESSITY: This rule pertaining to Guaranteed Asset Protection features of debt cancellation contracts derives from OCC Interpretative Letters #1028 and #1032 and from NCUA Office of General Counsel (OGC) Op. 2009/09-0218 dated February 24, 2009; OGC Op. 97-0632 dated September 12, 1997; OGC Op. 02-1074 dated December 23, 2002; and OGC Op. 03-1039 addressing whether GAP features are debt cancellation products, whether they run afoul of the anti-tying provision in NEW RULE IV(1)(a), and whether they may be offered through nonexclusive agents such as automobile dealers. Based on the numbers and types of inquiries directed to the OCC and the NCUA about GAP features of debt cancellation contracts, the department believes that, in the absence of this rule, there would likely be confusion about such matters among credit unions. The department believes this rule is necessary to clarify that potential area of confusion.

4. Concerned persons may present their data, views, or arguments concerning the proposed action to Lorraine Schneider, 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., October 21, 2011.

5. Lorraine Schneider, Department of Administration, has been designated to preside over and conduct this hearing.

6. 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 which includes the name and mailing address or 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 Wayne Johnston, 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.

7. An electronic copy of this Proposal Notice is available through the department's web site at <http://doa.mt.gov/administrativerules.mcp>x. 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 web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

8. The bill sponsor contact requirements of 2-4-302, MCA, apply and have been fulfilled. On August 11, 2011, Rep. Tom Berry, primary bill sponsor of HB 432, was sent a letter with enclosed draft rules to the address on file for him with the Secretary of State. This letter was sent when the department was beginning to work on the substantive content and wording of the proposed rules. No comments were received.

By: /s/ Janet R. Kelly
Janet R. Kelly, Director
Department of Administration

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

Certified to the Secretary of State September 12, 2011.

BEFORE THE DEPARTMENT OF ADMINISTRATION
OF THE STATE OF MONTANA

In the matter of the adoption of New)	NOTICE OF PROPOSED
Rule I pertaining to renewal fees for)	ADOPTION AND AMENDMENT
mortgage brokers, mortgage lenders,)	
and mortgage loan originators, and)	NO PUBLIC HEARING
the amendment of ARM 2.59.1708)	CONTEMPLATED

TO: All Concerned Persons

1. On October 24, 2011, the Department of Administration proposes to adopt and amend the above-stated rules.

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 October 14, 2011, to advise us of the nature of the accommodation that you need. Please contact Wayne Johnston, Division of Banking and Financial Institutions, P.O. Box 200546, Helena, Montana 59620-0546; telephone (406) 841-2918; TDD (406) 444-1421; facsimile (406) 841-2930; or e-mail to banking@mt.gov.

3. The rule proposed to be adopted provides as follows:

NEW RULE I RENEWAL FEES (1) Licenses issued under Title 32, chapter 9, part 1, MCA, expire December 31. Licensees shall submit their renewal applications by December 1 of each year to assure issuance of the license to qualified renewal applicants by January 1 of the following year. The renewal fees for the license period January 1 through December 31 are:

Mortgage Broker Entity	\$500.00
Mortgage Broker Branch	\$250.00
Mortgage Lender Entity	\$750.00
Mortgage Lender Branch	\$250.00
Mortgage Loan Originator	\$400.00
(except as provided in 32-9-117(1)(b), MCA)	

AUTH: 32-9-117, 32-9-130, MCA
IMP: 32-9-117, MCA

STATEMENT OF REASONABLE NECESSITY: This rule is being adopted because its original version, ARM 2.59.1729, was unintentionally repealed in February 2010 in MAR Notice No. 2-59-414. There is no change to the renewal fees, which are equivalent to what has been charged previously. The division is proposing to adopt the renewal fees listed above because the department is self-funded through its licensing fees.

The department has chosen the amounts that are contained in this rule because they are the same as the initial license application fees in statute. In the case of a mortgage broker who is both an individual licensee and the sole owner of a mortgage broker entity, the division has chosen to charge one \$500 fee for renewal instead of charging two \$500 fees for renewal, because 32-9-117, MCA, provides that an individual who is seeking licensure as a mortgage loan originator and who is an owner of an entity that is seeking licensure as a mortgage broker shall pay a single initial nonrefundable license application fee of \$500. The department has carried that forward in the proposed fees for renewal because the department does not believe it would be fair to charge an individual who is licensed as a mortgage loan originator as well as a mortgage broker entity both renewal fees. However, the division has always charged an entity a separate renewal fee because the entity has a legal existence which is separate from the individual license holder. Entities are charged a separate initial application fee by statute and should be charged a separate renewal fee as well.

Therefore, there is no anticipated increase or decrease in revenue resulting from this rule. There are currently 68 mortgage broker entities, 34 mortgage broker branches, 100 mortgage lender entities, 96 mortgage lender branches, and 815 mortgage loan originators licensed in Montana.

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

2.59.1708 TABLE FUNDING REQUIRES LICENSURE (1) Any person not exempted from the Montana Mortgage ~~Broker, Mortgage Lender, and Mortgage Loan Originator Licensing~~ Act under 32-9-104, MCA, who closes a mortgage loan naming themselves as the lender and who, within three business days of closing, consummates sale of the mortgage loan note to another party, commonly known as "table funding" as defined in ARM 2.59.1701, must be licensed as a mortgage broker or loan originator.

AUTH: 32-9-130, MCA

IMP: 32-9-102, ~~32-9-103~~, MCA

STATEMENT OF REASONABLE NECESSITY: This rule is being changed in order to make it consistent with ARM 2.59.1701(6), which defines table funding as the closing of a loan naming a mortgage broker, mortgage broker's business entity, or mortgage loan originator as the lender on the mortgage loan note, which note is then sold within three business days of closing to another party. In order to make ARM 2.59.1708 consistent with ARM 2.59.1701(6), "business" day is being added to ARM 2.59.1708. This consistency is important because in the absence of it, one would have to assume that two different times are meant which is not, in fact, the case. In addition, the title of the Act is being changed to match its revision in 2011 HB 90. Section 32-9-102, MCA, is being added as it provides for the overall licensing requirements for mortgage brokers, mortgage lenders and mortgage loan originators. Section 32-9-103, MCA, is not implemented by this rule and is therefore being removed.

5. 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., October 21, 2011.

6. 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 5 above at the above address no later than 5:00 p.m., October 21, 2011.

7. If the Division of Banking and Financial Institutions receives requests for a public hearing on the proposed action from either 10% 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 111 persons based on the number of licensed mortgage brokers, mortgage lenders, and mortgage loan originators.

8. An electronic copy of this Proposal Notice is available through the department's web site at <http://doa.mt.gov/administrativerules.mcp>. 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 web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

9. The 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 which 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 Wayne Johnston, 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.

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

By: /s/ Janet R. Kelly
Janet R. Kelly, Director
Department of Administration

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

Certified to the Secretary of State September 12, 2011.

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

In the matter of the amendment of) NOTICE OF PUBLIC HEARING ON
6.6.2801, 6.6.2803, 6.6.2804,) PROPOSED AMENDMENT
6.6.2808, 6.6.2809, and 6.6.2810)
regarding Surplus Lines Insurance)
Transactions)

TO: All Concerned Persons

1. On October 13, 2011, at 10:00 a.m., the Commissioner of Insurance, Office of the State Auditor, Monica Lindeen, will hold a public hearing in the 2nd floor conference room, at the State Auditor's Office, 840 Helena Ave., Helena, Montana, to consider the proposed adoption of the above-stated rules.

2. The Commissioner of Insurance, Office of the State Auditor, Monica Lindeen, 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 department no later than 5:00 p.m., October 6, 2011, to advise us of the nature of the accommodation that you need. Please contact Darla Sautter, State Auditor's Office, 840 Helena Avenue, Helena, Montana, 59601; telephone (406) 444-2726; TDD (406) 444-3246; fax (406) 444-3499; or e-mail dsautter@mt.gov.

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

6.6.2801 PURPOSE AND SCOPE (1) remains the same.

AUTH: 33-1-313, 33-2-316, MCA

IMP: 33-2-301, 33-2-302, 33-2-303, 33-2-304, 33-2-305, 33-2-306, 33-2-307, 33-2-308, 33-2-309, 33-2-310, 33-2-311, 33-2-312, 33-2-313, 33-2-314, 33-2-315, 33-2-316, 33-2-317, 33-2-321, 33-2-326, MCA, Chap. 350, sections 3, 4, 16, 17, L. of 2011

6.6.2803 FILING OF SUBMISSIONS, EXAMINATION OF SUBMISSIONS AND RECORDS RETAINED (1) Every Montana-licensed surplus lines insurance producer and insured who independently procured insurance shall submit to the department all information required to be filed by 33-2-301, et seq., MCA, and these rules.

(2) Surplus lines submissions to the department shall be made ~~by Montana-licensed surplus lines producers and shall be made~~ in a manner and form approved by the commissioner. There ~~is a~~ are standardized submission forms available from the department. Submissions may be made by:

(a) through (3) remain the same.

(4) All surplus lines submissions must be complete. Incomplete submissions will not be accepted by the department, and will be returned for correction and resubmission within the foregoing 60 calendar day deadline from the effective date of the policy. If the 60 calendar day deadline has passed when the incomplete submission is returned, the surplus lines insurance producer or insured who independently procured insurance shall resubmit the corrected submission form within ten calendar days from the date the department rejected the incomplete submission.

(5) For electronically filed submissions, the producing insurance producer shall keep a true and correct copy of the ~~notarized affidavit~~ completed and signed affirmation section of the paper submission form ~~showing the original signatures of the producing insurance producer and the notary~~ regarding the diligent search and the information provided to the insured under 33-2-310, MCA. The producing insurance producer shall provide a true and correct copy of the ~~notarized affidavit~~ affirmation section of the submission form to the surplus lines insurance producer. These records shall be retained by the producing insurance producer and the surplus lines insurance producer for five years after the issuance of the surplus lines insurance policy to which they relate, and shall be subject to inspection by the department in accord with 33-2-310, MCA.

(6) If coverage is procured through a surplus lines insurance producer, that surplus lines insurance producer shall stamp or notate each insurance contract, cover note, declarations page, or certificate of insurance procured and delivered as surplus lines insurance with the following completed statement:

NOTICE: This coverage is issued by an unauthorized insurer that is an eligible surplus lines insurer. If this insurer becomes insolvent, there is no coverage by the Montana Insurance Guaranty Association under the Montana Insurance Guaranty Association Act.

Printed Name of Surplus Lines Insurance Producer Montana License Number

Signature of Surplus Lines Insurance Producer

(6) remains the same but is renumbered (7).

~~(7)~~(8) Producing insurance producers and surplus lines insurance producers may create and retain electronic records to meet the records retention requirements in ~~(5) and (6)~~ 33-2-310, MCA, and these rules, provided that the electronic records are:

(a) and (b) remain the same.

AUTH: 33-1-313, 33-2-316, MCA

IMP: 33-2-301, 33-2-302, 33-2-303, 33-2-305, 33-2-306, 33-2-307, 33-2-308, 33-2-310, 33-2-311, 33-2-312, 33-2-313, 33-2-316, 33-2-321, 33-2-326, MCA, Chap. 350, sections 3, 4, 16, 17, L. of 2011

6.6.2804 COLLECTION OF STAMPING FEE (1) Pursuant to 33-2-321~~(5)~~, MCA, the department shall collect a stamping fee on the base premium, including any monied endorsement, payable for each surplus lines insurance policy transacted in the state.

(2) through (2)(a) remain the same.

(b) one-half percent of the base premium for electronically filed submissions via the surplus lines business portal via the department's web site;

~~(i) subsection (2)(b) will be effective~~

(3) Effective January 1, 2010 2012, the stamping fee is equal to: Before January 1, 2010, any electronically filed submissions via the surplus lines business portal via the department's web site will be assessed a stamping fee of one one-half percent of the base premium.

(a) one-quarter percent of the base premium for paper (hard copy) submissions; and

(b) no charge for electronically filed submissions via the surplus lines business portal via the department's web site.

~~(3)(4) Such~~ The stamping fee on the underlying surplus lines insurance policy shall be earned in full as soon as any portion of the premium payable for the underlying policy is earned. The commissioner may, by rule, set the stamping fee commensurate with the department's expenses for implementing the surplus lines insurance law, 33-2-301, et seq., MCA. For any monied endorsement, the stamping fee shall be earned in full as soon as any portion of the premium payable for the endorsement is earned.

(4) through (7) remain the same, but are renumbered (5) through (8).

~~(8)(9)~~ The department shall may collect a penalty from any surplus lines insurance producer, or any insured who independently procured insurance, and who does not pay the stamping fees by April 1 for all transactions during the preceding year. Such penalty shall equal 25 percent of the amount overdue plus 1.5 percent per month from the time of delinquency until the stamping fees are paid in full.

AUTH: 33-1-313, 33-2-316, MCA

IMP: 33-2-301, 33-2-302, 33-2-303, 33-2-305, 33-2-306, 33-2-307, 33-2-308, 33-2-310, 33-2-311, 33-2-312, 33-2-313, 33-2-316, 33-2-321, MCA, Chap. 350, sections 3, 4, 16, 17, L. of 2011

6.6.2808 ELIGIBLE SURPLUS LINES INSURERS LIST (1) remains the same.

AUTH: 33-1-313, 33-2-316, MCA

IMP: 33-2-301, 33-2-302, 33-2-303, 33-2-305, 33-2-306, 33-2-307, 33-2-308, 33-2-310, 33-2-311, 33-2-312, 33-2-313, 33-2-316, 33-2-321, 33-2-326, MCA, Chap. 350, sections 3, 4, 16, 17, L. of 2011

6.6.2809 APPROVED RISK LIST -- INSURANCE PRESUMED UNOBTAINABLE FROM AUTHORIZED INSURERS (1) through (5) remain the same.

AUTH: 33-1-313, 33-2-316, MCA

IMP: 33-2-301, 33-2-302, 33-2-303, 33-2-305, 33-2-306, 33-2-308, 33-2-310, 33-2-311, 33-2-312, 33-2-313, 33-2-316, 33-2-321, MCA, Chap. 350, sections 3, 4, 16, 17, L. of 2011

6.6.2810 ANNUAL REPORTING PERIOD – TAX AND FEE STATEMENT

(1) The reporting period for surplus lines insurance premium taxes and stamping fees shall be the calendar year.

(2) The department shall produce for each surplus lines insurance producer, and insured who independently procured insurance, in a form approved by the commissioner, an annual report tax and fee statement complying with the requirements of 33-2-310(2), MCA, for a surplus lines insurance producer's annual statement.

(3) By March 1 of each year, The the department shall distribute such annual reports tax and fee statements for the preceding calendar year to surplus lines insurance producers and insureds who independently procured insurance prior to March 1 of each year for their review and submission to the commissioner.

(4) By April 1 of each year, surplus lines insurance producers and insureds who independently procured insurance shall file with the commissioner the annual tax and fee statement for the preceding calendar year and pay the taxes and fees.

(5) Insureds who independently procured insurance may pay the associated taxes and fees to the department when filing the surplus lines submission with the department.

(6) Nothing in this section or in the annual report tax and fee statement prepared by the department shall relieve a surplus lines insurance producer or an insured who independently procured insurance from the duties and obligations imposed by 33-2-310, MCA, and 33-2-311, 33-2-312, and 33-2-321, MCA.

AUTH: 33-1-313, 33-2-316, MCA

IMP: 33-2-301, 33-2-302, 33-2-303, 33-2-305, 33-2-306, 33-2-307, 33-2-308, 33-2-310, 33-2-311, 33-2-312, 33-2-313, 33-2-315, 33-2-316, 33-2-321, MCA, Chap. 350, sections 3, 4, 16, 17, L. of 2011

4. REASONABLE NECESSITY STATEMENT: The Commissioner of Securities and Insurance, Montana State Auditor, Monica J. Lindeen, (Commissioner) is the statewide elected official responsible for administering the Montana Insurance Department and regulating the business of insurance including the transaction of surplus lines insurance. See generally The Surplus Lines Insurance Law, 33-2-301, MCA, et seq., of the Montana Insurance Code, 33-1-101, MCA, et seq.

The federal Nonadmitted and Reinsurance Reform Act of 2010 (NRRA), Title V, Subtitle B, of Public Law 111-203, provides that the home state of the insured has exclusive taxing and regulatory authority over surplus lines insurance transactions. Previously, each state would tax and regulate the surplus lines insurance covering the portion of the risk located in or to be performed in that state whether the covered risk was in a single state or multiple states. The NRRA allows for revenue

generated from surplus lines insurance transactions covering multistate risks to be allocated and distributed among states if the states have entered a compact or other agreement.

In 2011, the Montana Legislature passed SB 331 revising the surplus lines insurance laws for consistency with the federal NRRRA. SB 331 also granted the Commissioner authority to enter a cooperative or reciprocal agreement for collecting, allocating and distributing taxes and fees attributable to multistate risks provided that certain requirements were met and the Commissioner engaged in negotiated rulemaking pursuant to Title 2, chapter 5, MCA. See Chap. 350, section 17, L. of 2011.

If the Commissioner pursues an agreement with other states to collect, allocate, and distribute premium taxes and fees attributable to surplus lines insurance covering multistate risks, the Commissioner will engage in negotiated rulemaking as required. In the interim, however, amendments to the existing administrative rules pertaining to surplus lines insurance are necessary for consistency with SB 331 and do not require negotiated rulemaking.

With regard to the history section for each rule, the list of statutes implemented would be amended to include references to the new sections in SB 331, specifically, sections 3, 4, 16 and 17. This is necessary because the specific codification of these new sections in Title 33, chapter 2, part 3, MCA, is not yet known and therefore cannot be listed.

The proposed amendments to ARM 6.6.2803(1) include changing "surplus lines producers" to "surplus lines insurance producers." This is necessary for consistency with The Surplus Lines Insurance Law, 33-2-201, MCA, et seq.

Another proposed amendment to ARM 6.6.2803(1) provides that insureds who independently procured insurance must submit information to the department regarding the surplus lines insurance transactions. The amendment is necessary because SB 331 revised The Surplus Lines Insurance Law to provide for independently procured insurance and to require that those insureds report the transaction and pay all associated premium taxes and fees.

With regard to ARM 6.6.2803(2), a proposed amendment would remove the reference to surplus lines insurance producers. This amendment is necessary for consistency with SB 331, which recognized independently procured insurance, and the proposed amendment to ARM 6.6.2803(1) requiring both surplus lines insurance producers and insureds who independently procured insurance to submit information to the department regarding surplus lines insurance transactions.

Another proposed amendment to ARM 6.6.2803(2) would indicate that there may be more than one standardized submission form. The amendment is necessary because SB 331 amended 33-2-303, MCA, to allow for different submission forms to be used by surplus lines insurance producers and by insureds who independently

procured insurance. Additionally, the department plans to develop a separate submission form to be used by insureds who independently procured insurance.

The department proposes amending ARM 6.6.2803(5) to remove the references to a notarized affidavit and instead refer to the affirmation to be completed and retained by the producing insurance producer. This amendment is necessary because SB 331 amended 33-2-310, MCA, to remove the requirement that the producing insurance producer complete an affidavit before a notary. Instead, under amended 33-2-303, MCA, the producing insurance producer must affirm on the submission form that, prior to placing coverage in the surplus lines market, the producer made a diligent search for coverage in the admitted market, or else indicate the exception to the diligent search relied upon, and that the producer expressly advised the insured that: the surplus lines insurer with whom the insurance is placed is not authorized in Montana; and if the surplus lines insurer becomes insolvent, the Montana property and casualty guaranty fund will not provide any coverage.

The proposed amendment to ARM 6.6.2803, to add new (6) would provide the form and content of the notation to be made by the surplus lines insurance producer that procured the coverage. The proposed language is substantially similar to the notation required under 33-2-303, MCA, prior to enactment of SB 331. Section 33-2-303, MCA, was amended by SB 331 to provide that the Commissioner may require surplus lines insurance producers to affix a notation on each insurance contract, cover note, or certificate of insurance procured and delivered as surplus lines insurance to advise insureds that the coverage is issued by an unauthorized insurer that is not covered by the property and casualty guaranty fund in Montana if the insurer becomes insolvent. The notation could be made with a stamp or printed on the forms. The proposed notation is necessary to provide important information to the insured and does not appear to be overly burdensome or difficult for surplus lines insurance producers.

The proposed amendment to ARM 6.6.2803(7), renumbered as ARM 6.6.2803(8), would include referencing "33-2-310, MCA, and these rules" pertaining to the records that must be retained, but may be stored electronically. The amendment is necessary for consistency with SB 331 and other proposed amendments.

With regard to ARM 6.6.2804(1), the proposed amendment removes the reference to the specific subsection of 33-2-321, MCA, regarding the stamping fee. Removing the specific subsection reference is necessary to eliminate the need to amend this rule if the statute is amended, and the subsections are renumbered in the future.

In ARM 6.6.2804(2), and proposed new ARM 6.6.2804(3), the proposed amendments lower the stamping fee to reflect the department's lower costs. In 2010, the department implemented an electronic filing system which has significantly decreased the staff time necessary to review and process these submissions. SB 331 amended 33-2-321, MCA, to provide that the stamping fee be commensurate with the expenses of regulating surplus lines insurance. The proposed amendments are necessary for consistency with SB 331.

In proposed new ARM 6.6.2804(3), a delayed effective date for the lower stamping fee is necessary to accommodate the needed information technology changes to the department's surplus lines insurance submission system. Further, a delayed effective date would also be necessary for surplus lines insurance producers making similar information technology and programming changes, and would be beneficial for surplus lines insurance producers preparing bids for coverage. Using January 1, 2012, as the effective date is consistent with the reporting period (and payment period) for taxes and stamping fees. Additionally, using January 1, 2012, as the effective date will be beneficial for both the department and surplus lines insurance producers in their bookkeeping and auditing of stamping fees. The remaining sections of ARM 6.6.2804 would be renumbered.

A proposed amendment to current ARM 6.6.2804(3), renumbered as ARM 6.6.2804(4), provides that the stamping fee on a monied endorsement shall be earned in full as soon as any portion of the premium payable for the endorsement is earned. Under the current rule, if a monied endorsement was cancelled before the effective date for the endorsement, the stamping fee for the endorsement could be retained by the department as long as the underlying policy became effective. The proposed amendment is necessary for consistency regarding the return of stamping fees if the surplus lines insurance transaction generating the stamping fee, such as the underlying policy or a monied endorsement, is cancelled before becoming effective and before the associated premium is earned.

Another proposed amendment to current ARM 6.6.2804(3), renumbered as ARM 6.6.2804(4), removes the last sentence. The amendment is necessary because this sentence duplicates the language in the statute at 33-2-321(1), MCA, which provides that the Commissioner will establish the stamping fee commensurate with the expenses of regulating surplus lines insurance.

With regard to current ARM 6.6.2804(8), renumbered as ARM 6.6.2804(9), the proposed amendments are necessary to make the penalty for late payment of stamping fees applicable to insureds who independently procured insurance and to give the Commissioner discretion to impose the late penalty on a case-by-case basis by changing the "shall" to "may." SB 331 allowed insureds to independently procure surplus lines insurance, and imposed the obligation to pay the associated premium taxes and stamping fees on that insurance. The amendment allows the Commissioner to consider the specific circumstances involved in cases of nonpayment of stamping fees and determine whether to impose a late penalty.

The proposed amendments to ARM 6.6.2810 include adding new language to (1) to establish the calendar year as the reporting period. Previously, the reporting period was the calendar year under 33-2-310, MCA; however, SB 331 removed the annual period and provided that the Commissioner would establish the reporting period by rule. Proposed new ARM 6.6.2801(1) is necessary to establish a reporting period and retaining the annual reporting period would be consistent and convenient.

Other proposed amendments to ARM 6.6.2810 specify that the rule is applicable to insureds who independently procured insurance. These amendments are necessary for consistency with SB 331 which recognized and allowed independently procured insurance and applied the same tax and fee payment obligations to these insureds.

Further proposed amendments to ARM 6.6.2810 clarify that the annual report is an annual tax and fee statement for surplus lines transactions during the annual reporting period. SB 311 changed the language in The Surplus Lines Insurance Law from annual report or annual statement to tax and fee statement. The proposed amendments are necessary to make the language in the rule consistent with the language in the statutes.

Another proposed amendment to ARM 6.6.2810 would add new (4) to establish April 1 as the deadline for payment of taxes and fees for the preceding calendar year. Previously, under 33-2-310 and 33-2-312, MCA, the deadline for payment of taxes and fees was April 1 for the preceding calendar year; however, SB 331 removed the payment deadline and provided that the Commissioner would establish the payment deadline by rule. New (4) is necessary to establish the payment deadline and retaining the April 1 deadline would be consistent and convenient.

The proposed amendment to ARM 6.6.2810 to add new (5) would allow insureds who independently procured insurance to pay the taxes and fees when filing the surplus lines submission with the department. These insureds will likely have very few submissions during an annual reporting period; therefore, little or no tax and fee reconciliation at the end of the reporting period would be required for these insureds when compared to surplus lines insurance producers with numerous surplus lines submissions, including cancellations and endorsements, during the reporting period. The amendment is necessary to allow these insureds to pay the taxes and fees when filing the surplus lines submission as a convenience.

Another proposed amendment to ARM 6.6.2810 is adding 33-2-312, MCA, and 33-2-321, MCA, to the list in ARM 6.6.2810(6). Section (6) provides that nothing in the rule or the tax and fee statement prepared by the department relieves a surplus lines insurance producer or insured who independently procured insurance from complying with 33-2-310, MCA, regarding records and tax and fee statements, and 33-2-311, MCA, regarding the tax on surplus lines insurance. References to 33-2-312, MCA, regarding the penalty for failing to pay the tax or fee, and 33-2-321, MCA, regarding imposition of the fee, are necessary to clarify that the imposition of the fee and of any late penalties applied to the tax or fee are not affected by ARM 6.6.2810.

5. Concerned persons may submit their data, views, or arguments concerning the proposed actions either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to Jennifer L. Massman, Staff Attorney, Office of the Commissioner of Securities and Insurance, State Auditor, Monica Lindeen, 840 Helena Ave., Helena, Montana, 59601; telephone (406) 444-2040; fax (406) 444-3499; or e-mail jmassman@mt.gov, and must be received no later than 5:00 p.m., October 21, 2011.

6. Jennifer L. Massman, Staff Attorney, has been designated to preside over and conduct this hearing.

7. The department maintains a list of concerned 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 and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Such written request may be mailed or delivered to Darla Sautter, Office of the Commissioner of Securities and Insurance, 840 Helena Ave., Helena, Montana, 59601; telephone (406) 444-2726; fax (406) 444-3499; or e-mail dsautter@mt.gov or may be made by completing a request form at any rules hearing held by the department.

8. An electronic copy of this proposal notice is available through the Secretary of State's web site at <http://sos.mt.gov/ARM/Register>. The Secretary of State strives to make the electronic copy of the notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the Secretary of State works to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

9. The bill sponsor contact requirements of 2-4-302, MCA, apply and have been fulfilled. The primary bill sponsor for SB 331 (2011), Senator Larry Jent, was notified by regular mail on July 22, 2011, at his home address.

/s/ Brett O'Neil
Brett O'Neil
Rule Reviewer

/s/ Jesse Laslovich
Jesse Laslovich
Chief Legal Counsel

Certified to the Secretary of State September 12, 2011.

BEFORE THE DEPARTMENT OF COMMERCE
OF THE STATE OF MONTANA

In the matter of the amendment of) NOTICE OF PUBLIC HEARING ON
ARM 8.94.3814 pertaining to the) PROPOSED AMENDMENT
Treasure State Endowment Program)

TO: All Concerned Persons

1. On October 12, 2011, at 1:00 p.m., the Department of Commerce will hold a public hearing in Room 226 of the Park Avenue Building at 301 South Park Avenue, at Helena, Montana, to consider the proposed amendment of the above-stated rule.

2. The Department of Commerce will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact Department of Commerce no later than 5:00 p.m. on October 7, 2011, to advise us of the nature of the accommodation that you need. Please contact Becky Anseth, Community Development Division, Department of Commerce, 301 South Park Avenue, P.O. Box 200523, Helena, Montana, 59620-0523; telephone (406) 841-2865; fax (406) 841-2771; TDD (406) 841-2702; or e-mail banseth@mt.gov.

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

8.94.3814 INCORPORATION BY REFERENCE OF RULES FOR THE ADMINISTRATION OF TREASURE STATE ENDOWMENT GRANTS AWARDED BY THE 2007 LEGISLATURE (1) The Department of Commerce adopts and incorporates by reference the 2011 Montana Treasure State Endowment Program Project Administration Manual, ~~dated May 2007~~, published by it as rules for the administration of TSEP grants ~~awarded by the 2007 Legislature~~.

(2) and (3) remain the same.

AUTH: 90-6-710, MCA

IMP: 90-6-710, MCA

REASON: It is reasonably necessary to amend this rule because grantees must be aware of the current state statutory and regulatory requirements and the department's requirements for administering their projects.

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: Becky Anseth, Community Development Division, Department of Commerce, 301 South Park Avenue, P.O. Box 200523, Helena, Montana, 59620-0523; telephone (406) 841-22865; fax (406) 841-2771; or e-mail banseth@mt.gov, and must be received no later than 5:00 p.m., October 20, 2011.

5. Becky Anseth, Department of Commerce, 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. An electronic copy of this proposal notice is available through the Secretary of State's web site at <http://sos.mt.gov/ARM/Register>. The Secretary of State strives to make the electronic copy of the notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the Secretary of State works to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

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

/s/ KELLY A. CASILLAS
KELLY A. CASILLAS
Rule Reviewer

/s/ DORE SCHWINDEN
DORE SCHWINDEN
Director
Department of Commerce

Certified to the Secretary of State September 12, 2011.

BEFORE THE BOARD OF PUBLIC EDUCATION
OF THE STATE OF MONTANA

In the matter of the adoption of New)	NOTICE OF PUBLIC HEARING ON
Rules I through XIII pertaining to)	PROPOSED ADOPTION AND
content standards for English)	REPEAL
language arts and literacy, the)	
adoption of New Rules XIV through)	
XVII relating to general standards and)	
the repeal of ARM 10.54.3610)	
through 10.54.3613, 10.54.3620)	
through 10.54.3623, 10.54.3630)	
through 10.54.3633, 10.54.3640)	
through 10.54.3643, 10.54.3650)	
through 10.54.3653, 10.54.3701)	
through 10.54.3712 relating to)	
communication arts content)	
standards and performance)	
descriptors)	

TO: All Concerned Persons

1. On October 24, 2011 at 10:00 a.m. the Board of Public Education will hold a public hearing in the conference room of the Office of Public Instruction building at 1227 11th Avenue, Helena Montana, to consider the proposed adoption and repeal of the above-stated rules.

2. The board 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 board no later than 5:00 p.m. on October 17, 2011, to advise us of the nature of the accommodation that you need. Please contact Peter Donovan, Executive Secretary, 46 North Last Chance Gulch, P.O. Box 200601, Helena, Montana, 59601-0601; telephone (406) 444-0302; fax (406) 444-0847; or e-mail pdonovan@mt.gov.

3. The rules as proposed to be adopted provide as follows:

NEW RULE I COLLEGE AND CAREER READINESS ANCHOR
STANDARDS FOR READING (1) Read closely to determine what the text says explicitly and to make logical inferences from it; cite specific textual evidence when writing or speaking to support conclusions drawn from the text.

(2) Determine central ideas or themes of a text and analyze their development and summarize the key supporting details and ideas.

(3) Analyze how and why individuals, events, and ideas develop and interact over the course of a text.

(4) Interpret words and phrases as they are used in a text, including

determining technical, connotative, and figurative meanings and analyze how specific word choices shape meaning or tone.

(5) Analyze the structure of texts, including how specific sentences, paragraphs, and larger portions of the text (e.g., a section, chapter, scene, or stanza) relate to each other and the whole.

(6) Assess how point of view or purpose shapes the content and style of a text.

(7) Integrate and evaluate content presented in diverse media and formats, including visually and quantitatively, as well as in words.

(8) Delineate and evaluate the argument and specific claims in a text, including the validity of the reasoning as well as the relevance and sufficiency of the evidence.

(9) Analyze how two or more texts address similar themes or topics in order to build knowledge or to compare the approaches the authors take.

(10) Read and comprehend complex literary and informational texts independently and proficiently.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE II COLLEGE AND CAREER READINESS ANCHOR STANDARDS FOR WRITING (1) Write arguments to support claims in an analysis of substantive topics or texts, using valid reasoning and relevant and sufficient evidence.

(2) Write informative/explanatory texts to examine and convey complex ideas and information clearly and accurately through the effective selection, organization, and analysis of content.

(3) Write narratives to develop real or imagined experiences or events using effective technique, well-chosen details, and well-structured event sequences.

(4) Produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience.

(5) Develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach.

(6) Use technology, including the internet, to produce and publish writing and to interact and collaborate with others.

(7) Conduct short as well as more sustained research projects based on focused questions, demonstrating understanding of the subject under investigation.

(8) Gather relevant information from multiple print and digital sources, assess the credibility and accuracy of each source, and integrate the information while avoiding plagiarism.

(9) Draw evidence from literary or informational texts to support analysis, reflection, and research.

(10) Write routinely over extended time frames (time for research, reflection, and revision) and shorter time frames (a single sitting or a day or two) for a range of tasks, purposes, and audiences.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE III COLLEGE AND CAREER READINESS ANCHOR STANDARDS FOR SPEAKING AND LISTENING (1) Prepare for and participate effectively in a range of conversations and collaborations with diverse partners, building on others' ideas and expressing their own clearly and persuasively.

(2) Integrate and evaluate information presented in diverse media and formats, including visually, quantitatively, and orally.

(3) Evaluate a speaker's point of view, reasoning, and use of evidence and rhetoric.

(4) Present information, findings, and supporting evidence such that listeners can follow the line of reasoning and the organization, development, and style are appropriate to task, purpose, and audience.

(5) Make strategic use of digital media and visual displays of data to express information and enhance understanding of presentations.

(6) Adapt speech to a variety of contexts and communicative tasks, demonstrating command of formal English when indicated or appropriate.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE IV COLLEGE AND CAREER READINESS ANCHOR STANDARDS FOR LANGUAGE (1) Demonstrate command of the conventions of standard English grammar and usage when writing or speaking.

(2) Demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing.

(3) Apply knowledge of language to understand how language functions in different contexts, to make effective choices for meaning or style, and to comprehend more fully when reading or listening.

(4) Determine or clarify the meaning of unknown and multiple-meaning words and phrases by using context clues, analyzing meaningful word parts, and consulting general and specialized reference materials, as appropriate.

(5) Demonstrate understanding of figurative language, word relationships and nuances in word meanings.

(6) Acquire and use accurately a range of general academic and domain-specific words and phrases sufficient for reading, writing, speaking, and listening at the college and career readiness level; demonstrate independence in gathering vocabulary knowledge when encountering an unknown term important to comprehension or expression.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE V READING STANDARDS FOR LITERATURE (1) Reading standards for literature for a student at the kindergarten level are:

(a) with prompting and support, ask and answer questions about key details in a text;

- (b) with prompting and support, retell familiar stories, including key details; include stories by and about American Indians;
 - (c) with prompting and support, identify characters, settings, and major events in a story;
 - (d) ask and answer questions about unknown words in a text;
 - (e) recognize common types of texts (e.g., storybooks, poems);
 - (f) with prompting and support, name the author and illustrator of a story and define the role of each in telling the story;
 - (g) with prompting and support, describe the relationship between illustrations and the story in which they appear (e.g., what moment in a story an illustration depicts);
 - (h) with prompting and support, compare and contrast the adventures and experiences of characters in familiar stories, including American Indian stories; and
 - (i) actively engage in group reading activities with purpose and understanding.
- (2) Reading standards for literature for a student at the Grade 1 level are:
- (a) ask and answer questions about key details in a text;
 - (b) retell stories, including stories by and about American Indians, including key details and demonstrate understanding of their central message or lesson;
 - (c) describe characters, settings, and major events in a story, using key details;
 - (d) identify words and phrases in stories or poems that suggest feelings or appeal to the senses;
 - (e) explain major differences between books that tell stories and books that give information, including those of American Indians, drawing on a wide reading of a range of text types;
 - (f) identify who is telling the story at various points in a text;
 - (g) use illustrations and details in a story to describe its characters, setting, or events;
 - (h) compare and contrast the adventures and experiences of characters in stories, including American Indian stories; and
 - (i) with prompting and support, read prose and poetry of appropriate complexity for grade 1.
- (3) Reading standards for literature for a student at the Grade 2 level are:
- (a) ask and answer such questions as who, what, where, when, why, and how to demonstrate understanding of key details in a text;
 - (b) recount stories, including fables and folktales from diverse cultures, including American Indian stories, and determine their central message, lesson, or moral;
 - (c) describe how characters in a story respond to major events and challenges;
 - (d) describe how words and phrases (e.g., regular beats, alliteration, rhymes, repeated lines) supply rhythm and meaning in a story, poem, or song;
 - (e) describe the overall structure of a story, including American Indian stories, describing how the beginning introduces the story and the ending concludes the action;
 - (f) acknowledge differences in the points of view of characters, including by

speaking in a different voice for each character when reading dialogue aloud;

(g) use information gained from the illustrations and words in a print or digital text to demonstrate understanding of its characters, setting, or plot;

(h) compare and contrast two or more versions of the same story (e.g., Cinderella stories) by different authors or from different cultures, including American Indian authors or cultures; and

(i) by the end of the year, read and comprehend literature, including stories and poetry, in the Grades 2-3 text complexity band proficiently, with scaffolding as needed at the high end of the range.

(4) Reading standards for literature for a student at the Grade 3 level are:

(a) ask and answer questions to demonstrate understanding of a text, referring explicitly to the text as the basis for the answers;

(b) recount stories, including fables, folktales, and myths from diverse cultures, including those by and about American Indians; determine the central message, lesson, or moral; and explain how it is conveyed through key details in the text;

(c) describe characters in a story (e.g., their traits, motivations, or feelings) and explain how their actions contribute to the sequence of events;

(d) determine the meaning of words and phrases as they are used in a text, distinguishing literal from nonliteral language;

(e) refer to parts of stories, dramas, and poems when writing or speaking about a text, using terms such as chapter, scene, and stanza and describe how each successive part builds on earlier sections;

(f) distinguish their own point of view from that of the narrator or those of the characters; include works by and about American Indians;

(g) explain how specific aspects of a text's illustrations contribute to what is conveyed by the words in a story (e.g., create mood, emphasize aspects of a character or setting);

(h) compare and contrast the themes, settings, and plots of stories written by the same author, including American Indian authors, about the same or similar characters (e.g., in books from a series); and

(i) by the end of the year, read and comprehend literature, including stories, dramas, and poetry, at the high end of the Grades 2–3 text complexity band independently and proficiently.

(5) Reading standards for literature for a student at the Grade 4 level are:

(a) refer to details and examples in a text when explaining what the text says explicitly and when drawing inferences from the text;

(b) determine a theme of a story, drama, or poem from details in the text; summarize the text; and include texts by and about American Indians;

(c) describe in depth a character, setting, or event in a story or drama, drawing on specific details in the text (e.g., a character's thoughts, words, or actions);

(d) determine the meaning of words and phrases as they are used in a text, including those that allude to significant characters found in mythology (e.g., Herculean);

(e) explain major differences between poems, drama, and prose, and refer to the structural elements of poems (e.g., verse, rhythm, meter) and drama (e.g., casts

of characters, settings, descriptions, dialogue, stage directions) when writing or speaking about a text;

(f) compare and contrast the point of view from which different stories are narrated, including the difference between first- and third-person narrations; include works by and about American Indians;

(g) make connections between the text of a story or drama and a visual or oral presentation of the text, identifying where each version reflects specific descriptions and directions in the text;

(h) compare and contrast the treatment of similar themes and topics (e.g., opposition of good and evil) and patterns of events (e.g., the quest) in stories, myths, and traditional literature from different cultures, including those by and about American Indians; and

(i) by the end of the year, read and comprehend literature, including stories, dramas, and poetry, in the Grades 4-5 text complexity band proficiently, with scaffolding as needed at the high end of the range.

(6) Reading standards for literature for a student at the Grade 5 level are:

(a) quote accurately from a text when explaining what the text says explicitly and when drawing inferences from the text;

(b) determine a theme of a story, drama, or poem from details in the text, including how characters in a story or drama respond to challenges or how the speaker in a poem reflects upon a topic; summarize the text; and include texts by and about American Indians;

(c) compare and contrast two or more characters, settings, or events in a story or drama, drawing on specific details in the text (e.g., how characters interact);

(d) determine the meaning of words and phrases as they are used in a text, including figurative language such as metaphors and similes;

(e) explain how a series of chapters, scenes, or stanzas fits together to provide the overall structure of a particular story, drama, or poem;

(f) describe how a narrator's or speaker's point of view influences how events are described; include perspectives of American Indians;

(g) analyze how visual and multimedia elements contribute to the meaning, tone, or beauty of a text (e.g., graphic novel, multimedia presentation of fiction, folktale, myth, poem);

(h) compare and contrast stories in the same genre (e.g., mysteries and adventure stories, including traditional and contemporary stories by and about American Indians) on their approaches to similar themes and topics; and

(i) by the end of the year, read and comprehend literature, including stories, dramas, and poetry, at the high end of the Grades 4-5 text complexity band independently and proficiently.

(7) Reading standards for literature for a student at the Grade 6 level are:

(a) cite textual evidence to support analysis of what the text says explicitly as well as inferences drawn from the text;

(b) determine a theme or central idea of a text and how it is conveyed through particular details and provide a summary of the text distinct from personal opinions or judgments;

(c) describe how a particular story's or drama's plot unfolds in a series of episodes as well as how the characters respond or change as the plot moves toward

a resolution;

(d) determine the meaning of words and phrases as they are used in a text, including figurative and connotative meanings and analyze the impact of a specific word choice on meaning and tone;

(e) analyze how a particular sentence, chapter, scene, or stanza fits into the overall structure of a text and contributes to the development of the theme, setting, or plot;

(f) explain how an author develops the point of view of the narrator or speaker in a text;

(g) compare and contrast the experience of reading a story, drama, or poem to listening to or viewing an audio, video, or live version of the text, including contrasting what they "see" and "hear" when reading the text to what they perceive when they listen or watch;

(h) compare and contrast texts in different forms or genres (e.g., stories and poems; historical novels and fantasy stories; traditional and contemporary stories by and about American Indians) in terms of their approaches to similar themes and topics; and

(i) by the end of the year, read and comprehend literature, including stories, dramas, and poems, in the Grades 6-8 text complexity band proficiently, with scaffolding as needed at the high end of the range.

(8) Reading standards for literature for a student at the Grade 7 level are:

(a) cite several pieces of textual evidence to support analysis of what the text says explicitly as well as inferences drawn from the text;

(b) determine a theme or central idea of a text; analyze its development over the course of the text; and provide an objective summary of the text;

(c) analyze how particular elements of a story or drama interact (e.g., how setting shapes the characters or plot);

(d) determine the meaning of words and phrases as they are used in a text, including figurative and connotative meanings and analyze the impact of rhymes and other repetitions of sounds (e.g., alliteration) on a specific verse or stanza of a poem or section of a story or drama;

(e) analyze how a drama's or poem's form or structure (e.g., soliloquy, sonnet) contributes to its meaning;

(f) analyze how an author develops and contrasts the points of view of different characters or narrators in a text;

(g) compare and contrast a written story, drama, or poem to its audio, filmed, staged, or multimedia version, analyzing the effects of techniques unique to each medium (e.g., lighting, sound, color, or camera focus and angles in a film);

(h) compare and contrast a fictional portrayal of a time, place, or character and a historical account of the same period as a means of understanding how authors of fiction use or alter history; include texts that contain portrayals and/or accounts by and about American Indians; and

(i) by the end of the year, read and comprehend literature, including stories, dramas, and poems, in the Grades 6-8 text complexity band proficiently, with scaffolding as needed at the high end of the range.

(9) Reading standards for literature for a student at the Grade 8 level are:

(a) cite the textual evidence that most strongly supports an analysis of what

the text says explicitly as well as inferences drawn from the text;

(b) determine a theme or central idea of a text; analyze its development over the course of the text, including its relationship to the characters, setting, and plot; and provide an objective summary of the text;

(c) analyze how particular lines of dialogue or incidents in a story or drama propel the action, reveal aspects of a character, or provoke a decision;

(d) determine the meaning of words and phrases as they are used in a text, including figurative and connotative meanings and analyze the impact of specific word choices on meaning and tone, including analogies or allusions to other texts;

(e) compare and contrast the structure of two or more texts and analyze how the differing structure of each text contributes to its meaning and style;

(f) analyze how differences in the points of view of the characters and the audience or reader (e.g., created through the use of dramatic irony) create such effects as suspense or humor;

(g) analyze the extent to which a filmed or live production of a story or drama stays faithful to or departs from the text or script, evaluating the choices made by the director or actors;

(h) analyze how a modern work of fiction draws on themes, patterns of events, or character types from myths, traditional stories, or religious works such as the Bible, including describing how the material is rendered new and include texts by and about American Indians; and

(i) by the end of the year, read and comprehend literature, including stories, dramas, and poems, at the high end of Grades 6-8 text complexity band independently and proficiently.

(10) Reading standards for literature for a student at the Grade 9-10 level are:

(a) cite strong and thorough textual evidence to support analysis of what the text says explicitly as well as inferences drawn from the text and include works by and about American Indians;

(b) determine a theme or central idea of a text, including those by and about American Indians; analyze in detail its development over the course of the text, including how it emerges and is shaped and refined by specific details; and provide an objective summary of the text;

(c) analyze how complex characters (e.g., those with multiple or conflicting motivations) develop over the course of a text, including texts by and about American Indians; interact with other characters; and advance the plot or develop the theme;

(d) determine the meaning of words and phrases as they are used in the text, including figurative and connotative meanings and analyze the cumulative impact of specific word choices on meaning and tone (e.g., how the language evokes a sense of time and place; how it sets a formal or informal tone);

(e) analyze how an author's choices concerning how to structure a text, order events within it (e.g., parallel plots), and manipulate time (e.g., pacing, flashbacks) create such effects as mystery, tension, or surprise;

(f) analyze a particular point of view or cultural experience reflected in a work of literature from outside the United States, drawing on a wide reading of world literature;

(g) analyze the representation of a subject or a key scene in two different artistic mediums, including what is emphasized or absent in each treatment (e.g., Auden's "Musée des Beaux Arts," Breughel's Landscape with the Fall of Icarus Painting, and American Progress, by John Gast (circa 1872) with "Birthright," a poem, by M. L. Smoker in Another Attempt at Rescue);

(h) analyze how an author draws on and transforms source material in a specific work (e.g., how Shakespeare treats a theme or topic from Ovid or the Bible, how a later author draws on a play by Shakespeare, or how American Indian stories and oral histories appear in contemporary works, such as James Welch's Fools Crow, where the author retells the Pikuni traditional story, "Star Boy"); and

(i) by the end of Grade 9, read and comprehend literature, including stories, dramas, and poems, in the Grades 9-10 text complexity band proficiently, with scaffolding as needed at the high end of the range. By the end of Grade 10, read and comprehend literature, including stories, dramas, and poems, at the high end of the Grades 9-10 text complexity band independently and proficiently.

(11) Reading standards for literature for a student at the Grade 11-12 level are:

(a) cite strong and thorough textual evidence to support analysis of what the text says explicitly as well as inferences drawn from the text, including determining where the text leaves matters uncertain;

(b) determine two or more themes or central ideas of a text, including those by and about American Indians; analyze their development over the course of the text, including how they interact and build on one another to produce a complex account; and provide an objective summary of the text;

(c) analyze the impact of the author's choices regarding how to develop and relate elements of a story or drama or oral or written history (e.g., where a story is set, how the action is ordered, how the characters are introduced and developed);

(d) determine the meaning of words and phrases as they are used in the text, including figurative and connotative meanings and analyze the impact of specific word choices on meaning and tone, including words with multiple meanings or language that is particularly fresh, engaging, or beautiful (include Shakespeare, works by American Indian authors, as well as other authors);

(e) analyze how an author's choices concerning how to structure specific parts of a text (e.g., the choice of where to begin or end a story, the choice to provide a comedic or tragic resolution) contribute to its overall structure and meaning as well as its aesthetic impact;

(f) analyze a case in which grasping point of view requires distinguishing what is directly stated in a text from what is really meant (e.g., satire, sarcasm, irony, or understatement) and include works by and about American Indians;

(g) analyze multiple interpretations of a story, drama, poem (e.g., recorded or live production of a play or recorded novel or poetry), or traditional American Indian oral histories, evaluating how each version interprets the source text (include at least one play by Shakespeare and one play by an American dramatist);

(h) demonstrate knowledge of eighteenth-, nineteenth- and early-twentieth-century foundational works of American literature, including American Indian works, including how two or more texts from the same period treat similar themes or topics; and

(i) by the end of Grade 11, read and comprehend literature, including stories, dramas, and poems, in the Grades 11-college and career ready (CCR) text complexity band proficiently, with scaffolding as needed at the high end of the range. By the end of Grade 12, read and comprehend literature, including stories, dramas, and poems, at the high end of the Grades 11-CCR text complexity band independently and proficiently.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE VI READING STANDARDS FOR INFORMATIONAL TEXT

(1) Reading standards for informational text for a student at the kindergarten level are:

(a) with prompting and support, ask and answer questions about key details in a text;

(b) with prompting and support, identify the main topic and retell key details of a text;

(c) with prompting and support, describe the connection between two individuals, events, ideas, or pieces of information in a text and include texts by and about American Indians;

(d) with prompting and support, ask and answer questions about unknown words in a text and recognize words and phrases with cultural significance to American Indians;

(e) identify the front cover, back cover, and title page of a book;

(f) name the author and illustrator of a text and define the role of each in presenting the ideas or information in a text;

(g) with prompting and support, describe the relationship between illustrations and the text in which they appear (e.g., what person, place, thing, or idea in the text an illustration depicts);

(h) with prompting and support, identify the reasons an author gives to support points in a text;

(i) with prompting and support, identify basic similarities in and differences between two texts on the same topic (e.g., in illustrations, descriptions, or procedures); and

(j) actively engage in group reading activities with purpose and understanding.

(2) Reading standards for informational text for a student at the Grade 1 level are:

(a) ask and answer questions about key details in a text;

(b) identify the main topic and retell key details of a text;

(c) describe the connection between two individuals, events, ideas, or pieces of information in a text and include texts by and about American Indians;

(d) ask and answer questions to help determine or clarify the meaning of words and phrases in a text and recognize words and phrases with cultural significance to American Indians;

(e) know and use various text features (e.g., headings, tables of contents, glossaries, electronic menus, icons) to locate key facts or information in a text;

- (f) distinguish between information provided by pictures or other illustrations and information provided by the words in a text;
- (g) use the illustrations and details in a text to describe its key ideas;
- (h) identify the reasons an author gives to support points in a text;
- (i) identify basic similarities in and differences between two texts on the same topic (e.g., in illustrations, descriptions, or procedures); and
- (j) with prompting and support, read informational texts appropriately complex for Grade 1.

(3) Reading standards for informational text for a student at the Grade 2 level are:

- (a) ask and answer such questions as who, what, where, when, why, and how to demonstrate understanding of key details in a text;
- (b) identify the main topic of a multiparagraph text as well as the focus of specific paragraphs within the text;
- (c) describe the connection between a series of historical events, scientific ideas or concepts, or steps in technical procedures in a text and include texts by and about American Indians;
- (d) determine the meaning of words and phrases in a text relevant to a Grade 2 topic or subject area and recognize words and phrases with cultural significance to American Indians;
- (e) know and use various text features (e.g., captions, bold print, subheadings, glossaries, indexes, electronic menus, icons) to locate key facts or information in a text efficiently;
- (f) identify the main purpose of a text, including what the author wants to answer, explain, or describe;
- (g) explain how specific images (e.g., a diagram showing how a machine works) contribute to and clarify a text;
- (h) describe how reasons support specific points the author makes in a text;
- (i) compare and contrast the most important points presented by two texts on the same topic; and
- (j) by the end of year, read and comprehend informational texts, including history/social studies, science, and technical texts, in the Grades 2-3 text complexity band proficiently, with scaffolding as needed at the high end of the range.

(4) Reading standards for informational text for a student at the Grade 3 level are:

- (a) ask and answer questions to demonstrate understanding of a text, referring explicitly to the text as the basis for the answers;
- (b) determine the main idea of a text; recount the key details, and explain how they support the main idea;
- (c) describe the relationship between a series of historical events, scientific ideas or concepts, or steps in technical procedures in a text, using language that pertains to time, sequence, and cause/effect and include texts by and about American Indians;
- (d) determine the meaning of general academic and domain-specific words and phrases in a text relevant to a Grade 3 topic or subject area;
- (e) use text features and search tools (e.g., key words, sidebars, hyperlinks) to locate information relevant to a given topic efficiently;

(f) distinguish their own point of view from that of the author of a text;
(g) use information gained from illustrations (e.g., maps, photographs) and the words in a text to demonstrate understanding of the text (e.g., where, when, why, and how key events occur);

(h) describe the logical connection between particular sentences and paragraphs in a text (e.g., comparison, cause/effect, first/second/third in a sequence);

(i) compare and contrast the most important points and key details presented in two texts on the same topic; and

(j) by the end of the year, read and comprehend informational texts, including history/social studies, science, and technical texts, at the high end of the Grades 2-3 text complexity band independently and proficiently.

(5) Reading standards for informational text for a student at the Grade 4 level are:

(a) refer to details and examples in a text when explaining what the text says explicitly and when drawing inferences from the text;

(b) determine the main idea of a text; explain how it is supported by key details; and summarize the text;

(c) explain events, procedures, ideas, or concepts in a historical, scientific, or technical text, including what happened and why, based on specific information in the text and include texts by and about American Indians;

(d) determine the meaning of general academic and domain-specific words or phrases in a text relevant to a Grade 4 topic or subject area;

(e) describe the overall structure (e.g., chronology, comparison, cause/effect, problem/solution) of events, ideas, concepts, or information in a text or part of a text;

(f) compare and contrast a firsthand and secondhand account of the same event or topic, including those of American Indians and describe the differences in focus and the information provided;

(g) interpret information presented visually, orally, or quantitatively (e.g., in charts, graphs, diagrams, time lines, animations, or interactive elements on Web pages) and explain how the information contributes to an understanding of the text in which it appears;

(h) explain how an author uses reasons and evidence to support particular points in a text;

(i) integrate information from two texts on the same topic in order to write or speak about the subject knowledgeably; and

(j) by the end of year, read and comprehend informational texts, including history/social studies, science, and technical texts, in the Grades 4-5 text complexity band proficiently, with scaffolding as needed at the high end of the range.

(6) Reading standards for informational text for a student at the Grade 5 level are:

(a) quote accurately from a text when explaining what the text says explicitly and when drawing inferences from the text;

(b) determine two or more main ideas of a text, explain how they are supported by key details, and summarize the text;

(c) explain the relationships or interactions between two or more individuals, events, ideas, or concepts in a historical, scientific, or technical text based on

specific information in the text and include texts by and about American Indians;

(d) determine the meaning of general academic and domain-specific words and phrases in a text relevant to a Grade 5 topic or subject area;

(e) compare and contrast the overall structure (e.g., chronology, comparison, cause/effect, problem/solution) of events, ideas, concepts, or information in two or more texts;

(f) analyze multiple accounts of the same event or topic, including those of historical and contemporary American Indian events and topics, noting important similarities and differences in the point of view they represent;

(g) draw on information from multiple print or digital sources, demonstrating the ability to locate an answer to a question quickly or to solve a problem efficiently;

(h) explain how an author uses reasons and evidence to support particular points in a text, identifying which reasons and evidence support which point(s);

(i) integrate information from several texts on the same topic in order to write or speak about the subject knowledgeably; and

(j) by the end of the year, read and comprehend informational texts, including history/social studies, science, and technical texts, at the high end of the Grades 4-5 text complexity band independently and proficiently.

(7) Reading standards for informational text for a student at the Grade 6 level are:

(a) cite textual evidence to support analysis of what the text says explicitly as well as inferences drawn from the text;

(b) determine a central idea of a text and how it is conveyed through particular details and provide a summary of the text distinct from personal opinions or judgments;

(c) analyze in detail how a key individual, event, or idea is introduced, illustrated, and elaborated in a text (e.g., through examples or anecdotes);

(d) determine the meaning of words and phrases as they are used in a text, including figurative, connotative, and technical meanings;

(e) analyze how a particular sentence, paragraph, chapter, or section fits into the overall structure of a text and contributes to the development of the ideas;

(f) determine an author's point of view or purpose in a text and explain how it is conveyed in the text and include texts by and about American Indians;

(g) integrate information presented in different media or formats (e.g., visually, quantitatively) as well as in words to develop a coherent understanding of a topic or issue;

(h) trace and evaluate the argument and specific claims in a text, including texts by and about American Indians, distinguishing claims that are supported by reasons and evidence from claims that are not;

(i) compare and contrast one author's presentation of events with that of another (e.g., a memoir written by and a biography on the same person) and include texts by and about American Indians; and

(j) by the end of the year, read and comprehend literary nonfiction in the Grades 6-8 text complexity band proficiently, with scaffolding as needed at the high end of the range.

(8) Reading standards for informational text for a student at the Grade 7 level are:

(a) cite several pieces of textual evidence to support analysis of what the text says explicitly as well as inferences drawn from the text;

(b) determine two or more central ideas in a text; analyze their development over the course of the text; and provide an objective summary of the text;

(c) analyze the interactions between individuals, events, and ideas in a text (e.g., how ideas influence individuals or events, or how individuals influence ideas or events);

(d) determine the meaning of words and phrases as they are used in a text, including figurative, connotative, and technical meanings and analyze the impact of a specific word choice on meaning and tone;

(e) analyze the structure an author uses to organize a text, including how the major sections contribute to the whole and to the development of the ideas;

(f) determine an author's point of view or purpose in a text, including those by and about American Indians, and analyze how the author distinguishes his or her position from that of others;

(g) compare and contrast a text to an audio, video, or multimedia version of the text, analyzing each medium's portrayal of the subject (e.g., how the delivery of a speech affects the impact of the words);

(h) trace and evaluate the argument and specific claims in a text, including texts by and about American Indians, assessing whether the reasoning is sound and the evidence is relevant and sufficient to support the claims;

(i) analyze how two or more authors writing about the same topic shape their presentations of key information by emphasizing different evidence or advancing different interpretations of facts and include texts by and about American Indians; and

(j) by the end of the year, read and comprehend literary nonfiction in the Grades 6-8 text complexity band proficiently, with scaffolding as needed at the high end of the range.

(9) Reading standards for informational text for a student at the Grade 8 level are:

(a) cite the textual evidence that most strongly supports an analysis of what the text says explicitly as well as inferences drawn from the text;

(b) determine a central idea of a text and analyze its development over the course of the text, including its relationship to supporting ideas and provide an objective summary of the text;

(c) analyze how a text makes connections among and distinctions between individuals, ideas, cultures, or events (e.g., through comparisons, analogies, or categories);

(d) determine the meaning of words and phrases as they are used in a text, including figurative, connotative, and technical meanings and analyze the impact of specific word choices on meaning and tone, including analogies or allusions to other texts;

(e) analyze in detail the structure of a specific paragraph in a text, including the role of particular sentences in developing and refining a key concept;

(f) determine an author's point of view or purpose in a text, including texts by and about American Indians, and analyze how the author acknowledges and responds to conflicting evidence or viewpoints;

(g) evaluate the advantages and disadvantages of using different mediums (e.g., print or digital text, video, multimedia) to present a particular topic or idea;

(h) delineate and evaluate the argument and specific claims in a text, assessing whether the reasoning is sound and the evidence is relevant and sufficient; recognize when irrelevant evidence is introduced; and include texts by and about American Indians;

(i) analyze a case in which two or more texts provide conflicting information on the same topic; identify where the texts disagree on matters of fact or interpretation; and include texts by and about American Indians; and

(j) by the end of the year, read and comprehend literary nonfiction at the high end of the Grades 6-8 text complexity band independently and proficiently.

(10) Reading standards for informational text for a student at the Grade 9-10 level are:

(a) cite strong and thorough textual evidence to support analysis of what the text says explicitly as well as inferences drawn from the text;

(b) determine a central idea of a text and analyze its development over the course of the text, including how it emerges and is shaped and refined by specific details and provide an objective summary of the text;

(c) analyze how the author unfolds an analysis or series of ideas or events, including the order in which the points are made, how they are introduced and developed, and the connections that are drawn between them;

(d) determine the meaning of words and phrases as they are used in a text, including figurative, connotative, and technical meanings and analyze the cumulative impact of specific word choices on meaning and tone (e.g., how the language of a court opinion differs from that of a newspaper, or how American Indian treaty language differs from everyday speech);

(e) analyze in detail how an author's ideas or claims are developed and refined by particular sentences, paragraphs, or larger portions of a text (e.g., a section or chapter);

(f) determine an author's point of view or purpose in a text, including texts by and about Montana American Indians, and analyze how an author uses rhetoric to advance that point of view or purpose;

(g) analyze various accounts of a subject told in different mediums, (e.g., a person's life story in both print and multimedia, paying specific attention to cultural nuances) determining which details are emphasized in each account;

(h) delineate and evaluate the argument and specific claims in a text, assessing whether the reasoning is valid and the evidence is relevant and sufficient and identify false statements and fallacious reasoning;

(i) analyze seminal U.S. documents of historical and literary significance (e.g., Washington's Farewell Address, the Gettysburg Address, Roosevelt's Four Freedoms speech, King's "Letter from Birmingham Jail," Onondaga Chief Canassatego's address "On Colonizing Education"), including how they address related themes and concepts; and

(j) by the end of Grade 9, read and comprehend literary nonfiction in the Grades 9-10 text complexity band proficiently, with scaffolding as needed at the high end of the range. By the end of Grade 10, read and comprehend literary nonfiction at the high end of the Grades 9-10 text complexity band independently and

proficiently.

(11) Reading standards for informational text for a student at the Grade 11-12 level are:

(a) cite strong and thorough textual evidence to support analysis of what the text says explicitly as well as inferences drawn from the text, including determining where the text leaves matters uncertain;

(b) determine two or more central ideas of a text and analyze their development over the course of the text, including how they interact and build on one another to provide a complex analysis and provide an objective summary of the text;

(c) analyze a complex set of ideas or sequence of events and explain how specific individuals, ideas, cultures, or events interact and develop over the course of the text;

(d) determine the meaning of words and phrases as they are used in a text, including figurative, connotative, and technical meanings and analyze how an author uses and refines the meaning of a key term or terms over the course of a text (e.g., how Madison defines "faction" in Federalist No. 10; how the use of "sovereignty" in official documents impacts legal and political relationship);

(e) analyze and evaluate the effectiveness of the structure an author uses in his or her exposition or argument, including whether the structure makes points clear, convincing, and engaging;

(f) determine an author's point of view or purpose in a text, including texts by and about Montana American Indians, in which the rhetoric is particularly effective, analyzing how style and content contribute to the power, persuasiveness, or beauty of the text;

(g) integrate and evaluate multiple sources of information presented in different media or formats (e.g., visually, quantitatively) as well as in words in order to address a question or solve a problem;

(h) delineate and evaluate the reasoning in seminal U.S. texts and those that dealt with American Indians, including the application of constitutional principles and use of legal reasoning (e.g., in U.S. Supreme Court majority opinions and dissents) and the premises, purposes, and arguments in works of public advocacy (e.g., The Federalist, presidential addresses, American Indian policies);

(i) analyze seventeenth-, eighteenth-, and nineteenth-century foundational U.S. documents of historical and literary significance (including The Declaration of Independence, the Preamble to the Constitution, the Bill of Rights, Lincoln's Second Inaugural Address, American Indian treaties, and Iroquois Confederacy) for their themes, purposes, and rhetorical features; and

(j) by the end of Grade 11, read and comprehend literary nonfiction in the Grades 11-CCR text complexity band proficiently, with scaffolding as needed at the high end of the range. By the end of Grade 12, read and comprehend literary nonfiction at the high end of the Grades 11-CCR text complexity band independently and proficiently.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE VII READING STANDARDS: FOUNDATIONAL SKILLS

(1) Reading standards foundational skills for a student at the kindergarten level are:

- (a) demonstrate understanding of the organization and basic features of print;
 - (i) follow words from left to right, top to bottom, and page by page;
 - (ii) recognize that spoken words are represented in written language by specific sequences of letters;
 - (iii) understand that words are separated by spaces in print; and
 - (iv) recognize and name all upper- and lowercase letters of the alphabet;
- (b) demonstrate understanding of spoken words, syllables, and sounds (phonemes);
 - (i) recognize and produce rhyming words;
 - (ii) count, pronounce, blend, and segment syllables in spoken words;
 - (iii) blend and segment onsets and rimes of single-syllable spoken words;
 - (iv) isolate and pronounce the initial, medial vowel, and final sounds (phonemes) in three-phoneme (consonant-vowel-consonant, or CVC) words (this does not include CVCs ending with /l/, /r/, or /x/); and
 - (v) add or substitute individual sounds (phonemes) in simple, one-syllable words to make new words;
- (c) know and apply grade-level phonics and word analysis skills in decoding words;
 - (i) demonstrate basic knowledge of one-to-one letter-sound correspondences by producing the primary or many of the most frequent sounds for each consonant;
 - (ii) associate the long and short sounds with common spellings (graphemes) for the five major vowels;
 - (iii) read common high-frequency words by sight (e.g., the, of, to, you, she, my, is, are, do, does); and
 - (iv) distinguish between similarly spelled words by identifying the sounds of the letters that differ; and
- (d) read emergent-reader texts with purpose and understanding.

(2) Reading standards: foundational skills for a student at the Grade 1 level are:

- (a) demonstrate understanding of the organization and basic features of print;
 - (i) recognize the distinguishing features of a sentence (e.g., first word, capitalization, ending punctuation);
 - (b) demonstrate understanding of spoken words, syllables, and sounds (phonemes);
 - (i) distinguish long from short vowel sounds in spoken single-syllable words;
 - (ii) orally produce single-syllable words by blending sounds (phonemes), including consonant blends;
 - (iii) isolate and pronounce initial, medial vowel, and final sounds (phonemes) in spoken single-syllable words; and
 - (iv) segment spoken single-syllable words into their complete sequence of individual sounds (phonemes);
 - (c) know and apply grade-level phonics and word analysis skills in decoding

words;

- (i) know the spelling-sound correspondences for common consonant digraphs;
 - (ii) decode regularly spelled one-syllable words;
 - (iii) know final -e and common vowel team conventions for representing long vowel sounds;
 - (iv) use knowledge that every syllable must have a vowel sound to determine the number of syllables in a printed word;
 - (v) decode two-syllable words following basic patterns by breaking the words into syllables;
 - (vi) read words with inflectional endings; and
 - (vii) recognize and read grade-appropriate irregularly spelled words;
- (d) read with sufficient accuracy and fluency to support comprehension;
- (i) read on-level text with purpose and understanding;
 - (ii) read on-level text orally with accuracy, appropriate rate, and expression on successive readings; and
 - (iii) use context to confirm or self-correct word recognition and understanding, rereading as necessary.

(3) Reading standards: foundational skills for a student at the Grade 2 level are:

- (a) know and apply grade-level phonics and word analysis skills in decoding words;
 - (i) distinguish long and short vowels when reading regularly spelled one-syllable words;
 - (ii) know spelling-sound correspondences for additional common vowel teams;
 - (iii) decode regularly spelled two-syllable words with long vowels;
 - (iv) decode words with common prefixes and suffixes;
 - (v) identify words with inconsistent but common spelling-sound correspondences; and
 - (vi) recognize and read grade-appropriate irregularly spelled words;
- (b) read with sufficient accuracy and fluency to support comprehension;
- (i) read on-level text with purpose and understanding;
 - (ii) read on-level text orally with accuracy, appropriate rate, and expression on successive readings; and
 - (iii) use context to confirm or self-correct word recognition and understanding, rereading as necessary.

(4) Reading standards: foundational skills for a student at the Grade 3 level are:

- (a) know and apply grade-level phonics and word analysis skills in decoding words;
 - (i) identify and know the meaning of the most common prefixes and derivational suffixes;
 - (ii) decode words with common Latin suffixes;
 - (iii) decode multisyllable words; and
 - (iv) read grade-appropriate irregularly spelled words;
- (b) read with sufficient accuracy and fluency to support comprehension;

- (i) read on-level text with purpose and understanding;
- (ii) read on-level prose and poetry orally with accuracy, appropriate rate, and expression on successive readings; and
- (iii) use context to confirm or self-correct word recognition and understanding, rereading as necessary.

(5) Reading standards: foundational skills for a student at the Grade 4 level are:

- (a) know and apply grade-level phonics and word analysis skills in decoding words;
 - (i) use combined knowledge of all letter-sound correspondences, syllabication patterns, and morphology (e.g., roots and affixes) to read accurately unfamiliar multisyllabic words in context and out of context;
 - (b) read with sufficient accuracy and fluency to support comprehension;
 - (i) read on-level text with purpose and understanding;
 - (ii) read on-level prose and poetry orally with accuracy, appropriate rate, and expression on successive readings; and
 - (iii) use context to confirm or self-correct word recognition and understanding, rereading as necessary.

(6) Reading standards: foundational skills for students at the Grade 5 level are:

- (a) know and apply grade-level phonics and word analysis skills in decoding words;
 - (i) use combined knowledge of all letter-sound correspondences, syllabication patterns, and morphology (e.g., roots and affixes) to read accurately unfamiliar multisyllabic words in context and out of context;
 - (b) read with sufficient accuracy and fluency to support comprehension;
 - (i) read on-level text with purpose and understanding;
 - (ii) read on-level prose and poetry orally with accuracy, appropriate rate, and expression on successive readings; and
 - (iii) use context to confirm or self-correct word recognition and understanding, rereading as necessary.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE VIII WRITING STANDARDS (1) Writing standards for a student at the kindergarten level are:

- (a) use a combination of drawing, dictating, and writing to compose opinion pieces in which they tell a reader the topic or the name of the book they are writing about and state an opinion or preference about the topic or book (e.g., My favorite book is . . .);
- (b) use a combination of drawing, dictating, and writing to compose informative/explanatory texts in which they name what they are writing about and supply some information about the topic;
- (c) use a combination of drawing, dictating, and writing to narrate a single event or several loosely linked events; tell about the events in the order in which they occurred; and provide a reaction to what happened;

(d) with guidance and support from adults, respond to questions and suggestions from peers and add details to strengthen writing as needed;

(e) with guidance and support from adults, explore a variety of digital tools to produce and publish writing, including in collaboration with peers;

(f) participate in shared research and writing projects (e.g., explore a number of books by a favorite author and express opinions about them and include sources by and about American Indians); and

(g) with guidance and support from adults, recall information from experiences or gather information from provided sources to answer a question and include sources by and about American Indians.

(2) Writing standards for a student at the Grade 1 level are:

(a) write opinion pieces in which they introduce the topic or name the book they are writing about, state an opinion, supply a reason for the opinion, and provide some sense of closure;

(b) write informative/explanatory texts in which they name a topic, supply some facts about the topic, and provide some sense of closure;

(c) write narratives in which they recount two or more appropriately sequenced events, include some details regarding what happened, use temporal words to signal event order, and provide some sense of closure;

(d) with guidance and support from adults, focus on a topic, respond to questions and suggestions from peers, and add details to strengthen writing as needed;

(e) with guidance and support from adults, use a variety of digital tools to produce and publish writing, including in collaboration with peers;

(f) participate in shared research and writing projects (e.g., explore a number of "how-to" books on a given topic and use them to write a sequence of instructions and include sources by and about American Indians); and

(g) with guidance and support from adults, recall information from experiences or gather information from provided sources to answer a question, including sources by and about American Indians.

(3) Writing standards for a student at the Grade 2 level are:

(a) write opinion pieces in which they introduce the topic or book they are writing about, state an opinion, supply reasons that support the opinion, use linking words (e.g., because, and, also) to connect opinion and reasons, and provide a concluding statement or section;

(b) write informative/explanatory texts in which they introduce a topic, use facts and definitions to develop points, and provide a concluding statement or section;

(c) write narratives in which they recount a well-elaborated event or short sequence of events; include details to describe actions, thoughts, and feelings; use temporal words to signal event order; and provide a sense of closure;

(d) with guidance and support from adults and peers, focus on a topic and strengthen writing as needed by revising and editing;

(e) with guidance and support from adults, use a variety of digital tools to produce and publish writing, including in collaboration with peers;

(f) participate in shared research and writing projects (e.g., read a number of books on a single topic to produce a report; record science observations) and

include sources by and about American Indians; and

(g) recall information from experiences or gather information from provided sources to answer a question, including sources by and about American Indians.

(4) Writing standards for a student at the Grade 3 level are:

(a) write opinion pieces on topics or texts supporting a point of view with reasons;

(i) introduce the topic or text they are writing about, state an opinion, and create an organizational structure that lists reasons;

(ii) provide reasons that support the opinion;

(iii) use linking words and phrases (e.g., because, therefore, since, for example) to connect opinion and reasons; and

(iv) provide a concluding statement or section;

(b) write informative/explanatory texts to examine a topic and convey ideas and information clearly;

(i) introduce a topic and group related information together and include illustrations when useful to aid comprehension;

(ii) develop the topic with facts, definitions, and details;

(iii) use linking words and phrases (e.g., also, another, and, more, but) to connect ideas within categories of information; and

(iv) provide a concluding statement or section;

(c) write narratives to develop real or imagined experiences or events using effective technique, descriptive details, and clear event sequences;

(i) establish a situation and introduce a narrator and/or characters and organize an event sequence that unfolds naturally;

(ii) use dialogue and descriptions of actions, thoughts, and feelings to develop experiences and events or show the response of characters to situations;

(iii) use temporal words and phrases to signal event order; and

(iv) provide a sense of closure;

(d) with guidance and support from adults, produce writing in which the development and organization are appropriate to task and purpose (Grade-specific expectations for writing types are defined in standards (a) through (c) above.);

(e) with guidance and support from peers and adults, develop and strengthen writing as needed by planning, revising, and editing (Editing for conventions should demonstrate command of language standards (a) through (c) up to and including Grade 3.);

(f) with guidance and support from adults, use technology to produce and publish writing (using keyboarding skills) as well as to interact and collaborate with others;

(g) conduct short research projects that build knowledge about a topic and include sources by and about American Indians;

(h) recall information from experiences or gather information from print and digital sources; take brief notes on sources, sort evidence into provided categories; and include sources by and about American Indians; and

(i) write routinely over extended time frames (time for research, reflection, and revision) and shorter time frames (a single sitting or a day or two) for a range of discipline-specific tasks, purposes, and audiences.

(5) Writing standards for a student at the Grade 4 level are:

(a) write opinion pieces on topics or texts supporting a point of view with reasons and information;

(i) introduce a topic or text clearly, state an opinion, and create an organizational structure in which related ideas are grouped to support the writer's purpose;

(ii) provide reasons that are supported by facts and details;

(iii) link opinion and reasons using words and phrases (e.g., for instance, in order to, in addition); and

(iv) provide a concluding statement or section related to the opinion presented;

(b) write informative/explanatory texts to examine a topic and convey ideas and information clearly;

(i) introduce a topic clearly and group related information in paragraphs and sections and include formatting (e.g., headings), illustrations, and multimedia when useful to aiding comprehension;

(ii) develop the topic with facts, definitions, concrete details, quotations, or other information and examples related to the topic;

(iii) link ideas within categories of information using words and phrases (e.g., another, for example, also, because);

(iv) use precise language and domain-specific vocabulary to inform about or explain the topic; and

(v) provide a concluding statement or section related to the information or explanation presented;

(c) write narratives to develop real or imagined experiences or events using effective technique, descriptive details, and clear event sequences;

(i) orient the reader by establishing a situation and introducing a narrator and/or characters and organize an event sequence that unfolds naturally;

(ii) use dialogue and description to develop experiences and events or show the responses of characters to situations;

(iii) use a variety of transitional words and phrases to manage the sequence of events;

(iv) use concrete words and phrases and sensory details to convey experiences and events precisely; and

(v) provide a conclusion that follows from the narrated experiences or events;

(d) produce clear and coherent writing in which the development and organization are appropriate to task, purpose, and audience (Grade-specific expectations for writing types are defined in standards (a) through (c) above.);

(e) with guidance and support from peers and adults, develop and strengthen writing as needed by planning, revising, and editing (Editing for conventions should demonstrate command of language standards (a) through (c) up to and including Grade 4.);

(f) with some guidance and support from adults, use technology, including the internet, to produce and publish writing as well as to interact and collaborate with others and demonstrate sufficient command of keyboarding skills to type a minimum of one page in a single sitting;

(g) conduct short research projects that build knowledge through investigation of different aspects of a topic and include topics and/or sources by and

about American Indians;

(h) recall relevant information from experiences or gather relevant information from print and digital sources; take notes and categorize information; and provide a list of sources;

(i) draw evidence from literary or informational texts to support analysis, reflection, and research;

(i) apply Grade 4 reading standards to literature (e.g., "Describe in depth a character, setting, or event in a story or drama, drawing on specific details in the text [e.g., a character's thoughts, words, or actions]."); and

(ii) apply Grade 4 reading standards to informational texts (e.g., "Explain how an author uses reasons and evidence to support particular points in a text"); and

(j) write routinely over extended time frames (time for research, reflection, and revision) and shorter time frames (a single sitting or a day or two) for a range of discipline-specific tasks, purposes, and audiences.

(6) Writing standards for a student at the Grade 5 level are:

(a) write opinion pieces on topics or texts supporting a point of view with reasons and information;

(i) introduce a topic or text clearly, state an opinion, and create an organizational structure in which ideas are logically grouped to support the writer's purpose;

(ii) provide logically ordered reasons that are supported by facts and details;

(iii) link opinion and reasons using words, phrases, and clauses (e.g., consequently, specifically); and

(iv) provide a concluding statement or section related to the opinion presented;

(b) write informative/explanatory texts to examine a topic and convey ideas and information clearly;

(i) introduce a topic clearly, provide a general observation and focus, and group related information logically and include formatting (e.g., headings), illustrations, and multimedia when useful to aiding comprehension;

(ii) develop the topic with facts, definitions, concrete details, quotations, or other information and examples related to the topic;

(iii) link ideas within and across categories of information using words, phrases, and clauses (e.g., in contrast, especially);

(iv) use precise language and domain-specific vocabulary to inform about or explain the topic; and

(v) provide a concluding statement or section related to the information or explanation presented;

(c) write narratives to develop real or imagined experiences or events using effective technique, descriptive details, and clear event sequences;

(i) orient the reader by establishing a situation and introducing a narrator and/or characters and organize an event sequence that unfolds naturally;

(ii) use narrative techniques, such as dialogue, description, and pacing, to develop experiences and events or show the responses of characters to situations;

(iii) use a variety of transitional words, phrases, and clauses to manage the sequence of events;

(iv) use concrete words and phrases and sensory details to convey

experiences and events precisely; and

(v) provide a conclusion that follows from the narrated experiences or events;

(d) produce clear and coherent writing in which the development and organization are appropriate to task, purpose, and audience (Grade-specific expectations for writing types are defined in standards (a) through (c) above.);

(e) with guidance and support from peers and adults, develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach (Editing for conventions should demonstrate command of language standards (a) through (c) above up to and including Grade 5.);

(f) with some guidance and support from adults, use technology, including the internet, to produce and publish writing as well as to interact and collaborate with others and demonstrate sufficient command of keyboarding skills to type a minimum of two pages in a single sitting;

(g) conduct short research projects that use several sources to build knowledge through investigation of different aspects of a topic and include sources and/or topics by and about American Indians;

(h) recall relevant information from experiences or gather relevant information from print and digital sources; summarize or paraphrase information in notes and finished work; and provide a list of sources;

(i) draw evidence from literary or informational texts to support analysis, reflection, and research;

(i) apply Grade 5 reading standards to literature (e.g., "and contrast two or more characters, settings, or events in a story or a drama, drawing on specific details in the text [e.g., how characters interact]"); and

(ii) apply Grade 5 reading standards to informational texts (e.g., "Explain how an author uses reasons and evidence to support particular points in a text, identifying which reasons and evidence support which point[s]"); and

(j) write routinely over extended time frames (time for research, reflection, and revision) and shorter time frames (a single sitting or a day or two) for a range of discipline-specific tasks, purposes, and audiences.

(7) Writing standards for a student at the Grade 6 level are:

(a) write arguments to support claims with clear reasons and relevant evidence;

(i) introduce claim(s) and organize the reasons and evidence clearly;

(ii) support claim(s) with clear reasons and relevant evidence, using credible sources, including oral sources, and demonstrating an understanding of the topic or text;

(iii) use words, phrases, and clauses to clarify the relationships among claim(s) and reasons;

(iv) establish and maintain a formal style; and

(v) provide a concluding statement or section that follows from the argument presented;

(b) write informative/explanatory texts to examine a topic and convey ideas, concepts, and information through the selection, organization, and analysis of relevant content;

(i) introduce a topic; organize ideas, concepts, and information, using strategies such as definition, classification, comparison/contrast, and cause/effect

and include formatting (e.g., headings), graphics (e.g., charts, tables), and multimedia when useful to aiding comprehension;

(ii) develop the topic with relevant facts, definitions, concrete details, quotations, or other information and examples;

(iii) use appropriate transitions to clarify the relationships among ideas and concepts;

(iv) use precise language and domain-specific vocabulary to inform about or explain the topic;

(v) establish and maintain a formal style; and

(vi) provide a concluding statement or section that follows from the information or explanation presented;

(c) write narratives to develop real or imagined experiences or events using effective technique, relevant descriptive details, and well-structured event sequences;

(i) engage and orient the reader by establishing a context and introducing a narrator and/or characters and organize an event sequence that unfolds naturally and logically;

(ii) use narrative techniques, such as dialogue, pacing, and description, to develop experiences, events, and/or characters;

(iii) use a variety of transition words, phrases, and clauses to convey sequence and signal shifts from one time frame or setting to another;

(iv) use precise words and phrases, relevant descriptive details, and sensory language to convey experiences and events; and

(v) provide a conclusion that follows from the narrated experiences or events;

(d) produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience (Grade-specific expectations for writing types are defined in standards (a) through (c) above.);

(e) with some guidance and support from peers and adults, develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach (Editing for conventions should demonstrate command of language standards (a) through (c) up to and including Grade 6.);

(f) use technology, including the Internet, to produce and publish writing as well as to interact and collaborate with others and demonstrate sufficient command of keyboarding skills to type a minimum of three pages in a single sitting;

(g) conduct short research projects to answer a question, drawing on several sources and refocusing the inquiry when appropriate and include sources and/or topics by and about American Indians;

(h) gather relevant information from multiple oral, print, and digital sources; assess the credibility of each source; and quote or paraphrase the data and conclusions of others while avoiding plagiarism and providing basic bibliographic information for sources;

(i) draw evidence from literary or informational texts to support analysis, reflection, and research;

(i) apply Grade 6 reading standards to literature (e.g., "Compare and contrast texts in different forms or genres [e.g., stories and poems; historical novels and fantasy stories] in terms of their approaches to similar themes and topics"); and

(ii) apply Grade 6 reading standards to literary nonfiction (e.g., "Trace and evaluate the argument and specific claims in a text, distinguishing claims that are supported by reasons and evidence from claims that are not"); and

(j) write routinely over extended time frames (time for research, reflection, and revision) and shorter time frames (a single sitting or a day or two) for a range of discipline-specific tasks, purposes, and audiences.

(8) Writing standards for a student at the Grade 7 level are:

(a) write arguments to support claims with clear reasons and relevant evidence;

(i) introduce claim(s), acknowledge alternate or opposing claims, and organize the reasons and evidence logically;

(ii) support claim(s) with logical reasoning and relevant evidence, using accurate, credible sources, including oral sources, and demonstrating an understanding of the topic or text;

(iii) use words, phrases, and clauses to create cohesion and clarify the relationships among claim(s), reasons, and evidence;

(iv) establish and maintain a formal style; and

(v) provide a concluding statement or section that follows from and supports the argument presented;

(b) write informative/explanatory texts to examine a topic and convey ideas, concepts, and information through the selection, organization, and analysis of relevant content;

(i) introduce a topic clearly, previewing what is to follow; organize ideas, concepts, and information using strategies such as definition, classification, comparison/contrast, and cause/effect and include formatting (e.g., headings), graphics (e.g., charts, tables), and multimedia when useful to aiding comprehension;

(ii) develop the topic with relevant facts, definitions, concrete details, quotations, or other information and examples;

(iii) use appropriate transitions to create cohesion and clarify the relationships among ideas and concepts;

(iv) use precise language and domain-specific vocabulary to inform about or explain the topic;

(v) establish and maintain a formal style; and

(vi) provide a concluding statement or section that follows from and supports the information or explanation presented;

(c) write narratives to develop real or imagined experiences or events using effective technique, relevant descriptive details, and well-structured event sequences;

(i) engage and orient the reader by establishing a context, point of view, and introducing a narrator and/or characters and organize an event sequence that unfolds naturally and logically;

(ii) use narrative techniques, such as dialogue, pacing, and description to develop experiences, events, and/or characters;

(iii) use a variety of transition words, phrases, and clauses to convey sequence and signal shifts from one time frame or setting to another;

(iv) use precise words and phrases, relevant descriptive details, and sensory language to capture the action and convey experiences and events; and

(v) provide a conclusion that follows from and reflects on the narrated experiences or events;

(d) produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience (Grade-specific expectations for writing types are defined in standards (a) through (c).);

(e) with some guidance and support from peers and adults, develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach and focusing on how well purpose and audience have been addressed (Editing for conventions should demonstrate command of Language standards(a) through (c) up to and including Grade 7.);

(f) use technology, including the internet, to produce and publish writing and link to and cite sources as well as to interact and collaborate with others, including linking to and citing sources;

(g) conduct short research projects to answer a question, drawing on several sources and generating additional related, focused questions for further research and investigation and include sources and/or topics by and about American Indians;

(h) gather relevant information from multiple print and digital sources using search terms effectively; assess the credibility and accuracy of each source; and quote or paraphrase the data and conclusions of others while avoiding plagiarism and following a standard format for citation;

(i) draw evidence from literary or informational texts to support analysis, reflection, and research;

(i) apply Grade 7 reading standards to literature (e.g., "Compare and contrast a fictional portrayal of a time, place, or character and a historical account of the same period as a means of understanding how authors of fiction use or alter history"); and

(ii) apply Grade 7 reading standards to literary nonfiction (e.g. "Trace and evaluate the argument and specific claims in a text, assessing whether the reasoning is sound and the evidence is relevant and sufficient to support the claims"); and

(j) write routinely over extended time frames (time for research, reflection, and revision) and shorter time frames (a single sitting or a day or two) for a range of discipline-specific tasks, purposes, and audiences.

(9) Writing standards for a student at the Grade 8 level are:

(a) write arguments to support claims with clear reasons and relevant evidence;

(i) introduce claim(s), acknowledge and distinguish the claim(s) from alternate or opposing claims, and organize the reasons and evidence logically;

(ii) support claim(s) with logical reasoning and relevant evidence using accurate, credible sources, including oral sources, and demonstrating an understanding of the topic or text;

(iii) use words, phrases, and clauses to create cohesion and clarify the relationships among claim(s), counterclaims, reasons, and evidence;

(iv) establish and maintain a formal style; and

(v) provide a concluding statement or section that follows from and supports the argument presented;

(b) write informative/explanatory texts to examine a topic and convey ideas,

concepts, and information through the selection, organization, and analysis of relevant content;

(i) introduce a topic clearly previewing what is to follow; organize ideas, concepts, and information into broader categories; and include formatting (e.g., headings), graphics (e.g., charts, tables), and multimedia when useful to aiding comprehension;

(ii) develop the topic with relevant, well-chosen facts, definitions, concrete details, quotations, or other information and examples;

(iii) use appropriate and varied transitions to create cohesion and clarify the relationships among ideas and concepts;

(iv) use precise language and domain-specific vocabulary to inform about or explain the topic;

(v) establish and maintain a formal style; and

(vi) provide a concluding statement or section that follows from and supports the information or explanation presented;

(c) write narratives to develop real or imagined experiences or events using effective technique, relevant descriptive details, and well-structured event sequences;

(i) engage and orient the reader by establishing a context, point of view, and introducing a narrator and/or characters and organize an event sequence that unfolds naturally and logically;

(ii) use narrative techniques, such as dialogue, pacing, description, and reflection, to develop experiences, events, and/or characters;

(iii) use a variety of transition words, phrases, and clauses to convey sequence, signal shifts from one time frame or setting to another, and show the relationships among experiences and events;

(iv) use precise words and phrases, relevant descriptive details, and sensory language to capture the action and convey experiences and events; and

(v) provide a conclusion that follows from and reflects on the narrated experiences or events;

(d) produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience (Grade-specific expectations for writing types are defined in standards (a) through (c) above.);

(e) with some guidance and support from peers and adults, develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach, focusing on how well purpose and audience have been addressed (Editing for conventions should demonstrate command of language standards (a) through (c) up to and including Grade 8.);

(f) use technology, including the internet, to produce and publish writing and present the relationships between information and ideas efficiently as well as to interact and collaborate with others;

(g) conduct short research projects to answer a question (including a self-generated question), drawing on several sources and generating additional related, focused questions that allow for multiple avenues of exploration and include sources and/or topics by and about American Indians;

(h) gather relevant information from multiple print and digital sources, using

search terms effectively; assess the credibility and accuracy of each source; and quote or paraphrase the data and conclusions of others while avoiding plagiarism and following a standard format for citation;

(i) draw evidence from literary or informational texts to support analysis, reflection, and research;

(i) apply Grade 8 reading standards to literature (e.g., "Analyze how a modern work of fiction draws on themes, patterns of events, or character types from myths, traditional stories, or religious works such as the Bible, including describing how the material is rendered new"); and

(ii) apply Grade 8 reading standards to literary nonfiction (e.g., "Delineate and evaluate the argument and specific claims in a text, assessing whether the reasoning is sound and the evidence is relevant and sufficient and recognize when irrelevant evidence is introduced"); and

(j) write routinely over extended time frames (time for research, reflection, and revision) and shorter time frames (a single sitting or a day or two) for a range of discipline-specific tasks, purposes, and audiences.

(10) Writing standards for a student at the Grade 9-10 level are:

(a) write arguments to support claims in an analysis of substantive topics or text, including culturally diverse topics or texts, using valid reasoning and relevant and sufficient evidence;

(i) introduce precise claim(s), distinguish the claim(s) from alternate or opposing claims, and create an organization that establishes clear relationships among claim(s), counterclaims, reasons, and evidence;

(ii) develop claim(s) and counterclaims fairly, supplying evidence for each while pointing out the strengths and limitations of both in a manner that anticipates the audience's knowledge level and concerns;

(iii) use words, phrases, and clauses to link the major sections of the text, create cohesion, and clarify the relationships between claim(s) and reasons, reasons and evidence, and claim(s) and counterclaims;

(iv) establish and maintain a formal style and objective tone while attending to the norms and conventions of the discipline in which they are writing; and

(v) provide a concluding statement or section that follows from and supports the argument presented;

(b) write informative/explanatory texts to examine and convey complex ideas, concepts, and information clearly and accurately through the effective selection, organization, and analysis of content;

(i) introduce a topic; organize complex ideas, concepts, and information to make important connections and distinctions; and include formatting (e.g., headings), graphics (e.g., figures, tables), and multimedia when useful to aid comprehension;

(ii) develop the topic with well-chosen, relevant, and sufficient facts, extended definitions, concrete details, quotations, or other information and examples appropriate to the audience's knowledge of the topic;

(iii) use appropriate and varied transitions to link the major sections of the text, create cohesion, and clarify the relationships among complex ideas and concepts;

(iv) use precise language and domain-specific vocabulary to manage the

complexity of the topic;

(v) establish and maintain a formal style and objective tone while attending to the norms and conventions of the discipline in which they are writing; and

(vi) provide a concluding statement or section that follows from and supports the information or explanation presented (e.g., articulating implications or the significance of the topic);

(c) write narratives to develop real or imagined experiences or events using effective technique, well-chosen details, and well-structured event sequences;

(i) engage and orient the reader by setting out a problem, situation, or observation; establishing one or multiple point(s) of view; introducing a narrator and/or characters; and create a smooth progression of experiences or events;

(ii) use narrative techniques, such as dialogue, pacing, description, reflection, and multiple plot lines, to develop experiences, events, and/or characters;

(iii) use a variety of techniques to sequence events so that they build on one another to create a coherent whole;

(iv) use precise words and phrases, telling details, and sensory language to convey a vivid picture of the experiences, events, setting, and/or characters; and

(v) provide a conclusion that follows from and reflects on what is experienced, observed, or resolved over the course of the narrative;

(d) produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience (Grade-specific expectations for writing types are defined in standards (a) through (c) above.);

(e) develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach, focusing on addressing what is most significant for a specific purpose and audience (Editing for conventions should demonstrate command of language standards (a) through (c) up to and including Grades 9-10.);

(f) use technology, including the internet, to produce, publish, and update individual or shared writing products, taking advantage of technology's capacity to link to other information and to display information flexibly and dynamically;

(g) conduct short as well as more sustained research projects to answer a question (including a self-generated question) or solve a problem; narrow or broaden the inquiry when appropriate; and synthesize multiple sources on the subject, demonstrating understanding of the subject under investigation;

(h) gather relevant information from multiple authoritative print and digital sources using advanced searches effectively; assess the usefulness of each source in answering the research question; and integrate information into the text selectively to maintain the flow of ideas, avoiding plagiarism and following a standard format for citation;

(i) draw evidence from literary or informational texts, including American Indian texts, to support analysis, reflection, and research;

(i) apply Grades 9-10 reading standards to literature (e.g., "Analyze how an author draws on and transforms source material in a specific work [e.g., how Shakespeare treats a theme or topic from Ovid or the Bible or how a later author draws on a play by Shakespeare]" and as in James Welch's *Fools Crow*, the author retells the Pikuni traditional story, "Star Boy"); and

(ii) apply Grades 9-10 reading standards to literary nonfiction (e.g.,

"Delineate and evaluate the argument and specific claims in a text; assessing whether the reasoning is valid and the evidence is relevant and sufficient; and identify false statements and fallacious reasoning"); and

(j) write routinely over extended time frames (time for research, reflection, and revision) and shorter time frames (a single sitting or a day or two) for a range of tasks, purposes, and audiences.

(11) Writing standards for a student at the Grade 11-12 level are:

(a) write arguments to support claims in an analysis of substantive topics or texts, including culturally diverse topics or texts, using valid reasoning and relevant and sufficient evidence;

(i) introduce precise, knowledgeable claim(s); establish the significance of the claim(s); distinguish the claim(s) from alternate or opposing claims; and create an organization that logically sequences claim(s), counterclaims, reasons, and evidence;

(ii) develop claim(s) and counterclaims fairly and thoroughly, supplying the most relevant evidence for each while pointing out the strengths and limitations of both in a manner that anticipates the audience's knowledge level, concerns, values, and possible biases;

(iii) use words, phrases, and clauses as well as varied syntax to link the major sections of the text; create cohesion; and clarify the relationships between claim(s) and reasons, reasons and evidence, and claim(s) and counterclaims;

(iv) establish and maintain a formal style and objective tone while attending to the norms and conventions of the discipline in which they are writing; and

(v) provide a concluding statement or section that follows from and supports the argument presented;

(b) write informative/explanatory texts to examine and convey complex ideas, concepts, and information clearly and accurately through the effective selection, organization, and analysis of content;

(i) introduce a topic; organize complex ideas, concepts, and information so that each new element builds on that which precedes it to create a unified whole; and include formatting (e.g., headings), graphics (e.g., figures, tables), and multimedia when useful to aid comprehension;

(ii) develop the topic thoroughly by selecting the most significant and relevant facts, extended definitions, concrete details, quotations, or other information and examples appropriate to the audience's knowledge of the topic;

(iii) use appropriate and varied transitions and syntax to link the major sections of the text, create cohesion, and clarify the relationships among complex ideas and concepts;

(iv) use precise language, domain-specific vocabulary, and techniques such as metaphor, simile, and analogy to manage the complexity of the topic;

(v) establish and maintain a formal style and objective tone while attending to the norms and conventions of the discipline in which they are writing; and

(vi) provide a concluding statement or section that follows from and supports the information or explanation presented (e.g., articulating implications or the significance of the topic);

(c) write narratives to develop real or imagined experiences or events using effective technique, well-chosen details, and well-structured event sequences;

- (i) engage and orient the reader by setting out a problem, situation, or observation and its significance; establish one or multiple point(s) of view; introduce a narrator and/or characters; and create a smooth progression of experiences or events;
 - (ii) use narrative techniques, such as dialogue, pacing, description, reflection, and multiple plot lines, to develop experiences, events, and/or characters;
 - (iii) use a variety of techniques to sequence events so that they build on one another to create a coherent whole and build toward a particular tone and outcome (e.g., a sense of mystery, suspense, growth, or resolution);
 - (iv) use precise words and phrases, telling details, and sensory language to convey a vivid picture of the experiences, events, setting, and/or characters; and
 - (v) provide a conclusion that follows from and reflects on what is experienced, observed, or resolved over the course of the narrative;
- (d) produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience (Grade-specific expectations for writing types are defined in standards (a) through (c) above.);
- (e) develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach, focusing on addressing what is most significant for a specific purpose and audience (Editing for conventions should demonstrate command of language standards (a) through (c) up to and including Grades 11-12.);
- (f) use technology, including the internet, to produce, publish, and update individual or shared writing products in response to ongoing feedback and include new arguments or information;
- (g) conduct short as well as more sustained research projects to answer a question (including a self-generated question) or solve a problem; narrow or broaden the inquiry when appropriate; synthesize multiple sources on the subject, and demonstrate understanding of the subject under investigation;
- (h) gather relevant information from multiple authoritative print and digital sources, using advanced searches effectively; assess the strengths and limitations of each source in terms of the task, purpose, and audience; and integrate information into the text selectively to maintain the flow of ideas, avoiding plagiarism and overreliance on any one source and following a standard format for citation;
- (i) draw evidence from literary or informational texts, including those by and about American Indians, to support analysis, reflection, and research;
- (i) apply Grades 11-12 reading standards to literature (e.g., "Demonstrate knowledge of eighteenth-, nineteenth- and early-twentieth-century foundational works of American literature, including how two or more texts from the same period treat similar themes or topics"); and
- (ii) apply Grades 11-12 reading standards to literary nonfiction (e.g., "Delineate and evaluate the reasoning in seminal U.S. texts, including the application of constitutional principles and use of legal reasoning [e.g., in U.S. Supreme Court Case majority opinions and dissents] and the premises, purposes, and arguments in works of public advocacy [e.g., The Federalist, presidential addresses, American Indian Policies]"); and
- (j) write routinely over extended time frames (time for research, reflection, and revision) and shorter time frames (a single sitting or a day or two) for a range of

tasks, purposes, and audiences.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE IX SPEAKING AND LISTENING STANDARDS (1) Speaking and listening standards for a student at the kindergarten level are:

(a) participate in collaborative conversations with diverse partners about kindergarten topics and texts with peers and adults in small and larger groups;

(i) follow agreed-upon rules for discussions (e.g., listening to others and taking turns speaking about the topics and texts under discussion); and

(ii) continue a conversation through multiple exchanges;

(b) confirm understanding of a text read aloud or information presented orally or through other media by asking and answering questions about key details and requesting clarification if something is not understood;

(c) ask and answer questions in order to seek help, get information, or clarify something that is not understood;

(d) describe familiar people, places, things, and events and, with prompting and support, provide additional detail;

(e) add drawings or other visual displays to descriptions as desired to provide additional detail; and

(f) speak audibly and express thoughts, feelings, and ideas clearly.

(2) Speaking and listening standards for a student at the Grade 1 level are:

(a) participate in collaborative conversations with diverse partners about Grade 1 topics and texts with peers and adults in small and larger groups;

(i) follow agreed-upon rules for discussions (e.g., listening to others with care and speaking one at a time about the topics and texts under discussion);

(ii) build on others' talk in conversations by responding to the comments of others through multiple exchanges; and

(iii) ask questions to clear up any confusion about the topics and texts under discussion;

(b) ask and answer questions about key details in a text read aloud or information presented orally or through other media;

(c) ask and answer questions about what a speaker says in order to gather additional information or clarify something that is not understood;

(d) describe people, places, things, and events with relevant details, expressing ideas and feelings clearly;

(e) add drawings or other visual displays to descriptions when appropriate to clarify ideas, thoughts, and feelings; and

(f) produce complete sentences when appropriate to task and situation (See Grade 1 Language standards (a) and (c) for specific expectations.);

(3) Speaking and listening standards for a student at the Grade 2 level are:

(a) participate in collaborative conversations with diverse partners about Grade 2 topics and texts with peers and adults in small and larger groups;

(i) follow agreed-upon rules for discussions (e.g., gaining the floor in respectful ways, listening to others with care, and speaking one at a time about the topics and texts under discussion);

(ii) build on others' talk in conversations by linking their comments to the remarks of others; and

(iii) ask for clarification and further explanation as needed about the topics and texts under discussion;

(b) recount or describe key ideas or details from a text read aloud or information presented orally or through other media;

(c) ask and answer questions about what a speaker says in order to clarify comprehension, gather additional information, or deepen understanding of a topic or issue;

(d) tell a story or recount an experience with appropriate facts and relevant, descriptive details, speaking audibly in coherent sentences;

(e) create audio recordings of stories or poems and add drawings or other visual displays to stories or recounts of experiences when appropriate to clarify ideas, thoughts, and feelings; and

(f) produce complete sentences when appropriate to task and situation in order to provide requested detail or clarification.

(4) Speaking and listening standards for a student at the Grade 3 level are:

(a) engage effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on Grade 3 topics and texts, building on others' ideas and expressing their own clearly;

(i) come to discussions prepared, having read or studied required material and explicitly draw on that preparation and other information known about the topic to explore ideas under discussion;

(ii) follow agreed-upon rules for discussions (e.g., gaining the floor in respectful ways, listening to others with care and speaking one at a time about the topics and texts under discussion);

(iii) ask questions to check understanding of information presented, stay on topic, and link their comments to the remarks of others; and

(iv) explain their own ideas and understanding in light of the discussion;

(b) determine the main ideas and supporting details of a text read aloud or information presented in diverse media and formats, including visually, quantitatively, and orally;

(c) ask and answer questions about information from a speaker, offering appropriate elaboration and detail;

(d) report on a topic or text, tell a story, or recount an experience with appropriate facts and relevant, descriptive details; speak clearly at an understandable pace; and include sources by and about American Indians;

(e) create engaging audio recordings of stories or poems that demonstrate fluid reading at an understandable pace and add visual displays when appropriate to emphasize or enhance certain facts or details; and

(f) speak in complete sentences when appropriate to task and situation in order to provide requested detail or clarification. (See Grade 3 language standards (a) and (c) for specific expectations.)

(5) Speaking and listening standards for a student at the Grade 4 level are:

(a) engage effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on Grade 4 topics and texts, building on others' ideas and expressing their own clearly;

- (i) come to discussions prepared, having read or studied required material and explicitly draw on that preparation and other information known about the topic to explore ideas under discussion;
 - (ii) follow agreed-upon rules for discussions and carry out assigned roles;
 - (iii) pose and respond to specific questions to clarify or follow up on information, and make comments that contribute to the discussion and link to the remarks of others; and
 - (iv) review the key ideas expressed and explain their own ideas and understanding in light of the discussion;
 - (b) paraphrase portions of a text read aloud or information presented in diverse media and formats, including visually, quantitatively, and orally;
 - (c) identify the reasons and evidence a speaker provides to support particular points;
 - (d) report on a topic or text, tell a story, or recount an experience in an organized manner, using appropriate facts and relevant, descriptive details to support main ideas or themes; speak clearly at an understandable pace; and include sources by and about American Indians;
 - (e) add audio recordings and visual displays to presentations when appropriate to enhance the development of main ideas or themes; and
 - (f) differentiate between contexts that call for formal English (e.g., presenting ideas) and situations where informal discourse is appropriate (e.g., small-group discussion) and use formal English when appropriate to task and situation. (See Grade 4 language standard (a) for specific expectations.)
- (6) Speaking and listening standards for a student at the Grade 5 level are:
- (a) engage effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on Grade 5 topics and texts, building on others' ideas and expressing their own clearly;
 - (i) come to discussions prepared, having read or studied required material and explicitly draw on that preparation and other information known about the topic to explore ideas under discussion;
 - (ii) follow agreed-upon rules for discussions and carry out assigned roles;
 - (iii) pose and respond to specific questions by making comments that contribute to the discussion and elaborate on the remarks of others; and
 - (iv) review the key ideas expressed and draw conclusions in light of information and knowledge gained from the discussions;
 - (b) summarize a written text read aloud or information presented in diverse media and formats, including visually, quantitatively, and orally;
 - (c) summarize the points a speaker makes and explain how each claim is supported by reasons and evidence;
 - (d) report on a topic or text or present an opinion, sequencing ideas logically and using appropriate facts and relevant, descriptive details to support main ideas or themes; speak clearly at an understandable pace; and include sources by and about American Indians;
 - (e) include multimedia components (e.g., graphics, sound) and visual displays in presentations when appropriate to enhance the development of main ideas or themes; and
 - (f) adapt speech to a variety of contexts and tasks, using formal English

when appropriate to task and situation. (See Grade 5 language standards (a) and (c) for specific expectations.)

(7) Speaking and listening standards for a student at the Grade 6 level are:

(a) engage effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on Grade 6 topics, texts, and issues, building on others' ideas and expressing their own clearly;

(i) come to discussions prepared, having read or studied required material and explicitly draw on that preparation by referring to evidence on the topic, text, or issue to probe and reflect on ideas under discussion;

(ii) follow rules for collegial discussions, set specific goals and deadlines, and define individual roles as needed;

(iii) pose and respond to specific questions with elaboration and detail by making comments that contribute to the topic, text, or issue under discussion; and

(iv) review the key ideas expressed and demonstrate understanding of multiple perspectives through reflection and paraphrasing;

(b) interpret information presented in diverse media and formats (e.g., visually, quantitatively, orally) and explain how it contributes to a topic, text, or issue under study;

(c) delineate a speaker's argument and specific claims, distinguishing claims that are supported by reasons and evidence from claims that are not;

(d) present claims and findings, sequencing ideas logically and using pertinent descriptions, facts, and details to accentuate main ideas or themes and use appropriate eye contact, adequate volume, and clear pronunciation;

(e) include multimedia components (e.g., graphics, images, music, sound) and visual displays in presentations to clarify information; and

(f) adapt speech to a variety of contexts and tasks, demonstrating command of formal English when indicated or appropriate. (See Grade 6 language standards (a) and (c) for specific expectations.)

(8) Speaking and listening standards for a student at the Grade 7 level are:

(a) engage effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on Grade 7 topics, texts, and issues, building on others' ideas and expressing their own clearly;

(i) come to discussions prepared, having read or researched material under study and explicitly draw on that preparation by referring to evidence on the topic, text, or issue to probe and reflect on ideas under discussion;

(ii) follow rules for collegial discussions, track progress toward specific goals and deadlines, and define individual roles as needed;

(iii) pose questions that elicit elaboration and respond to others' questions and comments with relevant observations and ideas that bring the discussion back on topic as needed; and

(iv) acknowledge new information expressed by others and, when warranted, modify their own views;

(b) analyze the main ideas and supporting details presented in diverse media and formats (e.g., visually, quantitatively, orally) and explain how the ideas clarify a topic, text, or issue under study;

(c) delineate a speaker's argument and specific claims, evaluating the soundness of the reasoning and the relevance and sufficiency of the evidence;

(d) present claims and findings, emphasizing salient points in a focused, coherent manner with pertinent descriptions, facts, details, and examples and use appropriate eye contact, adequate volume, and clear pronunciation;

(e) include multimedia components and visual displays in presentations to clarify claims and findings and emphasize salient points; and

(f) adapt speech to a variety of contexts and tasks, demonstrating command of formal English when indicated or appropriate. (See Grade 7 language standards (a) and (c) for specific expectations.)

(9) Speaking and listening standards for a student at the Grade 8 level are:

(a) engage effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on grade 8 topics, texts, and issues, building on others' ideas and expressing their own clearly;

(i) come to discussions prepared, having read or researched material under study and explicitly draw on that preparation by referring to evidence on the topic, text, or issue to probe and reflect on ideas under discussion;

(ii) follow rules for collegial discussions and decision-making, track progress toward specific goals and deadlines, and define individual roles as needed;

(iii) pose questions that connect the ideas of several speakers and respond to others' questions and comments with relevant evidence, observations, and ideas; and

(iv) acknowledge new information expressed by others, and, when warranted, qualify or justify their own views in light of the evidence presented;

(b) analyze the purpose of information presented in diverse media and formats (e.g., visually, quantitatively, orally) and evaluate the motives (e.g., social, commercial, political) behind its presentation;

(c) delineate a speaker's argument and specific claims, evaluating the soundness of the reasoning and relevance and sufficiency of the evidence and identifying when irrelevant evidence is introduced;

(d) present claims and findings, emphasizing salient points in a focused, coherent manner with relevant evidence, sound valid reasoning, and well-chosen details and use appropriate eye contact, adequate volume, and clear pronunciation;

(e) integrate multimedia and visual displays into presentations to clarify information, strengthen claims and evidence, and add interest; and

(f) adapt speech to a variety of contexts and tasks, demonstrating command of formal English when indicated or appropriate. (See Grade 8 language standards (a) and (c) for specific expectations.)

(10) Speaking and listening standards for a student at the Grade 9-10 level are:

(a) initiate and participate effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on Grades 9-10 topics, texts, and issues, building on others' ideas and expressing their own clearly and persuasively;

(i) come to discussions prepared, having read and researched material under study and explicitly draw on that preparation by referring to evidence from texts and other research on the topic or issue to stimulate a thoughtful, well-reasoned exchange of ideas;

(ii) work with peers to set rules for collegial discussions and decision-making

(e.g., informal consensus, taking votes on key issues, presentation of alternate views), clear goals and deadlines, and individual roles as needed;

(iii) propel conversations by posing and responding to questions that relate the current discussion to broader themes or larger ideas; actively incorporate others into the discussion; and clarify, verify, or challenge ideas and conclusions; and

(iv) respond thoughtfully to diverse perspectives, with specific attention to culture; summarize points of agreement and disagreement; when warranted, qualify or justify their own views and understanding; and make new connections in light of the evidence and reasoning presented;

(b) integrate multiple sources of information presented in diverse media or formats (e.g., visually, quantitatively, orally) evaluating the credibility and accuracy of each source;

(c) evaluate a speaker's point of view, reasoning, and use of evidence and rhetoric, including culturally diverse contexts, identifying any fallacious reasoning or exaggerated or distorted evidence;

(d) present information, findings, and supporting evidence clearly, concisely, and logically such that listeners can follow the line of reasoning and the organization, development, substance, and style are appropriate to purpose, audience, and task;

(e) make strategic use of digital media (e.g., textual, graphical, audio, visual, and interactive elements) in presentations to enhance understanding of findings, reasoning, and evidence and to add interest; and

(f) adapt speech to a variety of contexts and tasks, demonstrating command of formal English when indicated or appropriate. (See Grades 9-10 language standards (a) and (c) for specific expectations.)

(11) Speaking and listening standards for a student at the Grade 11-12 level are:

(a) initiate and participate effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on Grades 11-12 topics, texts, and issues, building on others' ideas and expressing their own clearly and persuasively;

(i) come to discussions prepared, having read and researched material under study and explicitly draw on that preparation by referring to evidence from texts and other research on the topic or issue to stimulate a thoughtful, well-reasoned exchange of ideas;

(ii) work with peers to promote civil, democratic discussions and decision-making, set clear goals and deadlines, and establish individual roles as needed;

(iii) propel conversations by posing and responding to questions that probe reasoning and evidence; ensure a hearing for a full range of positions on a topic or issue; clarify, verify, or challenge ideas and conclusions; and promote divergent and creative perspectives; and

(iv) respond thoughtfully to diverse perspectives, with specific attention to culture; synthesize comments, claims, and evidence made on all sides of an issue; resolve contradictions when possible; and determine what additional information or research is required to deepen the investigation or complete the task;

(b) integrate multiple sources of information presented in diverse formats and media (e.g., visually, quantitatively, orally) in order to make informed decisions and solve problems, evaluating the credibility and accuracy of each source and noting

any discrepancies among the data;

(c) evaluate a speaker's point of view, reasoning, and use of evidence and rhetoric, including culturally diverse contexts, assessing the stance, premises, links among ideas, word choice, points of emphasis, and tone used;

(d) present information, findings, and supporting evidence, conveying a clear and distinct perspective, such that listeners can follow the line of reasoning, alternative or opposing perspectives are addressed, and the organization, development, substance, and style are appropriate to purpose, audience, and a range of formal and informal tasks;

(e) make strategic use of digital media (e.g., textual, graphical, audio, visual, and interactive elements) in presentations to enhance understanding of findings, reasoning, and evidence and to add interest; and

(f) adapt speech to a variety of contexts and tasks, demonstrating a command of formal English when indicated or appropriate. (See Grades 11-12 language standards (a) and (c) for specific expectations.)

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE X LANGUAGE STANDARDS (1) Language standards for a student at the kindergarten level are:

(a) demonstrate command of the conventions of standard English grammar and usage when writing or speaking;

(i) print many upper- and lowercase letters;

(ii) use frequently occurring nouns and verbs;

(iii) form regular plural nouns orally by adding /s/ or /es/ (e.g., dog, dogs; wish, wishes);

(iv) understand and use question words (interrogatives) (e.g., who, what, where, when, why, how);

(v) use the most frequently occurring prepositions (e.g., to, from, in, out, on, off, for, of, by, with); and

(vi) produce and expand complete sentences in shared language activities;

(b) demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing;

(i) capitalize the first word in a sentence and the pronoun "I";

(ii) recognize and name end punctuation;

(iii) write a letter or letters for most consonant and short-vowel sounds (phonemes); and

(iv) spell simple words phonetically, drawing on knowledge of sound-letter relationships;

(c) determine or clarify the meaning of unknown and multiple-meaning words and phrases based on kindergarten reading and content;

(i) identify new meanings for familiar words and apply them accurately (e.g., knowing duck is a bird and learning the verb to duck); and

(ii) use the most frequently occurring inflections and affixes (e.g., -ed, -s, re-, un-, pre-, -ful, -less) as a clue to the meaning of an unknown word;

(d) with guidance and support from adults, explore word relationships and

nuances in word meanings;

(i) sort common objects into categories (e.g., shapes, foods) to gain a sense of the concepts the categories represent;

(ii) demonstrate understanding of frequently occurring verbs and adjectives by relating them to their opposites (antonyms);

(iii) identify real-life connections between words and their use (e.g., note places at school that are colorful); and

(iv) distinguish shades of meaning among verbs describing the same general action (e.g., walk, march, strut, prance) by acting out the meanings; and

(e) use words and phrases acquired through conversations, reading and being read to, and responding to texts.

(2) Language standards for a student at the Grade 1 level are:

(a) demonstrate command of the conventions of standard English grammar and usage when writing or speaking;

(i) print all upper- and lowercase letters;

(ii) use common, proper, and possessive nouns;

(iii) use singular and plural nouns with matching verbs in basic sentences (e.g., He hops; We hop);

(iv) use personal, possessive, and indefinite pronouns (e.g., I, me, my; they, them, their; anyone, everything);

(v) use verbs to convey a sense of past, present, and future (e.g., Yesterday I walked home; Today I walk home; Tomorrow I will walk home);

(vi) use frequently occurring adjectives;

(vii) use frequently occurring conjunctions (e.g., and, but, or, so, because);

(viii) use determiners (e.g., articles, demonstratives);

(ix) use frequently occurring prepositions (e.g., during, beyond, toward); and

(x) produce and expand complete simple and compound declarative, interrogative, imperative, and exclamatory sentences in response to prompts;

(b) demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing;

(i) capitalize dates and names of people;

(ii) use end punctuation for sentences;

(iii) use commas in dates and to separate single words in a series;

(iv) use conventional spelling for words with common spelling patterns and for frequently occurring irregular words; and

(v) spell untaught words phonetically, drawing on phonemic awareness and spelling conventions;

(c) determine or clarify the meaning of unknown and multiple-meaning words and phrases based on Grade 1 reading and content, choosing flexibly from an array of strategies;

(i) use sentence-level context as a clue to the meaning of a word or phrase;

(ii) use frequently occurring affixes as a clue to the meaning of a word; and

(iii) identify frequently occurring root words (e.g., look) and their inflectional forms (e.g., looks, looked, looking);

(d) with guidance and support from adults, demonstrate understanding of word relationships and nuances in word meanings;

(i) sort words into categories (e.g., colors, clothing) to gain a sense of the

concepts the categories represent;

(ii) define words by category and by one or more key attributes (e.g., a duck is a bird that swims; a tiger is a large cat with stripes);

(iii) identify real-life connections between words and their use (e.g., note places at home that are cozy); and

(iv) distinguish shades of meaning among verbs differing in manner (e.g., look, peek, glance, stare, glare, scowl) and adjectives differing in intensity (e.g., large, gigantic) by defining or choosing them or by acting out the meanings; and

(e) use words and phrases acquired through conversations, reading and being read to, and responding to texts, including using frequently occurring conjunctions to signal simple relationships (e.g., because).

(3) Language standards for a student at the Grade 2 level are:

(a) demonstrate command of the conventions of standard English grammar and usage when writing or speaking;

(i) use collective nouns (e.g., group);

(ii) form and use frequently occurring irregular plural nouns (e.g., feet, children, teeth, mice, fish);

(iii) use reflexive pronouns (e.g., myself, ourselves);

(iv) form and use the past tense of frequently occurring irregular verbs (e.g., sat, hid, told);

(v) use adjectives and adverbs and choose between them depending on what is to be modified; and

(vi) produce, expand, and rearrange complete simple and compound sentences (e.g., the boy watched the movie; the little boy watched the movie; the action movie was watched by the little boy);

(b) demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing;

(i) capitalize holidays, product names, and geographic names;

(ii) use commas in greetings and closings of letters;

(iii) use an apostrophe to form contractions and frequently occurring possessives;

(iv) generalize learned spelling patterns when writing words (e.g., cage → badge; boy → boil); and

(v) consult reference materials, including beginning dictionaries, as needed to check and correct spellings;

(c) use knowledge of language and its conventions when writing, speaking, reading, or listening;

(i) compare formal and informal uses of English;

(d) determine or clarify the meaning of unknown and multiple-meaning words and phrases based on Grade 2 reading and content, choosing flexibly from an array of strategies;

(i) use sentence-level context as a clue to the meaning of a word or phrase;

(ii) determine the meaning of the new word formed when a known prefix is added to a known word (e.g., happy/unhappy, tell/retell);

(iii) use a known root word as a clue to the meaning of an unknown word with the same root (e.g., addition, additional);

(iv) use knowledge of the meaning of individual words to predict the meaning

of compound words (e.g., birdhouse, lighthouse, housefly; bookshelf, notebook, bookmark); and

(v) use glossaries and beginning dictionaries, both print and digital, to determine or clarify the meaning of words and phrases;

(e) demonstrate understanding of word relationships and nuances in word meanings;

(i) identify real-life connections between words and their use (e.g., describe foods that are spicy or juicy); and

(ii) distinguish shades of meaning among closely related verbs (e.g., toss, throw, hurl) and closely related adjectives (e.g., thin, slender, skinny, scrawny); and

(f) use words and phrases acquired through conversations, reading and being read to, and responding to texts, including using adjectives and adverbs to describe (e.g., when other kids are happy that makes me happy).

(4) Language standards for a student at the Grade 3 level are:

(a) demonstrate command of the conventions of standard English grammar and usage when writing or speaking;

(i) explain the function of nouns, pronouns, verbs, adjectives, and adverbs in general and their functions in particular sentences;

(ii) form and use regular and irregular plural nouns;

(iii) use abstract nouns (e.g., childhood);

(iv) form and use regular and irregular verbs;

(v) form and use the simple (e.g., I walked; I walk; I will walk) verb tenses;

(vi) ensure subject-verb and pronoun-antecedent agreement;

(vii) form and use comparative and superlative adjectives and adverbs, and choose between them depending on what is to be modified;

(viii) use coordinating and subordinating conjunctions; and

(ix) produce simple, compound, and complex sentences;

(b) demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing;

(i) capitalize appropriate words in titles;

(ii) use commas in addresses;

(iii) use commas and quotation marks in dialogue;

(iv) form and use possessives;

(v) use conventional spelling for high-frequency and other studied words and for adding suffixes to base words (e.g., sitting, smiled, cries, happiness);

(vi) use spelling patterns and generalizations (e.g., word families, position-based spellings, syllable patterns, ending rules, meaningful word parts) in writing words; and

(vii) consult reference materials, including beginning dictionaries, as needed to check and correct spellings;

(c) use knowledge of language and its conventions when writing, speaking, reading, or listening;

(i) choose words and phrases for effect; and

(ii) recognize and observe differences between the conventions of spoken and written standard English;

(d) determine or clarify the meaning of unknown and multiple-meaning word and phrases based on Grade 3 reading and content, choosing flexibly from a range

of strategies;

(i) use sentence-level context as a clue to the meaning of a word or phrase;
(ii) determine the meaning of the new word formed when a known affix is added to a known word (e.g., agreeable/disagreeable, comfortable/uncomfortable, care/careless, heat/preheat);

(iii) use a known root word as a clue to the meaning of an unknown word with the same root (e.g., company, companion); and

(iv) use glossaries or beginning dictionaries, both print and digital, to determine or clarify the precise meaning of key words and phrases;

(e) demonstrate understanding of word relationships and nuances in word meanings;

(i) distinguish the literal and nonliteral meanings of words and phrases in context (e.g., take steps);

(ii) identify real-life connections between words and their use (e.g., describe people who are friendly or helpful); and

(iii) distinguish shades of meaning among related words that describe states of mind or degrees of certainty (e.g., knew, believed, suspected, heard, wondered); and

(f) acquire and use accurately grade-appropriate conversational, general academic, and domain-specific words and phrases, including those that signal spatial and temporal relationships (e.g., after dinner that night we went looking for them).

(5) Language standards for a student at the Grade 4 level are:

(a) demonstrate command of the conventions of standard English grammar and usage when writing or speaking;

(i) use relative pronouns (who, whose, whom, which, that) and relative adverbs (where, when, why);

(ii) form and use the progressive (e.g., I was walking; I am walking; I will be walking) verb tenses;

(iii) use modal auxiliaries (e.g., can, may, must) to convey various conditions;

(iv) order adjectives within sentences according to conventional patterns (e.g., a small red bag rather than a red small bag);

(v) form and use prepositional phrases;

(vi) produce complete sentences, recognizing and correcting inappropriate fragments and run-ons; and

(vii) correctly use frequently confused words (e.g., to, too, two; there, their);

(b) demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing;

(i) use correct capitalization;

(ii) use commas and quotation marks to mark direct speech and quotations from a text;

(iii) use a comma before a coordinating conjunction in a compound sentence;

and

(iv) spell grade-appropriate words correctly, consulting references as needed;

(c) use knowledge of language and its conventions when writing, speaking, reading, or listening;

- (i) choose words and phrases to convey ideas precisely;
- (ii) choose punctuation for effect; and
- (iii) differentiate between contexts that call for formal English (e.g., presenting ideas) and situations where informal discourse is appropriate (e.g., small-group discussion);

(d) determine or clarify the meaning of unknown and multiple-meaning words and phrases based on Grade 4 reading and content, choosing flexibly from a range of strategies;

- (i) use context (e.g., definitions, examples, or restatements in text) as a clue to the meaning of a word or phrase;

- (ii) use common, grade-appropriate Greek and Latin affixes and roots as clues to the meaning of a word (e.g., telegraph, photograph, autograph); and

- (iii) consult reference materials (e.g., dictionaries, glossaries, thesauruses), both print and digital, to find the pronunciation and determine or clarify the precise meaning of key words and phrases;

(e) demonstrate understanding of figurative language, word relationships, and nuances in word meanings;

- (i) explain the meaning of simple similes and metaphors (e.g., as pretty as a picture) in context;

- (ii) recognize and explain the meaning of common idioms, adages, and proverbs; and

- (iii) demonstrate understanding of words by relating them to their opposites (antonyms) and to words with similar but not identical meanings (synonyms); and

- (f) acquire and use accurately grade-appropriate general academic and domain-specific words and phrases, including those that signal precise actions, emotions, or states of being (e.g., quizzed, whined, stammered) and that are basic to a particular topic (e.g., wildlife, conservation, and endangered when discussing animal preservation).

(6) Language standards for a student at the Grade 5 level are:

- (a) demonstrate command of the conventions of standard English grammar and usage when writing or speaking;

- (i) explain the function of conjunctions, prepositions, and interjections in general and their function in particular sentences;

- (ii) form and use the perfect (e.g., I had walked; I have walked; I will have walked) verb tenses;

- (iii) use verb tense to convey various times, sequences, states, and conditions;

- (iv) recognize and correct inappropriate shifts in verb tense; and

- (v) use correlative conjunctions (e.g., either/or, neither/nor);

- (b) demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing;

- (i) use punctuation to separate items in a series;

- (ii) use a comma to separate an introductory element from the rest of the sentence;

- (iii) use a comma to set off the words yes and no (e.g., Yes, thank you), to set off a tag question from the rest of the sentence (e.g., It's true, isn't it?), and to indicate direct address (e.g., Is that you, Steve?);

(iv) use underlining, quotation marks, or italics to indicate titles of works; and
(v) spell grade-appropriate words correctly, consulting references as needed;
(c) use knowledge of language and its conventions when writing, speaking, reading, or listening;

(i) expand, combine, and reduce sentences for meaning, reader/listener interest, and style; and

(ii) compare and contrast the varieties of English (e.g., dialects, registers) used in stories, dramas, or poems;

(d) determine or clarify the meaning of unknown and multiple-meaning words and phrases based on Grade 5 reading and content, choosing flexibly from a range of strategies;

(i) use context (e.g., cause/effect relationships and comparisons in text) as a clue to the meaning of a word or phrase;

(ii) use common, grade-appropriate Greek and Latin affixes and roots as clues to the meaning of a word (e.g., photograph, photosynthesis); and

(iii) consult reference materials (e.g., dictionaries, glossaries, thesauruses), both print and digital, to find the pronunciation and determine or clarify the precise meaning of key words and phrases;

(e) demonstrate understanding of figurative language, word relationships, and nuances in word meanings;

(i) interpret figurative language, including similes and metaphors, in context;

(ii) recognize and explain the meaning of common idioms, adages, and proverbs; and

(iii) use the relationship between particular words (e.g., synonyms, antonyms, homographs) to better understand each of the words; and

(f) acquire and use accurately grade-appropriate general academic and domain-specific words and phrases, including those that signal contrast, addition, and other logical relationships (e.g., however, although, nevertheless, similarly, moreover, in addition).

(7) Language standards for a student at the Grade 6 level are:

(a) demonstrate command of the conventions of standard English grammar and usage when writing or speaking;

(i) ensure that pronouns are in the proper case (subjective, objective, possessive);

(ii) use intensive pronouns (e.g., myself, ourselves);

(iii) recognize and correct inappropriate shifts in pronoun number and person;

(iv) recognize and correct vague pronouns (i.e., ones with unclear or ambiguous antecedents); and

(v) recognize variations from standard English in their own and others' writing and speaking, and identify and use strategies to improve expression in conventional language;

(b) demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing;

(i) use punctuation (commas, parentheses, dashes) to set off nonrestrictive/parenthetical elements; and

(ii) spell correctly;

(c) use knowledge of language and its conventions when writing, speaking,

reading, or listening;

- (i) vary sentence patterns for meaning, reader/listener interest, and style; and
- (ii) maintain consistency in style and tone;

(d) determine or clarify the meaning of unknown and multiple-meaning words and phrases based on Grade 6 reading and content, choosing flexibly from a range of strategies;

(i) use context (e.g., the overall meaning of a sentence or paragraph; a word's position or function in a sentence) as a clue to the meaning of a word or phrase;

(ii) use common, grade-appropriate Greek or Latin affixes and roots as clues to the meaning of a word (e.g., audience, auditory, audible);

(iii) consult reference materials (e.g., dictionaries, glossaries, thesauruses), both print and digital, to find the pronunciation of a word or determine or clarify its precise meaning or its part of speech; and

(iv) verify the preliminary determination of the meaning of a word or phrase (e.g., by checking the inferred meaning in context or in a dictionary);

(e) demonstrate understanding of figurative language, word relationships, and nuances in word meanings;

(i) interpret figures of speech (e.g., personification) in context;

(ii) use the relationship between particular words (e.g., cause/effect, part/whole, item/category) to better understand each of the words;

(iii) distinguish among the connotations (associations) of words with similar denotations (definitions) (e.g., stingy, scrimping, economical, un wasteful, thrifty); and

(iv) recognize the influence time, culture, gender and social relationships have upon word meaning; and

(f) acquire and use accurately grade-appropriate general academic and domain-specific words and phrases and gather vocabulary knowledge when considering a word or phrase important to comprehension or expression.

(8) Language standards for a student at the Grade 7 level are:

(a) demonstrate command of the conventions of standard English grammar and usage when writing or speaking;

(i) explain the function of phrases and clauses in general and their function in specific sentences;

(ii) choose among simple, compound, complex, and compound-complex sentences to signal differing relationships among ideas; and

(iii) place phrases and clauses within a sentence, recognizing and correcting misplaced and dangling modifiers;

(b) demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing;

(i) use a comma to separate coordinate adjectives (e.g., It was a fascinating, enjoyable movie, but not, He wore an old[,] green shirt); and

(ii) spell correctly;

(c) use knowledge of language and its conventions when writing, speaking, reading, or listening;

(i) choose language that expresses ideas precisely and concisely, recognizing and eliminating wordiness and redundancy;

(d) determine or clarify the meaning of unknown and multiple-meaning words

and phrases based on Grade 7 reading and content, choosing flexibly from a range of strategies;

(i) use context (e.g., the overall meaning of a sentence or paragraph; a word's position or function in a sentence) as a clue to the meaning of a word or phrase;

(ii) use common, grade-appropriate Greek or Latin affixes and roots as clues to the meaning of a word (e.g., belligerent, bellicose, rebel);

(iii) consult general and specialized reference materials (e.g., dictionaries, glossaries, thesauruses), both print and digital, to find the pronunciation of a word or determine or clarify its precise meaning or its part of speech; and

(iv) verify the preliminary determination of the meaning of a word or phrase (e.g., by checking the inferred meaning in context or in a dictionary);

(e) demonstrate understanding of figurative language, word relationships, and nuances in word meanings;

(i) interpret figures of speech (e.g., literary, biblical, and mythological allusions) in context;

(ii) use the relationship between particular words (e.g., synonym, antonym, analogy) to better understand each of the words;

(iii) distinguish among the connotations (associations) of words with similar denotations (definitions) (e.g., refined, respectful, polite, diplomatic, condescending); and

(iv) recognize the influence time, culture, gender, and social relationships have upon word meaning; and

(f) acquire and use accurately grade-appropriate general academic and domain-specific words and phrases and gather vocabulary knowledge when considering a word or phrase important to comprehension or expression.

(9) Language standards for a student at the Grade 8 level are:

(a) demonstrate command of the conventions of standard English grammar and usage when writing or speaking;

(i) explain the function of verbals (gerunds, participles, infinitives) in general and their function in particular sentences;

(ii) form and use verbs in the active and passive voice;

(iii) form and use verbs in the indicative, imperative, interrogative, conditional, and subjunctive mood; and

(iv) recognize and correct inappropriate shifts in verb voice and mood;

(b) demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing;

(i) use punctuation (comma, ellipsis, dash) to indicate a pause or break;

(ii) use an ellipsis to indicate an omission; and

(iii) spell correctly;

(c) use knowledge of language and its conventions when writing, speaking, reading, or listening;

(i) use verbs in the active and passive voice and in the conditional and subjunctive mood to achieve particular effects (e.g., emphasizing the actor or the action; expressing uncertainty; or describing a state contrary to fact);

(d) determine or clarify the meaning of unknown and multiple-meaning words or phrases based on Grade 8 reading and content, choosing flexibly from a range of

strategies;

(i) use context (e.g., the overall meaning of a sentence or paragraph; a word's position; or function in a sentence) as a clue to the meaning of a word or phrase;

(ii) use common, grade-appropriate Greek or Latin affixes and roots as clues to the meaning of a word (e.g., precede, recede, secede);

(iii) consult general and specialized reference materials (e.g., dictionaries, glossaries, thesauruses), both print and digital, to find the pronunciation of a word or determine or clarify its precise meaning or its part of speech; and

(iv) verify the preliminary determination of the meaning of a word or phrase (e.g., by checking the inferred meaning in context or in a dictionary);

(e) demonstrate understanding of figurative language, word relationships, and nuances in word meanings;

(i) interpret figures of speech (e.g. verbal irony, puns) in context;

(ii) use the relationship between particular words to better understand each of the words;

(iii) distinguish among the connotations (associations) of words with similar denotations (definitions) (e.g., bullheaded, willful, firm, persistent, resolute); and

(iv) recognize the influence time, culture, gender, and social relationships have upon word meaning; and

(f) acquire and use accurately grade-appropriate general academic and domain-specific words and phrases and gather vocabulary knowledge when considering a word or phrase important to comprehension or expression.

(10) Language standards for a student at the Grade 9-10 level are:

(a) demonstrate command of the conventions of standard English grammar and usage when writing or speaking;

(i) use parallel structure; and

(ii) use various types of phrases (noun, verb, adjectival, adverbial, participial, prepositional, absolute) and clauses (independent, dependent; noun, relative, adverbial) to convey specific meanings and add variety and interest to writing or presentations;

(b) demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing;

(i) use a semicolon (and perhaps a conjunctive adverb) to link two or more closely related independent clauses;

(ii) use a colon to introduce a list or quotation; and

(iii) spell correctly;

(c) apply knowledge of language to understand how language functions in different contexts, to make effective choices for meaning or style, and to comprehend more fully when reading or listening;

(i) write and edit work so that it conforms to the guidelines in a style manual (e.g., MLA Handbook, Turabian's Manual for Writers) appropriate for the discipline and writing type;

(d) determine or clarify the meaning of unknown and multiple-meaning words and phrases based on Grades 9-10 reading and content, choosing flexibly from a range of strategies, recognizing the role culture plays in the development of language;

(i) use context (e.g., the overall meaning of a sentence, paragraph, or text; a word's position or function in a sentence) as a clue to the meaning of a word or phrase;

(ii) identify and correctly use patterns of word changes that indicate different meanings or parts of speech (e.g., analyze, analysis, analytical; advocate, advocacy);

(iii) consult general and specialized reference materials (e.g., dictionaries, glossaries, thesauruses), both print and digital, to find the pronunciation of a word or determine or clarify its precise meaning, part of speech, or etymology; and

(iv) verify the preliminary determination of the meaning of a word or phrase (e.g., by checking the inferred meaning in context or in a dictionary);

(e) demonstrate understanding of figurative language, word relationships, and nuances in word meanings;

(i) interpret figures of speech (e.g., euphemism, oxymoron) in context and analyze their role in the text; and

(ii) analyze nuances in the meaning of words with similar denotations; and

(f) acquire and use accurately general academic and domain-specific words and phrases, sufficient for reading, writing, speaking, and listening at the college and career readiness level and demonstrate independence in gathering vocabulary knowledge when considering a word or phrase important to comprehension or expression.

(11) Language standards for a student at the Grade 11-12 level are:

(a) demonstrate command of the conventions of standard English grammar and usage when writing or speaking;

(i) apply the understanding that usage is a matter of convention, can change over time, and is sometimes contested; and

(ii) resolve issues of complex or contested usage, consulting references (e.g., Merriam-Webster's Dictionary of English Usage, Garner's Modern American Usage) as needed;

(b) demonstrate command of the conventions of standard English capitalization, punctuation, and spelling when writing;

(i) observe hyphenation conventions; and

(ii) spell correctly;

(c) apply knowledge of language to understand how language functions in different contexts, to make effective choices for meaning or style, and to comprehend more fully when reading or listening;

(i) vary syntax for effect, consulting references (e.g., Tufte's Artful Sentences) for guidance as needed and apply an understanding of syntax to the study of complex texts when reading;

(d) determine or clarify the meaning of unknown and multiple-meaning words and phrases based on Grades 11-12 reading and content, choosing flexibly from a range of strategies and recognizing the role culture plays in the development of language;

(i) use context (e.g., the overall meaning of a sentence, paragraph, or text; a word's position or function in a sentence) as a clue to the meaning of a word or phrase;

(ii) identify and correctly use patterns of word changes that indicate different

meanings or parts of speech (e.g., conceive, conception, conceivable);

(iii) consult general and specialized reference materials (e.g., dictionaries, glossaries, thesauruses), both print and digital, to find the pronunciation of a word or determine or clarify its precise meaning, part of speech, etymology, or standard usage; and

(iv) verify the preliminary determination of the meaning of a word or phrase (e.g., by checking the inferred meaning in context or in a dictionary);

(e) demonstrate understanding of figurative language, word relationships, and nuances in word meanings;

(i) interpret figures of speech (e.g., hyperbole, paradox) in context and analyze their role in the text; and

(ii) analyze nuances in the meaning of words with similar denotations; and

(f) acquire and use accurately general academic and domain-specific words and phrases, sufficient for reading, writing, speaking, and listening at the college and career readiness level and demonstrate independence in gathering vocabulary knowledge when considering a word or phrase important to comprehension or expression.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XI READING STANDARDS FOR LITERACY IN HISTORY/
SOCIAL STUDIES (1) Reading standards for literacy in history/social studies for a student at the Grade 6-8 level are:

(a) cite specific textual evidence to support analysis of primary and secondary sources;

(b) determine the central ideas or information of a primary or secondary source and provide an accurate summary of the source distinct from prior knowledge or opinions;

(c) identify key steps in a text's description of a process related to history/social studies (e.g., how a bill becomes law, how interest rates are raised or lowered);

(d) determine the meaning of words and phrases as they are used in a text, including vocabulary specific to domains related to history/social studies;

(e) describe how a text presents information (e.g., sequentially, comparatively, causally);

(f) identify aspects of a text, including those by and about American Indians, that reveal an author's point of view or purpose (e.g., loaded language, inclusion or avoidance of particular facts);

(g) integrate visual information (e.g., in charts, graphs, photographs, videos, or maps) with other information in print and digital texts;

(h) distinguish among fact, opinion, and reasoned judgment in a text, including texts by and about American Indians;

(i) analyze the relationship between a primary and secondary source on the same topic, including sources by and about American Indians; and

(j) by the end of Grade 8, read and comprehend history/social studies texts in the Grades 6-8 text complexity band independently and proficiently.

(2) Reading standards for literacy in history/social studies for a student at the Grade 9-10 level are:

(a) cite specific textual evidence to support analysis of primary and secondary sources, attending to such features as the date and origin of the information;

(b) determine the central ideas or information of a primary or secondary source and provide an accurate summary of how key events or ideas develop over the course of the text;

(c) analyze in detail a series of events described in a text and determine whether earlier events caused later ones or simply preceded them;

(d) determine the meaning of words and phrases as they are used in a text, including vocabulary describing political, social, cultural, or economic aspects of history/social studies;

(e) analyze how a text uses structure to emphasize key points or advance an explanation or analysis;

(f) compare the point of view of two or more authors, incorporating American Indian authors, for how they treat the same or similar topics, including which details they include and emphasize in their respective accounts;

(g) integrate quantitative or technical analysis (e.g., charts, research data) with qualitative analysis in print or digital text;

(h) assess the extent to which the reasoning and evidence in a text support the author's claims; include texts by and about American Indians;

(i) compare and contrast treatments of the same topic in several primary and secondary sources, including American Indian sources; and

(j) by the end of Grade 10, read and comprehend history/social studies texts in the Grades 9-10 text complexity band independently and proficiently.

(3) Reading standards for literacy in history/social studies for a student at the Grade 11-12 level are:

(a) cite specific textual evidence to support analysis of primary and secondary sources, connecting insights gained from specific details to an understanding of the text as a whole;

(b) determine the central ideas or information of a primary or secondary source and provide an accurate summary that makes clear the relationships among the key details and ideas;

(c) evaluate various explanations for actions or events and determine which explanation best accords with textual evidence, acknowledging where the text leaves matters uncertain;

(d) determine the meaning of words and phrases as they are used in a text, including analyzing how an author uses and refines the meaning of a key term over the course of a text (e.g., how Madison defines faction in Federalist No. 10 and how the use of "sovereignty" in official documents impacts political and legal relationships);

(e) analyze in detail how a complex primary source is structured, including how key sentences, paragraphs, and larger portions of the text contribute to the whole;

(f) evaluate authors', incorporating American Indian authors, differing points of view on the same historical event or issue by assessing the authors' claims,

reasoning, and evidence;

(g) integrate and evaluate multiple sources of information presented in diverse formats and media (e.g., visually, quantitatively, as well as in words) in order to address a question or solve a problem;

(h) evaluate an author's premises, claims, and evidence by corroborating or challenging them with other information, including texts by and about American Indians;

(i) integrate information from diverse sources, including American Indian sources, both primary and secondary, into a coherent understanding of an idea or event, noting discrepancies among sources; and

(j) by the end of Grade 12, read and comprehend history/social studies texts in the Grades 11-CCR text complexity band independently and proficiently.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XII READING STANDARDS FOR LITERACY IN SCIENCE AND TECHNICAL SUBJECTS (1) Reading standards for literacy in science and technical subjects for a student at the Grade 6-8 level are:

(a) cite specific textual evidence to support analysis of science and technical texts;

(b) determine the central ideas or conclusions of a text and provide an accurate summary of the text distinct from prior knowledge or opinions;

(c) follow precisely a multistep procedure when carrying out experiments, taking measurements, or performing technical tasks;

(d) determine the meaning of symbols, key terms, and other domain-specific words and phrases as they are used in a specific scientific or technical context relevant to Grades 6-8 texts and topics;

(e) analyze the structure an author uses to organize a text, including how the major sections contribute to the whole and to an understanding of the topic;

(f) analyze the author's purpose in providing an explanation, describing a procedure, or discussing an experiment in a text;

(g) integrate quantitative or technical information expressed in words in a text with a version of that information expressed visually (e.g., in a flowchart, diagram, model, graph, or table);

(h) distinguish among facts, reasoned judgment based on research findings, and speculation in a text; include texts by and about American Indians;

(i) compare and contrast the information gained from experiments, simulations, video, or multimedia sources with that gained from reading a text on the same topic; and

(j) by the end of Grade 8, read and comprehend science/technical texts in the Grades 6-8 text complexity band independently and proficiently.

(2) Reading standards for literacy in science and technical subjects for a student at the Grade 9-10 level are:

(a) cite specific textual evidence to support analysis of science and technical texts, attending to the precise details of explanations or descriptions;

(b) determine the central ideas or conclusions of a text; trace the text's

explanation or depiction of a complex process, phenomenon, or concept; and provide an accurate summary of the text;

(c) follow precisely a complex multistep procedure when carrying out experiments, taking measurements, or performing technical tasks, attending to special cases or exceptions defined in the text;

(d) determine the meaning of symbols, key terms, and other domain-specific words and phrases as they are used in a specific scientific or technical context relevant to Grades 9-10 texts and topics;

(e) analyze the structure of the relationships among concepts in a text, including relationships among key terms (e.g., force, friction, reaction force, energy);

(f) analyze the author's purpose in providing an explanation, describing a procedure, or discussing an experiment in a text, defining the question the author seeks to address;

(g) translate quantitative or technical information expressed in words in a text into visual form (e.g., a table or chart) and translate information expressed visually or mathematically (e.g., in an equation) into words;

(h) assess the extent to which the reasoning and evidence in a text support the author's claim or a recommendation for solving scientific or technical problems;

(i) compare and contrast findings presented in a text to those from other sources (including their own experiments, and knowledge derived from American Indian cultures), noting when the findings support or contradict previous explanations or accounts; and

(j) by the end of Grade 10, read and comprehend science/technical texts in the Grades 9-10 text complexity band independently and proficiently.

(3) Reading standards for literacy in science and technical subjects for a student at the Grade 11-12 level are:

(a) cite specific textual evidence to support analysis of science and technical texts, attending to important distinctions the author makes and to any gaps or inconsistencies in the account;

(b) determine the central ideas or conclusions of a text and summarize complex concepts, processes, or information presented in a text by paraphrasing them in simpler but still accurate terms;

(c) follow precisely a complex multistep procedure when carrying out experiments, taking measurements, or performing technical tasks and analyze the specific results based on explanations in the text;

(d) determine the meaning of symbols, key terms, and other domain-specific words and phrases as they are used in a specific scientific or technical context relevant to Grades 11-12 texts and topics;

(e) analyze how the text structures information or ideas into categories or hierarchies, demonstrating understanding of the information or ideas;

(f) analyze the author's purpose in providing an explanation, describing a procedure, or discussing an experiment in a text, identifying important issues that remain unresolved;

(g) integrate and evaluate multiple sources of information presented in diverse formats and media (e.g., quantitative data, video, multimedia, Montana tribal resources) in order to address a question or solve a problem;

(h) evaluate the hypotheses, data, analysis, and conclusions in a science or

technical text, verifying the data when possible and corroborating or challenging conclusions with other sources of information, including those from American Indians;

(i) synthesize information from a range of sources (e.g., texts, experiments, simulations, and knowledge derived from American Indian cultures) into a coherent understanding of a process, phenomenon, or concept, resolving conflicting information when possible; and

(j) by the end of Grade 12, read and comprehend science/technical texts in the Grades 11-CCR text complexity band independently and proficiently.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XIII WRITING STANDARDS FOR LITERACY IN HISTORY/SOCIAL STUDIES, SCIENCE, AND TECHNICAL SUBJECTS

(1) Writing standards for literacy in history/social studies, science, and technical subjects for a student at the Grade 6-8 level are:

(a) write arguments focused on discipline-specific content;

(i) introduce claim(s) about a topic or issue, acknowledge and distinguish the claim(s) from alternate or opposing claims, and organize the reasons and evidence logically;

(ii) support claim(s) with logical reasoning and relevant, accurate data and evidence that demonstrate an understanding of the topic or text, using credible sources;

(iii) use words, phrases, and clauses to create cohesion and clarify the relationships among claim(s), counterclaims, reasons, and evidence;

(iv) establish and maintain a formal style; and

(v) provide a concluding statement or section that follows from and supports the argument presented;

(b) write informative/explanatory texts, including the narration of historical events, scientific procedures/ experiments, or technical processes;

(i) introduce a topic clearly, previewing what is to follow; organize ideas, concepts, and information into broader categories as appropriate to achieving purpose; and include formatting (e.g., headings), graphics (e.g., charts, tables), and multimedia when useful to aiding comprehension;

(ii) develop the topic with relevant, well-chosen facts, definitions, concrete details, quotations, or other information and examples;

(iii) use appropriate and varied transitions to create cohesion and clarify the relationships among ideas and concepts;

(iv) use precise language and domain-specific vocabulary to inform about or explain the topic;

(v) establish and maintain a formal style and objective tone; and

(vi) provide a concluding statement or section that follows from and supports the information or explanation presented;

(c) produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience;

(d) with some guidance and support from peers and adults, develop and

strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach, focusing on how well purpose and audience have been addressed;

(e) use technology, including the internet, to produce and publish writing and present the relationships between information and ideas clearly and efficiently;

(f) conduct short research projects to answer a question (including a self-generated question), drawing on several sources and generating additional related, focused questions that allow for multiple avenues of exploration;

(g) gather relevant information from multiple oral, print, and digital sources, using search terms effectively; assess the credibility and accuracy of each source; and quote or paraphrase the data and conclusions of others while avoiding plagiarism and following a standard format for citation;

(h) draw evidence from informational texts to support analysis, reflection, and research, including texts by and about American Indians; and

(i) write routinely over extended time frames (time for reflection and revision) and shorter time frames (a single sitting or a day or two) for a range of discipline-specific tasks, purposes, and audiences.

(2) Writing standards for literacy in history/social studies, science, and technical subjects for a student at the Grade 9-10 level are:

(a) write arguments focused on discipline-specific content;

(i) introduce precise claim(s), distinguish the claim(s) from alternate or opposing claims, and create an organization that establishes clear relationships among the claim(s), counterclaims, reasons, and evidence;

(ii) develop claim(s) and counterclaims fairly, supplying data and evidence for each while pointing out the strengths and limitations of both claim(s) and counterclaims in a discipline-appropriate form and in a manner that anticipates the audience's knowledge level and concerns;

(iii) use words, phrases, and clauses to link the major sections of the text, create cohesion, and clarify the relationships between claim(s) and reasons, reasons and evidence, and claim(s) and counterclaims;

(iv) establish and maintain a formal style and objective tone while attending to the norms and conventions of the discipline in which they are writing; and

(v) provide a concluding statement or section that follows from or supports the argument presented;

(b) write informative/explanatory texts, including the narration of historical events, scientific procedures/experiments, or technical processes;

(i) introduce a topic and organize ideas, concepts, and information to make important connections and distinctions; include formatting (e.g., headings), graphics (e.g., figures, tables), and multimedia when useful to aid comprehension;

(ii) develop the topic with well-chosen, relevant, and sufficient facts, extended definitions, concrete details, quotations, or other information and examples appropriate to the audience's knowledge of the topic;

(iii) use varied transitions and sentence structures to link the major sections of the text, create cohesion, and clarify the relationships among ideas and concepts;

(iv) use precise language and domain-specific vocabulary to manage the complexity of the topic and convey a style appropriate to the discipline and context as well as to the expertise of likely readers;

(v) establish and maintain a formal style and objective tone while attending to

the norms and conventions of the discipline in which they are writing; and

(vi) provide a concluding statement or section that follows from and supports the information or explanation presented (e.g., articulating implications or the significance of the topic);

(c) produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience;

(d) develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach, focusing on addressing what is most significant for a specific purpose and audience;

(e) use technology, including the internet, to produce, publish, and update individual or shared writing products, taking advantage of technology's capacity to link to other information and display information flexibly and dynamically;

(f) conduct short as well as more sustained research projects to answer a question (including a self-generated question) or solve a problem; narrow or broaden the inquiry when appropriate; and synthesize multiple sources on the subject, demonstrating understanding of the subject under investigation;

(g) gather relevant information from multiple authoritative oral, print, and digital sources, using advanced searches effectively; assess the usefulness of each source in answering the research question; and integrate information into the text selectively to maintain the flow of ideas, avoiding plagiarism and following a standard format for citation;

(h) draw evidence from informational texts to support analysis, reflection, and research, including texts by and about American Indians; and

(i) write routinely over extended time frames (time for reflection and revision) and shorter time frames (a single sitting or a day or two) for a range of discipline-specific tasks, purposes, and audiences.

(3) Writing standards for literacy in history/social studies, science, and technical subjects for a student at the Grade 11-12 level are:

(a) Write arguments focused on discipline-specific content;

(i) introduce precise, knowledgeable claim(s), establish the significance of the claim(s), distinguish the claim(s) from alternate or opposing claims, and create an organization that logically sequences the claim(s), counterclaims, reasons, and evidence;

(ii) develop claim(s) and counterclaims fairly and thoroughly, supplying the most relevant data and evidence for each while pointing out the strengths and limitations of both claim(s) and counterclaims in a discipline-appropriate form that anticipates the audience's knowledge level, concerns, values, and possible biases;

(iii) use words, phrases, and clauses as well as varied syntax to link the major sections of the text, create cohesion, and clarify the relationships between claim(s) and reasons, reasons and evidence, and claim(s) and counterclaims;

(iv) establish and maintain a formal style and objective tone while attending to the norms and conventions of the discipline in which they are writing; and

(v) provide a concluding statement or section that follows from or supports the argument presented;

(b) write informative/explanatory texts, including the narration of historical events, scientific procedures/experiments, or technical processes;

(i) introduce a topic and organize complex ideas, concepts, and information

so that each new element builds on that which precedes it to create a unified whole and include formatting (e.g., headings), graphics (e.g., figures, tables), and multimedia when useful to aiding comprehension;

(ii) develop the topic thoroughly by selecting the most significant and relevant facts, extended definitions, concrete details, quotations, or other information and examples appropriate to the audience's knowledge of the topic;

(iii) use varied transitions and sentence structures to link the major sections of the text, create cohesion, and clarify the relationships among complex ideas and concepts;

(iv) use precise language, domain-specific vocabulary, and techniques such as metaphor, simile, and analogy to manage the complexity of the topic; convey a knowledgeable stance in a style that responds to the discipline and context as well as to the expertise of likely readers; and

(v) provide a concluding statement or section that follows from and supports the information or explanation provided (e.g., articulating implications or the significance of the topic);

(c) produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience;

(d) develop and strengthen writing as needed by planning, revising, editing, rewriting, or trying a new approach, focusing on addressing what is most significant for a specific purpose and audience;

(e) use technology, including the internet, to produce, publish, and update individual or shared writing products in response to ongoing feedback, including new arguments or information;

(f) conduct short as well as more sustained research projects to answer a question (including a self-generated question) or solve a problem; narrow or broaden the inquiry when appropriate; synthesize multiple sources on the subject, demonstrating understanding of the subject under investigation;

(g) gather relevant information from multiple authoritative oral, print, and digital sources, using advanced searches effectively; assess the strengths and limitations of each source in terms of the specific task, purpose, and audience; and integrate information into the text selectively to maintain the flow of ideas, avoiding plagiarism and overreliance on any one source and following a standard format for citation;

(h) draw evidence from informational texts to support analysis, reflection, and research, including texts by and about American Indians; and

(i) write routinely over extended time frames (time for reflection and revision) and shorter time frames (a single sitting or a day or two) for a range of discipline-specific tasks, purposes, and audiences.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XIV EXPLANATION OF THE CONTENT STANDARDS (1) The content standards shall be used by school districts to develop local curriculum and assessment in all the content areas including: English language arts and literacy in history/social studies, science and technical subjects and mathematics and

mathematical practices. The K-12 content standards describe what students shall know, understand, and be able to do in these content standards. These K-12 grade-specific standards define end-of-year expectations and a cumulative progression designed to enable students to meet college and career readiness expectations no later than the end of high school.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XV INDIAN EDUCATION (1) Curriculum and instruction of the content standards ARM [New Rule XIV] shall incorporate the distinct and unique cultural heritage of Montana American Indians pursuant to Article X Sect 1(2) of the Constitution of the state of Montana and 20-1-501 and 20-9-309(2)(c), MCA.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XVI DEFINITIONS (1) "Content standard" means what all students should know, understand, and be able to do in English language arts and literacy in history/social studies, science and technical subjects and mathematics and mathematical practices.

(2) "Mathematical practices" describe processes and proficiencies students use as practitioners of the discipline of mathematics.

(3) The symbol "+" denotes science, technology, engineering, mathematics (STEM) standards that students should learn in order to take advanced courses such as calculus, advanced statistics, or discrete mathematics.

(4) The symbol "*" denotes specific modeling standards appearing throughout the high school mathematics standards.

(5) "Literacy in history/social studies, science and technical subjects" means instruction in reading, writing, speaking, listening, and language use is a shared responsibility by teachers of English language arts and other content areas.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XVII STANDARDS REVIEW SCHEDULE (1) Montana's content standards shall be reviewed and revised on a recurring schedule.

(2) A schedule for review of content standards shall be established as a collaborative process with the Office of Public Instruction and the Board of Public Education with input from representatives of accredited schools. The schedule shall ensure that each program area is reviewed and revised at regular intervals.

(3) The standards review process shall use context information, criteria, processes, and procedures identified by the Office of Public Instruction with input from representatives of accredited schools.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

4. REASON: The proposed new rules on Common Core State Standards for English Language Arts and Literacy in History/Social Studies, Science, and Technical subjects ("the standards") are the culmination of an extended, broad-based effort to fulfill the charge issued by the states to create the next generation of K-12 standards in order to help ensure that all students are college and career ready in literacy no later than the end of high school.

The present work, led by the Council of Chief State School Officers (CCSSO) and the National Governors Association (NGA) builds on the foundation laid by states in their decades-long work on crafting high-quality education standards. The standards also draw on the most important international models as well as research and input from numerous sources, including state departments of education, scholars, assessment developers, professional organizations, educators from kindergarten through college, and parents, students, and other members of the public. In their design and content, refined through successive drafts and numerous rounds of feedback, the standards represent a synthesis of the best elements of standards-related work to date and an important advance over previous work.

The Montana Content Standards for English language arts reflect the constitutional mandate that all educators must provide instruction including the distinct and unique heritage and contemporary contributions of American Indians in a culturally responsive manner.

It is the intention to move these standards to a new chapter under Title 10, therefore New Rules XIV through XVII are being adopted to preface the chapter containing the new content standards.

5. The board proposes to repeal the following rules:

10.54.3610 COMMUNICATION ARTS SPEAKING AND LISTENING CONTENT STANDARD 1 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3611 BENCHMARK FOR COMMUNICATION ARTS SPEAKING AND LISTENING CONTENT STANDARD 1 FOR END OF GRADE 4 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3612 BENCHMARK FOR COMMUNICATION ARTS SPEAKING AND LISTENING CONTENT STANDARD 1 FOR END OF GRADE 8 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3613 BENCHMARK FOR COMMUNICATION ARTS SPEAKING AND LISTENING CONTENT STANDARD 1 UPON GRADUATION AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3620 COMMUNICATION ARTS READING CONTENT STANDARD 2

AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3621 BENCHMARK FOR COMMUNICATION ARTS READING
CONTENT STANDARD 2 FOR END OF GRADE 4 AUTH: 20-2-114, MCA; IMP,
20-2-121, 20-3-106, 20-7-101, MCA

10.54.3622 BENCHMARK FOR COMMUNICATION ARTS READING
CONTENT STANDARD 2 FOR END OF GRADE 8 AUTH: 20-2-114, MCA; IMP,
20-2-121, 20-3-106, 20-7-101, MCA

10.54.3623 BENCHMARK FOR COMMUNICATION ARTS READING
CONTENT STANDARD 2 UPON GRADUATION AUTH: 20-2-114, MCA; IMP, 20-
2-121, 20-3-106, 20-7-101, MCA

10.54.3630 COMMUNICATION ARTS LITERATURE CONTENT
STANDARD 3 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3631 BENCHMARK FOR COMMUNICATION ARTS LITERATURE
CONTENT STANDARD 3 FOR END OF GRADE 4 AUTH: 20-2-114, MCA; IMP,
20-2-121, 20-3-106, 20-7-101, MCA

10.54.3632 BENCHMARK FOR COMMUNICATION ARTS LITERATURE
CONTENT STANDARD 3 FOR END OF GRADE 8 AUTH: 20-2-114, MCA; IMP,
20-2-121, 20-3-106, 20-7-101, MCA

10.54.3633 BENCHMARK FOR COMMUNICATION ARTS LITERATURE
CONTENT STANDARD 3 UPON GRADUATION AUTH: 20-2-114, MCA; IMP, 20-
2-121, 20-3-106, 20-7-101, MCA

10.54.3640 COMMUNICATION ARTS MEDIA LITERACY CONTENT
STANDARD 4 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3641 BENCHMARK FOR COMMUNICATION ARTS MEDIA
LITERACY CONTENT STANDARD 4 FOR END OF GRADE 4 AUTH: 20-2-114,
MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3642 BENCHMARK FOR COMMUNICATION ARTS MEDIA
LITERACY CONTENT STANDARD 4 FOR END OF GRADE 8 AUTH: 20-2-114,
MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3643 BENCHMARK FOR COMMUNICATION ARTS MEDIA
LITERACY CONTENT STANDARD 4 UPON GRADUATION AUTH: 20-2-114,
MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3650 COMMUNICATION ARTS WRITING CONTENT STANDARD 5
AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3651 BENCHMARK FOR COMMUNICATION ARTS WRITING
CONTENT STANDARD 5 FOR END OF GRADE 4 AUTH: 20-2-114, MCA; IMP,
20-2-121, 20-3-106, 20-7-101, MCA

10.54.3652 BENCHMARK FOR COMMUNICATION ARTS WRITING
CONTENT STANDARD 5 FOR END OF GRADE 8 AUTH: 20-2-114, MCA; IMP,
20-2-121, 20-3-106, 20-7-101, MCA

10.54.3653 BENCHMARK FOR COMMUNICATION ARTS WRITING
CONTENT STANDARD 5 UPON GRADUATION AUTH: 20-2-114, MCA; IMP, 20-
2-121, 20-3-106, 20-7-101, MCA

10.54.3701 GRADE 4 PERFORMANCE DESCRIPTORS AT THE
ADVANCED LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101,
MCA

10.54.3702 GRADE 4 PERFORMANCE DESCRIPTORS AT THE
PROFICIENT LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101,
MCA

10.54.3703 GRADE 4 PERFORMANCE DESCRIPTORS AT THE NEARING
PROFICIENCY LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101,
MCA

10.54.3704 GRADE 4 PERFORMANCE DESCRIPTORS AT THE NOVICE
LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3705 GRADE 8 PERFORMANCE DESCRIPTORS AT THE
ADVANCED LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101,
MCA

10.54.3706 GRADE 8 PERFORMANCE DESCRIPTORS AT THE
PROFICIENT LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101,
MCA

10.54.3707 GRADE 8 PERFORMANCE DESCRIPTORS AT THE NEARING
PROFICIENCY LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101,
MCA

10.54.3708 GRADE 8 PERFORMANCE DESCRIPTORS AT THE NOVICE
LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3709 UPON GRADUATION PERFORMANCE DESCRIPTORS AT
THE ADVANCED LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-
101, MCA

10.54.3710 UPON GRADUATION PERFORMANCE DESCRIPTORS AT

THE PROFICIENT LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3711 UPON GRADUATION PERFORMANCE DESCRIPTORS AT THE NEARING PROFICIENCY LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.3712 UPON GRADUATION PERFORMANCE DESCRIPTORS AT THE NOVICE LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

6. REASON: The above rules are being repealed and replaced by the rules proposed for adoption in this notice.

7. Pursuant to the agreement between the Board of Public Education and the Legislature, the board does anticipate implementation costs, and shall request and report in its adoption notice any cost estimates received from districts during the hearing. To allow for sufficient time to complete this process the effective date for the adoption and repeal of the above rules will be July 1, 2013.

8. 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: Peter Donovan, Executive Secretary, 46 North Last Chance Gulch, P.O. Box 200601, Helena, Montana, 59620-0601; telephone (406) 444-0302; fax (406) 444-0847; or e-mail pdonovan@mt.gov and must be received no later than 5:00 p.m., October 24, 2011.

9. Peter Donovan, Executive Secretary for the Board of Public Education has been designated to preside over and conduct this hearing.

10. The board maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by the 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 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 8 above or may be made by completing a request form at any rules hearing held by the board.

11. An electronic copy of this proposal notice is available through the Secretary of State's web site at <http://sos.mt.gov/ARM/Register>. The Secretary of State strives to make the electronic copy of the notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the Secretary of State works to keep its web site accessible at all times, concerned persons should be aware that the web

site may be unavailable during some periods, due to system maintenance or technical problems.

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

/s/ Peter Donovan
Peter Donovan
Rule Reviewer

/s/ Patty Myers
Patty Myers, Chair
Board of Public Education

Certified to the Secretary of State September 12, 2011.

BEFORE THE BOARD OF PUBLIC EDUCATION
OF THE STATE OF MONTANA

In the matter of the adoption of New) NOTICE OF PUBLIC HEARING ON
Rules I through XVII pertaining to) PROPOSED ADOPTION AND
content standards for mathematics) REPEAL
and repeal of ARM 10.54.4010)
through 10.54.4013, 10.54.4020)
through 10.54.4023, 10.54.4030)
through 10.54.4033, 10.54.4040)
through 10.54.4043, and 10.54.4101)
through 10.54.4112 relating to)
mathematics content standards and)
performance descriptors)

TO: All Concerned Persons

1. On October 24, 2011 at 10:00 a.m. the Board of Public Education will hold a public hearing in the conference room of the Office of Public Instruction building at 1227 11th Avenue, Helena Montana, to consider the proposed adoption and repeal of the above-stated rules.

2. The board 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 board no later than 5:00 p.m. on October 17, 2011, to advise us of the nature of the accommodation that you need. Please contact Peter Donovan, Executive Secretary, 46 North Last Chance Gulch, P.O. Box 200601, Helena, Montana, 59620-0601; telephone (406) 444-0302; fax (406) 444-0847; or e-mail pdonovan@mt.gov.

3. The rules as proposed to be adopted provide as follows:

NEW RULE I STANDARDS FOR MATHEMATICAL PRACTICE FOR GRADES K-12 (1) Mathematical practice standard 1 is to make sense of problems and persevere in solving them. Mathematically proficient students:

- (a) explain the meaning of a problem and restate it in their words;
 - (b) analyze given information to develop possible strategies for solving the problem;
 - (c) identify and execute appropriate strategies to solve the problem;
 - (d) evaluate progress toward the solution and make revisions if necessary;
- and
- (e) check their answers using a different method and continually ask "Does this make sense?".

(2) Mathematical practice standard 2 is to reason abstractly and quantitatively. Mathematically proficient students:

- (a) make sense of quantities and their relationships in problem situations;
- (b) use varied representations and approaches when solving problems;

(c) know and flexibly use different properties of operations and objects; and
(d) change perspectives, generate alternatives, and consider different options.

(3) Mathematical practice standard 3 is to construct viable arguments and critique the reasoning of others. Mathematically proficient students:

- (a) understand and use prior learning in constructing arguments;
- (b) habitually ask "why" and seek an answer to that question;
- (c) question and problem-pose;
- (d) develop questioning strategies to generate information;
- (e) seek to understand alternative approaches suggested by others and as a result, adopt better approaches;
- (f) justify their conclusions, communicate them to others, and respond to the arguments of others; and
- (g) compare the effectiveness of two plausible arguments, distinguish correct logic or reasoning from that which is flawed, and if there is a flaw in an argument, explain what it is.

(4) Mathematical practice standard 4 is to model with mathematics. Mathematically proficient students:

- (a) apply the mathematics they know to solve problems arising in everyday life, society, and the workplace;
- (b) make assumptions and approximations to simplify a complicated situation, realizing that these may need revision later;
- (c) identify important quantities in a practical situation and map their relationships using such tools as diagrams, two-way tables, graphs, flowcharts, and formulas; and
- (d) analyze mathematical relationships to draw conclusions.

(5) Mathematical practice standard 5 is to use appropriate tools strategically. Mathematically proficient students:

- (a) use tools when solving a mathematical problem and to deepen their understanding of concepts (e.g., pencil and paper, physical models, geometric construction and measurement devices, graph paper, calculators, computer-based algebra, or geometry systems); and
- (b) make sound decisions about when each of these tools might be helpful, recognizing both the insight to be gained and their limitations and detect possible errors by strategically using estimation and other mathematical knowledge.

(6) Mathematical practice standard 6 is to attend to precision. Mathematically proficient students:

- (a) communicate their understanding of mathematics to others;
- (b) use clear definitions and state the meaning of the symbols they choose, including using the equal sign consistently and appropriately;
- (c) specify units of measure and use label parts of graphs and charts; and
- (d) strive for accuracy.

(7) Mathematical practice standard 7 is to look for and make use of structure. Mathematically proficient students:

- (a) look for, develop, generalize, and describe a pattern orally, symbolically, graphically, and in written form; and
- (b) apply and discuss properties.

(8) Mathematical practice standard 8 is to look for and express regularity in repeated reasoning. Mathematically proficient students:

- (a) look for mathematically sound shortcuts; and
- (b) use repeated applications to generalize properties.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE II MONTANA KINDERGARTEN MATHEMATICS CONTENT STANDARDS (1) Mathematics counting and cardinality standards for kindergarten are:

- (a) count to 100 by ones and by tens;
- (b) count forward beginning from a given number within the known sequence (instead of having to begin at 1);
- (c) write numbers from 0-20 and represent a number of objects with a written numeral 0-20 (with 0 representing a count of no objects);
- (d) understand the relationship between numbers and quantities and connect counting to cardinality;
 - (i) when counting objects, say the number names in the standard order, pairing each object with one and only one number name and each number name with one and only one object from a variety of cultural contexts, including those of Montana American Indians;
 - (ii) understand that the last number name said tells the number of objects counted and the number of objects is the same regardless of their arrangement or the order in which they were counted;
 - (iii) understand that each successive number name refers to a quantity that is one larger;
- (e) count to answer "how many?" questions about as many as 20 things arranged in a line, a rectangular array, or a circle, or as many as 10 things in a scattered configuration and given a number from 1-20, count out that many objects from a variety of cultural contexts, including those of Montana American Indians;
- (f) identify whether the number of objects in one group is greater than, less than, or equal to the number of objects in another group, e.g., by using matching and counting strategies; and
- (g) compare two numbers between 1 and 10 presented as written numerals.

(2) Mathematics operations and algebraic thinking content standards for kindergarten are:

- (a) represent addition and subtraction with objects, fingers, mental images, drawings, sounds (e.g., claps), acting out situations, verbal explanations, expressions, or equations;
- (b) solve addition and subtraction word problems from a variety of cultural contexts, including those of Montana American Indians, and add and subtract within 10, e.g., by using objects or drawings to represent the problem;
- (c) decompose numbers less than or equal to 10 into pairs in more than one way, e.g., by using objects or drawings, and record each decomposition by a drawing or equation (e.g., $5 = 2 + 3$ and $5 = 4 + 1$);
- (d) for any number from 1 to 9, find the number that makes 10 when added to

the given number, e.g., by using objects or drawings, and record the answer with a drawing or equation; and

(e) fluently add and subtract within 5.

(3) Mathematics number and operations in base ten content standard for kindergarten is:

(a) compose and decompose numbers from 11-19 into ten ones and some further ones, e.g., by using objects or drawings; record each composition or decomposition by a drawing or equation (such as $18 = 10 + 8$); and understand that these numbers are composed of ten ones and one, two, three, four, five, six, seven, eight, or nine ones.

(4) Mathematics measurement and data content standards for kindergarten are:

(a) describe measurable attributes of objects, such as length or weight and describe several measurable attributes of a single object;

(b) directly compare two objects with a measurable attribute in common, to see which object has "more of"/"less of" the attribute and describe the difference; for example, directly compare the heights of two children and describe one child as taller/shorter; and

(c) classify objects from a variety of cultural contexts, including those of Montana American Indians, into given categories, count the numbers of objects in each category, and sort the categories by count.

(5) Mathematics geometry content standards for kindergarten are:

(a) describe objects, including those of Montana American Indians, in the environment using names of shapes and describe the relative positions of these objects using terms such as: above, below, beside, in front of, behind, and next to;

(b) correctly name shapes regardless of their orientations or overall size;

(c) identify shapes as two-dimensional (lying in a plane, "flat") or three-dimensional ("solid");

(d) analyze and compare two- and three-dimensional shapes, in different sizes and orientations, using informal language to describe their similarities, differences, parts (e.g., number of sides and vertices/"corners"), and other attributes (e.g., having sides of equal length);

(e) model shapes in the world from a variety of cultural contexts, including those of Montana American Indians, by building shapes from components (e.g., sticks and clay balls) and drawing shapes; and

(f) compose simple shapes to form larger shapes; for example, "Can you join these two triangles with full sides touching to make a rectangle?".

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE III MONTANA GRADE 1 MATHEMATICS CONTENT STANDARDS (1) Mathematics operations and algebraic thinking content standards for Grade 1 are:

(a) use addition and subtraction within 20 to solve word problems within a cultural context, including those of Montana American Indians, involving situations of adding to, taking from, putting together, taking apart, and comparing with unknowns

in all positions, e.g., by using objects, drawings, and equations with a symbol for the unknown number to represent the problem;

(b) solve word problems within a cultural context, including those of Montana American Indians, that call for addition of three whole numbers whose sum is less than or equal to 20, e.g., by using objects, drawings, and equations with a symbol for the unknown number to represent the problem;

(c) apply properties of operations as strategies to add and subtract; for example: if $8 + 3 = 11$ is known, then $3 + 8 = 11$ is also known (commutative property of addition); to add $2 + 6 + 4$, the second two numbers can be added to make a ten, so $2 + 6 + 4 = 2 + 10 = 12$ (associative property of addition);

(d) understand subtraction as an unknown-addend problem; for example, subtract $10 - 8$ by finding the number that makes 10 when added to 8;

(e) relate counting to addition and subtraction (e.g., by counting on 2 to add 2);

(f) add and subtract within 20 demonstrating fluency for addition and subtraction within 10; use strategies such as counting on; making ten (e.g., $8 + 6 = 8 + 2 + 4 = 10 + 4 = 14$); decomposing a number leading to a ten (e.g., $13 - 4 = 13 - 3 - 1 = 10 - 1 = 9$); using the relationship between addition and subtraction (e.g., knowing that $8 + 4 = 12$, one knows $12 - 8 = 4$); and creating equivalent but easier or known sums (e.g., adding $6 + 7$ by creating the known equivalent $6 + 6 + 1 = 12 + 1 = 13$);

(g) understand the meaning of the equal sign and determine if equations involving addition and subtraction are true or false; for example, which of the following equations are true and which are false? $6 = 6$, $7 = 8 - 1$, $5 + 2 = 2 + 5$, $4 + 1 = 5 + 2$; and

(h) determine the unknown whole number in an addition or subtraction equation relating to three whole numbers; for example, determine the unknown number that makes the equation true in each of the equations: $8 + ? = 11$, $5 = ? - 3$, $6 + 6 = ?$.

(2) Mathematics number and operations in base ten content standards for Grade 1 are:

(a) count to 120, starting at any number less than 120 and read and write numerals and represent a number of objects with a written numeral in this range;

(b) understand that the two digits of a two-digit number represent amounts of tens and ones and understand the following as special cases:

(i) 10 can be thought of as a bundle of ten ones called a "ten";

(ii) the numbers from 11 to 19 are composed of a ten and one, two, three, four, five, six, seven, eight, or nine ones;

(iii) the numbers 10, 20, 30, 40, 50, 60, 70, 80, 90 refer to one, two, three, four, five, six, seven, eight, or nine tens (and 0 ones);

(c) compare two two-digit numbers based on meanings of the tens and ones digits, recording the results of comparisons with the symbols $>$, $=$, and $<$;

(d) add within 100, including adding a two-digit number and a one-digit number, and adding a two-digit number and a multiple of 10, using concrete models or drawings and strategies based on place value, properties of operations, and/or the relationship between addition and subtraction; relate the strategy to a written method and explain the reasoning used; understand that in adding two-digit

numbers, one adds tens and tens, ones and ones; and sometimes it is necessary to compose a ten;

(e) given a two-digit number, mentally find 10 more or 10 less than the number, without having to count; explain the reasoning used; and

(f) subtract multiples of 10 in the range 10-90 from multiples of 10 in the range 10-90 (positive or zero differences) using concrete models or drawings and strategies based on place value, properties of operations, and/or the relationship between addition and subtraction, relate the strategy to a written method, and explain the reasoning used.

(3) Mathematics measurement and data content standards for Grade 1 are:

(a) order three objects from a variety of cultural contexts, including those of Montana American Indians, by length and compare the lengths of two objects indirectly by using a third object;

(b) express the length of an object as a whole number of length units, by laying multiple copies of a shorter object (the length unit) end to end; understand that the length measurement of an object is the number of same-size length units that span it with no gaps or overlaps and limit to contexts where the object being measured is spanned by a whole number of length units with no gaps or overlaps;

(c) tell and write time in hours and half-hours using analog and digital clocks; and

(d) organize, represent, and interpret data with up to three categories and ask and answer questions about the total number of data points, how many in each category, and how many more or less are in one category than in another.

(4) Mathematics geometry content standards for Grade 1 are:

(a) distinguish between defining attributes (e.g., triangles are closed and three-sided) versus nondefining attributes (e.g., color, orientation, overall size) and build and draw shapes to possess defining attributes;

(b) compose two-dimensional shapes (rectangles, squares, trapezoids, triangles, half-circles, and quarter-circles) or three-dimensional shapes (cubes, right rectangular prisms, right circular cones, and right circular cylinders) to create a composite shape, and compose new shapes from the composite shape;

(c) partition circles and rectangles into two and four equal shares; describe the shares using the words: halves, fourths, and quarters, and use the phrases half of, fourth of, and quarter of; describe the whole as two of, or four of the shares; and understand for these examples that decomposing into more equal shares creates smaller shares.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE IV MONTANA GRADE 2 MATHEMATICS CONTENT

STANDARDS (1) Mathematics operations and algebraic thinking content standards for Grade 2 are:

(a) use addition and subtraction within 100 to solve one- and two-step word problems involving situations within a cultural context, including those of Montana American Indians, of adding to, taking from, putting together, taking apart, and comparing, with unknowns in all positions, e.g., by using drawings and equations

with a symbol for the unknown number to represent the problem;

(b) fluently add and subtract within 20 using mental strategies and by the end of Grade 2, know from memory all sums of two one-digit numbers;

(c) determine whether a group of objects (up to 20) has an odd or even number of members, e.g., by pairing objects or counting them by 2s and write an equation to express an even number as a sum of two equal addends; and

(d) use addition to find the total number of objects arranged in rectangular arrays with up to five rows and up to five columns and write an equation to express the total as a sum of equal addends.

(2) Mathematics number and operations in base ten content standards for Grade 2 are:

(a) understand that the three digits of a three-digit number represent amounts of hundreds, tens, and ones, e.g., 706 equals 7 hundreds, 0 tens, and 6 ones and understand the following special cases:

(i) 100 can be thought of as a bundle of ten tens – called a "hundred;" and

(ii) the numbers 100, 200, 300, 400, 500, 600, 700, 800, and 900 refer to one, two, three, four, five, six, seven, eight, or nine hundreds (and 0 tens and 0 ones);

(b) count within 1000; skip-count by 5s, 10s, and 100s;

(c) read and write numbers to 1000 using base-ten numerals, number names, and expanded form;

(d) compare two three-digit numbers based on meanings of the hundreds, tens, and ones digits, using $>$, $=$, and $<$ symbols to record the results of comparisons;

(e) fluently add and subtract within 100 using strategies based on place value, properties of operations, and/or the relationship between addition and subtraction;

(f) add up to four two-digit numbers using strategies based on place value and properties of operations;

(g) add and subtract within 1000 using concrete models or drawings and strategies based on place value, properties of operations, and/or the relationship between addition and subtraction; relate the strategy to a written method; understand that in adding or subtracting three-digit numbers, one adds or subtracts hundreds and hundreds, tens and tens, ones and ones, and sometimes it is necessary to compose or decompose tens or hundreds;

(h) mentally add 10 or 100 to a given number 100-900 and mentally subtract 10 or 100 from a given number 100-900; and

(i) explain why addition and subtraction strategies work using place value and the properties of operations.

(3) Mathematics measurement and data content standards for Grade 2 are:

(a) measure the length of an object by selecting and using appropriate tools such as rulers, yardsticks, meter sticks, and measuring tapes;

(b) measure the length of an object twice, using length units of different lengths for the two measurements and describe how the two measurements relate to the size of the unit chosen;

(c) estimate lengths using units of inches, feet, centimeters, and meters;

(d) measure to determine how much longer one object is than another,

expressing the length difference in terms of a standard length unit;

(e) use addition and subtraction within 100 to solve word problems within a cultural context, including those of Montana American Indians, involving lengths that are given in the same units, e.g., by using drawings (such as drawings of rulers) and equations with a symbol for the unknown number to represent the problem;

(f) represent whole numbers as lengths from 0 on a number line diagram with equally spaced points corresponding to the numbers 0, 1, 2, ... and represent whole-number sums and differences within 100 on a number line diagram;

(g) tell and write time from analog and digital clocks to the nearest five minutes using a.m. and p.m.;

(h) solve word problems involving dollar bills, quarters, dimes, nickels, and pennies, using \$ and ¢ symbols appropriately; for example: if you have two dimes and three pennies, how many cents do you have?;

(i) generate measurement data by measuring lengths of several objects to the nearest whole unit or by making repeated measurements of the same object and show the measurements by making a line plot, where the horizontal scale is marked off in whole-number units; and

(j) draw a picture graph and a bar graph (with single unit scale) to represent a data set from a variety of cultural contexts, including those of Montana American Indians, with up to four categories and solve simple put together, take apart and compare problems using information presented in a bar graph.

(4) Mathematics geometry content standards for Grade 2 are:

(a) recognize and draw shapes having specified attributes, such as a given number of angles or a given number of equal faces and identify triangles, quadrilaterals, pentagons, hexagons, and cubes;

(b) partition a rectangle into rows and columns of same size squares and count to find the total number of them; and

(c) partition circles and rectangles into two, three, or four equal shares; describe the shares using the words halves, thirds, half of, a third of, etc.; describe the whole as two halves, three thirds, four fourths; and recognize that equal shares of identical wholes need not have the same shape.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE V MONTANA GRADE 3 MATHEMATICS CONTENT

STANDARDS (1) Mathematics operations and algebraic thinking content standards for Grade 3 are:

(a) interpret products of whole numbers, e.g., interpret 5×7 as the total number of objects in 5 groups of 7 objects each; for example, describe a context in which a total number of objects can be expressed as 5×7 ;

(b) interpret whole-number quotients of whole numbers, e.g., interpret $56 \div 8$ as the number of objects in each share when 56 objects are partitioned equally into 8 shares, or as a number of shares when 56 objects are partitioned into equal shares of 8 objects each; for example, describe a context in which a number of shares or a number of groups can be expressed as $56 \div 8$;

(c) use multiplication and division within 100 to solve word problems in

situations involving equal groups, arrays, and measurement quantities, e.g., by using drawings and equations with a symbol for the unknown number to represent the problem;

(d) determine the unknown whole number in a multiplication or division equation relating three whole numbers; for example, determine the unknown number that makes the equation true in each of the equations $8 \times ? = 48$, $5 = ? \div 3$, $6 \times 6 = ?$;

(e) apply properties of operations as strategies to multiply and divide; for example: if $6 \times 4 = 24$ is known, then $4 \times 6 = 24$ is also known (commutative property of multiplication); $3 \times 5 \times 2$ can be found by $3 \times 5 = 15$, then $15 \times 2 = 30$, or by $5 \times 2 = 10$, then $3 \times 10 = 30$ (associative property of multiplication); knowing that $8 \times 5 = 40$ and $8 \times 2 = 16$, one can find 8×7 as $8 \times (5 + 2) = (8 \times 5) + (8 \times 2) = 40 + 16 = 56$ (distributive property);

(f) understand division as an unknown factor problem; for example, find $32 \div 8$ by finding the number that makes 32 when multiplied by 8;

(g) fluently multiply and divide within 100 using strategies such as the relationship between multiplication and division (e.g., knowing that $8 \times 5 = 40$, one knows $40 \div 5 = 8$) or properties of operations and by the end of Grade 3, know from memory all products of two one-digit numbers;

(h) solve two step word problems using the four operations within cultural contexts, including those of Montana American Indians; represent these problems using equations with a letter standing for the unknown quantity; and assess the reasonableness of answers using mental computation and estimation strategies including rounding; and

(i) identify arithmetic patterns (including patterns in the addition table or multiplication table) and explain them using properties of operations; for example, observe that four times a number is always even, and explain why four times a number can be decomposed into two equal addends.

(2) Mathematics number and operations in base ten content standards for Grade 3 are:

(a) use place value understanding to round whole numbers to the nearest 10 or 100;

(b) fluently add and subtract within 1000 using strategies and algorithms based on place value, properties of operations, and/or the relationship between addition and subtraction; and

(c) multiply one-digit whole numbers by multiples of 10 in the range 10-90 (e.g., 9×80 , 5×60) using strategies based on place value and properties of operations.

(3) Mathematics number and operations fractions content standards for Grade 3 are:

(a) understand a fraction $1/b$ as the quantity formed by 1 part when a whole is partitioned into b equal parts and understand a fraction a/b as the quantity formed by a parts of size $1/b$;

(b) understand a fraction as a number on the number line and represent fractions on a number line diagram;

(i) represent a fraction $1/b$ on a number line diagram by defining the interval from 0 to 1 as the whole and partitioning it into b equal parts, recognize that each

part has size $1/b$, and that the endpoint of the part based at 0 locates the number $1/b$ on the number line; and

(ii) represent a fraction a/b on a number line diagram by marking off a lengths $1/b$ from 0 and recognize that the resulting interval has size a/b and that its endpoint locates the number a/b on the number line;

(c) explain equivalence of fractions in special cases and compare fractions by reasoning about their size;

(i) understand two fractions as equivalent (equal) if they are the same size or the same point on a number line;

(ii) recognize and generate simple equivalent fractions, e.g., $1/2 = 2/4$, $4/6 = 2/3$ and explain why the fractions are equivalent, e.g., by using a visual fraction model;

(iii) express whole numbers as fractions, and recognize fractions that are equivalent to whole numbers; for example: express 3 in the form $3 = 3/1$; recognize that $6/1 = 6$; and locate $4/4$ and 1 at the same point of a number line diagram; and

(iv) compare two fractions with the same numerator or the same denominator by reasoning about their size; recognize that comparisons are valid only when the two fractions refer to the same whole; record the results of comparisons with the symbols $>$, $=$, or $<$; and justify the conclusions, e.g., by using a visual fraction model.

(4) Mathematics measurement and data content standards for Grade 3 are:

(a) tell and write time to the nearest minute and measure time intervals in minutes and solve word problems involving addition and subtraction of time intervals in minutes, e.g., by representing the problem on a number line diagram;

(b) measure and estimate liquid volumes and masses of objects using standard units of grams (g), kilograms (kg), and liters (l) and add, subtract, multiply, or divide to solve one step word problems involving masses or volumes that are given in the same units, e.g., by using drawings (such as a beaker with a measurement scale) to represent the problem;

(c) draw a scaled picture graph and a scaled bar graph to represent a data set with several categories, within cultural contexts including those of Montana American Indians; solve one- and two-step "how many more" and "how many less" problems using information presented in scaled bar graphs; for example, draw a bar graph in which each square in the bar graph might represent five pets;

(d) generate measurement data by measuring lengths using rulers marked with halves and fourths of an inch and show the data by making a line plot where the horizontal scale is marked off in appropriate units, i.e. whole numbers, halves, or quarters;

(e) recognize area as an attribute of plane figures and understand concepts of area measurement;

(i) a square with side length 1 unit, called "a unit square," is said to have "one square unit" of area and can be used to measure area; and

(ii) a plane figure which can be covered without gaps or overlaps by n unit squares is said to have an area of n square units;

(f) measure areas by counting unit squares (square cm, square m, square in, square ft, and improvised units);

(g) relate area to the operations of multiplication and addition;

(i) find the area of a rectangle with whole-number side lengths by tiling it, and

show that the area is the same as would be found by multiplying the side lengths;

(ii) multiply side lengths to find areas of rectangles with whole-number side lengths in the context of solving real-world and mathematical problems and represent whole-number products as rectangular areas in mathematical reasoning;

(iii) use tiling to show in a concrete case that the area of a rectangle with whole-number side lengths a and $b + c$ is the sum of $a \times b$ and $a \times c$ and use area models to represent the distributive property in mathematical reasoning;

(iv) recognize area as additive; find areas of rectilinear figures by decomposing them into nonoverlapping rectangles and adding the areas of the nonoverlapping parts; and apply this technique to solve real-world problems, including those of Montana American Indians; and

(h) solve real-world and mathematical problems involving perimeters of polygons, including finding the perimeter given the side lengths, finding an unknown side length, and exhibiting rectangles with the same perimeter and different areas or with the same area and different perimeters.

(5) Mathematics geometry content standards for Grade 3 are:

(a) understand that shapes in different categories (e.g., rhombuses, rectangles, and others) may share attributes (e.g., having four sides) and that the shared attributes can define a larger category (e.g., quadrilaterals); recognize rhombuses, rectangles, and squares as examples of quadrilaterals; and draw examples of quadrilaterals that do not belong to any of these subcategories; and

(b) partition shapes into parts with equal areas; express the area of each part as a unit fraction of the whole; for example, partition a shape into four parts with equal area, and describe the area of each part as $\frac{1}{4}$ of the area of the shape.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE VI MONTANA GRADE 4 MATHEMATICS CONTENT

STANDARDS (1) Mathematics operations and algebraic thinking content standards for Grade 4 are:

(a) interpret a multiplication equation as a comparison, e.g., interpret $35 = 5 \times 7$ as a statement that 35 is 5 times as many as 7 and 7 times as many as 5 and represent verbal statements of multiplicative comparisons as multiplication equations;

(b) multiply or divide to solve word problems involving multiplicative comparison, e.g., by using drawings and equations with a symbol for the unknown number to represent the problem, distinguishing multiplicative comparison from additive comparison;

(c) solve multistep word problems within cultural contexts, including those of Montana American Indians, with whole numbers and having whole-number answers using the four operations, including problems in which remainders must be interpreted; represent these problems using equations with a letter standing for the unknown quantity; and assess the reasonableness of answers using mental computation and estimation strategies including rounding;

(d) find all factor pairs for a whole number in the range 1-100; recognize that a whole number is a multiple of each of its factors; determine whether a given whole

number in the range 1-1000 is a multiple of a given one-digit number; and determine whether a given whole number in the range 1-100 is prime or composite; and

(e) generate number or shape patterns that follows a given rule; identify apparent features of the pattern that were not explicit in the rule itself; for example, given the rule "add 3" and the starting number 1, generate terms in the resulting sequence and observe that the terms appear to alternate between odd and even numbers; explain informally why the numbers will continue to alternate in this way.

(2) Mathematics number and operations in base ten content standards for Grade 4 are:

(a) recognize that in a multidigit whole number, a digit in one place represents ten times what it represents in the place to its right; for example, recognize that $700 \div 70 = 10$ by applying concepts of place value and division;

(b) read and write multidigit whole numbers using base ten numerals, number names, and expanded form and compare two multidigit numbers based on meanings of the digits in each place, using $>$, $=$, and $<$ symbols to record the results of comparisons;

(c) use place value understanding to round multidigit whole numbers to any place;

(d) fluently add and subtract multidigit whole numbers using the standard algorithm;

(e) multiply a whole number of up to four digits by a one-digit whole number; multiply two two-digit numbers using strategies based on place value and the properties of operations; and illustrate and explain the calculation by using equations, rectangular arrays, and/or area models; and

(f) find whole number quotients and remainders with up to four-digit dividends and one-digit divisors using strategies based on place value, the properties of operations, and/or the relationship between multiplication and division and illustrate and explain the calculation by using equations, rectangular arrays, and/or area models.

(3) Mathematics number and operations - fractions content standards for Grade 4 are:

(a) explain why a fraction a/b is equivalent to a fraction $(n \times a)/(n \times b)$ by using visual fraction models with attention to how the number and size of the parts differ even though the two fractions themselves are the same size and use this principle to recognize and generate equivalent fractions;

(b) compare two fractions with different numerators and different denominators, e.g., by creating common denominators or numerators, or by comparing to a benchmark fraction such as $1/2$; recognize that comparisons are valid only when the two fractions refer to the same whole; record the results of comparisons with symbols $>$, $=$, or $<$; and justify the conclusions, e.g., by using a visual fraction model;

(c) understand a fraction a/b with $a > 1$ as a sum of fractions $1/b$;

(i) understand addition and subtraction of fractions as joining and separating parts referring to the same whole;

(ii) decompose a fraction into a sum of fractions with the same denominator in more than one way, recording each decomposition by an equation; justify decompositions, e.g., by using a visual fraction model; for example: $3/8 = 1/8 + 1/8 +$

$1/8$; $3/8 = 1/8 + 2/8$; $2 \frac{1}{8} = 1 + 1 + 1/8 = 8/8 + 8/8 + 1/8$;

(iii) add and subtract mixed numbers with like denominators, e.g., by replacing each mixed number with an equivalent fraction, and/or by using properties of operations and the relationship between addition and subtraction; and

(iv) solve word problems within cultural contexts, including those of Montana American Indians, involving addition and subtraction of fractions referring to the same whole and having like denominators, e.g., by using visual fraction models and equations to represent the problem;

(d) apply and extend previous understandings of multiplication to multiply a fraction by a whole number;

(i) understand a fraction a/b as a multiple of $1/b$; for example, use a visual fraction model to represent $5/4$ as the product $5 \times (1/4)$, recording the conclusion by the equation $5/4 = 5 \times (1/4)$;

(ii) understand a multiple of a/b as a multiple of $1/b$, and use this understanding to multiply a fraction by a whole number; for example, use a visual fraction model to express $3 \times (2/5)$ as $6 \times (1/5)$, recognizing this product as $6/5$ (in general, $n \times (a/b) = (n \times a)/b$);

(iii) solve word problems within cultural contexts, including those of Montana American Indians, involving multiplication of a fraction by a whole number, e.g., by using visual fraction models and equations to represent the problem; for example, if each person at a party will eat $3/8$ of a pound of roast beef and there will be five people at the party, how many pounds of roast beef will be needed? Between what two whole numbers does your answer lie? As a contemporary American Indian example, for family/cultural gatherings, the Canadian and Montana Cree bake bannock made from flour, salt, grease, and baking soda, in addition to $3/4$ cup water per pan. When making four pans, how much water will be needed?;

(e) express a fraction with denominator 10 as an equivalent fraction with denominator 100, and use this technique to add two fractions with respective denominators 10 and 100; for example, express $3/10$ as $30/100$, and add $3/10 + 4/100 = 34/100$;

(f) use decimal notation for fractions with denominators 10 or 100; for example, rewrite 0.62 as $62/100$; describe a length as 0.62 meters; and locate 0.62 on a number line diagram;

(g) compare two decimals to hundredths by reasoning about their size; recognize that comparisons are valid only when the two decimals refer to the same whole; record the results of comparisons with the symbols $>$, $=$, or $<$; and justify the conclusions, e.g., by using a visual model.

(4) Mathematics measurement and data content standards for Grade 4 are:

(a) know relative sizes of measurement units within one system of units including km, m, cm, kg, g, lb., oz., l, ml, hr, min., and sec.; within a single system of measurement, express measurements in a larger unit in terms of a smaller unit; record measurement equivalents in a two-column table; for example know that 1 ft is 12 times as long as 1 in.; express the length of a four ft snake as 48 in.; generate a conversion table for feet and inches listing the number pairs (1, 12), (2, 24), (3, 36), ...;

(b) use the four operations to solve word problems within cultural contexts, including those of Montana American Indians, involving distances, intervals of time,

liquid volumes, masses of objects, and money; including problems involving simple fractions or decimals and problems that require expressing measurements given in a larger unit in terms of a smaller unit, represent measurement quantities using diagrams such as number line diagrams that feature a measurement scale;

(c) apply the area and perimeter formulas for rectangles in real-world and mathematical problems; for example, find the width of a rectangular room given the area of the flooring and the length by viewing the area formula as a multiplication equation with an unknown factor;

(d) make a line plot to display a data set of measurements in fractions of a unit ($\frac{1}{2}$, $\frac{1}{4}$, $\frac{1}{8}$); solve problems involving addition and subtraction of fractions by using information presented in line plots; for example, from a line plot find and interpret the difference in length between the longest and shortest specimens in an insect or arrow/spearhead collection;

(e) recognize angles as geometric shapes that are formed wherever two rays share a common endpoint and understand concepts of angle measurement:

(i) an angle is measured with reference to a circle with its center at the common endpoint of the rays; by considering the fraction of the circular arc between the points where the two rays intersect the circle, an angle that turns through $\frac{1}{360}$ of a circle is called a "one-degree angle" and can be used to measure angles; and

(ii) an angle that turns through n one-degree angles is said to have an angle measure of n degrees;

(f) measure angles in whole-number degrees using a protractor and sketch angles of specified measure;

(g) recognize angle measure as additive; when an angle is decomposed into nonoverlapping parts, the angle measure of the whole is the sum of the angle measures of the parts; solve addition and subtraction problems to find unknown angles on a diagram in real-world and mathematical problems; e.g., by using an equation with a symbol for the unknown angle measure.

(5) Mathematics geometry content standards for Grade 4 are:

(a) draw points, lines, line segments, rays, angles (right, acute, obtuse), and perpendicular and parallel lines and identify these in two-dimensional figures;

(b) classify two-dimensional figures based on the presence or absence of parallel or perpendicular lines or the presence or absence of angles of a specified size; recognize right triangles as a category; and identify right triangles; and

(c) recognize a line of symmetry for a two-dimensional figure, including those found in Montana American Indian designs, as a line across the figure such that the figure can be folded along the line into matching parts; identify line-symmetric figures; and draw lines of symmetry.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE VII MONTANA GRADE 5 MATHEMATICS CONTENT

STANDARDS (1) Mathematics operations and algebraic thinking content standards for Grade 5 are:

(a) use parentheses, brackets, or braces in numerical expressions and evaluate expressions with these symbols;

(b) write simple expressions that record calculations with numbers and interpret numerical expressions without evaluating them; for example, express the calculation "add 8 and 7, then multiply by 2" as $2 \times (8 + 7)$; recognize that $3 \times (18932 + 921)$ is three times as large as $18932 + 921$, without having to calculate the indicated sum or product; and

(c) generate two numerical patterns using two given rules; identify apparent relationships between corresponding terms; form ordered pairs consisting of corresponding terms from the two patterns and graph the ordered pairs on a coordinate plane; for example, given the rule "add 3" and the starting number 0, and given the rule "add 6" and the starting number 0, generate terms in the resulting sequences and observe that the terms in one sequence are twice the corresponding terms in the other sequence; and explain informally why this is so.

(2) Mathematics number and operations in base ten content standards for Grade 5 are:

(a) recognize that in a multidigit number, a digit in one place represents 10 times as much as it represents in the place to its right and $1/10$ of what it represents in the place to its left;

(b) explain patterns in the number of zeros of the product when multiplying a number by powers of 10; explain patterns in the placement of the decimal point when a decimal is multiplied or divided by a power of 10; and use whole-number exponents to denote powers of 10;

(c) read, write, and compare decimals to thousandths;

(i) read and write decimals to thousandths using base ten numerals, number names, and expanded form, e.g. $347.392 = 3 \times 100 + 4 \times 10 + 7 \times 1 + 3 \times (1/10) + 9 \times (1/100) + 2 \times (1/1000)$; and

(ii) compare two decimals to thousandths based on meanings of the digits in each place using $>$, $=$, and $<$ symbols to record the results of comparisons;

(d) use place value understandings to round decimals to any place;

(e) fluently multiply multidigit whole numbers using the standard algorithm;

(f) find whole-number quotients of whole numbers with up to four-digit dividends and two-digit divisors using strategies based on place value, the properties of operations, and/or the relationship between multiplication and division and illustrate and explain the calculation by using equations, rectangular arrays, and/or area models; and

(g) add, subtract, multiply, and divide decimals to hundredths using concrete models or drawings within cultural contexts, including those of Montana American Indians, and strategies based on place value, properties of operations, and/or the relationship between addition and subtraction; relate the strategy to a written method; and explain the reasoning used.

(3) Mathematics number and operations – fractions content standards for Grade 5 are:

(a) add and subtract fractions with unlike denominators (including mixed numbers) by replacing given fractions with equivalent fractions in such a way as to produce an equivalent sum or difference of fractions with like denominators; for example, $2/3 + 5/4 = 8/12 + 15/12 = 23/12$ (in general, $a/b + c/d = (ad + bc)/bd$);

(b) solve word problems involving addition and subtraction of fractions referring to the same whole, including cases of unlike denominators, e.g., by using

visual fraction models or equations to represent the problem; use benchmark fractions and number sense of fractions to estimate mentally and assess the reasonableness of answers; for example, recognize an incorrect result $2/5 + 1/2 = 3/7$, by observing that $3/7 < 1/2$;

(c) interpret a fraction as division of the numerator by the denominator ($a/b = a \div b$); solve word problems involving division of whole numbers leading to answers in the form of fractions or mixed numbers, e.g., by using visual fraction models or equations to represent the problem; for example, interpret $3/4$ as the result of dividing 3 by 4, noting that $3/4$ multiplied by 4 equals 3 and that when 3 wholes are shared equally among 4 people each person has a share of size $3/4$; if 9 people want to share a 50-pound sack of rice equally by weight, how many pounds of rice should each person get? Between what two whole numbers does your answer lie?;

(d) apply and extend previous understandings of multiplication to multiply a fraction or whole number by a fraction;

(i) interpret the product $(a/b) \times q$ as a parts of a partition of q into b equal parts; equivalently, as the result of a sequence of operations $a \times q \div b$; for example, use a visual fraction model to show $(2/3) \times 4 = 8/3$, and create a story context for this equation within cultural contexts, including those of Montana American Indians; and do the same with $(2/3) \times (4/5) = 8/15$ (in general, $(a/b) \times (c/d) = ac/bd$);

(ii) find the area of a rectangle with fractional side lengths by tiling it with unit squares of the appropriate unit fraction side lengths; show that the area is the same as would be found by multiplying the side lengths; multiply fractional side lengths to find areas of rectangles; and represent fraction products as rectangular areas;

(e) interpret multiplication as scaling (resizing), by:

(i) comparing the size of a product to the size of one factor on the basis of the size of the other factor without performing the indicated multiplication; and

(ii) explaining why multiplying a given number by a fraction greater than 1 results in a product greater than the given number (recognizing multiplication by whole numbers greater than 1 as a familiar case); explaining why multiplying a given number by a fraction less than 1 results in a product smaller than the given number; and relating the principle of fraction equivalence $a/b = (n \times a)/(n \times b)$ to the effect of multiplying a/b by 1;

(f) solve real-world problems involving multiplication of fractions and mixed numbers, e.g., by using visual fraction models or equations to represent the problem within cultural contexts, including those of Montana American Indians;

(g) apply and extend previous understandings of division to divide unit fractions by whole numbers and whole numbers by unit fractions;

(i) interpret division of a unit fraction by a nonzero whole number and compute such quotients; for example, create a story context within cultural contexts, including those of Montana American Indians, for $(1/3) \div 4$, and use a visual fraction model to show the quotient; use the relationship between multiplication and division to explain that $(1/3) \div 4 = 1/12$ because $(1/12) \times 4 = 1/3$;

(ii) interpret division of a whole number by a unit fraction and compute such quotients; for example, create a story context within cultural contexts, including those of Montana American Indians, for $4 \div (1/5)$, and use a visual fraction model to show the quotient; and use the relationship between multiplication and division to explain that $4 \div (1/5) = 20$ because $20 \times (1/5) = 4$; and

(iii) solve real-world problems involving division of unit fractions by nonzero whole numbers and division of whole numbers by unit fractions, e.g., by using visual fraction models and equations to represent the problem; for example, how much chocolate will each person get if 3 people share $\frac{1}{2}$ lb of chocolate equally? How many $\frac{1}{3}$ -cup servings are in 2 cups of raisins?.

(4) Mathematics measurement and data content standards for Grade 5 are:

(a) convert among different-sized standard measurement units within a given measurement system (e.g., convert 5 cm to 0.05 m) and use these conversions in solving multistep, real-world problems within a cultural context, including those of Montana American Indians;

(b) make a line plot to display a data set of measurements in fractions of a unit ($\frac{1}{2}$, $\frac{1}{4}$, $\frac{1}{8}$); use operations on fractions for this grade to solve problems involving information presented in line plots; for example, given different measurements of liquid in identical beakers, find the amount of liquid each beaker would contain if the total amount in all the beakers were redistributed equally;

(c) recognize volume as an attribute of solid figures and understand concepts of volume measurement;

(i) a cube with side length 1 unit, called a "unit cube," is said to have "one cubic unit" of volume and can be used to measure volume; and

(ii) a solid figure which can be packed without gaps or overlaps using n unit cubes is said to have a volume of n cubic units;

(d) measure volumes by counting unit cubes, using cubic cm, cubic in, cubic ft, and improvised units;

(e) relate volume to the operations of multiplication and addition and solve real-world and mathematical problems involving volume within cultural contexts, including those of Montana American Indians;

(i) find the volume of a right rectangular prism with whole-number side lengths by packing it with unit cubes and show that the volume is the same as would be found by multiplying the edge lengths, equivalently by multiplying the height by the area of the base; and represent threefold whole-number products as volumes, e.g., to represent the associative property of multiplication;

(ii) apply the formulas $V = l \times w \times h$ and $V = b \times h$ for rectangular prisms to find volumes of right rectangular prisms with whole-number edge lengths in the context of solving real-world and mathematical problems; and

(iii) recognize volume as additive and find volumes of solid figures composed of two nonoverlapping right rectangular prisms by adding the volumes of the nonoverlapping parts, applying this technique to solve real-world problems.

(5) Mathematics geometry content standards for Grade 5 are:

(a) use a pair of perpendicular number lines, called axes, to define a coordinate system with the intersection of the lines (the origin) arranged to coincide with the 0 on each line and a given point in the plane located by using an ordered pair of numbers, called its coordinates; understand that the first number indicates how far to travel from the origin in the direction of one axis and the second number indicates how far to travel in the direction of the second axis, with the convention that the names of the two axes and the coordinates correspond (e.g., x-axis and x-coordinate, y-axis and y-coordinate);

(b) represent real-world and mathematical problems by graphing points in the

first quadrant of the coordinate plane and interpret coordinate values of points in the context of the situation, including those found in Montana American Indian designs;

(c) understand that attributes belonging to a category of two-dimensional figures also belong to all subcategories of that category; for example, all rectangles have four right angles and squares are rectangles, so all squares have four right angles; and

(d) classify two-dimensional figures in a hierarchy based on properties.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE VIII MONTANA GRADE 6 MATHEMATICS CONTENT STANDARDS (1) Mathematics ratios and proportional relationship content standards for Grade 6 are:

(a) understand the concept of a ratio and use ratio language to describe a ratio relationship between two quantities; for example, "The ratio of wings to beaks in the bird house at the zoo was 2:1, because for every 2 wings there was 1 beak." "For every vote candidate A received, candidate C received nearly three votes."

(b) understand the concept of a unit rate a/b associated with a ratio $a:b$ with $b \neq 0$, and use rate language in the context of a ratio relationship; for example, "This recipe has a ratio of 3 cups of flour to 4 cups of sugar, so there is $3/4$ cup of flour for each cup of sugar." "We paid \$75 for 15 hamburgers, which is a rate of \$5 per hamburger."

(c) use ratio and rate reasoning to solve real-world and mathematical problems from a variety of cultural contexts, including those of Montana American Indians, e.g., by reasoning about tables of equivalent ratios, tape diagrams, double number line diagrams, or equations;

(i) make tables of equivalent ratios relating quantities with whole-number measurements, find missing values in the tables, plot the pairs of values on the coordinate plane, and use tables to compare ratios;

(ii) solve unit rate problems including those involving unit pricing and constant speed; for example, if it took 7 hours to mow 4 lawns, then at that rate, how many lawns could be mowed in 35 hours? At what rate were lawns being mowed? As a contemporary American Indian example, it takes at least 16 hours to bead a Crow floral design on moccasins for two children. How many pairs of moccasins can be completed in 72 hours?;

(iii) find a percent of a quantity as a rate per 100 (e.g., 30% of a quantity means $30/100$ times the quantity) and solve problems involving finding the whole, given a part and the percent;

(iv) use ratio reasoning to convert measurement units and manipulate and transform units appropriately when multiplying or dividing quantities.

(2) Mathematics number system content standards for Grade 6 are:

(a) interpret and compute quotients of fractions and solve word problems involving division of fractions by fractions, e.g., by using visual fraction models and equations to represent the problem; for example, create a story context for $(2/3) \div (3/4)$ and use a visual fraction model to show the quotient; use the relationship between multiplication and division to explain that $(2/3) \div (3/4) = 8/9$ because $3/4$ of

$\frac{8}{9}$ is $\frac{2}{3}$. (In general, $(a/b) \div (c/d) = ad/bc$.) How much chocolate will each person get if 3 people share $\frac{1}{2}$ lb of chocolate equally? How many $\frac{3}{4}$ -cup servings are in $\frac{2}{3}$ of a cup of yogurt? How wide is a rectangular strip of land with length $\frac{3}{4}$ mi and area $\frac{1}{2}$ square mi?;

(b) fluently divide multidigit numbers using the standard algorithm;

(c) fluently add, subtract, multiply, and divide multidigit decimals using the standard algorithm for each operation;

(d) find the greatest common factor of two whole numbers less than or equal to 100 and the least common multiple of two whole numbers less than or equal to 12; use the distributive property to express a sum of two whole numbers 1-100 with a common factor as a multiple of a sum of two whole numbers with no common factor; for example, express $36 + 8$ as $4(9 + 2)$;

(e) understand that positive and negative numbers are used together to describe quantities having opposite directions or values (e.g., temperature above/below zero, elevation above/below sea level, credits/debits, positive/negative electric charge) and use positive and negative numbers to represent quantities in real-world contexts, explaining the meaning of 0 in each situation;

(f) understand a rational number as a point on the number line and extend number line diagrams and coordinate axes familiar from previous grades to represent points on the line and in the plane with negative number coordinates;

(i) recognize opposite signs of numbers as indicating locations on opposite sides of 0 on the number line; recognize that the opposite of the opposite of a number is the number itself, e.g., $-(-3) = 3$; and that 0 is its own opposite;

(ii) understand signs of numbers in ordered pairs as indicating locations in quadrants of the coordinate plane and recognize that when two ordered pairs differ only by signs, the locations of the points are related by reflections across one or both axes; and

(iii) find and position integers and other rational numbers on a horizontal or vertical number line diagram and find and position pairs of integers and other rational numbers on a coordinate plane;

(g) understand ordering and absolute value of rational numbers;

(i) interpret statements of inequality as statements about the relative position of two numbers on a number line diagram; for example, interpret $-3 > -7$ as a statement that -3 is located to the right of -7 on a number line oriented from left to right;

(ii) write, interpret, and explain statements of order for rational numbers in real-world contexts; for example, write $-3^{\circ}\text{C} > -7^{\circ}\text{C}$ to express the fact that -3°C is warmer than -7°C ;

(iii) understand the absolute value of a rational number as its distance from 0 on the number line; interpret absolute value as magnitude for a positive or negative quantity in a real-world situation; for example, for an account balance of -30 dollars, write $|-30| = 30$ to describe the size of the debt in dollars; and

(iv) distinguish comparisons of absolute value from statements about order; for example, recognize that an account balance less than -30 dollars represents a debt greater than 30 dollars;

(h) solve real-world and mathematical problems from a variety of cultural contexts, including those of Montana American Indians, by graphing points in all four

quadrants of the coordinate plane and include use of coordinates and absolute value to find distances between points with the same first coordinate or the same second coordinate.

(3) Mathematics expressions and equations content standards for Grade 6 are:

(a) write and evaluate numerical expressions involving whole-number exponents;

(b) write, read, and evaluate expressions in which letters stand for numbers;

(i) write expressions that record operations with numbers and with letters standing for numbers; for example, express the calculation "subtract y from 5" as $5 - y$;

(ii) identify parts of an expression using mathematical terms (sum, term, product, factor, quotient, coefficient); view one or more parts of an expression as a single entity; for example, describe the expression $2(8 + 7)$ as a product of two factors; and view $(8 + 7)$ as both a single entity and a sum of two terms; and

(iii) evaluate expressions at specific values of their variables; include expressions that arise from formulas used in real-world problems; perform arithmetic operations, including those involving whole-number exponents in the conventional order when there are no parentheses to specify a particular order (order of operations); for example, use the formulas $V = s^3$ and $A = 6s^2$ to find the volume and surface area of a cube with sides of length $s = 1/2$;

(c) apply the properties of operations to generate equivalent expressions; for example, apply the distributive property to the expression $3(2 + x)$ to produce the equivalent expression $6 + 3x$; apply the distributive property to the expression $24x + 18y$ to produce the equivalent expression $6(4x + 3y)$; and apply properties of operations to $y + y + y$ to produce the equivalent expression $3y$;

(d) identify when two expressions are equivalent (i.e., when the two expressions name the same number regardless of which value is substituted into them); for example, the expressions $y + y + y$ and $3y$ are equivalent because they name the same number regardless of which number y stands for;

(e) understand solving an equation or inequality as a process of answering a question: which values from a specified set, if any, make the equation or inequality true? Use substitution to determine whether a given number in a specified set makes an equation or inequality true;

(f) use variables to represent numbers and write expressions when solving a real-world or mathematical problem and understand that a variable can represent an unknown number, or, depending on the purpose at hand, any number in a specified set;

(g) solve real-world and mathematical problems by writing and solving equations of the form $x + p = q$ and $px = q$ for cases in which p , q , and x are all nonnegative rational numbers;

(h) write an inequality of the form $x > c$ or $x < c$ to represent a constraint or condition in a real-world or mathematical problem; recognize that inequalities of the form $x > c$ or $x < c$ have infinitely many solutions; and represent solutions of such inequalities on number line diagrams; and

(i) use variables to represent two quantities in a real-world problem from a variety of cultural contexts, including those of Montana American Indians, that

change in relationship to one another; write an equation to express one quantity, thought of as the dependent variable, in terms of the other quantity, thought of as the independent variable; analyze the relationship between the dependent and independent variables using graphs and tables, and relate these to the equation; for example, in a problem involving motion at constant speed, list and graph ordered pairs of distances and times and write the equation $d = 65t$ to represent the relationship between distance and time.

(4) Mathematics geometry content standards for Grade 6 are:

(a) find the area of right triangles, other triangles, special quadrilaterals, and polygons by composing into rectangles or decomposing into triangles and other shapes; apply these techniques in the context of solving real-world and mathematical problems within cultural contexts, including those of Montana American Indians; for example, use Montana American Indian designs to decompose shapes and find the area;

(b) find the volume of a right rectangular prism with fractional edge lengths by packing it with unit cubes of the appropriate unit fraction edge lengths and show that the volume is the same as would be found by multiplying the edge lengths of the prism and apply the formulas $V = lwh$ and $V = bh$ to find volumes of right rectangular prisms with fractional edge lengths in the context of solving real-world and mathematical problems;

(c) draw polygons in the coordinate plane given coordinates for the vertices; use coordinates to find the length of a side joining points with the same first coordinate or the same second coordinate; and apply these techniques in the context of solving real-world and mathematical problems; and

(d) represent three-dimensional figures using nets made up of rectangles and triangles and use the nets to find the surface area of these figures and apply these techniques in the context of solving real-world and mathematical problems within cultural contexts, including those of Montana American Indians.

(5) Mathematics statistics and probability content standards for Grade 6 are:

(a) recognize a statistical question as one that anticipates variability in the data related to the question and accounts for it in the answers; for example, "How old am I?" is not a statistical question, but "How old are the students in my school?" is a statistical question because one anticipates variability in students' ages;

(b) understand that a set of data collected (including Montana American Indian demographic data) to answer a statistical question has a distribution which can be described by its center, spread, and overall shape;

(c) recognize that a measure of center for a numerical data set summarizes all of its values with a single number, while a measure of variation describes how its values vary with a single number;

(d) display numerical data in plots on a number line, including dot plots, histograms, and box plots; and

(e) summarize numerical data sets in relation to their context, such as by:

(i) reporting the number of observations;

(ii) describing the nature of the attribute under investigation, including how it was measured and its units of measurement;

(iii) giving quantitative measures of center (median and/or mean) and variability (interquartile range and/or mean absolute deviation), as well as describing

any overall pattern and any striking deviations from the overall pattern with reference to the context in which the data were gathered; and

(iv) relating the choice of measures of center and variability to the shape of the data distribution and the context in which the data were gathered.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE IX MONTANA GRADE 7 MATHEMATICS CONENT STANDARDS (1) Mathematics ratios and proportional relationship content standards for Grade 7 are:

(a) compute unit rates associated with ratios of fractions, including ratios of lengths, areas and other quantities measured in like or different units; for example, if a person walks $\frac{1}{2}$ mile in each $\frac{1}{4}$ hour, compute the unit rate as the complex fraction $\frac{1/2}{1/4}$ miles per hour, equivalently 2 miles per hour;

(b) recognize and represent proportional relationships between quantities, including those represented in Montana American Indian cultural contexts;

(i) decide whether two quantities are in a proportional relationship, e.g., by testing for equivalent ratios in a table or graphing on a coordinate plane and observing whether the graph is a straight line through the origin;

(ii) identify the constant of proportionality (unit rate) in tables, graphs, equations, diagrams, and verbal descriptions of proportional relationships;

(iii) represent proportional relationships by equations; for example, if total cost t is proportional to the number n of items purchased at a constant price p , the relationship between the total cost and the number of items can be expressed as $t = pn$; as a contemporary American Indian example, analyze cost of beading materials; cost of cooking ingredients for family gatherings, community celebrations, etc.; and

(iv) explain what a point (x, y) on the graph of a proportional relationship means in terms of the situation, with special attention to the points $(0, 0)$ and $(1, r)$ where r is the unit rate;

(c) use proportional relationships to solve multistep ratio and percent problems within cultural contexts, including those of Montana American Indians (e.g., percent of increase and decrease of tribal land); for example: simple interest, tax, markups and markdowns, gratuities and commissions, fees, percent increase and decrease, percent error.

(2) Mathematics number system content standards for Grade 7 are:

(a) apply and extend previous understandings of addition and subtraction to add and subtract rational numbers and represent addition and subtraction on a horizontal or vertical number line diagram;

(i) describe situations in which opposite quantities combine to make 0; for example, a hydrogen atom has 0 charge because its two constituents are oppositely charged;

(ii) understand $p + q$ as the number located a distance $|q|$ from p , in the positive or negative direction depending on whether q is positive or negative; show that a number and its opposite have a sum of 0 (are additive inverses); and interpret sums of rational numbers by describing real-world contexts;

(iii) understand subtraction of rational numbers as adding the additive

inverse, $p - q = p + (-q)$; show that the distance between two rational numbers on the number line is the absolute value of their difference; and apply this principle in real-world contexts; and

(iv) apply properties of operations as strategies to add and subtract rational numbers;

(b) apply and extend previous understandings of multiplication and division and of fractions to multiply and divide rational numbers;

(i) understand that multiplication is extended from fractions to rational numbers by requiring that operations continue to satisfy the properties of operations, particularly the distributive property, leading to products such as $(-1)(-1) = 1$ and the rules for multiplying signed numbers; and interpret products of rational numbers by describing real-world contexts;

(ii) understand that integers can be divided, provided that the divisor is not zero, and every quotient of integers (with nonzero divisor) is a rational number, i.e. if p and q are integers, then $-(p/q) = (-p)/q = p/(-q)$; and interpret quotients of rational numbers by describing real-world contexts;

(iii) apply properties of operations as strategies to multiply and divide rational numbers; and

(iv) convert a rational number to a decimal using long division; and know that the decimal form of a rational number terminates in 0s or eventually repeats;

(c) solve real-world and mathematical problems from a variety of cultural contexts, including those of Montana American Indians, involving the four operations with rational numbers.

(3) Mathematics expressions and equations content standards for Grade 7 are:

(a) apply properties of operations as strategies to add, subtract, factor, and expand linear expressions with rational coefficients;

(b) understand that rewriting an expression in different forms in a problem context can shed light on the problem and how the quantities in it are related; for example, $a + 0.05a = 1.05a$ means that "increase by 5%" is the same as "multiply by 1.05;"

(c) solve multistep real-life and mathematical problems posed with positive and negative rational numbers in any form (whole numbers, fractions, and decimals), using tools strategically; apply properties of operations to calculate with numbers in any form; convert between forms as appropriate; and assess the reasonableness of answers using mental computation and estimation strategies; for example: if a woman making \$25 an hour gets a 10% raise, she will make an additional $1/10$ of her salary an hour, or \$2.50, for a new salary of \$27.50 and if you want to place a towel bar $9 \frac{3}{4}$ inches long in the center of a door that is $27 \frac{1}{2}$ inches wide, you will need to place the bar about 9 inches from each edge; this estimate can be used as a check on the exact computation; and

(d) use variables to represent quantities in a real-world or mathematical problems, including those represented in Montana American Indian cultural contexts, and construct simple equations and inequalities to solve problems by reasoning about the quantities;

(i) solve word problems leading to equations of the form $px + q = r$ and $p(x + q) = r$, where p , q , and r are specific rational numbers; solve equations of these

forms fluently; compare an algebraic solution to an arithmetic solution, identifying the sequence of the operations used in each approach; for example, the perimeter of a rectangle is 54 cm. and its length is 6 cm. What is its width?; and

(ii) solve word problems leading to inequalities of the form $px + q > r$ or $px + q < r$, where p , q , and r are specific rational numbers; graph the solution set of the inequality and interpret it in the context of the problem; for example: as a salesperson, you are paid \$50 per week plus \$3 per sale; this week you want your pay to be at least \$100; write an inequality for the number of sales you need to make and describe the solutions.

(4) Mathematics geometry content standards for Grade 7 are:

(a) solve problems involving scale drawings of geometric figures, including computing actual lengths and areas from a scale drawing and reproducing a scale drawing at a different scale;

(b) draw (freehand, with ruler and protractor, and with technology) geometric shapes with given conditions; focus on constructing triangles from three measures of angles or sides, noticing when the conditions determine a unique triangle, more than one triangle, or no triangle;

(c) describe the two-dimensional figures that result from slicing three-dimensional figures, as in plane sections of right rectangular prisms and right rectangular pyramids;

(d) know the formulas for the area and circumference of a circle and use them to solve problems from a variety of cultural contexts, including those of Montana American Indians and give an informal derivation of the relationship between the circumference and area of a circle;

(e) use facts about supplementary, complementary, vertical, and adjacent angles in a multistep problem to write and solve simple equations for an unknown angle in a figure; and

(f) solve real-world and mathematical problems from a variety of cultural contexts, including those of Montana American Indians, involving area, volume, and surface area of two- and three-dimensional objects composed of triangles, quadrilaterals, polygons, cubes, and right prisms.

(5) Mathematics statistics and probability content standards for Grade 7 are:

(a) understand that statistics can be used to gain information about a population by examining a sample of the population; generalizations about a population from a sample are valid only if the sample is representative of that population; and understand that random sampling tends to produce representative samples and support valid inferences;

(b) use data, including Montana American Indian demographics data, from a random sample to draw inferences about a population with an unknown characteristic of interest; generate multiple samples (or simulated samples) of the same size to gauge the variation in estimates or predictions; for example, estimate the mean word length in a book by randomly sampling words from the book; predict the winner of a school election based on randomly sampled survey data; predict how many text messages your classmates receive in a day and gauge how far off the estimate or prediction might be;

(c) informally assess the degree of visual overlap of two numerical data distributions with similar variabilities, measuring the difference between the centers

by expressing it as a multiple of a measure of variability; for example, the mean height of players on the basketball team is 10 cm greater than the mean height of players on the soccer team, about twice the variability (mean absolute deviation) on either team; on a dot plot, the separation between the two distributions of heights is noticeable;

(d) use measures of center and measures of variability for numerical data from random samples to draw informal comparative inferences about two populations; for example, decide whether the words in a chapter of a seventh-grade science book are generally longer than the words in a chapter of a fourth-grade science book;

(e) understand that the probability of a chance event is a number between 0 and 1 that expresses the likelihood of the event occurring; larger numbers indicate greater likelihood; a probability near 0 indicates an unlikely event; a probability around $1/2$ indicates an event that is neither unlikely nor likely; and a probability near 1 indicates a likely event;

(f) approximate the probability of a chance event by collecting data on the chance process that produces it and observing its long-run relative frequency and predict the approximate relative frequency given the probability; for example, when rolling a number cube 600 times, predict that a 3 or 6 would be rolled roughly 200 times, but probably not exactly 200 times and when playing Montana American Indian hand/stick games, you can predict the approximate number of accurate guesses;

(g) develop a probability model and use it to find probabilities of events; compare probabilities from a model to observed frequencies; and if the agreement is not good, explain possible sources of the discrepancy;

(i) develop a uniform probability model by assigning equal probability to all outcomes and use the model to determine probabilities of events; for example, if a student is selected at random from a class, find the probability that Jane will be selected and the probability that a girl will be selected; and

(ii) develop a probability model (which may not be uniform) by observing frequencies in data generated from a chance process; for example, find the approximate probability that a spinning penny will land heads up or that a tossed paper cup will land open-end down; do the outcomes for the spinning penny appear to be equally likely based on the observed frequencies?;

(h) find probabilities of compound events using organized lists, tables, tree diagrams, and simulation;

(i) understand that, just as with simple events, the probability of a compound event is the fraction of outcomes in the sample space for which the compound event occurs;

(ii) represent sample spaces for compound events using methods such as organized lists, tables and tree diagrams; for an event described in everyday language (e.g., "rolling double sixes"), identify the outcomes in the sample space which compose the event; and

(iii) design and use a simulation to generate frequencies for compound events; for example, use random digits as a simulation tool to approximate the answer to the question: If 40% of donors have type A blood, what is the probability that it will take at least 4 donors to find one with type A blood?.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE X MONTANA GRADE 8 MATHEMATICS CONTENT

STANDARDS (1) Mathematics number system content standards for Grade 8 are:

(a) understand informally that every number has a decimal expansion; for rational numbers show that the decimal expansion repeats eventually; and convert a decimal expansion which repeats eventually into a rational number; and

(b) use rational approximations of irrational numbers to compare the size of irrational numbers; locate them approximately on a number line diagram; and estimate the value of expressions (e.g., π^2); for example, by truncating the decimal expansion of $\sqrt{2}$, show that $\sqrt{2}$ is between 1 and 2, then between 1.4 and 1.5, and explain how to continue on to get better approximations.

(2) Mathematics expressions and equations content standards for Grade 8 are:

(a) know and apply the properties of integer exponents to generate equivalent numerical expressions; for example, $3^2 \times 3^{-5} = 3^{-3} = 1/3^3 = 1/27$;

(b) use square root and cube root symbols to represent solutions to equations of the form $x^2 = p$ and $x^3 = p$, where p is a positive rational number; evaluate square roots of small perfect squares and cube roots of small perfect cubes; and know that $\sqrt{2}$ is irrational;

(c) use numbers expressed in the form of a single digit times a whole-number power of 10 to estimate very large or very small quantities and to express how many times as much one is than the other; for example, estimate the population of the United States as 3 times 10^8 and the population of the world as 7 times 10^9 and determine that the world population is more than 20 times larger;

(d) perform operations with numbers expressed in scientific notation, including problems where both decimal and scientific notation are used; use scientific notation and choose units of appropriate size for measurements of very large or very small quantities (e.g., use millimeters per year for seafloor spreading); and interpret scientific notation that has been generated by technology;

(e) graph proportional relationships, interpreting the unit rate as the slope of the graph; compare two different proportional relationships represented in different ways; for example, compare a distance-time graph to a distance-time equation to determine which of two moving objects has greater speed;

(f) use similar triangles to explain why the slope m is the same between any two distinct points on a nonvertical line in the coordinate plane; derive the equation $y = mx$ for a line through the origin and the equation $y = mx + b$ for a line intercepting the vertical axis at b ;

(g) solve linear equations in one variable;

(i) give examples of linear equations in one variable with one solution, infinitely many solutions, or no solutions and show which of these possibilities is the case by successively transforming the given equation into simpler forms, until an equivalent equation of the form $x = a$, $a = a$, or $a = b$ results (where a and b are different numbers);

(ii) solve linear equations with rational number coefficients, including

equations whose solutions require expanding expressions using the distributive property and collecting like terms; and

(h) analyze and solve pairs of simultaneous linear equations;

(i) understand that solutions to a system of two linear equations in two variables correspond to points of intersection of their graphs, because points of intersection satisfy both equations simultaneously;

(ii) solve systems of two linear equations in two variables algebraically and estimate solutions by graphing the equations; solve simple cases by inspection; for example, $3x + 2y = 5$ and $3x + 2y = 6$ have no solution because $3x + 2y$ cannot simultaneously be 5 and 6; and

(iii) solve real-world and mathematical problems from a variety of cultural contexts, including those of Montana American Indians, leading to two linear equations in two variables; for example, given coordinates for two pairs of points, determine whether the line through the first pair of points intersects the line through the second pair.

(3) Mathematics functions content standards for Grade 8 are:

(a) understand that a function is a rule that assigns to each input exactly one output and the graph of a function is the set of ordered pairs consisting of an input and the corresponding output;

(b) compare properties of two functions each represented in a different way (algebraically, graphically, numerically in tables, or by verbal descriptions); for example, given a linear function represented by a table of values and a linear function represented by an algebraic expression, determine which function has the greater rate of change;

(c) interpret the equation $y = mx + b$ as defining a linear function whose graph is a straight line; give examples of functions that are not linear; for example, the function $A = s^2$ giving the area of a square as a function of its side length is not linear because its graph contains the points (1,1), (2,4), and (3,9), which are not on a straight line;

(d) construct a function to model a linear relationship between two quantities; determine the rate of change and initial value of the function from a description of a relationship or from two (x, y) values, including reading these from a table or from a graph; and interpret the rate of change and initial value of a linear function in terms of the situation it models and in terms of its graph or a table of values;

(e) describe qualitatively the functional relationship between two quantities by analyzing a graph (e.g., where the function is increasing or decreasing, linear or nonlinear) and sketch a graph that exhibits the qualitative features of a function that has been described verbally.

(4) Mathematics geometry content standards for Grade 8 are:

(a) verify experimentally the properties of rotations, reflections, and translations from a variety of cultural contexts, including those of Montana American Indians:

(i) lines are taken to lines and line segments to line segments of the same length;

(ii) angles are taken to angles of the same measure; and

(iii) parallel lines are taken to parallel lines;

(b) understand that a two-dimensional figure is congruent to another if the

second can be obtained from the first by a sequence of rotations, reflections, and translations and given two congruent figures, describe a sequence that exhibits the congruence between them;

(c) describe the effect of dilations, translations, rotations, and reflections on two-dimensional figures from a variety of cultural contexts, including those of Montana American Indians, using coordinates;

(d) understand that a two-dimensional figure is similar to another if the second can be obtained from the first by a sequence of rotations, reflections, translations, and dilations and given two similar two-dimensional figures, describe a sequence that exhibits the similarity between them;

(e) use informal arguments to establish facts about the angle sum and exterior angle of triangles, about the angles created when parallel lines are cut by a transversal, and the angle-angle criterion for similarity of triangles; for example, arrange three copies of the same triangle so that the sum of the three angles appears to form a line and give an argument in terms of transversals why this is so;

(f) explain a proof of the Pythagorean Theorem and its converse;

(g) apply the Pythagorean Theorem to determine unknown side lengths in right triangles in real-world and mathematical problems in two and three dimensions; for example, determine the unknown height of a Plains Indian tipi when given the side length and radius;

(h) apply the Pythagorean Theorem to find the distance between two points in a coordinate system; and

(i) know the formulas for the volumes of cones, cylinders, and spheres and use them to solve real-world and mathematical problems.

(5) Mathematics statistics and probability content standards for Grade 8 are:

(a) construct and interpret scatter plots for bivariate measurement data to investigate patterns of association between two quantities and describe patterns such as clustering, outliers, positive or negative association, linear association, and nonlinear association;

(b) know that straight lines are widely used to model relationships between two quantitative variables and for scatter plots that suggest a linear association, informally fit a straight line and informally assess the model fit by judging the closeness of the data points to the line;

(c) use the equation of a linear model to solve problems in the context of bivariate measurement data, interpreting the slope and intercept; for example, in a linear model for a biology experiment, interpret a slope of 1.5 cm/hr as meaning that an additional hour of sunlight each day is associated with an additional 1.5 cm in mature plant height;

(d) understand that patterns of association can also be seen in bivariate categorical data by displaying frequencies and relative frequencies in a two-way table; construct and interpret a two-way table summarizing data including data from Montana American Indian sources on two categorical variables collected from the same subjects; use relative frequencies calculated for rows or columns to describe possible association between the two variables; for example, collect data from students in your class on whether or not they have a curfew on school nights and whether or not they have assigned chores at home. Is there evidence that those who have a curfew also tend to have chores?.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XI SYMBOLS (1) The symbol "+" denotes science, technology, engineering, mathematics (STEM) standards that students should learn in order to take advanced courses such as calculus, advanced statistics, or discrete mathematics.

(2) The symbol "*" denotes specific modeling standards appearing throughout the high school mathematics standards.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XII MONTANA HIGH SCHOOL MATHEMATICS NUMBER AND QUANTITY STANDARDS (1) Mathematics number and quantity: the real number system content standards for high school are:

(a) explain how the definition of the meaning of rational exponents follows from extending the properties of integer exponents to those values, allowing for a notation for radicals in terms of rational exponents; for example, we define $5^{1/3}$ to be the cube root of 5 because we want $(5^{1/3})^3 = 5^{(1/3)3}$ to hold, so $(5^{1/3})^3$ must equal 5;

(b) rewrite expressions involving radicals and rational exponents using the properties of exponents; and

(c) explain why the sum or product of two rational numbers is rational; that the sum of a rational number and an irrational number is irrational; and that the product of a nonzero rational number and an irrational number is irrational.

(2) Mathematics number and quantity: quantities content standards for high school are:

(a) use units as a way to understand problems from a variety of contexts (e.g., science, history, and culture), including those of Montana American Indians, and to guide the solution of multistep problems; choose and interpret units consistently in formulas; and choose and interpret the scale and the origin in graphs and data displays;

(b) define appropriate quantities for the purpose of descriptive modeling; and

(c) choose a level of accuracy appropriate to limitations on measurement when reporting quantities.

(3) Mathematics number and quantity: the complex number system content standards for high school are:

(a) know there is a complex number i such that $i^2 = -1$ and every complex number has the form $a + bi$ with a and b real;

(b) use the relation $i^2 = -1$ and the commutative, associative, and distributive properties to add, subtract, and multiply complex numbers;

(c) (+) find the conjugate of a complex number and use conjugates to find moduli and quotients of complex numbers;

(d) (+) represent complex numbers on the complex plane in rectangular and polar form (including real and imaginary numbers) and explain why the rectangular and polar forms of a given complex number represent the same number;

(e) (+) represent addition, subtraction, multiplication, and conjugation of

complex numbers geometrically on the complex plane; use properties of this representation for computation; for example, $(-1 + \sqrt{3}i)^3 = 8$ because $(-1 + \sqrt{3}i)$ has modulus 2 and argument 120° ;

(f) (+) calculate the distance between numbers in the complex plane as the modulus of the difference and the midpoint of a segment as the average of the numbers at its endpoints;

(g) solve quadratic equations with real coefficients that have complex solutions;

(h) (+) extend polynomial identities to the complex numbers and for example, rewrite $x^2 + 4$ as $(x + 2i)(x - 2i)$; and

(i) (+) know the Fundamental Theorem of Algebra and show that it is true for quadratic polynomials.

(4) Mathematics number and quantity: vector and matrix quantities content standards for high school are:

(a) (+) recognize vector quantities as having both magnitude and direction; represent vector quantities by directed line segments; and use appropriate symbols for vectors and their magnitudes (e.g., v , $|v|$, $\|v\|$, v);

(b) (+) find the components of a vector by subtracting the coordinates of an initial point from the coordinates of a terminal point;

(c) (+) solve problems from a variety of contexts (e.g., science, history, and culture), including those of Montana American Indians, involving velocity and other quantities that can be represented by vectors;

(d) (+) add and subtract vectors;

(i) add vectors end-to-end, component-wise, and by the parallelogram rule and understand that the magnitude of a sum of two vectors is typically not the sum of the magnitudes;

(ii) given two vectors in magnitude and direction form, determine the magnitude and direction of their sum; and

(iii) understand vector subtraction $v - w$ as $v + (-w)$ where $-w$ is the additive inverse of w , with the same magnitude as w and pointing in the opposite direction and represent vector subtraction graphically by connecting the tips in the appropriate order and perform vector subtraction component-wise;

(e) (+) multiply a vector by a scalar;

(i) represent scalar multiplication graphically by scaling vectors and possibly reversing their direction and perform scalar multiplication component-wise, e.g., as $c(v_x, v_y) = (cv_x, cv_y)$; and

(ii) compute the magnitude of a scalar multiple cv using $\|cv\| = |c|v$ and compute the direction of cv knowing that when $|c|v \neq 0$, the direction of cv is either along v (for $c > 0$) or against v (for $c < 0$);

(f) (+) use matrices to represent and manipulate data, e.g., to represent payoffs or incidence relationships in a network;

(g) (+) multiply matrices by scalars to produce new matrices, e.g., as when all of the payoffs in a game are doubled;

(h) (+) add, subtract, and multiply matrices of appropriate dimensions;

(i) (+) understand that, unlike multiplication of numbers, matrix multiplication for square matrices is not a commutative operation, but still satisfies the associative and distributive properties;

(j) (+) understand that the zero and identity matrices play a role in matrix addition and multiplication similar to the role of 0 and 1 in the real numbers and the determinant of a square matrix is nonzero if and only if the matrix has a multiplicative inverse;

(k) (+) multiply a vector (regarded as a matrix with one column) by a matrix of suitable dimensions to produce another vector and work with matrices as transformations of vectors; and

(l) (+) work with 2×2 matrices as transformations of the plane and interpret the absolute value of the determinant in terms of area.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XIII MONTANA HIGH SCHOOL MATHEMATICS ALGEBRA CONTENT STANDARDS (1) Mathematics algebra: seeing structure in expressions content standards for high school are:

(a) interpret expressions that represent a quantity in terms of its context;*

(i) interpret parts of an expression, such as terms, factors, and coefficients; and

(ii) interpret complicated expressions by viewing one or more of their parts as a single entity; for example, interpret $P(1+r)^n$ as the product of P and a factor not depending on P ;

(b) use the structure of an expression to identify ways to rewrite it; for example, see $x^4 - y^4$ as $(x^2)^2 - (y^2)^2$, thus recognizing it as a difference of squares that can be factored as $(x^2 - y^2)(x^2 + y^2)$;

(c) choose and produce an equivalent form of an expression to reveal and explain properties of the quantity represented by the expression;*

(i) factor a quadratic expression to reveal the zeros of the function it defines;

(ii) complete the square in a quadratic expression to reveal the maximum or minimum value of the function it defines; and

(iii) use the properties of exponents to transform expressions for exponential functions; for example the expression 1.15^t can be rewritten as $(1.15^{1/12})^{12t} \approx 1.012^{12t}$ to reveal the approximate equivalent monthly interest rate if the annual rate is 15%;

(d) derive the formula for the sum of a finite geometric series (when the common ratio is not 1) and use the formula to solve problems; for example, calculate mortgage payments.*

(2) Mathematics algebra: arithmetic with polynomials and rational expressions content standards for high school are:

(a) understand that polynomials form a system analogous to the integers, namely, they are closed under the operations of addition, subtraction, and multiplication and add, subtract, and multiply polynomials;

(b) know and apply the Remainder Theorem: for a polynomial $p(x)$ and a number a , the remainder on division by $x - a$ is $p(a)$, so $p(a) = 0$ if and only if $(x - a)$ is a factor of $p(x)$;

(c) identify zeros of polynomials when suitable factorizations are available and use the zeros to construct a rough graph of the function defined by the polynomial;

(d) prove polynomial identities and use them to describe numerical relationships; for example, the polynomial identity $(x^2 + y^2)^2 = (x^2 - y^2)^2 + (2xy)^2$ can be used to generate Pythagorean triples;

(e) (+) know and apply the Binomial Theorem for the expansion of $(x + y)^n$ in powers of x and y for a positive integer n , where x and y are any numbers, with coefficients determined for example by Pascal's Triangle;

(f) rewrite simple rational expressions in different forms; write $\frac{a(x)}{b(x)}$ in the form $q(x) + \frac{r(x)}{b(x)}$, where $a(x)$, $b(x)$, $q(x)$, and $r(x)$ are polynomials with the degree of $r(x)$ less than the degree of $b(x)$, using inspection, long division, or, for the more complicated examples, a computer algebra system; and

(g) (+) understand that rational expressions form a system analogous to the rational numbers, closed under addition, subtraction, multiplication, and division by a nonzero rational expression and add, subtract, multiply, and divide rational expressions.

(3) Mathematics algebra: creating equations content standards for high school are:

(a) create equations and inequalities in one variable and use them to solve problems from a variety of contexts (e.g., science, history, and culture, including those of Montana American Indians) and include equations arising from linear and quadratic functions, and simple rational and exponential functions;

(b) create equations in two or more variables to represent relationships between quantities and graph equations on coordinate axes with labels and scales;

(c) represent constraints by equations or inequalities and by systems of equations and/or inequalities and interpret solutions as viable or nonviable options in a modeling context; for example, represent inequalities describing nutritional and cost constraints on combinations of different foods; and

(d) rearrange formulas to highlight a quantity of interest using the same reasoning as in solving equations; for example, rearrange Ohm's law $V = IR$ to highlight resistance R .

(4) Mathematics algebra: reasoning with equations and inequalities content standards for high school are:

(a) explain each step in solving a simple equation as following from the equality of numbers asserted at the previous step, starting from the assumption that the original equation has a solution and construct a viable argument to justify a solution method;

(b) solve simple rational and radical equations in one variable and give examples showing how extraneous solutions may arise;

(c) solve linear equations and inequalities in one variable, including equations with coefficients represented by letters;

(d) solve quadratic equations in one variable;

(i) use the method of completing the square to transform any quadratic equation in x into an equation of the form $(x - p)^2 = q$ that has the same solutions and derive the quadratic formula from this form; and

(ii) solve quadratic equations by inspection (e.g., for $x^2 = 49$), taking square roots, completing the square, the quadratic formula and factoring, as appropriate to the initial form of the equation and recognize when the quadratic formula gives complex solutions and write them as $a \pm bi$ for real numbers a and b ;

(e) prove that given a system of two equations in two variables, replacing one equation by the sum of that equation and a multiple of the other produces a system with the same solutions;

(f) solve systems of linear equations exactly and approximately (e.g., with graphs) focusing on pairs of linear equations in two variables;

(g) solve a simple system consisting of a linear equation and a quadratic equation in two variables algebraically and graphically; for example, find the points of intersection between the line $y = -3x$ and the circle $x^2 + y^2 = 3$;

(h) (+) represent a system of linear equations as a single matrix equation in a vector variable;

(i) (+) find the inverse of a matrix if it exists and use it to solve systems of linear equations (using technology for matrices of dimension 3×3 or greater);

(j) understand that the graph of an equation in two variables is the set of all its solutions plotted in the coordinate plane, often forming a curve (which could be a line);

(k) explain why the x-coordinates of the points where the graphs of the equations $y = f(x)$ and $y = g(x)$ intersect are the solutions of the equation $f(x) = g(x)$; find the solutions approximately, e.g., using technology to graph the functions, make tables of values or find successive approximations and include cases where $f(x)$ and/or $g(x)$ are linear, polynomial, rational, absolute value, exponential, and logarithmic functions; and

(l) graph the solutions to a linear inequality in two variables as a half-plane (excluding the boundary in the case of a strict inequality) and graph the solution set to a system of linear inequalities in two variables as the intersection of the corresponding half-planes.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XIV MONTANA HIGH SCHOOL MATHEMATICS FUNCTIONS STANDARDS (1) Mathematics functions: interpreting functions content standards for high school are:

(a) understand that a function from one set (called the domain) to another set (called the range) assigns to each element of the domain exactly one element of the range; if f is a function and x is an element of its domain, then $f(x)$ denotes the output of f corresponding to the input x ; and the graph of f is the graph of the equation $y = f(x)$;

(b) use function notation, evaluate functions for inputs in their domains, and interpret statements that use function notation in terms of a context;

(c) recognize that sequences are functions, sometimes defined recursively, whose domain is a subset of the integers; for example, the Fibonacci sequence is defined recursively by $f(0) = f(1) = 1$, $f(n+1) = f(n) + f(n-1)$ for $n \geq 1$;

(d) for a function that models a relationship between two quantities, interpret key features of graphs and tables in terms of the quantities and sketch graphs showing key features given a verbal description of the relationship; key features include: intercepts; intervals where the function is increasing, decreasing, positive, or negative; relative maximums and minimums; symmetries; end behavior; and

periodicity;*

(e) relate the domain of a function to its graph and, where applicable, to the quantitative relationship it describes; for example, if the function $h(n)$ gives the number of person-hours it takes to assemble n engines in a factory, then the positive integers would be an appropriate domain for the function;*

(f) calculate and interpret the average rate of change of a function (presented symbolically or as a table) over a specified interval and estimate the rate of change from a graph;*

(g) graph functions expressed symbolically and show key features of the graph, by hand in simple cases and using technology for more complicated cases;*

(i) graph linear and quadratic functions and show intercepts, maxima, and minima;

(ii) graph square root, cube root, and piecewise-defined functions, including step functions and absolute value functions;

(iii) graph polynomial functions, identifying zeros when suitable factorizations are available, and showing end behavior;

(iv) (+) graph rational functions, identifying zeros and asymptotes when suitable factorizations are available and showing end behavior; and

(v) graph exponential and logarithmic functions, showing intercepts and end behavior, and trigonometric functions, showing period, midline, and amplitude;

(h) write a function defined by an expression in different but equivalent forms to reveal and explain different properties of the function;

(i) use the process of factoring and completing the square in a quadratic function to show zeros, extreme values, and symmetry of the graph and interpret these in terms of a context; and

(ii) use the properties of exponents to interpret expressions for exponential functions; for example, identify percent rate of change in functions such as $y = (1.02)^t$, $y = (0.97)^t$, $y = (1.01)^{12t}$, $y = (1.2)^{t/10}$ and classify them as representing exponential growth or decay; and

(i) compare properties of two functions each represented in a different way (algebraically, graphically, numerically in tables, or by verbal descriptions); for example, given a graph of one quadratic function and an algebraic expression for another, say which has the larger maximum.

(2) Mathematics functions: building functions content standards for high school are:

(a) write a function that describes a relationship between two quantities;*

(i) determine an explicit expression, a recursive process, or steps for calculation from a context;

(ii) combine standard function types using arithmetic operations; for example, build a function that models the temperature of a cooling body by adding a constant function to a decaying exponential and relate these functions to the model; and

(iii) (+) compose functions; for example, if $T(y)$ is the temperature in the atmosphere as a function of height and $h(t)$ is the height of a weather balloon as a function of time, then $T(h(t))$ is the temperature at the location of the weather balloon as a function of time;

(b) write arithmetic and geometric sequences both recursively and with an explicit formula; use them to model situations from a variety of contexts (e.g.,

science, history, and culture, including those of the Montana American Indian); and translate between the two forms;

(c) identify the effect on the graph of replacing $f(x)$ by $f(x) + k$, $k f(x)$, $f(kx)$, and $f(x + k)$ for specific values of k (both positive and negative); find the value of k given the graphs; experiment with cases and illustrate an explanation of the effects on the graph using technology; and include recognizing even and odd functions from their graphs and algebraic expressions for them;

(d) find inverse functions;

(i) solve an equation of the form $f(x) = c$ for a simple function f that has an inverse and write an expression for the inverse; for example, $f(x) = 2x^3$ or $f(x) = (x+1)/(x-1)$ for $x \neq 1$;

(ii) (+) verify by composition that one function is the inverse of another;

(iii) (+) read values of an inverse function from a graph or a table, given that the function has an inverse; and

(iv) (+) produce an invertible function from a noninvertible function by restricting the domain;

(e) (+) understand the inverse relationship between exponents and logarithms and use this relationship to solve problems involving logarithms and exponents.

(3) Mathematics functions: linear, quadratic, and exponential models content standards for high school are:

(a) distinguish between situations that can be modeled with linear functions and with exponential functions;

(i) prove that linear functions grow by equal differences over equal intervals and that exponential functions grow by equal factors over equal intervals;

(ii) recognize situations in which one quantity changes at a constant rate per unit interval relative to another; and

(iii) recognize situations in which a quantity grows or decays by a constant percent rate per unit interval relative to another;

(b) construct linear and exponential functions, including arithmetic and geometric sequences, given a graph, a description of a relationship, or two input-output pairs (include reading these from a table);

(c) observe using graphs and tables that a quantity increasing exponentially eventually exceeds a quantity increasing linearly, quadratically, or (more generally) as a polynomial function;

(d) for exponential models, express as a logarithm the solution to $ab^{ct} = d$ where a , c , and d are numbers and the base b is 2, 10, or e and evaluate the logarithm using technology; and

(e) interpret the parameters in a linear or exponential function in terms of a context.

(4) Mathematics functions: trigonometric functions content standards for high school are:

(a) understand radian measure of an angle as the length of the arc on the unit circle subtended by the angle;

(b) explain how the unit circle in the coordinate plane enables the extension of trigonometric functions to all real numbers, interpreted as radian measures of angles traversed counterclockwise around the unit circle;

(c) (+) use special triangles to determine geometrically the values of sine, cosine, tangent for $\pi/3$, $\pi/4$ and $\pi/6$ and use the unit circle to express the values of sine, cosines, and tangent for x , $\pi + x$, and $2\pi - x$ in terms of their values for x , where x is any real number;

(d) (+) use the unit circle to explain symmetry (odd and even) and periodicity of trigonometric functions;

(e) choose trigonometric functions to model periodic phenomena from a variety of contexts (e.g. science, history, and culture, including those of the Montana American Indian) with specified amplitude, frequency, and midline;*

(f) (+) understand that restricting a trigonometric function to a domain on which it is always increasing or always decreasing allows its inverse to be constructed;

(g) (+) use inverse functions to solve trigonometric equations that arise in modeling contexts; evaluate the solutions using technology; and interpret them in terms of the context;*

(h) prove the Pythagorean identity $\sin^2(\theta) + \cos^2(\theta) = 1$ and use it to calculate trigonometric ratios; and

(i) (+) prove the addition and subtraction formulas for sine, cosine, and tangent and use them to solve problems.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XV MONTANA HIGH SCHOOL MATHEMATICS MODELING CONTENT STANDARDS (1) Mathematics modeling content standards for high school are best interpreted in relation to other standards. Specific standards for modeling are indicated by a "*" symbol and appear throughout the high school standards.

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XVI MONTANA HIGH SCHOOL MATHEMATICS GEOMETRY CONTENT STANDARDS (1) Mathematics geometry: congruence content standards for high school are:

(a) know precise definitions of angle, circle, perpendicular line, parallel line, and line segment based on the undefined notions of point, line, distance along a line, and distance around a circular arc;

(b) represent transformations in the plane using transparencies and geometry software; describe transformations as functions that take points in the plane as inputs and give other points as outputs; and compare transformations that preserve distance and angle to those that do not (e.g., translation versus horizontal stretch);

(c) given a rectangle, parallelogram, trapezoid, or regular polygon, describe the rotations and reflections that carry it onto itself;

(d) develop definitions of rotations, reflections, and translations in terms of angles, circles, perpendicular lines, parallel lines, and line segments;

(e) given a geometric figure and a rotation, reflection, or translation, draw the transformed figure using, e.g., graph paper, tracing paper, or geometry software and specify a sequence of transformations that will carry a given figure onto another;

(f) use geometric descriptions of rigid motions to transform figures and to predict the effect of a given rigid motion on a given figure and given two figures, use the definition of congruence in terms of rigid motions to decide if they are congruent;

(g) use the definition of congruence in terms of rigid motions to show that two triangles are congruent if and only if corresponding pairs of sides and corresponding pairs of angles are congruent;

(h) explain how the criteria for triangle congruence (ASA, SAS, and SSS) follow from the definition of congruence in terms of rigid motions;

(i) prove theorems about lines and angles; theorems include: vertical angles are congruent, when a transversal crosses parallel lines, alternate interior angles are congruent, corresponding angles are congruent, and points on a perpendicular bisector of a line segment are exactly those equidistant from the segment's endpoints;

(j) prove theorems about triangles; theorems include: measures of interior angles of a triangle sum to 180° , base angles of isosceles triangles are congruent, the segment joining midpoints of two sides of a triangle is parallel to the third side and half the length, and the medians of a triangle meet at a point;

(k) prove theorems about parallelograms; theorems include: opposite sides are congruent, opposite angles are congruent, the diagonals of a parallelogram bisect each other, and conversely, rectangles are parallelograms with congruent diagonals;

(l) make formal geometric constructions, including those representing Montana American Indians, with a variety of tools and methods (compass and straightedge, string, reflective devices, paper folding, dynamic geometric software, etc.); copying a segment; copying an angle; bisecting a segment; bisecting an angle; constructing perpendicular lines, including the perpendicular bisector of a line segment; and constructing a line parallel to a given line through a point not on the line; and

(m) construct an equilateral triangle, a square, and a regular hexagon inscribed in a circle.

(2) Mathematics geometry: similarity, right triangles, and trigonometry content standards for high school are:

(a) verify experimentally the properties of dilations given by a center and a scale factor:

(i) a dilation takes a line not passing through the center of the dilation to a parallel line and leaves a line passing through the center unchanged; and

(ii) the dilation of a line segment is longer or shorter in the ratio given by the scale factor;

(b) given two figures, use the definition of similarity in terms of similarity transformations to decide if they are similar and explain using similarity transformations the meaning of similarity for triangles as the equality of all corresponding pairs of angles and the proportionality of all corresponding pairs of sides;

(c) use the properties of similarity transformations to establish the AA

criterion for two triangles to be similar;

(d) prove theorems about triangles; theorems include: a line parallel to one side of a triangle divides the other two proportionally and, conversely, the Pythagorean Theorem proved using triangle similarity;

(e) use congruence and similarity criteria for triangles to solve problems and to prove relationships in geometric figures;

(f) understand that by similarity, side ratios in right triangles are properties of the angles in the triangle, leading to definitions of trigonometric ratios for acute angles;

(g) explain and use the relationship between the sine and cosine of complementary angles;

(h) use trigonometric ratios and the Pythagorean Theorem to solve right triangles in applied problems;

(i) (+) derive the formula $A = \frac{1}{2} ab \sin(C)$ for the area of a triangle by drawing an auxiliary line from a vertex perpendicular to the opposite side;

(j) (+) prove the Laws of Sines and Cosines and use them to solve problems; and

(k) (+) understand and apply the Laws of Sines and Cosines to find unknown measurements in right and nonright triangles (e.g., surveying problems, resultant forces).

(3) Mathematics geometry: circles content standards for high school are:

(a) prove that all circles are similar;

(b) identify and describe relationships among inscribed angles, radii, and chords; include the relationship between central, inscribed, and circumscribed angles; inscribed angles on a diameter are right angles; and the radius of a circle is perpendicular to the tangent where the radius intersects the circle;

(c) construct the inscribed and circumscribed circles of a triangle and prove properties of angles for a quadrilateral inscribed in a circle;

(d) (+) construct a tangent line from a point outside a given circle to the circle; and

(e) derive, using similarity, the fact that the length of the arc intercepted by an angle is proportional to the radius; define the radian measure of the angle as the constant of proportionality; and derive the formula for the area of a sector.

(4) Mathematics geometry: expressing geometric properties with equations content standards for high school are:

(a) derive the equation of a circle of given center and radius using the Pythagorean Theorem and complete the square to find the center and radius of a circle given by an equation;

(b) derive the equation of a parabola given a focus and directrix;

(c) (+) derive the equations of ellipses and hyperbolas given the foci and directrices;

(d) use coordinates to prove simple geometric theorems algebraically; for example, prove or disprove that a figure defined by four given points in the coordinate plane is a rectangle and prove or disprove that the point $(1, \sqrt{3})$ lies on the circle centered at the origin and containing the point $(0, 2)$;

(e) prove the slope criteria for parallel and perpendicular lines and use them to solve geometric problems (e.g., find the equation of a line parallel or

perpendicular to a given line that passes through a given point);

(f) find the point on a directed line segment between two given points that partitions the segment in a given ratio; and

(g) use coordinates to compute perimeters of polygons and areas of triangles and rectangles, e.g., using the distance formula.*

(5) Mathematics geometry: geometric measurement and dimension content standards for high school are:

(a) give an informal argument for the formulas for the circumference of a circle, area of a circle, volume of a cylinder, pyramid, and cone and use dissection arguments, Cavalieri's principle, and informal limit arguments;

(b) (+) give an informal argument using Cavalieri's principle for the formulas for the volume of a sphere and other solid figures;

(c) use volume formulas for cylinders, pyramids, cones, and spheres to solve problems;* and

(d) identify the shapes of two-dimensional cross-sections of three-dimensional objects and identify three-dimensional objects generated by rotations of two-dimensional objects.

(6) Mathematics Geometry: modeling with geometry content standards for high school are:

(a) use geometric shapes, their measures, and their properties to describe objects (e.g., modeling a tree trunk or a human torso as a cylinder; modeling a Montana American Indian tipi as a cone);*

(b) apply concepts of density based on area and volume in modeling situations (e.g., persons per square mile, BTUs per cubic foot);* and

(c) apply geometric methods to solve design problems (e.g., designing an object or structure to satisfy physical constraints or minimize cost; working with typographic grid systems based on ratios).*

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

NEW RULE XVII MONTANA HIGH SCHOOL MATHEMATICS STATISTICS AND PROBABILITY STANDARDS (1) Mathematics statistics and probability:

interpreting categorical and quantitative data content standards for high school are:

(a) represent data with plots on the real number line (dot plots, histograms, and box plots);

(b) use statistics appropriate to the shape of the data distribution to compare center (median, mean) and spread (interquartile range, standard deviation) of two or more different data sets;

(c) interpret differences in shape, center, and spread in the context of the data sets, accounting for possible effects of extreme data points (outliers);

(d) use the mean and standard deviation of a data set to fit it to a normal distribution and to estimate population percentages; recognize that there are data sets for which such a procedure is not appropriate; and use calculators, spreadsheets, tables, and Montana American Indian data sources to estimate areas under the normal curve;

(e) summarize categorical data for two categories in two-way frequency

tables; interpret relative frequencies in the context of the data (including joint, marginal, and conditional relative frequencies); and recognize possible associations and trends in the data;

(f) represent data on two quantitative variables on a scatter plot and describe how the variables are related;

(i) fit a function to the data; use functions fitted to data to solve problems in the context of the data; use given functions or choose a function suggested by the context; and emphasize linear, quadratic, and exponential models;

(ii) informally assess the fit of a function by plotting and analyzing residuals; and

(iii) fit a linear function for a scatter plot that suggests a linear association;

(g) interpret the slope (rate of change) and the intercept (constant term) of a linear model in the context of the data;

(h) compute (using technology) and interpret the correlation coefficient of a linear fit; and

(i) distinguish between correlation and causation.

(2) Mathematics statistics and probability: making inferences and justifying conclusions content standards for high school are:

(a) understand statistics as a process for making inferences about population parameters based on a random sample from that population;

(b) decide if a specified model is consistent with results from a given data-generating process, e.g., using simulation; for example, a model says a spinning coin falls heads up with probability 0.5. Would a result of 5 tails in a row cause you to question the model?;

(c) recognize the purposes of and differences among sample surveys, experiments, and observational studies and explain how randomization relates to each;

(d) use data from a sample survey to estimate a population mean or proportion and develop a margin of error through the use of simulation models for random sampling;

(e) use data from a randomized experiment to compare two treatments and use simulations to decide if differences between parameters are significant; and

(f) evaluate reports based on data.

(3) Mathematics statistics and probability: conditional probability and the rules of probability content standards for high school are:

(a) describe events as subsets of a sample space (the set of outcomes) using characteristics (or categories) of the outcomes, or as unions, intersections, or complements of other events ("or," "and," "not");

(b) understand that two events A and B are independent if the probability of A and B occurring together is the product of their probabilities and use this characterization to determine if they are independent;

(c) understand the conditional probability of A given B as $P(A \text{ and } B)/P(B)$ and interpret independence of A and B as saying that the conditional probability of A given B is the same as the probability of A, and the conditional probability of B given A is the same as the probability of B;

(d) construct and interpret two-way frequency tables of data, including information from Montana American Indian data sources, when two categories are

associated with each object being classified; use the two-way table as a sample space to decide if events are independent and to approximate conditional probabilities; for example, collect data from a random sample of students in your school on their favorite subject among math, science, and English; estimate the probability that a randomly selected student from your school will favor science given that the student is in tenth grade; and do the same for other subjects and compare the results;

(e) recognize and explain the concepts of conditional probability and independence in everyday language and everyday situations; for example, compare the chance of having lung cancer if you are a smoker with the chance of being a smoker if you have lung cancer;

(f) find the conditional probability of A given B as the fraction of B's outcomes that also belong to A and interpret the answer in terms of the model;

(g) apply the Addition Rule, $P(A \text{ or } B) = P(A) + P(B) - P(A \text{ and } B)$ and interpret the answer in terms of the model;

(h) (+) apply the general Multiplication Rule in a uniform probability model, $P(A \text{ and } B) = P(A)P(B|A) = P(B)P(A|B)$, and interpret the answer in terms of the model; and

(i) (+) use permutations and combinations to compute probabilities of compound events and solve problems.

(4) Mathematics statistics and probability: using probability to make decisions content standards for high school are:

(a) (+) define a random variable for a quantity of interest by assigning a numerical value to each event in a sample space and graph the corresponding probability distribution using the same graphical displays as for data distributions;

(b) (+) calculate the expected value of a random variable and interpret it as the mean of the probability distribution;

(c) (+) develop a probability distribution for a random variable defined for a sample space in which theoretical probabilities can be calculated and find the expected value; for example, find the theoretical probability distribution for the number of correct answers obtained by guessing on all five questions of a multiple-choice test where each question has four choices and find the expected grade under various grading schemes;

(d) (+) develop a probability distribution for a random variable defined for a sample space in which probabilities are assigned empirically and find the expected value; for example, find a current data distribution on the number of TV sets per household in the United States and calculate the expected number of sets per household. How many TV sets would you expect to find in 100 randomly selected households?;

(e) (+) weigh the possible outcomes of a decision by assigning probabilities to payoff values and finding expected values;

(i) find the expected payoff for a game of chance; for example, find the expected winnings from a state lottery ticket or a game at a fast-food restaurant; and

(ii) evaluate and compare strategies on the basis of expected values; for example, compare a high-deductible versus a low-deductible automobile insurance policy using various, but reasonable, chances of having a minor or a major accident;

(f) (+) use probabilities to make fair decisions (e.g., drawing by lots, using a

random number generator); and

(g) (+) analyze decisions and strategies using probability concepts (e.g., product testing, medical testing, pulling a hockey goalie at the end of a game).

AUTH: 20-2-114, MCA

IMP: 20-2-121, 20-3-106, 20-7-101, MCA

4. REASON: The proposed new rules on Common Core State Standards for Mathematics ("the standards") are the culmination of an extended, broad-based effort to fulfill the charge issued by the states to create the next generation of K-12 standards in order to help ensure that all students are college and career ready in mathematics no later than the end of high school.

The present work, led by the Council of Chief State School Officers (CCSSO) and the National Governors Association (NGA) builds on the foundation laid by states in their decades-long work on crafting high-quality education standards. The standards also draw on the most important international models as well as research and input from numerous sources, including state departments of education, scholars, assessment developers, professional organizations, educators from kindergarten through college, and parents, students, and other members of the public. In their design and content, refined through successive drafts and numerous rounds of feedback, the standards represent a synthesis of the best elements of standards-related work to date and an important advance over previous work.

The Montana Content Standards for mathematics reflect the constitutional mandate that all educators must provide instruction including the distinct and unique heritage and contemporary contributions of American Indians in a culturally responsive manner.

5. The board proposes to repeal the following rules:

10.54.4010 MATHEMATICS CONTENT STANDARD 1 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4011 BENCHMARK FOR MATHEMATICS CONTENT STANDARD 1 FOR END OF GRADE 4 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4012 BENCHMARK FOR MATHEMATICS CONTENT STANDARD 1 FOR END OF GRADE 8 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4013 BENCHMARK FOR MATHEMATICS CONTENT STANDARD 1 UPON GRADUATION AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4020 MATHEMATICS CONTENT STANDARD 2 AUTH: 20-2-114,

MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4021 BENCHMARK FOR MATHEMATICS CONTENT STANDARD 2 FOR END OF GRADE 4 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4022 BENCHMARK FOR MATHEMATICS CONTENT STANDARD 2 FOR END OF GRADE 8 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4023 BENCHMARK FOR MATHEMATICS CONTENT STANDARD 2 UPON GRADUATION AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4030 MATHEMATICS CONTENT STANDARD 3 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4031 BENCHMARK FOR MATHEMATICS CONTENT STANDARD 3 FOR END OF GRADE 4 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4032 BENCHMARK FOR MATHEMATICS CONTENT STANDARD 3 FOR END OF GRADE 8 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4033 BENCHMARK FOR MATHEMATICS CONTENT STANDARD 3 UPON GRADUATION AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4040 MATHEMATICS CONTENT STANDARD 4 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4041 BENCHMARK FOR MATHEMATICS CONTENT STANDARD 4 FOR END OF GRADE 4 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4042 BENCHMARK FOR MATHEMATICS CONTENT STANDARD 4 FOR END OF GRADE 8 AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4043 BENCHMARK FOR MATHEMATICS CONTENT STANDARD 4 UPON GRADUATION AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4101 GRADE 4 PERFORMANCE DESCRIPTORS AT THE ADVANCED LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4102 GRADE 4 PERFORMANCE DESCRIPTORS AT THE PROFICIENT LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4103 GRADE 4 PERFORMANCE DESCRIPTORS AT THE NEARING PROFICIENT LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4104 GRADE 4 PERFORMANCE DESCRIPTORS AT THE NOVICE LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4105 GRADE 8 PERFORMANCE DESCRIPTORS AT THE ADVANCED LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4106 GRADE 8 PERFORMANCE DESCRIPTORS AT THE PROFICIENT LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4107 GRADE 8 PERFORMANCE DESCRIPTORS AT THE NEARING PROFICIENT LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4108 GRADE 8 PERFORMANCE DESCRIPTORS AT THE NOVICE LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4109 UPON GRADUATION PERFORMANCE DESCRIPTORS AT THE ADVANCED LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4110 UPON GRADUATION PERFORMANCE DESCRIPTORS AT THE PROFICIENT LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4111 UPON GRADUATION PERFORMANCE DESCRIPTORS AT THE NEARING PROFICIENT LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

10.54.4112 UPON GRADUATION PERFORMANCE DESCRIPTORS AT THE NOVICE LEVEL AUTH: 20-2-114, MCA; IMP, 20-2-121, 20-3-106, 20-7-101, MCA

6. REASON: The above rules are being repealed and replaced by the rules proposed for adoption in this notice.

7. Pursuant to the agreement between the Board of Public Education and the

Legislature, the board does anticipate implementation costs, and shall request and report in its adoption notice any cost estimates received from districts during the hearing. To allow for sufficient time to complete this process the effective date for the adoption and repeal of the above rules will be July 1, 2013.

8. 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: Peter Donovan, Executive Secretary, 46 North Last Chance Gulch, P.O. Box 200601, Helena, Montana, 59620-0601; telephone (406) 444-0302; fax (406) 444-0847; or e-mail pdonovan@mt.gov and must be received no later than 5:00 p.m., October 24, 2011.

9. Peter Donovan, Executive Secretary for the Board of Public Education has been designated to preside over and conduct this hearing.

10. The board maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by the 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 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 8 above or may be made by completing a request form at any rules hearing held by the board.

11. An electronic copy of this proposal notice is available through the Secretary of State's web site at <http://sos.mt.gov/ARM/Register>. The Secretary of State strives to make the electronic copy of the notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the Secretary of State works to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

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

/s/ Peter Donovan
Peter Donovan
Rule Reviewer

/s/ Patty Myers
Patty Myers, Chair
Board of Public Education

Certified to the Secretary of State September 12, 2011.

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

In the matter of the amendment of) AMENDED NOTICE OF PROPOSED
ARM 37.86.702, 37.86.801, and) AMENDMENT AND EXTENSION OF
37.86.802 pertaining to audiology and) COMMENT PERIOD
hearing aids)

TO: All Concerned Persons

1. On August 25, 2011, the Department of Public Health and Human Services published MAR Notice No. 37-556 pertaining to the proposed amendment of the above-stated rules at page 1628 of the 2011 Montana Administrative Register, Issue Number 16.

2. The Department of Public Health and Human Services will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact Department of Public Health and Human Services no later than 5:00 p.m. on September 27, 2011, to advise us of the nature of the accommodation that you need. Please contact Kenneth Mordan, Department of Public Health and Human Services, Office of Legal Affairs, P.O. Box 4210, Helena MT 59604-4210; telephone (406) 444-4094; fax (406) 444-9744; or e-mail dphhslegal@mt.gov.

3. An attorney from the Legislative Services Division contacted the department and indicated that our Statement of Reasonable Necessity included language that did not clearly state specific legislation that eliminated the need for audiologists to obtain a separate hearing aid dispensing license. The department has amended the Statement of Reasonable Necessity in this notice and cites Ch 342 Laws of MT 2011 (SB132). A further explanation has also been added to the statement to help clarify that these rule changes will improve Medicaid clients' access to hearing aids.

4. The statement of reasonable necessity is being amended as follows, new matter underlined, deleted matter interlined:

Statement of Reasonable Necessity

The Department of Public Health and Human Services (the department) is proposing to amend ARM 37.86.702, 37.86.801, and 37.86.802 ~~to reflect legislation~~ considering a change in licensing law by Ch 342 Laws of MT 2011 which eliminated the need for audiologists to obtain a separate hearing aid dispensing license. Audiologists will be able to dispense hearing aids with their audiology license. Considering that selling, dispensing, and fitting of hearing aids is now included in the practice of audiology, Medicaid client access to hearing aids should improve.

Additionally, this amendment to the Administrative Rules will open the reimbursement to more providers for hearing aids.

ARM 37.86.702

The department is proposing language to allow reimbursement to audiologists for hearing aids. The acronym "PB" was written out for purposes of clarity.

ARM 37.86.801

The department is proposing to add a definition for "dispenser" to include audiology licenses issued by the Montana Board of Speech-Language Pathologists and Audiologists.

ARM 37.86.802

The department is proposing to add language to allow reimbursement to audiologists for hearing aids.

Fiscal Impact

There is no fiscal impact with this rule amendment.

5. The comment period has been extended seven days from September 22, 2011, to September 29, 2011. Concerned persons may submit their data, views, or arguments concerning the proposed action in writing to: Kenneth Mordan, Office of Legal Affairs, Department of Public Health and Human Services, P.O. Box 4210, Helena MT 59604-4210, no later than 5:00 p.m. on September 29, 2011. Comments may also be faxed to (406) 444-9744 or e-mailed to dphhslegal@mt.gov.

/s/ John Koch
Rule Reviewer

/s/ Anna Whiting Sorrell
Anna Whiting Sorrell, Director
Public Health and Human Services

Certified to the Secretary of State September 12, 2011.

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

In the matter of the amendment of) NOTICE OF PUBLIC HEARING ON
ARM 37.70.406, 37.70.408,) PROPOSED AMENDMENT
37.70.601, and 37.70.901 pertaining)
to low income energy assistance)
program (LIEAP))

TO: All Concerned Persons

1. On October 12, 2011, at 10:00 a.m., the Department of Public Health and Human Services will hold a public hearing in Room 207 of the Department of Public Health and Human Services Building, 111 North Sanders, Helena, Montana, to consider the proposed amendment of the above-stated rules.

2. The Department of Public Health and Human Services will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact Department of Public Health and Human Services no later than 5:00 p.m. on October 3, 2011, to advise us of the nature of the accommodation that you need. Please contact Kenneth Mordan, Department of Public Health and Human Services, Office of Legal Affairs, P.O. Box 4210, Helena, Montana, 59604-4210; telephone (406) 444-4094; fax (406) 444-9744; or e-mail dphhslegal@mt.gov.

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

37.70.406 INCOME STANDARDS (1) Households with one through ~~six~~ seven members with annual gross income at or below ~~200% of the 2009 U.S. Department of Health and Human Services poverty guidelines~~ 60% of the estimated state median income for federal fiscal year (FFY) 2012 are eligible for low income energy assistance on the basis of income. Households with ~~seven~~ eight or more members are eligible for low income energy assistance on the basis of income only if the household's annual gross income is at or below ~~75% of the estimated state median income for federal fiscal year (FFY) 2011~~ 150% of the 2011 U.S. Department of Health and Human Services poverty guidelines for a household of that size. Households with annual gross income above the applicable income standard are ineligible for low income energy assistance, unless the household is automatically financially eligible for LIEAP benefits as provided in ARM 37.70.402 because all members of the household are receiving SSI, TANF-funded cash assistance, or county or tribal general assistance.

(2) remains the same.

(3) The table of income standards for households of various sizes for the ~~2011~~ 2012 heating season may be accessed at the department's web site at

www.dphhs.mt.gov, or a copy may be obtained from the Department of Public Health and Human Services, Human and Community Services Division, Intergovernmental Human Services Bureau, P.O. Box 202956, Helena, MT 59620.

(4) Households at or below ~~75~~ 60% of the estimated state median income amount for FFY ~~2014~~ 2012 for the household's size are eligible for LIEAP client education and outreach activities.

AUTH: 53-2-201, MCA

IMP: 53-2-201, MCA

37.70.408 RESOURCES (1) through (3) remain the same.

(4) In state fiscal year ~~2014~~ 2012, a household will be eligible if its total countable nonbusiness resources do not exceed ~~\$9,930~~ 10,089 for a single person, ~~\$14,899~~ 15,137 for two persons, and an amount equal to ~~\$14,899~~ 15,137 plus ~~\$993~~ 1,009 for each additional household member, up to a maximum of ~~\$19,863~~ 20,182 per household. In addition, the household may have business assets whose equity value does not exceed \$25,000.

(5) remains the same.

AUTH: 53-2-201, MCA

IMP: 53-2-201, MCA

37.70.601 BENEFIT AWARD (1) Except as provided in (2), the benefit matrices in (1)(c) and (1)(d) are used to establish the benefit payable to an eligible household for a full heating season. The benefit varies by household income level, type of primary heating fuel, the type of dwelling (single family unit, multi-family unit, mobile home), the number of bedrooms in the dwelling, and the heating districts in which the household is located, to account for climatic differences across the state.

(a) and (b) remain the same.

(c) The following table of base benefit levels takes into account the number of bedrooms in a house, the type of dwelling structure, and the type of fuel used as a primary source of heating:

TABLE OF BENEFIT LEVELS

(i) SINGLE FAMILY

# BEDROOMS	NATURAL					
	GAS	ELECTRIC	PROPANE	FUEL OIL	WOOD	COAL
ONE	\$ 557	\$ 762	\$1,239	\$1,008	\$ 738	\$ 499
TWO	810	1,108	1,802	1,466	1,073	725
THREE	1,103	1,510	2,455	1,997	1,463	988
FOUR	1,518	2,077	3,377	2,747	2,012	1,360

# BEDROOMS	NATURAL					
	GAS	ELECTRIC	PROPANE	FUEL OIL	WOOD	COAL

<u>ONE</u>	<u>\$ 395</u>	<u>\$ 596</u>	<u>\$ 946</u>	<u>\$1,209</u>	<u>\$ 540</u>	<u>\$ 365</u>
<u>TWO</u>	<u>575</u>	<u>866</u>	<u>1,375</u>	<u>1,757</u>	<u>786</u>	<u>531</u>
<u>THREE</u>	<u>783</u>	<u>1,180</u>	<u>1,874</u>	<u>2,394</u>	<u>1,070</u>	<u>723</u>
<u>FOUR</u>	<u>1,077</u>	<u>1,624</u>	<u>2,578</u>	<u>3,294</u>	<u>1,473</u>	<u>995</u>

(ii) MULTI-FAMILY

# BEDROOMS	<u>NATURAL</u>					
	<u>GAS</u>	<u>ELECTRIC</u>	<u>PROPANE</u>	<u>FUEL OIL</u>	<u>WOOD</u>	<u>COAL</u>
<u>ONE</u>	<u>\$ 471</u>	<u>\$ 645</u>	<u>\$1,048</u>	<u>\$1,072</u>	<u>\$ 624</u>	<u>\$ 421</u>
<u>TWO</u>	<u>709</u>	<u>971</u>	<u>1,578</u>	<u>1,614</u>	<u>939</u>	<u>635</u>
<u>THREE</u>	<u>1,041</u>	<u>1,424</u>	<u>2,316</u>	<u>2,368</u>	<u>1,378</u>	<u>931</u>
<u>FOUR</u>	<u>1,216</u>	<u>1,664</u>	<u>2,706</u>	<u>2,766</u>	<u>1,610</u>	<u>1,088</u>

# BEDROOMS	<u>NATURAL</u>					
	<u>GAS</u>	<u>ELECTRIC</u>	<u>PROPANE</u>	<u>FUEL OIL</u>	<u>WOOD</u>	<u>COAL</u>
<u>ONE</u>	<u>\$ 334</u>	<u>\$ 504</u>	<u>\$ 800</u>	<u>\$1,285</u>	<u>\$ 456</u>	<u>\$ 308</u>
<u>TWO</u>	<u>503</u>	<u>759</u>	<u>1,205</u>	<u>1,935</u>	<u>687</u>	<u>464</u>
<u>THREE</u>	<u>739</u>	<u>1,114</u>	<u>1,768</u>	<u>2,839</u>	<u>1,008</u>	<u>682</u>
<u>FOUR</u>	<u>863</u>	<u>1,301</u>	<u>2,066</u>	<u>3,317</u>	<u>1,178</u>	<u>796</u>

(iii) MOBILE HOME

# BEDROOMS	<u>NATURAL</u>					
	<u>GAS</u>	<u>ELECTRIC</u>	<u>PROPANE</u>	<u>FUEL OIL</u>	<u>WOOD</u>	<u>COAL</u>
<u>ONE</u>	<u>\$ 469</u>	<u>\$ 642</u>	<u>\$1,044</u>	<u>\$ 891</u>	<u>\$ 622</u>	<u>\$ 421</u>
<u>TWO</u>	<u>686</u>	<u>939</u>	<u>1,527</u>	<u>1,302</u>	<u>910</u>	<u>615</u>
<u>THREE</u>	<u>910</u>	<u>1,245</u>	<u>2,024</u>	<u>1,726</u>	<u>1,206</u>	<u>815</u>
<u>FOUR</u>	<u>1,015</u>	<u>1,389</u>	<u>2,259</u>	<u>1,926</u>	<u>1,346</u>	<u>909</u>

# BEDROOMS	<u>NATURAL</u>					
	<u>GAS</u>	<u>ELECTRIC</u>	<u>PROPANE</u>	<u>FUEL OIL</u>	<u>WOOD</u>	<u>COAL</u>
<u>ONE</u>	<u>\$ 333</u>	<u>\$ 502</u>	<u>\$ 797</u>	<u>\$1,068</u>	<u>\$ 455</u>	<u>\$ 308</u>
<u>TWO</u>	<u>487</u>	<u>734</u>	<u>1,165</u>	<u>1,561</u>	<u>666</u>	<u>450</u>
<u>THREE</u>	<u>646</u>	<u>973</u>	<u>1,545</u>	<u>2,070</u>	<u>882</u>	<u>596</u>
<u>FOUR</u>	<u>721</u>	<u>1,086</u>	<u>1,724</u>	<u>2,310</u>	<u>985</u>	<u>666</u>

(d) The following table is based upon the household's income as a percentage of the federal poverty guideline and adjusted for climatic differences in the ten human resource development council service areas in the state of Montana:

TABLE OF INCOME/CLIMATIC ADJUSTMENT MULTIPLIERS

PERCENT OF POVERTY	AEM	IV	V	VI	VII	VIII	IX	X	XI	XII
0 - 11	1.00	1.08	0.98	0.99	0.93	1.02	1.08	0.90	0.92	1.09
> 11 - 23	0.95	1.02	0.94	0.94	0.89	0.97	1.03	0.86	0.87	1.04
> 23 - 35	0.90	0.97	0.89	0.89	0.84	0.92	0.98	0.81	0.82	0.98
> 35 - 47	0.85	0.92	0.84	0.84	0.79	0.87	0.92	0.77	0.78	0.93
> 47 - 59	0.80	0.86	0.79	0.79	0.75	0.82	0.87	0.72	0.73	0.87
> 59 - 71	0.75	0.81	0.74	0.74	0.70	0.77	0.81	0.68	0.69	0.82
> 71 - 83	0.70	0.75	0.69	0.69	0.65	0.71	0.76	0.63	0.64	0.76
> 83 - 95	0.65	0.70	0.64	0.64	0.61	0.66	0.70	0.59	0.60	0.71
> 95 - 107	0.60	0.65	0.59	0.59	0.56	0.61	0.65	0.54	0.55	0.65
>107 - 119	0.55	0.59	0.54	0.54	0.51	0.56	0.60	0.50	0.50	0.60
>119 - 131	0.50	0.54	0.49	0.49	0.47	0.51	0.54	0.45	0.46	0.55
>131 - 143	0.45	0.48	0.44	0.44	0.42	0.46	0.49	0.41	0.41	0.49
>143 - 200 <u>150*</u>	0.40	0.43	0.39	0.39	0.37	0.41	0.43	0.36	0.37	0.44

* This category also applies to those whose income exceeds 150% of the poverty guideline and meets the criteria of ARM 37.70.406(1)

(2) remains the same.

AUTH: 53-2-201, MCA

IMP: 53-2-201, MCA

37.70.901 EMERGENCY ASSISTANCE (1) through (3) remain the same.

(4) Emergency assistance payments may be made on behalf of the eligible household for actual costs necessary to alleviate the emergency. However, no emergency assistance payments will be made for costs which are the liability of a third party, unless the household assigns to the department in writing its rights to such third party payments. Emergency assistance payments are limited to a total of \$250 per household in a 12-month period commencing on the first of October immediately preceding the date of the request for emergency assistance, except as follows:

(a) An eligible household may receive emergency assistance payments which total more than \$250 in a 12-month period if the local contractor determines ~~before the services are rendered that~~ services are necessary to alleviate an emergency.

(5) through (8) remain the same.

AUTH: 53-2-201, MCA

IMP: 53-2-201, MCA

4. STATEMENT OF REASONABLE NECESSITY

The Department of Public Health and Human Services (the department) is proposing the amendment of ARM 37.70.406, 37.70.408, 37.70.601, and 37.70.901 pertaining

to Low Income Energy Assistance Program (LIEAP). LIEAP is a federally funded program to help low income households pay their home heating costs. The department proposes to make changes to its administrative rules governing LIEAP as follows:

ARM 37.70.406

Because LIEAP is a needs-based assistance program, only households with income below specified limits are eligible to receive LIEAP benefits. ARM 37.70.406 contains the maximum income standards used to determine eligibility for LIEAP. These income standards are computed as a specified percentage of the federal poverty guidelines (FPG) issued annually by the U.S. Department of Health and Human Services (HHS). The standards currently in ARM 37.70.406 are based on the FPG for 2009. ARM 37.70.406(1) currently provides that households with one through six members with annual gross income at or below 200% of the 2009 FPG qualify for LIEAP on the factor of income.

HHS updates the FPG each year to take into account changes in the cost of living. The department periodically amends ARM 37.70.406 to provide that the most recent version of the FPG will be used to set the income standards because the most recent guidelines generally are higher than the guidelines for the previous year due to inflation. The income standards increase when the more recent, higher guidelines are used to compute them. Conversely, the income standards would not increase to reflect inflationary increases in the cost of living if the department continued to use the guidelines from a previous year. If the department did not use the most recent guidelines some households might be ineligible for benefits due to inflationary increases in the household's income that did not reflect an increase in actual buying power. Thus, the department proposes to amend ARM 37.70.406 to provide that the 2011 FPG rather than the 2009 FPG will be used, in order to avoid this result.

ARM 37.70.406(1) currently provides that households with seven or more members are eligible if their annual gross income is at or below 75% of the estimated state median income (SMI) for federal fiscal year (FFY) 2011 for a household of that size. Like the FPG, SMI usually increases each year, so the department amends ARM 37.70.406 annually to provide that the current SMI will be used so that households will not be ineligible due to inflationary increases in the SMI that do not reflect increases in buying power. Therefore, the department proposes to amend ARM 37.70.406 to provide for the use of the estimated SMI for FY 2012 rather than 2011.

In addition, the department proposes to reduce the maximum income a household may have in terms of the percentage of FPG or percentage of SMI due to a change in federal law. Since 1981, the federal law governing LIEAP at 42 U.S.C. 8624(b)(2)(B) has provided that eligibility for LIEAP must be limited to households whose income does not exceed 150% of the federal poverty level (FPL) or 60% of the state's median income (SMI), whichever is greater. However, in recent years LIEAP appropriation bills have contained language authorizing states to grant LIEAP benefits to households with income that does not exceed 200% of the FPL or 75% of

the SMI, whichever is greater. ARM 37.70.406(1) currently sets the maximum income standards for households with one through six members at 200% of the guidelines because setting the income standards at a higher percentage of the FPG allows higher income households to qualify. For households of this size, 200% of the FPG was a lesser amount than 75% of the SMI, so the income standards did not exceed the upper limit set by the federal appropriation bill at that time.

The department chose to use 200% of the FPG instead of 75% of the SMI for households of this size because federal regulations governing the Low Income Weatherization Assistance Program (LIWAP) limit eligibility to households whose income is at or below 200% of poverty. Currently the department's LIWAP rules provide that a household that is eligible for LIEAP is also eligible for LIWAP, but if the department set its LIEAP income standards at a level that was higher than 200% of the FPG it could not automatically grant LIWAP eligibility to all LIEAP households because the income of some LIEAP households would exceed the 200% of poverty limit for LIWAP. The department would therefore have to establish a separate process for determining eligibility for LIWAP, which was not desirable because it would create additional work and expense.

For households with seven or more members, however, the department could not set the LIEAP income standards at 200% of the FPG because for these households 200% of poverty exceeded 75% of the SMI and hence the income standards would have exceeded the maximum amount allowed by the federal appropriation bill. Thus, for households with seven or more members the department set the maximum income standards at 75% of the estimated SMI for FFY 2011, the maximum amount permitted by federal law at that time.

However, P.L. 112-10 enacted on April 15, 2011 did not contain language allowing households with income up to 200% of the FPL or 75% of the SMI to receive LIEAP benefits, nor does the appropriations bill now pending in Congress contain such language. Thus, the limits specified in 42 U.S.C. 8624(b)(2)(B), namely that household income may not exceed 150% of the FPL or 60% of SMI, whichever is greater, once again apply. Therefore, in order to comply with the requirements of 42 U.S.C. 8624(b)(2)(B), the department must amend ARM 37.70.406(1) to provide that households consisting of one through seven members are income-eligible for LIEAP benefits if the household's gross annual income is at or below 60% of the estimated SMI for federal fiscal year 2012. For households of eight or more members, the household's gross annual income must be at or below 150% of the 2011 FPG for the household to be income-eligible.

Additionally, ARM 37.70.406(4) currently states that households at or below 75% of the estimated SMI for FFY 2011 for the household's size are eligible for LIEAP client education and outreach activities. ARM 37.70.406(4) as amended will provide that households at or below 60% of the estimated SMI are eligible for LIEAP client education and outreach activities. This amendment reflects the change in federal requirements from a maximum of 75% of SMI to a maximum of 60% of SMI.

Additionally, the department proposes to use the SMI for FY 2012 rather than FY 2011 for the reasons explained above.

ARM 37.70.408

In determining eligibility for LIEAP, the department considers not only income but also assets (known in LIEAP as "resources") the household has, that can be used to pay heating costs. ARM 37.70.408 specifies the rules relating to resources. ARM 37.70.408(4) currently specifies the maximum amount of nonbusiness resources that households of varying sizes can have and still qualify for LIEAP in state FY 2011. ARM 37.70.408(5) provides that the dollar limits on nonbusiness resources will be revised annually to adjust for inflation, so it is necessary to amend ARM 37.70.408(4) to increase the dollar amounts for FY 2012. ARM 37.70.408(5) specifies that the revised nonbusiness resource limits will be computed by multiplying the current dollar limits by the percentage increase in the national consumer price index (CPI) for the previous calendar year or by 3%, whichever is less. The increase in the CPI for calendar year 2010 was 1.6%, so the dollar amounts in ARM 37.70.408(4) would increase by 1.6% from FY 2011 to 2012. Therefore, in accordance with the formula provided in ARM 37.70.408(5), ARM 37.70.408(4) must be amended to increase the maximum amounts of nonbusiness resources a total of 1.6% from FY 2011 to FY 2012.

ARM 37.70.601

ARM 37.70.601 governs the computation of benefits for eligible households. (1)(a) provides that an eligible household's benefit is computed by multiplying the applicable amount in the table of benefits in (1)(c) by the applicable multiplier from the table of income/climatic adjustment multipliers in (1)(d). The benefit amounts in (1)(c) vary based on the type of heating fuel the household uses and the type and size of the household's dwelling. The benefit amounts also take into consideration available funding and the number of households expected to receive benefits in a given heating season. The benefit amounts in the tables are being revised based on estimates of the amount of funds available to pay LIEAP benefits for the 2011-2012 heating season as well as fuel cost projections and an estimate of the number of households that will apply and be found eligible for LIEAP for the 2011-2012 heating season. The revised benefit amounts in (1)(c) for 2011-2012 are based on the department's estimate that 25,000 households will qualify for LIEAP benefits for the current heating season and on the department's estimates of the federal LIEAP funds it will receive, which are expected to be significantly fewer than last year's.

ARM 37.70.601(1)(d) contains a table of income/climatic adjustment multipliers which are based on a household's income as a percentage of the FPG and also on what part of the state the household lives in. The state is divided into ten regions with different multipliers to take into account the climatic differences from one part of the state to another, which have an impact on residential heating costs. The table in (1)(d) currently contains 13 income levels ranging from income at 0 to 11% of the FPG to incomes of 143 to 200% of the FPG. The highest level must now be

amended to cover incomes up to 150% of the FPG rather than 200% because the department is lowering the upper-income limit for households with eight or more members to 150% of the guidelines, as explained in regard to the amendment of ARM 37.70.406. The rule is further being amended to provide that the multipliers in this highest income level also are used for households whose income exceeds 150% of the FPG, such as those categorically eligible households, mentioned in ARM 37.70.402(2).

37.70.901

ARM 37.70.901 contains the policies governing the provision of emergency assistance, that is, assistance to address circumstances that present a serious immediate threat to the health and safety of the household, such as the existence of hazardous or potentially hazardous conditions in the household's water or space heating system. ARM 37.70.901(4) limits the emergency assistance payments a household may receive in a 12-month period to a total of \$250, but (4)(a) currently provides an exception to this limit. It states that a household may receive emergency assistance payments that total more than \$250 in a 12-month period "if the local contractor determines before services are rendered that the services are necessary to alleviate an emergency." The department proposes to strike the language "before the services are rendered" in (4)(a). The requirement for prior approval is being eliminated because it is often difficult to get the local contractor's approval before the service is rendered when an emergency occurs on a weekend or holiday. The requirement remains for the local contractor to determine that the services were necessary to alleviate an emergency in order for payments totaling more than \$250 in a 12-month period to be paid; the only change is that the determination need not be made before the services are rendered.

Fiscal Impact

LIEAP is 100% federally funded. Congress has not yet appropriated funds for LIEAP for the 2011-2012 heating season, but based on the information available at this time the department estimates that Montana will receive LIEAP funds of approximately \$13.4 million for the current heating season. This compares to LIEAP funding of \$26.9 million for the 2010-2011 heating season. Benefit levels for households using all types of heating fuel and for all dwelling types will be significantly lower than in the 2010-2011 heating season. It is estimated that 25,000 households will qualify for LIEAP benefits this year, which is comparable to last year.

5. The department intends to apply ARM 37.70.601 retroactively to October 1, 2011. Some applicants and recipients will suffer a negative impact from the retroactive application of the proposed amendments to ARM 37.70.406, which lowers the upper income limit to qualify for LIEAP benefits, because some households that would have been eligible using the current income limits will have too much income to qualify under the proposed lower income limits. The retroactive application of the proposed amendment of the benefit tables in ARM 37.70.601 will have a negative impact on all households eligible to receive LIEAP benefits because

the proposed amendment reduces benefit amounts for all households regardless of the household's size, type or size of dwelling, or type of heating fuel used. All other proposed amendments will have a positive impact on some or all applicants or recipients of LIEAP benefits.

Despite its negative impact, retroactive application of the proposed changes to ARM 37.70.406 is required by a mandatory change in the federal law governing LIEAP. As discussed above in the Statement of Reasonable Necessity for the amendment of ARM 37.70.406, Public Law (P.L.) 112-10 lowered the upper income limit for LIEAP eligibility from 75% to 60% of SMI. The department is required to apply the new lower income limit as of October 1, 2011, the beginning of the 2011-2012 heating season. The reduction of the benefits amounts in ARM 37.70.601 is caused by an anticipated reduction in the federal appropriation for LIEAP but is not mandated by a change in federal law. However, ARM 37.70.608(1)(a) authorizes the department to reduce benefits when funds are not available to serve all eligible households. As discussed in the Fiscal Impact Statement above, the department expects to have significantly fewer funds available to pay benefits this year while the number of applications is expected to remain substantially the same. Thus, it is anticipated that there will not be enough funds available to serve all eligible households if the department does not start paying lower benefits as of the first day of the heating season, October 1, 2011.

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: Kenneth Mordan, Department of Public Health and Human Services, Office of Legal Affairs, P.O. Box 4210, Helena, Montana, 59604-4210; fax (406) 444-9744; or e-mail dphhslegal@mt.gov, and must be received no later than 5:00 p.m., October 20, 2011.

7. The Office of Legal Affairs, Department of Public Health and Human Services, has been designated to preside over and conduct this hearing.

8. 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 6 above or may be made by completing a request form at any rules hearing held by the department.

9. An electronic copy of this proposal notice is available through the Secretary of State's web site at <http://sos.mt.gov/ARM/Register>. The Secretary of State strives to make the electronic copy of the notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text

will be considered. In addition, although the Secretary of State works to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

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

/s/ Barbara B. Hoffmann
Rule Reviewer

/s/ Anna Whiting Sorrell
Anna Whiting Sorrell, Director
Public Health and Human Services

Certified to the Secretary of State September 12, 2011.

BEFORE THE DEPARTMENT OF REVENUE
OF THE STATE OF MONTANA

In the matter of the adoption of New)
Rule I relating to issuing tax certificates)
to LLCs following administrative)
dissolution)

NOTICE OF PUBLIC HEARING ON
PROPOSED ADOPTION

TO: All Concerned Persons

1. On October 17, 2011, at 1:00 p.m., a public hearing will be held in the Third Floor Reception Area Conference Room of the Sam W. Mitchell Building, at Helena, Montana, to consider the adoption of the above-stated rule.

Individuals planning to attend the hearing shall enter the building through the east doors of the Sam W. Mitchell Building, 125 North Roberts, Helena, Montana.

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, contact the Department of Revenue no later than 5:00 p.m., October 11, 2011, to advise us of the nature of the accommodation that you need. Please contact Cleo Anderson, Department of Revenue, Director's Office, P.O. Box 7701, Helena, Montana 59604-7701; telephone (406) 444-5828; fax (406) 444-4375; or e-mail canderson@mt.gov.

3. The proposed new rule does not replace or modify any section currently found in the Administrative Rules of Montana. The proposed new rule provides as follows:

NEW RULE I TAX CERTIFICATES – REQUIREMENTS (1) The department may issue a tax certificate, referred to as a "Title 15 Certificate," to a domestic corporation or limited liability company (LLC) that has been involuntarily dissolved by the Montana Secretary of State (MSOS) if the business has filed all required tax returns and reports and has paid all taxes, including interest and penalties, owed by the entity. Effective May 6, 2011, an LLC that has only one member and has not elected to be taxed as a corporation is not required to provide a Title 15 certificate from the department to be reinstated under 35-8-912, MCA.

(2) The department may issue a tax certificate, referred to as a "Dissolution/Withdrawal Certificate" to a domestic C or S corporation that wishes to voluntarily dissolve, and to a foreign C or S corporation and LLC that wishes to voluntarily withdraw, if the business has filed all required tax returns and reports and has paid all taxes, including interest and penalties, up to the date of the request.

(3) The department may issue a tax certificate, referred to as a "Tax Clearance Certificate" to a domestic C or S corporation that has completed its dissolution or to a foreign C or S corporation that has completed its withdrawal, verifying that the corporation has filed all applicable returns, including a final return, and that all taxes owed by the corporation, including interest and penalties, have

been paid through and including the corporation's final year of existence in Montana.

(4) The department will issue a tax certificate, referred to as a "Reviver Certificate" to a domestic C corporation whose corporate powers have been suspended or to a foreign C corporation whose right to do intrastate business in the state has been forfeited as provided in 15-31-523, MCA, for failure to file a corporation license tax return or to pay a corporation license tax and that is seeking to be relieved from the suspension or forfeiture as follows:

(a) if the application for relief from the suspension or forfeiture is made within one year or less after the date of the suspension or forfeiture and if the suspension was made because the corporation failed to file a required corporation license tax return, then the department will issue the certificate if the corporation has filed the required return and paid any associated tax, interest and penalties; or

(b) if the application for relief from the suspension or forfeiture is made within one year or less after the date of the suspension or forfeiture and if the suspension was made because the corporation failed to pay all or any part of its corporation license tax liability, then the department will issue the certificate if the corporation has paid the tax, interest and penalties.

(5) The department will also issue a tax certificate, referred to as a "Reviver Certificate" to a domestic C corporation whose corporate powers have been suspended or to a foreign C corporation whose right to do intrastate business in the state has been forfeited as provided in 15-31-523, MCA, for failure to file a corporation license tax return or to pay a corporation license tax and that is seeking to be relieved from the suspension or forfeiture as follows:

(a) if the application for relief from the suspension or forfeiture is made more than one year after the date of the suspension or forfeiture and if the suspension was made because the corporation failed to file a required return, then the department will issue the certificate if the corporation has filed the required return and paid twice the amount of any associated tax and penalties; or

(b) if the application for relief from the suspension or forfeiture is made more than one year after the date of the suspension or forfeiture and if the suspension was made because the corporation failed to pay all or any part of its corporation license tax liability, then the department will issue the certificate if the corporation has paid twice the amount of tax and penalties.

(6) The department may issue a tax certificate, referred to as a "Certificate of Good Standing," to any entity wishing to show that it filed required tax returns and paid all tax, interest, and penalties. The Certificate of Good Standing will be issued when the department has all the information it needs to determine that all required returns have been filed and all taxes, penalties, and interest have been paid.

(7) The department will not issue any tax certificate unless the application contains the name, mailing address, and federal employer identification number (FEIN) of the entity. If the entity is a single member LLC that has no employees and does not have an FEIN, the single member LLC shall use its owner's social security number (SSN) or FEIN.

(8) Except as provided in (9), the tax filing requirements of the single member LLC for purposes of obtaining a tax certificate, are separate from the tax filing requirements of its owner. Because an entity that is disregarded for tax purposes may, and usually does, have an obligation to file an information return (Form DER-1,

Montana Disregarded Entity Information Return) with the department, a single member LLC cannot claim to be current on its tax filing requirements on the basis that its owner is current on the owner's tax filing requirements.

(9) For wage withholding purposes a single member LLC that has not elected to be taxed as a corporation and its owner are considered to be the same employer. The department will not issue a tax certificate for the single member LLC unless all withholding taxes have been paid by the single member LLC and the owner.

AUTH: 15-1-201, MCA

IMP: 15-31-524, 15-31-552, 35-1-944, 35-1-1037, 35-6-201, 35-8-912, 35-8-1010, 35-8-912, MCA

REASONABLE NECESSITY: The department proposes the adoption of New Rule I to help taxpayers determine how the Legislature's enactment of Chapter 355, L. 2011, affects the department's issuance of tax certificates. The department issues "tax certificates" at the request of various legal entities and for a variety of reasons. While most tax certificates the department issues are filed with the MSOS and are required before an entity can be restored to various legal benefits or privileges, the department also issues tax certificates an entity requests so that the tax certificate can be provided to a lender or other third party. New Rule I explains the various types of tax certificates.

The proposed new rule confirms that Ch. 355, L. 2011, does not prevent the department from issuing a "good standing" tax certificate to a single member LLC that has not elected to be taxed as a corporation when the entity requests the certificate to be provided to a lender or other third party. The department is also proposing to adopt New Rule I to guide its employees in administering tax certificates. Because there can be confusion about whether the tax liability of the owner(s) of an entity is considered when the department issues tax certificates, the proposed rule will detail the limited circumstances when the liability for wage withholding of the owner of a disregarded entity is considered.

New Rule I is also being proposed in order to help taxpayers understand the importance of providing tax identification number(s) when applying for a tax certificate. The department cannot determine whether all required tax filings have been filed and taxes paid by an entity unless the relevant parties are identified, and an identification number ensures that the department can match up each LLC with their respective activities and verify compliance. Beginning in 2009, the Internal Revenue Service began requiring all single member LLCs with employees to obtain an FEIN while allowing those without employees to elect to file under their own FEIN or their owner's SSN or FEIN.

The department is including Title 35, MCA, in its list of statutes being implemented, only because these statutes require that a tax certificate issued by the department be filed with the MSOS. The department does not purport to assert that it has any power to implement any substantive requirement in Title 35, MCA.

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: Cleo Anderson, Department of Revenue, Director's Office, P.O. Box

7701, Helena, Montana 59604-7701; telephone (406) 444-5828; fax (406) 444-4375; or e-mail canderson@mt.gov and must be received no later than October 21, 2011.

5. Cleo Anderson, Department of Revenue, Director's Office, has been designated to preside over and conduct the hearing.

6. An electronic copy of this notice is available on the department's web site at www.revenue.mt.gov. Locate "Legal Resources" in the left hand column, select the "Rules" link and view the options under the "Notice of Proposed Rulemaking" heading. The department strives to make the electronic copy of this notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the department strives to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

7. 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 notices regarding particular subject matter or matters. 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 person in 4 above or faxed to the office at (406) 444-4375, or may be made by completing a request form at any rules hearing held by the Department of Revenue.

8. The bill sponsor contact requirements of 2-4-302, MCA, apply and have been fulfilled. The primary bill sponsor of SB 429 (2011) Senator Art Wittich, was notified by electronic mail on August 29, 2011, and subsequently on September 2, 2011.

/s/ Cleo Anderson
CLEO ANDERSON
Rule Reviewer

/s/ Dan R. Bucks
DAN R. BUCKS
Director of Revenue

Certified to Secretary of State September 12, 2011

BEFORE THE DEPARTMENT OF REVENUE
OF THE STATE OF MONTANA

In the matter of the adoption of New)
Rules I through IV and amendment of)
ARM 42.9.102, 42.9.106, 42.9.203, and)
42.15.120 relating to pass-through)
entities)

NOTICE OF PUBLIC HEARING ON
PROPOSED ADOPTION AND
AMENDMENT

TO: All Concerned Persons

1. On October 17, 2011, at 3:00 p.m., a public hearing will be held in the Third Floor Reception Area Conference Room of the Sam W. Mitchell Building, at Helena, Montana, to consider the adoption and amendment of the above-stated rules.

Individuals planning to attend the hearing shall enter the building through the east doors of the Sam W. Mitchell Building, 125 North Roberts, Helena, Montana.

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, contact the Department of Revenue no later than 5:00 p.m., October 11, 2011, to advise us of the nature of the accommodation that you need. Please contact Cleo Anderson, Department of Revenue, Director's Office, P.O. Box 7701, Helena, Montana 59604-7701; telephone (406) 444-5828; fax (406) 444-4375; or e-mail canderson@mt.gov.

3. The proposed new rules do not replace or modify any section currently found in the Administrative Rules of Montana. The proposed new rules provide as follows:

NEW RULE I PASS-THROUGH ENTITIES – AUDIT ADJUSTMENTS (1)

The department reports the details of audit adjustments resulting from an audit or other review of a pass-through entity's information return to the entity and the owners of the pass-through entity.

(2) The department reports the details of audit adjustments resulting from an audit or other review of a pass-through entity's composite tax return to the pass-through entity. The department does not report the details of audit adjustments to the eligible participants in the composite return because the pass-through entity is responsible for representing the eligible participants in appeals.

(3) If the audit adjustments resulting from an audit or other review of a pass-through entity's information return affect the Montana tax returns filed by the partners, shareholders, or other owners of the pass-through entity, then the department may adjust an owner's tax return to reflect the audit adjustments that passed through to the owner. If the department adjusts an owner's tax return, it will inform the owner of the details of the adjustments to its tax return, but the department will not report to the pass-through entity the details of the adjustments to

the owner's tax return.

(4) If the audit adjustments resulting from an audit or other review of a pass-through entity's information return affect Montana tax returns that partners, shareholders, and other owners have not filed, the department may request that the owners file tax returns. If an owner does not file a tax return, the department may estimate the owner's tax liability in accordance with 15-30-2512, MCA. The department will not report the details of the owner's estimated tax liabilities to the pass-through entity.

(5) Except as provided in (6), for multi-tiered entity structures, the department will not report the details of audit adjustments resulting from an audit or other review of a pass-through entity's information return to a related entity, unless the related entity is an owner of the audited pass-through entity. For example:

(a) if an audit or other review of a first-tier entity results in an audit adjustment the department will report the details of the audit adjustments to the first-tier entity and the owners of the first-tier entity. However, the department will not report the details of the audit adjustments to the owners of the second-tier entity, the third-tier or any higher-tier entity.

(6) If a single member limited liability company that is considered a disregarded entity for federal tax purposes is an owner of the pass-through entity, the department may report the details of the audit adjustments directly to the disregarded entity's owner.

(7) In multi-tiered entity structures, audit adjustments resulting from an audit or other review of a pass-through entity's tax return may affect the tax returns of entities and individuals that are not direct owners of the pass-through entity. If audit adjustments pass through to these indirect owners the department may:

(a) adjust the indirect owner's tax returns. If the department adjusts an indirect owner's tax return, then the department will notify the indirect owner of the adjustments to its tax return, but the department will not report the details of the pass-through entity's audit adjustments that passed through to the indirect owner. If the indirect owner wants the details of the audit adjustments that affected its return, the indirect owner will have to contact the pass-through entity that it owns an interest in for that information; or

(b) estimate the indirect owner's tax liability in accordance with 15-30-2512, MCA. If the department estimates an indirect owner's tax liability, the department will notify the indirect owner of the estimated tax liability. The department will not report the details of the pass-through entity's audit adjustments that passed through to the indirect owner. If the indirect owner wants the details of the audit adjustments that affected its return, the indirect owner will need to contact the pass-through entity that it owns an interest in for that information.

AUTH: 15-1-201, 15-30-3312, MCA

IMP: 15-30-2512, 15-30-3302, 15-30-3311, 15-30-3312, 35-1-1107, 35-8-405, 35-10-103, 35-10-402, 35-12-508, MCA

REASONABLE NECESSITY: The department proposes the adoption of New Rule I to explain how the disclosure of confidential information affects the department's ability to provide information to pass-through entities and their owners.

With the increased number of pass-through entities filing and the complex nature of many of the multi-tiered structures involved, New Rule I is proposed to address confidentiality and information access issues that have been posed to the department in the course of its pass-through audit activity.

New Rule I identifies the information that can be provided to the different parties that may be affected by an audit of a pass-through entity, including indirect owners. The rule will also provide guidance to the owners regarding the information that they are able to obtain from the department when the department conducts an audit or other review of a pass-through entity return.

Overall, the goal of the department in writing this rule has been to fulfill its responsibility to protect confidential information in the context of an audit or review of complex pass-through entity structures while providing information to owners.

NEW RULE II PASS-THROUGH ENTITIES – STATUTE OF LIMITATIONS

(1) The department may revise any return of an entity if, in the opinion of the department, it is incorrect in any essential respect.

(2) If a revision to a pass-through entity's information return changes the owners' distributive share of Montana source income, gain, loss, deduction, or credit or item of income, gain, loss, deduction, or credit the department will review the owners' tax returns and determine if additional tax is due. If additional tax is due, the department may assess tax, penalties, and interest as follows:

(a) if the additional tax, penalties, and interest are due on a return filed by an individual, trust, or estate, it may be assessed within five years of when the return was filed; or

(b) if the additional tax, penalties, and interest are due on a return filed by a C corporation, it may be assessed within three years of when the return was filed.

(3) If a revision to a pass-through entity's composite return changes the amount of tax, penalties, and interest due on a composite return filed by the pass-through entity, the tax, penalties, and interest may be assessed within five years of when the composite return was filed regardless of whether the participants are individuals, foreign C corporations, or pass-through entities.

(4) For purposes of (2) and (3), any return filed before the original due date is considered to be filed on the original due date.

(5) If no return was filed by the taxpayer, the department may assess tax, penalties, and interest at any time.

(6) There are various circumstances under which the statute of limitations described in (2)(a) and (3) may be extended as provided in 15-30-2605, MCA. The statute of limitations described in (2)(b) may be extended as provided in 15-31-509, MCA.

AUTH: 15-1-201, MCA

IMP: 15-30-2605, 15-30-2606, 15-30-2607, 15-30-3302, 15-31-509, MCA

REASONABLE NECESSITY: The department proposes the adoption of New Rule II to provide pass-through entities, their owners, and tax practitioners an explanation of how the statutes of limitations apply to the returns they file. Montana law establishes different statutes of limitations for individuals, trusts, and estates

(five years), and C corporations subject to the corporation license tax (three years). The department does not interpret the statute that provides for a three-year period within which to assess additional corporation license taxes as applying to composite tax imposed under chapter 30 on S corporations and partnerships. It is often confusing for owners of a pass-through entity, as well their tax practitioners, to know which statute of limitations applies to their specific tax type; therefore, the goal of New Rule II is to address and mitigate this confusion.

New Rule II also provides guidance for when the statute of limitations may be extended. The language in New Rule II reflects the current department practice and is included to inform the public of that practice.

NEW RULE III DISREGARDED ENTITIES – SOURCING GAIN OR LOSS ON THE SALE OF AN INTEREST (1) Gain on the sale of an interest in a single member limited liability company (LLC) that is a disregarded entity is sourced to Montana as if the single member LLC did not exist and the assets of the LLC are owned directly by the sole member (or sole member and spouse, if applicable). The following example illustrates how this rule is applied:

(a) Nonresident individual C is the sole member of LLC D. LLC D is a single member LLC that is disregarded as a separate entity for tax purposes. LLC D's only asset is rental property located in Montana. If nonresident individual C sells his interest in LLC D, the transaction is sourced to Montana in the same way that the gain would be sourced if C owned LLC D's assets directly and sold them.

AUTH: 15-1-201, 15-30-2620, MCA

IMP: 15-30-2101, 15-30-2110, 15-30-3302, 15-30-3311, MCA

REASONABLE NECESSITY: The department proposes the adoption of New Rule III to identify how the sale of an interest in a disregarded entity is reported on the owner's Montana tax return. This will help ensure the proper reporting of income and avoid the attempted improper avoidance of Montana tax.

While current Montana law disregards the separate existence of disregarded entities, the department has previously not addressed in rule how this concept applies when the owner of a disregarded entity sells its interest in the entity instead of the assets of the entity. New Rule III explains that the sale of an interest in a disregarded entity is to be sourced to Montana by the owner as though the owner sold the assets of the disregarded entity. This rule provides additional guidance to both the taxpayers and their practitioners on how to report the sale of a disregarded entity because the sale is often reported incorrectly. By ensuring fair and accurate reporting of these sales, both the department and taxpayers and their tax practitioners strengthen and support an equitable tax administration process for all Montana businesses.

This language reflects current department interpretation and is included to inform the public of that interpretation.

NEW RULE IV MULTI-TIERED PASS-THROUGH ENTITY STRUCTURES WITH MONTANA SOURCE INCOME – REPORTING REQUIREMENTS (1) A pass-through entity may have, in addition to income from its own operations or

activities, income from one or more other pass-through entities. This rule describes how the pass-through entity must classify its income from its own operations or activities as business or nonbusiness income and how it must report its income from other pass-through entities. For purposes of this rule, "operations income" means the income of a pass-through entity from its own operations or activities and "flow-through income" means its separately and nonseparately stated distributable share of income from other pass-through entities.

(2) Except as provided in (5), each pass-through entity has to separately determine whether its operations income is business or nonbusiness income as those terms are defined in ARM 42.26.206. Once a pass-through entity determines the business or nonbusiness character of its operations income, the entity must then determine what part of this business and/or nonbusiness income is Montana source income. Except as provided in (5) and (6), the operations income retains its character as business or nonbusiness income and as Montana source income regardless of how many other tiers of pass-through entities through which the income is passed.

(3) Except as provided in (5) and (6), flow-through income of a pass-through entity, determined as provided in (1), retains its character as business and/or nonbusiness income and its character as Montana source income.

(4) An entity in a multi-tiered pass-through entity structure may have flow-through income sourced to Montana under the subsections of the definition of "Montana source income" in 15-30-2101, MCA, that address partnership or S corporation income derived from Montana activity or property, reportable on Montana Schedule K-1, and also operations income sourced to Montana as a result of its own business activity under other subsections of that definition of "Montana source income," such as net income from a business, profession, or farming activities carried on in the state. If this occurs the entity must allocate to Montana the flow-through income sourced to Montana and the entity must determine the portion of its operations income that is sourced to Montana as provided in (1) and allocate or apportion that Montana source income under the provisions of ARM 42.15.120.

(5) This rule does not apply to a partnership or disregarded entity whose operations are unitary with the business operations of a corporate partner or disregarded entity owner that is a C corporation whose apportionment factors are included in the computation of the C corporation's apportionment factors as provided in ARM 42.26.228.

(6) Nothing in this rule prevents the department from determining the business or nonbusiness character of an entity's operations income or the Montana source character of its Montana flow-through income sourced to Montana.

AUTH: 15-1-201, MCA

IMP: 15-30-3302, 15-30-3311, MCA

REASONABLE NECESSITY: The department proposes the adoption of New Rule IV to explain how Montana source income has to be reported as it passes through multi-tiered pass-through entity structures. Pass-through entities engaged in business in Montana and in other states source their business income or

nonbusiness income to Montana and other states as provided in ARM 42.15.120. Pass-through entities, however, may also receive distributable shares of Montana source income from other pass-through entities.

New Rule IV provides guidance to taxpayers about how to report their Montana source income to Montana when they receive that income from a lower tier and explains that the character and source of the income is determined by the entity that earned it and that that character, once determined, never changes. For example, pass-through entities should not apportion (i.e., include in their business income and apply their sales, payroll, and property factors to) Montana source income that they received as a distributable share of income from another pass-through entity.

In addition, the rule explains how a pass-through entity has to add together both its Montana source income derived from its own operations and activities, and any Montana source income that is included in its distributable share of income from another pass-through entity, in determining and reporting its Montana source income in its Montana information returns and in the Montana Schedule(s) K-1 it provides to its owners.

By adopting proposed New Rule IV, the department will maintain consistency and fairness in the way it taxes Montana source income that flows through pass-through entities.

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

42.9.102 PASS-THROUGH ENTITY INFORMATION RETURNS (1) Every pass-through entity with Montana source income is subject to the requirement in 15-30-3302, MCA, to file pass-through entity information returns. Most pass-through entities are subject to an annual filing requirement. In general, the status of a pass-through entity is the same as its status for federal income tax purposes. ~~Disregarded entities with Montana source income, whose separate existence is disregarded for federal income tax purposes, are subject to the information return filing requirements in this rule, even though no filing requirement may be imposed in the IRC. Some disregarded entities are required to file information returns only on the happening of an event.~~ A pass-through entity falls into one of three categories:

- (a) partnership;
- (b) S corporation; or
- (c) disregarded entity.

(2) Disregarded entities with Montana source income, whose separate existence is disregarded for federal income tax purposes, are subject to the information return filing requirements in this rule, even though no filing requirement may be imposed in the IRC. Some disregarded entities are required to file information returns only on the happening of an event.

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

(3)(4) Partnership and S corporation returns can also be filed electronically through the Taxpayer Access Point (TAP) on the Department of Revenue's web site at revenue.mt.gov or the joint federal/state program using approved software vendors.

~~(4)~~(5) Rules for automatic extensions to file the information returns are provided for in ARM 42.9.301 and 42.9.401 for each type of pass-through entity. In addition, On an written application, and for good cause shown, the department may grant additional extensions for the filing requirements provided in this subchapter.

AUTH: 15-1-201, 15-30-2620, 15-31-501, MCA

IMP: 15-30-2602, 15-30-2603, 15-30-2616, 15-30-3302, 15-30-3311, 15-30-3312, 15-31-101, 15-31-111, MCA

REASONABLE NECESSITY: The department proposes to amend ARM 42.9.102 to improve taxpayer convenience by informing partnerships and S corporations of additional options they now have to file their returns electronically. The department is further proposing the amendments to the rule to improve its clarity and readability by separating language specific to disregarded entities from language that addresses pass-through entities in general.

42.9.106 STATEMENT, COMPOSITE RETURN, OR WITHHOLDING, OR WAIVER FOR PARTNERS, SHAREHOLDERS, MANAGERS, AND MEMBERS THAT ARE SECOND-TIER PASS-THROUGH ENTITIES ~~(1) A partnership and S corporation~~ Except as provided in (2), a first-tier pass-through entity with one or more owners that are also pass-through entities (second-tier pass-through entities), during any part of the tax year for which an information return is required by this chapter, must for each second-tier pass-through entity:

(a) file a composite return as provided in ARM 42.9.202 and include the second-tier pass-through entity in the filing; or

~~(b) obtain from the second-tier pass-through entity and file with its information return the second-tier pass-through entity owner statement on form PT-STM, Montana Second-tier Pass-through Entity Owner Statement establishing that its Montana source income will be fully accounted for in individual income or corporate license or income tax returns filed with the state; or~~ do each of the following:

~~(c)(i) remit to the department an amount equal to on the second-tier pass-through entity's account, determined as provided in (4), the highest marginal rate in effect under 15-30-2103, MCA multiplied by the second-tier pass-through entity's share of Montana source income with the forms CLT-4S or, PR-1, or DER-1 Pass-through Through Entity's Information Return; and~~

~~(d)(ii) provide Form PT-WH or Montana Schedule K-1 to the second-tier pass-through entity setting forth the amount of withholding remitted to the department which can be passed through to its owners and used as a withholding payment against the tax liability of the owner of the second-tier pass-through entity upon filing a Montana individual income or corporation license tax return that may be claimed as a refundable credit against the Montana income tax liability of the owners who file individual, corporation license, or other income tax returns as explained in (7).~~

~~(2) A disregarded entity with one or more owners that are also pass-through entities (second-tier pass-through entities), during any part of the tax year for which an information return is required by this chapter, must for each second-tier pass-~~

through entity:

~~(a) obtain from the second-tier pass-through entity and file with its information return the second-tier pass-through entity owner statement on form PT-STM, Montana Second-tier Pass-through Entity Owner Statement. This statement establishes that the owner's Montana source income will be fully accounted for in individual income or corporate license or income tax returns filed with the state; or~~

~~(b) remit an amount on the second-tier pass-through entity's account, determined as provided in (4) with the form DER-1, Disregarded Entity Information Return; and~~

~~(c) provide form PT-WH or Montana Schedule K-1 to the second-tier pass-through entity setting forth the amount of withholding remitted to the department which can be passed through to its owners and used as a withholding payment against the tax liability of the owner of the second-tier pass-through entity upon filing a Montana individual income or corporation license tax return. The department may waive the requirements to remit tax or pay composite tax on behalf of the second-tier pass-through entity for the current tax year as set forth in (1) if the second-tier pass-through entity:~~

~~(a) completes and submits the Form PT-STM for the year to the department at least 45 days before the original due date of the first-tier pass-through entity's tax return; and~~

~~(b) establishes to the satisfaction of the department that its distributive share of Montana source income for the current year will be fully accounted for in individual income, corporation license, or other income tax returns filed with the state.~~

~~(3) The pass-through entity is required to attach new statements, form PT-STM, each year. The department will notify the first and second-tier pass-through entities of its decision to waive or not waive the requirement to file a composite return or remit within 30 days after receipt of the completed Form PT-STM. The department will generally waive the requirement if it can determine that all of the income for the three most recent tax years has been reported on timely filed tax returns and that all tax due under those returns has been paid.~~

~~(4) The amount that must be remitted by the due date described in (5) is the highest marginal rate in effect under 15-30-2103, MCA, multiplied by the share of Montana source income of the second-tier pass-through entity reflected on the first-tier pass-through entity's information return. The department may grant a conditional waiver that lasts longer than one year on written request included with the Form PT-STM if, in addition to the conditions provided in (3), the second-tier pass-through entity:~~

~~(a) agrees to notify the department if the ownership of the second-tier pass-through entity and, if applicable, the ownership of any higher-tier pass-through entities changes;~~

~~(b) agrees to remit the amount provided under (1) within 60 days after notice from the department that its distributive share was not fully accounted for on corporation license, individual income, or other tax returns filed with the department; and~~

~~(c) agrees to be subject to the personal jurisdiction of the state for the collection of the remittance.~~

~~(5) The due date for the remittance described in (1)(c) and (2)(b) is the due~~

date of the first-tier pass-through entity's information return. The department's waiver is conditioned upon there being no change in material facts, including a change of ownership of the second-tier pass-through entity and, if applicable, the ownership of any higher-tier pass-through entity changes, and is automatically revoked on the happening of any such change.

(6) remains the same.

(7) The amount remitted by the first-tier pass-through entity on behalf of the second-tier pass-through entity is claimed as a refundable credit by the taxpayer who ultimately reports their distributive share of the second-tier pass-through entity's Montana source income. For example:

(a) a first-tier pass-through entity remitted tax on behalf of a second-tier pass-through entity, X. X has two owners, an individual and another pass-through entity, Y. The individual owner will report his or her distributive share of the remitted tax as a refundable credit on an individual Montana income tax return. The other owner, Y, will report Y's distributive amount of the remitted tax to its owner. Y has one owner, a trust. The trust will report its distributive share of the remitted tax as a refundable credit on its Montana income tax return for trusts and estates.

(8) This rule is effective for tax years beginning after December 31, 2011.

AUTH: 15-1-201, 15-30-2620, MCA

IMP: 15-30-3302, 15-30-3312, 15-30-3313, MCA

REASONABLE NECESSITY: The department is proposing amendments to ARM 42.9.106 to reflect a procedure change that more accurately represents the statute. Given the national growth of complex pass-through entity structures with nonresident owners, current practices are not sufficient to ensure proper tax collection, and hold owners of these multi-tier structures accountable. Because of these trends, the revenue intended to be collected by the Legislature is going uncollected, resulting in tax dollar shortfalls for the state of Montana and inequities for those taxpayers, predominately Montana residents, who pay the right amount of tax. By adopting this change in procedure, the department brings practices and rules into closer conformity with statute while providing administration convenience and reduced cost for Montana practitioners, including the members of the Montana Society of CPAs. As was discussed recently with the state tax practitioners, the amendments allow multi-tiered structures who are compliant with tax filings and payments to receive a waiver of the requirement of the first-tier entity to pay tax on behalf of second-tier entities for multiple years as long as the entities remain compliant.

The proposed amendments describe the tax filing and tax remittance requirements of first-tier pass-through entities when one or more of the owners of the first-tier pass-through entity is a second-tier entity. If the second-tier entity is not able to establish that all of the Montana source income received from the first-tier entity is eventually reported on tax returns, the first-tier entity must pay tax on behalf of the second-tier for its share of Montana source income (by remittance of a composite tax payment). If the second-tier entity is able to establish that all of its Montana source income is accounted for on tax returns, then the department may waive the requirement that first-tier entity pay tax on behalf of the second-tier entity.

By doing this the department will be able to ensure that the second-tier entity correctly identifies all owners and verifies that they are reporting income. These amendments also illustrate to the public how the tax filing and tax remittance requirements are applied to multi-tiered structures.

Multi-tiered pass-through entities are increasing both in number and complexity, and with this the department has noted a marked increase in nonfiling by the owners of upper-tier entities. In the past, the department has not experienced these problems with Montana pass-through entities that are not part of multi-tiered structures; however, the dramatic increase in multi-tiered structures has necessitated a response that will guarantee that the tax intended to be collected by the Legislature is rightfully paid. This amendment will ensure the proper collection of revenue for the state of Montana and will substantially contribute to an efficient tax administration process that ensures fair and equitable taxation of all Montana businesses.

The proposed amendments also provide for a delayed effective date for the rule, which will begin with the tax year after December 31, 2011, so that taxpayers, tax practitioners, and software vendors have sufficient time to learn of and make provisions for complying with the department's change in procedure.

42.9.203 COMPUTATION OF COMPOSITE TAX (1) The composite tax, required to be remitted to the department with the composite tax return, is the sum of each electing eligible participant's composite tax liability.

(2) The composite return liability of each eligible consenting participant is ~~the product obtained by~~ calculated as follows:

~~(a) determining the tax that would be imposed, using the rates specified in 15-31-121, MCA, for C corporations, and using the rates specified in 15-30-2103, MCA, for all other eligible participants, on the sum obtained by subtracting the allowable standard deduction for a single individual, an amount adjusted annually, and one exemption allowance, from the participant's share of the entity's income from all sources as determined for federal income tax purposes; and~~ compute the entity's composite tax ratio by:

(i) calculating the entity's federal income from all sources as determined for federal income tax purposes;

(ii) calculating the entity's Montana source income;

(A) if the entity is only doing business in Montana, the entity's Montana source income is the net taxable income after Montana additions and deductions to income as allowed in 15-30-3302, MCA; or

(B) if the entity is engaged in multistate business, the entity's Montana source income is determined as provided in [NEW RULE IV]; and

(iii) dividing the entity's Montana source income by the entity's federal income from all sources;

~~(b) multiplying that amount by the ratio of the entity's Montana source income to the entity's income from all sources for federal income tax purposes. subtract the allowable standard deduction for a single individual and one exemption allowance from each participant's share of the entity's federal taxable income as determined for federal income tax purposes. Determine the tax that would be imposed on the result using the rates specified in 15-31-121, MCA, for C corporations and the rates~~

specified in 15-30-2103, MCA, for all other eligible participants; and
(c) multiply the amount determined in (b) by the composite tax ratio
computed in (a).

(3) Tax credits may not be claimed against composite tax.

(4) When shareholders and partners elect to be included in the composite
return, the entity must apply their share of mineral royalty tax withheld for mineral
rights owned by the entity to the composite tax liability.

~~(3)(5)~~ The entity is required to make quarterly estimated tax payments as
prescribed by 15-30-2512, MCA, ~~computed separately for each participant included~~
~~in the filing of a composite return on the total composite tax liability as computed in~~
~~(1).~~

~~Example:~~ Assume an S corporation's federal return shows income from all
sources of \$60,000, \$20,000 of which is Montana source income, and that an
eligible participant's share of the S corporation's federal income is one-fourth, or
\$15,000. ~~The eligible participant's composite return liability is:~~

Participant's share of entity income from all sources	\$ 15,000
Standard deduction (2009)	(3,500)
Exemption allowance (2009)	(2,110)
	\$ 9,390

~~Assume the tax on the \$9,390, using the rates set forth in 15-30-2103, MCA,~~
~~is \$237.~~

~~Participant's composite return liability would be \$237 x \$20,000/\$60,000 =~~
~~\$79.~~

AUTH: 15-1-201, 15-30-2620, 15-30-3312, MCA

IMP: 15-30-2103, 15-30-2512, 15-30-3302, 15-30-3312, 15-31-121, MCA

REASONABLE NECESSITY: The department proposes to amend ARM
42.9.203 to provide pass-through entities and their return preparers more
information about the composite tax calculation. The department is proposing to
amend (2)(a) and (2)(b) to provide a more specific calculation of the composite
return liability of each eligible consenting participant.

This proposed amendment also stipulates that tax credits are not applied to
the composite tax.

Additionally, this rule explains that owners who elect to be included on the
composite tax return will have their share of mineral royalty tax that the pass-through
entity withheld applied to the composite tax. The proposed amendment to (5)
explains that the quarterly estimated tax payments for composite tax are determined
on the total composite tax liability, not the separate tax liabilities of eligible
participating owners. This procedure change will support a more accurate and fair
tax administration process.

42.15.120 INTENT BUSINESS AND NONBUSINESS INCOME – APPORTIONMENT OR ALLOCATION (1) For purposes of the reporting requirements for individuals, trusts, estates, income taxes and pass-through entities that have Montana business or nonbusiness income and determining their Montana tax liability, the department adopts by reference the following rules contained in ARM Title 42, chapter 26 – Corporate Multistate Activities, subchapters:

- (a) 1 - General Provisions, as it existed on December 21, 2001;
- (b) 2 - Income Allocation and Apportionment, as they existed on December 27, 2002, except ARM 42.26.204, 42.26.228, and 42.26.229;
- (c) 4 - Special Rules Related to Installment Sales, as they existed on December 21, 2001;
- (d) 6 - Railroads, as they existed on December 21, 2001;
- (e) 7 - Trucking, as they existed on December 21, 2001;
- (f) 8 - Airlines, as they existed on December 21, 2001;
- (g) 9 - Special Rules for Construction Contracts, as they existed on December 21, 2001;
- (h) 10 - Publishing Companies - Apportionment, as they existed on April 23, 2004; and
- (i) 11 - Television and Radio Broadcasting, as they existed on April 23, 2004.

(2) The taxpayer may petition for or the department may require an alternative method of reporting activity in the state as provided in 15-1-601, MCA.

~~(2)~~(3) When applying the rules referred to in (1) ~~for individual income tax purposes~~, the terms "~~individual~~" "individual," "trust," "estate," or "entity" shall replace the term "corporation," and the provisions of Title 15, chapter 30, MCA, shall replace references to Title 15, chapter 31, MCA.

(4) The reporting requirements in [NEW RULE IV] are in addition to and not in lieu of any rules referred to in (1) and the provisions of the Multistate Tax Compact as adopted in 15-1-601, MCA.

AUTH: 15-30-2620, MCA

IMP: 15-1-601, 15-30-2111, MCA

REASONABLE NECESSITY: The department proposes to amend ARM 42.15.120 to provide guidance to multistate pass-through entities with a tax filing requirement in Montana. The proposed amendments change the title of the rule to more accurately describe the subject matter and modify the language in (1) so that the public can better understand what is required for multistate businesses filing Montana tax returns.

The proposed amendments also identify the relief provision that allows taxpayers who may have circumstances which are not addressed by the provisions in ARM Title 42, chapter 26 or 15-1-601, MCA, to petition the department for approval of an alternative method of reporting its activity in the state.

5. Concerned persons may submit their data, views, or arguments, either orally or in writing, at the hearing. Written data, views, or arguments may also be submitted to: Cleo Anderson, Department of Revenue, Director's Office, P.O. Box 7701, Helena, Montana 59604-7701; telephone (406) 444-5828; fax (406) 444-4375;

or e-mail canderson@mt.gov and must be received no later than October 21, 2011.

6. Cleo Anderson, Department of Revenue, Director's Office, has been designated to preside over and conduct the hearing.

7. An electronic copy of this notice is available on the department's web site at www.revenue.mt.gov. Locate "Legal Resources" in the left hand column, select the "Rules" link and view the options under the "Notice of Proposed Rulemaking" heading. The department strives to make the electronic copy of this notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the department strives to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

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 notices regarding particular subject matter or matters. 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 person in 5 above or faxed to the office at (406) 444-4375, or may be made by completing a request form at any rules hearing held by the Department of Revenue.

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

/s/ Cleo Anderson
CLEO ANDERSON
Rule Reviewer

/s/ Dan R. Bucks
DAN R. BUCKS
Director of Revenue

Certified to Secretary of State September 12, 2011

BEFORE THE DEPARTMENT OF REVENUE
OF THE STATE OF MONTANA

In the matter of the adoption of New)
Rules I through III, and the amendment)
of ARM 42.13.101 and 42.13.111)
relating to alcohol server training)
requirements)

NOTICE OF PUBLIC HEARING ON
PROPOSED ADOPTION AND
AMENDMENT

TO: All Concerned Persons

1. On October 24, 2011, at 9:00 a.m., a public hearing will be held in the Third Floor Reception Area Conference Room of the Sam W. Mitchell Building, at Helena, Montana, to consider the adoption and amendment of the above-stated rules.

Individuals planning to attend the hearing shall enter the building through the east doors of the Sam W. Mitchell Building, 125 North Roberts, Helena, Montana.

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, contact the Department of Revenue no later than 5:00 p.m., October 17, 2011, to advise us of the nature of the accommodation that you need. Please contact Cleo Anderson, Department of Revenue, Director's Office, P.O. Box 7701, Helena, Montana 59604-7701; telephone (406) 444-5828; fax (406) 444-4375; or e-mail canderson@mt.gov.

3. The department is proposing to adopt these new rules and amendments to increase the public's and licensees' understanding of the Responsible Alcohol Sales and Service Act to reflect the statutory requirements made by the 2011 Legislature in Title 16, ch. 4, part 10, MCA. The new rules outline the responsibilities of the department, licensees, and vendors provided in the Responsible Alcohol Sales and Service Act.

4. The proposed new rules do not replace or modify any section currently found in the Administrative Rules of Montana. The proposed new rules provide as follows:

NEW RULE I DEPARTMENT RESPONSIBILITIES REGARDING THE ENFORCEMENT OF MANDATORY SERVER AND SALES TRAINING PROGRAMS

(1) The implementation and enforcement of the mandatory server and sales training programs within the Responsible Alcohol Sales and Service Act in Montana is under the exclusive authority and jurisdiction of the Department of Revenue.

(2) To comply with and implement the Act, the department will:

- (a) develop a standard curriculum;
- (b) update the curriculum on an annual basis;

- (c) determine delivery standards based on an objective evaluation;
 - (d) determine testing standards based on an objective evaluation;
 - (e) conduct train-the-trainer sessions for the standard curriculum or delegate such responsibility to another entity; and
 - (f) determine specifications for training providers.
- (3) The department will:
- (a) approve, regulate, and monitor training providers and their curriculum;
 - (b) review and approve or deny responsible alcohol sales and service training providers within 45 days of a complete application submittal;
 - (c) issue an approval or denial letter to the training provider; and
 - (d) provide contact information on the department web site for all approved publicly offered training providers.
- (4) The department will develop an electronic tracking system for training providers to input participants' training information.
- (5) The department will not provide responsible alcohol sales and service training programs directly to retail sales employees.
- (6) The department's goal is to have effective and affordable training widely available through approved training providers in order to achieve public health and safety goals with a trained workforce. Although the department cannot guarantee it will meet these goals continuously, the department will strive to accomplish them based on available resources and the economic environment.

AUTH: 16-4-1009, MCA

IMP: 16-4-1001, 16-4-1002, 16-4-1003, 16-4-1004, 16-4-1005, 16-4-1006, 16-4-1007, 16-4-1008, MCA

REASONABLE NECESSITY: New Rule I defines the scope and responsibilities of the department in regard to the Responsible Alcohol Sales and Service Act enacted by the 2011 Montana Legislature.

The adoption of New Rule I will enable the department to provide consistent, equitable, and timely treatment in the application of the Responsible Alcohol Sales and Service Act, as intended by the Legislature. New Rule I works to remove ambiguity from the process and thus benefits licensees, their employees, responsible sales and service training providers, and the public.

NEW RULE II LICENSEE RESPONSIBILITIES REGARDING THE RESPONSIBLE ALCOHOL SALES AND SERVICE ACT

(1) All licensees will be required, as of January 1, 2012, to ensure that all persons who serve or sell alcoholic beverages, their immediate supervisors, and all licensees or owners of licensees who personally serve or sell alcoholic beverages on behalf of the licensee, have completed a responsible alcohol sales and service training class.

(2) Individuals trained within the three-year time period prior to January 1, 2012, by any training provider, will be in compliance with the training requirement provided that the individual has valid proof of training within that period. Such individuals must be retrained within three years from their date of training.

(3) On or after January 1, 2012, employees who do not have current valid proof of training must obtain training from a training provider preapproved by the

department. Any training received from a nonapproved training provider does not satisfy the server training requirements of Title 16, ch. 4, part 10, MCA, or these rules.

(4) Employees must receive training within 60 days of hire and every three years thereafter. Licensees or owners of licenses must receive training within 60 days of department approval of their ownership interest if they personally serve alcoholic beverages, or 60 days of when they begin personally serving alcoholic beverages, and every three years thereafter.

(5) Licensees shall maintain proof of training for each employee. If, as a result of a routine check for compliance with 16-3-301, 16-6-304, or 16-6-305, MCA, and 16-4-1005, MCA, the department believes the licensee may be out of compliance, the department may make an examination of the licensee's training or employee records. After reviewing the records, if the department has reasonable cause to believe the licensee is not in compliance with Title 15, ch. 4, part 10, MCA, the department will impose a penalty as provided by law.

(6) Title 16, ch. 4, part 10, MCA, is silent as to whether the licensee or the employee is responsible for the cost of the training. This is to be determined by agreement between the licensee and employee.

AUTH: 16-4-1009, MCA

IMP: 16-3-301, 16-4-1001, 16-4-1002, 16-4-1003, 16-4-1004, 16-4-1005, 16-4-1006, 16-4-1007, 16-4-1008, 16-6-304, 16-6-305, MCA

REASONABLE NECESSITY: New Rule II provides notice to licensees that they are responsible for ensuring that every employee and the supervisor of every employee who serves or sells alcoholic beverages at their licensed premises has completed a responsible alcohol sales and service training class within 60 days of hire and as a licensee they are responsible to maintain these records. The rule also addresses responsibility for the costs associated with the training.

New Rule II establishes the status of employees with valid proof of training received prior to January 1, 2012, and clarifies that employees trained prior to that date must receive training again within three years of their training date.

New Rule II will benefit liquor licensees, their employees, responsible sales and service training providers, and the public, by making it clear who is required to be trained and who is responsible for maintaining the training certifications.

NEW RULE III TRAINING PROVIDER RESPONSIBILITIES REGARDING THE RESPONSIBLE ALCOHOL SALES AND SERVICE ACT

(1) In order for a responsible alcohol sales and service training curriculum to be valid for purposes of Title 16, ch. 4, part 10, MCA, and these rules, the training provider must submit its curriculum to the department for approval. All training providers shall meet the following submittal requirements for approval. In order to have their curriculum approved, a training provider must submit:

- (a) a hard copy of the curriculum and student workbook;
- (b) a hard copy of the trainers' workbook or guide;
- (c) a hard copy of all participant handouts;
- (d) a hard copy of the course exam along with the answer sheet;

(e) a hard copy of any training supplement for specific Montana state information;

(f) a hard copy of the program proof of completion document issued to participants; and

(g) a copy of all videos or other visual aids used in the training program.

(2) The department strongly encourages the use of an interactive discussion format for both classroom and online curriculums.

(3) The department encourages the use of community-based expert presenters during the training, e.g., a law enforcement officer to present information regarding false identifications, a health expert to present information pertaining to how alcohol affects the body, and an attorney to present potential liability and penalty issues.

(4) If submitting an online program, the training provider must also make the program in its online format available for the department to review.

(5) The training provider must provide the contact information to be listed on the department's web site regarding the training provider including:

(a) company name;

(b) address;

(c) phone number;

(d) e-mail; and

(e) web site addresses.

(6) In order for a responsible alcohol sales and service training curriculum to be approved by the department, the curriculum must provide at least three hours of instruction and meet course minimum standards to include the following content:

(a) the effects of alcohol on the human body, to include behavior cues and absorption rate factors;

(b) information, including but not limited to, a review of Montana alcoholic beverage laws and criminal, civil, and administrative penalties related to 16-3-301, 16-6-304, and 27-1-710, MCA;

(c) an explanation of the three types of liability, their full consequences, and the importance of not selling or serving to underage and intoxicated persons;

(d) procedures for checking identification and the acceptable forms of identification;

(e) procedures for gathering proper documentation that may affect the licensee's liability, including maintaining an incident log, training records, licensee's policies, and conditions of employment;

(f) training for handling difficult situations, such as persons who exhibit uncooperative, disruptive, or intimidating behavior;

(g) evaluation techniques regarding intoxicated persons or others who pose a potential liability, and recommend approaches for refusing sales or service;

(h) a final test that includes questions concerning alcohol and its effect on the body and behavior, recognizing and dealing with the problem drinker, Montana liquor laws, and terminating service;

(i) participants must pass the final test with a minimum score of 85 percent;

(j) the portion of the final test concerning Montana liquor laws must consist of uniform questions approved by the department; and

(k) to keep the integrity of training, the program should have different final tests that are used randomly.

(7) The curriculum must be delivered in a manner that accomplishes results based on an empirical objective evaluation and the department may periodically conduct a review of approved training to ensure it meets the minimum standards.

(8) The department will continually strive to improve the effectiveness of both the training and the testing and will consider, among other factors, the future rate of violations by servers who have undergone each type of training and testing. If the department determines that a particular training or testing method is less successful than others, the department may require improvements in the less successful training or testing methods, or choose to not continue certification of such training.

(9) Training providers must resubmit their curriculum to the department every two years for approval.

(10) Based on the criteria within this rule, training providers approved prior to its adoption must seek and obtain re-approval within 90 days of the rule's effective date. Training providers approved prior to the effective date of this rule may continue to provide training within the 90 days following the effective date while they are seeking the department's re-approval. Any previous approval by the department will otherwise expire 90 days following the adoption of this rule.

(11) Course exams must be graded by the training provider and not the individual trainer who instructed the course participants.

(12) Proof of training must be issued by the training provider and not the individual trainer who instructed the course participants.

(13) Within 30 days of each training session, training providers must:

(a) issue a certificate to each participant who successfully completed the training and passed the test that includes:

- (i) full name;
- (ii) date of birth; and
- (iii) date of training.

(b) provide electronic notification to the department, in a format prescribed by the department, the following information for all participants:

- (i) the training provider's name;
- (ii) the date of training;
- (iii) the type of training (i.e., online, classroom, or both);
- (iv) the participant's full name;
- (v) the participant's date of birth;
- (vi) the last four digits of the participant's social security number (SSN) or if no SSN exists, an alternative such as a visa or passport number; and
- (vii) the participant's passing or failing score.

AUTH: 16-4-1009, MCA

IMP: 16-3-301, 16-4-1001, 16-4-1002, 16-4-1003, 16-4-1004, 16-4-1005, 16-4-1006, 16-4-1007, 16-4-1008, 16-6-304, 16-6-305, MCA

REASONABLE NECESSITY: Proposed New Rule III establishes the process training providers will need to follow in order to receive department approval for their training, outlines the required content for the training, and defines the responsibilities

of the training providers.

New Rule III is necessary to ensure consistent and equitable standards for all training providers, works to remove ambiguity from the training requirements, and thus benefits licensees, their employees, responsible sales and service training providers, and the public.

To effectively increase the public health and safety, the department will partner with training experts to determine the minimum standards for the training curriculum, methods of training, and testing to ensure the desired behavioral outcomes are achieved.

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

42.13.101 COMPLIANCE WITH LAWS AND RULES (1) and (2) remain the same.

(3) The department will impose progressive penalties for multiple violations of any laws, ordinances and rules within any three-year period unless mitigating circumstances indicate the penalty should be reduced, or aggravating circumstances indicate the penalty should be increased. Violations and progressive penalties include, but are not limited to, those listed on the following chart. Any combination of four of the violations listed below occurring within a three-year period could result in a license revocation action.

<u>Violation</u>	<u>1st Offense</u>	<u>2nd Offense</u>	<u>3rd Offense</u>	<u>4th Offense</u>
Sale to an <u>Minor Underage Person</u>	\$250	\$1000	\$1500/20-day Suspension	Revocation
Sale to an <u>Intoxicated Person</u>	\$250	\$1000	\$1500/20-day Suspension	Revocation
Open after Hours	\$150	\$600	\$1000/12-day Suspension	Revocation
Sale after Hours	\$150	\$600	\$1000/12-day Suspension	Revocation
Re-pouring	\$250	\$1000	\$1500/20-day Suspension	Revocation
Denial of Right to Inspect	\$150	\$600	\$1000/12-day Suspension	Revocation
No Approval to Alter	\$300	\$600	\$1000/12-day Suspension	Revocation

No Management Agreement	\$150	\$600	\$1000/12-day Suspension	Revocation
Improper use of Catering Endorsement	\$150	\$600	\$1000/12-day Suspension	Revocation
Accept more than 7 Days credit	\$250	\$1000	\$1500/20-day Suspension	Revocation
Extend more than 7 Days Credit	\$250	\$1000	\$1500/20-day Suspension	Revocation

Licensee or employee without valid alcohol sales and service training certificate

Penalty for violations of this type as specified by (7) and by statute. Revocation for fourth violation.

Undisclosed Ownership Interest

Fine, Suspension or Revocation

90-Day Nonuse Without Approval

~~lapse~~ Lapse

(4) through (6) remain the same.

(7) A penalty for a licensee or licensee's employee not having a valid alcohol server training certificate shall be assessed against the licensee for whom the employee works at the time of the violation. The penalty for this violation is imposed against the licensee, and the licensee having multiple untrained employees on a particular date shall not be considered multiple violations; however, continued noncompliance on a future date may be considered as an additional violation of the server training requirement. The penalty shall be assessed in addition to any penalty for other Montana alcoholic beverage code violations such as sales to underage persons and/or sales to intoxicated persons, and the violation will be considered a separate violation by the department. Penalties for not having valid alcohol server training certificates may be taken into account based on the mitigating factors described in (8) when determining a licensee's total number of violations in a three-year period for purposes of the progressive penalty schedule in (3). However, the monetary penalty for each server training certificate violation shall be \$50 for a first offense, \$200 for a second offense, and \$450 for a third office in a three-year period.

(a) Example: If a licensee has one previous violation for sale after hours, and later violates the training certificate provision, the licensee will be penalized \$50 for the training certificate violation, although the violation will be considered a second

violation on the licensee's record. Then, if the licensee commits another violation within the same three-year period (for instance, a sale to an underage person), the penalty for that violation will be a third-violation penalty.

(8) Mitigating circumstances with regard to Title 16, ch. 4, part 10, MCA, are considered as follows:

(a) The mitigating circumstances provisions of 16-4-1008, MCA, apply only to violations of Title 16, ch. 4, part 10, MCA, and not to other violations.

(b) Neither cost nor convenience of training shall be considered by the department to excuse any licensee from compliance with the requirements of Title 16, ch. 4, part 10, MCA, and these rules.

(c) Any violation of 16-4-1005, MCA, occurring prior to April 1, 2012, will not be taken into account in determining the licensee's number of violations in a three-year period.

(d) In the department's discretion, a violation of 16-4-1005, MCA, occurring on or after April 1, 2012, may not be taken into account in determining the licensee's number of violations in a three-year period if:

(i) all managers and supervisors of persons who serve or sell alcoholic beverages meet the training requirements;

(ii) the licensee demonstrates to the department's satisfaction that its business policies and practices reflect substantial compliance with the server training requirements such that it is apparent the violation was the result of an oversight or mistake; and

(iii) the licensee has committed no previous violations of 16-4-1005, MCA.

~~(7)~~(9) Mitigating circumstances in the case of sale to a minor an underage person could result in a reprimand for the first offense under Title 16, MCA, within the most current three-year period if the licensee has provided alcoholic beverage service training acceptable to the department to all of its employees and reinforces that training with each employee at least every two years. The licensee must demonstrate that the person who made the sale to a minor has completed alcoholic beverage service training prior to the department considering issuance of a reprimand. A written reprimand will be considered a first offense for the application of the progressive penalty schedule only if the licensee commits the same offense again within one year. The written reprimand in lieu of a violation shall be available only one time per licensee.

(8) remains the same but is renumbered (10).

~~(9)~~(11) Aggravating circumstances include, but are not limited to:

(a) no effort on the part of a licensee to prevent a violation from occurring;

(b) a licensee's failure to report a violation at the time of renewal;

(c) a licensee's ignoring warnings issued by a regulating authority about compliance problems;

(d) recurring sales to underage persons or sales to intoxicated persons;

~~(d)~~(e) a licensee's failure to timely respond to requests during the investigation of a violation; and

~~(e)~~(f) a violation's significant negative effect on the health and welfare of the community in which the licensee operates.

~~(10)~~(12) If the violation discovered is an undisclosed ownership interest, the department will consider aggravating circumstances described in ~~(9)~~(10) and

mitigating circumstances such as voluntary disclosure of relevant facts in determining the appropriate penalty.

(11) remains the same, but is renumbered (13).

AUTH: 16-1-303, 16-4-1009, MCA

IMP: 16-3-301, 16-4-406, 16-4-1001, 16-4-1002, 16-4-1003, 16-4-1004, 16-4-1005, 16-4-1006, 16-4-1007, 16-4-1008, 16-6-305, 16-6-314, MCA

REASONABLE NECESSITY: The department is proposing to amend ARM 42.13.101 to reflect the passage of Title 16, ch. 4, part 10, MCA, (Senate Bill 29) by the 2011 Legislature. Title 16, ch. 4, part 10, MCA, provides for graduated penalties for licensees whose employees do not have valid alcohol server training certificates. Title 16, ch. 4, part 10, MCA, provides that the penalty may only be assessed against licensees if the licensee's failure to comply with server training requirements is discovered as a result of a compliance check. The department is proposing to amend the rule to enhance licensee's and the public's understanding of the new law, and how the penalty will be applied. This will also eliminate licensee confusion as to when a penalty may be assessed.

In addition, the department is proposing amendments to enhance the public's understanding of who will be responsible for violations of server training certification recordkeeping requirements, since the servers in the industry tend to move among licensees. This will eliminate confusion among licensees about who is responsible for maintaining certification of the licensed enterprise when there is a mobile workforce.

The terminology of "sales to minors" is being changed to "sales to underage persons" to accurately reflect that persons aged 18-20, in addition to those minors under 18, may not be provided alcoholic beverages.

With the proposed addition of new (8) to ARM 42.13.101, the department is making clear its interpretation of the plain language of Title 16, ch. 4, part 10, MCA, which provides that the mitigating circumstances described therein, apply only to server training violations and not to other violations of the Montana Alcoholic Beverage Code within the department's administrative rules.

In addition, the proposed rule describes when the violations for failure to comply with the Responsible Alcohol Sales and Service Act are included in determining the licensee's number of violations in a three-year period. Prior to April 1, 2012, a licensee will only be assessed the corresponding penalty without it being considered in the total number of violations for the licensee. Violations occurring on or after April 1, 2012, will not be included in the total number of violations in a three-year period if the licensee demonstrates all managers and supervisors of persons who serve or sell alcoholic beverages meet the training requirements, that its business policies and practices reflect substantial compliance with the server training requirements such that it is apparent the violation was the result of an oversight or mistake, and the licensee has committed no previous violations of the Act. Otherwise, the violation will be included in the total number of violations for the licensee within a three-year period. This is needed to help reconcile the penalties and mitigating circumstance language of the Responsible Alcohol Sales and Service Act with other penalties. The intent of the department is to first provide an

adjustment period to April 1, 2012. After April 1, 2012, the department's intent is to ensure that licensees who demonstrate their cooperation with the Responsible Alcohol Sales and Service Act do not incur the same consequences as those who are not in compliance with the Act.

Finally, the department is proposing to amend the reference to aggravating circumstances to specifically include recurring violations of sales to underage persons and sales to intoxicated persons, to reflect the department's actual established practices. This proposal does not represent a change in policy or practice.

42.13.111 DEFINITIONS The following definitions apply to this subchapter: (1) through (9) remain the same.

(10) "Proof of training" means a printed copy of a training certificate, wallet card, or online verification of completion of training received from the training provider.

(10) and (11) remain the same but are renumbered (11) and (12).

(13) "Training providers" means a company or organization that has a responsible alcohol sales and service training program.

AUTH: 16-1-303, 16-1-424, 16-4-1009, MCA

IMP: 16-1-424, 16-3-302, 16-3-311, 16-4-312, 16-4-404, 16-4-406, 16-4-1001, 16-4-1002, 16-4-1003, 16-4-1004, 16-4-1005, 16-4-1006, 16-4-1007, 16-4-1008, 16-6-104, MCA

REASONABLE NECESSITY: The department is proposing to amend the definitions rule, ARM 42.13.111, to enhance the public's, the licensees' and the responsible alcohol sales and service training providers' understanding of the terms that are being used in the new and amended rules in this chapter. By defining the new terms "proof of training" and "training provider," the department makes it clear what these two new terms mean, which should eliminate any potential confusion for the licensees, the trainers, and the public.

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: Cleo Anderson, Department of Revenue, Director's Office, P.O. Box 7701, Helena, Montana 59604-7701; telephone (406) 444-5828; fax (406) 444-4375; or e-mail canderson@mt.gov and must be received no later than October 28, 2011.

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

8. An electronic copy of this notice is available on the department's web site at www.revenue.mt.gov. Locate "Legal Resources" in the left hand column, select the "Rules" link and view the options under the "Notice of Proposed Rulemaking" heading. The department strives to make the electronic copy of this notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy

between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the department strives to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

9. The 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 notices regarding particular subject matter or matters. 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 person in 6 above or faxed to the office at (406) 444-4375, or may be made by completing a request form at any rules hearing held by the Department of Revenue.

10. The bill sponsor contact requirements of 2-4-302, MCA, apply and have been fulfilled. The primary bill sponsor of Senate Bill 29, Senator Lynda Moss, was notified on July 5, 2011, and subsequently on August 23, 2011, by regular mail.

/s/ Cleo Anderson
CLEO ANDERSON
Rule Reviewer

/s/ Dan R. Bucks
DAN R. BUCKS
Director of Revenue

Certified to Secretary of State September 12, 2011

BEFORE THE COMMISSIONER OF POLITICAL PRACTICES
OF THE STATE OF MONTANA

In the matter of the amendment of) NOTICE OF PUBLIC HEARING ON
ARM 44.10.401 pertaining to) PROPOSED AMENDMENT
statements and filing of reports)

TO: All Concerned Persons

1. On October 14, 2011, at 9:00 a.m., the Commissioner of Political Practices will hold a public hearing in the conference room of the State Capitol Building, Room 152, Helena, Montana, to consider the proposed amendment of the above-stated rule.

2. The Commissioner of Political Practices 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 Political Practices no later than 5:00 p.m. on October 12, 2011, to advise us of the nature of the accommodation that you need. Please contact David Gallik, Commissioner of Political Practices, 1205 8th Avenue, Helena, Montana, 59620; telephone (406) 444-2942; fax (406) 444-1643; or e-mail mabaker@mt.gov.

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

44.10.401 STATEMENTS AND REPORTS, FILING (1) Except as provided in this rule, E~~each~~ statement and report required by Title 13, chapters 35 and 37, MCA, and these rules shall be filed on forms prescribed by the commissioner, ~~except as provided in ARM 44.10.413.~~ The forms may be obtained without cost and upon request from the Commissioner of Political Practices, 1205 Eighth Avenue, P.O. Box 202401, Helena, Montana 59620-2401, telephone (406) 444-2942. The forms may also be downloaded from the office's web site at ~~http://www.state.mt.us/cpp/~~ http://www.politicalpractices.mt.gov. Pursuant to 13-37-226, MCA, candidates for a state office filled by a statewide vote of all the electors of Montana and political committees organized to support or oppose a statewide candidate shall file reports electronically in accordance with the procedure described in this rule.

(a) A report is filed "electronically," as provided in 13-37-226, MCA, by providing the required information to the Commissioner of Political Practices through the office's web site by using the "Campaign Tracker" icon to electronically input the information.

(2) All statements and reports required by Title 13, chapters 35 and 37, MCA, and these rules are filed with the commissioner and, where required by statute, with the appropriate county election administrator, as specified in ~~13-37-225(4)~~ , MCA, and ~~(2)(a)~~ of this rule.

~~(a) Statements and reports filed by a candidate for district court judge are filed with the commissioner and with the election administrator of the county in which the election is held. If the election is held in more than one county, reports are filed with the election administrator at the county seat with the greatest population based upon the latest direct enumeration of the inhabitants thereof taken under the direction of the congress of the United States or made by the state or municipality.~~

(ba) Except for reports filed electronically as provided in this rule, Each statement and report filed shall be a legible copy bearing an original signature of the individual filing the statement or report.

(eb) A statement or report is filed if it is submitted electronically or delivered to the commissioner and, if required, delivered to the appropriate county election administrator before 5:00 p.m. on the prescribed filing date, or if it is deposited in an established U. S. post office, postage prepaid, no later than 5:00 p.m. three days before the prescribed filing date. A faxed report is timely filed if the original of the report is filed within five days after the fax transmission. Saturdays, Sundays, and holidays shall be excluded in the calculation of the five-day period.

(i) A delivered statement or report shall be acknowledged by a dated receipt.

AUTH: 13-37-226(1), MCA

IMP: 13-37-225, 13-37-231, MCA

REASON: The Commissioner of Political Practices finds that it is reasonable and necessary to amend the rule to provide clarity and guidance regarding the electronic filing requirement enacted by the 2009 Legislature when it amended 13-37-226(1), MCA. The Legislature did not define the term "electronically," therefore this proposed rule amendment seeks to specify the procedure for compliance with the electronic filing requirement. In addition, HB 89, passed by the 2011 Legislature, changed the law making it no longer necessary for certain candidates and committees to file reports with a county election administrator. The proposed amendment seeks to clarify reporting requirements based on this statutory change. The proposed amendment also updates the office's web site address.

3. 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: David Gallik, Office of the Commissioner of Political Practices, 1205 8th Avenue, Helena, Montana, 59620; telephone (406) 444-2942; fax (406) 444-1643; or e-mail mabaker@mt.gov, and must be received no later than 5:00 p.m., October 20, 2011.

4. David B. Gallik, Commissioner of Political Practices, has been designated to preside over and conduct this hearing.

5. 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 paragraph 3 above or may be made by completing a request form at any rules hearing held by the department.

6. An electronic copy of this proposal notice is available through the Secretary of State's web site at <http://sos.mt.gov/ARM/Register>. The Secretary of State strives to make the electronic copy of the notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the Secretary of State works to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

7. The bill sponsor contact requirements of 2-4-302, MCA, apply and have been fulfilled. The primary bill sponsor was contacted by e-mail September 12, 2011.

/s/ Jim Scheier
Jim Scheier
Rule Reviewer

/s/ David B. Gallik
David B. Gallik
Commissioner of
Political Practices

Certified to the Secretary of State September 12, 2011.

BEFORE THE DEPARTMENT OF ADMINISTRATION
OF THE STATE OF MONTANA

In the matter of the amendment of) NOTICE OF AMENDMENT
ARM 2.4.403, 2.4.404, 2.4.406,)
2.4.410, and 2.4.411 pertaining to the)
Single Audit Act)

TO: All Concerned Persons

1. On July 28, 2011, the Department of Administration published MAR Notice No. 2-4-451 regarding the proposed amendment of the above-stated rules at page 1325 of the 2011 Montana Administrative Register, issue number 14.
2. No comments were received.
3. The department has amended ARM 2.4.403, 2.4.404, 2.4.406, 2.4.410, and 2.4.411 exactly as proposed.

By: /s/ Janet R. Kelly
Janet R. Kelly, Director
Department of Administration

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

Certified to the Secretary of State September 12, 2011.

BEFORE THE DEPARTMENT OF ADMINISTRATION
OF THE STATE OF MONTANA

In the matter of the amendment of ARM) CORRECTED NOTICE OF
2.21.6608, 2.21.6613, 2.21.6615, and) AMENDMENT
2.21.6616 pertaining to employee)
records management)

TO: All Concerned Persons

1. On June 9, 2011, the department published MAR Notice No. 2-21-453 regarding a public hearing on the proposed amendment of the above-stated rules at page 998 of the 2011 Montana Administrative Register, Issue No. 11. On August 25, 2011, the department published the notice of adoption at page 1677 of the 2011 Montana Administrative Register, Issue No. 16.

2. The department failed to include the full title of the Reasonable Accommodation and Equal Access Policy in ARM 2.21.6613(4). In ARM 2.21.6616, the department should have noted that (2) remained unchanged in the proposal. The rules, as amended in corrected form, read as follows, deleted matter interlined, new matter underlined:

2.21.6613 RECORDS THAT CONTAIN GENETIC INFORMATION

(1) through (3)(e) remain as amended.

(4) GINA prohibits the collection of genetic information, except in specific instances. Refer to the FMLA (MOM #03-0309), Sick Leave (MOM #03-0310), Equal Employment Opportunity, Nondiscrimination, and Harassment Prevention (ARM, Title 2, chapter 21, subchapter 40), and Reasonable Accommodation and Equal Access ~~[MAR Notice No. 2-21-446, New Rules I through XX published in this issue]~~ (ARM Title 2, chapter 21, subchapter 41) policies for exceptions to obtaining genetic information.

2.21.6616 EMPLOYEE PERSONNEL RECORDS USE (1) remains as amended.

(2) remains the same.

3. The replacement pages for this corrected notice will be submitted to the Secretary of State on September 30, 2011.

By: /s/ Janet R. Kelly
Janet R. Kelly, Director
Department of Administration

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

Certified to the Secretary of State September 12, 2011.

BEFORE THE DEPARTMENT OF ADMINISTRATION
OF THE STATE OF MONTANA

In the matter of the adoption of New) NOTICE OF ADOPTION
Rule I pertaining to Montana Mortgage)
Loan Origination Disclosure Form)

TO: All Concerned Persons

1. On July 14, 2011, the Department of Administration, Division of Banking and Financial Institutions, published MAR Notice No. 2-59-456 regarding the proposed adoption of the above-stated rule at page 1231 of the 2011 Montana Administrative Register, issue number 13.

2. No comments were received.

3. The department has further reviewed the mortgage loan origination disclosure form and has made changes that provide further clarification as to which licensee name must appear in the designated areas of the disclosure form. The mortgage loan origination disclosure is required for residential mortgage loans brokered by mortgage loan originators employed by mortgage brokers licensed under the Montana Mortgage Act (Act). The Act requires licensure of mortgage brokers and mortgage loan originators employed by mortgage brokers. The disclosure form included references to the name of licensee. The form has been revised to clarify whether these sections should include the name of the individual mortgage loan originator or the name of the mortgage broker entity. The disclosure form also contained a reference to "real estate loan," which has been replaced with "Montana residential mortgage loan." This revision makes the terminology consistent with the Act. The department believes that none of these clarifications substantially changes the rule as proposed.

4. The department has adopted New Rule I (ARM 2.59.1737) with the following changes, stricken material interlined, new matter underlined.

NEW RULE I MONTANA MORTGAGE LOAN ORIGINATION DISCLOSURE FORM (1) Licensees shall use a form that is substantially similar to this and may customize the form to meet individual needs.

MORTGAGE LOAN ORIGINATION DISCLOSURE

(Name of mortgage loan originator licensee) is a Montana-licensed mortgage loan originator employed by a Montana licensed entity who is authorized to provide mortgage loan origination services to (borrower and co-borrower(s) name – printed) in connection with your ~~real estate~~ Montana residential mortgage loan. Lender(s) whose loan products (name of licensee entity) distributes generally provide their loan products to (~~name of licensee entity~~) at a wholesale rate.

SECTION 1. NATURE OF RELATIONSHIP. In connection with this mortgage loan:

1. (name of licensee entity) is acting as an independent contractor and not as your agent;
2. (name of licensee entity) enters into separate independent contractor agreement(s) with one or more lender(s); and
3. while (name of licensee entity) seeks to assist you in meeting your financial needs, (name of licensee entity) does not distribute products of every lender(s) or investor(s) in the market and cannot guarantee the lowest price or best terms available in the market.

SECTION 2. OUR COMPENSATION.

1. The retail price (name of licensee entity) offers you may include (name of licensee's) compensation.
2. If you would rather pay a lower interest rate, you may pay higher up-front costs.
3. If you would rather pay less up front, you may pay all of (name of licensee's entity's) compensation indirectly through a higher interest rate in which case (name of licensee entity) will be paid by the lender.
4. If you compensate (name of licensee entity) directly, (name of licensee entity) cannot be compensated by any other person for the same transaction.

By signing below, you acknowledge that you have received a copy of this disclosure.

BORROWER	DATE
----------	------

CO-BORROWER	DATE
-------------	------

MORTGAGE LOAN ORIGINATOR	NMLS #	DATE
--------------------------	--------	------

Employing Entity	NMLS #
------------------	--------

The State of Montana, Department of Administration, Division of Banking and Financial Institutions (Division), is the licensing agency of mortgage lenders, mortgage brokers, mortgage servicers, and mortgage loan originators. Any consumer with a comment, question, or concern should contact the Division by the means listed within this disclosure.

(2) through (4) remain as proposed.

AUTH: Ch. 317, L. 2011, Section 23; 32-9-130, MCA
IMP: Ch. 317, L. 2011, Section 23

By: /s/ Janet R. Kelly
Janet R. Kelly, Director
Department of Administration

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

Certified to the Secretary of State September 12, 2011.

BEFORE THE BOARD OF HOUSING
DEPARTMENT OF COMMERCE
OF THE STATE OF MONTANA

In the matter of the adoption of New) NOTICE OF ADOPTION
Rules I through VII, regarding the)
Montana Veterans' Home Loan)
Program)

TO: All Concerned Persons

1. On July 14, 2011, the Department of Commerce published MAR Notice No. 8-111-93 pertaining to the public hearing on the proposed adoption of the above-stated rules at page 1236 of the 2011 Montana Administrative Register, Issue Number 13.

2. The department has adopted the following rules as proposed: New Rule I (8.111.701), II (8.111.702), III (8.111.703), IV (8.111.704), V (8.111.705), VI (8.111.706).

3. The department has adopted the following rule as proposed, but with the following changes from the original proposal, new matter underlined, deleted matter interlined:

NEW RULE VII [ARM 8.111.707] LOAN TERMS AND CONDITIONS

(1) through (3) remain as proposed.

(4) Loans must meet FHA, VA, RD, or HUD 184 underwriting standards as specified by the board and must be guaranteed by FHA, VA, RD, or HUD 184. Loans guaranteed by VA must have full guarantee only with no prior entitlements used and not restored.

(5) through (9) remain as proposed.

4. 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: The department received one comment in favor of adopting the rules as proposed.

RESPONSE #1: The department appreciates the interest in this rulemaking process.

COMMENT #2: The department received one comment noting that the board requires the full VA entitlement be available for the loan guarantee, but this was not noted as an integral part of the rules.

RESPONSE #2: The department has added language to include this provision in the rules.

/s/ G. MARTIN TUTTLE
G. MARTIN TUTTLE
Rule Reviewer

/s/ DORE SCHWINDEN
DORE SCHWINDEN
Director
Department of Commerce

Certified to the Secretary of State September 12, 2011.

BEFORE THE BOARD OF PUBLIC EDUCATION
OF THE STATE OF MONTANA

In the matter of the adoption of New) NOTICE OF ADOPTION
Rules I through XI pertaining to)
English language proficiency (ELP))
standards and performance)
descriptors)

TO: All Concerned Persons

1. On July 28, 2011, the Board of Public Education published MAR Notice No. 10-54-255 pertaining to the public hearing on the proposed adoption of the above-stated rules at page 1331 of the 2011 Montana Administrative Register, Issue Number 14.

2. The board has adopted the above-stated rules as proposed:

New Rule I	ARM 10.53.301
New Rule II	ARM 10.53.302
New Rule III	ARM 10.53.303
New Rule IV	ARM 10.53.304
New Rule V	ARM 10.53.305
New Rule VI	ARM 10.53.306
New Rule VII	ARM 10.53.307
New Rule VIII	ARM 10.53.308
New Rule IX	ARM 10.53.309
New Rule X	ARM 10.53.310
New Rule XI	ARM 10.53.311

3. No comments or testimony were received.

/s/ Peter Donovan
Peter Donovan
Rule Reviewer

/s/ Patty Myers
Patty Myers, Chair
Board of Public Education

Certified to the Secretary of State September 12, 2011.

BEFORE THE DEPARTMENT OF CORRECTIONS
OF THE STATE OF MONTANA

In the matter of the adoption of New) NOTICE OF ADOPTION
Rule I pertaining to expansion of adult)
community corrections contracted)
treatment facilities or programs)

TO: All Concerned Persons

1. On July 28, 2011, the Department of Corrections published MAR Notice No. 20-7-48 pertaining to the public hearing on the proposed adoption of the above-stated rule at page 1336 of the 2011 Montana Administrative Register, Issue Number 14.

2. On August 19, 2011, a public hearing was held on the proposed adoption of the above-state rule. Comments were received by the August 25, 2011 deadline.

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: Two persons commented that if the department must engage in the competitive bidding process, the rule is unclear whether the competitive bids pertain to the full contract capacity or just to the increase.

RESPONSE #1: The comment is well taken. The department will amend the rule to reflect that the competitive bidding process, if it is necessary, will only pertain to the increase, not to the entire contract.

COMMENT #2: Two persons commented that it would be more equitable if the department would allow expansions of less than 25 percent if there were 12 months, not 24 months, remaining on the contract.

RESPONSE #2: The comment is well taken and the rule has been amended to reflect a 12-month period remaining on the contract for an expansion of less than 25 percent that can be undertaken without competitive bidding.

COMMENT #3: One person asked for clarification about whether the rule pertained to treatment facilities that were not established through the competitive procurement process and requests that the rule contain a reference about contracted treatment facilities that were not established through competitive procurement.

RESPONSE #3: Statutory authority only allows the department to establish rules for the expansion of treatment facilities or programs that were not established through the competitive procurement process. The rule contains a reference in the last sentence regarding facilities or programs that were not established through the

competitive procurement process and specifies that the department cannot expand the contract capacity of those facilities without engaging in the competitive procurement process.

COMMENT #4: Several persons commented that the rule is inconsistent with ARM 20.7.511 concerning increases over 50 percent for prerelease programs.

RESPONSE #4: The department has amended ARM 20.7.511 to make the two rules consistent with each other.

COMMENT #5: One person commented that the rule is inconsistent with ARM 20.7.511 in that New Rule I does not mandate a public hearing in order for a treatment facility to expand, but ARM 20.7.511 requires a public hearing for an expansion of a prerelease center.

RESPONSE #5: ARM 20.7.511 requires a public hearing because the rule's authorizing statute 53-1-203, MCA demands a public hearing before an expansion of a prerelease center may take place. The authorizing statute for expansion of treatment facilities contains no similar requirement. The department will maintain the public hearing requirement for expansion of prerelease centers and will not amend New Rule I in this regard.

4. The department has adopted New Rule I (20.7.1001) as proposed, but with the following changes from the original proposal, new matter underlined, deleted matter interlined. The effective date of New Rule I will be October 1, 2011.

NEW RULE I (20.7.1001) INCREASE IN CONTRACT CAPACITY (1) The Department of Corrections may biennially increase the department contract capacity by not more ~~that~~ than 25 percent for a contracted treatment facility or program that was established through competitive bidding.

(2) The department may biennially increase the contract capacity of a contracted treatment facility or program by more ~~that~~ than 25 percent but less than 50 percent for a treatment facility or program that was established through competitive bidding if:

(a) and (b) remain as proposed.

(c) the current contract has at least ~~twenty-four~~ twelve months remaining, including renewals, before expiration.

(3) Before the department executes a contract amendment for an increase of more ~~that~~ than 25 percent but less ~~that~~ than 50 percent, the department must give notice to the public and to current treatment facility or program providers of its intent to expand the existing treatment facility or program.

(a) through (e) remain as proposed.

(f) If the department receives notification under this subsection from a valid potential contractor who is able to provide such services, the department may not proceed without opening up the expansion to competitive bidding for the expansion portion only.

(4) The department must engage in the competitive procurement process for the expansion portion in order to increase by more than 50 percent the contract capacity of a treatment facility or program that was established through the competitive procurement process or to increase the contract capacity of a treatment facility or program that was not established through competitive procurement.

/s/ Diana L. Koch
Diana L. Koch
Rule Reviewer

/s/ Mike Ferriter
Mike Ferriter, Director
Department of Corrections

Certified to the Secretary of State September 12, 2011

BEFORE THE DEPARTMENT OF CORRECTIONS
OF THE STATE OF MONTANA

In the matter of the amendment of) NOTICE OF AMENDMENT,
ARM 20.7.506, 20.7.507, 20.7.510,) ADOPTION, AND REPEAL
20.7.511, adoption of New Rule I and)
repeal of 20.7.508 pertaining to siting,)
establishment, and expansion of)
prerelease centers)

TO: All Concerned Persons

1. On July 28, 2011, the Department of Corrections published MAR Notice No. 20-7-49 pertaining to the public hearing on the proposed amendment, adoption, and repeal of the above-stated rules at page 1339 of the 2011 Montana Administrative Register, Issue Number 14.

2. On August 19, 2011, the department held a public hearing on the proposed amendment, adoption, and repeal of the above-stated rules.

3. The department has amended ARM 20.7.506, 20.7.507, and 20.7.510 as proposed.

4. 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: Four persons commented that if the department must engage in the competitive bidding process, ARM 20.7.511 is unclear whether the competitive process pertains to the full contract capacity or just to the increase.

RESPONSE #1: The comment is well taken. The department will amend ARM 20.7.511 to reflect that the competitive bidding process, if it is necessary, will only pertain to the increase, not to the entire contract.

COMMENT #2: Two persons commented that ARM 20.7.511 seemingly does not allow expansions over 50 percent.

RESPONSE #2: The comment is well taken. That was not the department's intent. The department has amended ARM 20.7.511 to reflect that expansions over 50% may occur, but the department must engage in the competitive procurement process to effectuate an expansion over 50 percent.

COMMENT #3: One person commented that he believed the reorganization of the siting rules was valuable.

RESPONSE #3: The department thanked the person for this comment.

COMMENT #4: One person commented that a community corrections facility established pursuant to the Community Corrections Act, 53-30-301, et. seq., should have more flexibility under these rules because of the nature of the facility as established by a local or tribal government and not the department.

RESPONSE #4: The comment is well taken. The department has added section (6) to ARM 20.7.511 to account for the difference between department-established prereleases and community or tribal-established community corrections facilities. The department will exempt community corrections facilities from the rules for expansion.

5. The department has amended the following rule as proposed, but with the following changes from the original proposal, new matter underlined, deleted matter interlined:

20.7.511 EXPANSION OF EXISTING CENTER (1) The Department of Corrections may biennially increase the department contract capacity for a prerelease center by not more than 25 percent over the previous biennial contract capacity without engaging in the competitive procurement process.

(2) The department may biennially increase the contract capacity by more than 25 percent but less than 50 percent over the previous biennial contract capacity without engaging in the competitive procurement process if:

(a) and (b) remain as proposed.

(c) the current contract has at least ~~twenty-four~~ twelve months remaining, including renewals, before expiration.

(3) Before the department executes a contract amendment for an expansion of more than 25 percent but less than 50 percent, the department must give notice to the public and to current treatment facility or program providers of its intent to expand the existing ~~treatment facility or program~~ prerelease contract capacity.

(a) through (c) remain as proposed.

(d) Notice is considered accomplished under this subsection if the department publishes the notice on its web site and ~~sends~~ sends such notice to each existing department ~~treatment~~ prerelease facility or program provider.

(e) remains as proposed.

(f) If the department receives appropriate notification under this subsection, the department may not proceed without opening up the expansion to competitive bidding for the expansion portion only.

(4) The department may not increase by more than 50 percent the department contract capacity for a prerelease program without engaging in the competitive bidding process for the expansion portion.

(5) remains as proposed.

(6) This rule does not apply to expansion of department contract capacity for a contract between the department and a local or tribal government for operation of a prerelease program established pursuant to the Community Corrections Act, 53-30-301, MCA et. seq.

AUTH: 53-1-203, MCA

IMP: 53-1-203, MCA

6. The department has adopted New Rule I (20.7.512) as proposed.

7. The department repealed ARM 20.7.508 as proposed.

/s/ Diana L. Koch
Diana L. Koch
Rule Reviewer

/s/ Mike Ferriter
Mike Ferriter, Director
Department of Corrections

Certified to the Secretary of State September 12, 2011.

BEFORE THE DEPARTMENT OF JUSTICE
OF THE STATE OF MONTANA

In the matter of the adoption of New) NOTICE OF ADOPTION
Rules I-IX establishing the 24/7)
sobriety program)

TO: All Concerned Persons

1. On July 14, 2011, the Department of Justice published MAR Notice No. 23-3-220, pertaining to the public hearing on the proposed adoption of the above-stated rules at page 1246 of the 2011 Montana Administrative Register, Issue Number 13.

2. The department has adopted the following rules as proposed: NEW RULES III (23.18.303), VI (23.18.306), VII (23.18.307), and IX (23.18.309).

3. The department has adopted the following rules as proposed, but with changes from the original proposal, new matter underlined, deleted matter interlined:

NEW RULE I (23.18.301) DEFINITIONS (1) through (8) remain as proposed.

(9) "Continuous remote ~~Transdermal~~ alcohol monitoring device" means a device that is capable of remote continuous or transdermal alcohol monitoring that can be attached directly to the participant. The term includes any associated equipment necessary for the device to perform properly.

(10) "Vendor agreement" means an agreement approved by the Attorney General between a participating vendor and a participating agency that establishes the services the participating vendor and a participating agency will provide, ~~and the related costs and fees, and the portion of costs and fees that will be paid to a participating vendor and to a participating agency.~~

AUTH: 2011 Mont. Laws, ch. 318, § 4

IMP: 2011 Mont. Laws, ch. 318, § 4

NEW RULE II (23.18.302) PLACEMENT IN THE 24/7 SOBRIETY PROGRAM (1) remains as proposed.

(2) An order or directive placing a participant in the program ~~must~~ should include the type of testing and the length of time that the participant is to remain in the program.

(3) A participant shall report for twice-daily breath tests or submit to testing through a continuous remote transdermal alcohol monitoring device for the length of time ordered by the court, the Board of Pardons and Parole, the Department of Corrections, or a parole officer.

(4) remains as proposed.

AUTH: 2011 Mont. Laws, ch. 318, § 4

IMP: 2011 Mont. Laws, ch. 318, §§ 3, 4, 5

NEW RULE IV (23.18.304) TESTING AUTHORIZED (1) and (2) remain as proposed.

(3) A participant alternatively may be ordered to submit to continuous remote transdermal alcohol monitoring on a continuous remote transdermal alcohol monitoring device, if: Factors to be considered include whether:

- (a) a device is available;
- (b) the participant is capable of paying the fees and costs associated with continuous remote transdermal alcohol monitoring;
- (c) the participant is capable of wearing the device; and
- (d) ~~it is determined that~~ the participant does not qualify for twice-daily breath tests because of one or more of the following:
 - (i) through (4) remain as proposed.

AUTH: 2011 Mont. Laws, ch. 318, § 4

IMP: 2011 Mont. Laws, ch. 318, §§ 3, 4

NEW RULE V (23.18.305) PARTICIPANT FEES (1) remains as proposed.

(2) A participating agency shall charge a participant who has been ordered to submit to continuous remote transdermal alcohol monitoring the following fees and costs, which may not exceed the amounts provided for in the vendor agreement:

- (a) through (c) remain as proposed.

AUTH: 2011 Mont. Laws, ch. 318, § 4

IMP: 2011 Mont. Laws, ch. 318, §§ 3, 4, 6

NEW RULE VIII (23.18.308) DATA MANAGEMENT SYSTEM (1) and (2) remain as proposed.

(3) The data management system must support breath testing, continuous remote transdermal alcohol monitoring, drug patch testing, and urinalysis testing.

- (4) and (5) remain as proposed.

AUTH: 2011 Mont. Laws, ch. 318, § 4.

IMP: 2011 Mont. Laws, ch. 318, §§ 3, 4, 6

4. 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: The law and justice interim committee expressed concern that some of the mandatory language in NEW RULES II and IV could be viewed as encroaching upon the judicial branch's sentencing authority.

RESPONSE 1: The language in NEW RULE II describing what "must" be included in an order and the language in NEW RULE IV describing the relevant factors for transdermal monitoring was not intended to intrude upon the judiciary, and the department has modified the language to address the committee's concern. The

department's intent in requiring an order or directive to specify the type of testing and the length of time of testing was to inform the participant and the participating agency of necessary information regarding the participant's placement in program. As a practical matter, this language should be included in an order or directive that places a participant in the program. The language in NEW RULE IV reflected that twice-daily breath tests are the primary testing method of the 24/7 Sobriety Program. Though NEW RULE IV has now been modified, twice-daily breath testing remains the primary testing method.

COMMENT 2: A commenter suggested that the definition of "transdermal alcohol monitoring device" in NEW RULE I should be further defined to include the words "continuous" and "remote" to differentiate this method of testing from point-in-time testing. The commenter also offered an alternative definition for this type of testing.

RESPONSE 2: The department agrees that adding the terms "continuous" and "remote" clarifies the definition and included the terms in the rule. The department does not believe these changes affect the intent or substance of the rule.

COMMENT 3: A commenter stated that, based upon the statutory language, the definitions contained in NEW RULE I were accurate and were useful to clarify and standardize aspects of the 24/7 Sobriety Program.

RESPONSE 3: The department acknowledges and appreciates the comment.

COMMENT 4: A commenter stated that NEW RULE II contained necessary processing information, such as the requirement of an order, the type of testing, and the length of time for testing. The commenter stated that this rule would answer questions about how an individual is placed in the 24/7 Sobriety Program and the duration of time that an individual would be in the program. The commenter stated that this rule was necessary to provide consistency for enrollment in the program.

RESPONSE 4: The department acknowledges and appreciates the comment. As mentioned in the response to COMMENT I, however, language in NEW RULE II stating that a court order "must" contain certain information has been modified to state that a court order "should" contain the information.

COMMENT 5: A commenter observed that, though the Montana 24/7 Sobriety Program Act defines testing to include breath testing, drug patch testing, urinalysis, or continuous or transdermal alcohol monitoring, proposed NEW RULE V addresses only the fees associated with twice-daily breath tests and continuous or transdermal alcohol monitoring. The commenter suggested adding language concerning fees for urinalysis and drug patch testing.

RESPONSE 5: The department agrees with the commenter's observations that NEW RULE V only addressed the fees for breath-testing and continuous or transdermal alcohol monitoring. The department observes that this comment could also apply to NEW RULE IV, which sets forth the testing authorized for the 24/7

Sobriety Program. The department will not expand NEW RULE IV or NEW RULE V at this time. The primary focus of the 24/7 Sobriety Program is on repeat DUI offenses involving alcohol. In the future, the department will work to establish reasonable, consistent fees for urinalysis testing and drug patch testing. Once that task is accomplished, the department will propose an amendment to the administrative rules. The department notes that the Montana 24/7 Sobriety Program Act includes urinalysis and drug patch testing within the definition of "testing," and these rules should not be interpreted as prohibiting these types of testing.

COMMENT 6: A commenter expressed support for the proposed rules and stated that, by setting the specific manner in which fees should be handled in NEW RULE VI and NEW RULE VII, the 24/7 Sobriety Program will have the flexibility to adapt to changes that may arise in the program.

RESPONSE 6: The department acknowledges and appreciates the comment.

COMMENT 7: A commenter stated that there is a potential inconsistency between NEW RULE V and NEW RULE VI. The commenter states that, under NEW RULE VI, it appears that a participating agency will receive an administrative fee. However, according to the commenter, NEW RULE V, when read in conjunction with NEW RULE I(10)—the definition of "vendor agreement"—may prohibit a participating agency from charging a fee. The commenter suggested adding language to NEW RULE I and NEW RULE V to clarify the situation.

RESPONSE 7: The department disagrees that the rules are inconsistent. For the sake of clarity, language has been added to the definition of "vendor agreement" in NEW RULE I that should address the commenter's concerns. The department does not believe these changes affect the intent or substance of the rule.

COMMENT 8: A commenter stated that individual participating agencies may be able to negotiate cheaper rates with vendors for local service than rates the department could obtain. The commenter stated that the department should not limit itself to that possibility.

RESPONSE 8: Participating agencies should adhere to the terms in the vendor agreements. For the 24/7 Sobriety Program to be successful in Montana, all counties must have the ability to implement the program, regardless of a county's population or its financial status. While some participating agencies or counties may have the capacity to negotiate rates with vendors, many of Montana's counties lack this level of bargaining power. The department's concern is that, without agreements that apply equally to all counties, vendors would have little incentive to serve rural Montana communities. To address this concern, the Attorney General has negotiated agreements with vendors that require vendors to provide service to all counties in Montana at consistent, reasonable rates.

COMMENT 9: The department received comments expressing support for the rules and emphasizing that all participating agencies must use the same data

management system to ensure that the results of the 24/7 Sobriety Program are accurate, consistent, and uniform throughout Montana. A commenter stated that the data management system is integral to standardizing the program statewide and as a tool to validate the program's effectiveness.

RESPONSE 9: The department acknowledges and appreciates the comments.

COMMENT 10: A commenter described the 24/7 Sobriety Program Management Group established by Rule IX as "a worthwhile effort" based on South Dakota's experiences with its 24/7 Sobriety Program. The commenter stated that the group provides a means for local jurisdictions to suggest improvements or express concerns, and the commenter stated that the local input combined with the management group's first-hand experience with the 24-7 Sobriety Program would allow the group to occupy the best position to improve the program if necessary.

RESPONSE 10: The department acknowledges and appreciates the comment.

COMMENT 11: A commenter proposed that NEW RULE IX be modified to state that all devices used in the 24/7 Sobriety Program must be approved by the 24/7 Sobriety Program Management Group.

RESPONSE 11: While the 24/7 Sobriety Program Management Group may have a future role in approving testing devices, this is not the intended purpose of the management group. The primary purpose of the group is to review the program after it has been in effect and to make recommendations to the Attorney General regarding possible improvements to the program or the administrative rules to ensure that the legislative goals of the Montana 24/7 Sobriety Program Act are being met. Including members from rural and urban areas and from eastern and western Montana ensures that counties, regardless of location or population, will have a voice in shaping the future of the 24/7 Sobriety Program.

COMMENT 12: A commenter stated that, for rehabilitative or public safety purposes, the Department of Corrections may require "conditional release" offenders with a history of alcohol abuse and/or whose offense involved alcohol to participate in the 24/7 Sobriety Program. The program could also be imposed on offenders who violated their community supervision if the offenders had a history of alcohol abuse, if the offenders' offenses involved alcohol, or if the offenders' community supervision violation involved alcohol.

RESPONSE 12: The department acknowledges and appreciates the comment.

/s/ J. Stuart Segrest
J. Stuart Segrest
Rule Reviewer

/s/ Steve Bullock
Steve Bullock
Attorney General
Department of Justice

Certified to the Secretary of State on September 12, 2011.

BEFORE THE BOARD OF SOCIAL WORK EXAMINERS
AND PROFESSIONAL COUNSELORS
DEPARTMENT OF LABOR AND INDUSTRY
STATE OF MONTANA

In the matter of the amendment of) NOTICE OF AMENDMENT AND
ARM 24.219.301 definitions,) ADOPTION
24.219.501 and 24.219.601)
application procedures, and the)
adoption of NEW RULE I supervisor)
qualifications, and NEW RULES II)
through IX parenting plan evaluations)

TO: All Concerned Persons

1. On April 14, 2011, the Board of Social Work Examiners and Professional Counselors (board) published MAR notice no. 24-219-23 regarding the public hearing on the proposed amendment and adoption of the above-stated rules, at page 540 of the 2011 Montana Administrative Register, issue no. 7.

2. On May 5, 2011, a public hearing was held on the proposed amendment and adoption of the above-stated rules in Helena. Several comments were received by the May 13, 2011, deadline.

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

General Comments:

COMMENT 1: The board received many comments generally supporting the proposed rules on both supervision of licensure candidates and parenting plan evaluations.

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

COMMENT 2: One commenter expressed support for the amendments to ARM 24.219.601.

RESPONSE 2: The board appreciates all comments made during the rulemaking process.

New Rule I: SUPERVISOR QUALIFICATIONS

COMMENT 3: One commenter supported proposed New Rule I, stating that it is hard to find a licensed clinical social worker (LCSW) supervisor in rural areas.

RESPONSE 3: The board agreed that the proposed rules should make it easier for LCSW candidates to find qualified supervisors.

COMMENT 4: Numerous commenters argued that proposed New Rule I will create problems with mobility and licensure by reciprocity, because other states require that supervision of social work licensure candidates is done by other social workers.

RESPONSE 4: The board researched this issue and discovered that a minority of states require supervision by social workers. Therefore, the board concluded that this rule should not be a major impediment to mobility for individuals who obtain initial licensure in Montana. Furthermore, the change to eliminate the requirement for a social worker occurred in a previous rule notice, and reverting to the previous rule is beyond the scope of this proposal.

COMMENT 5: A few commenters stated that the Association of Social Work Board's (ASWB) model act required that social worker candidates be supervised by LCSWs.

RESPONSE 5: The board responded that it is not bound to follow the model act, and that the rural nature of Montana makes it very difficult for some social worker candidates to find qualified supervisors who are LCSWs.

COMMENT 6: Several commenters observed that New Rule I could create issues with Medicare.

RESPONSE 6: The board discovered that, in order to bill Medicare, candidates must have supervision from social workers if the state does not license social workers. Because social workers are licensed by the board in Montana, there should not be any issues for Medicare billing.

COMMENT 7: Several commenters requested that the board return to language proposed in a prior rulemaking notice, MAR 24-219-21, which required that social workers supervise 50 percent of the required hours for a social worker candidate.

RESPONSE 7: As noted in a prior response, the board cannot amend the rules to return to the previous 50 percent requirement, as that change would exceed the scope of this proposal. The board previously determined that supervision by social workers for half of the required hours is not a necessary qualification for licensure.

COMMENT 8: Several commenters suggested other ways to supervise social worker candidates, including teleconference supervision and the growing number of master of social work (MSW) graduates and licensees.

RESPONSE 8: Although alternative methods of supervision are beyond the scope of this proposal, the board is researching and considering alternative supervision methods for inclusion in a future rulemaking project.

COMMENT 9: One commenter stated that the board should not set a specific number of hours for training, and recommended the board use language proposed by the ASWB.

RESPONSE 9: The board determined that specifying supervisor qualifications will enable licensure candidates to be confident that their supervisors meet the qualifications, and know that all of their supervised hours will count toward the licensure requirements.

COMMENT 10: Some commenters suggested that the board require a 16-hour course in supervision based on a similar program offered in Missouri.

RESPONSE 10: The board does not believe that a 16-hour course is adequate to ensure that a person with less than three years of experience as a licensee would be able to provide competent and appropriate supervision to recent graduates of counseling, marriage and family therapy, and social work programs.

COMMENT 11: Several commenters observed that clinical social work, professional counseling, marriage and family therapy, psychology, and psychiatry are different professions. The commenters stated that these professions should be treated differently and a person supervising the clinical experience hours for each profession should possess the same degree and license as the candidate.

RESPONSE 11: The board acknowledges the differences in the professions, but notes that the clinical demands faced by candidates are similar. The board concluded that experienced licensees from other professions are well qualified to supervise candidates in a clinical setting.

COMMENT 12: Some commenters complained that the process of promulgating the 2009 rules notice # 24-219-21 was not open and transparent.

RESPONSE 12: The board notes that the 2009 rulemaking proposal was discussed and debated at numerous rule committee and full board meetings and that those meetings were publicly noticed and open to the public pursuant to requirements in law.

COMMENT 13: One commenter opined that the training requirement to be a supervisor is too difficult to meet for those in rural areas.

RESPONSE 13: The board is considering allowing videoconferencing and other alternative methods of supervision to facilitate supervision of candidates in remote areas. In addition, under this proposal, the board allows a person to become qualified as a supervisor in a variety of ways.

COMMENT 14: One commenter argued that psychologists and psychiatrists should not be permitted to supervise social worker candidates.

RESPONSE 14: The board had previously determined that psychologists and psychiatrists are qualified to supervise counselors, social workers, and marriage and family therapists, and amended the rules accordingly. Reverting to the previous rules is not consistent with the board's prior decision and beyond the scope of this rulemaking project.

New Rules II through IX: PARENTING PLAN EVALUATIONS

COMMENT 15: Several commenters stated that the parenting plan evaluations are a form of forensic evaluation and the board should require higher educational qualifications for licensees who perform these evaluations.

RESPONSE 15: The board disagrees and notes that licensees have been safely and effectively performing these evaluations for many years. Rather than expanding or restricting the scope of practice for licensees, these rules promote public safety by prescribing specific standards of conduct for those who perform custody evaluations.

COMMENT 16: One commenter opined that the child custody evaluation proposed new rules are not covered under rulemaking authority for 2009's Senate Bill 235.

RESPONSE 16: The board agreed that Senate Bill 235 does not impact this proposal. The board has authority under the statutes cited in the proposal notice to promulgate these rules to promote the general welfare of those impacted by child custody evaluations.

COMMENT 17: A commenter stated that licensees should not be required to ask for permission to speak with others.

RESPONSE 17: Although the board understands that obtaining consent may be problematic for licensees in some scenarios, the board determined that the dangers posed by a failure to obtain informed consent are a greater threat to the public. In some cases, licensees may be able to enlist the assistance of the court in obtaining the required written consents.

COMMENT 18: One commenter speculated that the update requirements to evaluations may not be allowed by some district courts.

RESPONSE 18: The board concluded that licensees are bound by the standards of ethics and professionalism embodied in rules promulgated by the board and that licensees should inform all parties and the courts regarding these requirements. As done whenever a complaint is reviewed, the board will always consider the unique circumstances of each case in determining whether a licensee has committed unprofessional conduct. The board will consider amending the rule in the future if this becomes a recurring problem.

4. The board has amended ARM 24.219.301, 24.219.501, and 24.219.601 exactly as proposed.

5. The board has adopted NEW RULE I (24.219.421), NEW RULE II (24.219.1201), NEW RULE III (24.219.1205), NEW RULE IV (24.219.1207), NEW RULE V (24.219.1209), NEW RULE VI (24.219.1211), NEW RULE VII (24.219.1213), NEW RULE VIII (24.219.1215), and NEW RULE IX (24.219.1217) exactly as proposed.

BOARD OF SOCIAL WORK EXAMINERS
AND PROFESSIONAL COUNSELORS
LINDA CRUMMETT, LCSW, PRESIDENT

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

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

Certified to the Secretary of State September 12, 2011

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

In the matter of the amendment of) NOTICE OF AMENDMENT
ARM 36.12.101, 36.12.102,)
36.12.103, and 36.12.1701 regarding)
water right permitting)

To: All Concerned Persons

1. On July 14, 2011, the Department of Natural Resources and Conservation published MAR Notice No. 36-22-154 regarding a notice of public hearing on the proposed amendment of the above-stated rules at page 1277 of the 2011 Montana Administrative Register, Issue No. 13.

2. The department has amended ARM 36.12.102 and 36.12.103 as proposed.

3. The department has amended ARM 36.12.101 and 36.12.1701 as proposed, but with the following changes from the original proposal, new matter underlined, deleted matter interlined:

36.12.101 DEFINITIONS Unless the context requires otherwise, to aid in the implementation of the Montana Water Use Act and as used in these rules:

(1) through (32) remain as proposed.

~~(33) "Manifold" means two or more diversions from the same source, which are connected into a single system for the same project or development. An example of a manifold system is two pumps on one source, or two wells pumping from the same aquifer which divert water into the same reservoir or cistern.~~

(34) through (79) remain as proposed but are renumbered (33) through (78).

36.12.1701 FILING A PERMIT APPLICATION

(1) through (2)(a) remain as proposed.

(b) multiple purposes supplied by different points of diversion on the same source. If the entire project is manifold into one system, then a single application is allowed. "Manifold" means two or more diversions from the same source, which are connected into a single system for the same project or development. An example of a manifold system is two pumps on one source or two wells pumping from the same aquifer which divert water into the same reservoir or cistern.

(3) through (5) remain as proposed.

4. A summary of the written comments and oral testimony from the August 10, 2011, appears below with the department's response.

COMMENT 1: Commenters expressed concern with the proposed relocation of the definition of "manifold" from ARM 36.12.1701 to 36.12.101. Moving the definition of "manifold" to the general definition section for the subchapter would appear to

broaden the scope of actions that would qualify as "combined appropriations". Commenters also expressed concern that the proposed revision is in conflict with 2011 Mont. Laws 256, Sec. 3(1) (HB 602), which precludes DNRC from "adopt[ing] rules to implement the provisions of 85-2-306(3) for groundwater wells that are exempt from permitting until October 1, 2012."

RESPONSE 1: As DNRC stated in the proposal notice reasonable necessity, the definition for "manifold" was proposed to be moved from ARM 36.12.1701 to ARM 36.12.101 as it is a definition that applies throughout the subchapter. There was no intent by DNRC to apply the definition any differently than it is currently applied. However, due to the commenters' concerns, DNRC will leave the definition of "manifold" in ARM 36.12.1701.

5. Pursuant to SB 103 and SB 128, the amendments to ARM 36.12.101, 36.12.102, 36.12.103, and 36.12.1701 will become effective on October 1, 2011.

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

/s/ Mary Sexton
MARY SEXTON
Director

/s/ Anne Yates
Anne Yates
Rule Reviewer

Certified to the Secretary of State September 12, 2011.

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

In the matter of the adoption of New) CORRECTED NOTICE OF
 Rules I through XII, amendment of) ADOPTION, AMENDMENT, AND
 37.40.1406, 37.40.1407, 37.40.1408,) REPEAL
 37.40.1415, 37.40.1420, 37.40.1426,)
 37.40.1430, 37.40.1435, 37.40.1438,)
 37.40.1446, 37.40.1448, 37.40.1449,)
 37.40.1451, 37.40.1452, 37.40.1465,)
 37.40.1488, and repeal of)
 37.40.1437, 37.40.1464, 37.40.1466,)
 and 37.40.1467 pertaining to home)
 and community-based services)
 (HCBS) for the elderly and people)
 with physical disabilities)

TO: All Concerned Persons

1. On June 23, 2011, the Department of Public Health and Human Services published MAR Notice No.37-551 pertaining to the proposed adoption, amendment, and repeal of the above-stated rules at page 1077 of the 2011 Montana Administrative Register, Issue Number 12. On August 25, 2011, the department published the notice of adoption, amendment, and repeal at page 1722 of the 2011 Montana Administrative Register, Issue Number 16.

2. This corrected notice is being filed to correct an error in the numbering of the adopted rules in Title 37. The new numbering of the rules is outlined in paragraph 3 of this notice.

3. The rules are corrected as follows:

RULE #:	ADOPTED #:	CORRECTED #:	CATCHPHRASE:
VI	37.40.1426	37.40.1428	Home and Community-Based Services for Elderly and Physically Disabled Persons: Pain and Symptom Management, Requirements
X	37.40.1437	37.40.1441	Home and Community-Based Services for Elderly and Physically Disabled Persons: Health and Wellness, Requirements

/s/ John Koch
Rule Reviewer

/s/ Anna Whiting Sorrell
Anna Whiting Sorrell, Director
Public Health and Human Services

Certified to the Secretary of State September 12, 2011.

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

In the matter of the adoption of New) NOTICE OF ADOPTION AND
Rules I through XIV and repeal of) REPEAL
37.107.101, 37.107.103, 37.107.104,)
37.107.107, and 37.107.109)
pertaining to the Montana marijuana)
act)

TO: All Concerned Persons

1. On August 11, 2011, the Department of Public Health and Human Services published MAR Notice No. 37-554 pertaining to the public hearing on the proposed adoption and repeal of the above-stated rules at page 1524 of the 2011 Montana Administrative Register, Issue Number 15.

2. The department has adopted New Rule V (37.107.117), XI (37.107.129), and XIV (37.107.135) as proposed.

3. The department has repealed ARM 37.107.101, 37.107.103, 37.107.104, 37.107.107, and 37.107.109 as proposed.

4. The department has adopted the following rules as proposed with the following changes from the original proposal. Matter to be added is underlined. Matter to be deleted is interlined.

NEW RULE I (37.107.110) DEFINITIONS For purposes of the Montana ~~medical~~ marijuana registry:

(1) and (2) remain as proposed.

(3) "Cultivate" means to grow, propagate, clone, or harvest ~~medical~~ marijuana for use by registered cardholders.

(4) "Fee" means the mandatory fees necessary to process a ~~medical~~ marijuana registry card application.

(5) and (6) remain as proposed.

(7) "Manufacture" means the act of preparing and processing usable marijuana into a marijuana-infused product. A marijuana-infused product must be labeled as to indicate that it contains ~~medical~~ marijuana.

(8) through (10) remain as proposed

(11) "Registry" means the department's confidential ~~medical~~ marijuana record identifying ~~medical~~ marijuana cardholders, providers, and MIPPs.

(12) remains as proposed.

AUTH: Ch. 419, Section 23, L. 2011

IMP: Ch. 419, Sections 3, 4, 5, 7, 9, 23, L. 2011

NEW RULE II (37.107.111) REGISTERED CARDHOLDER APPLICATION PROCESS (1) remains as proposed.

(2) Application forms are available from and must be submitted to the Department of Public Health and Human Services, Licensure Bureau, 2401 Colonial Drive, P.O. Box 202953, Helena, MT 59620-2953. Application forms are also available on the department's web site at www.dphhs.mt.gov/medicalmarijuana.

(3) Registered cardholder application materials that must be provided include:

(a) State of Montana ~~Medical~~ Marijuana Registered Cardholder Application Form. The information on this form includes:

(i) through (9) remain as proposed.

AUTH: Ch. 419, Section 23, L. 2011

IMP: Ch. 419, Sections 3, 4, 7, 23, L. 2011

NEW RULE III (37.107.113) MINOR APPLICATION PROCESS (1) In addition to the requirements outlined in [Section 4 of SB 423] the minor's custodial parent or legal guardian with responsibility for health care decisions must submit to the department a Minor Registry Application Packet. A Minor Registry Application Packet can be obtained from the Department of Public Health and Human Services, Licensure Bureau, 2401 Colonial Drive, P.O. Box 202953, Helena, MT 59620-2953. Application forms are also available on the department's web site at www.dphhs.mt.gov/medicalmarijuana. A complete Minor Registry Application Packet must include:

(a) through (3) remain as proposed.

AUTH: Ch. 419, Section 23, L. 2011

IMP: Ch. 419, Sections 3, 4, 23, L. 2011

NEW RULE IV (37.107.115) PROVIDER OR MIPP APPLICATION PROCESS (1) remains as proposed.

(2) Provider application materials are available from the Department of Public Health and Human Services, Licensure Bureau, 2401 Colonial Drive, P.O. Box 202953, Helena, MT 59620-2953. Application forms are available on the department's web site at www.dphhs.mt.gov/medicalmarijuana. Completed provider/MIPP application materials must include:

(a) through (9) remain as proposed.

AUTH: Ch. 419, Section 23, L. 2011

IMP: Ch. 419, Section 3, 5, 6, 23, L. 2011

NEW RULE VI (37.107.119) PROVIDER AND MIPP FINGERPRINT REQUIREMENTS (1) through (5) remain as proposed.

(6) The fingerprint background checks are valid for a 12-month period. Thirty calendar days prior to the expiration date of the background check, new prints must be obtained following the same procedures outlined in this rule and returned to the department by the DOJ.

(7) remains as proposed.

AUTH: Ch. 419, Section 23, L. 2011
IMP: Ch. 419, Sections 3, 5, 23, L. 2011

NEW RULE VII (37.107.121) INCOMPLETE APPLICATION, RENEWAL, OR CHANGE REQUESTS (1) through (2)(a)(i) remain as proposed.

(ii) To be considered submitted, these fingerprint cards must be postmarked no later than 30 calendar days after having been sent to the applicant or all application materials held by the department will be returned to the applicant.

(3) Any complete application materials received 30 calendar days or more before the expiration date will be processed in the order received. Cards will expire based on the date of issuance, not based on the expiration date of the previous card.

AUTH: Ch. 419, Section 23, L. 2011
IMP: Ch. 419, Sections 3, 5, 23, L. 2011

NEW RULE VIII (37.107.123) PROPERTY RESTRICTIONS (1) In addition to the application procedures outlined in ARM 37.107.111, a registered cardholder, provider, or MIPP must attest in writing on forms provided by the department:

(a) whether property used for cultivating or manufacturing ~~medical~~ marijuana is owned, leased, or rented by the cardholder, provider, or MIPP; and

(b) remains as proposed.

AUTH: Ch. 419, Section 23, L. 2011
IMP: Ch. 419, Sections 3, 5, 23, L. 2011

NEW RULE IX (37.107.125) REPLACING LOST OR STOLEN REGISTRY IDENTIFICATION CARDS (1) and (2) remain as proposed.

~~(3) A lost or stolen card should be reported to law enforcement by the registrant.~~

AUTH: Ch. 419, Section 23, L. 2011
IMP: Ch. 419, Sections 3, 23, L. 2011

NEW RULE X (37.107.127) INVALIDATION OR REVOCATION OF REGISTRY IDENTIFICATION CARDS (1) A registry card for a registered cardholder can be revoked for the following reasons:

(a) through (c) remain as proposed.

(d) the registered cardholder fails to report to the department within ten business days a change:

(i) through (4) remain as proposed.

AUTH: Ch. 419, Section 23, L. 2011
IMP: Ch. 419, Sections 3, 5, 11, 23, 35, L. 2011; 45-9-203, 61-11-101, MCA

NEW RULE XII (37.107.131) HEALTH CARE FACILITY PROCEDURES

- (1) A residential health care facility must develop a policy regarding the use of ~~medical~~ marijuana within the facility.
- (2) Should the facility choose to allow the use of ~~medical~~ marijuana by residents, the policy and procedures must cover, at a minimum:
 - (a) remains as proposed.
 - (b) methods the facility will allow for the resident use of ~~medical~~ marijuana;
 - (c) physical security of the ~~medical~~ marijuana; and
 - (d) remains as proposed.
- (3) A policy addressing delivery of hospice services related to the use of ~~medical~~ marijuana for resident or patient use must be developed.

AUTH: Ch. 419, Section 23, L. 2011

IMP: Ch. 419, Sections 3, 11, 23, L. 2011

NEW RULE XIII (37.107.133) COMPLAINT HOTLINE (1) The department will establish a hotline to receive complaint information concerning the ~~Medical~~ Marijuana Program. Complaints may also be submitted to the department utilizing the complaint form on the department's web site at www.dphhs.mt.gov/medicalmarijuana.

(2) and (3) remain as proposed.

AUTH: Ch. 419, Section 23, L. 2011

IMP: Ch. 419, Sections 3, 21, 23, L. 2011

5. 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 comment was received indicating Senate Bill (SB) 423 is not the Montana Medical Marijuana Act, but rather, the Montana Marijuana Act and any reference to "medical marijuana" should be removed from these rules.

RESPONSE #1: The department agrees and has removed the phrase "medical marijuana" from these rules.

COMMENT #2: A comment was received questioning whether the rule requires cardholders to report a lost or stolen card to law enforcement therefore requiring cardholders to notify law enforcement they are on the marijuana registry and suffer from a debilitating medical condition.

RESPONSE #2: This is not a requirement and the department has removed the language from New Rule IX (37.107.125).

COMMENT #3: A comment was received suggesting an administrative remedy, rather than judicial review, if an applicant wishes to contest a denied application.

RESPONSE #3: New Rule II(9) (37.107.111) is a direct reference from statute and cannot be amended by the department.

COMMENT #4: A comment was received indicating confusion with deadlines in the rules because some deadlines indicate "business days" while others do not.

RESPONSE #4: The department attempted to make the deadlines clear by using the term "business days". In cases where the deadline should reflect otherwise, the department will use the term "calendar days". This change has been made to the rules.

COMMENT #5: A comment was received from the primary sponsor of SB423, suggesting the department verify all applicants are not in the custody of or under the supervision of the Department of Corrections (DOC) or a youth court.

RESPONSE #5: The department will work with the DOC to determine a means for verifying this in the future. Presently, each application includes a personal attestation that registered cardholder applicants are not in the custody of or under the supervision of the DOC or a youth court. All applicants are required to sign the application.

COMMENT #6: A comment was received from the primary sponsor of SB423 suggesting the department verify with DOC and federal law enforcement authorities that provider applicants are not in the custody of or under the supervision of the DOC or a youth court or have a felony conviction or any drug conviction.

RESPONSE #6: The department will not need to modify the rule as a fingerprint background check by the Montana Department of Justice and the Federal Bureau of Investigation is required of all provider applicants by statute. Through the fingerprint check, the department is verifying that a provider is not under the supervision of the DOC or a youth court and does not have felony conviction or any misdemeanor drug offense.

COMMENT #7: A comment was received encouraging the department to verify registered cardholder, provider/MIPP applicants are not under the supervision of the DOC or a youth court.

RESPONSE #7: The department will verify, through a fingerprint background check, that all provider/MIPP applicants are not in the custody of or under the supervision of the DOC or a youth court. The department will work with the DOC to determine a means to verify all registered cardholder applicants are not under the supervision of the DOC or a youth court. Presently, each application includes a personal attestation that registered cardholder applicants are not under supervision. All applicants are required to sign the application.

COMMENT #8: A comment was received from the primary sponsor of SB423 recommending the department include a rule implementing Section 14 of the bill,

which is entitled "Inspection Procedures." The commenter specifically wants the department to list out requirements for provider's transaction records and require providers submit those records to the department periodically for monitoring purposes.

RESPONSE #8: Sections 14(1), (2), and (3) of SB423 have been enjoined by the First Judicial District Court of Lewis and Clark County (Cause No.: DDV-2011-518, Order on Motion for Preliminary Injunction, dated June 30, 2011). As a result of the court's order, the department presently has no authority to inspect and monitor provider's transaction records. Proposing and adopting a rule for an inspection provision that the department would have no authority to enforce may constitute contempt of the court's order, or, at minimum, result in the adoption of a rule that is void from the beginning. Furthermore, if the department adopts a rule when it has no substantive authority to do so, it would violate the Montana Administrative Procedures Act.

Section 14(4) of SB423 was not enjoined. This section deals with the requirements of the written records providers must keep. However, Section 14(4) specifically outlines the documentation requirements of providers; therefore, it is not necessary, nor would it be standard, for the department to address the requirements in the rule.

/s/ Kurt R. Moser
Rule Reviewer

/s/ Anna Whiting Sorrell
Anna Whiting Sorrell, Director
Public Health and Human Services

Certified to the Secretary of State September 12, 2011

policy and practice that when applying a NOL deduction, the filing method used to calculate the loss must be the same filing method used to calculate the income to which the loss is being applied. This established practice helps ensure that losses are calculated on a consistent accounting basis. It also improves tax equity among taxpayers by preventing some taxpayers from manipulating filing methods to gain a tax advantage at the expense of the majority of other taxpayers.

In implementing this practice, the department has required the restatement, or recalculation, of the loss year to the same filing method used to calculate the income to which the loss is applied. This policy is reflected in New Rule I (3).

The department respectfully disagrees that New Rule I ignores the underlying theory of combined reporting and the department's proposed revisions of ARM 42.23.414. New Rule I addresses the filing method to be used in calculating and applying the net operating loss deduction, i.e. under what circumstances the loss must be restated to a different filing method. ARM 42.23.414 addresses the application of the loss (after the application of New Rule I determining the correct filing method), i.e. each member of a group must calculate its individual share of the loss. So, for instance, if it is determined under the provisions of New Rule I that a net operating loss must be restated to a worldwide combined unitary basis, under ARM 42.23.414, that loss must be apportioned individually to each member of the group with Montana activity. The loss will be calculated on a unitary combined basis, but each member of the group with Montana activity will calculate its individual share of that loss.

COMMENT NO. 2: Ms. Schlepp further commented on New Rule I regarding her concern of how an acquisition of a group of companies would be treated if one or more companies within such group had net operating losses and filed returns under a different filing method than the purchasing group of companies.

RESPONSE NO. 2: The department reiterates that New Rule I only applies to situations where there is a change in filing method. For example, if a company files a separate company, nonunitary return, and in a subsequent year files a combined unitary return with its affiliated group, any losses sustained during the separate company filings must be restated to a unitary combined basis before being applied to the years filed under a unitary combined basis.

New Rule I does not apply to situations in which a change of ownership has occurred. Assume for example that a company incurs a net operating loss in a year in which it files a separate company return. The following year, the company is acquired and included in a unitary combined filing. Because there was a change in ownership, the loss would be available for carry back and carry forward to offset the company's Montana taxable income calculated on a unitary combined basis; no recalculation of the loss is required.

The filing of state returns under the unitary, water's edge or separate company methods is not a federal issue and, consequently, is not addressed in the Internal Revenue Code or federal regulations. The issue is entirely a matter of state law (see, for example, Title 15, chapter 31, part 3, MCA). Thus, the department believes it is appropriate to address the net operating loss deduction issues associated with changes in filing method in its administrative rules.

COMMENT NO. 3: Ms. Schlepp stated that on page 1108 of the rules notice under the reasonable necessity, the department states that, "The department is proposing to adopt New Rule I in response to concerns expressed by taxpayers and department personnel about the administrative complexity of recalculating net operating losses for tax periods in which changes in filing methods occurred. This proposed new rule simplifies the net operating loss calculation for multinational taxpayers." However, the last sentence on the same page regarding New Rule I(3) states, "This language reflects current department practice and is included to inform the public of that practice." Ms. Schlepp commented that these two excerpts seem contradictory to each other.

William Gregory Turner, Tax Counsel, Council on State Taxation, also provided written comments on New Rule I, including one that is similar in nature to Ms. Schlepp's comment in No. 1 above. Mr. Turner stated that the reasonable necessity is a response to concerns raised by taxpayers and the department about the administrative complexity of recalculating net operating losses for tax periods in which changes in filing methods occur. Mr. Turner pointed out that if taxpayers have raised concerns that the calculation of the carryover NOL is too administratively complex, it could not also be true that the department's current practice is to summarily deny the carryover as the regulation proposes to do.

RESPONSE NO. 3: The department appreciates Ms. Schlepp and Mr. Turner's interest and comments on this proposed rulemaking action. However, the department does not believe that the statements referenced above are contradictory. They are, in fact, separate statements that refer to two different sections of the proposed rule. The first excerpted language referenced addresses the proposed change in department policy addressing the limited situations when a taxpayer is changing to or from a water's-edge filing period to a non-water's-edge filing period. This change in policy is addressed in (2) of the new rule.

The second excerpt, ("This language reflects current department practice and is included to inform the public of that practice.") is in reference to (3) of the new rule. This is current department practice and deals with situations when there is a change in filing method from the year a net operating loss is incurred to a year when the loss is to be deducted. (See also Response No. 1 above). For example, if a company files a separate company, nonunitary return, and in a subsequent year files a combined unitary return with its affiliated group, any losses sustained during the separate company filings must be restated to a unitary combined basis before being applied to the years filed under a unitary combined basis.

COMMENT NO. 4: Mr. Turner further commented that if a taxpayer determines that claiming the NOL deduction is too administratively complex to be cost effective, it would simply not claim the deduction.

RESPONSE NO. 4: The department is not proposing to eliminate the net operating loss deduction afforded taxpayers under 15-31-119, MCA. Current application of net operating loss deductions when a taxpayer is changing to or from a water's-edge filing period to a non-water's-edge filing period has proven to be

exceedingly difficult to administer and calculate for both taxpayers and the department. The department is proposing to allow application of these losses in a manner to simplify the deduction calculation and to ensure equitable allocation and apportionment of the taxpayer's income. These public policy goals justify the proposed rules.

COMMENT NO. 5: Mr. Turner comments that the reasonable necessity suggests that under the proposed rule it would be appropriate to deny an NOL carryover whenever a corporate structure changes, regardless of the taxpayer's filing method.

RESPONSE NO. 5: The department believes that New Rule I is clear, in that the only time the net operating loss deduction would be applied in this way is when there is a change to or from the water's-edge filing method. Again, as referred to in Response No. 4, the department is proposing to allow application of these losses in a manner to ensure equitable allocation and apportionment of the taxpayer's income.

COMMENT NO. 6: Ms. Schlepp and Mr. Walt Kero, Tax Director and Shareholder, Junkermier, Clark, Campanella, Stevens PC, submitted comments stating objections to New Rule II. Each questioned why an acquired corporation would not be allowed to elect out of a water's-edge election.

RESPONSE NO. 6: The department appreciates the comments to New Rule II and interest in this proposed rulemaking action. Electing out of a water's-edge election, as proposed by Ms. Schlepp and Mr. Kero is contrary to existing Montana law. Pursuant to 15-31-324(1), MCA, "A water's-edge election may be made by a taxpayer and is effective only if every affiliated corporation subject to the taxes imposed under this chapter consents to the election. Consent by the common parent of an affiliated group constitutes consent of all members of the group. An affiliated corporation that becomes subject to taxes under this chapter after the water's-edge election is considered to have consented to the election."

Consequently, when an acquired corporation becomes part of the water's-edge combined group, it is considered to have consented to the election.

COMMENT NO. 7: Ms. Schlepp, Mr. Turner, and Mr. Kero also asked, "Why should an existing water's edge taxpayer that survives reorganization have the water's-edge election apply to the new affiliated group?"

RESPONSE NO. 7: A water's-edge taxpayer cannot opt out of the election because of a reorganization. If the water's-edge taxpayer survives a reorganization, the election follows over to the new affiliated group. Pursuant to 15-31-324(3), MCA, a water's-edge election can only be changed with permission of the department. The practice reflected in New Rule II arrives at the most equitable allocation of income. In addition, it has been the department's experience that the proposed language reflects the preferred method of water's-edge taxpayers.

COMMENT NO. 8: Mr. Turner commented that New Rule II(2) appears

inconsistent with the required consent of the other affiliates or the common parent provided for in 15-31-324, MCA.

RESPONSE NO. 8: The department appreciates Mr. Turner's comment, however, respectfully disagrees that New Rule II(2) is inconsistent with 15-31-324(1), MCA. Section 15-31-324(1) reads, in relevant part, "an affiliated corporation that becomes subject to taxes under this chapter after the water's-edge election is considered to have consented to the election." The department believes it is unfair to take away the perfected election of a Montana taxpayer because they are purchased or otherwise acquired by an entity that, prior to the purchase, had no taxable activity in Montana.

COMMENT NO. 9: Ms. Schlepp and Mr. Kero provided comments objecting to the amendment of ARM 42.23.107, with respect to the change of the gross income definition. Ms. Schlepp further stated that the amendment is more than a clarification of statute, that it expands current law and that it should be addressed legislatively.

RESPONSE NO. 9: The department respectfully disagrees with Ms. Schlepp and Mr. Kero on their interpretation of the proposed amendment to ARM 42.23.107. The department is not proposing to expand the definition of gross income. On the contrary, the department's proposed amendment is to delete the definition of "gross income" out of ARM 42.23.107 altogether and rely directly on the language of the law.

ARM 42.23.107(1) states "the following definitions apply to rules found in this chapter." Because the term "gross income" is no longer used in Chapter 23 of the administrative rules, the department is proposing to amend ARM 42.23.107 to remove the definition.

"Gross income" is already defined in 15-31-113, MCA. As stated in 2-4-305(2), MCA, a rule should not repeat statutory language. The department's proposed amendment brings the rule, as amended, into direct compliance with this statute. The department will rely upon and directly apply the current law as written by the Legislature. Relying on the exact language of the statute does not constitute an expansion of current law.

COMMENT NO. 10: Mr. Kero and Ms. Schlepp further commented that the rulemaking authority for ARM 42.23.107 was incorrect and that it seemed irrelevant to applying a definition change to all corporations.

RESPONSE NO. 10: The department reiterates its response to comment No. 9, in that there is no change to the definition of gross income being proposed. Regarding the authoritative cite, ARM 42.23.107 was adopted, in 1982, under the stated rulemaking authority. No changes are being proposed at this time to this cite. The department finds the cite to be correct.

COMMENT NO. 11: Mr. Kero and Ms. Schlepp commented on the proposed amendment to ARM 42.23.605, stating their opinion that interest should be paid on

amended returns where tax credits are claimed for the year of amendment.

RESPONSE NO. 11: The department does not pay interest on refunds resulting from amended returns filed claiming a tax credit. In these situations, there is no change to either Montana taxable income or the tax liability before payments and credits. The taxpayer's failure to claim a tax credit on the original return as filed is treated the same as a taxpayer's failure to claim a payment on the original return. Refunds resulting from unclaimed payments similarly do not include interest, but are issued in a timely manner after receiving the claim.

COMMENT NO. 12: Ms. Schlepp and Mr. Kero provided written comment on the proposed amendment to ARM 42.26.202. In their comments, each expressed a concern that the definition of "gross receipts" is broader than the statute intended. Mr. Kero states that under 15-31-501(2), MCA, if a term is not defined in the MCA chapter on taxation, the term has the same meaning as it does when used in a comparable context in the Internal Revenue Code. He commented that the definition of "gross receipts" cannot be defined or determined by administrative rule.

RESPONSE NO. 12: The department appreciates these comments; however, the term "gross receipts" is not defined in statute. As explained in the reasonable necessity statement in the proposal notice for amendments to ARM 42.26.202, the department is proposing to amend the rule to provide improved guidance for corporate taxpayers in reporting complex business transactions and circumstances. The existing brief definition does not adequately account for evolving situations occurring in today's complex global economy.

ARM 42.26.202 addresses "gross receipts" in the context of the sales apportionment factor for multistate corporate taxpayers. There is no comparable definition in the Internal Revenue Code for "gross receipts" in this context. Federal tax law does not contain any provisions addressing apportionment of income for state tax purposes. This is a state issue for corporations conducting business in more than one state. The department believes the proposed definition provides improved guidance on what constitutes a gross receipt with respect to the sales factor in the context of contemporary business conditions and also achieves greater consistency with other states for multistate taxpayers.

COMMENT NO. 13: Ms. Schlepp further commented that the following sentence, which is included in the Multistate Tax Commission's (MTC) definition of "gross receipts," has been excluded from the department's proposed definition. She strongly objects to the omission and has requested an explanation for the omission of the following sentence: "Amounts realized on the sale or exchange of property are not reduced for the cost of goods sold or the basis of the property sold."

RESPONSE NO. 13: With regard to the sentence Ms. Schlepp refers to, it is being proposed to be deleted because it is in conflict with the long-standing provision of ARM 42.26.259, which provides for receipts to be included at net for the sale or exchange of certain tangible or intangible property. The department does not find any policy basis for departing from the established practice in ARM 42.26.259.

COMMENT NO. 14: Ms. Schlepp requested clarification of ARM 42.26.202(11)(b)(x) with an example.

RESPONSE NO. 14: The department appreciates Ms. Schlepp's suggestion that an example may help clarify the intent of the proposed amendments to ARM 42.26.202, and has provided an example below. If a taxpayer enters into transactions to exchange inventory, the only amounts to be included in the sales apportionment factor would be the net amounts of payments received in excess of any net payments made during the year as part of these transactions. There are times when a taxpayer will enter into a contract to exchange inventory with a third party for various reasons, i.e. to maintain supply of inventory at certain locations, or to ensure supply of unfinished product at refineries or manufacturing facilities.

For example, there are many times when these agreements are comprised of several transactions in a given tax period between the taxpayer and an unrelated party. Including the gross receipts from each of these individual transactions merely exchanging inventory misrepresents the true sales activity of the taxpayer.

The department is proposing the amendments to ARM 42.26.202 whereby only the net receipts from these transactions will be included in the sales apportionment factor calculation; when the inventory is ultimately sold, rather than exchanged, to a customer of the taxpayer, the gross receipts from the sale of inventory will be included in the sales apportionment factor. This is consistent with current department practice.

COMMENT NO. 15: Ms. Schlepp also inquired about the treatment of intangible property under ARM 42.26.202(11)(b)(x).

RESPONSE NO. 15: To the extent the intangible property constitutes "inventory" to the taxpayer, and the taxpayer is engaged in exchanges of this inventory, only the net amounts of payments received in excess of net payments made during the year as a result of the exchanges would be included in the sales apportionment factor. For situations that include the sale of intangible property not held primarily for sale to customers in the ordinary course of the taxpayer's trade or business, taxpayer's are referred to ARM 42.26.259.

COMMENT NO. 16: Ms. Schlepp requested that the language in ARM 42.26.202(11)(b)(x) be rephrased for clarification.

RESPONSE NO. 16: The department has attempted to provide the necessary clarity Ms. Schlepp is seeking with the responses to Comment No.14 and Comment No.15. The department further reviewed the wording in ARM 42.26.202(11)(b)(x), and concluded that the current wording communicates the required calculations to taxpayers precisely, and that rephrasing it could reduce that precision. Again, the department is hopeful that the earlier responses in Comment No.14 and Comment No.15, provide the necessary clarity to this rule.

COMMENT NO. 17: Ms. Schlepp commented that the term "to contribute

materially" is not used anywhere in the statutes, current, or proposed rules.

RESPONSE NO. 17: The department agrees with Ms. Schlepp and will further amend ARM 42.26.202 to remove this definition from the originally proposed amendments.

COMMENT NO. 18: Ms. Schlepp and Mr. Kero provided comments to the proposed amendments to ARM 42.26.206 and further requested the department provide an example of property being converted from business to nonbusiness use.

RESPONSE NO. 18: The department appreciates this suggestion and is pleased to provide Ms. Schlepp and Mr. Kero with the following example: Assume that a combined group had a subsidiary that was not part of its unitary operations. Assume also, that an asset that had been used in the unitary operations, for example a delivery truck, was transferred to the nonunitary subsidiary to be used in its business activities. This would be an asset being converted to a nonbusiness use.

If the delivery truck is sold the year after it was transferred out of the unitary group, any gain on the sale would be considered business income subject to apportionment by the unitary group. If the delivery truck is held by the nonunitary subsidiary for five years or more, as prescribed in ARM 42.26.232(3), before it is sold, the gain on the sale would be correctly classified as nonbusiness income.

COMMENT NO. 19: Mr. Kero commented with a concern that the proposed amendment to ARM 42.26.206 used broad statements such as "the classification of income by labels occasionally used, such as manufacturing income, compensation for services ... is of no assistance in determining whether income is business or nonbusiness income."

RESPONSE NO. 19: The language Mr. Kero cites above and comments on is not new language in ARM 42.26.206. The department is moving this language from ARM 42.26.206(3) to ARM 42.26.206(2). As stated in the reasonable necessity, the department is proposing changes reflective of our current practices and to reflect the outcome of the Montana Supreme Court's decision in *Gannett Satellite Information Network, Inc. v. State of Montana, Department of Revenue*.

COMMENT NO. 20: Mr. Kero further commented that he disagrees with the dismissal of terms used for federal income tax purposes for determining whether income is business or nonbusiness.

RESPONSE NO. 20: ARM 42.26.206 addresses "business income" and "nonbusiness income" in the context of apportionment or allocation of income for multistate corporate taxpayers. There is no comparable definition in the Internal Revenue Code for "business income" or "nonbusiness income" in this context. Federal tax law does not contain any provisions addressing apportionment or allocation of income amongst the states. This is a state issue for corporations conducting business in more than one state and is governed by state law (see, for

example, 15-31-301, MCA). The department believes the expanded definitions provide improved guidance as well as consistency with other states for multistate taxpayers.

COMMENT NO. 21: Ms. Schlepp commented on the proposed amendment to ARM 42.26.208(4), stating that she believes that the department lacks the necessary authority to adopt the proposed amendments to this rule.

RESPONSE NO. 21: The department respectfully disagrees with Ms. Schlepp's interpretation of the proposed amendment. Section 15-31-313, MCA, provides direct statutory authority for the department to adopt regulations that pertain to the allocation and apportionment of multistate income – the types of situations that this rule is intended to address. For instance, the department often encounters situations where a multistate taxpayer may exclude from its combined filing the income of a related subsidiary or parent corporation. In addition, another member of the combined group then deducts from apportionable income an expense paid to this same related subsidiary or parent corporation. This has the effect of reducing apportionable income by an item that would normally have been an intercompany wash. The adoption of this amendment to the rule is appropriate and deemed necessary to provide for the proper allocation and apportionment of business income under Title 15, chapter 31, MCA.

COMMENT NO. 22: Ms. Schlepp commented on the proposed amendment to ARM 42.26.261, stating that the amendment is a departure from current department practice. She further stated that the rule does not create confusion as claimed in the reasonable necessity.

RESPONSE NO. 22: The department believes the standard found in 15-31-312, MCA, is clear. There have been numerous situations since the adoption of ARM 42.26.261, in 1977, where both taxpayers and the department have agreed that the provisions of 15-31-312, MCA, should be applied even though there were no unusual fact situations. In other words, 15-31-312, MCA, has been historically invoked by taxpayers and the department to more accurately reflect the extent of a taxpayer's business activity in this state but, when doing so, focusing upon activities that were recurring and ordinary in nature.

This proposed rule amendment does not mean, however, that an unusual or nonrecurring item could not give rise to the application of the relief provision. Rather, the proposed amendment simply intends to clarify that a taxpayer or the department may invoke the relief provision to more accurately represent the business activity of a multistate enterprise occurring within this state – without regard to the regularity or frequency of the item at issue. The plain language statute fully supports this application; consequently, the department believes the language in ARM 42.26.261(1) should be removed.

COMMENT NO. 23: Ms. Schlepp commented on the proposed amendment to ARM 42.23.414, asking how that proposed language and the proposed language in New Rule I reconcile as they seem contradictory.

RESPONSE NO. 23: New Rule I addresses the calculation of the loss for the entire group and provides guidance for the filing method to be used and under what circumstances the loss must be restated to a different filing method.

ARM 42.23.414 addresses the method of assigning the entire loss to each individual member of the combined group (after the application of New Rule I determining the correct filing method). So, for instance, if it is determined under the provisions of New Rule I that a net operating loss must be restated to a worldwide combined unitary basis, under ARM 42.23.414, that loss must be apportioned individually to each member of the group with Montana activity. The loss will be calculated on a unitary combined basis, but each member of the group with Montana activity will calculate its individual share of that loss.

3. Based on the comments received and further review, the department further amends New Rule I (ARM 42.23.805), ARM 42.26.202, 42.26.206, and 42.26.208, as follows, stricken matter interlined, new matter underlined:

NEW RULE I (42.23.805) TREATMENT OF NET OPERATING LOSSES SPANNING A CHANGE IN REPORTING METHODS (1) through (3) remain as proposed.

AUTH: 15-31-313, 15-31-501 MCA
IMP: 15-31-119, ~~15-31-312, 15-31-322~~, MCA

42.26.202 DEFINITIONS The following definitions apply to this subchapter: (1) through (23) remain as proposed.

~~(24) "To contribute materially" includes, without limitation, "to be used operationally in the taxpayer's trade or business." Whether property materially contributes is not determined by reference to the property's value or percentage of use. If an item of property materially contributes to the taxpayer's trade or business, the attributes, rights, or components of that property are also operationally used in that business.~~

(25) remains as proposed but is renumbered (24).

AUTH: 15-1-201, 15-31-313, 15-31-501, MCA
IMP: 15-1-601, 15-31-301, 15-31-302, 15-31-303, 15-31-304, 15-31-305, 15-31-306, 15-31-307, 15-31-308, 15-31-309, 15-31-310, 15-31-311, 15-31-312, 15-31-321, 15-31-322, 15-31-323, 15-31-324, 15-31-325, 15-31-326, MCA

42.26.206 BUSINESS AND NONBUSINESS INCOME DEFINED (1) through (4) remain as proposed.

AUTH: 15-1-201, 15-31-313, 15-31-501, MCA
IMP: 15-1-601, 15-31-302, ~~15-31-304~~, MCA

42.26.208 ALLOCATION OF INCOME AND DEDUCTIONS (1) through (3) remain as proposed.

(4) If two or more entities, whether or not organized or doing business in this state, are owned or controlled directly or indirectly by the same interest, the taxpayer may petition for or the department may require adjustments that distribute, apportion, or allocate gross income or deductions between or among such entities, ~~if it determines that such distribution, apportionment, or allocation is necessary in order to prevent evasion of taxes, or to fairly represent the income of any such entities.~~

AUTH: 15-1-201, 15-31-313, 15-31-501, MCA

IMP: 15-1-601, 15-31-301, 15-31-302, 15-31-303, 15-31-304, 15-31-305, 15-31-306, 15-31-307, 15-31-308, 15-31-309, 15-31-310, 15-31-311, 15-31-312, 15-31-321, 15-31-322, 15-31-323, 15-31-324, 15-31-325, 15-31-326, MCA

4. Therefore, the department adopts New Rule I (42.23.805) and amends ARM 42.26.202, 42.26.206, and 42.26.208 with the amendments listed above, and adopts New Rule II (42.26.313); amends ARM 42.23.107, 42.23.605, 42.26.201, 42.26.207, 42.26.234, 42.26.237, 42.26.241, 42.26.242, 42.26.244, 42.26.253, 42.26.254, 42.26.255, 42.26.256, 42.26.261, 42.26.262, 42.26.263, 42.26.264, 42.26.302, 42.26.303, 42.26.310, 42.26.311, and 42.26.312; amends and transfers ARM 42.23.414 (42.23.803); transfers ARM 42.23.412 (42.23.801), 42.23.413 (42.23.802), and 42.23.415 (42.23.804); and repeals ARM 42.23.105 and 42.26.305 as proposed.

5. An electronic copy of this notice is available on the department's web site at www.revenue.mt.gov. Locate "Legal Resources" in the left hand column, select the "Rules" link and view the options under the "Notice of Proposed Rulemaking" heading. The department strives to make the electronic copy of this notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the department strives to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

/s/ Cleo Anderson
CLEO ANDERSON
Rule Reviewer

/s/ Dan R. Bucks
DAN R. BUCKS
Director of Revenue

Certified to Secretary of State September 12, 2011

NOTICE OF FUNCTION OF ADMINISTRATIVE RULE REVIEW COMMITTEE

Interim Committees and the Environmental Quality Council

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

Economic Affairs Interim Committee:

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

Education and Local Government Interim Committee:

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

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

- Department of Public Health and Human Services.

Law and Justice Interim Committee:

- Department of Corrections; and
- Department of Justice.

Energy and Telecommunications Interim Committee:

- Department of Public Service Regulation.

Revenue and Transportation Interim Committee:

- Department of Revenue; and
- Department of Transportation.

State Administration and Veterans' Affairs Interim Committee:

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

Environmental Quality Council:

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

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

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

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

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

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

Use of the Administrative Rules of Montana (ARM):

- | | |
|---------------|---|
| Known Subject | 1. Consult ARM Topical Index.
Update the rule by checking the accumulative table and the table of contents in the last Montana Administrative Register issued. |
| Statute | 2. Go to cross reference table at end of each number and title which lists MCA section numbers and department corresponding ARM rule numbers. |

ACCUMULATIVE TABLE

The Administrative Rules of Montana (ARM) is a compilation of existing permanent rules of those executive agencies that have been designated by the Montana Administrative Procedure Act for inclusion in the ARM. The ARM is updated through June 30, 2011. This table includes those rules adopted during the period July 1, 2011, through September 30, 2011, 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, 2011, this table, and the table of contents of this issue of the MAR.

This table indicates the department name, title number, rule numbers in ascending order, catchphrase or the subject matter of the rule, and the page number at which the action is published in the 2011 Montana Administrative Register.

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

ADMINISTRATION, Department of, Title 2

I-IX	Bank Debt Cancellation Contracts - Debt Suspension Agreements, p. 1430
I	Montana Mortgage Loan Origination Disclosure Form, p. 1231
I-XX	Reasonable Accommodations and Equal Access, p. 966, 1668
2.4.403	and other rules - Single Audit Act, p. 1325
2.21.4001	and other rules - Equal Employment Opportunity - Nondiscrimination - Harassment Prevention, p. 982, 1672
2.21.6608	and other rules - Employee Records Management, p. 998, 1677
2.59.1505	and other rule - Department Approval of Loan Agreement Form - Examination of Deferred Deposit Lenders, p. 692, 1365

(Public Employees' Retirement Board)

2.43.1302	and other rules - Operation of the Retirement Systems and Plans Administered by the Montana Public Employees Retirement Board, p. 1211, 1678
2.43.2105	Basic Period of Service, p. 132, 643
2.43.5002	and other rules - Operation of Volunteer Firefighters' Compensation Act Administered by the Montana Public Employees' Retirement Board, p. 1572

AGRICULTURE, Department of, Title 4

4.13.1001A	State Grain Lab Pricing, p. 696, 1366
------------	---------------------------------------

STATE AUDITOR, Title 6

- I-VI Insurer Investments in Derivative Instruments, p. 762, 1303
- 6.6.3401 and other rules - Standards for Companies Considered to Be in Hazardous Financial Condition, p. 616, 1128
- 6.6.3504 Annual Audited Reports - Establishing Accounting Practices and Procedures to Be Used in Annual Statements, p. 705, 1129
- 6.6.4601 and other rules - Montana Life and Health Insurance Guaranty Association Act - Notice Concerning Coverage Limitations and Exclusions, p. 700, 1367
- 6.10.502 Broker-Dealers and Investment Advisors, p. 746

COMMERCE, Department of, Title 8

- I Administration of the 2013 Biennium Quality Schools Grant Program- Planning Grants, p. 708, 1304
- I Administration of the 2011-2012 Federal Community Development Block Grant (CDBG) Program, p. 2678, 645
- 8.94.3726 Incorporation by Reference for the CDBG Program, p. 135, 566
- 8.94.3727 Administration of the 2011-2012 Federal Community Development Block Grant (CDBG) Program, p. 710, 1130
- 8.99.504 and other rules - Microbusiness Loans, p. 713, 1131
- 8.119.101 Tourism Advisory Council, p. 1439

(Board of Housing)

- I-VII Montana Veterans' Home Loan Programs, p. 1236
- 8.111.202 and other rules - Procedural Rules - Qualified Lender Requirements, p. 622, 1307
- 8.111.602 Low Income Housing Tax Credit Program, p. 2792, 567

EDUCATION, Department of, Title 10

- 10.16.3803 and other rules - Special Education, p. 1772

(Board of Public Education)

- I-XI English Language Proficiency (ELP) Standards and Performance Descriptors, p. 1331

FISH, WILDLIFE AND PARKS, Department of, Title 12

- I Aquatic Invasive Species Inspection Stations, p. 626, 1132

(Fish, Wildlife and Parks Commission)

- 12.11.610 and other rules - Recreational Use Rules on the Bitterroot River, Blackfoot River, and Clark Fork River, p. 767
- 12.11.805 and other rules - Recreational Use Rules in Montana, p. 83, 901

ENVIRONMENTAL QUALITY, Department of, Title 17

- I-VII Electronic Filing of Documents, p. 628, 1135
17.36.103 and other rules - Application Contents - Review Procedures -
Compliance With Local Requirements - Certificate of Approval -
Certification of Local Department or Board of Health - Sewage
Systems, p. 1577
- 17.50.203 Completion of Shielding, p. 1442
17.50.213 Motor Vehicle Recycling and Disposal - Reimbursement Payments for
Abandoned Vehicle Removal, p. 91, 379
- 17.56.101 and other rules - Definitions - Cleanup Plan - Release Categorization,
p. 1775
- 17.56.308 and other rules - Underground Storage Tanks - Operating Tags -
Delivery Prohibition, p. 1048
- 17.74.301 and other rules - Incorporation by Reference - OSHA Preclusion -
Asbestos Project Management, p. 493, 718
- (Board of Environmental Review)
- 17.8.604 and other rules - Air Quality - Open Burning, p. 2880, 569
17.8.763 Air Quality - Revocation of Permit, p. 2878, 568
17.8.801 and other rules - Air Quality - Definitions - Ambient Air Increments -
Major Stationary Sources - Source Impact Analysis - Source
Information - Sources Impacting Federal Class I Areas - Definitions -
When Air Quality Permit Required - Baseline for Determining Credit for
Emissions - Air Quality Offsets, p. 799
- 17.30.201 and other rule - Water Quality - Permit Application - Degradation
Authorization - Annual Permit Fees - General Permits, p. 2870, 909
- 17.30.617 and other rule - Water Quality - Outstanding Resource Water
Designation for the Gallatin River, p. 2294, 328, 1398, 438, 1953, 162,
1324, 264, 1648, 89, 1244
- 17.30.1201 and other rules - Water Quality - Montana Pollutant Discharge
Elimination System Effluent Limitations and Standards - Standards of
Performance - Treatment Requirements, p. 771
- 17.36.922 and other rule - Local Variances - Variance Appeals to the
Department, p. 528, 1548
- 17.38.101 and other rules - Plans for Public Water Supply or Wastewater System
- Fees - Definitions - Water Supply - Chemical Treatment of Water, p.
521, 1545
- (Petroleum Tank Release Compensation Board)
- 17.58.201 and other rules - Procedural and Substantive Rules - Petroleum Tank
Release Compensation, p. 1, 377
- 17.58.326 and other rules - Operation and Management of Petroleum Storage
Tanks - Review and Determination of Claims for Reimbursement -
Third-Party Damages, p. 720, 1370

CORRECTIONS, Department of, Title 20

- I Expansion of Adult Community Corrections Contracted Treatment Facilities or Programs, p. 1336
- 20.7.506 and other rules - Siting - Establishment - Expansion of Prerelease Centers, p. 1339
- 20.9.302 and other rules, Youth Who Have Been Paroled From Youth Correctional Facilities, p. 808, 1345, 1821
- 20.9.602 and other rules - Prison Rape Elimination Act - Licensure of Youth Detention Facilities, p. 183, 570

JUSTICE, Department of, Title 23

- I-IX Establishing the 24/7 Sobriety Program, p. 1246
- 23.6.105 and other rules - Removal of a Member of the Tow Truck Complaint Resolution Committee - Removing References to the Public Service Commission and Satellite Operations - Clarifying Requirements Regarding Insurance - Requirements for Safety Certification of Tow Trucks - Extending the Time Period for Safety Certification of Tow Trucks, p. 1783
- 23.6.106 Tow Truck Complaint Resolution Committee, p. 1788
- 23.15.306 Mental Health Therapists, p. 1585

(Gambling Control Division)

- 23.16.1802 and other rules - Advertising Restrictions for Video Gambling Machines - Expiration Date for Video Gambling Machine Ticket Vouchers - Software Specifications for Video Line Games - Special Bingo Sessions - Definitions - General Specifications of Video Gambling Machines - General Software Specifications of Video Gambling Machines - Software Specifications for Video Multigame Machines - Bonus Games - Automated Accounting and Reporting System - Video Gambling Machine - Hardware and Software Specifications - Prohibited Machines - Approval of Video Gambling Machines and/or Modifications to Approved Video Gambling Machines - Inspection and Seizure of Machines - Manufacturer of Illegal Gambling Devices – Department Contact Information - Combination of Video Poker, Keno, Bingo, and Video Line Games - Testing of Automated Accounting and Reporting Systems - Definitions - Prize Awards for Live Keno and Bingo Games, p. 1252, 1681

LABOR AND INDUSTRY, Department of, Title 24

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

- 24.7.301 and other rules - Board of Labor Appeals - Unemployment Insurance, p. 195, 573

- 24.11.2221 Unemployment Insurance Rates for Governmental Entities, p. 1002, 1371
- 24.17.103 and other rules - Prevailing Wage Rates for Public Works Projects - Building Construction Services - Heavy Construction Services - Highway Construction Services - Nonconstruction Services, p. 2681, 102, 747
- 24.17.127 Prevailing Wage Rates for Public Works Projects-Nonconstruction Services, p. 725, 1136
- 24.21.401 and other rules - Apprenticeship Training Programs, p. 2466, 2962
- 24.26.643 Petitions for Decertification Before the Board of Personnel Appeals, p. 1006, 1372
- 24.29.1401A and other rules - Implementation of Utilization and Treatment Guidelines - Medical Services Rules for Workers' Compensation Matters, p. 728, 1137

(Board of Athletic Trainers)

- 24.101.413 and other rules - Renewal Dates and Requirements - Fee Schedule - Licensure of Athletic Trainers, p. 94, 576

(Board of Architects and Landscape Architects)

- 24.114.501 and other rules - Architect Examination - Landscape Architect Applications - Education and Experience, p. 1445

(Board of Barbers and Cosmetologists)

- 24.101.413 and other rule - Renewal Dates - Requirements - Fees, p. 812, 1683

(Board of Chiropractors)

- 24.126.510 and other rules - Endorsement - Inactive Status and Conversion - Minimum Requirements for Impairment Evaluators - Prepaid Treatment Plans, p. 2284, 380

(Board of Dentistry)

- 24.138.509 and other rules - Dental Hygiene Limited Access Permit - Medical Assistance Program Relapse - Dentist Administration of Anesthesia - Anesthesia Definitions - Committee - Permits, p. 1791

(State Electrical Board)

- 24.141.405 and other rule - Fee Schedule - Nonroutine Applications, p. 1347, 1588

(Board of Medical Examiners)

- 24.156.1401 and other rules - Acupuncturist Licensure - Unprofessional Conduct - Physician Assistant Supervision - Chart Review - Acupuncturist Discipline Reporting - Continuing Education - Physician Assistant Performing Radiologic Procedures - Acupuncture School Approval, p. 1591

(Board of Nursing)

24.159.301 and other rules - Definitions - Fees - Faculty for Practical Nursing Programs - Medication Aides - Prohibited Intravenous Therapies - Licensure by Examination - Medication Aides - Nurse Reexamination, p. 1350

(Board of Outfitters)

24.171.401 and other rules - Fees - Outfitter Records - Safety Provisions - Inactive License - Guide License - Determination of Client Hunter Use - Renewals - Web Site Posting - Successorship, p. 1265

(Board of Pharmacy)

24.174.303 and other rules - Definitions - Examination for Licensure - Administration of Vaccines - Prescription Requirements - Internship Requirements - Preceptor Requirements - Registered Pharmacist Continuing Education - Disciplinary Action, p. 277, 1148

(Board of Private Alternative Adolescent Residential or Outdoor Programs)

24.181.301 and other rules - Definitions - Licensing Fee Schedule - Application for Registration - Site Visits - Program Administration - Program Participant Protection - Definitions-Residential Programs - Renewals - Registration Fee Schedule - Implementation, p. 636, 1684

(Board of Private Security Patrol Officers and Investigators)

24.182.401 and other rules - Fee Schedule - Training Courses Standards - Curriculum, p. 1603

(Board of Professional Engineers and Professional Land Surveyors)

I-IV Professional Land Surveyor Scope of Practice Activities, p. 2288, 385
24.183.404 and other rules - Fee Schedule - Certificate of Authorization - Application - Grant and Issue Licenses - Uniform Standards, p. 1449
24.183.502 and other rule - Application Processes for Professional Engineers and Professional Land Surveyors, p. 286, 920

(Board of Real Estate Appraisers)

24.101.413 and other rules - Renewal Dates - Requirements - Fees - Definitions - Appraisal Management, p. 1610
24.207.401 and other rules - Fees - Application Requirements - Qualifying Education Requirements - Qualifying Experience - Inactive License or Certification - Inactive to Active License - Trainee Requirements - Mentor Requirements - Continuing Education, p. 2905, 577
24.207.505 and other rule - Qualifying Education Requirements for Licensed Real Estate Appraisers - Residential Certification, p. 1362

(Board of Realty Regulation)

24.210.667 and other rule - Continuing Real Estate Education - Continuing Property Management Education, p. 815

(Board of Sanitarians)

24.216.402 and other rules - Fee Schedule - Applications - Minimum Licensure Standards - Examination - Continuing Education - Sanitarian-in-Training - Inactive Status Licensure, p. 364, 749

(Board of Social Work Examiners and Professional Counselors)

I-XII Qualification of Social Workers and Professional Counselors to Perform Psychological Testing, Evaluation, and Assessment, p. 533

24.101.413 Renewal Dates - Requirements - Licensure - Regulation of Marriage and Family Therapists, p. 550

24.219.301 and other rules - Definitions - Application Procedures - Supervisor Qualifications - Parenting Plan Evaluations, p. 540

(Board of Veterinary Medicine)

24.225.401 and other rules - Fees - Examination Application Requirements - Examination for Licensure - Board-Approved Training Program Criteria - Euthanasia Technician Test Criteria - Certified Euthanasia Agency Inspection Criteria, p. 371, 1151

LIVESTOCK, Department of, Title 32

32.2.404 and other rules -Department Livestock Permit Fees - Miscellaneous Fees - Definitions - Bison Unlawfully Estrayed - Public-Owned Migratory Bison From Herds Affected With a Dangerous Disease - Use of Brucella Abortus Vaccine - Domestic Bison Permit Before Removal From County or State - Livestock Market Releases, p. 1464

32.3.201 and other rules - Definitions - Additional Requirements for Cattle - Official Trichomoniasis Testing - Certification Requirement - Reporting Trichomoniasis - Movement of Animals From Test Positive Herds - Epizootic Areas - Epidemiological Investigations - Exposed Herd Notification - Common Grazing - Grazing Associations - Penalties, p. 1470

32.3.433 and other rule - Animal Identification Within the DSA, p. 1053, 1551

32.3.1505 Blood Testing With Salmonella Antigens, p. 1056, 1556

32.8.101 and other rule - Grade A Pasteurized Milk - Time From Processing That Fluid Milk May Be Sold for Public Consumption, p. 289, 1461

NATURAL RESOURCES AND CONSERVATION, Department of, Title 36

36.12.101 and other rules - Water Right Permitting, p. 1277

(Board of Land Commissioners)

36.25.110 Rental Rate for State Grazing Leases, p. 1479

36.25.801 and other rules - Land Banking Program, p. 1618

(Board of Oil and Gas Conservation)

I-V Oil and Gas Well Stimulation, p. 819, 1686

PUBLIC HEALTH AND HUMAN SERVICES, Department of, Title 37

- I-XIII Montana Medicaid Provider Incentive Program for Electronic Healthcare Records, p. 824, 1374
- 37.12.301 and other rules - Licensure of Laboratories Conducting Analyses of Public Water Supplies, p. 1059
- 37.34.206 and other rules - Developmental Disabilities Eligibility Rules for Medicaid Only, p. 312, 1158, 1311
- 37.34.913 and other rules - Reimbursement for the Provision to Persons With Developmental Disabilities of Services - Items Covered as Benefits of the Various Programs of Services Administered by the Developmental Disabilities Program, p. 1008, 1718
- 37.40.307 and other rules - Nursing Facility Reimbursement, p. 835, 1375
- 37.40.705 and other rules - Home Health Care - Personal Assistance Service, p. 858, 1386
- 37.40.1406 and other rules - Home and Community-Based Services (HCBS) for the Elderly and People With Physical Disabilities, p. 1077, 1722
- 37.40.1421 Medicaid Provider Fee Schedules - Home and Community-Based Services (HCBS) for the Elderly and People With Physical Disabilities, p. 896, 1713
- 37.78.102 Temporary Assistance for Needy Families (TANF), p. 561, 1313
- 37.79.102 Healthy Montana Kids Definition of Federal Poverty Level, p. 871, 1388
- 37.80.101 and other rule - Permissive Licensing Facilities Exclusion From Subsidy Child Care Program, p. 1815
- 37.82.101 and other rule - Medicaid Eligibility, p. 1293, 1823
- 37.85.212 and other rule - Resource Based Relative Value Scale (RBRVS) - Reimbursement for Physician Administered Drugs, p. 865, 1287, 1700
- 37.86.702 and other rules - Audiology - Hearing Aids, p. 1628
- 37.86.805 and other rules - Medicaid Acute Services Reimbursement - Early and Periodic Screening - Diagnostic and Treatment (EPSDT), p. 851, 1384
- 37.86.1101 and other rules - Medicaid Pharmacy Reimbursement, p. 1805
- 37.86.2224 and other rules - Children's Mental Health Bureau Rate Reduction, p. 874, 1290, 1708
- 37.86.2801 and other rules - Medicaid Inpatient Hospital Services, p. 884, 1391
- 37.86.2907 Medicaid Inpatient Hospital Services, p. 1625
- 37.86.3515 Case Management Services for Adults With Severe Disabling Mental Illness - Reimbursement, p. 2807, 449
- 37.86.3515 and other rules - Mental Health Services for Adults, p. 891, 1394
- 37.86.3607 Rates of Reimbursement for the Provision by Provider Entities of Medicaid Funded Targeted Case Management Services to Persons With Developmental Disabilities, p. 881, 1389
- 37.86.4201 and other rules - Dialysis Clinics, p. 1811

- 37.87.903 and other rules - Psychiatric Residential Treatment Facility Reimbursement, p. 293, 1154
- 37.87.1303 and other rules - Home and Community-Based Services for Youth With Serious Emotional Disturbance (Waiver), p. 841, 1382
- 37.97.101 and other rules - Youth Care Facility (YCF) Licensure, p. 2108, 138, 387
- 37.104.101 and other rule - Emergency Medical Services (EMS), p. 2915, 1153
- 37.106.1130 and other rules - Licensing Requirements for Outpatient Facilities for Primary Care, p. 2690, 578
- 37.107.101 and other rules - Montana Marijuana Act, p. 1524
- 37.115.104 and other rules - Pools - Spas - Other Water Features, p. 1482

PUBLIC SERVICE REGULATION, Department of, Title 38

- 38.3.402 and other rules - Regulation of Motor Carriers, p. 1632

REVENUE, Department of, Title 42

- I-IV Telecommunication Services for Corporation License Taxes, p. 1968, 2540, 582
- 42.8.102 and other rule - One-Stop Business Licensing, p. 1023, 1557
- 42.11.104 and other rules - Liquor Vendors, p. 2563, 451
- 42.11.105 and other rule - Mark-Up on Liquor Sold by the State, p. 1642
- 42.14.101 and other rule - Lodging Facility Use Tax, p. 44, 461
- 42.14.1002 and other rule - Rental Vehicle Tax, p. 41, 460
- 42.18.106 and other rules - Property Taxes, p. 1020, 1395
- 42.20.432 and other rules - Validating Sales Information - Extension of Statutory Deadline for Assessment Reviews, p. 1646
- 42.21.158 and other rule - Aggregation of Property Tax for Certain Property, p. 1650
- 42.23.107 and other rules - Corporation License Tax - General and Corporate Multistate Activities, p. 1107

SECRETARY OF STATE, Office of, Title 44

- I Access to Documents - Fees for Copies of Public Records, p. 1026, 1558
- I Processes - Procedures for Early Preparation of Absentee Ballots, p. 1658
- 44.3.1716 and other rules - Elections, p. 1662
- (Commissioner of Political Practices)
- 44.10.331 Limitations on Receipts From Political Committees to Legislative Candidates, p. 1539
- 44.10.338 Limitations on Individual and Political Party Contributions, p. 1542

BOARD APPOINTEES AND VACANCIES

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

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

In this issue, appointments effective in August 2011 appear. Vacancies scheduled to appear from October 1, 2011, through December 31, 2011, are listed, as are current vacancies due to resignations or other reasons. Individuals interested in serving on a board should refer to the bill that created the board for details about the number of members to be appointed and necessary qualifications.

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

IMPORTANT

Membership on boards and commissions changes constantly. The following lists are current as of September 1, 2011.

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

BOARD AND COUNCIL APPOINTEES FROM AUGUST 2011

<u>Appointee</u>	<u>Appointed by</u>	<u>Succeeds</u>	<u>Appointment/End Date</u>
Agriculture Development Council (Agriculture)			
Mr. Bill Koenig Kalispell Qualifications (if required): agriculture producer	Governor	reappointed	8/8/2011 7/1/2014
Ms. Patricia Quisno Harlem Qualifications (if required): agriculture producer	Governor	reappointed	8/8/2011 7/1/2014
Mr. David Tyler Belgrade Qualifications (if required): agriculture producer	Governor	reappointed	8/8/2011 7/1/2014
Board of Private Security (Labor and Industry)			
Ms. Holly Dershem-Bruce Glendive Qualifications (if required): public representative	Governor	reappointed	8/15/2011 8/1/2014
Mr. Raymond Murray Missoula Qualifications (if required): POST representative	Governor	reappointed	8/15/2011 8/1/2014
Board of Sanitarians (Labor and Industry)			
Sen. John Brueggeman Polson Qualifications (if required): sanitarian	Governor	reappointed	8/8/2011 7/1/2014

BOARD AND COUNCIL APPOINTEES FROM AUGUST 2011

<u>Appointee</u>	<u>Appointed by</u>	<u>Succeeds</u>	<u>Appointment/End Date</u>
Board of Sanitarians (Labor and Industry) cont.			
Ms. Kathleen Driscoll Hamilton Qualifications (if required): public representative	Governor	reappointed	8/8/2011 7/1/2014
Mayor Gene Townsend Three Forks Qualifications (if required): public representative	Governor	reappointed	8/8/2011 7/1/2014
Department of Transportation Director (Transportation)			
Mr. Tim Reardon Helena Qualifications (if required): none specified	Governor	Lynch	8/11/2011 0/0/0
Family Support Services Advisory Council (Public Health and Human Services)			
Mr. Verne Beffert Livingston Qualifications (if required): special education representative	Governor	Stefanic	8/3/2011 4/9/2012
Ms. Denise Brunett Helena Qualifications (if required): agency representative	Governor	Runkel	8/3/2011 4/9/2012
Ms. Diana Colsgrove Eureka Qualifications (if required): parent representative	Governor	reappointed	8/3/2011 4/9/2012

BOARD AND COUNCIL APPOINTEES FROM AUGUST 2011

<u>Appointee</u>	<u>Appointed by</u>	<u>Succeeds</u>	<u>Appointment/End Date</u>
Family Support Services Advisory Council (Public Health and Human Services) cont.			
Ms. Sylvia Danforth Miles City Qualifications (if required): provider representative	Governor	Pease	8/3/2011 4/9/2012
Ms. Laurie Frank Simms Qualifications (if required): parent representative	Governor	reappointed	8/3/2011 4/9/2012
Ms. Priscilla Halcro Great Falls Qualifications (if required): family support specialist	Governor	reappointed	8/3/2011 4/9/2012
Ms. Lucy Hart-Paulson Missoula Qualifications (if required): language therapist	Governor	reappointed	8/3/2011 4/9/2012
Mr. Ronald Herman Helena Qualifications (if required): agency representative	Governor	reappointed	8/3/2011 4/9/2012
Ms. Beverly Hertweck Helena Qualifications (if required): agency representative	Governor	not listed	8/3/2011 4/9/2012
Mr. Theodore Maloney Helena Qualifications (if required): personnel preparation	Governor	reappointed	8/3/2011 4/9/2012

BOARD AND COUNCIL APPOINTEES FROM AUGUST 2011

<u>Appointee</u>	<u>Appointed by</u>	<u>Succeeds</u>	<u>Appointment/End Date</u>
Family Support Services Advisory Council (Public Health and Human Services) cont.			
Ms. Sandi Marisdotter Helena Qualifications (if required): provider representative	Governor	reappointed	8/3/2011 4/9/2012
Ms. Novelene Martin Miles City Qualifications (if required): parent representative	Governor	reappointed	8/3/2011 4/9/2012
Ms. Danni McCarthy Helena Qualifications (if required): agency representative	Governor	McCarthy	8/3/2011 4/9/2012
Ms. Sandy McGennis Great Falls Qualifications (if required): representative of the School for the Deaf and Blind	Governor	reappointed	8/3/2011 4/9/2012
Mr. Joseph Miller Big Sky Qualifications (if required): parent representative	Governor	Pease	8/3/2011 4/9/2012
Ms. Dawn Piazzi Helena Qualifications (if required): agency representative	Governor	not listed	8/3/2011 4/9/2012
Ms. Paula Sherwood Missoula Qualifications (if required): agency representative	Governor	reappointed	8/3/2011 4/9/2012

BOARD AND COUNCIL APPOINTEES FROM AUGUST 2011

<u>Appointee</u>	<u>Appointed by</u>	<u>Succeeds</u>	<u>Appointment/End Date</u>
Family Support Services Advisory Council (Public Health and Human Services) cont.			
Ms. Mary Jane Standaert Helena	Governor	Sinclair	8/3/2011 4/9/2012
Qualifications (if required): Head Start/Early Head Start representative			
Ms. Cristin Volinkaty Missoula	Governor	reappointed	8/3/2011 4/9/2012
Qualifications (if required): provider representative			
Mental Health Ombudsman (Governor)			
Ms. Jennifer L. Hensley Butte	Governor	reappointed	8/2/2011 8/2/2015
Qualifications (if required): none specified			
Montana Council on Developmental Disabilities (Commerce)			
Mr. Jason Billehus Missoula	Governor	reappointed	8/1/2011 1/1/2015
Qualifications (if required): primary consumer representative			
Ms. Janet Carlson Malta	Governor	reappointed	8/1/2011 1/1/2015
Qualifications (if required): primary consumer representative			
Rep. Tim Furey Milltown	Governor	reappointed	8/1/2011 1/1/2012
Qualifications (if required): legislator			

BOARD AND COUNCIL APPOINTEES FROM AUGUST 2011

<u>Appointee</u>	<u>Appointed by</u>	<u>Succeeds</u>	<u>Appointment/End Date</u>
Montana Council on Developmental Disabilities (Commerce) cont.			
Mr. Roger Holt Billings Qualifications (if required): advocacy program representative	Governor	reappointed	8/1/2011 1/1/2012
Mr. Darwin Nelson Helena Qualifications (if required): primary consumer representative	Governor	reappointed	8/1/2011 1/1/2015
Ms. Tarra Thomas Billings Qualifications (if required): secondary consumer representative	Governor	Karasco	8/1/2011 1/1/2015
Ms. Connie Wethern Glasgow Qualifications (if required): secondary consumer representative	Governor	reappointed	8/1/2011 1/1/2015
Sen. Carol Williams Missoula Qualifications (if required): legislator	Governor	reappointed	8/1/2011 1/1/2012
Montana Wheat and Barley Committee (Agriculture)			
Mr. Leonard Schock Vida Qualifications (if required): District 7	Governor	reappointed	8/20/2011 8/20/2014

BOARD AND COUNCIL APPOINTEES FROM AUGUST 2011

<u>Appointee</u>	<u>Appointed by</u>	<u>Succeeds</u>	<u>Appointment/End Date</u>
Montana Wheat and Barley Committee (Agriculture) cont.			
Mr. Frank Schoonover Dutton	Governor	reappointed	8/20/2011 8/20/2014
Qualifications (if required): District 4			
Petroleum Tank Release Compensation Board (Environmental Quality)			
Ms. Kate Cassidy Whitefish	Governor	Balazicevich	8/1/2011 6/30/2014
Qualifications (if required): environmental regulatory experience			
Mr. Steve Sendon Bozeman	Governor	reappointed	8/1/2011 6/30/2014
Qualifications (if required): banker			
Poet Laureate (Montana Arts Council)			
Ms. Sheryl Noethe Missoula	Governor	Real Bird	8/1/2011 8/1/2013
Qualifications (if required): Montana poet			
Tourism Advisory Council (Commerce)			
Mr. Ed DesRosier East Glacier Park	Governor	reappointed	8/15/2011 7/1/2014
Qualifications (if required): resident of Glacier Country			
Ms. Meg O'Leary Big Sky	Governor	reappointed	8/15/2011 7/1/2014
Qualifications (if required): resident of Yellowstone Country			

BOARD AND COUNCIL APPOINTEES FROM AUGUST 2011

<u>Appointee</u>	<u>Appointed by</u>	<u>Succeeds</u>	<u>Appointment/End Date</u>
Tourism Advisory Council (Commerce) cont.			
Ms. Gail Richardson Bozeman	Governor	reappointed	8/15/2011 7/1/2014
Qualifications (if required): resident of Yellowstone Country			
Mr. Paul Tuss Havre	Governor	reappointed	8/15/2011 7/1/2014
Qualifications (if required): resident of Russell Country			
Ms. Amber Wood-Jensen Butte	Governor	reappointed	8/15/2011 7/1/2014
Qualifications (if required): resident of Goldwest Country			

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
<p>Board of Athletic Trainers (Labor and Industry) Mr. Brian Coble, Helena Qualifications (if required): athletic trainer in a post-secondary school</p>	Governor	10/1/2011
<p>Mr. Christopher Heard, Butte Qualifications (if required): athletic trainer in a health care facility</p>	Governor	10/1/2011
<p>Dr. Derrick Johnson, Butte Qualifications (if required): physician</p>	Governor	10/1/2011
<p>Board of Barbers and Cosmetologists (Labor and Industry) Ms. Karan Charles, Miles City Qualifications (if required): barber</p>	Governor	10/1/2011
<p>Ms. Juanita Mace, Billings Qualifications (if required): cosmetologist</p>	Governor	10/1/2011
<p>Board of Occupational Therapy Practice (Labor and Industry) Ms. Amy J. Gilbertson, Great Falls Qualifications (if required): occupational therapist</p>	Governor	12/31/2011
<p>Board of Outfitters (Labor and Industry) Rep. Carol Gibson, Billings Qualifications (if required): sportsperson</p>	Governor	10/1/2011
<p>Mr. John R. Redman, Sidney Qualifications (if required): public representative</p>	Governor	10/1/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
<p>Board of Outfitters (Labor and Industry) cont. Mr. Thomas Sather, Bozeman Qualifications (if required): sportsperson</p>	Governor	10/1/2011
<p>Mr. Tim Linehan, Troy Qualifications (if required): big game outfitter</p>	Governor	10/1/2011
<p>Board of Speech-Language Pathologists and Audiologists (Governor) Ms. Lynn Harris, Missoula Qualifications (if required): audiologist</p>	Governor	12/31/2011
<p>Ms. Tina Hoagland, Billings Qualifications (if required): audiologist</p>	Governor	12/31/2011
<p>Board of Water Well Contractors (Natural Resources and Conservation) Mr. Kirk Waren, Butte Qualifications (if required): none specified</p>	Director	10/5/2011
<p>Building Codes Council (Labor and Industry) Commissioner Dave Gallik, Helena Qualifications (if required): public member</p>	Governor	10/1/2011
<p>Mr. David Broquist, Great Falls Qualifications (if required): professional engineer</p>	Governor	10/1/2011
<p>Mr. Scott Lemert, Livingston Qualifications (if required): representative of the Board of Plumbers</p>	Governor	10/1/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
Building Codes Council (Labor and Industry) cont. Mr. Mick Wonnacott, Butte Qualifications (if required): building contractor industry representative	Governor	10/1/2011
Mr. Mike Seaman, Kalispell Qualifications (if required): manufactured housing industry representative	Governor	10/1/2011
Mr. Rodney N. Driver, Bigfork Qualifications (if required): elevator mechanic	Governor	10/1/2011
Mr. Allen Lorenz, Helena Qualifications (if required): state fire marshal	Governor	10/1/2011
Ms. Anna Whiting-Sorrell, Helena Qualifications (if required): DPHHS Director	Governor	10/1/2011
Mr. Steven Meismer, Missoula Qualifications (if required): building inspector	Governor	10/1/2011
Ms. Deborah Kane, Bozeman Qualifications (if required): licensed architect	Governor	10/1/2011
Mr. Ron Bartsch, Montana City Qualifications (if required): home building industry representative	Governor	10/1/2011
Mr. Bill Qualls, East Helena Qualifications (if required): representative of the Board of Electricians	Governor	10/1/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
Capital Finance Advisory Council (Administration)		
Mr. Fred Flanders, Helena Qualifications (if required): Montana Higher Education Student Assistance Corporation representative	Governor	10/29/2011
Rep. David Ewer, Helena Qualifications (if required): Budget Director	Governor	10/29/2011
Secretary Linda McCulloch, Helena Qualifications (if required): Secretary of State	Governor	10/29/2011
Director Janet Kelly, Helena Qualifications (if required): Director of the Department of Administration	Governor	10/29/2011
Sen. Trudi Schmidt, Great Falls Qualifications (if required): Legislator	Governor	10/29/2011
Director Mary Sexton, Helena Qualifications (if required): Department of Natural Resources Director	Governor	10/29/2011
Director Anthony Preite, Helena Qualifications (if required): Department of Commerce Director	Governor	10/29/2011
Director Richard Opper, Helena Qualifications (if required): Department of Environmental Quality Director	Governor	10/29/2011
Director Jim Lynch, Helena Qualifications (if required): Department of Transportation Director	Governor	10/29/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
Capital Finance Advisory Council (Administration) cont. Mr. J.P. Crowley, Helena Qualifications (if required): Board of Investments representative	Governor	10/29/2011
Ms. Teresa Cohea, Helena Qualifications (if required): Board of Investments representative	Governor	10/29/2011
Mr. Stephen M. Barrett, Bozeman Qualifications (if required): Budget Director	Governor	10/29/2011
Mr. Bill Kearns, Townsend Qualifications (if required): Facility Finance Authority representative	Governor	10/29/2011
Atty General Steve Bullock, Helena Qualifications (if required): Attorney General	Governor	10/29/2011
Representative Roy Hollandsworth, Brady Qualifications (if required): Legislator	Governor	10/29/2011
Historical Preservation Review Board (Historical Society) Mr. Robert Valach, Lewistown Qualifications (if required): public representative	Governor	10/1/2011
Ms. Miki Wilde, East Helena Qualifications (if required): public representative	Governor	10/1/2011
Ms. Donna Coate, Forsyth Qualifications (if required): public representative	Governor	10/1/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
Historical Records Advisory Council (Historical Society) Mr. Kim Allen Scott, Bozeman Qualifications (if required): public representative	Governor	10/9/2011
Ms. Judy Ellinghausen, Great Falls Qualifications (if required): public representative	Governor	10/9/2011
Ms. Peggy Gow, Deer Lodge Qualifications (if required): public representative	Governor	10/9/2011
Ms. Samantha K. Pierson, Libby Qualifications (if required): public representative	Governor	10/9/2011
Ms. Donna McCrea, Missoula Qualifications (if required): public representative	Governor	10/9/2011
Ms. Jodie Foley, Helena Qualifications (if required): state archivist	Governor	10/9/2011
Ms. Faith Bad Bear-Bartlett, Crow Agency Qualifications (if required): public representative	Governor	10/9/2011
Mr. Jon Ille, Hardin Qualifications (if required): public representative	Governor	10/9/2011
Judicial Nomination Commission (Supreme Court) Mr. Andrew P. Suenram, Dillon Qualifications (if required): attorney actively engaged in the practice of law	Supreme Court	12/31/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
<p>Montana Alfalfa Seed Committee (Agriculture) Mr. Ernest Johnson, Chinook Qualifications (if required): alfalfa seed grower</p>	Governor	12/21/2011
<p>Mr. John Mehling, Hardin Qualifications (if required): alfalfa seed grower</p>	Governor	12/21/2011
<p>Mr. Marvin Frank, Joliet Qualifications (if required): alfalfa seed grower</p>	Governor	12/21/2011
<p>Montana Local Government Records Committee (Historical Society) Ms. Marcia Porter, Missoula Qualifications (if required): none specified</p>	Director	12/31/2011
<p>Ms. Martha Rehbein, Missoula Qualifications (if required): none specified</p>	Director	12/31/2011
<p>Prescription Drug Abuse Advisory Council (Justice) Judge Thomas M. McKittrick, Great Falls Qualifications (if required): none specified</p>	Attorney General	10/2/2011
<p>Sen. Fred R. Van Valkenburg, Missoula Qualifications (if required): none specified</p>	Attorney General	10/2/2011
<p>Mr. James R. Cashell, Bozeman Qualifications (if required): none specified</p>	Attorney General	10/2/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
Prescription Drug Abuse Advisory Council (Justice) cont. Sen. Trudi Schmidt, Great Falls Qualifications (if required): none specified	Attorney General	10/2/2011
Mr. Ryan C. Rusche, Wolf Point Qualifications (if required): none specified	Attorney General	10/2/2011
Rep. Tom Berry, Roundup Qualifications (if required): none specified	Attorney General	10/2/2011
Ms. Starla Blank, Helena Qualifications (if required): none specified	Attorney General	10/2/2011
Mr. Joseph Doyle, Hardin Qualifications (if required): none specified	Attorney General	10/2/2011
Dr. Bill Gallea, Helena Qualifications (if required): none specified	Attorney General	10/2/2011
Mr. Wyatt Glade, Miles City Qualifications (if required): none specified	Attorney General	10/2/2011
Mr. Mark A. Long, Helena Qualifications (if required): none specified	Attorney General	10/2/2011
Mr. Michael Metzger, Billings Qualifications (if required): none specified	Attorney General	10/2/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
Prescription Drug Abuse Advisory Council (Justice) cont.		
Dr. Andrew Michel, Helena Qualifications (if required): none specified	Attorney General	10/2/2011
Ms. Trudy Mizner, Missoula Qualifications (if required): none specified	Attorney General	10/2/2011
Mr. Mark Muir, Missoula Qualifications (if required): none specified	Attorney General	10/2/2011
Mr. Russ Papke, Kalispell Qualifications (if required): none specified	Attorney General	10/2/2011
Mr. Karl Rosston, Helena Qualifications (if required): none specified	Attorney General	10/2/2011
Mr. Rich St. John, Billings Qualifications (if required): none specified	Attorney General	10/2/2011
State Emergency Response Commission (Military Affairs)		
Mr. Charles Mazurek, Clancy Qualifications (if required): representative of the insurance industry	Governor	10/1/2011
Mr. Tom Ellerhoff, Helena Qualifications (if required): representative of the Department of Environmental Quality	Governor	10/1/2011
Mr. Bruce Suenram, Helena Qualifications (if required): representative of the Department of Natural Resources and Conservation	Governor	10/1/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
<p>State Emergency Response Commission (Military Affairs) cont. Mr. William T. Rhoads, Butte Qualifications (if required): representative of a utility company</p>	Governor	10/1/2011
<p>Sheriff Clifford Brophy, Columbus Qualifications (if required): representative of a law enforcement association</p>	Governor	10/1/2011
<p>Mr. David W. Mason, Helena Qualifications (if required): representative of the fire services training school</p>	Governor	10/1/2011
<p>Ms. Stephanie Nelson, Bozeman Qualifications (if required): representative of a public health organization</p>	Governor	10/1/2011
<p>Mr. Royce A. Shipley, Great Falls Qualifications (if required): representative of the U.S. Air Force</p>	Governor	10/1/2011
<p>Mr. Dan McGowan, Helena Qualifications (if required): representative of the Disaster and Emergency Services</p>	Governor	10/1/2011
<p>Mr. Thomas Kuntz, Red Lodge Qualifications (if required): representative of a fire service association</p>	Governor	10/1/2011
<p>Mr. Jim Johnson, Missoula Qualifications (if required): representative of a railroad company</p>	Governor	10/1/2011
<p>Ms. Jolene Jacobson, Polson Qualifications (if required): representative of a tribal emergency response commission</p>	Governor	10/1/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
State Emergency Response Commission (Military Affairs) cont.		
Ms. Sally Buckles, Boulder Qualifications (if required): representative of an emergency medical services association	Governor	10/1/2011
Commissioner Ed Tinsley, Fort Harrison Qualifications (if required): representative of the Disaster and Emergency Services	Governor	10/1/2011
Mr. Michael Vogel, Bozeman Qualifications (if required): representative of the university system	Governor	10/1/2011
Mr. Joe Marcotte, Billings Qualifications (if required): representative of Montana hospitals	Governor	10/1/2011
Mr. Jim DeTienne, Helena Qualifications (if required): representative of the Emergency Medical Services and Trauma Services Section/DPHHS	Governor	10/1/2011
Major Don Emerson, Fort Harison Qualifications (if required): representative of the Montana National Guard	Governor	10/1/2011
Ms. Sheena Wilson, Helena Qualifications (if required): representative of the governor's office	Governor	10/1/2011
Mr. Kerry O'Connell, Big Timber Qualifications (if required): representative of an emergency management association	Governor	10/1/2011
Ms. Cheryl Richman, Helena Qualifications (if required): representative of the Department of Transportation	Governor	10/1/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
State Emergency Response Commission (Military Affairs) cont.		
Mr. Ron Jendro, Helena Qualifications (if required): representative of the Department of Fish, Wildlife and Parks	Governor	10/1/2011
Captain Tom Butler, Belgrade Qualifications (if required): representative of the Department of Justice	Governor	10/1/2011
Mr. Joe Lamson, Helena Qualifications (if required): representative of the Department of Natural Resources and Conservation	Governor	10/1/2011
Ms. Mary Simmons, Helena Qualifications (if required): representative of the Department of Public Health and Human Services	Governor	10/1/2011
Mr. Ron Zellar, Helena Qualifications (if required): representative of the Department of Agriculture	Governor	10/1/2011
Mr. Jim Lewis, Missoula Qualifications (if required): representative of a trucking association	Governor	10/1/2011
Mr. Michael Mercer, Great Falls Qualifications (if required): representative of the National Weather Service	Governor	10/1/2011
Commissioner Joe Brenneman, Kalispell Qualifications (if required): representative of the association of counties	Governor	10/1/2011
Ms. Cindy McIlveen, Butte Qualifications (if required): representative of the league of cities and towns	Governor	10/1/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
State Emergency Response Commission (Military Affairs) cont.		
Mr. Bob Levitan, Helena	Governor	10/1/2011
Qualifications (if required): representative of the Department of Natural Resources and Conservation		
Ms. Susan Taylor, Billings	Governor	10/1/2011
Qualifications (if required): representative of petroleum industry		
Mr. Pete Lawrenson, Missoula	Governor	10/1/2011
Qualifications (if required): representative of a railroad company		
Mr. Dale Nelson, Ronan	Governor	10/1/2011
Qualifications (if required): representative of a tribal emergency response commission		
Statewide Independent Living Council (Public Health and Human Services)		
Ms. Evelyn Pool, Lincoln	Governor	12/1/2011
Qualifications (if required): public representative		
Trauma Care Committee (Public Health and Human Services)		
Mr. Joseph D. Hansen, Big Timber	Governor	11/2/2011
Qualifications (if required): representative of the Eastern Region Trauma Advisory Council		
Mr. Tim Sinton, Choteau	Governor	11/2/2011
Qualifications (if required): representative of the Central Region Trauma Advisory Council		
Ms. Pauline Linnell, Bigfork	Governor	11/2/2011
Qualifications (if required): representative of the Montana Emergency Medical Services Association		

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
Trauma Care Committee (Public Health and Human Services) cont. Dr. Dennis Maier, Billings Qualifications (if required): representative of the Montana Committee on Trauma/ACS	Governor	11/2/2011
Ms. Elaine Schuchard, Glasgow Qualifications (if required): representative of the Emergency Nurses Association	Governor	11/2/2011
Ms. Kristen Lowery, Deer Lodge Qualifications (if required): representative of the Montana Trauma Coordinators	Governor	11/2/2011
Ms. Jennifer Thuesen, Polson Qualifications (if required): representative of the Western Region Trauma Advisory Council	Governor	11/2/2011
Mr. Justin Grohs, Great Falls Qualifications (if required): representative of private ambulances	Governor	11/2/2011
Dr. Andrew Michel, East Helena Qualifications (if required): representative of the American College of Emergency Physicians	Governor	11/2/2011
Ms. Leah Emerson, Ronan Qualifications (if required): representative of the Western Region Trauma Advisory Council	Governor	11/2/2011
Mr. Sam Miller, Bozeman Qualifications (if required): representative of the Eastern Region Trauma Advisory Council	Governor	11/2/2011
Vocational Rehabilitation Council (Public Health and Human Services) Ms. Shaunda Albert, Pablo Qualifications (if required): business representative	Governor	10/1/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

<u>Board/current position holder</u>	<u>Appointed by</u>	<u>Term end</u>
Vocational Rehabilitation Council (Public Health and Human Services) cont.		
Ms. Maureen Kenneally, Butte Qualifications (if required): representative of the State Workforce Investment Board	Governor	10/1/2011
Ms. Jacqueline Colombe, Basin Qualifications (if required): representative of the disabilities community	Governor	10/1/2011
Mr. Dan Burke, Missoula Qualifications (if required): representative of the disabilities community	Governor	10/1/2011
Ms. Michelle Williamson, Pablo Qualifications (if required): representative of the disabilities council	Governor	10/1/2011
Ms. Sharla LaFountain, Lewistown Qualifications (if required): representative of the disabilities community	Governor	10/1/2011
Ms. Faith Dawson, Missoula Qualifications (if required): representative of the disabilities community	Governor	10/1/2011
Ms. Dalayna Faught, Missoula Qualifications (if required): vocational rehabilitation counselor	Governor	10/1/2011
Ms. Lois McElravy, Missoula Qualifications (if required): representative of the disabilities council	Governor	10/1/2011
Mr. Richard Quillin, Whitefish Qualifications (if required): representative of the business community	Governor	10/1/2011

VACANCIES ON BOARDS AND COUNCILS -- OCTOBER 1, 2011 THROUGH DECEMBER 31, 2011

Board/current position holder

Appointed by

Term end

Water and Waste Water Operators' Advisory Council (Environmental Quality)

Dr. Carol Reifschneider, Havre

Governor

10/16/2011

Qualifications (if required): university faculty member