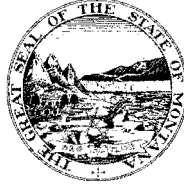


OFFICE OF THE GOVERNOR
STATE OF MONTANA

STEVE BULLOCK
GOVERNOR



JOHN WALSH
LT. GOVERNOR

May 3, 2013

The Honorable Linda McCulloch
Secretary of State
State Capitol
Helena, MT 59620

Dear Secretary McCulloch:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby veto House Bill 509 (HB 509), "AN ACT GENERALLY REVISING 9-1-1 FEES; ESTABLISHING HOW 9-1-1 FEES ARE IMPOSED ON PREPAID WIRELESS SERVICES; ESTABLISHING A PROCESS FOR THE COLLECTION OF PREPAID WIRELESS 9-1-1 FEES; ALLOWING A SELLER OF PREPAID WIRELESS SERVICES TO DEDUCT AND RETAIN A PORTION OF THE FEES; DETERMINING HOW PREPAID WIRELESS 9-1-1 FEES ARE APPLIED TO THE BUDGET OF THE 9-1-1 PROGRAM; LIMITING LIABILITY FOR SELLERS THAT ENGAGE IN PREPAID WIRELESS TRANSACTIONS; AMENDING SECTIONS 10-4-101, 10-4-201, 10-4-203, 10-4-204, 10-4-205, 10-4-211, 10-4-212, 10-4-301, AND 10-4-313, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE."

Montana law imposes certain fees on users of telephone and wireless services to fund 911 services for the State. HB 509 would require Montana retailers to collect the 911 fee associated with the sale of prepaid wireless services. It shifts the responsibility to collect the 911 fee from the provider of prepaid wireless services to the retailers who offer these products for sale.

By shifting the responsibility for collecting the 911 fee from major corporations to small businesses, HB 509 would adversely affect the drivers of our economy, Montana's Main Streets, by requiring these small businesses to invest in new equipment and additional reporting requirements to collect this tax.

Moreover, HB 509 essentially creates a general sales tax for a single product. If enacted, Montana would be the only state without a sales tax to adopt this model of collection. Montana voters have made their opposition to a sales tax clear and HB 509 runs contrary to their wishes.

For these reason, I am vetoing HB 509.

Sincerely, _____

A stylized, handwritten signature of Steve Bullock in black ink.

STEVE BULLOCK
Governor

cc: Legislative Services Division
Mark Blasdel, Speaker of the House
Jeff Essmann, President of the Senate