

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
58th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN DANIEL FUCHS**, on March 17, 2003 at 8:01 A.M., in Room 152 Capitol.

ROLL CALL

Members Present:

Rep. Daniel Fuchs, Chairman (R)
Rep. Ronald Devlin, Vice Chairman (R)
Rep. Ron Erickson, Vice Chairman (D)
Rep. Joan Andersen (R)
Rep. Joe Balyeat (R)
Rep. Gary Branae (D)
Rep. Eileen J. Carney (D)
Rep. Jill Cohenour (D)
Rep. Larry Cyr (D)
Rep. Kim Gillan (D)
Rep. Verdell Jackson (R)
Rep. Bob Lake (R)
Rep. Carol Lambert (R)
Rep. Jesse Laslovich (D)
Rep. Jim Peterson (R)
Rep. John (Jack) W. Ross (R)
Rep. Karl Waitschies (R)

Members Excused: Rep. Gary Forrester (D).

Members Absent: None.

Staff Present: Kathleen Ely, Committee Secretary
Jeff Martin, Legislative Branch

Video-taped Committee: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. A video-taped recording of the meeting is available from the Montana Historical Society. THE TIME STAMP REPRESENTS ELAPSED TIME.

Committee Business Summary:

Hearing & Date Posted: HB 749, 3/10/2003; HB 748,
3/10/2003; SB 162, 3/10/2003
Executive Action: SB 162, POSTPONED

HEARING ON HB 749

Opening Statement by Sponsor:

01:00 REP. PETERSON, HD 94 -- Short Title: Statewide general
retail sales and use tax.

EXHIBIT (tah56a01)

EXHIBIT (tah56a02)

EXHIBIT (tah56a03)

Proponents' Testimony:

17:00 Brad Griffin, Montana Retail Association
18:00 Mary Whittinghill, Montana Taxpayers Association
19:00 Nancy Schlepp, Montana Farm Bureau Federation
20:00 Webb Brown, Montana Chamber of Commerce
22:00 John Swanz, Montana Stockgrowers Association
23:00 Gail Abercrombie, Montana Petroleum Association
24:00 Todd Lovshin, MEA-MFT
24:00 Carl Schweitzer, Bozeman Chamber of Commerce, Kalispell
Chamber of Commerce
25:00 Stuart Doggett, Montana Innkeepers Association
25:00 Ronda Carpenter, Great Falls Area Chamber of Commerce,
Montana Machine Operators Association

Opponents' Testimony:

27:00 Gene Fenderson, Progressive Labor Caucus
EXHIBIT (tah56a04)

Informational Testimony:

47:00 Myles Watts (called to testify after questions began)

Questions from Committee Members and Responses:

34:00

Closing by Sponsor:

1:14:00

HEARING ON HB 748

Opening Statement by Sponsor:

00:00 REP. DEVLIN, HD 3 -- Short Title: Simplification of oil
and natural gas tax distribution.

Proponents' Testimony:

1:25:00 Chuck Swysgood, Office of Budget and Planning
1:28:00 William Duffield, Montana Association of Coal, Oil and Gas Counties

EXHIBIT (tah56a05)

1:32:00 Art Kleinjan, Blaine County Commissioner, Montana Association of Coal, Oil and Gas Counties
1:37:00 Sandi Olsen, Department of Environmental Quality

EXHIBIT (tah56a06)

EXHIBIT (tah56a07)

1:41:00 Richard Dunbar, Phillips County Commissioner
1:44:00 Chad Fenner, Big Horn County Commissioner
1:44:00 Bill Kennedy, Yellowstone County Commissioner
1:45:00 Carter Christiansen, Schools in coal, Oil and gas counties
1:47:00 Don Rieger, Fallon County Commissioner
1:47:00 Bob Vogel, Montana School
1:48:00 Don Puyer, C Schools
1:49:00 **REP. SMALL-EASTMAN, HD 6**

Opponents' Testimony: None.

Informational Testimony:

1:53:00 Gail Abercrombie, Montana Petroleum Association
EXHIBIT (tah56a08)

Questions from Committee Members and Responses: None.

Closing by Sponsor:

1:54:00

9:58 a.m. Break

10:17 a.m. Resume

HEARING ON SB 162

Opening Statement by Sponsor:

1:16:00 **SEN. STORY, SD 12 -- Short Title:** Exempt no additional cost services from unemployment insurance tax.

Proponents' Testimony:

1:18:00 Pat Melby, Montana Ski Areas Association

EXHIBIT (tah56a09)

EXHIBIT (tah56a10)

EXHIBIT (tah56a11)

EXHIBIT (tah56a12)

1:27:00 Jonathan Vickery, Chief Financial Office, Red Lodge Mountain Resort
1:33:00 Kevin Kelley, Certified Public Accountant

1:34:00 Bob Person, Great Divide Ski Corporation
1:36:00 Riley Johnson, National Federation of Independent
Businesses, Air Transportation Association of America

Opponents' Testimony: None.

Informational Testimony:

1:37:00 Don Gilbert, Department of Labor and Industry

Questions from Committee Members and Responses:

1:37:00

Closing by Sponsor:

1:54:00

At the request of **REP. BALYEAT**, the following exhibits were distributed regarding **HB 716**.

EXHIBIT (tah56a13)

EXHIBIT (tah56a14)

EXECUTIVE ACTION ON SB 162

Motion: **REP. LAMBERT** moved that SB 162 BE CONCURRED IN.

Motion/Vote: **REP. LAMBERT** moved that SB 162 BE POSTPONED. Motion carried unanimously.

ADJOURNMENT

Adjournment: 10:23 A.M.

REP. DANIEL FUCHS, Chairman

KATHLEEN ELY, Secretary

DF/KE

EXHIBIT (tah56aad)