

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
59th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN KARL WAITSCHIES**, on March 15, 2005 at 8:00 A.M., in Room 152 Capitol.

ROLL CALL

Members Present:

Rep. Karl Waitschies, Chairman (R)
Rep. Gary Branae, Vice Chairman (D)
Rep. Bob Lake, Vice Chairman (R)
Rep. John Balyeat (R)
Rep. Norma Bixby (D)
Rep. Margaret H. Campbell (D)
Rep. Jill Cohenour (D)
Rep. Tom Facey (D)
Rep. Wanda Grinde (D)
Rep. George G. Groesbeck (D)
Rep. Carol Lambert (R)
Rep. Dave McAlpin (D)
Rep. Jim Peterson (R)
Rep. John (Jack) W. Ross (R)
Rep. Scott Sales (R)
Rep. Bill Warden (R)
Rep. Brady Wiseman (D)

Members Excused: Rep. Edward B. Butcher (R)

Members Absent: Rep. Dennis Himmelberger (R)
Rep. Holly Raser (D)

Staff Present: Jeff Martin, Legislative Branch
Debra Polhemus, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: SB 68, 3/8/2005; HB 764, 3/8/2005;
SB 292, 3/8/2005; SB 296, 3/8/2005
Executive Action: HB 584; HB 716

HEARING ON SB 296**Opening Statement by Sponsor:**

00:01:13 **SEN. JERRY BLACK (R), SD 14**, opened the hearing on **SB 296**, Alternative method for assessing, taxing certain land parcels.

Proponents' Testimony:

00:07:12 John Youngberg, Montana Farm Bureau Federation and representing Montana Grain Growers

Opponents' Testimony: None.**Informational Testimony:**

00:09:06 Dallas Reese, Montana Department of Revenue
[EXHIBIT \(tah57a01\)](#)

Questions from Committee Members and Responses:

00:15:34 **REP. CAMPBELL**
00:16:27 **REP. WISEMAN**
00:18:11 **REP. COHENOUR**
00:19:13 **REP. ROSS**
00:21:24 **REP. CAMPBELL**
00:23:39 **CHAIRMAN WAITSCHIES**
00:24:30 **REP. PETERSON**

Closing by Sponsor:

00:27:57 **SEN. JERRY BLACK (R), SD 14** closed the hearing on **SB 296**.

HEARING ON SB 68**Opening Statement by Sponsor:**

00:29:18 **SEN. JOE BALLYEAT (R), SD 34**, opened the hearing on **SB 68**, Recodify property tax exemption laws.
[EXHIBIT \(tah57a02\)](#)

Proponents' Testimony: None.**Opponents' Testimony:** None.

Informational Testimony:

00:32:59 Tracy Lane, Montana Department of Revenue

Questions from Committee Members and Responses:

None.

Closing by Sponsor:

00:33:32 SEN. JOE BALYEAT (R), SD 34 closed the hearing on SB 68.

HEARING ON SB 292

Opening Statement by Sponsor:

00:34:20 SEN. GREGORY BARKUS (R), SD 4, opened the hearing on SB 292, Revise state and local government finance laws.

Proponents' Testimony:

00:36:00 Anna Miller, Montana Department of Natural Resources and Conservation

Opponents' Testimony: None.

Informational Testimony: None.

Questions from Committee Members and Responses:

None.

Closing by Sponsor:

00:43:07 SEN. GREGORY BARKUS (R), SD 4 closed the hearing on SB 292.

HEARING ON HB 764

Opening Statement by Sponsor:

00:43:37 REP. DAN VILLA (D), HD 86, opened the hearing on HB 764, Waste management area property tax classification.

Proponents' Testimony:

00:46:47 Gene Vuckovich, Interim Chief Executive Officer of
Anaconda/Deer Lodge County

EXHIBIT (tah57a03)

00:49:59 **REP. RALPH HEINERT, HD (1)**

00:51:43 Linda Bouck, Planning Director, Anaconda/Deer
Lodge County

EXHIBIT (tah57a04)

00:54:49 Connie Daniels, Anaconda/Deer Lodge County
Commissioner

EXHIBIT (tah57a05)

00:57:14 Melinda Riley, representing Anaconda/Deer Lodge
County

01:33:09 **SEN. DAN HARRINGTON, SD 38**

Opponents' Testimony:

00:57:39 Haley Beaudry, Columbia Falls Aluminum Company

00:58:29 Thomas A. Dale, Vice President of Human Resources
and Environmental Manager, Montana Resources, LLP,
Butte

EXHIBIT (tah57a06)

01:02:17 Becky Summerville, Attorney, Washington Companies
and Montana Resources, LLP

01:11:41 Don Allen, Western Environmental Trade Association
(WETA)

01:17:24 Robin Bullock, Northwest Regional Manager,
Atlantic Richfield

01:17:58 *REP. HIMMELBERGER arrived at hearing.*

01:23:56 Joe Mazurek, representing BP Arco

Informational Testimony:

01:33:30 John Fitzpatrick, NorthWestern Energy

01:35:09 Debbie Jurcich, Montana Department of Revenue

Questions from Committee Members and Responses:

01:38:47 **CHAIRMAN WAITSCHIES**

01:40:33 **REP. LAMBERT**

01:46:36 **REP. PETERSON**

01:50:23 **REP. McALPIN**

01:52:48 **REP. GROESBECK**

01:57:27 **REP. ROSS**

01:58:55 **REP. GROESBECK**

02:00:18 **CHAIRMAN WAITSCHIES**

02:01:56 *REP. RASER arrived at hearing.*

Closing by Sponsor:

02:04:59 **REP. DAN VILLA (D), HD 86** closed the hearing on
HB 764.

02:12:09 Break

02:30:51 Resume

EXECUTIVE ACTION ON HB 720

02:31:29 **Motion:** **REP. WARDEN** moved that **HB 720 DO PASS.**

02:32:44 **Motion:** **REP. SALES** moved that **HB 720 BE AMENDED.**
EXHIBIT (tah57a07)

Discussion:

02:33:48 Jeff Martin, Legislative Services Division

02:37:47 **REP. LAKE**

02:38:10 **REP. RASER**

02:38:45 Michael S. Kakuk, Attorney, representing Montana
Building Industry Association

EXHIBIT (tah57a08)

02:40:08 **REP. McALPIN**

02:42:01 **REP. WISEMAN**

02:42:40 **REP. BUTCHER**

02:43:16 **REP. COHENOUR**

EXHIBIT (tah57a09)

02:44:29 **Vote:** Motion failed 10-10 by roll call vote with
REPS. BALYEAT, BUTCHER, HIMMELBERGER, LAKE,
LAMBERT, PETERSON, ROSS, SALES, WAITSCHIES, and
WARDEN voting aye.

Discussion:

02:45:42 **REP. GRINDE**

02:47:12 **Motion/Vote:** **REP. RASER** moved to reconsider the
motion and vote that **HB 720** be amended. Motion
carried unanimously by voice vote.

02:47:52 *REP. GROESBECK left Committee Hearing.*

02:47:53 **Motion:** **REP. RASER** moved that **HB 720 BE AMENDED.**

Discussion:

02:48:06 **REP. RASER**

02:49:02 **Vote:** Motion carried 16-4 by roll call vote with
REPS. BIXBY, CAMPBELL, COHENOUR, and WISEMAN
voting no with **REP. GROESBECK** voting by proxy.

02:50:04 **Motion:** REP. LAKE moved that HB 720 DO PASS AS AMENDED.

Discussion:

02:50:11 REP. COHENOUR
02:50:42 REP. McALPIN
02:50:57 REP. WARDEN
02:51:08 Curt Chisolm, Montana Building Industry
02:53:36 REP. COHENOUR
02:54:15 REP. BUTCHER
02:54:55 REP. LAMBERT
02:55:23 REP. SALES
02:55:38 REP. BALLYEAT
02:55:46 REP. RASER

02:56:18 **Motion:** REP. PETERSON moved that HB 720 BE INDEFINITELY POSTPONED.

Discussion:

02:56:37 REP. WISEMAN
02:56:51 REP. BALLYEAT

02:57:50 **Vote:** Motion carried 16-4 by voice vote with REPS. BUTCHER, HIMMELBERGER, LAKE, and SALES voting no and REP. GROESBECK voting by proxy.

EXECUTIVE ACTION ON HB 716

02:59:38 **Motion:** REP. SALES moved that HB 716 DO PASS.

02:59:47 *REP. GROESBECK returned to Committee Meeting.*

Discussion:

03:00:21 REP. COHENOUR
03:00:50 REP. HIMMELBERGER
03:02:02 REP. LAKE
03:02:59 REP. BALLYEAT
03:04:01 REP. BRANAE
03:04:23 REP. LAMBERT
03:05:32 REP. BUTCHER
03:08:01 REP. GROESBECK
03:09:20 REP. CAMPBELL
03:10:25 REP. RASER
03:11:08 REP. ROSS
03:12:08 REP. WISEMAN
03:12:35 CHAIRMAN WAITSCHIES

03:12:56 **Vote:** Motion failed 10-10 by roll call vote with REPS. BALYEAT, BUTCHER, HIMMELBERGER, LAKE, LAMBERT, PETERSON, ROSS, SALES, WAITSCHIES, and WARDEN voting aye.

EXECUTIVE ACTION ON HB 584

03:14:01 **Motion:** REP. WISEMAN moved that HB 584 DO PASS.

03:15:12 **Motion:** REP. WARDEN moved that HB 584 BE AMENDED.
EXHIBIT (tah57a10)

Discussion:

03:15:32 Jeff Martin, Legislative Services Division

03:18:56 REP. MCALPIN

03:19:09 REP. BALYEAT

03:19:10 REP. WISEMAN left the Committee Meeting.

03:19:29 **Vote:** Motion carried unanimously by voice vote with REP. WISEMAN voting by proxy.

03:19:59 **Motion:** REP. BRANAE moved that HB 584 DO PASS AS AMENDED.

03:20:34 REP. WISEMAN returns to Committee Meeting.

03:21:26 **Motion:** REP. LAKE moved that HB 584 BE AMENDED.
EXHIBIT (tah57a11)

Discussion:

03:21:59 REP. LAKE

03:24:13 REP. BALYEAT

03:24:59 REP. WISEMAN

03:28:51 REP. COHENOUR

03:29:26 REP. BALYEAT

03:30:10 CHAIRMAN WAITSCHIES

03:31:58 REP. COHENOUR

03:32:08 **Substitute Motion:** REP. COHENOUR made a substitute motion TO SEGREGATE Sections 1 and 6 of the Amendment to HB 584.

Discussion:

03:34:30 REP. WISEMAN

03:34:49 **Vote:** Motion TO SEGREGATE carried unanimously by voice vote.

Discussion:

03:50:38 **REP. GROESBECK**
03:50:56 Jeff Martin, Legislative Services Division
03:52:13 **REP. COHENOUR**
03:52:34 **REP. LAKE**
03:54:01 **REP. BRANAE**
03:54:31 **REP. HIMMELBERGER**
03:57:11 **REP. COHENOUR**
03:58:10 **REP. WISEMAN**
03:59:27 **REP. COHENOUR**
04:00:43 **REP. BALYEAT**
04:04:00 **REP. GROESBECK**

04:05:49 *REP. HIMMELBERGER left the Committee Meeting*

04:08:25 **REP. BUTCHER**
04:09:44 **REP. SALES**
04:11:17 **REP. WARDEN**

04:12:44 **Vote:** Motion carried 14-6 with REPS. BALYEAT,
HIMMELBERGER, LAKE, PETERSON, SALES, and
WAITSCHIES voting no and REP. HIMMELBERGER voting
by proxy.

04:13:48

ADJOURNMENT

Adjournment: 12:15 P.M.

REP. KARL WAITSCHIES, Chairman

DEBRA POLHEMUS, Secretary

KW/dp

Additional Exhibits:

EXHIBIT ([tah57aad0.PDF](#))