

MINUTES

**MONTANA SENATE
61st LEGISLATURE - REGULAR SESSION**

COMMITTEE ON TAXATION

Call to Order: Chairman Jeff Essmann, on February 12, 2009 at 8:00 A.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Sen. Jeff Essmann, Chairman (R)
Sen. Taylor Brown, Vice Chairman (R)
Sen. Jerry W. Black (R)
Sen. Gary Branae (D)
Sen. Ron Erickson (D)
Sen. Kelly Gebhardt (R)
Sen. Kim Gillan (D)
Sen. Bradley Hamlett (D)
Sen. Christine Kaufmann (D)
Sen. Bruce Tutvedt (R)

Members Excused: Sen. Bob Story Jr. (R)

Members Absent: None.

Staff Present: Lee Heiman, 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 258, 1/21/2009

Executive Action: SB 265

HEARING ON SB 258

Opening Statement by Sponsor:

00:01:50 Sen. Christine Kaufmann (D), SD 41, opened the hearing on SB 258, Revise oil and gas tax holiday.

EXHIBIT (tas33a01)

Proponents' Testimony:

00:15:30 Eric Stern, Senior Counsel, Office of the Governor

00:17:00 Chairman Essmann (point of order)

00:17:06 Eric Stern continued testimony

00:22:14 Chairman Essmann (point of order)

00:22:28 Eric Stern continued testimony

00:23:14 Jan Lombardi, Education Advisor, Office of the Governor

00:24:08 Bob Decker, The Policy Institute, Helena

EXHIBIT (tas33a02)

00:33:49 Beth Kaeding, Chairman, Northern Plains Resource Council, Bozeman

00:37:03 Tom Bilodeau, MEA/MFT

Opponents' Testimony:

00:41:27 Dave Galt, Executive Director, Montana Petroleum Association (MPA)

EXHIBIT (tas33a03)

EXHIBIT (tas33a04)

EXHIBIT (tas33a05)

00:48:24 Jonny Brumley, President, Encore

00:53:32 Dan Larson, External Affairs Director, Enerplus USA, Denver, Colorado

00:56:18 Tom E. Luttrell, Senior Vice President, Continental Resources, Enid, Oklahoma

EXHIBIT (tas33a06)

01:00:24 Cole Chandler, Manager, NFR Energy, Havre

01:07:21 Bruce Williams, Consultant, Fidelity Exploration & Production Company, Sheridan, Wyoming

EXHIBIT (tas33a07)

01:12:17 Dave Ballard, President, Ballard Petroleum Company, Billings, also President, MPA

01:18:56 Patrick Montalban, representing Northern Montana Oil and Gas Association (NMOGA)

01:26:11 Frank Haughton, Billings, independent oil consultant

01:29:45 Corey Welter, Welter Consulting, Inc., Billings

01:33:21 Bob Gilbert, representing the counties of Dawson, Musselshell, Rosebud County, and cities of Roundup and Glendive

Opponents' Testimony: (Con't)

01:34:44 Mark Rehbein, Richland County Commissioner
01:35:49 Gary Amestoy, representing Richland County Economic
Development
01:36:32 Don Steppler, Richland County Commissioner
01:38:47 Don Rieger, Fallon County Commissioner
01:39:23 Don McDowell, Powder River County Commissioner
01:39:51 Robert Fisher, Augustus Energy Company, Billings
01:40:21 Willy Duffield, representing Montana Association of Oil
and Gas Counties (MAOGC)
01:41:52 Tom Ebzery representing St. Mary Land and Exploration,
Billings and Devon Energy
01:42:30 Mary Whittinghill, Montana Taxpayers Association
01:43:24 Webb Brown, Montana Chamber of Commerce
01:44:37 Brian Hohn
01:45:23 Loren Young, Richland County Commissioner

Informational Testimony:

01:45:42 Alan Peura, Deputy Director, Department of Revenue
(DOR)
01:46:05 Lee Baerlocher, DOR
01:46:23 Nancy Hall, Education Budget Analyst, Budget and
Program Planning, Office of the Governor
01:46:39 Eric Dale, Revenue Analyst, Budget and Program Planning
Office of the Governor

Questions from Committee Members and Responses:

01:47:01 Sen. Erickson
01:47:28 Dave Galt, MPA
01:47:56 Sen. Erickson
01:48:15 Dave Galt
01:49:09 Sen. Erickson
01:49:32 Bob Decker, The Policy Institute
01:54:13 Sen. Erickson
01:54:38 Sen. Gillan
01:55:51 Jonny Brumley, Encore
01:56:22 Sen. Gillan
01:56:39 Jonny Brumley
01:57:29 Sen. Gillan
01:57:38 Patrick Montalban, NMOGA
01:58:09 Sen. Gillan
01:58:36 Lee Baerlocher, DOR
01:59:40 Sen. Brown
02:00:16 Patrick Montalban
02:02:25 Sen. Brown
02:02:45 Tom Ebzery, speaking for Devon Energy
02:04:00 Sen. Tutvedt

Questions from Committee Members and Responses: (Con't)

02:04:28 Jonny Brumley
02:05:13 Sen. Tutvedt
02:05:39 Jonny Brumley
02:07:53 Sen. Tutvedt
02:08:26 Dave Galt
02:09:15 Sen. Gebhardt
02:09:56 Patrick Montalban
02:11:30 Sen. Hamlett
02:11:54 Dave Ballard
02:15:00 Sen. Hamlett
02:15:49 Sen. Black
02:16:37 Dave Ballard
02:17:53 Sen. Black
02:18:27 Tom E. Luttrell
02:20:31 Sen. Black
02:21:17 Patrick Montalban
02:22:11 Sen. Erickson
02:22:46 Bruce Williams
02:25:09 Sen. Gillan
02:25:51 Patrick Montalban
02:31:07 Sen. Erickson
02:31:31 Jonny Brumley
02:32:16 Chairman Essmann
02:32:55 Eric Stern
02:33:49 Chairman Essmann
02:33:59 Tom Ebzery

Closing by Sponsor:

02:34:37 Sen. Kaufmann
02:42:30 Recess
03:02:10 Reconvene

EXECUTIVE ACTION ON SB 265

03:02:20 **Motion:** Sen. Brown moved that **SB 265 DO PASS.**

Discussion:

03:02:43 Sen. Brown
03:06:29 Sen. Gebhardt
03:08:52 Sen. Tutvedt
03:09:19 Sen. Brown
03:09:29 Chairman Essmann
03:09:43 Sen. Gebhardt

Discussion: (Con't)

03:10:22 Sen. Black
03:10:35 Sen. Brown
03:11:08 Sen. Black
03:11:52 Sen. Brown
03:12:52 Sen. Branae

03:13:33 **Vote:** Motion carried 6-4 by roll call vote with Sens. Gebhardt, Gillan, Hamlett, and Tutvedt voting no and Sen. Story abstaining from vote.

Committee Business:

03:15:01 Sen. Gillan
03:16:04 Sen. Gebhardt
03:17:04 Sen. Kaufmann

ADJOURNMENT

Adjournment: 11:25 A.M.

Debra Polhemus, Secretary

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Additional Documents:

EXHIBIT ([tas33aad.pdf](#))