

**MINUTES**

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

**COMMITTEE ON TAXATION**

**Call to Order:** Chairman Jeff Essmann, on March 23, 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. Bob Story Jr. (R)  
Sen. Bruce Tutvedt (R)

**Members Excused:** None

**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 509; SB 510, 3/16/2009

Executive Action: None

**HEARING ON SB 509****Opening Statement by Sponsor:**

00:00:49 Sen. Kelly Gebhardt (R), SD 23, opened the hearing on SB 509, Revise contract sales price of underground mined coal.

**Proponents' Testimony:**

00:02:14 Evan Barrett, Chief Business Officer, Governor's Office of Economic Development

00:02:59 Sen. Gebhardt (to introduce amendment)

**EXHIBIT (tas64a01)**

00:03:09 Sue Olson, Musselshell County Commissioner

00:04:10 Monty Sealey, Roundup resident

00:05:30 John DeMichiei, CEO, Signal Peak Energy

00:06:25 Bob Gilbert, representing City of Roundup, and Musselshell and Rosebud Counties

00:06:42 William Duffield, Executive Director, Montana Association of Oil, Gas & Coal Counties, Inc. (MAOGC)

**Opponents' Testimony:** None

**Informational Testimony:**

00:07:13 Lee Baerlocher, Department of Revenue (DOR)

**Questions from Committee Members and Responses:**

00:07:50 Sen. Erickson

00:07:54 Sen. Gebhardt (Sponsor)

00:07:35 Sen. Erickson

00:10:22 Sen. Tutvedt

00:10:35 Sen. Gebhardt

00:13:39 Sen. Gillan

00:14:07 Sen. Gebhardt

00:14:54 Sen. Erickson

00:15:18 Chairman Essmann

00:15:45 Lee Baerlocher, DOR

00:16:29 Sen. Brown

00:16:53 John DeMichiei, Signal Peak Energy

00:19:22 Sen. Tutvedt

**Closing by Sponsor:**

00:19:53 Sen. Gebhardt

**HEARING ON SB 510****Opening Statement by Sponsor:**

00:20:55 Sen. Kelly Gebhardt (R), SD 23, opened the hearing on SB 510, Abatement of half of coal gross proceeds tax for new underground mine.

**EXHIBIT (tas64a02)**

**Proponents' Testimony:**

00:23:23 Evan Barrett, Governor's Office of Economic Development

00:26:28 Sue Olson, Musselshell County Commissioner

00:29:09 Monty Sealey, Roundup resident

00:32:02 John DeMichiei, CEO, Signal Peak Energy

00:33:13 Bob Gilbert, representing City of Roundup and Musselshell and Rosebud Counties

00:34:12 William Duffield, MAOGC

**EXHIBIT (tas64a03)**

**Opponents' Testimony:** None

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

00:34:54 Sen. Gillan

00:35:30 Sen. Gebhardt (Sponsor)

00:39:48 Sen. Erickson

00:40:28 John DeMichiei, Signal Peak Energy

00:44:38 Sen. Erickson

00:45:24 Evan Barrett, Governor's Office

00:47:41 Sen. Erickson

00:47:56 Sue Olson, Musselshell County Commissioner

00:48:34 Sen. Tutvedt

00:48:45 John DeMichiei

00:50:29 Sen. Brown

00:50:42 Evan Barrett

00:56:10 Sen. Erickson

00:57:13 Sen. Story

00:57:40 Sue Olson

01:00:30 Sen. Story

01:01:08 Evan Barrett

01:02:40 Sen. Hamlett

01:03:09 Evan Barrett

01:04:42 Sen. Hamlett

01:05:07 John DeMichiei

01:08:48 Sen. Story

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

01:09:39 Sen. Gebhardt  
01:10:01 Chairman Essmann  
01:10:59 John DeMichiei  
01:12:52 Sen. Kaufmann  
01:13:19 Sen. Gebhardt

**Closing by Sponsor:**

01:16:40 Sen. Gebhardt

**Additional Questions from Committee Member:**

01:19:31 Sen. Story  
01:19:53 Monty Seeley  
01:22:03 John DeMichiei  
01:22:48 Sen. Story

**ADJOURNMENT**

Adjournment: 9:25 A.M.

---

Debra Polhemus, Secretary

dp

Additional Documents:

**EXHIBIT ([tas64aad.pdf](#))**