

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 62nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Mark Blasdel, on April 6, 2011 at 8:00 AM, in Room 152 Capitol

ROLL CALL

Members Present:

Rep. Mark Blasdel, Chairman (R)
Rep. Dick Barrett, Vice Chairman (D)
Rep. Mike Miller, Vice Chairman (R)
Rep. Steve Fitzpatrick (R)
Rep. Kelly Flynn (R)
Rep. Alan Hale (R)
Rep. Brian Hoven (R)
Rep. Steve Lavin (R)
Rep. Sue Malek (D)
Rep. Jerry O'Neil (R)
Rep. Lee Randall (R)

Members Excused: None

Members Absent: Rep. Austin Knudsen (R)
Rep. Edith (Edie) McClafferty (D)
Rep. Mary McNally (D)
Rep. Mike Phillips (D)
Rep. Wayne Stahl (R)
Rep. Janna Taylor (R)
Rep. Kathleen Williams (D)
Rep. Max Yates (R)

Staff Present: Lisa Adams, Committee Secretary
Jeff Martin, Legislative Branch

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 214, 4/1/2011; SB 265, 4/1/2011; SB 412, 4/1/2011; SB 426, 4/1/2011

Executive Action: SB 358; SJ 17; SB 406

00:00:02 Rep. Phillips, Rep. Taylor, and Rep. Knudsen arrived.

HEARING ON SB 265

Opening Statement by Sponsor:

00:00:46 Sen. Bradley Hamlett (D), SD 10, opened the hearing on SB 265, Reduce property taxes on new construction for use of gray water systems.

00:01:10 Rep. Williams and Rep. Stahl arrived.

00:01:27 Rep. Yates arrived.

00:02:32 Rep. McNally arrived.

Proponents' Testimony:

00:02:50 Terry Murphy, SD 39

00:03:11 Rep. McClafferty arrived.

00:04:26 Matt Elsaesser, Student Advocates for Valuing the Environment Foundation,
S.A.V.E. Foundation

EXHIBIT(tah77a01)

EXHIBIT(tah77a02)

00:05:19 Rep. Philips left.

00:06:34 William Clawson, self

00:07:31 Abigail St. Lawrence, Montana Association of Realtors (MAR)

00:08:48 Jennifer James, Montana Building Industry Association

00:09:13 John Krigger, President, Saturn Resource Management

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

00:10:24 Rep. Barrett

00:11:28 Sen. Hamlett

00:11:40 Rep. Barrett

00:12:38 Sen. Hamlett

00:12:50 Rep. Stahl left.

00:13:09 Rep. Barrett

00:13:27 Sen. Hamlett

00:14:21 Rep. Barrett

00:15:47 Sen. Hamlett

00:16:01 Rep. Hoven

00:16:30 Sen. Hamlett

00:16:56 Rep. Hoven

00:16:59 Sen. Hamlett

00:17:40 Rep. Barrett

00:18:20 Rep. O'Neil

00:18:55 Sen. Hamlett

00:19:20 Rep. Williams

00:19:58 Ms. St. Lawrence

00:20:08 Rep. Williams

00:20:35 Sen. Hamlett

00:21:00 Rep. Williams
00:21:16 Sen. Hamlett
00:21:30 Rep. Williams

Closing by Sponsor:

00:21:43 Sen. Hamlett

HEARING ON SB 412

Opening Statement by Sponsor:

00:23:49 Sen. Shannon Augare (D), SD 8, opened the hearing on SB 412, Revise laws to temporarily exempt tribal fee land in trust land process.

00:24:31 Rep. Fitzpatrick left.
00:24:37 Chairman Blasdel left.
00:24:57 Rep. McNally and Rep. Randall left.

Proponents' Testimony:

00:25:12 Rep. Small, HD 41
00:25:40 Chairman Blasdel and Rep. McNally arrived.
00:25:58 Charles Morigeau, Confederated Salish and Kootenai Tribes

EXHIBIT(tah77a03)

00:28:28 Teresa Wall McDonald, Confederated Salish and Kootenai Tribes
00:34:47 Rep. Stahl arrived.
00:36:26 Annie Glover, Confederated Salish and Kootenai Tribes
00:36:55 Rep. Stahl left.
00:38:27 Rep. Fitzpatrick arrived.
00:39:01 Dan Bucks, Director, Montana Department of Revenue (DOR)
00:41:11 Rep. Williams left.
00:42:33 Rep. Knudsen left.
00:44:45 Cynthia Monteau Moore, Administrator, Property Assessment Division, DOR
00:46:09 Rep. Hale left.

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

00:48:13 Rep. Hoven
00:48:34 Dir. Bucks
00:48:50 Rep. Hoven
00:49:00 Dir. Bucks
00:49:18 Rep. Flynn
00:49:29 Rep. Hale arrived.
00:50:01 Ms. Monteau Moore
00:50:57 Rep. Flynn
00:51:06 Sen. Augare
00:51:55 Rep. Taylor
00:52:22 Ms. Wall McDonald
00:52:58 Vice Chairman Miller left.

00:53:24 Rep. Taylor
00:53:33 Ms. Wall McDonald
00:54:16 Rep. Barrett
00:54:24 Rep. Knudsen arrived.
00:54:51 Ms. Wall McDonald
00:55:31 Rep. Barrett
00:55:43 Ms. Wall McDonald
00:55:51 Rep. Randall arrived.
00:56:13 Vice Chairman Miller arrived.
00:56:25 Rep. Barrett
00:57:07 Ms. Wall McDonald
00:59:11 Rep. Fitzpatrick
00:59:50 Dir. Bucks
01:04:17 Rep. Fitzpatrick
01:04:34 Dir. Bucks
01:05:06 Rep. Fitzpatrick
01:05:23 Sen. Augare
01:05:35 Rep. Fitzpatrick

Closing by Sponsor:

01:05:57 Sen. Augare

[EXHIBIT\(tah77a04\)](#)

HEARING ON SB 426

Opening Statement by Sponsor:

01:07:47 Sen. Joe Balyeat (R), SD 34, opened the hearing on SB 426, Referendum for contingent property and income tax reductions based on surplus.

[EXHIBIT\(tah77a05\)](#)

[EXHIBIT\(tah77a06\)](#)

01:08:27 Rep. Malek, Rep. Hale and Rep. Taylor left.

01:09:30 Rep. Hale arrived.

01:09:37 Rep. McClafferty left.

Proponents' Testimony:

01:20:41 Tom McGillvray, HD 50

01:22:30 Rep. Phillips arrived.

01:22:42 Rep. Taylor arrived.

Opponents' Testimony:

01:22:46 Tara Veazey, Montana Budget and Policy Center (MBPC)

01:23:16 Chairman Blasdel left.

01:25:23 Chairman Blasdel arrived.

01:26:00 Diane Fladmo, Montana Education Association - Montana Federation of Teachers (MEA-MFT)

Informational Testimony: None

Questions from Committee Members and Responses:

01:28:17 Rep. Barrett
01:29:04 Sen. Balyeat
01:29:37 Rep. Barrett
01:29:48 Rep. Knudsen left.
01:30:11 Sen. Balyeat
01:30:17 Rep. Barrett
01:30:49 Sen. Balyeat
01:31:12 Rep. Barrett
01:31:16 Sen. Balyeat
01:31:20 Rep. Fitzpatrick left.
01:32:20 Rep. Barrett
01:33:06 Rep. McGillvray
01:33:22 Rep. Barrett
01:33:39 Rep. Malek arrived.
01:33:59 Rep. Taylor
01:34:24 Ms. Veazey
01:34:35 Rep. Taylor
01:34:39 Rep. McClafferty arrived.
01:34:46 Rep. Knudsen arrived.
01:34:59 Ms. Veazey
01:35:05 Rep. Taylor
01:35:19 Ms. Veazey
01:35:59 Rep. Phillips
01:37:06 Sen. Balyeat
01:37:10 Rep. Fitzpatrick arrived.
01:37:18 Rep. Phillips
01:37:39 Sen. Balyeat
01:39:24 Rep. Phillips
01:39:39 Sen. Balyeat
01:39:55 Rep. Phillips
01:40:03 Sen. Balyeat
01:41:14 Rep. Phillips
01:41:38 Sen. Balyeat
01:41:56 Rep. Barrett
01:42:25 Sen. Balyeat
01:42:50 Rep. Barrett
01:43:12 Rep. Hoven
01:43:21 Sen. Balyeat
01:43:45 Rep. Hoven
01:43:55 Sen. Balyeat
01:44:15 Rep. Flynn
01:44:37 Sen. Balyeat
01:45:01 Rep. Flynn
01:45:17 Rep. Barrett left.
01:45:23 Sen. Balyeat
01:45:40 Rep. Randall and Rep. Taylor left.
01:47:53 Rep. Barrett arrived.
01:47:58 Vice Chairman Miller
01:48:21 Ms. Veazey

01:48:48 Vice Chairman Miller
01:49:02 Ms. Veazey
01:49:07 Vice Chairman Miller
01:49:12 Rep. Fitzpatrick left.
01:49:30 Rep. Randall arrived.
01:49:45 Rep. Taylor arrived.
01:49:10 Ms. Veazey
01:50:10 Vice Chairman Miller
01:50:20 Ms. Veazey
01:51:08 Vice Chairman Miller
01:51:25 Ms. Veazey

Closing by Sponsor:

01:51:40 Sen. Balyeat

01:58:05 Rep. Fitzpatrick arrived.
02:00:15 Recessed
02:18:33 Resumed with Rep. Stahl, Rep. Williams, and Rep. Randall not present.

HEARING ON SB 214

Opening Statement by Sponsor:

02:19:10 Sen. Kim Gillan (D), SD 24, opened the hearing on SB 214, Revise requirements for school levy elections.

02:20:23 Chairman Blasdel left.

Proponents' Testimony:

02:21:57 Bob Vogel, Montana School Boards Association (MTSBA)
02:23:08 Chairman Blasdel arrived.
02:23:27 Rep. Randall arrived.

Opponents' Testimony: None

Informational Testimony:

02:27:24 Joan Anderson, Assistant Superintendent, Department of Operations, Office of Public Instruction (OPI)

Questions from Committee Members and Responses:

02:27:32 Vice Chairman Miller
02:28:00 Sen. Gillan
02:28:27 Vice Chairman Miller
02:28:37 Sen. Gillan
02:29:07 Vice Chairman Miller
02:29:15 Sen. Gillan
02:30:10 Rep. Barrett
02:30:20 Sen. Gillan

Closing by Sponsor:

02:30:25 Sen. Gillan

EXECUTIVE ACTION ON SB 358

02:32:44 **Motion:** Rep. Miller moved that **SB 358 BE CONCURRED IN.**

Discussion:

02:32:58 Rep. Barrett
02:34:32 Vice Chairman Miller
02:34:54 Rep. Barrett

02:35:30 **Vote:** Motion carried 18-0 by voice vote, present and voting. Rep. Stahl voted by proxy. Rep. Fitzpatrick will carry the bill.

EXECUTIVE ACTION ON SJ 17

02:36:09 **Motion/Vote:** Rep. Miller moved that **SJ 17 BE CONCURRED IN.** Motion carried 18-0 by voice vote, present and voting. Rep. Stahl voted by proxy. Rep. Randall will carry the bill.

EXECUTIVE ACTION ON SB 406

02:36:54 **Motion:** Rep. Miller moved that **SB 406 BE CONCURRED IN.**

Discussion:

02:37:06 Rep. Barrett
02:39:55 Rep. Phillips
02:41:01 Rep. Malek
02:42:57 Rep. Barrett
02:43:36 Rep. Malek
02:43:39 Rep. Flynn
02:44:17 Rep. Hoven

02:44:40 **Vote:** Motion failed 9-10 by roll call vote with Rep. Blasdel, Rep. Fitzpatrick, Rep. Hale, Rep. Knudsen, Rep. Lavin, Rep. Miller, Rep. Randall, Rep. Stahl and Rep. Taylor voting aye. Rep. Stahl and Rep. Williams voted by proxy.

02:45:58 **Motion/Vote:** Rep. Di. Barrett moved that **SB 406 BE TABLED AND THE VOTE REVERSED.** Motion carried 17-0 by voice vote, present and voting.

02:46:02 Rep. Barrett
02:47:04 Mr. Martin
02:47:33 Rep. McNally
02:47:46 Chairman Blasdel
02:48:51 Rep. Barrett

ADJOURNMENT

02:49:15 Adjournment: 10:49 a.m.

Lisa Adams, Secretary

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ADDITIONAL EXHIBITS:

[EXHIBIT\(tah77a07\)](#)

[EXHIBIT\(tah77a08\)](#)

Additional Documents:

[EXHIBIT\(tah77aad.pdf\)](#)