

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 62nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: Chair Walter McNutt, on March 10, 2011 at 8:15 AM, in Room 102
Capitol

ROLL CALL

Members Present:

Rep. Walter McNutt, Chairman (R)
Rep. Bill Beck, Vice Chairman (R)
Rep. Cynthia Hiner, Vice Chairman (D)
Rep. Duane Ankney (R)
Rep. Tony Belcourt (D)
Rep. Randy Brodehl (R)
Rep. Tom Burnett (R)
Rep. Rob Cook (R)
Rep. Mike Cuffe (R)
Rep. Champ Edmunds (R)
Rep. Ron Ehli (R)
Rep. John Esp (R)
Rep. Steve Gibson (R)
Rep. Roy Hollandsworth (R)
Rep. Galen Hollenbaugh (D)
Rep. Bill McChesney (D)
Rep. Ryan Osmundson (R)
Rep. Don Roberts (R)
Rep. Jon C. Sesso (D)

Members Excused: Rep. Trudi Schmidt (D)

Members Absent: None

Staff Present: Antoine Brockman, Committee Secretary
Jaret Coles, Legislative Branch
Jon Moe, 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: HB 582, 3/6/2011; HB 585, 3/6/2011; HB 587, 3/6/2011; HB 590, 3/6/2011; HB 602, 3/6/2011; SB 215, 3/6/2011; SB 271, 3/6/2011

HEARING ON HB 582

Opening Statement by Sponsor:

00:00:15 Rep. John Esp (R), HD 61, opened the hearing on HB 582, Allow deductions for other states college savings plans.

Proponents' Testimony:

00:00:23 Peter Sullivan, Life Insurance Investment Group
00:02:11 Rep. McGillvray, Self
00:04:19 James Cannole, Self

Opponents' Testimony:

00:05:55 Dan Villa, Education Policy Advisor, Montana Governor's Office
00:07:11 Jason Thielman, Vice President, College Savings Bank
00:09:35 Rep. Mehlhoff entered the room.
00:11:09 Rep. Gibson left the room.

Informational Testimony:

00:13:01 Alan Peura, Deputy Director, Department of Revenue (DOR)
00:14:02 Bruce Marks, Office of the Commissioner of Higher Education

Questions from Committee Members and Responses:

00:14:32 Rep. Hollenbaugh
00:15:15 Mr. Peura, DOR
00:17:14 Rep. Hollandsworth
00:17:29 Rep. Esp
00:17:59 Rep. Schmidt
00:18:20 Mr. Peura, DOR
00:20:44 Rep. Schmidt
00:20:50 Mr. Peura, DOR
00:21:49 Rep. Edmunds
00:22:04 Rep. McGillvray
00:22:57 Rep. Beck
00:23:52 Mr. Peura, DOR
00:24:44 Rep. Hollandsworth

Closing by Sponsor:

00:25:22 Rep. Esp

HEARING ON HB 585

Opening Statement by Sponsor:

00:26:19 Rep. Gerald (Jerry) Bennett (R), HD 1, opened the hearing on HB 585, Require public disclosure of contracts with outside counsel for state agencies.

Proponents' Testimony:

00:27:49 John Bennion, Montana Chamber of Commerce (MCC)
00:32:01 Mark Baker, American Tort Reform Association
00:33:01 Aidan Myhre, Kalispell Chamber of Commerce
00:33:34 John Metropolis, Farmer's Insurance Group

Opponents' Testimony:

00:34:29 Ali Bovingdon, Attorney General's Office, Department of Justice (DOJ)
00:39:47 Rep. Esp left the room.
00:42:00 Bill Gianoulis, Self
00:43:18 Rep. Gibson entered the room.
00:43:40 Rep. Osmundson entered the room.
00:44:24 Bob Lane, Chief Legal Council, Montana Fish Wildlife and Parks (FWP)
00:45:16 Rep. Esp entered the room.
00:45:39 Rep. Mehlhoff left the room.
00:46:09 Rep. Mehlhoff returned to the room.
00:46:17 Rep Hiner left the room.
00:50:27 Denise Pizzini, Teachers Retirement System

Informational Testimony: None

Questions from Committee Members and Responses:

01:03:01 Rep. Edmunds
01:03:16 Mr. Baker
01:04:44 Rep. Edmunds
01:04:51 Mr. Baker
01:05:26 Rep. Hollenbaugh
01:05:50 Mr. Baker
01:06:47 Rep. Hollenbaugh
01:07:02 Ms Bovingdon, DOJ
01:07:44 Rep. Gibson
01:08:08 Rep. Bennett

Closing by Sponsor:

01:08:39 Rep. Bennett

HEARING ON HB 590

Opening Statement by Sponsor:

01:09:10 Rep. Edith (Edie) McClafferty (D), HD 75, opened the hearing on HB 590, Create health insurance pooling for certain public employees.

Proponents' Testimony:

01:12:53 Diane Fladmo, Montana Education Association - Montana Federation of Teachers (MEA-MFT)
01:17:58 Tara Hubing, Teacher, Circle, Montana
01:19:47 Rep. Sesso left the room.
01:20:42 Madalyn Quinlan, Chief of Staff, Office of Public Instruction (OPI)

Opponents' Testimony:

01:22:21 Ed Bartlett, Employee Benefit Management Service (EBMS)
[EXHIBIT\(aph54a01\)](#)

Informational Testimony:

01:23:06 Russ Hill, Health Care and Benefits Division, State of Montana

Questions from Committee Members and Responses:

01:23:36 Rep. Gibson
01:24:32 Rep. McClafferty
01:24:47 Rep. Gibson
01:25:00 Rep. McClafferty
01:25:09 Rep. Hollandsworth
01:25:48 Rep. McClafferty
01:26:06 Rep. Hollandsworth
01:26:39 Mr. Hill, State of Montana
01:27:08 Rep. Edmunds
01:27:36 Ms Fladmo, MEA-MFT
01:29:18 Rep. Cuffe
01:30:27 Rep. McClafferty
01:31:29 Rep. Cuffe
01:31:38 Rep. McClafferty
01:32:12 Rep. Cuffe
01:32:25 Rep. McClafferty
01:32:32 Rep. Brodehl
01:33:21 Mr. Bartlett, EBMS

Closing by Sponsor:

01:33:54 Rep. McClafferty

Opening Statement by Sponsor:

01:34:30 Sen. Steven Gallus (D), SD 37, opened the hearing on SB 215, Reduce state mark up on liquor based upon percent of Montana ingredients.

Proponents' Testimony:

01:36:12 John McKee, Head Frame Spirits, Butte, Montana

EXHIBIT(aph54a02)

01:39:18 Ryan Montgomery, Montgomery Distillery

01:40:51 Ryan Anderson, Self

01:42:13 John Semple, Montana Grain Growers

01:43:17 Rep. Sesso

Opponents' Testimony: None

Informational Testimony:

01:43:49 Shauna Helfert, Department of Revenue (DOR)

Questions from Committee Members and Responses:

01:44:21 Rep. Edmunds

01:45:45 Jon Moe, Expenditure Policy Analyst, Legislative Fiscal Division (LFD)

01:45:53 Rep. Edmunds

01:46:18 Mr. Moe, LFD

01:46:54 Rep. Cook

01:47:05 Sen. Gallus

01:47:36 Rep. Schmidt

01:48:03 C.A. Daw, Chief Legal Council, Department of Revenue (DOR)

01:49:16 Rep. Belcourt

01:49:43 Mr. McKee, Head Stream Spirits

01:50:22 Rep. Belcourt

01:52:45 Mr. McKee, Head Stream Spirits

01:53:20 Rep. Cuffe

EXHIBIT(aph54a03)

01:53:25 Sen. Gallus

01:53:32 Rep. Sesso

Closing by Sponsor:

01:54:05 Sen. Gallus

Opening Statement by Sponsor:

01:56:29 Sen. Steven Gallus (D), SD 37, opened the hearing on SB 271, Revising elements of the budgeting process for the PSC.

Proponents' Testimony:

01:57:55 Kate Whitney, Public Service Commission

01:59:13 Bonnie Loraine, Montana Independent Telecommunication Producers

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

02:00:59 Rep. Gibson

02:01:43 Sen. Gallus

02:01:55 Rep. Gibson

02:02:20 Sen. Gallus

02:02:44 Chairman McNutt

Closing by Sponsor:

02:03:03 Sen. Gallus

02:03:27 Recess

02:25:57 Resume - All Members Returned

HEARING ON HB 587**Opening Statement by Sponsor:**

02:26:18 Rep. Walter McNutt (R), HD 37, opened the hearing on HB 587, Provide option for associate water court judge.

Proponents' Testimony:

02:31:17 Louis Menzies, Supreme Court

02:32:56 Holly Franz, PPL Montana

02:34:33 Krista Lee Evans, Water Rights Coalition

02:35:51 Mike Murphy, Montana Water Resources Association

02:36:56 John Youngberg, Montana Farm Bureau

02:37:39 Mark Aagenes, Montana Trout Unlimited

02:38:13 Brianne Randle, Clark Fork Coalition

02:38:42 Ali Bovingdon, DOJ

02:39:34 Jay Bodner, Montana Stock Growers Association

02:40:09 Ronda Wiggers, Montana Well Drillers

02:40:29 Mary Sexton, Director, Department of Natural Resources and Conservation
(DNRC)
02:44:11 Bob Lane, FWP

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

02:45:33 Rep. McNutt

HEARING ON HB 602

Opening Statement by Sponsor:

02:47:35 Rep. Walter McNutt (R), HD 37, opened the hearing on HB 602, Require interim study of exempt water wells.

Proponents' Testimony:

02:51:26 Krista Lee Evans, Water Rights Coalition
02:53:27 Jeff Tiberi, Self
02:53:50 Dustin Stewart, Montana Builders Association
EXHIBIT(aph54a04)
EXHIBIT(aph54a05)
02:55:57 Mike Murphy, Montana Water Resources Association
02:56:23 Abigail St. Lawrence, Montana Realtors Association
03:00:16 John Youngberg, Montana Farm Bureau
03:01:21 Brianne Randall, Clark Fork Coalition
EXHIBIT(aph54a06)
03:03:13 Bob Lane, Chief Legal Council, FWP
03:04:22 Jay Bodner, Montana Stock Growers Association
03:05:15 Mark Aagenes, Montana Trout Unlimited
03:06:29 Holly Fanz, PPL Montana
03:06:43 Ronda Wiggers, Montana Water Well Drillers

Opponents' Testimony: None

Informational Testimony:

03:08:03 Mary Sexton, Director, DNRC

Questions from Committee Members and Responses:

03:10:39 Rep. McChesney
03:11:41 Rep. McNutt
03:12:20 Rep. McChesney

03:12:37 Ms Randall, Clark Fork Coalition
03:14:11 Rep. Edmunds
03:14:44 Ms Randall, Clark Fork Coalition
03:16:28 Rep. Edmunds
03:16:42 Ms Randall
03:17:39 Rep. McChesney
03:19:01 Ms Randall

Closing by Sponsor:

03:19:12 Rep. McNutt

ADJOURNMENT

Adjournment: 03:24:53

Antoine Brockman, Secretary

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Additional Documents:

EXHIBIT([aph54aad.pdf](#))