Montana State Legislature

2013 Session

ADDITIONAL DOCUMENTS MAY INCLUDE THE FOLLWING:

- Business Report
- Roll Call – Attendance
- Standing Committee Reports
- Tabled Bills
- Fiscal Reports etc.
- Roll Call Votes
- Informational Items
- Witness Statements
- Any Documents; such as;
  - *Petitions if any.
  - *Any and all material handed end after the meeting ends.

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BUSINESS REPORT

MONTANA SENATE
63rd LEGISLATURE - REGULAR SESSION

SENATE FINANCE AND CLAIMS COMMITTEE

Date: Wednesday, April 3, 2013
Place: Capitol

Time: 8:00 AM
Room: 317

BILLS and RESOLUTIONS HEARD:

HB 2 - General Appropriations Act - Rep. Duane Ankney
SB 240 - Revise taxation of pollution control equipment - Sen. Bruce Tutvedt
SB 369 - Revise state cabin site leasing laws - Sen. Tom Facey

EXECUTIVE ACTION TAKEN:

SB 240	Do Pass
HB 97	Be Concurred in as Amended
HB 336	Be Concurred in as Amended
SB 369	Do Pass
HB 2	Amendments to Section A - General Government

Comments:

SEN. Rick Ripley, Chair

MONTANA STATE SENATE
ROLL CALL
FINANCE AND CLAIMS COMMITTEE

DATE: April 3, 2013

NAME	PRESENT	ABSENT/ EXCUSED
Chairman Ripley	✓	
Vice Chair Walker	✓	
Senator Brenden	✓	
Senator Brown	✓	
Senator Buttrey	✓	
Senator Caferro	✓	
Senator Essmann		✓
Senator Hamlett	✓	✓
Senator Jones	✓	
Senator Keane	✓	✓
Senator Lewis	✓	
Senator Moore	✓	
Senator Olson	✓	✓
Senator Priest	✓	
Senator Rosendale	✓	
Senator Sesso	✓	
Senator Tropila	✓	
Senator Wanzenried	✓	
Senator Webb	✓	
Senator Windy Boy	✓	

SENATE STANDING COMMITTEE REPORT

April 3, 2013

Mr. President:

We, your committee on **Finance and Claims** recommend that **Senate Bill 240** (first reading copy -- white) **do pass**.

Signed: _____
Senator Rick Ripley, Chair

- END -

Committee Vote:
Yes 12, No 0
Fiscal Note Required __

SB0240002SC.swr

SENATE STANDING COMMITTEE REPORT

Mr. President:

We, your committee on **Finance and Claims** recommend that **House Bill 97** (third reading copy -- blue) **be concurred in as amended.**

Signed: _____
Senator Rick Ripley, Chair

To be carried by Senator Edward Walker

And, that such amendments read:

1. Title, page 1, line 5.
Following: "ACT"
Insert: "REVISING THE COMPENSATION USED TO DETERMINE RETIREMENT BENEFITS IN CERTAIN PUBLIC RETIREMENT SYSTEMS;"

2. Title, page 1, line 9.
Following: "SYSTEMS;"
Insert: "PROVIDING THAT ELECTIVE CONTRIBUTIONS FOR A CERTAIN HEALTH PLAN MAY NOT BE CONSIDERED COMPENSATION IN THE PUBLIC EMPLOYEES', JUDGES', HIGHWAY PATROL OFFICERS', SHERIFFS', GAME WARDENS' AND PEACE OFFICERS', MUNICIPAL POLICE OFFICERS', AND FIREFIGHTERS' UNIFIED RETIREMENT SYSTEMS; "

3. Page 8, line 9.
Strike: "115%"
Insert: "110%"

4. Page 8, line 11.
Strike: "115%"
Insert: "110%"

5. Page 8, line 29.
Strike: "and"

Committee Vote:
Yes 11, No 2
Fiscal Note Required __

HB0097001SC12547.swr

6. Page 9, line 1
Following: "employment"
Insert: "; (vi) for employees who became members on or after [the effective date of this act], elective contributions under a cafeteria plan provided for in 26 U.S.C. 125;
or (vii) bonuses provided after July 1, 2013, that are one-time, temporary payments in addition to and not considered part of base pay"

7. Page 9, line 30.
Following: "(1)"
Insert: "(a)"

8. Page 10.
Following: line 1
Insert: "(b) For employees who became members on or after [the effective date of this act], compensation does not include elective contributions under a cafeteria plan provided for in 26 U.S.C. 125.
(c) Compensation does not include bonuses provided after July 1, 2013, that are one-time, temporary payments in addition to and not considered part of base pay."

9. Page 10, line 17.
Following: "include"
Insert: ": (i)"
Following: "expenses"
Insert: "; (ii) for employees who became members on or after [the effective date of this act], elective contributions under a cafeteria plan provided for in 26 U.S.C. 125;
or (iii) bonuses provided after July 1, 2013, that are one-time, temporary payments in addition to and not considered part of base pay"

10. Page 11, line 13.
Following: "include"
Insert: ": (i)"
Following: "expenses"
Insert: "; (ii) for employees who became members on or after [the effective date of this act], elective contributions under a cafeteria plan provided for in 26 U.S.C. 125;
or (iii) bonuses provided after July 1, 2013, that are one-time, temporary payments in addition to and not considered part of base pay"

11. Page 12, line 15.
Following: "include"
Insert: ": (i)"
Following: "expenses"
Insert: "; (ii) for employees who became members on or after [the

effective date of this act], elective contributions under a cafeteria plan provided for in 26 U.S.C. 125;
or (iii) bonuses provided after July 1, 2013, that are one-time, temporary payments in addition to and not considered part of base pay"

12. Page 13, line 17.
Strike: the second "and"

13. Page 13, line 18.
Following: "expenses"
Insert: "; (iii) for employees who became members on or after [the effective date of this act], elective contributions under a cafeteria plan provided for in 26 U.S.C. 125;
or (iv) bonuses provided after July 1, 2013, that are one-time, temporary payments in addition to and not considered part of base pay"

14. Page 15, line 3.
Strike: "and"

15. Page 15, line 4.
Following: "expenses"
Insert: "; (iii) for employees who became members on or after [the effective date of this act], elective contributions under a cafeteria plan provided for in 26 U.S.C. 125;
or (iv) bonuses provided after July 1, 2013, that are one-time, temporary payments in addition to and not considered part of base pay"

- END -

SENATE STANDING COMMITTEE REPORT

Mr. President:

We, your committee on **Finance and Claims** recommend that **House Bill 336** (third reading copy -- blue) **be concurred in**.

Signed: _____
Senator Rick Ripley, Chair

To be carried by Senator Mary Caferro

- END -

Committee Vote:
Yes 13, No 0
Fiscal Note Required __

HB0336001SC12929.swr

SENATE STANDING COMMITTEE REPORT

Mr. President:

We, your committee on **Finance and Claims** recommend that **Senate Bill 369** (first reading copy -- white) **do pass**.

Signed: _____
Senator Rick Ripley, Chair

- END -

Committee Vote:
Yes 13, No 0
Fiscal Note Required __

SB0369002SC.swr

MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3-13 **, 2013** **BILL #** HB2 **VOTE** 14-6

MOTION: Amendment HB00244-A.AKW

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER	✓			
SENATOR BRENDEN	✓		✓	
SENATOR BROWN	✓			
SENATOR BUTTREY	✓			
SENATOR CAFERRO		✓		
SENATOR ESSMANN	✓		✓	
SENATOR HAMLETT		✓		
SENATOR JONES	✓			
SENATOR KEANE		✓		
SENATOR LEWIS	✓			
SENATOR MOORE	✓			
SENATOR OLSON	✓			
SENATOR PRIEST	✓		✓	
SENATOR ROSENDALE	✓			
SENATOR SESSO		✓		
SENATOR TROPILA	✓			
SENATOR WANZENRIED		✓		
SENATOR WEBB	✓			
SENATOR WINDY BOY		✓	✓	
CHAIRMAN RIPLEY	✓			

ok 14

MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3-13 **, 2013** **BILL #** HB 2 **VOTE** 14-6

MOTION: transfer $500,000 from Central Stores to General Fund

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER	✓			
SENATOR BRENDEN	✓		✓	
SENATOR BROWN	✓			
SENATOR BUTTREY	✓			
SENATOR CAFERRO		✓		
SENATOR ESSMANN	✓		✓	
SENATOR HAMLETT		✓		
SENATOR JONES	✓			
SENATOR KEANE		✓		
SENATOR LEWIS	✓			
SENATOR MOORE	✓			
SENATOR OLSON	✓			
SENATOR PRIEST	✓		✓	
SENATOR ROSENDALE	✓			
SENATOR SESSO		✓		
SENATOR TROPILA	✓			
SENATOR WANZENRIED		✓		
SENATOR WEBB	✓			
SENATOR WINDY BOY		✓		
CHAIRMAN RIPLEY	✓			

no exhibit

MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3-13 **, 2013** **BILL #** HB2 **VOTE** 10-10 fails

MOTION: amend 241-A.AKW

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER		✓		
SENATOR BRENDEN		✓	✓	
SENATOR BROWN	✓			
SENATOR BUTTREY		✓		
SENATOR CAFERRO	✓			
SENATOR ESSMANN		✓	✓	
SENATOR HAMLETT	✓			
SENATOR JONES	✓			
SENATOR KEANE	✓			
SENATOR LEWIS		✓		
SENATOR MOORE	✓			
SENATOR OLSON		✓	✓	
SENATOR PRIEST		✓	✓	
SENATOR ROSENDALE		✓		
SENATOR SESSO	✓			
SENATOR TROPILA	✓			
SENATOR WANZENRIED	✓			
SENATOR WEBB		✓		
SENATOR WINDY BOY	✓			
CHAIRMAN RIPLEY		✓		

MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3-13 **, 2013** **BILL #** HB 2 **VOTE** 7-13

MOTION: amend 243-A.AKW

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER		✓	✓	
SENATOR BRENDEN		✓	✓	
SENATOR BROWN		✓		
SENATOR BUTTREY		✓		
SENATOR CAFERRO	✓			
SENATOR ESSMANN		✓	✓	
SENATOR HAMLETT	✓			
SENATOR JONES		✓		
SENATOR KEANE	✓			
SENATOR LEWIS		✓		
SENATOR MOORE		✓		
SENATOR OLSON		✓	✓	
SENATOR PRIEST		✓	✓	
SENATOR ROSENDALE		✓		
SENATOR SESSO	✓			
SENATOR TROPILA	✓			
SENATOR WANZENRIED	✓			
SENATOR WEBB		✓		
SENATOR WINDY BOY	✓			
CHAIRMAN RIPLEY		✓		

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MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3-13, 2013 BILL # HB 2 VOTE 7-13

MOTION: Amend 231-A.akw

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER		✓		
SENATOR BRENDEN		✓	✓	
SENATOR BROWN		✓		
SENATOR BUTTREY		✓		
SENATOR CAFERRO	✓			
SENATOR ESSMANN		✓	✓	
SENATOR HAMLETT	✓			
SENATOR JONES		✓		
SENATOR KEANE	✓			
SENATOR LEWIS		✓		
SENATOR MOORE		✓		
SENATOR OLSON		✓	✓	
SENATOR PRIEST		✓	✓	
SENATOR ROSENDALE		✓		
SENATOR SESSO	✓			
SENATOR TROPILA	✓			
SENATOR WANZENRIED	✓			
SENATOR WEBB		✓		
SENATOR WINDY BOY	✓			
CHAIRMAN RIPLEY		✓		

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MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3-13 **, 2013** **BILL #** HB 2 **VOTE** 7-13

MOTION: amend 247.A.AKW

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER		✓		
SENATOR BRENDEN		✓	✓	
SENATOR BROWN		✓		
SENATOR BUTTREY		✓		
SENATOR CAFERRO	✓			
SENATOR ESSMANN		✓	✓	
SENATOR HAMLETT	✓			
SENATOR JONES		✓		
SENATOR KEANE	✓			
SENATOR LEWIS		✓		
SENATOR MOORE		✓		
SENATOR OLSON		✓	✓	
SENATOR PRIEST		✓	✓	
SENATOR ROSENDALE		✓		
SENATOR SESSO	✓			
SENATOR TROPILA	✓			
SENATOR WANZENRIED	✓			
SENATOR WEBB		✓		
SENATOR WINDY BOY	✓			
CHAIRMAN RIPLEY		✓		

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MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3-13 **, 2013** **BILL #** HB2 **VOTE** 7-13

MOTION: amend 233-A. AKW

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER		✓		
SENATOR BRENDEN		✓	✓	
SENATOR BROWN		✓		
SENATOR BUTTREY		✓		
SENATOR CAFERRO	✓			
SENATOR ESSMANN		✓	✓	
SENATOR HAMLETT	✓			
SENATOR JONES		✓		
SENATOR KEANE	✓			
SENATOR LEWIS		✓		
SENATOR MOORE		✓		
SENATOR OLSON		✓	✓	
SENATOR PRIEST		✓	✓	
SENATOR ROSENDALE		✓		
SENATOR SESSO	✓			
SENATOR TROPILA	✓			
SENATOR WANZENRIED	✓			
SENATOR WEBB		✓		
SENATOR WINDY BOY	✓		✓	
CHAIRMAN RIPLEY		✓		

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MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3-13 **, 2013** **BILL #** HB 2 **VOTE** 7-13

MOTION: amend 237-A-APJ

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER		✓		
SENATOR BRENDEN		✓	✓	
SENATOR BROWN		✓		
SENATOR BUTTREY		✓		
SENATOR CAFERRO	✓			
SENATOR ESSMANN		✓	✓	
SENATOR HAMLETT	✓			
SENATOR JONES		✓		
SENATOR KEANE	✓			
SENATOR LEWIS		✓		
SENATOR MOORE		✓		
SENATOR OLSON		✓	✓	
SENATOR PRIEST		✓	✓	
SENATOR ROSENDALE		✓		
SENATOR SESSO	✓			
SENATOR TROPILA	✓			
SENATOR WANZENRIED	✓			
SENATOR WEBB		✓		
SENATOR WINDY BOY	✓		Lee	
CHAIRMAN RIPLEY		✓		

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MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3, 2013 BILL # HB 2 VOTE 16-4

MOTION: amend 239-A. AFJ

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER	✓			
SENATOR BRENDEN	✓		✓	
SENATOR BROWN	✓			
SENATOR BUTTREY		✓		
SENATOR CAFERRO	✓			
SENATOR ESSMANN	✓		✓	
SENATOR HAMLETT	✓			
SENATOR JONES	✓			
SENATOR KEANE	✓			
SENATOR LEWIS		✓		
SENATOR MOORE	✓			
SENATOR OLSON	✓		✓	
SENATOR PRIEST	✓		✓	
SENATOR ROSENDALE	✓			
SENATOR SESSO	✓			
SENATOR TROPILA	✓			
SENATOR WANZENRIED		✓		
SENATOR WEBB	✓			
SENATOR WINDY BOY		✓		
CHAIRMAN RIPLEY	✓			

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MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3, 2013 BILL # HB 2 VOTE 13-7

MOTION: Amend 245.A.AKW

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER	✓			
SENATOR BRENDEN	✓		✓	
SENATOR BROWN	✓			
SENATOR BUTTREY	✓			
SENATOR CAFERRO	✓			
SENATOR ESSMANN	✓		✓	
SENATOR HAMLETT	✓			
SENATOR JONES		✓		
SENATOR KEANE	✓			
SENATOR LEWIS	✓			
SENATOR MOORE		✓		
SENATOR OLSON	✓		✓	
SENATOR PRIEST	✓		✓	
SENATOR ROSENDALE		✓		
SENATOR SESSO		✓		
SENATOR TROPILA		✓		
SENATOR WANZENRIED	✓			
SENATOR WEBB	✓			
SENATOR WINDY BOY		✓		
CHAIRMAN RIPLEY		✓		

7.4

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MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3, 2013 BILL # HB 2 VOTE 10-10

MOTION: Amend 235-A-AKW

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER		✓		
SENATOR BRENDEN		✓	✓	
SENATOR BROWN		✓		
SENATOR BUTTREY	✓			
SENATOR CAFERRO	✓			
SENATOR ESSMANN		✓	✓	
SENATOR HAMLETT	✓			
SENATOR JONES	✓			
SENATOR KEANE	✓			
SENATOR LEWIS		✓		
SENATOR MOORE	✓			
SENATOR OLSON		✓	✓	
SENATOR PRIEST		✓	✓	
SENATOR ROSENDALE		✓		
SENATOR SESSO	✓			
SENATOR TROPILA	✓			
SENATOR WANZENRIED	✓			
SENATOR WEBB		✓		
SENATOR WINDY BOY	✓			
CHAIRMAN RIPLEY		✓		

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MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3, 2013 BILL # HB2 VOTE 7-13

MOTION: Amend 234-A.AKW

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER		✓		
SENATOR BRENDEN		✓	✓	
SENATOR BROWN		✓		
SENATOR BUTTREY		✓		
SENATOR CAFERRO	✓			
SENATOR ESSMANN		✓	✓	
SENATOR HAMLETT	✓			
SENATOR JONES		✓		
SENATOR KEANE	✓			
SENATOR LEWIS		✓		
SENATOR MOORE		✓		
SENATOR OLSON		✓	✓	
SENATOR PRIEST		✓	✓	
SENATOR ROSENDALE		✓		
SENATOR SESSO	✓			
SENATOR TROPILA	✓			
SENATOR WANZENRIED	✓			
SENATOR WEBB		✓		
SENATOR WINDY BOY	✓			
CHAIRMAN RIPLEY		✓		

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MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3, 2013 BILL # HB 2 VOTE 7-13

MOTION: amend 2 36-A. AKW

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER		✓		
SENATOR BRENDEN		✓	✓	
SENATOR BROWN		✓		
SENATOR BUTTREY		✓		
SENATOR CAFERRO	✓			
SENATOR ESSMANN		✓	✓	
SENATOR HAMLETT	✓			
SENATOR JONES		✓		
SENATOR KEANE	✓			
SENATOR LEWIS		✓		
SENATOR MOORE		✓		
SENATOR OLSON		✓	✓	
SENATOR PRIEST		✓	✓	
SENATOR ROSENDALE		✓		
SENATOR SESSO	✓			
SENATOR TROPILA	✓			
SENATOR WANZENRIED	✓			
SENATOR WEBB		✓		
SENATOR WINDY BOY	✓			
CHAIRMAN RIPLEY		✓		

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MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3, 2013 BILL # HB 2 VOTE 7-13

MOTION: Amend 237.A.AKW

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER		✓		
SENATOR BRENDEN		✓	✓	
SENATOR BROWN		✓		
SENATOR BUTTREY		✓		
SENATOR CAFERRO	✓			
SENATOR ESSMANN		✓	✓	
SENATOR HAMLETT	✓			
SENATOR JONES		✓		
SENATOR KEANE	✓			
SENATOR LEWIS		✓		
SENATOR MOORE		✓		
SENATOR OLSON		✓	✓	
SENATOR PRIEST		✓	✓	
SENATOR ROSENDALE		✓		
SENATOR SESSO	✓		✓	
SENATOR TROPILA	✓			
SENATOR WANZENRIED	✓			
SENATOR WEBB		✓		
SENATOR WINDY BOY	✓			
CHAIRMAN RIPLEY		✓		

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MONTANA STATE SENATE
ROLL CALL VOTE
FINANCE AND CLAIMS
COMMITTEE

DATE: 4-3 **, 2013** **BILL #** HB2 **VOTE** 8-12

MOTION: Amendment HB 000203-A.ABS

NAME	AYE	NO	PROXY	EXCUSED
VICE CHAIR WALKER	✓			
SENATOR BRENDEN		✓	✓	
SENATOR BROWN	✓			
SENATOR BUTTREY		✓		
SENATOR CAFERRO		✓		
SENATOR ESSMANN	✓		✓	
SENATOR HAMLETT		✓		
SENATOR JONES		✓		
SENATOR KEANE		✓		
SENATOR LEWIS		✓		
SENATOR MOORE		✓		
SENATOR OLSON		✓	✓	
SENATOR PRIEST	✓		✓	
SENATOR ROSENDALE		✓		
SENATOR SESSO	✓			
SENATOR TROPILA		✓		
SENATOR WANZENRIED	✓			
SENATOR WEBB		✓		
SENATOR WINDY BOY	✓			
CHAIRMAN RIPLEY	✓			

SENATE PROXY

I, Senator Brenden, hereby authorize Senator Wagner to vote my proxy before the Senate Finance + Claims meeting held on 4-3, 2013.

John C. Brenden
Senator Signature

4-3-13
Date

Said authorization is as follows: *(mark only one)*

- ☐ All votes, including amendments.
- ☐ All votes as directed below on the listed bills, and all other votes.
- ☐ Votes only as directed below.

HB 2

Bill No./Amendment No.	Aye	No
Amendment 244-A.AKW	X	
Motion to implement 244-A.AKW	X	
Amendment 241-A.AKW		X
Amendment 243-A.AKW		X
" 231-A.AKW		X
" 247-A.AKW		X
" 233-A.AKW		X
" 237-A.AKW		X
" 239-A.APJ	X	
" 245-A.AKW	X	
" 235-A.AKW		X
" 234-A.AKW		X
" 236-A.AKW		X
" 237-A.AKW		X
" 203-A.ABS		X

SENATE PROXY

I, Senator Essmann, hereby authorize Senator Walker to vote my proxy before the Senate Finance + Claims meeting held on 4-3, 2013.

Senator Signature

4-3-13
Date

Said authorization is as follows: *(mark only one)*

- ☐ All votes, including amendments.
- ☐ All votes as directed below on the listed bills, and all other votes.
- ☐ Votes only as directed below.

HB 2

Bill No./Amendment No.	Aye	No
Amendment 244-A.AKW	X	
Motion to implement 244-A.AKW	X	
Amendment 241-A.AKW		X
Amendment 243-A.AKW		X
Amendment 231-A.AKW		X
Amendment 247-A.AKW		X
Amendment 233-A.AKW		X
Amendment 237-A.APJ		X
Amendment 239-A.APJ	X	
Amendment 245-A.AKW	X	
Amendment 235-A.AKW		X
Amendment 234-A.AKW		X
Amendment 236-A.AKW		X
Amendment 237-A.AKW		X
Amendment 203-A.ABS	X	

SENATE PROXY

I, Senator Alan Olson, hereby authorize Senator Walker to vote my proxy before the Senate Finance & Claims meeting held on 4-3, 2013.

Senator Signature

4-3-13
Date

Said authorization is as follows: *(mark only one)*

- ☐ All votes, including amendments.
- ☐ All votes as directed below on the listed bills, and all other votes.
- ☐ Votes only as directed below.

HB 2

Bill No./Amendment No.	Aye	No
Amendment 241-A.AKW		X
Amendment 243-A.AKW		X
" 231-A.AKW		X
" 247-A.AKW		X
" 233-A.AKW		X
" 237-A.AKW		X
" 239-A.AKW	X	
" 245-A.AKW	X	
" 235-A.AKW		X
" 234-A.AKW		X
" 236-A.AKW		X
" 237-A.AKW		X
" 203-A.ABS		X

SENATE PROXY

I, Senator Grient, hereby authorize Senator Walker to vote my proxy before the Senate Finance + Claims meeting held on 4-3, 2013.

Senator Signature

Date 4-3-13

Said authorization is as follows: *(mark only one)*

- ☐ All votes, including amendments.
- ☐ All votes as directed below on the listed bills, and all other votes.
- ☐ Votes only as directed below.

HB 2

Bill No./Amendment No.	Aye	No
Amendment 244-A.AKW	X	
Motion to implement 244-A.AKW	X	
Amendment 241-A.AKW		X
Amendment 243-A.AKW		X
" 231-A.AKW		X
" 247-A.AKW		X
" 233-A.AKW		X
" 237-A.APJ		X
" 239-A.APJ	X	
" 245-A.AKW	X	
" 235-A.AKW		X
" 234-A.AKW		X
" 236-A.AKW		X
" 237-A.AKW		X
" 203-A.ABS	X	

SENATE PROXY

I, Senator Jesso, hereby authorize Senator Wagenknecht to vote my proxy before the Senate Finance and Claims meeting held on 4-3-13, 2013.

Senator Signature

4-3-13
Date

Said authorization is as follows: *(mark only one)*

- ☐ All votes, including amendments.
- ☐ All votes as directed below on the listed bills, and all other votes.
- ☐ Votes only as directed below.

Bill No./Amendment No.	Aye	No
HB2 Amendment 237-A-AKW	X	

SENATE PROXY

I, Senator Winely Bay, hereby authorize Senator Mary Caferro to vote my proxy before the Senate meeting held on _____, 2013.

Senator Signature

4-3-13
Date

Said authorization is as follows: *(mark only one)*

- [x] All votes, including amendments.
- [ ] All votes as directed below on the listed bills, and all other votes.
- [ ] Votes only as directed below.

Bill No./Amendment No.	Aye	No
202.-0, ATP		
HB0002 44-A. AKW		+
~~motion~~		
HB000 233. A. AKW	+	
~~HB000 237. A. APJ~~	~~+~~	

UNANIMOUS

MONTANA STATE SENATE
Visitors Register
SENATE FINANCE AND CLAIMS COMMITTEE

Wednesday, April 3, 2013
HB 2 - General Appropriations Act
Sponsor: **Rep. Duane Ankney**

PLEASE PRINT

Name	Representing	Support	Oppose	Info
Joan Redfern	Great Falls BID			
Robert Mifford	Great Falls Historic Preservation		X	X
Patty Dean	MT Tourism Alliance		X	
Jolene Back	GFEDA			
Sharon Haugen	City of Helena			
Sarah Converse	Sweetgrass Develop	X		

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.

MONTANA STATE SENATE
Visitors Register
SENATE FINANCE AND CLAIMS COMMITTEE

Wednesday, April 3, 2013
HB 2 - General Appropriations Act
Sponsor: **Rep. Duane Ankney**

PLEASE PRINT

Name	Representing	Support	Oppose	Info
Jason Neiffer	Montana Digital Academy	X		X
Carol Parrinson	multiple / Downtown Gt		X	X
Paul Edwards	MEDA	X		

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.

MONTANA STATE SENATE
Visitors Register
SENATE FINANCE AND CLAIMS COMMITTEE

Wednesday, April 3, 2013
SB 240 - Revise taxation of pollution control equipment
Sponsor: **Sen. Bruce Tutvedt**

PLEASE PRINT

Name	Representing	Support	Oppose	Info
Mary Schlepp	Montana Taxpayers	X		
Steve Cleveraden	DOR			X
Amer Gramajez	Ash Grove Cement	X		
Margaret Morgan	MSCA	X		

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.

MONTANA STATE SENATE
Visitors Register
SENATE FINANCE AND CLAIMS COMMITTEE

Wednesday, April 3, 2013
SB 369 - Revise state cabin site leasing laws
Sponsor: **Sen. Tom Facey**

PLEASE PRINT

Name	Representing	Support	Oppose	Info
JOHN GRIMM	MT. DNRC			X
Margaret Morgan	MSLA	X		

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.

MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

Room 110 Capitol Building * P.O. Box 201711 * Helena, MT 59620-1711 * (406) 444-2986 * FAX (406) 444-3036

Director
AMY CARLSON

DATE: March 18, 2013

TO: Sen. Jeff Essmann, Senate President
Rep. Mark Blasdel, House Speaker
Sen. Bruce Tutvedt, Chair, Senate Tax Committee
Rep. Mike Miller, Chair, House Tax Committee
Sen. Art Wittich, Senate Majority Leader
Rep. Gordon Vance, House Majority Leader
Sen. Jon Sesso, Senate Minority Leader
Rep. Chuck Hunter, House Minority Leader

FROM: Amy Carlson, Legislative Fiscal Analyst
Stephanie Morrison, Revenue Analyst

RE: General Fund Revenue Update #2

PURPOSE OF REPORT

This is the second of the monthly revenue updates throughout the session designed to brief the legislature on recent economic trends and the corresponding outlook for the 2015 biennium General Fund revenue estimate. This update is based on actual revenue collections received through the end of February 2013, and the March update of national and Montana forecasts from IHS Global Insight (IHS).

SUMMARY

General fund revenue collections continue to show strong growth over FY 2012 amounts, and are currently somewhat above the overall growth contained in SJ 2. Underlying economic indicators have improved slightly since the IHS January forecasts were used to develop the estimate contained in SJ 2. Most of the higher-than-anticipated growth in year-to-date collections may be a result of revenue shifting due to the uncertainty in future federal tax rates at the end of CY 2012.

If the IHS March forecasts and an adjustment for revenue shifting into calendar year 2012 are used in the LFD revenue models, total general fund revenue estimates increase by $48.9 million over the three-year forecast period. The table below shows the Legislature's official total general fund estimate as contained in SJ 2 and the model output based on the February and March revised assumptions. The table also compares the year-to-date growth in collections with the growth rate contained in SJ 2 and the growth rate based on the March update.

FY	SJ 2 Official Estimates	Feb 25 Model Output	Mar 15 Model Output	$ Difference	YTD Revenue Growth	SJ 2 Estimated Growth	Mar 15 Model Growth
2012	$1,871.0	$1,871.0	$1,871.0				
2013	1,995.0	2,021.5	2,017.8	$22.8	7.9%	6.6%	7.8%
2014	2,056.3	2,074.9	2,066.5	10.3		3.1%	2.4%
2015	2,137.4	2,157.7	2,153.2	15.8		3.9%	4.2%
3-YR	$6,188.6	$6,254.2	$6,237.5	$48.9			

The March revised national forecast from IHS is based on the following key assumptions:

- Improving economy fundamentals, particularly in housing, but federal policy headwinds still a drag
- Rebounding GDP growth in the first quarter 2013 after the small decline in the fourth quarter 2012, but slowing due to the sequester
- The sequester remains in effect until the end of June, taking 0.3 percentage point off 2013 growth
- Continued quantitative easing by the Federal Reserve into 2014, with the federal funds rate near zero until late 2015
- Decreased West Texas Intermediate oil price by just over $4 per barrel in FY 2013

The change in the FY 2013 oil price is the primary driver behind the differences between this revenue update and the February revenue update. A comparison of the forecast price from January (used in SJ2), February and March is shown in the table below.

West Texas Intermediate Oil Price					
CY	January	February	March	Mar-Jan	Mar-Feb
2013	$89.64	$94.88	$90.70	$1.06	-$4.18
2014	86.26	89.54	88.14	1.88	-1.40
2015	81.60	84.79	84.79	3.19	0.00

The summary of changes in the March update relative to SJ 2 by income source is shown in the table below. The improvement in the overall estimate is being driven primarily by the increase in individual income tax, with the higher corporate license tax estimate being offset by the lower oil & natural gas production tax estimate.

Summary of March Update Relative to SJ 2				
	FY 2013	FY 2014	FY 2015	Total
Individual Income Tax	$26.1	$10.5	$13.5	$50.1
Property Tax	-	-	-	-
Corporation License Tax	1.3	2.1	2.5	5.9
Vehicle Taxes & Fees	0.0	0.1	0.1	0.2
Oil & Natural Gas Tax	(4.3)	(1.8)	0.3	(5.9)
Insurance Tax	(0.2)	(0.2)	(0.2)	(0.6)
Video Gaming Tax	-	-	-	-
Remaining Sources	0.0	(0.3)	(0.5)	(0.8)
General Fund Total	$22.8	$10.3	$15.8	$48.9
Guarantee Account	(2.6)	(8.2)	(7.3)	(18.2)
Total General Fund & Guarantee	$20.2	$2.0	$8.4	$30.7

YEAR-TO-DATE COLLECTIONS

FY 2013 general fund revenues through the end of February are $90.4 million or 7.9% ahead of FY 2012 revenues through the same period; this increase is above the forecast growth of 6.6% contained in SJ 2. The difference can almost entirely be attributed to strong growth in individual income and corporate license tax collections.

General Fund Revenue Monitoring Report
(in Millions)

Revenue Source	Actual FY 2012	SJ2 Estimate FY 2013	SJ2 Estimate % Change	2/29/2012 FY 2012	2/28/2013 FY 2013	YTD Difference	YTD % Change
Largest Seven Sources							
Individual Income Tax	$898.851	$983.953	9.5%	$642.476	$712.025	$69.549	10.8%
Property Tax	236.662	241.741	2.1%	131.062	137.125	$6.063	4.6%
Corporation Tax	127.771	150.658	17.9%	73.073	100.136	$27.063	37.0%
Vehicle Taxes & Fees	99.954	100.833	0.9%	58.337	56.066	($2.271)	-3.9%
Oil Severance Tax	97.560	98.750	1.2%	25.508	23.736	(1.771)	-6.9%
Insurance Tax	58.951	59.932	1.7%	25.542	25.729	$0.187	0.7%
Video Gaming Tax	53.824	57.706	7.2%	25.121	28.211	$3.090	12.3%
Other Business Taxes							
Drivers License Fee	4.369	3.867	-11.5%	2.594	2.875	0.281	10.8%
Estate Tax	0.060	0.000	-100.0%	0.058	0.001	(0.058)	-99.0%
Investment Licenses	6.961	7.210	3.6%	6.206	6.181	(0.025)	-0.4%
Lodging Facilities Sales Tax	15.606	17.314	10.9%	8.948	9.686	0.738	8.3%
Public Contractor's Tax	(3.042)	1.140	-137.5%	(0.975)	0.114	1.089	-111.7%
Railroad Car Tax	2.273	2.157	-5.1%	1.790	1.654	(0.136)	-7.6%
Rental Car Sales Tax	3.420	3.539	3.5%	2.129	2.173	0.045	2.1%
Retail Telecom Excise Tax	21.459	22.606	5.3%	10.551	9.294	(1.257)	-11.9%
Other Natural Resource Taxes							
Coal Severance Tax	12.350	12.864	4.2%	7.450	7.674	0.224	3.0%
Electrical Energy Tax	4.481	4.442	-0.9%	2.483	2.404	(0.078)	-3.2%
Metal Mines Tax	10.010	10.904	8.9%	0.002	0.040	0.037	1551.0%
U.S. Mineral Royalties	31.057	36.989	19.1%	14.427	14.201	(0.226)	-1.6%
Wholesale Energy Trans Tax	3.427	4.038	17.8%	1.898	1.862	(0.035)	-1.9%
Other Interest Earnings							
Coal Trust Interest Earnings	25.840	24.451	-5.4%	13.178	12.737	(0.442)	-3.4%
TCA Interest Earnings	2.654	2.779	4.7%	1.426	1.562	0.136	9.5%
Other Consumption Taxes							
Beer Tax	2.956	3.052	3.2%	1.796	1.820	0.023	1.3%
Cigarette Tax	31.483	30.991	-1.6%	20.210	20.201	(0.009)	0.0%
Liquor Excise Tax	17.037	18.206	6.9%	10.041	10.700	0.659	6.6%
Liquor Profits	9.500	10.604	11.6%	-	-	-	
Lottery Profits	13.061	14.477	10.8%	2.369	2.685	0.316	13.3%
Tobacco Tax	5.709	5.821	2.0%	3.366	3.513	0.147	4.4%
Wine Tax	2.104	2.144	1.9%	1.271	1.335	0.064	5.1%
Other Sources							
All Other Revenue	47.258	32.595	-31.0%	33.532	18.272	(15.260)	-45.5%
Highway Patrol Fines	4.385	4.427	1.0%	2.522	2.333	(0.189)	-7.5%
Nursing Facilities Fee	5.077	4.876	-4.0%	2.542	3.495	0.953	37.5%
Public Institution Reimbursements	14.562	16.332	12.2%	7.193	8.674	1.480	20.6%
Tobacco Settlement	3.322	3.552	6.9%	-	-	-	
Largest Seven Subtotal	$1,573.574	$1,693.573	7.6%	$981.119	$1,083.029	$101.910	10.4%
Remaining Sources Subtotal	297.380	301.377	1.3%	157.008	145.486	(11.522)	-7.3%
Grand Total	$1,870.954	$1,994.950	6.6%	$1,138.127	$1,228.515	$90.388	7.9%

Individual Income Tax

Individual income tax collections are $69.5 million or 10.8% above last year. The estimate contained in SJ 2 forecasts a FY 2013 growth of 9.5%.

The IHS March forecast revision of oil prices decreased the model output slightly from the February update. However, the increased wage disbursements and larger elderly population, as well the adjustment for federal tax uncertainty, kept the March update above the estimate contained in SJ 2.

As with the February update, the March individual income tax model output shown below contains a FY 2013 adjustment of $20 million to account for an expected change in taxpayer behavior. No reduction in FY 2014 and FY 2015 capital gains income is included since it is assumed the accelerated realization of gains would have otherwise been spread over several years in the future. Because no reduction is included for FY 2014 and FY 2015, there may be a small downside risk to the estimate in those years.

FY	SJ 2 Official Estimates	Feb 25 Model Output	Mar 15 Model Output	$ Difference	YTD Revenue Growth	SJ 2 Estimated Growth	Mar 15 Model Growth
2012	$898.9	$898.9	$898.9				
2013	984.0	1,010.7	1,010.0	$26.1	10.8%	9.5%	12.4%
2014	1,039.2	1,052.1	1,049.6	10.5		5.6%	3.9%
2015	1,104.9	1,121.0	1,118.4	13.5		6.3%	6.6%
3-YR	$3,128.0	$3,183.9	$3,178.1	$50.1			

The detailed collection information for individual income tax is show below. Withholding tax is continuing a strong growth at 8.2% above last year's collections and estimated payments continue to show double-digit growth. The $20 million adjustment for response to federal tax uncertainty will be accounted for in estimated and current year payments.

Individual Income Tax	YTD FY 2013	YTD FY 2012	Difference	% Difference
Withholding	$500.3	$462.3	$38.0	8.2%
Estimated Payments	153.5	120.2	33.3	27.7%
Current Year Payments	18.4	17.9	0.5	2.7%
Audit, P&I, Amended	17.1	16.5	0.6	3.7%
Refunds	(114.0)	(108.5)	(5.5)	5.0%
Refund Accrual Reversal	124.8	121.9	2.9	2.4%
Partnership Income Tax	4.3	2.9	1.4	47.2%
Mineral Royalties	7.5	9.3	(1.7)	-18.8%
Total	$712.0	$642.5	$69.5	10.8%

Property Tax

The property tax estimate is based on the taxable value data for tax year 2012 (FY 2013) obtained from the Department of Revenue, which suggest FY 2013 growth will be close to the estimate of 2.1% contained in SJ 2. The property tax estimate does not use IHS data, so there is no change in the model output.

FY	SJ 2 Official Estimates	Feb 25 Model Output	Mar 15 Model Output	$ Difference	YTD Revenue Growth	SJ 2 Estimated Growth	Mar 15 Model Growth
2012	$236.7	$236.7	$236.7				
2013	241.7	241.7	241.7	$0.0	4.6%	2.1%	2.1%
2014	246.6	246.6	246.6	-		2.0%	2.0%
2015	254.7	254.7	254.7	-		3.3%	3.3%
3-YR	$743.0	$743.0	$743.0	$0.0			

Corporation License Tax

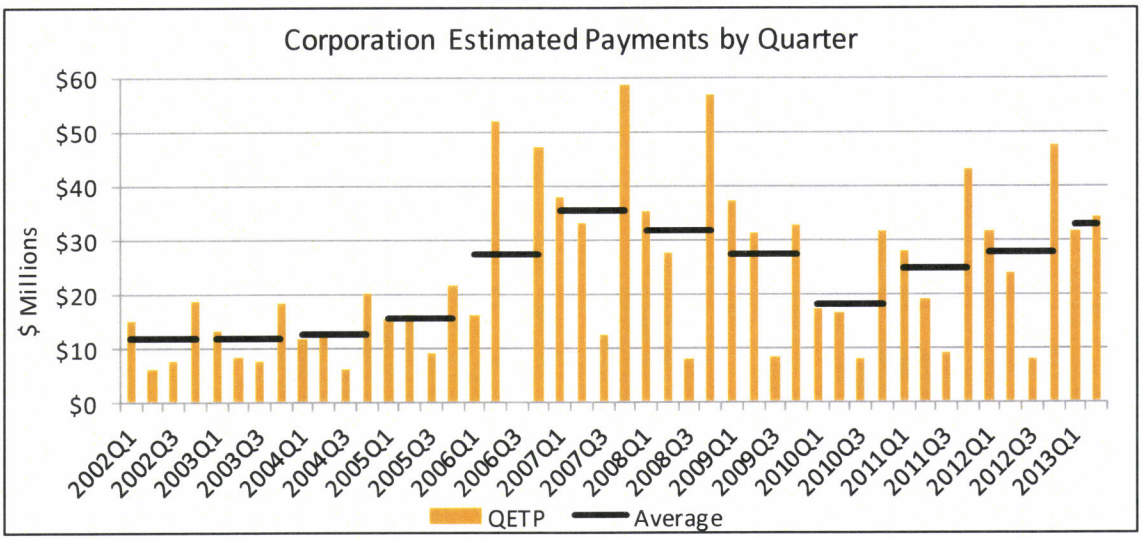
Corporation license tax collections are $27.1 million or 37.0% above last year primarily due to an increase in estimated payments and a reduction in refunds. The estimate contained in SJ 2 forecasts a FY 2013 growth of 17.9%.

The lower oil price contained in the IHS March forecast resulted in a small decrease from the February update. However, the three-year estimate is still above the official estimate by about $6 million. Refunds are unusually low, and if this pattern continues, total collections may be even higher than anticipated. Based on historical collection averages, there is not a compelling case to change the refund estimate; however, there are likely more upside risks than downside risks to the overall estimate.

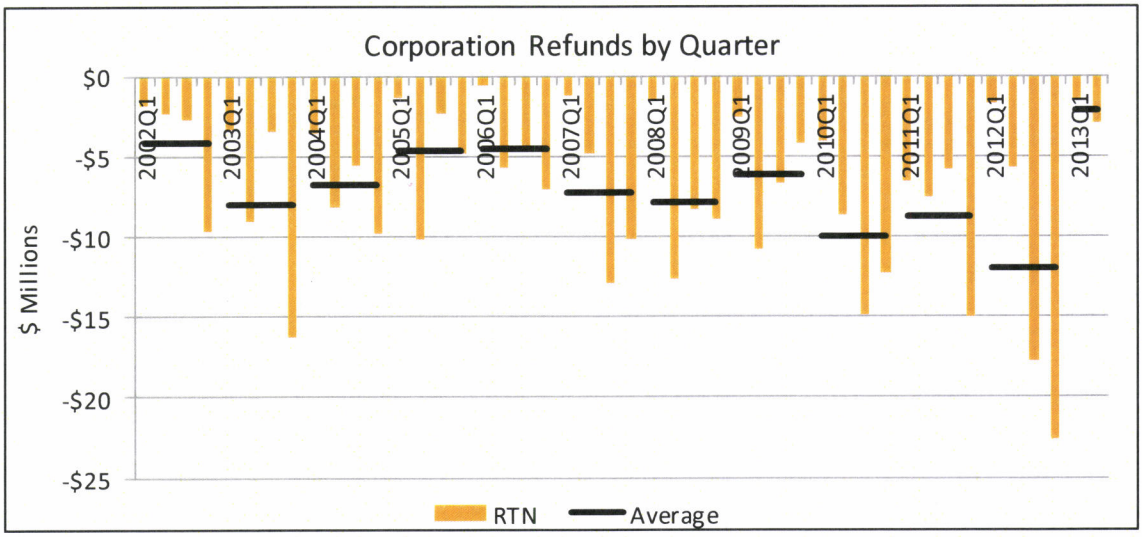
FY	SJ 2 Official Estimates	Feb 25 Model Output	Mar 15 Model Output	$ Difference	YTD Revenue Growth	SJ 2 Estimated Growth	Mar 15 Model Growth
2012	$127.8	$127.8	$127.8				
2013	150.7	153.8	151.9	$1.3	37.0%	17.9%	18.9%
2014	154.1	157.4	156.2	2.1		2.3%	2.8%
2015	155.0	157.7	157.5	2.5		0.6%	0.9%
3-YR	$459.8	$468.9	$465.6	$5.9			

Corporation License Tax	YTD FY 2013	YTD FY 2012	Difference	% Difference
Corporation Tax	$10.7	$9.7	$1.1	11.2%
Estimated Payments	$74.4	$59.6	$14.8	24.8%
Refunds	($10.6)	($24.3)	$13.7	-56.5%
Refund Accrual Reversal	$12.8	$9.0	$3.7	41.3%
Audit, P&I, Amended	$12.8	$19.1	($6.3)	-32.8%
Total	$100.1	$73.1	$27.1	37.0%

The best indicator for corporation license tax collections is estimated payments. As shown in the figure below, estimated payments are volatile from year-to-year and quarter-to-quarter. Since the low point during FY 2010, estimated payments have (on average) been increasing. FY 2013 estimated payments through the second quarter at the end of December show a continuation of this trend.



Refunds through the first two quarters of the fiscal year are typically not a reliable indicator of total refunds for the year, as shown in the chart below. According to the Department of Revenue, in FY 2012, there were five large refunds totaling nearly $11 million due to changes in filing methods, factor changes, and net operating loss carrybacks. If these refunds are excluded from the year-to-date comparison, refunds are similar to typical historical amounts.



Vehicle Tax & Fees

Vehicle fees and taxes are currently below last year's amount by $2.3 million or 3.9%. The estimate contained in SJ 2 forecasts a growth of 0.9% in FY 2013.

The IHS March forecast did not change significantly in its estimate of Montana vehicle stock; therefore the revenue is consistent with the previous update.

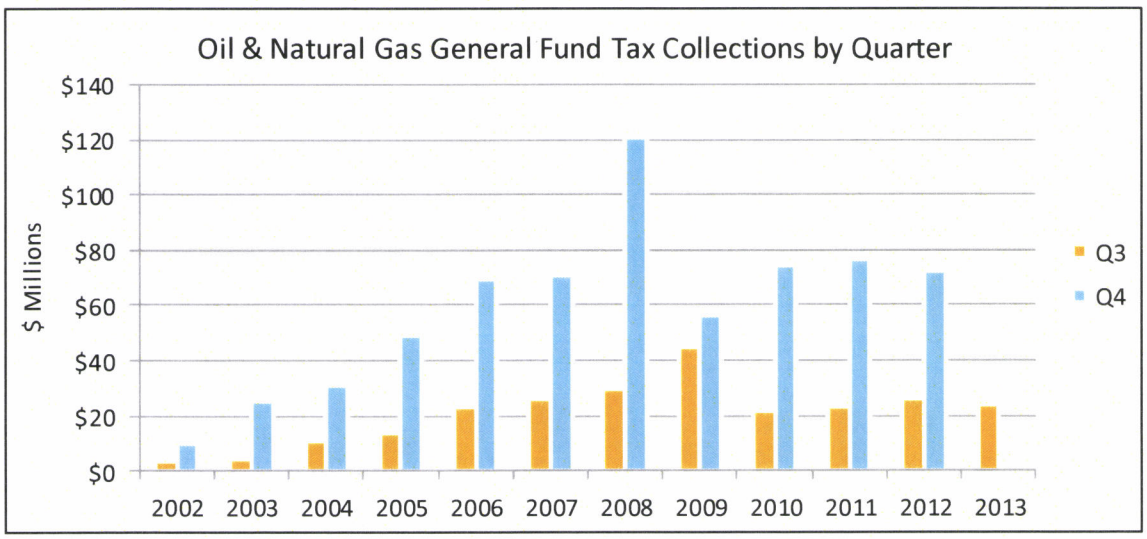
FY	SJ 2 Official Estimates	Feb 25 Model Output	Mar 15 Model Output	$ Difference	YTD Revenue Growth	SJ 2 Estimated Growth	Mar 15 Model Growth
2012	$100.0	$100.0	$100.0				
2013	100.8	100.9	100.8	$0.0	-3.9%	0.9%	0.9%
2014	101.4	101.5	101.5	0.1		0.5%	0.6%
2015	102.1	102.2	102.2	0.1		0.7%	0.7%
3-YR	$304.3	$304.5	$304.5	$0.2			

Oil & Natural Gas Production Tax

Oil and natural gas production tax collections are $1.8 million or 6.9% below last year as of the end of January. These revenue collections represent the taxes on production from the first quarter of FY 2013. The estimate contained in SJ 2 forecasts a FY 2013 growth of 1.2%.

FY	SJ 2 Official Estimates	Feb 25 Model Output	Mar 15 Model Output	$ Difference	YTD Revenue Growth	SJ 2 Estimated Growth	Mar 15 Model Growth
2012	$97.6	$97.6	$97.6				
2013	98.8	95.8	94.4	($4.3)	-6.9%	1.2%	-3.2%
2014	99.3	102.3	97.5	(1.8)		0.6%	3.3%
2015	97.4	99.6	97.7	0.3		-1.9%	0.2%
3-YR	$295.5	$297.7	$289.6	($5.9)			

Due to the time lag between production and when the taxes are distributed to the general fund, it can be difficult to draw conclusions from year-to-date activity. The chart below shows fiscal year collections by quarter. As shown in the chart, the first quarter of production taxes are remitted to the general fund in the third quarter, while the production taxes for the three remaining quarters are collected (or accrued, as in the case of the fourth quarter of production) in the last quarter of the fiscal year.

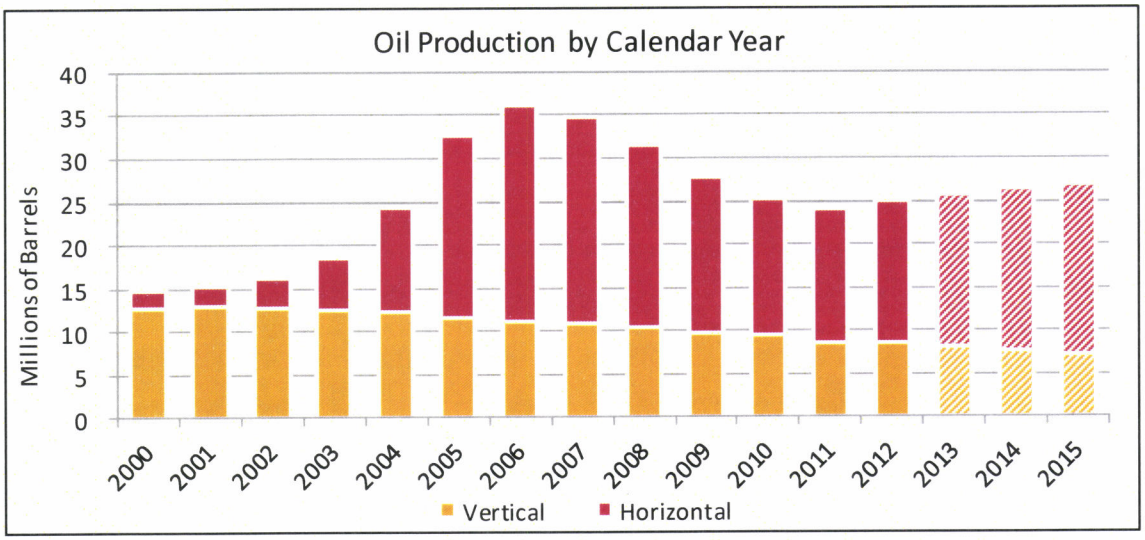


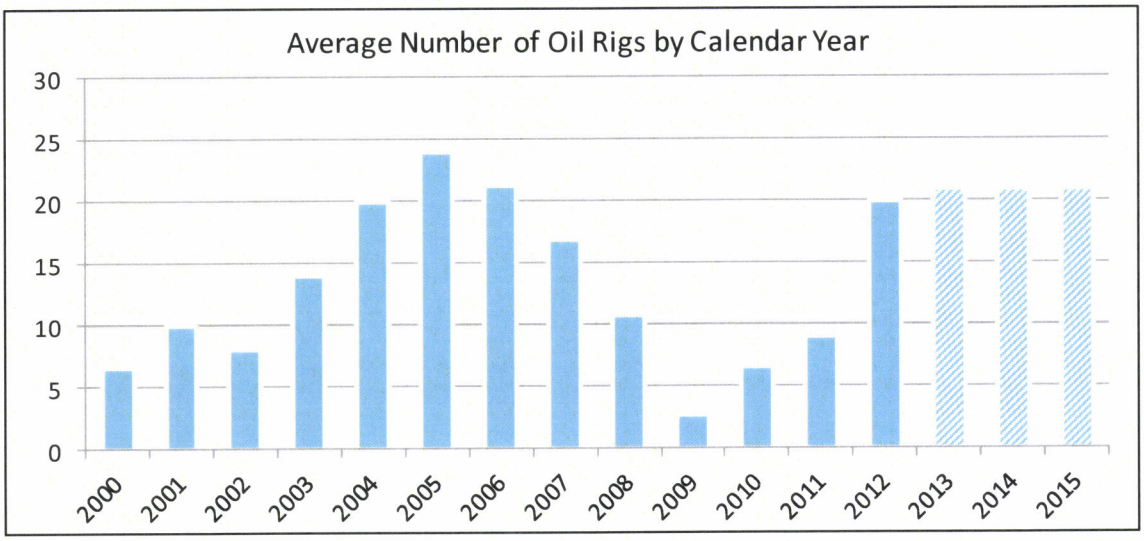
Oil Production

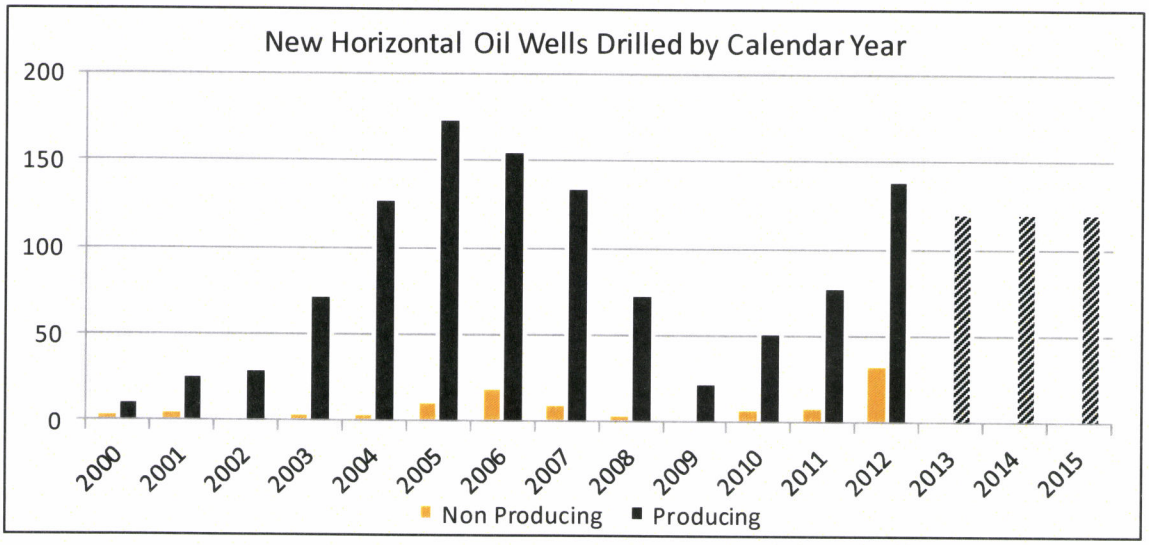
The slow growth in overall oil production is attributable to the continuing decline of production from vertical wells; horizontal production appears to be growing again after five consecutive years of decline following the 2006 peak.

Forecast Oil Production by Month of Estimate (in Millions of Barrels)					
CY	January	February	March	Mar-Jan	Mar-Feb
2013	25.7	28.0	27.3	1.6	(0.7)
2014	26.3	28.4	27.9	1.6	(0.5)
2015	26.8	28.7	28.4	1.6	(0.3)

The oil and natural gas production tax estimate contained SJ 2 was based on January price data, but the most recent production data came from June 2012. The March estimated production shown in the table above is based data through January 2013. The charts below illustrate the historical trends; forecast values are based on SJ 2.

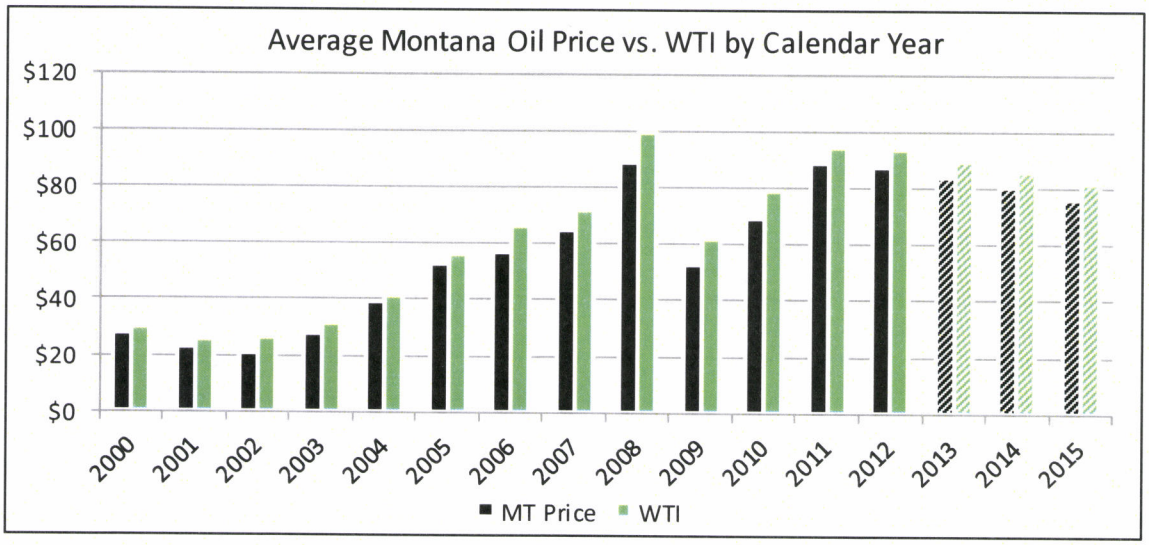






Oil Price

The forecast oil prices shown in the graph below are those contained in SJ 2.



Insurance Tax

Insurance tax collections are up $0.2 million or 0.7% over last year. The estimate contained in SJ 2 forecasts a growth of 1.7% in FY 2013. After several months of elevated collections, year-to-date revenue growth was actually lower than the official forecast. This change may be a temporary fluctuation due to unusually high collections in February 2012.

FY	SJ 2 Official Estimates	Feb 25 Model Output	Mar 15 Model Output	$ Difference	YTD Revenue Growth	SJ 2 Estimated Growth	Mar 15 Model Growth
2012	$59.0	$59.0	$59.0				
2013	59.9	59.7	59.7	($0.2)	0.7%	1.7%	1.3%
2014	52.0	51.8	51.8	(0.2)		-13.2%	-13.2%
2015	54.1	53.9	53.9	(0.2)		3.9%	4.0%
3-YR	$166.0	$165.5	$165.4	($0.6)			

Video Gambling Tax

Video gaming tax collections are up $3.1 million or 12.3% over last year, primarily due to the addition of video line games approved by the 62nd Legislature. The positive impact of this legislation is expected to continue with some modest improvement in overall machine play. The estimate contained in SJ 2 forecasts a growth of 7.2% in FY 2013.

The IHS March forecast did not change Montana per capita personal income significantly; therefore the model output remained the same.

FY	SJ 2 Official Estimates	Feb 25 Model Output	Mar 15 Model Output	$ Difference	YTD Revenue Growth	SJ 2 Estimated Growth	Mar 15 Model Growth
2012	$53.8	$53.8	$53.8				
2013	57.7	57.7	57.7	$0.0	12.3%	7.2%	7.2%
2014	59.9	59.9	59.9	-		3.9%	3.9%
2015	62.1	62.1	62.1	0.0		3.7%	3.7%
3-YR	$179.8	$179.8	$179.8	$0.0			

Remaining Sources

Revenue from the remaining sources was 7.3% below FY 2012, primarily due to timing in all other revenue. All other revenue collections are $15.3 million below last year at this time due to fund transfers in HB 604 and revised laws regarding stale-dated warrants in SB 335, both passed by the 62nd Legislature. In FY 2012, $10.9 million was transferred to the general fund per HB 604, and the unusually high $3.2 million in abandoned property transfer reflected the changes due to SB 335.

The IHS March forecast resulted is very small changes—both positive and negative—to most of the remaining sources. In aggregate, this resulted in slightly decreased model output, as shown the table below.

FY	SJ 2 Official Estimates	Feb 25 Model Output	Mar 15 Model Output	$ Difference	YTD Revenue Growth	SJ 2 Estimated Growth	Mar 15 Model Growth
2012	$297.4	$297.4	$297.4				
2013	301.4	301.2	301.4	$0.0	-7.3%	1.3%	1.4%
2014	303.7	303.3	303.4	(0.3)		0.8%	0.7%
2015	307.2	306.5	306.6	(0.5)		1.1%	1.1%
3-YR	$912.2	$911.0	$911.4	($0.8)			

Guarantee Account

The guarantee account is used to pay BASE aid to school districts. It is the first source of funding for BASE aid and is statutorily appropriated. The amount of BASE aid not paid for by the guarantee account is paid for from the general fund. Revenue in the guarantee account includes distributable interest from the investments at the Board of Investments, income from state trust lands, and excess oil and gas revenue from school districts.

The changes shown in the table below between the March and February versions are due to small changes in interest rates, as forecast by IHS.

FY	SJ 2 Official Estimates	Feb 25 Model Output	Mar 15 Model Output	$ Difference	SJ 2 Estimated Growth	Mar 15 Model Growth
2012	$102.4	$102.4	$102.4			
2013	68.1	65.5	65.5	($2.6)	-33.5%	-36.1%
2014	65.7	57.5	57.4	(8.3)	-3.5%	-12.3%
2015	62.0	54.7	54.6	(7.4)	-5.6%	-4.9%
3-YR	$195.8	$177.6	$177.5	($18.3)		

WHAT TO WATCH FOR NEXT MONTH

New data will be released between now and the next report in mid-April. This data will be used to highlight changing economic trends and the corresponding impacts those changes may have on the general fund revenue estimate.

DATA SOURCES

- IHS national & Montana economic forecasts
- IHS reports and analysis
- SABHRS month-end data through March
- Board of Oil & Gas production data
- DOR selected tax return data

additional

Gildroy, Prudence

From: Stevensville Main Street Association <stevimainst@cybernet1.com>
Sent: Tuesday, April 02, 2013 10:25 AM
To: Gildroy, Prudence
Subject: RE: HB 2 Support for the State Main Street Program

Senate Finance and Claims Committee
Secretary Prudence Gildroy
Section A of HB 2

This letter is to advise our support for the inclusion of the Montana State Main Street Program in the Department of Commerce Budget for Section A of HB2..

The State Main Street Program has provided much needed support to the larger and smaller communities of Montana. Montana is made up of many smaller communities trying to survive and add to the economic development of Montana. The State Main Street program provides resources of grants, educational programs to aid communities in their planning and strategies.

Our Stevensville Main Street program is in its thirteenth year of operation. Having the State Main Street program has been very beneficial to our organization providing opportunities to be recognized and gain insight with the National Historic Preservation office and the National Main Street office and keeps us in contact with other communities of similar size in Montana. We have benefitted from grants we have received helping us to provide educational and strategic planning seminars to our businesses and community and organizations that we work in close partnership with.

Helena is now joining the State Main Street Program and using the Main Street model to help their business community. The program has been very successful for Stevensville, Montana and we hope that you will vote to support the State Main Street program and include it in the budget for the Montana Department of Commerce as you cast your vote regarding Section A of HB2.

Sincerely,

Joan Prather, Director
Stevensville Main Street Association
Check out the Website: mainstreetstevensville.com

STEVENSVILLE MAIN STREET ASSOCIATION
Stevensville's Community Development, Business Advocacy & Information Center

Gildroy, Prudence

From: geverett <geverett@montana.com>
Sent: Monday, April 01, 2013 8:09 PM
To: Gildroy, Prudence
Subject: letter to Senate Finance and Claims Committee -- HB2
Attachments: lettertosenate.jpg

Dear Prudence,

I would like to submit the attached letter as testimony to request the reinstating of funding for the Montana Main Street program during discussions of HB2 this week in the Senate.

Thank you very much,

george everett
www.mainstreetbutte.org

Gildroy, Prudence

From: Tracy Perry <tracy@bluerosestyles.com>
Sent: Monday, April 01, 2013 5:44 PM
To: Gildroy, Prudence; blewettformontana@gmail.com

Dear Members of the Senate Finance and Claims Committee:

As owner of The Blue Rose, a clothing boutique for men and women in downtown Great Falls, I have a stake in promoting downtown Great Falls. I am contacting you for your hopeful support of continued funding of the Montana Main Street Program.

Downtown Great Falls has benefitted from professional and technical support from the Montana Main Street Program in our efforts to preserve and improve the unique character of our downtown district -- and we hope to continue to do so. In particular, the Montana Main Street Program provided important funding to assist Great Falls in hosting the 5th Annual Montana Downtown Conference, and is currently providing funding to develop a website for the Downtown Development Partnership, which is working to enact the initiatives embodied in our Downtown Master Plan.

Please support continued funding in the Department of Commerce budget for the Montana Main Street Program. Our downtown and our community needs this.

Sincerely – Tracy Perry

the blue rose
styles for men & women

Tracy Perry
419 Central Avenue
Great Falls, MT 59401
(406) 231-9808 cell
(406) 452-ROSE boutique
(406) 453-1295 fax
tracy@bluerosestyles.com

Gildroy, Prudence

From: David Campbell <dacampbell@bridgemail.com> on behalf of Amazing Toys <davec@imt.net>
Sent: Monday, April 01, 2013 3:46 PM
To: Gildroy, Prudence; blewettformontana@gmail.com
Subject: Main Street Program

Dear member of the Senate Finance and Claims Committee,

As owner of Amazing Toys I have a stake in promoting downtown Great Falls. Therefore I am writing to urge you to support continued funding of the Montana Main Street Program.

Downtown Great Falls has benefitted from professional and technical support from the Montana Main Street Program in our efforts to preserve and improve the unique character of our downtown district -- and we hope to continue to do so. In particular, the Montana Main Street Program provided important funding to assist Great Falls in hosting the 5th Annual Montana Downtown Conference, and is currently providing funding to develop a website for the Downtown Development Partnership, which is working to enact the initiatives embodied in our Downtown Master Plan.

Cities throughout the state benefit from vibrant downtowns. Downtowns provide jobs, tax bases, and focal points for the communities. Small businesses in Main Street environments are supportive of the towns where they reside and are often the recognized leaders of their communities. The Main Street program fosters free enterprise and economic development, often helping to put underutilized assets back to work with private backing.

Please support continued funding in the Department of Commerce budget for the Montana Main Street Program.

Sincerely,
David A. Campbell
Amazing Toys
515 Central Avenue
Great Falls, MT 59401
406-727-5557
davec@amazingtoys.net

NeighborWorks®
GREAT FALLS

April 1, 2013

Members of the Committee

Please consider this letter a hearty endorsement of the Montana Main Street Program. Great Falls has a wonderful downtown and we are just getting started on our redevelopment of the downtown area. The Main Street Program has been invaluable to our efforts, helping Great Falls to strengthen and preserve our historic downtown by sharing their expertise and providing technical assistance. We could all learn redevelopment and revitalization on our own, but having the Montana Main Street Program creates efficiency and effectiveness by uniting many Main Street and future Main Street programs together.

Sheila Rice

Sheila Rice
Executive Director

509 1st Avenue South • Great Falls, MT 59401
E-mail: info@nhsgf.org • Website: www.nwgreatfalls.org
(406) 761-5861 • Fax (406) 761-5852

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Gildroy, Prudence

From: Kuhlmann <kbkuhlmann@midrivers.com>
Sent: Sunday, March 31, 2013 12:52 PM
To: Gildroy, Prudence
Cc: Wisemiller, Tash
Subject: HB 2 - Funding for MT MAIN STREET PROGRAM

TO: Senate Finance & Claims committee, Secretary, Prudence Gildroy, RE: Request for continued funding & support for MT MAIN STREET PROGRAM, The Montana Main Street Program is vital to efforts to rejuvenate and re-vitalize Montana's small towns....Lewistown being one of them. Lewistown is a "Main Street" town and benefits from the guidance, updated information, research and grants available via the MT Main Street Program. Is it imperative that funding be continued for the MT Main Street Program. The years following 9-11 and the economic recession have been DIFFICULT for Montana's Main Streets everywhere. Rural Montana and the small businesses found there NEED THE SUPPORT AND RESOURCES OF THE MONTANA MAIN STREET PROGRAM. Please support continued funding for the Montana Main Street Program. Karen & Bill Kuhlmann, 962 High Meadows Lane, Lewistown, MT, 59457, 406-538-4575

Gildroy, Prudence

From: City Planning <planning@ci.lewistown.mt.us>
Sent: Friday, March 29, 2013 2:44 PM
To: Gildroy, Prudence
Cc: Wisemiller, Tash
Subject: HB2-Support for Montana Main Street Program

I am writting this note to plead for the inclusion of funding for the Montana Main Street Program in the Department of Commerce budget for the next biennium. I cannot express enough the importance of the Main Street Program in helping to save our downtowns and their unique character. The program is a success story and is providing tremendous support to the local community leaders who are facing enormous obstacles in their fight to revitalize the heart of their communities - their Main Streets. The Main Street Program is staffed with people who are making a difference by committing their time, energy and money to helping the local community preserve a sense of place and a way of life that is rich and meaningful. Main Street works because it has meaning and it has helped our community specifically grapple with changes in the new retail landscape that is impinging on our downtown. Please include full funding in the budget for the Montana Main Street Program. Thank you.

Duane Ferdinand
Planning Director/Historic Preservation Officer
City of Lewistown
305 W. Watson Street
Lewistown, MT 59457
406-535-1775
planning@ci.lewistown.mt.us

Gildroy, Prudence

From: Patrick Doyle <pdoyle@helenamt.com>
Sent: Friday, March 29, 2013 2:23 PM
To: Gildroy, Prudence
Cc: Wisemiller, Tash; hobrien@helenamt.com; pdoyle@helenamt.com
Subject: Montana Main Streets Support Letter
Attachments: MT Main Street Support Letter 3-29-2013.pdf

Prudence,

Attached please find the Helena Tourism Alliance/Tourism Business Improvement District letter in support of the Montana Main Street Program.

Thank you,

Pat Doyle
Community Outreach Director
Helena Tourism Alliance
Tourism Business Improvement District
(406) 449-2107
www.helenamt.com

Gildroy, Prudence

From: kristine komar <kk@doublekoutfit.net>
Sent: Friday, March 29, 2013 9:59 AM
To: Gildroy, Prudence
Cc: David Schultz; Vicky Bohlig
Subject: Montana Main Street
Attachments: BRCHT Main Street Letter 2013Mar29.pdf

Good morning, Ms. Gildroy,

Please see attached letter encouraging support for the Montana Main Street Program.

Kind regards,

Kristine Komar
Double K Outfit LLC
PO Box 2185
Hamilton, MT 59840

406/ 375-9953 (desk)
406/ 360-7019 (cell)
kk@doublekoutfit.net

Gildroy, Prudence

From: Sherrill D Kraakmo <skraakmo@clear.net>
Sent: Thursday, March 28, 2013 6:18 PM
To: Gildroy, Prudence
Subject: Montana Main Street program and the budget

Dear Committee Secretary Gildroy:

I understand that HB 2 (which includes the Department of Commerce budget in Section A) does not include funding for the Montana Main Street program. I also understand that every area of our nation's economy is facing difficult decisions on where to cut expenses in response to higher costs and reduced revenue. It is true for individuals, for businesses, and government. And cuts do need to be made. However, I want to address the contribution that the Montana Main Street program makes and the concern about a lack of funding for this program in the budget before you next week.

Like so many communities in Montana, Deer Lodge is struggling economically as it has been for many years. A year ago, I met with the mayor and community leaders, and later spoke to a group of business people to suggest the possibility of a revitalization plan for Deer Lodge, based on the National Trust for Historic Preservation Main Street model. The idea was met with enthusiasm and eagerness.

Deer Lodge was once a thriving and prosperous center for business, mining, lumber, and commerce. Over the past few decades, due to the reduction of mining, logging, and the departure of the Milwaukee railroad, Deer Lodge has experienced significant decline and the societal challenges that come with that. Despite the decline, tourist attractions survive and attempt to thrive.

In a recent report, entitled, "How Business Friendly Are Montana's 25 Largest Cities?" by Dr. John Hill, President of American Indicators, Deer Lodge ranked 25 out of 25 in the Economic Vitality Category. The Economic Vitality ranking was based on factors such as job growth, population growth, and median per-capita income.

The community has been struggling for years, but community spirit and cooperation remain high on the heels of the recently completed $3.8M renovation of the Rialto Theater, paid entirely by grants and community fundraising efforts. Conversations with community members, business owners, the Chamber of Commerce, government leaders, organization leaders, and others with links to Deer Lodge indicate support for revitalization and increased tourism.

In June 2012, Deer Lodge became an Affiliate Member of the Montana Main Street program, with support from the Montana Main Street. All DLDG goals and plans fit within the Four-Point Approach framework of Organization, Design, Economic Restructuring, and Promotion.

In July 2012, numerous "Listening Sessions" were held to hear concerns, ideas, and input from various constituencies within the community. Separate sessions were held to hear from seniors, business leaders, community leaders (i.e. non-profits, educators, etc.), youth, and the public in general. These meetings were very helpful in identifying issues and projects most important to various segments of the community.

From these meetings, the Deer Lodge Development Group identified the following project/program priorities:

1) Beautification/Historic Preservation (Design)
2) Shop Local Campaign (Economic Restructuring)
3) Gateway Monuments with Information Kiosks at the North and South entry points (Economic Restructuring, Design)
4) Youth Center with educational/entrepreneurial opportunities (Economic Restructuring)
5) Tourism Campaign (Promotion, Economic Restructuring)

In addition, there is great concern about the condition and fate of the historic railroad hotel, Hotel Deer Lodge. DLDG has entered into an agreement to acquire the hotel for rehabilitation which would provide high quality lodging, retail and restaurant space, and conference center facilities for local events and conferences from outside the immediate area.

Montana Main Street has been a vital part of our organization's start-up, providing support, technical resources, education opportunities, and direction in finding grants and resources available for the revitalization process. Montana Main Street

provided a scholarship for me, as Executive Director, to attend a downtown association conference last October. The knowledge and contacts acquired there have already benefitted our organization and community.

DLDG was awarded a $30,000 Office of Tourism e-Technology Marketing grant for a smart phone tour of Deer Lodge. We became aware of the grant opportunity because the Montana Main Street Coordinator, Tash Wisemiller, encouraged us to apply for the funding.

Deer Lodge Development Group is working hard to attract businesses and jobs, create more opportunity, improve Main Street's appearance, increase community allure, and attract more tourism dollars to benefit the community. If our economy – local, regional, and national – is to recover, we must invest at home, supporting struggling communities. Deer Lodge has much to offer, but needs the continued support of Deer Lodge Development Group. And Deer Lodge Development Group needs the continued support of the Montana Main Street program. Without that, Deer Lodge runs the risk of becoming another Montana ghost town.

Therefore, I implore you and the committee, to include funding for the Montana Main Street program for the foreseeable future. Montana needs this program.

Best Regards,

Sherrill Ellis Kraakmo, Executive Director

DLDG

Deer Lodge Development Group

Reviving | Restoring | Revitalizing

SAVE *Hotel Deer Lodge*

Donate Today at **www.DeerLodgeDevelopmentGroup.org**

P.O. Box 382
Deer Lodge, MT 59722
425-829-6093
Sherrill@DLDG.org
www.DeerLodgeDevelopmentGroup.org

Gildroy, Prudence

From: LaVonne Jurack <lavonne.jurack@gmail.com>
Sent: Thursday, March 28, 2013 5:19 PM
To: Gildroy, Prudence
Subject: HB2 Hearing

Please include funding for the much needed Main Street Program in the HB2 Hearing.

Thank you,
LaVonne Jurack
Lewistown MT

MONTANA DOWNTOWN COALITION

TO: **Senate Finance and Claims Committee**
c/o Prudence Gildroy, Committee Secretary
DA: **28 March 2013**
RE: **Department of Commerce Montana Main Street Program**

I am writing you on behalf of the Montana Downtown Coalition members to express our support to reinstate the funding for the Department of Commerce's Montana Main Street Program.

The Montana Main Street Program provides many of our sister communities with critical funding, professional and technical support for local efforts to preserve and enhance their historic, "main" streets.

Every year at the Montana Downtown Conference we hear incredible accounts of programs and projects being planned and implemented by small communities across the state on a volunteer basis with the support of the Montana Main Street Program. The annual Montana Downtown Conference is a collaborative effort of the Montana Downtown Coalition and the Montana Main Street Program.

As the director of several downtown organizations here in Bozeman, I am truly impressed by the amount of good work being done in places like Stevensville, Lewistown and Terry with the modest funding provided by the Montana Main Street Program.

As Montana continues to recover from the national recession, we need to continue to invest in our Main Streets. The Montana Main Street Program is the only entity providing any assistance to over a dozen Montana communities.

Downtowns and Main Streets across Montana are the heart and soul of each community. Montana downtowns—whether single historic streets or larger urban centers—represent what is unique and genuine about our hometowns. Nothing embodies our quality of life better than our downtowns.

Downtowns not only define each Montana community but also represent a significant portion of each town's taxable value, employment base, and commercial activity. In addition, Main Streets are the social and cultural centers of our community.

Chris Naumann, Montana Downtown Coalition President
chris@downtownbozeman.org

The Montana Downtown Coalition is the collaborative effort of professional organizations from across the state to support our vibrant and sustainable community downtowns.
Collectively, Montana's downtown organizations invest over $10 million a year into the state's Main Street districts. This financial commitment subsequently leverages $40 million of private and other public investment into downtowns across the state.

Downtown Billings Starts here. · Downtown Bozeman · Mainstreet Uptown Butte · Downtown Great Falls · Downtown Helena · Historic Downtown Kalispell · Missoula Downtown Association · Stevensville Main Street Association

March 29, 2013

Prudence Gildroy
Senate Finance and Claims Committee Secretary
VIA EMAIL – pgildroy@mt.gov

Dear Ms. Gildroy;

The Board of Directors of the Great Falls Business Improvement District (BID), representing 164 property owners, would like to express their support of the Montana Main Street Program and encourage you to do the same.

The Montana Main Street Program provides many communities in Montana with critical funding and professional and technical support for local efforts to preserve and enhance their historic main streets.

Great Falls has directly benefited from the Main Street program:

- In 2009, we hosted The Art of Downtown with Colleen Rudio and Brett Campbell
- In 2010, we hosted Every Business Has a Billboard with Susan Shaddox
- In 2011, we hosted Appropriate Downtown Design Solutions with Joe Lawniczak
- In 2012, we were privileged to host the 5th Annual Montana Downtown Conference, which would not be possible to run without the support of the Montana Main Street program.
- In addition to hosting the conference, with financial support from the Main Street Program, we were able to host Donovan Rypkema as he presented 100 Common Denominators of Successful Downtowns during the conference.
- In 2013, we plan to put the remaining funds for Great Falls for this fiscal year toward a website for the newly formed Downtown Development Partnership.

A continued investment in our main streets is crucial.

Sincerely,

Andy Ferrin

Andy Ferrin, Board Chair
Great Falls Business Improvement District

BUSINESS IMPROVEMENT DISTRICT

BID
BUILDING DOWNTOWN GREAT FALLS

13 5TH ST N • GREAT FALLS, MT 59401 • 406.727.5430 • 406.727.5431 FAX

www.greatfallsbid.com

Gildroy, Prudence

From: Audie <shelbycoc@3rivers.net>
Sent: Tuesday, April 02, 2013 2:41 PM
To: Gildroy, Prudence
Subject: Support funding for the Montana Main Street

Dear Senator Prudence Gildroy,

The Shelby Area Chamber of Commerce supports the appropriation of funding to support the Main Street Montana program in Section A of HB 2.
Strong, busy and prosperous Main Streets in the towns of Montana mean better tax bases, increased income tax revenue and continued growth of Montana
Communities. Programs such as Main Street Montana contribute to the revitalization of many of our towns.

Shelby has benefited several times with programs from the Main Street Montana program. A Preservation workshop was held and was invaluable in moving us forward
in regard to heritage tourism. We have developed a Shelby Historical Walking Tour that will encourage our visitors to stay a little longer in our community, stay in
our motels, eat at or restaurants and visit some of our other business in our downtown area.

We ask for your support of Section A of HB 2.

Sincerely,

Audie Bancroft
Executive Director
Shelby Area Chamber of Commerce
100 Montana Avenue/ P.O. Box 865
Shelby MT 59474
406-434-7184
Fax 406-424-7234
shelbycoc@3rivers.net

SHELBY
MONTANA
SHELBY AREA CHAMBER OF COMMERCE

Gildroy, Prudence

From: PhillCo <phillco@itstriangle.com>
Sent: Tuesday, April 02, 2013 1:59 PM
To: Gildroy, Prudence
Subject: Senate Finance and Claims Committee
Attachments: Montana Main Street Letter 2013 Legislature.jpg

Hi Prudence,

Attached please find a letter from the Malta Chamber of Commerce in support of the Montana Main Street Program to be circulated to members of the Senate Finance and Claims Committee before tomorrow's hearing.

Thank you!

Courtney E. Moles, Executive Director | www.phillcoegc.com | ☎ 406-654-1776 | ✉ phillco@itstriangle.com |

PhillCo Economic Growth Council

TWO RIVERS ECONOMIC GROWTH
www.growValleyCounty.com

Dear Senate Finance and Claims Committee,

I urge you to restore HB2 funding for the MT Dept of Commerce Main Street program. Main Street communities across Montana want this program to continue. MT Main Street is a successful program, delivering technical assistance, grant funds, support and training to people across Montana.

Many smaller MT towns struggle to attract businesses, shoppers, renters and tourists. MT Main Street gives us a leg up, and connects small business owners to important resources in and out of Montana. MT Main Street also provides grant funds to small town projects that we could not secure or match without their help. There are currently 19 hard-working towns enrolled and more who are interested. Main Street is a proven way for communities large and small to draw investment downtown.

- Downtown businesses are hard-pressed for time, funding and manpower. They can't do it alone. The MT Main Street state program provides much-needed assistance to preserve and promote local businesses and a healthy economy.

A Sampler of Recent Success with support, funding and encouragement of Main Street:

- Store Front Beautification Project
- Downtown conferences & trainings
- Street improvements
- Tourism Projects
- Growth Policies
- Festivals & Promotions

In 2012 alone: Millions of Dollars in New Investments, More than 70 Building Projects, More than 75 jobs, More than 30 New Businesses, Tens of Thousands of Volunteer Hours, Numerous Events & Inviting Downtowns!

With modest state funding this wonderful state program makes a big difference across Montana!

Thank you,

Michelle Tade
Executive Director

23 US Hwy 2 East, Glasgow, MT 59230 • 406-228-2224 • trg2@nemont.net

Gildroy, Prudence

From: Two Rivers Economic Growth <trg2@nemont.net>
Sent: Tuesday, April 02, 2013 1:57 PM
To: Gildroy, Prudence
Subject: Montana Main Street Funding
Attachments: MMS Funding Support.doc

Please find the attached letter of support for continued funding of the Montana Main Street Program.

Michelle Tade
Executive Director

TWO RIVERS ECONOMIC GROWTH
www.growValleyCounty.com

23 US Highway 2 East
Glasgow, MT 59230
Phone: 406-228-2224
Fax: 406-228-2244
e-mail: trg2@nemont.net

Gildroy, Prudence

From: Lorette Carter <shbcdc@3rivers.net>
Sent: Tuesday, April 02, 2013 3:26 PM
To: Jones, Llew; Gildroy, Prudence; 'Rob Cook'; Hgrain@3rivers.net
Cc: 'Larry Bonderud'
Subject: City of Shelby support for the Montana Main Street Program
Attachments: Montana Main Street letter of support.doc

Importance: High

Dear Ms. Gildroy and Area Legislators,

Attached please find a letter of support from Mayor Larry Bonderud for the Montana Main Street Program. We hope you will sincerely consider the tremendous value the program has been to Montana Main Street communities.

Thank you for your consideration,
Lorette Carter

Lorette Carter
Community Economic Development Director
City of Shelby
112 1st St. So.
Shelby, MT 59474
(406) 424-8799
Fax: (406) 424-8413
shbcdc@3rivers.net

CITY OF
SHELBY
MONTANA

MEDA
MONTANA ECONOMIC DEVELOPERS ASSOCIATION

118 E. Seventh St.; Suite 2A Anaconda, MT 59711
ph: 406.563.5259 fx: 406.563.5476
http://www.medamembers.org

MEDA represents over 230 members, who are actively involved in local economic activity, community development, job retention and job creation for Montana.

March 19, 2013

TO: Chairman Rick Ripley and the Senate Finance and Claims Committee
RE: Funding for MDLI Incumbent Worker Training Grant Program to be placed in HB 2

Montana Economic Developers Association (MEDA) is strongly opposed to shifting funds for the Incumbent Worker Training Grant (IWTG) Program from the Employment Security Account (ESA) to the Uninsured Employer Fund (UEF) for Workers Comp. We urge you to place the funding for IWT in HB2.

Demonstrated need for consistent, reliable incumbent worker training funding:

- To date, over 1,600 businesses have been reached by MEDA Business Expansion and Retention (BEAR) Teams to provide resources that strengthen Montana businesses. The BEAR Program, along with Montana Manufacturing Extension Center and Small Business Development Centers, serve as the gateway program to Incumbent Worker Training Grant access.

- In 2012, out of the 320 businesses visited, 257 were interested in obtaining an Incumbent Worker Training Grant (IWTG). While the MEDA BEAR Program has much to offer businesses as the program stands, small businesses across Montana have a <u>great</u> need for financial assistance in training incumbent workers.

- For the first time since the program's inception MEDA BEAR Teams in all of central Montana are out of IWTG funding including teams for Great Falls, Helena, Bozeman, and Butte. Other areas are close to a zero balance. As funding for the program is already tight, **to shift the funds to the unpredictable Uninsured Employer Fund for Workers Comp would kill the program**; Montana Department of Labor does not anticipate any excess UEF funds over the next two years.

With your support, this program will continue to meet the need of incumbent worker training statewide and meet the needs of business owners in Montana. Please demonstrate your support by placing funding for IWT in HB2.

Thank you,

Tracy McIntyre, President

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* KELLIE DANIELSON, KALISPELL * KATHIE BAILEY, LEWISTOWN * PAUL TUSS, HAVRE *