

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 63rd LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON TAXATION

**Call to Order:** Chair Mike Miller, on February 19, 2013 at 9:00 A.M., in Room 152  
Capitol

#### ROLL CALL

**Members Present:**

Rep. Mike Miller, Chair (R)  
Rep. Kelly Flynn, Vice Chair (R)  
Rep. JP Pomnichowski, Vice Chair (D)  
Rep. Douglas Coffin (D)  
Rep. Wylie Galt (R)  
Rep. Kris Hansen (R)  
Rep. Brian Hoven (R)  
Rep. Tom Jacobson (D)  
Rep. Austin Knudsen (R)  
Rep. Steve Lavin (R)  
Rep. Ed Lieser (D)  
Rep. Lee Randall (R)  
Rep. Alan Redfield (R)  
Rep. Kathleen Williams (D)  
Rep. Nancy Wilson (D)  
Rep. Daniel Zolnikov (R)

**Members Excused:** Rep. Edith (Edie) McClafferty (D)  
Rep. Mary McNally (D)  
Rep. Nicholas Schwaderer (R)  
Rep. Kerry White (R)

**Members Absent:** None

**Staff Present:** Megan Moore, Legislative Branch  
Rebecca Shaw, 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: HB 393, 2/8/2013, HB 429,  
Executive Action: HB 492, HB 316, HB 223

00:22:32 Chair Miller

**EXECUTIVE ACTION ON HB 492**

00:22:41 **Motion/Vote:** Rep. Knudsen moved that **HB 492 BE TABLED**. Motion carried 16-0 by voice vote.

**EXECUTIVE ACTION ON HB 316**

00:23:01 **Motion:** Rep. Wilson moved that **HB 316 DO PASS**.

00:24:23 **Motion/Vote:** Rep. Wilson moved that **HB 316 BE AMENDED**. Motion carried 18-0 by voice vote. Rep. McClafferty and Rep. McNally voted by proxy.

**EXHIBIT(tah37a01)**

00:25:34 **Motion:** Rep. Wilson moved that **HB 316 DO PASS AS AMENDED**.

**Discussion:**

00:25:53 Rep. Wilson

00:28:54 Rep. Pomnichowski

00:30:19 Rep. Redfield

00:31:07 Rep. Wilson

00:32:30 Rep. Redfield

00:32:48 Rep. Wilson

00:33:45 Rep. White entered.

00:34:08 Rep. Coffin

00:35:16 Rep. Wilson

00:35:36 Rep. Coffin

00:35:52 Rep. Wilson

00:36:36 Rep. Coffin

00:36:41 Rep. Wilson

00:37:29 Rep. Coffin

00:38:35 Rep. Wilson

00:38:52 Rep. Jacobson

00:40:53 Chair Miller

00:40:59 Rep. McNally entered.

00:41:12 **Vote:** Motion failed 9-11 by roll call vote with Rep. Coffin, Rep. Hoven, Rep. Jacobson, Rep. Lieser, Rep. McClafferty, Rep. McNally, Rep. Pomnichowski, Rep. Williams and Rep. Wilson voting aye. Rep. McClafferty, Rep. McNally and Rep. Schwaderer voted by proxy.

00:42:56 **Motion/Vote:** Rep. Jacobson moved that **HB 316 BE TABLED AND THE VOTE REVERSED**. Motion carried 18-0 by voice vote.

00:43:20 Recessed

00:57:40 Reconvened

00:57:40 Rep. Schwaderer entered.

**HEARING ON HB 429****Opening Statement by Sponsor:**

00:57:43 Rep. Franke Wilmer (D), HD 63, opened the hearing on HB 429, Revise the energy conservation and alternative energy tax credits.

**Proponents' Testimony:**

01:01:15 Ben Brouwer, Alternative Energy Resources Organization (AERO) and Montana Renewable Energy Association (MREA)

**EXHIBIT(tah37a02)**

01:10:24 Kyla Maki, Clean Energy Program Director, Montana Environmental Information Center

01:14:53 Jack Walsh, Director of Governmental Affairs, Helena Building Industry Association and Montana Building Industry Association

01:16:22 Clayton Elliot, Northern Plains Resource Council

01:17:02 Ross Prosperi, Montana Conservation Voters

**Opponents' Testimony:** None**Informational Testimony:**

01:18:30 Brian Olsen, Tax Specialist, Department of Revenue (DOR)

**Questions from Committee Members and Responses:**

01:18:57 Rep. White

01:19:56 Rep. Wilmer

01:20:23 Ben Brouwer, AERO

01:21:20 Rep. White

01:22:01 Ben Brouwer, AERO

01:22:41 Rep. White

01:22:55 Ben Brouwer, AERO

01:23:08 Rep. Coffin

01:23:35 Rep. Wilmer

01:24:41 Rep. Coffin

01:24:46 Rep. Wilmer

01:25:10 Rep. Lieser

01:25:55 Ben Brouwer, AERO

01:26:31 Rep. Flynn

01:26:57 Rep. Wilmer

01:27:31 Rep. Zolnikov

01:28:41 Ben Brouwer, AERO

01:29:28 Rep. Hansen

01:29:51 Ben Brouwer, AERO

01:30:43 Rep. Schwaderer

01:31:02 Ben Brouwer, AERO

01:31:32 Rep. McNally

01:32:40 Brian Olsen, DOR

01:32:42 Rep. McNally

01:32:50 Brian Olsen, DOR

**Closing by Sponsor:**

01:32:55 Rep. Wilmer

**HEARING ON HB 393****Opening Statement by Sponsor:**

01:35:04 Rep. Brian Hoven (R), HD 24, opened the hearing on HB 393, Revise individual income tax for married taxpayers.

[EXHIBIT\(tah37a03\)](#)[EXHIBIT\(tah37a04\)](#)[EXHIBIT\(tah37a05\)](#)**Proponents' Testimony:**

01:42:35 Holly Franz, Montana Society of Certified Public Accountants (MSCPA)

**Opponents' Testimony:**

01:43:34 Alan Peura, Deputy Director, Department of Revenue (DOR)

**Informational Testimony:**

01:45:19 Eric Dale, Tax Policy and Research, Department of Revenue (DOR)

**Questions from Committee Members and Responses:**

01:45:44 Rep. Pomnichowski

01:46:28 Eric Dale, DOR

01:47:02 Rep. Pomnichowski

01:47:32 Eric Dale, DOR

01:48:14 Rep. Pomnichowski

01:49:16 Alan Peura, DOR

01:51:31 Rep. Pomnichowski

01:51:38 Rep. Hoven

[EXHIBIT\(tah37a06\)](#)[EXHIBIT\(tah37a07\)](#)

01:54:04 Rep. Pomnichowski

01:54:12 Rep. Hoven

01:54:35 Rep. Pomnichowski

01:55:41 Brian Olsen, DOR

01:55:46 Rep. Coffin

01:56:38 Alan Peura, DOR

01:57:26 Rep. Coffin

01:57:30 Alan Peura, DOR

01:58:47 Rep. Coffin

01:59:11 Rep. Hoven

01:59:55 Rep. Schwaderer

02:00:47 Megan Moore, Research Analyst, Legislative Services Division (LSD)

02:01:02 Rep. Williams

02:01:39 Rep. Hoven

02:02:18 Rep. Williams

02:02:23 Brian Olsen, DOR

02:03:08 Rep. Williams

02:03:13 Eric Dale, DOR

02:03:50 Chair Miller  
02:04:08 Rep. Hoven

**Closing by Sponsor:**

02:04:51 Rep. Hoven

**EXECUTIVE ACTION ON HB 223**

02:06:32 **Motion:** Rep. Knudsen moved that **HB 223 DO PASS.**

[EXHIBIT\(tah37a08\)](#)

[EXHIBIT\(tah37a09\)](#)

02:07:33 **Motion/Vote:** Rep. Miller moved that **HB 223 BE AMENDED.** Motion carried 19-1 by voice vote with Rep. Knudsen voting no. Rep. McClafferty voted by proxy.

02:07:53 **Motion:** Rep. Miller moved that **HB 223 DO PASS AS AMENDED.**

02:08:30 **Motion/Vote:** Rep. Miller moved that **HB 223 BE AMENDED.** Motion carried 19-1 by voice vote with Rep. Williams voting no. Rep. McClafferty voted by proxy.

02:09:29 **Motion:** Rep. Miller moved that **HB 223 DO PASS AS AMENDED.**

**Discussion:**

02:09:38 Rep. Pomnichowski  
02:10:59 Rep. Jacobson  
02:12:12 Rep. Coffin  
02:13:06 Chair Miller  
02:14:03 Rep. Jacobson  
02:14:11 Chair Miller  
02:14:16 Rep. Jacobson  
02:14:37 Rep. Williams  
02:16:05 Chair Miller  
02:16:18 Rep. Lieser  
02:17:06 Rep. Flynn  
02:17:47 Rep. Jacobson  
02:19:07 Rep. Flynn  
02:19:39 Rep. Williams  
02:20:17 Rep. Flynn  
02:20:54 Rep. Redfield  
02:21:34 Rep. Coffin  
02:21:57 Rep. Jacobson  
02:22:37 Rep. Schwaderer

02:24:43 **Vote:** Motion failed 9-11 by roll call vote with Rep. Galt, Rep. Hansen, Rep. Knudsen, Rep. Miller, Rep. Randall, Rep. Redfield, Rep. Schwaderer, Rep. White and Rep. Zolnikov voting aye. Rep. McClafferty voted by proxy.

02:26:05 Rep. Flynn moved that **HB 223 BE TABLED AND THE VOTE REVERSED.** Motion carried 19-0 by voice vote.

02:26:15 Chair Miller  
[EXHIBIT\(tah37a10\)](#)

**ADJOURNMENT**

Adjournment: 02:26:36

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Rebecca Shaw, Secretary

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Additional Documents:

**EXHIBIT([tah37aad.pdf](#))**