

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 63rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Mike Miller, on March 27, 2013 at 8:00 AM, in Room 152 Capitol

ROLL CALL

Members Present:

Rep. Mike Miller, Chair (R)
Rep. Kelly Flynn, Vice Chair (R)
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. Edith (Edie) McClafferty (D)
Rep. Mary McNally (D)
Rep. Lee Randall (R)
Rep. Alan Redfield (R)
Rep. Nicholas Schwaderer (R)
Rep. Kerry White (R)
Rep. Nancy Wilson (D)
Rep. Daniel Zolnikov (R)

Members Excused: Rep. JP Pomnichowski, Vice Chair (D)
Rep. Kathleen Williams (D)

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 595, 3/21/2013; HB 598, 3/21/2013; HB 611, 3/21/2013, HB 620, 3/21/2013

Executive Action: HB 589, HB 598, HB 611, HB 620, HB 595

HEARING ON HB 598**Opening Statement by Sponsor:**

00:08:58 Rep. Clayton Fiscus (R), HD 46, opened the hearing on HB 598, Referendum to exempt a portion of market value for certain residential property.

EXHIBIT(tah66a01)

Proponents' Testimony: None

Opponents' Testimony:

00:14:47 Cynthia Monteau Moore, Administrator, Property Assessment Division, Department of Revenue (DOR)

00:19:18 Harold Blattie, Montana Association of Counties (MACo)

Informational Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

00:25:03 Rep. Fiscus

HEARING ON HB 611**Opening Statement by Sponsor:**

00:27:21 Rep. Bill McChesney (D), HD 40, opened the hearing on HB 611, Create housing incentive fund that includes tax credit for donations.

Proponents' Testimony:

00:31:58 Sheena Rice, Community Organizer, Montana Organizing Project (MOP)

00:36:16 Joy Bruck, American Association of Retired Persons (AARP)

EXHIBIT(tah66a02)

00:38:02 Kate Cholewa, City of Missoula

00:39:11 Dustin Stewart, Executive Director, Montana Building Industry Association (MBIA)

00:43:15 Melissa Lewis, City of Shelby and Kadrmas, Lee and Jackson (KLJ)

00:46:16 Jim Morton, Human Resource Development Corporation (HRDC)

00:48:18 Peggy Trenk, Chief Executive Officer, Montana Association of Realtors (MAR)

00:49:55 Don Sterhan, President and Chief Executive Officer, Mountain Plains Equity Group

00:54:54 Maureen Rude, Director of Operations, NeighborWorks Montana

00:56:48 Sheila Rice, Executive Director, NeighborWorks Montana

Opponents' Testimony: None

Informational Testimony:

00:59:38 Brian Olsen, Tax Specialist, Business and Income Taxes Division, Department of Revenue (DOR)

Questions from Committee Members and Responses:

00:59:52 Rep. White
01:01:00 Rep. McChesney
01:01:12 Rep. White
01:01:23 Rep. McChesney
01:01:31 Sheila Rice, NeighborWorks Montana
01:02:08 Rep. Coffin
01:02:44 Sheila Rice, NeighborWorks Montana
01:02:52 Rep. Coffin
01:02:59 Sheila Rice, NeighborWorks Montana
01:04:22 Rep. Coffin
01:04:26 Sheila Rice, NeighborWorks Montana
01:04:45 Rep. Coffin
01:04:50 Rep. McChesney
01:07:09 Rep. Coffin
01:07:53 Rep. McChesney
01:07:56 Rep. Hoven
01:08:08 Rep. McChesney
01:08:14 Sheila Rice, NeighborWorks Montana
01:08:24 Rep. Hoven
01:09:06 Rep. McChesney
01:09:46 Rep. Hoven
01:09:55 Rep. McChesney
01:10:21 Rep. Hoven
01:10:39 Sheila Rice, NeighborWorks Montana
01:10:42 Rep. Jacobson
01:11:40 Sheila Rice, NeighborWorks Montana
01:13:30 Rep. Jacobson
01:13:35 Don Sterhan, Mountain Plains Equity Group
01:15:30 Rep. Flynn
01:15:36 Don Sterhan, Mountain Plains Equity Group
01:17:11 Rep. Lieser
01:17:16 Dustin Stewart, MBIA
01:19:28 Rep. Coffin
01:21:19 Jim Morton, HRDC
01:22:01 Rep. Coffin
01:22:06 Jim Morton, HRDC

Closing by Sponsor:

01:22:27 Rep. McChesney

HEARING ON HB 620**Opening Statement by Sponsor:**

01:25:24 Rep. Ryan Lynch (D), HD 74, opened the hearing on HB 620, Provide for limited student loan tax credits for Montana job creators.

Proponents' Testimony:

01:29:08 Asa Homan, Associated Students of the University of Montana (ASUM)
01:30:56 Adam Cook, Montana Tech
01:32:14 Rep. Schreiner

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

01:34:33 Brian Olsen, DOR

Questions from Committee Members and Responses:

01:34:42 Rep. Coffin
01:35:22 Rep. Lynch
01:35:58 Rep. Coffin
01:37:04 Rep. Lynch
01:37:08 Rep. Coffin
01:37:17 Rep. Lynch

Closing by Sponsor:

01:37:27 Rep. Lynch

[EXHIBIT\(tah66a03\)](#)

01:39:07 Recessed
01:56:20 Reconvened

HEARING ON HB 595**Opening Statement by Sponsor:**

01:56:29 Rep. Tom Jacobson (D), HD 25, opened the hearing on HB 595, Creating a tax credit for contributions to individual development accounts.

[EXHIBIT\(tah66a04\)](#)**Proponents' Testimony:**

02:08:04 Karen Smith, Executive Director, Montana Credit Unions for Community Development (MCUCD)

[EXHIBIT\(tah66a05\)](#)

02:11:17 Jim Morton, HRDC
02:14:05 Dustin Stewart, MBIA
02:16:14 Peggy Trenk, MAR
02:17:47 Maureen Rude, NeighborWorks Montana
02:19:51 Sheena Rice, MOP
02:21:19 Sheila Rice, NeighborWorks Montana

[EXHIBIT\(tah66a06\)](#)**Opponents' Testimony:** None**Informational Testimony:**

02:24:06 Brian Olsen, DOR

Questions from Committee Members and Responses:

02:24:22 Rep. Hoven
 02:25:02 Sheila Rice, NeighborWorks Montana
 02:25:14 Rep. Hoven
 02:25:34 Sheila Rice, NeighborWorks Montana

Closing by Sponsor:

02:25:57 Rep. Jacobson
 02:27:32 Rep. Hansen left.

EXECUTIVE ACTION ON HB 589

02:28:05 **Motion:** Rep. Jacobson moved that **HB 589 DO PASS.**

02:33:04 **Motion:** Rep. Jacobson moved that **HB 589 BE AMENDED.**

[EXHIBIT\(tah66a07\)](#)

[EXHIBIT\(tah66a08\)](#)

Discussion:

02:33:06 Megan Moore, Research Analyst, Legislative Services Division (LSD)
 02:33:51 Rep. Hansen
 02:34:31 Megan Moore, LSD
 02:35:38 Chair Miller
 02:35:48 Rep. Knudsen
 02:36:02 Chair Miller
 02:36:06 Rep. Jacobson
 02:36:11 Stephanie Morrison, Fiscal Analyst II, Legislative Fiscal Division (LFD)
 02:37:17 Rep. Schwaderer

02:38:34 **Vote:** Motion carried unanimously by roll call vote. Rep. Pomnichowski and Rep. Williams voted by proxy.

02:39:41 **Motion:** Rep. Jacobson moved that **HB 589 DO PASS AS AMENDED.**

Discussion:

02:39:49 Rep. Hoven
 02:40:33 Rep. Hansen
 02:40:36 Rep. Jacobson
 02:41:16 Rep. Randall
 02:42:23 Rep. Schwaderer
 02:43:34 Chair Miller
 02:43:43 Rep. Coffin
 02:44:58 Rep. Knudsen
 02:47:20 Rep. Wilson
 02:48:12 Rep. Zolnikov
 02:48:25 Chair Miller

02:48:32 **Vote:** Motion carried 14-6 by roll call vote with Rep. Galt, Rep. Knudsen, Rep. Lavin, Rep. Randall, Rep. Redfield and Rep. White voting no. Rep. Pomnichowski and Rep. Williams voted by proxy.

EXECUTIVE ACTION ON HB 624

02:49:03 **Motion/Vote:** Rep. Flynn moved that **HB 624 BE TABLED**. Motion carried 18-0 by voice vote.

EXECUTIVE ACTION ON HB 598

02:50:35 **Motion:** Rep. Flynn moved that **HB 598 DO PASS**.

02:50:38 **Motion/Vote:** Rep. Hoven moved that **HB 598 BE TABLED**. Motion carried 18-2 by voice vote with Rep. Hansen and Rep. Zolnikov voting no. Rep. Pomnichowski and Rep. Williams voted by proxy.

EXECUTIVE ACTION ON HB 611

02:51:24 **Motion:** Rep. Flynn moved that **HB 611 DO PASS**.

Discussion:

02:51:40 Rep. Coffin
02:52:59 Rep. McClafferty
02:54:00 Rep. Jacobson
02:58:19 Rep. Lieser
02:59:07 Rep. McNally
02:59:49 Rep. Hoven
03:00:42 Rep. Jacobson
03:01:08 Jim Morton, HRDC
03:02:13 Rep. Hoven
03:02:23 Chair Miller
03:02:37 Jim Morton, HRDC
03:02:49 Rep. Randall

03:03:44 **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. Hansen, Rep. Pomnichowski and Rep. Williams voted by proxy.

03:05:06 **Motion/Vote:** Rep. Flynn moved that **HB 611 BE TABLED AND THE VOTE REVERSED**. Motion carried 17-0 by voice vote.

EXECUTIVE ACTION ON HB 620

03:05:27 **Motion:** Rep. Flynn moved that **HB 620 DO PASS**.

03:05:52 **Motion:** Rep. Flynn moved that **HB 620 BE AMENDED**.
(EXHIBIT 3)

Discussion:

03:06:06 Megan Moore, LSD

03:07:09 **Vote:** Motion carried 17-0 by voice vote.

03:07:15 **Motion:** Rep. Flynn moved that **HB 620 DO PASS AS AMENDED.**

Discussion:

03:07:22 Rep. Schwaderer

03:08:07 Rep. Hoven

03:08:12 **Vote:** Motion failed 6-14 by roll call vote with Rep. Coffin, Rep. Jacobson, Rep. Lieser, Rep. McClafferty, Rep. Schwaderer and Rep. Wilson voting aye. Rep. Hansen, Rep. Pomnichowski and Rep. Williams voted by proxy.

03:09:35 **Motion/Vote:** Rep. Flynn moved that **HB 620 BE TABLED AND THE VOTE REVERSED.** Motion carried 17-0 by voice vote.

EXECUTIVE ACTION ON HB 595

03:09:56 **Motion:** Rep. Jacobson moved that **HB 595 DO PASS.**

Discussion:

03:10:15 Rep. Wilson

03:10:49 Rep. Coffin

03:11:08 Rep. Hoven

03:11:54 Rep. Randall

03:12:17 **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. Hansen, Rep. Pomnichowski and Rep. Williams voted by proxy.

03:13:27 **Motion/Vote:** Rep. Flynn moved that **HB 595 BE TABLED AND THE VOTE REVERSED.** Motion carried 17-0 by voice vote.

ADJOURNMENT

Adjournment: 03:13:58

Rebecca Shaw, Secretary

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Additional Documents:

EXHIBIT([tah66aad.pdf](#))