

## MINUTES

### MONTANA SENATE 63rd LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON TAXATION

**Call to Order:** Chair Bruce Tutvedt, on April 12, 2013 at 8:00 AM, in Room 405 Capitol

#### ROLL CALL

**Members Present:**

Sen. Bruce Tutvedt, Chair (R)  
Sen. Fred Thomas, Vice Chair (R)  
Sen. Ron Arthun (R)  
Sen. Dick Barrett (D)  
Sen. Greg Jergeson (D)  
Sen. Christine Kaufmann (D)  
Sen. Sue Malek (D)  
Sen. Janna Taylor (R)

**Members Excused:** Sen. Jeff Essmann (R)  
Sen. Mike Phillips (D)  
Sen. Art Wittich (R)  
Sen. Jim Peterson (R)

**Members Absent:** None

**Staff Present:** Jaret Coles, Legislative Branch  
Charlene Rich, 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 230, 4/5/2013; HB 443, 4/5/2013; HB 589, 4/5/2013; SJ 30, 4/5/2013

**Executive Action:** SJ 30, Do Pass  
HB 443, Be Tabled  
HB 393, Be Tabled  
HB 635, Be Tabled  
SR 63, Be Adopted

**HEARING ON SJ 30****Opening Statement by Sponsor:**

00:15:09 Sen. Bruce Tutvedt (R), SD 3, opened the hearing on SJ 30, Legislative interim study on TIFIDs.

00:15:31 Vice Chair Thomas took over chair of the meeting.

**Proponents' Testimony:**

00:17:22 Jim Smitham, Montana Economic Development Association (MEDA)  
[EXHIBIT\(tas77a01\)](#)

00:18:51 Sen. Peterson entered the hearing.

00:19:31 Alec Hansen, Montana League of Cities and Towns (MLCT)

00:21:11 Bob Vogel Montana School Boards Association (MTSBA)

**Opponents' Testimony:** None

**Informational Testimony:**

00:24:05 Mike Kadas, Department of Revenue (DOR)

**Questions from Committee Members and Responses:** None

**Closing by Sponsor:**

00:24:25 Chairman Tutvedt

**HEARING ON HB 443****Opening Statement by Sponsor:**

00:25:32 Rep. Rob Cook (R), HD 27, opened the hearing on HB 443, Revise termination of tax increment financing.

00:25:38 Chairman Tutvedt resumed responsibilities of chair.

**Proponents' Testimony:**

00:26:13 Alec Hansen, Montana League of Cities and Towns (MLCT)

00:29:37 Maureen Connor, Montana Association of Counties (MACo)

**Opponents' Testimony:**

00:30:24 Jim Smith, Montana Association of Planners (MAP)

[EXHIBIT\(tas77a02\)](#)

00:34:24 Amy Fisher, Montana Association of Realtors (MAR)

00:35:16 Linda Stoll, Missoula County  
00:35:29 Sen. Phillips entered the hearing.

**Informational Testimony:**

00:39:17 Mike Kadas, Department of Revenue (DOR)

**Questions from Committee Members and Responses:**

00:39:43 Sen. Malek  
00:44:23 Mike Kadas, DOR  
00:44:44 Chairman Tutvedt turned over Chair responsibilities to Vice Chair Thomas and left the hearing.  
00:45:20 Sen. Malek  
00:46:04 Rep. Cook  
00:47:16 Sen. Jergeson  
00:48:30 Edmund Caplis, Department of Revenue (DOR)  
00:51:28 Sen. Thomas  
00:51:41 Rep. Cook  
00:53:11 Sen. Kaufmann  
00:53:49 Rep. Cook  
00:54:56 Sen. Kaufmann  
00:55:14 Alec Hansen, MLCT

**Closing by Sponsor:**

00:56:36 Rep. Cook

**HEARING ON HB 230**

**Opening Statement by Sponsor:**

00:58:22 Rep. Scott Reichner (R), HD 9, opened the hearing on HB 230, Generally revise property tax laws.

**Proponents' Testimony:**

01:15:58 Amy Fisher, Montana Association of Realtors (MAR)

**Opponents' Testimony:**

01:05:18 Ali Bovingdon, Governor's Office  
[EXHIBIT\(tas77a03\)](#)  
01:07:55 Madalyn Quinlan, Office of Public Instruction (OPI)  
01:10:06 Erik Burke, Montana Education Association, Montana Federation of Teachers (MEA/MFT)  
01:13:19 Tara Veazey, Montana Budget and Policy Center (MBPC)

**Informational Testimony:**

01:16:04 Jim Standaert, Legislative Fiscal Division (LFD)

**Questions from Committee Members and Responses:**

01:16:31 Sen. Barrett  
01:20:35 Tara Veazey, MBPC  
01:20:41 Sen. Arthun  
01:20:50 Ali Bovingdon, Governor's Office  
01:21:36 Sen. Phillips  
01:21:47 Ali Bovingdon  
01:21:55 Sen. Phillips  
01:22:45 Rep. Reichner  
01:23:43 Sen. Barrett  
01:25:12 Ali Bovingdon  
01:25:27 Sen. Arthun  
01:25:56 Rep. Reichner  
01:26:43 Sen. Jergeson  
01:28:20 Rep. Reichner  
01:28:49 Vice Chair Thomas  
01:29:40 Ali Bovingdon

**Closing by Sponsor:**

01:30:39 Rep. Reichner

**HEARING ON HB 589****Opening Statement by Sponsor:**

01:33:34 Rep. Tom Jacobson (D), HD 25, opened the hearing on HB 589, Establish an oil and gas trust fund.

[EXHIBIT\(tas77a04\)](#)

**Proponents' Testimony:**

01:40:20 Tom Towe, self  
01:50:59 Derf Johnson, Montana Environmental Information Center (MEIC)  
[EXHIBIT\(tas77a05\)](#)

**Opponents' Testimony:**

01:53:23 Bob Gilbert, Montana Association of Oil, Gas and Coal Counties (MBOGC)  
01:56:40 Dave Galt, Montana Petroleum Association (MPA)

**Informational Testimony:**

01:59:58 Lee Baerlocher, Department of Revenue (DOR)

**Questions from Committee Members and Responses:** None

**Closing by Sponsor:**

02:00:18 Rep. Jacobson  
02:03:27 Brief Recess  
02:17:00 Reconvened

**EXECUTIVE ACTION ON SJ 30**

02:17:44 **Motion:** Sen. Peterson moved that **SJ 30 DO PASS.**

**Discussion:**

02:17:53 Sen. Taylor  
02:18:19 Sen. Peterson  
02:19:21 **Vote:** Motion carried 9-0 by voice vote. Sen. Essmann, Sen. Tutvedt and Sen. Wittich were excused.

**EXECUTIVE ACTION ON HB 443**

02:19:53 **Motion:** Sen. Peterson moved that **HB 443 BE CONCURRED IN.**

**Discussion:**

02:20:09 Sen. Jergeson  
02:21:01 Sen. Barrett  
02:22:13 **Vote:** Motion failed 4-8 by roll call vote with Sen. Arthun, Sen. Jergeson, Sen. Peterson and Sen. Tutvedt voting aye. Sen. Essmann, Sen. Wittich and Sen. Tutvedt voted by proxy.  
02:23:31 Without objection from the committee, Sen. Petersen requested that the vote be reversed and HB 443 BE TABLED.

**EXECUTIVE ACTION ON HB 393**

02:23:57 **Motion:** Sen. Arthun moved that **HB 393 BE CONCURRED IN.**

**Discussion:**

02:24:57 Sen. Barrett  
02:25:59 Sen. Thomas  
02:26:28 Sen. Taylor  
02:27:03 Sen. Jergeson  
02:27:56 Sen. Barrett

02:28:12 **Substitute Motion/Vote:** Sen. Arthun made a substitute motion that **HB 393 BE TABLED**. Substitute Motion carried 8-4 by voice vote with Sen. Essmann, Sen. Taylor, Sen. Thomas and Sen. Wittich voting no. Sen. Essmann, Sen. Tutvedt and Sen. Wittich voted by proxy.

#### **EXECUTIVE ACTION ON HB 635**

02:29:12 **Motion:** Sen. Arthun moved that **HB 635 BE CONCURRED IN**.

#### **Discussion:**

02:29:38 Sen. Thomas  
02:29:54 Sen. Jergeson  
02:30:31 Sen. Barrett

02:31:42 **Substitute Motion/Vote:** Sen. Dick Barrett made a substitute motion that **HB 635 BE TABLED**. Substitute Motion carried 9-0 by voice vote. Sen. Essmann, Sen. Tutvedt and Sen. Wittich were excused.

#### **EXECUTIVE ACTION ON SR 63**

#### **Discussion:**

02:32:29 Sen. Phillips  
02:33:47 Sen. Thomas  
02:34:14 Sen. Jergeson

02:35:46 **Motion:** Sen. Peterson moved that **SR 63 BE ADOPTED**.

#### **Discussion:**

02:36:22 Sen. Peterson  
02:36:37 Sen. Barrett  
02:37:38 Sen. Malek  
02:38:52 Sen. Kaufmann  
02:39:57 Sen. Arthun

02:41:09 **Vote:** Motion carried 7-5 by roll call vote with Sen. Barrett, Sen. Jergeson, Sen. Kaufmann, Sen. Malek and Sen. Phillips voting no. Sen. Essmann, Sen. Tutvedt and Sen. Wittich voted by proxy.

**ADJOURNMENT**

Adjournment: 10:30 am

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Charlene Rich, Secretary

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Additional Documents:

**EXHIBIT([tas77aad.pdf](#))**