

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 64th LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON TAXATION

**Call to Order:** Chair Mike Miller, on March 10, 2015 at 8:00 AM, in Room 152 Capitol

#### ROLL CALL

**Members Present:**

Rep. Mike Miller, Chair (R)  
Rep. Greg Hertz, Vice Chair (R)  
Rep. Kathleen Williams, Vice Chair (D)  
Rep. Zach Brown (D)  
Rep. Rob Cook (R)  
Rep. Geraldine Custer (R)  
Rep. Mary Ann Dunwell (D)  
Rep. Kelly Flynn (R)  
Rep. Tom Jacobson (D)  
Rep. Steve Lavin (R)  
Rep. Ed Lieser (D)  
Rep. Albert Olszewski (R)  
Rep. Alan Redfield (R)  
Rep. Nicholas Schwaderer (R)  
Rep. Bridget Smith (D)  
Rep. Kerry White (R)  
Rep. Nancy Wilson (D)  
Rep. Daniel Zolnikov (R)

**Members Excused:**

Rep. Edith (Edie) McClafferty (D)  
Rep. Lee Randall (R)

**Members Absent:** None

**Staff Present:** Megan Moore, Legislative Branch  
Erica Siate, Committee Secretary  
Stephanie Morrison, Legislative Branch

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

**Committee Business Summary:**

Hearing & Date Posted: HB 569, 2/24/2015; SB 122, 2/24/2015; SB 200, 2/24/2015  
Executive Action: HB 389, HB 417, HB 569, SB 200

00:00:01 Chair Miller

**HEARING ON SB 122**

**Opening Statement by Sponsor:**

00:01:44 Sen. Matthew Rosendale (R), SD 18, opened the hearing on SB 122, Encourage manufacture of ammunition in Montana to ensure availability.

**EXHIBIT(tah49a01)**

**Proponents' Testimony:**

00:08:03 Gary S. Marbut, President, Montana Shooting Sports Association

00:08:07 Rep. Schwaderer entered the meeting.

00:12:07 Doug Nulle, self

**Opponents' Testimony:** None

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

00:13:56 Rep. White

00:14:33 Gary S. Marbut, President, Montana Shooting Sports Association

00:15:30 Rep. Cook

00:16:28 Sen. Rosendale

00:17:05 Rep. Cook

00:17:23 Sen. Rosendale

00:17:25 Rep. Cook

00:18:13 Sen. Rosendale

00:18:59 Rep. Cook

00:20:02 Gary S. Marbut, President, Montana Shooting Sports Association

00:20:34 Rep. Flynn

00:21:01 Sen. Rosendale

00:21:08 Rep. Flynn

00:21:34 Sen. Rosendale

00:21:41 Rep. Dunwell

00:22:18 Gary S. Marbut, President, Montana Shooting Sports Association

00:23:00 Rep. Dunwell

00:23:30 Gary S. Marbut, President, Montana Shooting Sports Association

00:24:07 Rep. Dunwell

00:24:39 Gary S. Marbut, President, Montana Shooting Sports Association

00:25:18 Rep. Dunwell

00:25:26 Gary S. Marbut, President, Montana Shooting Sports Association

00:25:59 Rep. Williams

00:26:47 Gary S. Marbut, President, Montana Shooting Sports Association

00:27:42 Rep. Williams

00:28:06 Gary S. Marbut, President, Montana Shooting Sports Association

00:28:59 Rep. Williams

00:29:08 Rep. Schwaderer

00:29:51 Gary S. Marbut, President, Montana Shooting Sports Association  
 00:30:19 Rep. Jacobson  
 00:31:07 Sen. Rosendale  
 00:31:26 Rep. Jacobson  
 00:32:20 Sen. Rosendale  
 00:33:13 Rep. Jacobson  
 00:33:20 Rep. McClafferty entered the meeting.  
 00:33:52 Sen. Rosendale  
 00:34:04 Rep. Jacobson  
 00:35:23 Sen. Rosendale  
 00:36:18 Rep. Z. Brown  
 00:36:54 Sen. Rosendale  
 00:37:19 Rep. Hertz  
 00:37:41 Gary S. Marbut, President, Montana Shooting Sports Association  
 00:38:48 Rep. Hertz  
 00:39:10 Gary S. Marbut, President, Montana Shooting Sports Association  
 00:39:40 Rep. Custer  
 00:40:12 Sen. Rosendale  
 00:40:44 Rep. Custer  
 00:40:59 Gary S. Marbut, President, Montana Shooting Sports Association  
 00:41:47 Rep. Custer  
 00:42:06 Gary S. Marbut, President, Montana Shooting Sports Association  
 00:42:29 Rep. Custer  
 00:42:58 Sen. Rosendale  
 00:43:05 Rep. Custer  
 00:43:10 Sen. Rosendale

**Closing by Sponsor:**

00:43:26 Sen. Rosendale

00:44:14 Chair Miller

**HEARING ON HB 569****Opening Statement by Sponsor:**

00:44:26 Rep. Clayton Fiscus (R), HD 43, opened the hearing on HB 569, Exempt portion of homestead market value from taxes.

**[EXHIBIT\(tah49a02\)](#)****Proponents' Testimony:** None**Opponents' Testimony:**

00:52:15 Mike Kadas, Director, Department of Revenue (DOR)

**[EXHIBIT\(tah49a03\)](#)**

00:56:17 Bob Story, Montana Taxpayers Association

00:59:07 Eric Feaver, MEA-MFT

00:59:23 Ronda Wiggers, Montana County Treasurers Association

01:01:00 John Esp, Montana Association of Counties

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

01:01:42 Rep. Schwaderer  
01:03:29 Megan Moore, Legislative Services Division (LSD)  
01:04:20 Rep. Schwaderer  
01:04:49 Rep. Hertz  
01:05:07 Megan Moore, LSD  
01:05:27 Rep. Hertz  
01:05:34 Megan Moore, LSD  
01:05:51 Rep. Lieser  
01:06:48 Rep. Fiscus  
01:07:21 Rep. Lieser  
01:08:23 Rep. Fiscus

**Closing by Sponsor:**

01:09:28 Rep. Fiscus  
  
01:10:10 Rep. Zolnikov left the meeting.  
01:12:08 Chair Miller  
  
01:12:18 Recessed  
01:20:34 Reconvened

**HEARING ON SB 200****Opening Statement by Sponsor:**

01:20:43 Sen. Duane Ankney (R), SD 20, opened the hearing on SB 200, Lower individual income tax rates.

**[EXHIBIT\(tah49a04\)](#)****Proponents' Testimony:**

01:22:29 Bob Story, Montana Taxpayers Association  
**[EXHIBIT\(tah49a05\)](#)**  
01:25:12 Webb Brown, Montana Chamber of Commerce  
01:25:43 Brett Mead, Montana Policy Institute

**Opponents' Testimony:**

01:26:33 Mike Kadas, Director, Department of Revenue (DOR), Governor's Office  
01:29:36 Eric Feaver, MEA-MFT

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

01:31:05 Rep. White  
01:31:47 Eric Feaver, MEA-MFT  
01:32:10 Rep. Wilson  
01:32:50 Sen. Ankney  
01:33:46 Rep. Wilson  
01:34:11 Sen. Ankney

01:35:20 Rep. White  
01:36:09 Mike Kadas, DOR  
01:37:52 Rep. White  
01:37:56 Rep. Dunwell  
01:38:25 Mike Kadas, DOR  
01:38:57 Rep. Dunwell  
01:39:14 Rep. Schwaderer  
01:40:35 Mike Kadas, DOR  
01:41:13 Rep. Schwaderer  
01:41:50 Sen. Ankney  
01:42:25 Chair Miller  
01:42:35 Rep. Williams  
01:43:36 Mike Kadas, DOR  
01:44:39 Rep. Williams  
01:45:10 Mike Kadas, DOR

**Closing by Sponsor:**

01:46:33 Sen. Ankney  
  
01:49:59 Chair Miller  
  
01:50:18 Recessed  
02:19:41 Reconvened

**EXECUTIVE ACTION ON HB 389**

02:19:45 **Motion:** Rep. Hertz moved that **HB 389 DO PASS.**  
  
02:19:53 **Motion:** Rep. Cook moved that **HB 389 BE AMENDED.**  
**EXHIBIT(tah49a06)**

**Discussion:**

02:20:51 Rep. Z. Brown  
02:21:03 Megan Moore, Legislative Services Division (LSD)  
  
02:21:20 **Vote:** Motion carried unanimously by voice vote. Rep. Randall and Rep. Zolnikov voted by proxy.  
  
02:21:50 **Motion:** Rep. Hertz moved that **HB 389 DO PASS AS AMENDED.**

**Discussion:**

02:22:00 Rep. Jacobson  
02:23:19 Rep. Cook  
02:23:45 Rep. Williams  
02:25:22 Rep. Dunwell  
02:25:43 Rep. Z. Brown  
  
02:25:59 **Vote:** Motion carried 12-8 by roll call vote with Rep. Brown, Rep. Dunwell, Rep. Jacobson, Rep. Lieser, Rep. McClafferty, Rep. B. Smith, Rep. Williams and Rep. Wilson voting no. Rep. Randall and Rep. Zolnikov voted by proxy.

**EXECUTIVE ACTION ON HB 417**

02:27:37 Chair Hertz

02:27:47 **Motion:** Rep. Jacobson moved that **HB 417 DO PASS.**

02:31:02 **Motion:** Rep. Jacobson moved that **HB 417 BE AMENDED.**

**Discussion:****EXHIBIT(tah49a07)**

02:31:32 Megan Moore, Legislative Services Division (LSD)

02:32:18 Rep. Williams

02:32:50 Rep. White left the meeting.

02:33:01 **Vote:** Motion carried unanimously by voice vote. Rep. Randall, Rep. White and Rep. Zolnikov voted by proxy.

02:33:25 **Motion:** Rep. Jacobson moved that **HB 417 DO PASS AS AMENDED.**

02:33:50 **Motion:** Rep. Jacobson moved that **HB 417 BE AMENDED.**

**EXHIBIT(tah49a08)****Discussion:**

02:33:59 Megan Moore, LSD

02:34:26 Chair Hertz

02:34:31 Rep. Lieser

02:34:48 Megan Moore, LSD

02:35:28 **Vote:** Motion carried unanimously by voice vote. Rep. Randall, Rep. White and Rep. Zolnikov voted by proxy.

02:35:49 **Motion:** Rep. Jacobson moved that **HB 417 DO PASS AS AMENDED.**

02:36:07 **Motion:** Rep. Jacobson moved that **HB 417 BE AMENDED.**

**EXHIBIT(tah49a09)****Discussion:**

02:36:44 Chair Hertz

02:36:50 **Vote:** Motion carried unanimously by voice vote. Rep. Randall, Rep. White and Rep. Zolnikov voted by proxy.

02:37:05 **Motion:** Rep. Jacobson moved that **HB 417 DO PASS AS AMENDED.**

02:37:18 **Motion:** Rep. Jacobson moved that **HB 417 BE AMENDED.**

**EXHIBIT(tah49a10)**

**Discussion:**

- 02:37:39 Megan Moore, Legislative Services Divisions
- 02:38:43 **Vote:** Motion carried unanimously by voice vote. Rep. Randall, Rep. White and Rep. Zolnikov voted by proxy.
- 02:38:55 **Motion:** Rep. Jacobson moved that **HB 417 DO PASS AS AMENDED.**

**Discussion:**

- 02:39:08 Rep. Schwaderer
- 02:40:38 Rep. Williams
- 02:42:21 **Vote:** Motion failed 8-12 by roll call vote with Rep. Brown, Rep. Dunwell, Rep. Jacobson, Rep. Lieser, Rep. McClafferty, Rep. B. Smith, Rep. Williams and Rep. Wilson voting aye. Rep. White, Rep. Randall and Rep. Zolnikov voted by proxy.
- 02:43:53 **Motion/Vote:** Rep. Hertz moved that **HB 417 BE TABLED.** Motion carried unanimously by voice vote.
- 02:44:00 Rep. White entered the meeting.
- 02:44:28 Rep. Williams

**EXECUTIVE ACTION ON HB 569**

- 02:45:00 **Motion:** Rep. Hertz moved that **HB 569 DO PASS.**
- 02:45:33 **Substitute Motion/Vote:** Rep. Cook made a substitute motion that **HB 569 BE TABLED.** Substitute Motion carried 18-2 by voice vote with Rep. Lavin and Rep. Schwaderer voting no. Rep. Randall and Rep. Zolnikov voted by proxy.

**EXECUTIVE ACTION ON SB 200**

- 02:46:19 **Motion:** Rep. Hertz moved that **SB 200 BE CONCURRED IN.**

**Discussion:**

- 02:46:30 Chair Miller
- 02:46:58 Rep. White
- 02:47:20 Rep. Lieser
- 02:48:00 Chair Miller
- 02:48:24 Rep. Dunwell
- 02:49:24 Rep. Schwaderer
- 02:50:00 **Vote:** Motion carried 12-8 by roll call vote with Rep. Brown, Rep. Dunwell, Rep. Jacobson, Rep. Lieser, Rep. McClafferty, Rep. B. Smith, Rep. Williams and Rep. Wilson voting no. Rep. Randall and Rep. Zolnikov voted by proxy. Rep. Cook will carry the bill.

02:51:46	Chair Miller
02:52:18	Rep. Williams
02:52:22	Chair Miller
02:53:36	Rep. Hertz
02:53:57	Rep. Williams
02:54:15	Rep. Hertz

**ADJOURNMENT**

Adjournment: 02:55:31

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Erica Siate, Secretary

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Additional Documents:

**EXHIBIT([tah49aad.pdf](#))**