

**MINUTES**

**MONTANA HOUSE OF REPRESENTATIVES  
56th LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON TAXATION**

**Call to Order:** By **CHAIRMAN CHASE HIBBARD**, on March 23, 1999 at 8:00 A.M., in Room 437 Capitol.

**ROLL CALL**

**Members Present:**

Rep. Chase Hibbard, Chairman (R)  
Rep. Kim Gillan, Vice Chairman (D)  
Rep. Bob Story, Vice Chairman (R)  
Rep. Gary Beck (D)  
Rep. Rick Dale (R)  
Rep. Bob Davies (R)  
Rep. Ron Erickson (D)  
Rep. Daniel Fuchs (R)  
Rep. Mary Anne Guggenheim (D)  
Rep. Marian Hanson (R)  
Rep. Hal Harper (D)  
Rep. Dan Harrington (D)  
Rep. John L. Holden (R)  
Rep. Verdell Jackson (R)  
Rep. Scott J. Orr (R)  
Rep. Bob Raney (D)  
Rep. Bill Rehbein (R)  
Rep. Sam Rose (R)  
Rep. Trudi Schmidt (D)  
Rep. Roger Somerville (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Donna Grace, Committee Secretary  
Jeff Martin, Legislative Branch

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: HB 673 POSTED 3/18/99

Executive Action: HB 673; HB 166; HB 661; HB  
671; HB 240; HB 253

HEARING ON HB 673

Opening Statement by Sponsor:

Rep. Bob Davies, HD 27

{Tape : 1; Side : A; Approx. Time Counter : 0 - 3.1}

Proponents' Testimony:

Rep. Verdell Jackson read testimony from Joe Balyeat

**EXHIBIT** (tah65a01)

{Tape : 1; Side : A; Approx. Time Counter : 3.1 - 6.7}

Opponents' Testimony:

Mary Bryson, Director, Department of Revenue

{Tape : 1; Side : A; Approx. Time Counter : 6.7 - 11.9}

Gordon Morris, Director, Association of Counties

{Tape : 1; Side : A; Approx. Time Counter : 11.9 - 13.3}

Lance Melton, Montana School Boards Association

{Tape : 1; Side : A; Approx. Time Counter : 13.3 - 16}

Alec Hanson, League of Cities and Towns

{Tape : 1; Side : A; Approx. Time Counter : 16 - 19.0}

At this point **Rep. Rose** objected to the meeting being filmed without permission from the Committee.

{Tape : 1; Side : A; Approx. Time Counter : 19 - 19.1}

**Rep. Harper** moved the Committee grant permission to film.

**Chairman Hibbard** said this is an unusual situation and they have never encountered this before. He appreciated **Rep. Rose'** concern but there is no specific prohibition that he is aware of, and it is an open meeting, so he will acknowledge the film operator's ability to videotape the meeting.

{Tape : 1; Side : A; Approx. Time Counter : 19.1 - 20.1}

Dennis Burr, Montana Taxpayer's Association

{Tape : 1; Side : A; Approx. Time Counter : 20.1 - 25.2}

Craig Sweet, Owner of small business in Missoula

{Tape : 1; Side : A; Approx. Time Counter : 25.2 - 27.2}

Eric Feaver, Montana Education Association and Montana Federation  
of Teachers, **EXHIBIT** (tah65a02)

{Tape : 1; Side : A; Approx. Time Counter : 27.2 - 30.5}

{Tape : 1; Side : B; Approx. Time Counter : 0.1 - 2.6}

Don Judge, Representing Montana AFL/CIO

{Tape : 1; Side : B; Approx. Time Counter : 2.6 - 4.2}

Informational Testimony:

Jay Sage, Missoula

{Tape : 1; Side : B; Approx. Time Counter : 4.2 - 6.2}

Mike Fellows, Chair, Montana Libertarian Party

{Tape : 1; Side : B; Approx. Time Counter : 6.2 - 7.4}

Questions from Committee Members and Responses:

{Tape : 1; Side : B; Approx. Time Counter : 7.4 - 28.9}

{Tape : 2; Side : A; Approx. Time Counter : 0.1 - 0.4}

Closing Statement by Sponsor:

Rep. Davies closed the Hearing on HB 673

{Tape : 2; Side : A; Approx. Time Counter : 0.4 - 11.3}

EXECUTIVE ACTION ON HB 673

Motion: Rep. Davies moved DO PASS

{Tape : 2; Side : A; Approx. Time Counter : 11.3 - 11.7}

Motion: Rep. Davies moved amendments to include fees and one  
election per year.

Discussion on amendments:

{Tape : 2; Side : A; Approx. Time Counter : 11.7 - 17.9}

Vote: Motion on amendments failed 9-11

{Tape : 2; Side : A; Approx. Time Counter : 17.9 - 18.7}

Discussion on Bill:

{Tape : 2; Side : A; Approx. Time Counter : 18.7 - 21}

Motion: Rep. Davies moved an amendment to remove "3/4" vote  
{Tape : 2; Side : A; Approx. Time Counter : 21 - 24.3}

Motion: Rep. Davies moved to amend the amendment above by  
striking "3/4" and insert "majority".  
{Tape : 2; Side : A; Approx. Time Counter : 24.3 - 28.6}  
{Tape : 2; Side : B; Approx. Time Counter : 0 - 1.2}

Substitute Motion/Vote: Rep. Rose moved to TABLE HB 673. Motion  
carried 11-9 with Reps. Orr, Holden, Jackson, Dale, Rehbein,  
Davies, Fuchs, Hanson and Raney voting no.  
{Tape : 2; Side : B; Approx. Time Counter : 1.2 - 1.3}

EXECUTIVE ACTION ON HB 166

Motion: Rep. Rehbein moved to remove HB 166 from TABLE.  
{Tape : 2; Side : B; Approx. Time Counter : 1.3 - 1.6}

Discussion:

{Tape : 2; Side : B; Approx. Time Counter : 1.6 - 7.4}

Vote: Motion failed 9-11 with Reps. Orr, Schmidt, Holden, Rose,  
Harrington, Erickson, Beck, Davies, Harper, Raney and Gillan  
voting no.  
{Tape : 2; Side : B; Approx. Time Counter : 7.4 - 7.6}

EXECUTIVE ACTION ON HB 661

Motion: Rep. Rehbein moved DO PASS. **EXHIBIT**(tah65a03)  
{Tape : 2; Side : B; Approx. Time Counter : 7.6 - 8}

Discussion:

{Tape : 2; Side : B; Approx. Time Counter : 8 - 12.3}

Motion: Rep. Erickson offered a conceptual amendment on page 7,  
line 11 and Title, \$16 instead of \$30.

Discussion:

{Tape : 2; Side : B; Approx. Time Counter : 12.3 - 28.6}  
{Tape : 3; Side : A; Approx. Time Counter : 0.1 - 15.8}

Vote: Motion on conceptual amendment passed 12-8 with Reps. Story, Orr, Jackson, Dale, Rehbein, Davies, Fuchs and Hanson voting no.

{Tape : 3; Side : A; Approx. Time Counter : 15.8 - 16.6}

Motion: Rep. Rehbein moved Amendments with 1 and 3 segregated. **EXHIBIT** (tah65a04)

{Tape : 3; Side : A; Approx. Time Counter : 16.6 - 17.3}

Discussion:

{Tape : 3; Side : A; Approx. Time Counter : 17.3 - 22.0}

Vote: Motion carried unanimously 20-0

{Tape : 3; Side : A; Approx. Time Counter : 22 - 22.6}

Motion: The Bill as Amended.

{Tape : 3; Side : A; Approx. Time Counter : 22.6 - 22.7}

Discussion on Bill as Amended.

{Tape : 3; Side : A; Approx. Time Counter : 22.7 - 29.2}

{Tape : 3; Side : B; Approx. Time Counter : 0.1 - 1.4}

Vote: Motion on Bill as Amended passed 12-8 with Reps. Holden, Rose, Guggenheim, Erickson, Beck, Harper, Raney and Gillan voting no.

{Tape : 3; Side : B; Approx. Time Counter : 1.4 - 2.4}

#### EXECUTIVE ACTION ON HB 671

Motion: Rep. Holden moved DO PASS.

{Tape : 3; Side : B; Approx. Time Counter : 2.4 - 4.6}

Discussion:

**EXHIBIT** (tah65a05)

{Tape : 3; Side : B; Approx. Time Counter : 4.6 - 24.2}

Motion/Vote: Rep. Somerville offered an amendment to change date. Motion carried 19-0.

{Tape : 3; Side : B; Approx. Time Counter : 24.2 - 25}

Motion/Vote: Rep. Guggenheim moved to TABLE. Motion failed 10-10, tie vote.

{Tape : 3; Side : B; Approx. Time Counter : 25 - 27.4}

Motion: Rep. Harrington called for question on Bill DO PASS AS AMENDED.

{Tape : 3; Side : B; Approx. Time Counter : 27.4 - 27.5}

Discussion:

{Tape : 3; Side : B; Approx. Time Counter : 27.5 - 29.1}

{Tape : 4; Side : A; Approx. Time Counter : 0.1 - 4}

Vote: Motion failed 10-10 tie.

{Tape : 4; Side : A; Approx. Time Counter : 4 - 4.4}

Motion/Vote: Rep. Erickson moved to TABLE. No one changed their vote but Rep. Hibbard so the motion carried 11-9, without objection.

{Tape : 4; Side : A; Approx. Time Counter : 4.4 - 4.6}

EXECUTIVE ACTION ON HB 240

Motion: Rep. Harrington moved to reconsider action on HB 240 and remove from TABLE.

{Tape : 4; Side : A; Approx. Time Counter : 4.6 - 5.1}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 5.1 - 9.4}

Vote: Motion to remove from Table carried 13-7 with Reps. Story, Orr, Jackson, Rehbein, Davies, Fuchs and Hanson voting no.

{Tape : 4; Side : A; Approx. Time Counter : 9.4 - 10.6}

Motion: Rep. Harrington moved the amendments, 24002 and repeal previous amendment **EXHIBIT**(tah65a06)

{Tape : 4; Side : A; Approx. Time Counter : 10.6 - 10.7}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 10.7 - 20.9}

Action on HB 240 postponed until Thursday

{Tape : 4; Side : A; Approx. Time Counter : 20.9 - 21.2}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 21.2 - 22}

EXECUTIVE ACTION ON HB 253

Motion: Rep. Orr moved to take HB 253 off the TABLE.  
{Tape : 4; Side : A; Approx. Time Counter : 22 - 22.3}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 22.3 - 25.8}

Vote: Motion carried 11-9 with Reps. Rose, Guggenheim, Harrington, Erickson, Beck, Harper, Raney, Gillan and Hibbard voting no.

{Tape : 4; Side : A; Approx. Time Counter : 5.8 - 27.3}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 27.3 - 30.9}

{Tape : 4; Side : B; Approx. Time Counter : 0.1 - 7}

Motion/Vote: Rep. Orr moved DO PASS. Motion failed 9-11 with Reps. Schmidt, Rose, Guggenheim, Harrington, Somerville, Erickson, Beck, Harper, Raney, Gillan and Hibbard voting no.

{Tape : 4; Side : B; Approx. Time Counter : 7 - 8.1}

Motion/Vote: Rep. Orr moved to reverse the vote and TABLE the Bill. Motion carried 19-1 with Rep. Rehbein voting no.

{Tape : 4; Side : B; Approx. Time Counter : 8.1 - 9.4}

**ADJOURNMENT**

Adjournment: 11:55 A.M.

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REP. CHASE HIBBARD, Chairman

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DONNA GRACE, Secretary

CH/DG

**EXHIBIT (tah65aad)**