



## REVENUE INTERIM COMMITTEE

### 68th Montana Legislature

#### SENATE MEMBERS

Becky Beard  
Greg Hertz  
Shannon O'Brien  
Jeremy Trebas

#### HOUSE MEMBERS

Larry Brewster  
Sherry Essmann  
Paul Fielder  
Mark Thane

#### COMMITTEE STAFF

Jaret Coles - Attorney  
LJ Jennings - Secretary  
Megan Moore - Research Analyst

# MINUTES LOG

November 02, 2023

Room 102

Helena, Montana

Please note: This document is a Minutes Log and provides annotation of the time elapsed between the beginning of the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken. The narrative presented here is provided only as a guide to the audio or video recording of the meeting. The official discussion, motion, or vote is available on the audio or video archive of this meeting. The Legislature does not prepare a transcript of the meeting activities. The time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

Access to an electronic copy of these minutes and the audio or video recording is provided from the Legislative Branch home page at <https://leg.mt.gov>. From the home page, select the "Committees" drop down menu at the top, then select Administrative or Interim, and the appropriate committee. The written minutes log can be located by expanding the accordion menu for the date of the meeting. Links to the audio/video files can be located by selecting the Video/Audio button on the same page, then the "past/current recordings" button. From there, use the calendar to select the date of the meeting you wish to view/listen to. The written Minutes Log, along with links to the audio and video recordings, is listed by meeting date on the interim committee's web page. Each of the Exhibits is linked and can be viewed by clicking on the Exhibit of interest. All Exhibits are public information and may be printed. Please contact the Legislative Services Division at 406-444-3064 for more information.

#### **MEMBERS PRESENT:**

Sen. Becky Beard, Presiding Officer (R)  
Rep. Larry Brewster (R)  
Rep. Sherry Essmann (R)  
Rep. Paul Fielder (R)  
Sen. Greg Hertz (R)  
Sen. Jeremy Trebas (R)

#### **MEMBERS EXCUSED:**

Rep. Mark Thane, Vice Presiding Officer (D)  
Sen. Shannon O'Brien (D)

#### **MEMBERS ABSENT:**

#### **STAFF PRESENT:**

Jaret Coles, Attorney  
Jacelyn Sterling, Secretary  
Megan Moore, Research Analyst

#### **AGENDA (Attachment 1)**

## **VISITORS' LIST** ([Attachment 2](#))

### **CALL TO ORDER/ROLL CALL**

09:01:24 Presiding Officer Beard called the meeting to order at 9:01 AM. The committee secretary took roll.

### **AGENCY OVERSIGHT: MONTANA TAX APPEAL BOARD**

09:02:40 Dave McAlpin, Chair, Montana Tax Appeal Board (MTAB)  
[EXHIBIT1](#)  
[EXHIBIT2](#)

### **Joined the Meeting**

09:12:52 Sen. Shannon O'Brien (D)  
09:12:53 Rep. Mark Thane, Vice Presiding Officer (D)

### **Committee Discussion/ Questions**

09:13:02 Sen. Trebas

### **Public Comment on Montana Tax Appeal Board**

09:14:42 NONE

### **MODERNIZATION AND RISK ANALYSIS COMMITTEE**

09:15:11 Megan Moore, Lead Staff, LSD  
09:18:28 Vice Presiding Officer Thane  
09:19:16 Presiding Officer Beard

### **Committee Discussion/ Questions**

09:20:01 NONE

### **Public Comment on Modernization and Risk Analysis Committee**

09:20:16 Bob Story, Montana Taxpayers Association  
09:22:25 Presiding Officer Beard  
09:22:44 Sen. Hertz

### **PROPERTY TAX MODERNIZATION STUDY**

#### **Property Tax Litigation**

09:23:27 Jaret Coles, Staff Attorney, LSD  
[EXHIBIT3](#)  
[EXHIBIT4](#)

### **Committee Discussion/Questions**

09:32:11 Sen. Hertz  
09:33:00 Vice Presiding Officer Thane

### **Exempt Property**

09:35:20 Megan Moore  
[EXHIBIT5](#)

### **Committee Discussion/ Questions**

09:52:41 Sen. Trebas  
09:53:53 Sen. Hertz  
09:56:49 Rep. Essmann

**RECESS**

10:04:22 Reconvened

**Tax Increment Financing**

10:05:34 Megan Moore  
[EXHIBIT6](#)

**Committee Discussion/Questions**

10:19:10 Sen. Hertz

**Tax Bill and Assessment Notice**

10:21:20 Megan Moore  
10:22:42 Vice Presiding Officer Thane  
10:23:46 Rep. Brewster  
10:24:50 Sen. Trebas  
10:28:20 Presiding Officer Beard  
10:28:34 Sen. Trebas  
10:29:14 Sen. Hertz  
10:34:31 Rep. Fielder  
10:36:47 Vice Presiding Officer Thane

**15-10-420 Follow Up**

10:38:28 Megan Moore  
[EXHIBIT7](#)

**Committee Discussion/Questions**

10:42:42 Sen. Hertz

**2007 Property Tax Rebate History**

10:44:30 Megan Moore  
[EXHIBIT8](#)

**Utility Property Taxes**

10:47:12 Megan Moore  
[EXHIBIT9](#)

**Committee Discussion/ Questions**

10:48:10 Sen. Trebas  
10:49:14 Sen. Hertz  
10:50:00 Sen. Trebas  
10:51:16 Presiding Officer Beard  
10:51:50 Rep. Essmann  
10:53:02 Rep. Brewster

### **Public Comment on Property Tax Modernization Study**

10:54:01 Bob Story  
[EXHIBIT10](#)  
[EXHIBIT11](#)

11:06:06 Kelly Lynch, Executive Director, Montana League of Cities and Towns

11:13:41 Sheridan Johnson, Montanan Chamber of Commerce

11:14:25 Jessie Luther, Hospitality and Development Association of Montana

11:15:51 Aimee Grmoljez, Crowley Fleck

11:17:37 Karen Byrnes, Community Development, Butte Silver-Bow County

11:18:52 Julie Foster, Executive Director, Ravalli County Economic Development Authority [EXHIBIT12](#)

11:22:06 Sen. Mary Ann Dunwell

11:30:56 Cynthia Andrus, Mayor, Bozeman

11:34:39 Jolene Schalper, Great Falls Development Alliance

11:41:30 Megan Moore on Public Comment

### **Committee Discussion/Questions**

11:42:03 Sen. Trebas

11:43:47 Sen. Hertz

11:50:23 Rep. Brewster

11:50:52 Vice Presiding Officer Thane

11:52:56 Presiding Officer Beard to Bob Story

11:58:59 Rep. Brewster

### **RECESS**

13:02:35 Reconvened

### **AGENCY OVERSIGHT: DEPARTMENT OF REVENUE**

13:03:06 Scott Mendenhall, Deputy Director, Department of Revenue (DOR)

### **Income and Property Tax Rebate Update**

13:10:40 Derek Bell, DOR  
[EXHIBIT13](#)

### **Committee Discussion/ Questions**

13:28:34 Sen. O'Brien

13:32:39 Sen. Hertz

13:33:31 Sen. O'Brien

13:37:32 Rep. Brewster

13:40:01 Presiding Officer Beard

13:40:26 Sen. Hertz

### **Land Classification Study Working Group Update**

13:43:00 Scott Mendenhall

**Committee Discussion/ Questions**

13:45:46 Sen. O'Brien

**Report on Statewide Property Appeals**

13:46:35 Bryce Kaatz, DOR  
[EXHIBIT14](#)

**Major Case Update**

13:50:28 Dave Stewart, DOR  
[EXHIBIT15](#)

**Committee Discussion/Questions**

13:54:15 Sen. Hertz

**Public Comment on Department of Revenue**

13:54:57 NONE

**AGENCY MONITORING: ADMINISTRATIVE RULE REVIEW**

13:56:19 Jaret Coles  
[EXHIBIT16](#)  
[EXHIBIT17](#)  
[EXHIBIT18](#)

**Public Comment on Administrative Rule Report**

NONE

**REVENUE ESTIMATING AND MONITORING**

14:03:24 Sam Schaefer, Legislative Fiscal Division  
[EXHIBIT19](#)

**Public Comment on Revenue Estimating and Monitoring**

14:03:05 NONE

**Tax Credit Review: Property Used to Collect or Process Reclaimable Material**

14:14:21 Megan Moore  
[EXHIBIT20](#)

**Public Comment on Tax Credit Review: Property Used to Collect or Process Reclaimable Material**

14:28:27 Dave Galt, Steel Etcetera  
14:31:23 John Iverson, Montana Society CPAs  
14:33:08 Dave Leverett, Four Corners Recycling  
14:36:56 Mark Scott, American Chemet  
14:38:16 Candi Zion, Recycle Montana  
14:44:03 Mark Nelson, President, Recycle Montana  
14:56:13 Sen. Mary Ann Dunwell

**Committee Discussion/Questions**

15:00:49 Sen. Hertz  
15:01:13 Sen. O'Brien  
15:01:42 Presiding Officer Beard  
15:03:46 Megan Moore

**MOTION**

15:05:32 Sen. Hertz moved to have the committee recommend retaining the credit as is.

**Vote:**

15:11:32 Carried 7 - 1 by voice vote with Rep. Fielder, voting no.

**Discussion on the Motion**

15:07:44 Rep. Brewster  
15:08:29 Megan Moore  
15:08:55 Rep. Fielder  
15:09:59 Presiding Officer Beard  
15:11:27 Megan Moore  
15:11:58 Sen. Hertz

**TAX CREDIT REVIEW: INFRASTRUCTURE USE FEE CREDIT**

15:13:17 Megan Moore  
[EXHIBIT21](#)

**Public Comment on Tax Credit Review: Infrastructure Use Fee Credit**

15:16:21 John Iverson, Montana Society of CPAs

**COMMITTEE WORK SESSION**

15:17:38 Vice Presiding Officer Thane

**MOTION**

15:18:16 Sen. O'Brien moved to adopt the draft proposal as a committee bill including language change stating full time equivalent.

**Vote:**

15:18:16 Carried unanimously by voice vote.

**Discussion on the Motion**

15:19:08 Megan Moore  
15:19:10 Sen. Trebas is the assigned carrier for the bill.  
15:20:20 Sen. O'Brien

**MOTION**

15:20:53 Sen. O'Brien moved to retain the credit within the draft bill PD 0016.

**Vote:**

15:20:53 Carried unanimously by voice vote.

**PROPERTY TAX MODERNIZATION STUDY WORK SESSION**

15:21:23 Megan Moore

## EXHIBIT22

### **Committee Discussion/Questions**

15:35:08	Rep. Brewster
15:37:01	Presiding Officer Beard
15:38:26	Sen. Hertz
15:39:07	Megan Moore
15:39:41	Sen. Hertz
15:40:48	Presiding Officer Beard
15:41:07	Sen. Hertz
15:41:36	Sen. O'Brien
15:42:21	Public Comment
15:42:36	Bob Story
15:49:43	Rose Bender, Montana Budget and Policy Center (MBPC)
15:51:09	Megan Moore
15:52:18	Vice Presiding Officer Thane
15:53:07	Presiding Officer Beard
15:53:57	Sen. Hertz
15:56:20	Presiding Officer Beard
15:57:28	Sen. Trebas
15:59:20	Bob Story
16:00:51	Rep. Brewster
16:01:35	Sen. Hertz
16:01:55	Sen. Trebas
16:03:07	Megan Moore

### **PUBLIC COMMENT ON ANY TOPIC UNDER THE COMMITTEE'S JURISDICTION**

16:03:48	NONE
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### **ADJOURNMENT**

16:04:21	Presiding Officer Beard adjourned the meeting.
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