



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

January 22, 2024
Capitol Room 317
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, Chair (R)
Rep. Mark Thane, Vice Chair (D)
Rep. Larry Brewster (R)
Rep. Sherry Essmann (R)
Rep. Paul Fielder (R)
Sen. Greg Hertz (R)
Sen. Shannon O'Brien (D)
Sen. Jeremy Trebas (R)

MEMBERS EXCUSED:

MEMBERS ABSENT:

STAFF PRESENT:

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

AGENDA ([Attachment 1](#))

VISITORS' LIST (Attachment 2)

CALL TO ORDER/ROLL CALL

12:01:42 Presiding Officer Beard called the meeting to order at 12:01 PM. The committee secretary took roll.

REVENUE ESTIMATING AND MONITORING

12:03:08 Sam Schaefer, LFD
[EXHIBIT1](#)
[EXHIBIT2](#)

Committee Discussion/Questions

12:19:31 Vice Presiding Officer Thane

REVENUE ESTIMATING AND MONITORING-Cont'd

12:22:28 Sam Schaefer, LFD

Public Comment on Revenue Estimating and Monitoring

12:26:52 NONE

TAX CREDIT REVIEW: PRESERVATION OF HISTORIC BUILDINGS

12:27:17 Megan Moore, Lead Staff, LSD
[EXHIBIT3](#)
[EXHIBIT4](#)

Committee Discussion/Questions

12:43:07 Vice Presiding Officer Thane
12:44:09 Rep. Essmann

Public Comment on Tax Credit Review

12:46:03 NONE

TAX CREDIT REVIEW: PRESERVATION OF HISTORIC BUILDINGS-Work Session

12:46:54 Megan Moore (See Exhibit 5)
12:48:52 Presiding Officer Beard Rep.
12:50:01 Brewster
12:51:25 Rep. Essmann

2024 INCOME TAX CHANGES OVERVIEW

12:53:31 Jaret Coles, Staff Attorney, LSD
[EXHIBIT5](#)
[EXHIBIT6](#)

Public Comment on 2024 Income Tax Changes Overview

13:32:29 Sen. O'Brien
13:32:40 NONE

DEPARTMENT OF REVENUE

13:33:12 Scott Mendenhall, Deputy Director, DOR

Income and Property Tax Rebate Update

13:36:52 Derek Bell, Administrator, Business and Income Tax Division,
DOR [EXHIBIT7](#)

Committee Discussion/Questions

13:40:25 Rep. Fielder

Update on 2024 Qualified Education Donations Portal

13:41:15 Tony Zammit,
DOR [EXHIBIT8](#)

Committee Discussion/Questions

13:43:28 Sen. O'Brien

Implementation of Income Tax Changes

13:45:08 Jake Ford, Bureau Chief, Income and Withholding Taxes Bureau, DOR

Committee Discussion/Questions

13:52:10 Rep. Brewster

13:52:25 Rep. Fielder

13:55:01 Presiding Officer Beard

Land Classification Study Working Group Update

13:55:50 Scott Mendenhall, Deputy Director
[EXHIBIT9](#)

Committee Discussion/Questions

14:00:15 Presiding Officer Beard

Major Case Update

14:01:16 David Stewart, Chief Legal Counsel
[EXHIBIT10](#)

Public Comment on Department of Revenue

14:06:25 NONE

ADMINISTRATIVE RULE REVIEW

14:07:13 Jaret Coles
[EXHIBIT11](#)

Public Comment on Administrative Rule Review

14:09:59 NONE

RECESS

14:40:25 Reconvened

PROPERTY TAX MODERNIZATION STUDY: TAX INCREMENT FINANCING

14:40:43 Megan Moore
[EXHIBIT12](#)

[EXHIBIT13](#)

TIF Data Considerations

14:44:24 Robin Rude, Deputy Administrator, Property Assessment Division, DOR

"Blighted Area" Panel Discussion

14:48:00 Courtney Ellis, Attorney, Dorsey & Whitney
[EXHIBIT14](#)

Committee Discussion/Questions

15:00:45 Sen. Hertz

"Blighted Area" Panel Discussion-Cont'd

15:04:04 Karen Byrnes, Community Development Director, Butte-Silver Bow

15:08:42 David Fine, Urban Renewal Program Manager, Bozeman

15:18:55 Susan Nicosia, City Manager, Columbia Falls

[EXHIBIT15](#)

Committee Discussion/Questions

15:27:09 Rep. Brewster to David Fine

15:27:37 Rep. Essmann to Karen Byrnes

15:28:01 Vice Presiding Officer Thane to Courtney Ellis

15:30:10 Rep. Fielder left the meeting.

15:30:51 Redirected to David Fine

15:33:17 Sen. Hertz

15:35:51 Sen. Trebas

15:36:06 Presiding Officer Beard to Karen Byrnes

15:40:11 Presiding Officer Beard to Courtney Ellis

Administrative Models Panel Discussion

15:43:59 Wyeth Friday, Planning and Community Services Director, Billings

15:55:22 Ellen Buchanan, Director, Missoula Redevelopment Agency

16:04:30 Julie Foster, Executive Director, Ravalli County Economic Development
Authority

[EXHIBIT16](#)

16:05:12 Sen. Trebas left the meeting.

16:08:32 Neil Cardwell, City Manager, Belgrade

[EXHIBIT17](#)

16:09:15 Sen. Trebas joined the meeting.

Committee Discussion/Questions

16:14:46 Sen. Trebas

Public Comment on Property Tax Modernization Study: Tax Increment Financing

16:17:39 Bob Story, Montana Taxpayers Association

16:22:33 Todd O'Hair, Montana Chamber of Commerce

16:24:37 Kelly Lynch, Executive Director, Montana League of Cities and Towns

16:27:06 Jeff Essmann, Self
16:39:07 Vice Presiding Officer Thane

PROPERTY TAX APPEALS

16:40:13 Robin Rude

Committee Discussion/Questions

16:42:24 Presiding Officer Beard

Public Comment on Anything Within the Committee's Jurisdiction

16:43:02 Kate Cholewa, Montana Cannabis Association

16:45:34 Jeff Essmann

RECESSED

16:47:37 Presiding Officer Beard recessed the meeting until January 23, 2024.