



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
Megan Moore - Research Analyst
LJ Jennings - Secretary

MINUTES LOG

May 09, 2024
Capitol Room 137 & Zoom
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. Mark Thane, Vice Presiding Officer (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
Megan Moore, Research Analyst
LJ Jennings, Secretary

AGENDA ([Attachment 1](#))

CALL TO ORDER/ROLL CALL

13:00:05 Presiding Officer Becky Beard called the meeting to order at 1:00 PM. The committee secretary took roll.

PROPERTY TAX MODERNIZATION STUDY: COMBINING EQUALIZATION MILLS

13:00:44 Megan Moore, Lead Staff, Legislative Services Division (LSD)

County Equalization Mills: Accounting

13:01:44 Pad McCracken, LSD
[EXHIBIT1](#)

Committee Questions/Discussion

13:08:46 Presiding Officer Becky Beard
13:09:09 Pad McCracken

County Equalization Mills: Accounting Continued

13:11:05 Pad McCracken

Committee Questions/Discussion

13:16:18 Vice Presiding Officer Mark Thane
13:16:40 Pad McCracken
13:17:27 Rep. Paul Fielder
13:18:06 Pad McCracken

County Equalization Mills: Non-Levy Revenue

13:18:35 Megan Moore
[EXHIBIT2](#)

Committee Questions/Discussion

13:32:03 Sen. Greg Hertz
13:32:21 Megan Moore
13:33:51 Pad McCracken
13:34:49 Megan Moore
13:35:26 Rep. Sherry Essmann
13:36:11 Megan Moore
13:37:11 Sen. Shannon O'Brien
13:38:25 Pad McCracken
13:39:14 Presiding Officer Becky Beard
13:40:04 Rep. Larry Brewster
13:40:48 Megan Moore
13:41:32 Rep. Sherry Essmann
13:42:01 Presiding Officer Becky Beard

Legislation to Fix State Equalization Mills (PD 25)

13:42:22 Megan Moore
[EXHIBIT3](#)

Committee Questions/Discussion

13:45:04 Sen. Jeremy Trebas
13:45:55 Sen. Greg Hertz
13:46:19 Megan Moore
13:46:39 Vice Presiding Officer Mark Thane
13:47:55 Presiding Officer Becky Beard
13:48:48 Sen. Greg Hertz
13:50:49 Presiding Officer Becky Beard
13:50:58 Vice Presiding Officer Mark Thane

Public Comment on Combining Equalization Mills

13:52:12 Dylan Cole, Department of Revenue (DOR)
13:54:39 Bob Story, Montana Taxpayers Association
14:04:13 Pam Holmquist, County Commissioner, Flathead County

Committee Work Session

14:06:29 Presiding Officer Becky Beard
14:06:49 Sen. Greg Hertz
14:07:10 Megan Moore
14:08:56 Pad McCracken
14:09:34 Presiding Officer Becky Beard
14:09:36 Vice Presiding Officer Mark Thane
14:11:08 Sen. Jeremy Trebas
14:12:23 Presiding Officer Becky Beard
14:14:58 Rep. Larry Brewster
14:16:00 Rep. Sherry Essmann
14:17:46 Rep. Paul Fielder
14:20:27 Presiding Officer Becky Beard
14:20:32 Sen. Greg Hertz
14:21:35 Presiding Officer Becky Beard
14:21:49 Megan Moore
14:22:42 Sen. Shannon O'Brien
14:24:16 Presiding Officer Becky Beard

TAX CREDIT REVIEW: HISTORICAL PRESERVATION TAX CREDIT FOLLOW-UP

14:25:53 Megan Moore
[EXHIBIT4](#)

Panel on Use and Impact of Credit

- 14:27:14 Sen. Jeremy Trebas left the room.
14:28:45 Peter Brown, State Historical Preservation Office (SHPO)
[EXHIBIT5](#)
14:39:09 Jenny Buddenborg, Executive Director, Preserve Montana (See Exhibit 5)
14:51:03 Sen. Jeremy Trebas joined the meeting.
14:51:10 Randy Hafer, High Plains Architects (See Exhibit 5)
15:02:44 David Mark, One Health (See Exhibit 5)
15:08:27 Heather McMilin, Project Development Director, Homeward (See Exhibit 5)

Committee Questions/Discussion

- 15:23:14 Presiding Officer Becky Beard
15:23:24 Sen. Greg Hertz
15:23:39 Jenny Buddenborg
15:24:02 Heather McMilin
15:25:29 Randy Hafer
15:27:08 Presiding Officer Becky Beard
15:27:35 Heather McMilin
15:29:47 Rep. Sherry Essmann
15:30:08 Heather McMilin
15:31:52 Sen. Shannon O'Brien
15:32:22 Peter Brown
15:33:06 Rep. Paul Fielder
15:33:44 Heather McMilin
15:34:51 Randy Hafer

Other State Historical Preservation Credits

- 15:36:37 Megan Moore (See Exhibit 4)
[EXHIBIT6](#)

Public Comment on Historical Preservation Tax Credit Follow-Up

- 15:38:00 NONE

Committee Work Session

- 15:38:25 Presiding Officer Becky Beard
15:38:32 Rep. Larry Brewster
15:40:12 Vice Presiding Officer Mark Thane
15:40:39 Megan Moore
15:41:30 Sen. Greg Hertz
15:41:40 Megan Moore
15:41:56 Presiding Officer Becky Beard

15:42:11 Rep. Larry Brewster
15:42:19 Presiding Officer Becky Beard

PROPERTY TAX MODERNIZATION STUDY: REAL PROPERTY EXEMPTION AUDIT FOLLOW-UP

15:42:37 Bryce Kaatz, Bureau Chief, Property Assessment Division, DOR
[EXHIBIT7](#)

Review of March Exempt Property Review Draft (PD 23)

15:46:15 Megan Moore
[EXHIBIT8](#)

Public Comment on Real Property Exemption Audit Follow-Up

15:47:42 NONE

Committee Work Session

15:47:55 Sen. Shannon O'Brien left the meeting.
15:48:02 Presiding Officer Becky Beard.
15:48:38 Rep. Sherry Essmann
15:49:21 Megan Moore

Motion

15:49:46 Rep. Sherry Essmann moved to draft a committee bill with an eight-year reappraisal cycle.

Discussion on the Motion

15:49:49 Rep. Larry Brewster
15:50:00 Rep. Sherry Essmann
15:51:13 Bryce Kaatz
15:52:17 Presiding Officer Becky Beard
15:52:50 Sen. Greg Hertz
15:53:14 Megan Moore
15:53:50 Sen. Greg Hertz
15:54:17 Presiding Officer Becky Beard

15:54:22 **Vote:** Carried unanimously by roll call vote.

AGENCY MONITORING: DEPARTMENT OF REVENUE

15:55:08 Scott Mendenhall, Deputy Director, DOR

Tax Rebates Report

15:58:56 Renee Lemon, Deputy Administrator, Business and Income Tax Division
[EXHIBIT9](#)

Committee Questions/Discussion

16:07:24 Vice Presiding Officer Mark Thane
16:07:50 Renee Lemon
16:08:02 Presiding Officer Becky Beard

Property Appeals Update

16:08:15 Bryce Kaatz
[EXHIBIT10](#)

Land Classification Study Working Group Update

16:09:58 Scott Mendenhall

Committee Questions/Discussion

16:13:32 Presiding Officer Becky Beard
16:13:48 Scott Mendenhall

Major Case Update

16:14:55 Dave Stewart, Chief Legal Counsel
[EXHIBIT11](#)

Public Comment on Department of Revenue

16:18:00 NONE

PROPERTY TAX MODERNIZATION STUDY: GOVERNOR'S PROPERTY TAX TASK FORCE UPDATE

16:18:24 Megan Moore
16:22:45 Sen. Greg Hertz

Public Comment on Governor's Property Tax Task Force update

16:27:47 Bob Story

Committee Work Session

16:37:14 Sen. Jeremy Trebas
16:38:15 Sen. Greg Hertz
16:39:23 Presiding Officer Becky Beard
16:40:29 Sen. Greg Hertz
16:43:38 Sen. Jeremy Trebas
16:44:57 Presiding Officer Becky Beard

Public Comment on any other topic within the Committee's Jurisdiction

16:45:18 NONE

ADJOURNMENT

Adjournment: 16:46:02