

**MINUTES**

**MONTANA HOUSE OF REPRESENTATIVES  
61st LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON TAXATION**

**Call to Order:** Chairman Bob Lake, on January 28, 2009 at 8:00  
A.M., in Room 152 Capitol.

**ROLL CALL**

**Members Present:**

Rep. Bob Lake, Chairman (R)  
Rep. Jill Cohenour, Vice Chairman (D)  
Rep. Janna Taylor, Vice Chairman (R)  
Rep. Dick Barrett (D)  
Rep. Mark Blasdel (R)  
Rep. Edward B. Butcher (R)  
Rep. Wanda Grinde (D)  
Rep. Robin Hamilton (D)  
Rep. Brian Hoven (R)  
Rep. Mike Jopek (D)  
Rep. Mike Miller (R)  
Rep. Art Noonan (D)  
Rep. JP Pomnichowski (D)  
Rep. Lee Randall (R)  
Rep. J. David Roundstone (D)  
Rep. Jon Sonju (R)  
Rep. Wayne Stahl (R)  
Rep. Chas Vincent (R)  
Rep. Brady Wiseman (D)

**Members Excused:** Rep. Dave McAlpin (D)

**Members Absent:** None

**Staff Present:** Jeff Martin, Legislative Branch  
Jennifer O'Loughlin, Committee Secretary

**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: SB 11, 1/23/2009; SB 23, 1/23/2009;  
SB 43, 1/23/2009; HJR 2, 1/23/2009

Executive Action: SB 11; SB 43

**HEARING ON SB 43**

**Opening Statement by Sponsor:**

00:02:10 Sen. Christine Kaufmann (D), SD 41, opened the hearing  
on SB 43, Revise list of countries considered tax  
haven.

**Proponents' Testimony:**

00:06:07 Don Hoffman, Montana Taxpayers Association  
00:06:35 Holly Franz, Montana Society of CPAs

**Opponents' Testimony:**

00:07:29 Lee Baerlocher, Department of Revenue (DOR)

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

00:07:55 Rep. Miller  
00:08:11 Rep. Kaufmann

**Closing by Sponsor:**

00:08:43 Rep. Kaufmann  
00:09:32 Chairman Lake closed the hearing.  
00:10:00 Reps. Butcher, Taylor, and Jopek left the room.

**EXECUTIVE ACTION ON SB 43**

**Motion:** Rep. Sonju moved that **SB 43 BE CONCURRED IN.**

**Discussion:**

00:10:27 Rep. Wiseman  
00:11:49 Rep. Miller

00:12:01 Rep. Cohenour  
00:12:48 Chairman Lake  
00:13:31 Rep. Barrett  
00:13:55 Jeff Martin  
00:14:55 Chairman Lake

00:15:04 Rep. Lake called the question on SB 43.

00:15:09 **Vote:** Motion carried unanimously by voice vote. Reps.  
Butcher, Jopek, McAlpin and Taylor voted by proxy

00:15:44 Rep. Wiseman will carry SB 43.

00:16:00 Rep. Butcher entered the room.

### **HEARING ON SB 23**

#### **Opening Statement by Sponsor:**

00:16:47 Sen. David Wanzenried (D), SD 49, opened the hearing on  
SB 23, Revise revenue streams to oil, gas, and coal  
natural resource account.

#### **Proponents' Testimony:**

00:19:52 Dave Cole, Administrator, Community Development  
Division, Department of Commerce  
00:20:48 Allan Peura, Deputy Director, (DOR)

#### **Opponents' Testimony:** None

#### **Informational Testimony:** None

#### **Questions from Committee Members and Responses:**

00:22:07 Rep. Stahl  
00:22:24 Sen. Wanzenried  
00:22:49 Rep. Stahl  
00:22:54 Sen. Wanzenried  
00:23:15 Rep. Wiseman  
00:23:51 Sen. Wanzenried  
00:24:23 Rep. Wiseman  
00:25:07 Sen. Wanzenried

#### **Closing by Sponsor:**

00:25:42 Sen. Wanzenried

00:25:55 Chairman Lake closed the hearing.

00:26:58 Break

00:48:38 Reconvene

**HEARING ON SB 11**

**Opening Statement by Sponsor:**

00:49:01 Sen. Jim Peterson (R), SD 15, opened the hearing on SB 11, Clarify nontaxable amount of gross value of product -metal mines tax.

00:53:35 Rep. Taylor entered the room.

**Proponents' Testimony:**

00:54:19 Harold Blattie, Executive Director, Montana Association of Counties

**Opponents' Testimony:** None

**Informational Testimony:** None

00:55:18 Lee Baerlocher, (DOR)

**Questions from Committee Members and Responses:**

00:55:36 Rep. Hoven

00:55:58 Lee Baerlocher

00:56:10 Rep. Hoven

00:56:27 Lee Baerlocher

00:56:45 Chairman Lake

00:56:52 Rep. Hoven

**Closing by Sponsor:**

00:57:13 Sen. Peterson

00:58:45 Chairman Lake closed the hearing.

**EXECUTIVE ACTION ON SB 11**

00:59:05 **Motion:** Rep. Cohenour moved that **SB 11 BE CONCURRED IN.**

00:59:13 **Motion:** Rep. **Stahl CALLED THE QUESTION ON SB 11.**

00:59:26 **Vote:** Motion carried unanimously by voice vote. Reps. Jopek and McAlpin voted by proxy.

00:59:47 Chairman Lake will carry SB 11.

00:59:48 Rep. Jopek entered the room.

**HEARING ON HJR 2**

**Opening Statement by Sponsor:**

01:00:24 Rep. Mike Jopek (D), HD 4, opened the hearing on HJR 2, Revenue estimating resolution.

**Proponents' Testimony:** None

**Opponents' Testimony:**

01:13:21 David Ewer, Budget Director, Governor's Office

01:19:48 Marco Ferro, MEA-MFT

**Informational Testimony:**

01:20:49 Terry Johnson, Principal Legislative Fiscal Analyst

[EXHIBIT\(tah20a01\)](#)

[EXHIBIT\(tah20a02\)](#)

**Questions from Committee Members and Responses:**

02:08:05 Rep. Barrett

02:08:57 Mr. Johnson

02:11:36 Rep. Sonju

02:11:51 Mr. Johnson

02:12:23 Rep. Sonju

02:12:34 Mr. Johnson

02:12:38 Rep. Sonju

02:12:57 Mr. Johnson

02:13:39 Rep. Sonju

02:13:46 Mr. Johnson  
02:14:01 Rep. Sonju  
02:15:05 Mr. Johnson  
02:16:36 Rep. Sonju  
02:16:52 Mr. Johnson  
02:17:26 Rep. Sonju  
02:17:48 Mr. Johnson  
02:17:58 Rep. Sonju  
02:18:06 Mr. Johnson  
02:18:58 Rep. Cohenour  
02:19:20 Mr. Johnson  
02:20:20 Rep. Cohenour  
02:20:30 Mr. Johnson  
02:20:58 Rep. Cohenour  
02:21:54 Mr. Johnson  
02:23:38 Rep. Cohenour  
02:24:07 Mr. Johnson  
02:26:37 Rep. Cohenour  
02:27:21 Mr. Ewer  
02:30:21 Rep. Cohenour  
02:30:51 Mr. Ewer  
02:31:10 Rep. Butcher  
02:31:43 Mr. Johnson  
02:32:03 Rep. Butcher  
02:33:14 Mr. Johnson  
02:33:57 Chairman Lake  
02:34:30 Rep. Butcher  
02:34:38 Chairman Lake  
02:34:44 Rep. Noonan  
02:36:15 Mr. Johnson  
02:38:01 Rep. Noonan  
02:39:01 Mr. Johnson  
02:40:35 Rep. Wiseman  
02:41:49 Mr. Johnson  
02:42:50 Rep. Hoven  
02:43:40 Mr. Johnson  
02:45:27 Rep. Barrett  
02:45:56 Rep. Butcher  
02:46:52 Mr. Johnson  
02:47:28 Chairman Lake  
02:47:34 Rep. Stahl  
02:48:33 Mr. Johnson  
02:48:52 Mr. Martin  
02:49:09 Rep. Stahl  
02:49:33 Mr. Johnson  
02:49:56 Chairman Lake  
02:50:14 Rep. Stahl  
02:51:33 Mr. Johnson  
02:52:37 Rep. Stahl  
02:52:54 Mr. Johnson

02:53:13 Chairman Lake  
02:53:30 Mr. Johnson  
02:55:16 Chairman Lake  
02:55:30 Mr. Johnson  
02:55:56 Rep. Stahl  
02:56:35 Mr. Ewer  
02:58:00 Rep. Noonan  
02:59:01 Rep. Jopek  
03:01:47 Chairman Lake  
03:02:35 Rep. Noonan  
03:03:14 Chairman Lake

**Closing by Sponsor:**

03:03:34 Rep. Jopek  
03:07:02 Chairman Lake closed the hearing.  
03:07:10 Chairman Lake explained how committee action would  
proceed on HJR 2.  
03:08:12 Rep. Cohenour recommended postponing executive action  
until receiving additional Montana-specific  
information.  
03:09:07 Rep. Stahl  
03:10:00 Chairman Lake  
03:11:48 Rep. Cohenour  
03:12:45 Chairman Lake  
03:13:36 Mr. Martin asked for amendments and listed bills that  
already have amendments.  
03:14:58 Chairman Lake  
03:15:21 Rep. Cohenour

**ADJOURNMENT**

03:15:56 Adjournment: 11:18 A.M.

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Jennifer O'Loughlin, Secretary

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Additional Exhibits

Additional Documents:

**EXHIBIT ([tah20aad.pdf](#))**