

MINUTES

MONTANA SENATE 61st LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chairman Jeff Essmann, on January 29, 2009 at 8:00 A.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Sen. Jeff Essmann, Chairman (R)
Sen. Taylor Brown, Vice Chairman (R)
Sen. Jerry W. Black (R)
Sen. Gary Branae (D)
Sen. Ron Erickson (D)
Sen. Kelly Gebhardt (R)
Sen. Kim Gillan (D)
Sen. Bradley Hamlett (D)
Sen. Christine Kaufmann (D)
Sen. Bruce Tutvedt (R)

Members Excused: Sen. Bob Story Jr. (R)

Members Absent: None.

Staff Present: Lee Heiman, Legislative Branch
Debra Polhemus, 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 259, 1/21/2009; SB 277,
1/23/2009

Executive Action: SB 28 TABLED; SB 210 TABLED
SB 218 TABLED; SB 12 TABLED
SB 132 DO PASS AS AMENDED
SB 198 POSTPONED ACTION

EXECUTIVE ACTION ON SB 28

00:01:04 **Motion:** Sen. Tutvedt moved that **SB 28 DO PASS.**

Discussion:

00:01:26 Sen. Gebhardt

00:03:20 Sen. Kaufmann

00:04:49 Lee Heiman

00:04:58 Sen. Gillan

00:05:46 Sen. Erickson

00:06:49 Sen. Brown

00:07:02 **Substitute Motion/Vote:** Sen. Brown made a substitute motion that **SB 28 BE TABLED**. Substitute motion carried unanimously by voice vote with Sen. Story voting by proxy.

EXECUTIVE ACTION ON SB 198

00:08:52 **Motion:** Sen. Black moved that **SB 198 DO PASS.**

00:09:14 **Motion:** Sen. Gebhardt moved that **SB 198 BE AMENDED.**
EXHIBIT(tas21a01)

Discussion:

00:09:47 Chairman Essmann

00:10:32 Sen. Kaufmann

00:11:56 Chairman Essmann

00:12:19 **Substitute Motion:** Sen. Essmann made a substitute motion that **SB 198 BE AMENDED WITH A CONCEPTUAL AMENDMENT.**

Discussion:

00:13:17 Sen. Kaufmann

00:13:24 Sen. Erickson

00:13:59 Chairman withdrew his motion to amend SB 198 with a conceptual amendment.

00:14:13 Sen. Gebhardt withdrew his motion to amend SB 198.

00:14:20 Sen. Black withdrew his motion, do pass SB 198.

00:14:27 Sen. Tutvedt

EXECUTIVE ACTION ON SB 210

00:15:18 **Motion:** Sen. Erickson moved that **SB 210 DO PASS.**

Discussion:

00:15:25 Sen. Erickson
 00:16:07 Sen. Brown
 00:16:22 Chairman Essmann
 00:16:44 Sen. Tutvedt
 00:17:32 Sen. Gillan
 00:18:15 Sen. Gebhardt
 00:19:57 Sen. Erickson
 00:20:55 Lee Heiman, Legislative Services Division (LSD)
 00:21:26 Sen. Erickson
 00:21:36 Sen. Brown
 00:21:51 Sen. Gebhardt
 00:22:08 Sen. Gillan
 00:23:02 Chairman Essmann
 00:23:16 Sen. Hamlett

 00:23:27 **Substitute Motion/Vote:** Sen. Gebhardt made a substitute motion that **SB 210 BE TABLED**. Substitute motion carried 8-3 by voice vote with Sens. Kaufmann, Erickson and Hamlett voting no and Sen. Story voting by proxy.

 00:24:27 Sen. Black
 00:24:51 Chairman Essmann

EXECUTIVE ACTION ON SB 218

00:25:45 **Motion:** Sen. Gebhardt moved that **SB 218 DO PASS.**

00:26:17 **Motion:** Sen. Gebhardt moved that **SB 218 BE AMENDED**.
[**EXHIBIT**](#)(tas21a02)

Discussion:

00:26:56 Chairman Essmann
 00:27:14 Sen. Gebhardt

 00:27:31 **Vote:** Motion carried unanimously by voice vote with Sen. Story voting by proxy.

 00:27:59 **Motion:** Sen. Gebhardt moved that **SB 218 DO PASS AS AMENDED.**

Discussion:

00:28:02 Sen. Gillan
 00:28:30 Lee Heiman, LSD
 00:28:49 Sen. Gillan
 00:29:09 Sen. Tutvedt
 00:29:47 Sen. Kaufmann
 00:30:39 Sen. Gebhardt
 00:31:00 Sen. Brown

00:31:37 **Substitute Motion/Vote:** Sen. Brown made a substitute motion that **SB 218 BE TABLED**. Substitute motion carried 9-2 by voice vote with Sens. Gebhardt and Hamlett voting no and Sen. Story voting by proxy.

00:32:43 Sen. Story arrived at committee meeting

EXECUTIVE ACTION ON SB 132

00:32:51 **Motion:** Sen. Gebhardt moved that **SB 132 DO PASS**.

00:33:20 **Motion:** Sen. Gebhardt moved that **SB 132 BE AMENDED**.
EXHIBIT(tas21a03)

Discussion:

00:35:32 Lee Heiman, LSD
 00:35:56 Chairman Essmann
 00:36:29 Sen. Kaufmann
 00:36:42 Lee Heiman

00:36:53 **Vote:** Motion carried unanimously by voice vote.

00:37:11 **Motion/Vote:** Sen. Gebhardt moved that **SB 132 DO PASS AS AMENDED**. Motion carried unanimously by voice vote.

EXECUTIVE ACTION ON SB 12

00:38:36 **Motion:** Sen. Gebhardt moved that **SB 12 DO PASS**.

Discussion:

00:39:35 Sen. Story
 00:40:21 Sen. Gebhardt
 00:41:30 Sen. Erickson
 00:42:25 Sen. Gillan
 00:43:53 Sen. Brown
 00:44:23 Sen. Erickson
 00:45:05 Terry Johnson, Legislative Fiscal Division (LFD)

Discussion: (Con't)

00:47:04 Sen. Gebhardt

00:47:37 Sen. Story

00:48:51 Sen. Black

00:49:35 Sen. Kaufmann

00:50:33 **Substitute Motion/Vote:** Sen. Kaufmann made a substitute motion that **SB 12 BE TABLED**. Substitute motion carried 7-4 by roll call vote with Sens. Black, Brown, Gebhardt, and Hamlett voting no.

00:51:46 Sen. Gillan

00:51:59 Chairman Essmann left the committee hearing and Vice Chair Brown assumed the Chair.

00:52:35 Recess

01:00:10 Reconvene

HEARING ON SB 277

Opening Statement by Sponsor:

01:00:28 Sen. Christine Kaufmann (D), SD 41, opened the hearing on SB 277, Box store tax.

Proponents' Testimony:

01:14:47 Bob Decker, The Policy Institute, Helena

01:21:19 Tara Veazey, representing Montana Budget and Policy Center (MBPC)

01:21:39 Jamee Greer, representing Montana Human Rights Network

01:22:06 Judy Smith, self

Opponents' Testimony:

01:23:34 Brad Griffin, representing Montana Retail Association
also speaking for Mary Whittinghill, Montana Taxpayers
Association and Simkins Hallin Lumber Co.

EXHIBIT (tas21a04)

01:28:13 Jon Bennion, representing Montana Chamber of Commerce
01:31:12 Doug Nulle, retired attorney, Clancy
01:34:10 Bruce Spencer, representing Montana Automobile Dealers
Association (MADA)
01:37:48 Ronda Wiggers, representing Great Falls and Helena
Chamber of Commerces
01:40:10 Riley Johnson, representing National Federation of
Independent Businesses (NFIB)
01:41:10 Tom Ebzery, attorney, Billings representing COSTCO

EXHIBIT (tas21a05)

Informational Testimony: None

Questions from Committee Members and Responses:

01:45:46 Sen. Erickson
01:46:18 Jon Bennion
01:46:45 Sen. Erickson
01:49:13 Sen. Kaufmann
01:49:52 Sen. Gebhardt
01:50:27 Sen. Kaufmann
01:51:51 Sen. Hamlett
01:52:36 Jon Bennion
01:53:14 Chairman Brown
01:53:39 Jon Bennion

Closing by Sponsor:

01:55:05 Sen. Kaufmann

02:00:17 Recess

02:05:25 Reconvene

HEARING ON SB 259

Opening Statement by Sponsor:

02:05:39 Sen. Christine Kaufmann (D), SD 41, opened the hearing
on SB 259, Earned income tax credit.

Proponents' Testimony:

02:10:17 Bob Decker, The Policy Institute, Helena

EXHIBIT (tas21a06)

02:17:32 Rep. Julie French, HD 36 on behalf of the Montana
Democratic Womens Caucus

02:19:23 Sen. Carol Juneau, SD 8

02:22:35 Tara Veazey, MBPC

EXHIBIT (tas21a07)

02:26:01 Heather Keller, Great Falls

02:28:38 Judy Smith, speaking for Montana Women Vote

02:32:14 Ray Peck, representing Montana Association of Churches

EXHIBIT (tas21a08)

02:37:18 Kim Abbott, Board Member, Working for Equality and
Economic Liberation (WEEL)

02:38:53 Kristina Davis, representing Montana Children's Defense
Fund

02:41:21 Jamee Greer, representing Montana Human Rights Network

02:42:20 Clyde Dailey, representing Montana Credit Union Network

02:42:59 Andy Heiman, representing AARP

02:43:29 Tom Jacobson, Executive Director, Rule Dynamics, Inc.
(formerly Consumer Counseling, Inc.)

02:45:57 Peter Bovingdon, Montana Legal Services

02:47:49 Judy Reel, representing Montana Coalition Against
Domestic and Sexual Violence (MCADSV)

02:48:14 Ronda Wiggers, representing Helena Chamber of Commerce

Opponents' Testimony:

EXHIBIT (tas21a09)

Written testimony provided by David Ewer, Budget
Director, Budget and Program Planning, Office of the
Governor

Informational Testimony: None

Questions from Committee Members and Responses:

02:50:28 Sen. Gebhardt

02:52:34 Sen. Kaufmann

02:53:32 Sen. Tutvedt

02:53:56 Sen. Kaufmann

02:56:11 Chairman Brown

02:57:13 Bob Decker

02:58:08 Sen. Kaufmann

Closing by Sponsor:

02:59:04 Sen. Kaufmann

ADJOURNMENT

Adjournment: 11:10 A.M.

Debra Polhemus, Secretary

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Additional Documents:

EXHIBIT ([tas21aad.pdf](#))