

MINUTES

MONTANA SENATE 61st LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chairman Jeff Essmann, on March 24, 2009 at
8:30 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. Bob Story Jr. (R)
Sen. Bruce Tutvedt (R)

Members Excused: None

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: NONE

Executive Action:

<u>TABLED:</u>	<u>DO PASS AS AMENDED:</u>	
SB 315	SB 507	SB 490
SB 342	SB 465	SB 489
SB 459	SB 503	SB 506
	SB 509	SB 510

EXECUTIVE ACTION ON SB 507

00:01:14 **Motion:** Sen. Story moved that **SB 507 DO PASS.**

00:02:17 **Motion:** Sen. Story moved that **SB 507 BE AMENDED.**
EXHIBIT(tas65a01)

Discussion:

00:02:38 Sen. Story
00:02:59 Lee Heiman, Legislative Services Division (LSD)
00:09:06 Sen. Story
00:16:08 Sen. Tutvedt
00:17:06 Sen. Gebhardt
00:17:28 Sen. Tutvedt
00:17:55 Chairman Essmann
00:19:16 Sen. Story
00:19:52 Chairman Essmann
00:21:11 Sen. Story
00:21:29 Krista Lee Evans, Association of Gallatin Agricultural
Irrigators (AGAI)
00:22:33 Chairman Essmann
00:22:43 Krista Lee Evans, AGAI
00:25:54 Sen. Erickson
00:26:25 Sen. Story
00:28:30 Lee Heiman, LSD
00:28:50 Sen. Erickson
00:29:06 Lee Heiman
00:29:42 Sen. Story
00:31:10 Sen. Erickson
00:31:36 Sen. Story
00:33:04 Sen. Erickson
00:33:35 Sen. Kaufmann
00:35:18 Sen. Story

00:38:28 **Vote:** Motion carried 9-2 by roll call vote with Sens.
Erickson and Kaufmann voting no.

00:39:22 **Motion:** Sen. Story moved that **SB 507 DO PASS AS**
AMENDED.

Discussion:

00:39:41 Sen. Kaufmann
00:41:59 Chairman Essmann
00:44:25 Sen. Story
00:46:04 Sen. Erickson
00:47:24 Lee Heiman

00:48:10 **Motion:** Sen. Erickson offered a conceptual amendment to insert the text "the value of adjacent property may not be used to determine the value of said property".

Discussion:

00:49:06 Sen. Story
00:50:28 Chairman Essmann

00:50:43 Sen. Erickson withdrew conceptual amendment motion.

Discussion:

00:51:24 Sen. Story
00:54:49 Sen. Kaufmann

00:55:44 **Vote:** Motion carried 9-2 by roll call vote with Sens. Gillan and Kaufmann voting no.

00:57:16 Sen. Story left committee meeting

EXECUTIVE ACTION ON SB 490

00:57:45 **Motion:** Sen. Tutvedt moved that **SB 490 DO PASS.**

00:57:59 **Motion:** Sen. Gebhardt moved that **SB 490 BE AMENDED.**
EXHIBIT (tas65a02)

Discussion:

00:58:30 Lee Heiman
00:59:47 Sen. Gillan
01:00:16 Lee Heiman
01:00:43 Sen. Gillan
01:01:15 Chairman Essmann
01:01:24 Sen. Kaufmann
01:02:34 Lee Heiman
01:03:32 Sen. Kaufmann
01:04:15 Sen. Brown
01:04:36 Sen. Tutvedt
01:05:20 Sen. Hamlett
01:05:38 Sen. Gebhardt
01:06:13 Chairman Essmann
01:06:51 Sen. Erickson
01:07:28 Sen. Tutvedt
01:08:46 Sen. Erickson
01:09:05 Sen. Gillan
01:09:37 Chairman Essmann
01:09:53 Sen. Gillan

Discussion: (Con't)

01:10:17 Chairman Essmann
 01:12:00 Sen. Brown
 01:12:36 Sen. Gillan
 01:13:20 Sen. Gebhardt
 01:13:58 Sen. Gillan
 01:14:21 Lee Heiman
 01:14:51 Sen. Gillan
 01:15:07 Sen. Kaufmann

01:16:03 **Vote:** Motion carried 8-2 by voice vote of those present and voting with Sens. Erickson and Kaufmann voting no.

01:16:51 **Motion:** Sen. Tutvedt moved that **SB 490 DO PASS AS AMENDED.**

Discussion:

01:16:59 Sen. Tutvedt
 01:17:40 Sen. Erickson
 01:18:44 Sen. Black
 01:20:08 Sen. Gillan
 01:20:41 Sen. Erickson

EXHIBIT (tas65a03)

01:22:42 Sen. Tutvedt
 01:22:58 Sen. Erickson
 01:23:17 Sen. Gebhardt

01:24:42 **Vote:** Motion carried 7-3 by roll call vote with Sens. Branae, Erickson, and Kaufmann voting no.

01:25:48 Recess

01:37:57 Reconvene ~ Sens. Kaufmann and Story absent

EXECUTIVE ACTION ON SB 315

01:38:55 **Motion/Vote:** Sen. Tutvedt moved that **SB 315 BE TABLED.** Motion carried unanimously by voice vote of those present and voting.

01:39:36 Vice Chair Brown assumed duties as Chairman.

CONTINUED EXECUTIVE ACTION ON SB 342

(Amendment previously added on March 20, 2009)

01:40:15 **Motion:** Sen. Essmann moved that **SB 342 DO PASS AS AMENDED.**

Discussion:

01:40:24 Sen. Essmann

EXHIBIT (tas65a04)

01:41:54 Sen. Gebhardt

01:42:05 Sen. Branae

01:43:06 Sen. Erickson

01:43:51 Sen. Essmann

01:44:06 Sen. Erickson

01:44:43 Sen. Tutvedt

01:45:44 Sen. Erickson

01:46:33 Sen. Essmann

01:46:56 Sen. Erickson

01:47:11 Sen. Gillan

01:49:17 Vice Chair Brown

01:50:01 Sen. Gebhardt

01:50:28 Sen. Kaufmann returned to committee meeting

01:51:43 Sen. Black

01:52:32 Sen. Essmann

01:54:57 **Vote:** Motion failed 4-6 by roll call vote with Sens. Brown, Essmann, Gebhardt, and Tutvedt voting aye. Without objection from the committee, Sen. Gebhardt requested that the bill be tabled and the vote reversed.

01:55:59 Senator Essmann resumed Chairman responsibilities.

EXECUTIVE ACTION ON SB 459

01:56:37 **Motion:** Sen. Erickson moved that **SB 459 DO PASS.**

Discussion:

01:56:52 Sen. Erickson

01:59:31 Sen. Tutvedt

02:00:46 Sen. Gillan

02:01:43 **Substitute Motion/Vote:** Sen. Black made a substitute motion that **SB 459 BE TABLED.** Substitute motion carried 6-5 by roll call vote with Sens. Branae, Erickson, Gillan, Hamlett, and Kaufmann voting no and Sen. Story voting by proxy.

EXECUTIVE ACTION ON SB 465

02:03:36 **Motion:** Sen. Hamlett moved that **SB 465 DO PASS.**

02:04:20 **Motion:** Sen. Hamlett moved that **SB 465 BE AMENDED.**
EXHIBIT(tas65a05)

Discussion:

02:04:43 Lee Heiman
02:06:55 Sen. Tutvedt
02:07:11 Lee Heiman
02:08:51 Chairman Essmann
02:08:58 Lee Heiman
02:09:54 Chairman Essmann
02:10:45 Sen. Kaufmann
02:11:29 Chairman Essmann
02:11:41 Sen. Kaufmann
02:12:01 Sen. Hamlett
02:13:01 Sen. Gebhardt
02:14:00 Lee Heiman
02:15:25 Chairman Essmann
02:16:57 Sen. Tutvedt
02:17:17 Chairman Essmann

02:17:36 Sen. Gillan left committee meeting

02:17:55 **Substitute Motion:** Sen. Tutvedt made a substitute motion **TO SEGREGATE SECTIONS 1 THROUGH 7 PLUS 11 OF THE AMENDMENT AND TO INCLUDE IT IN SECTION 1 OF SB 465.**

Discussion:

02:19:19 Sen. Kaufmann

02:19:51 **Vote:** Motion carried 8-1 by voice vote of those present and voting.

02:20:20 **Motion/Vote:** Sen. Tutvedt moved that **SB 465 BE AMENDED WITH THE BALANCE OF THE AMENDMENT.** Motion carried unanimously by voice vote of those present and voting.

Discussion:

02:20:48 Lee Heiman
02:20:55 Chairman Essmann

02:21:15 **Motion:** Sen. Hamlett moved that **SB 465 DO PASS AS AMENDED.**

Discussion:

02:21:23 Sen. Brown
02:21:44 Sen. Gebhardt
02:22:50 Chairman Essmann

02:23:03 **Vote:** Motion carried 9-1 by voice vote with Sen. Gillan voting no by proxy and Sen. Story abstaining from vote.

02:23:36 Vice Chair Taylor Brown assumed duties as Chairman.

EXECUTIVE ACTION ON SB 489

02:24:11 **Motion:** Sen. Essmann moved that **SB 489 DO PASS.**

02:25:06 **Motion:** Sen. Black moved that **SB 489 BE AMENDED.**
EXHIBIT(tas65a06)

Discussion:

02:26:10 William Duffield, Montana Association of Oil, Gas & Coal Counties, Inc. (MAOGC)

02:28:42 Sen. Gillan returned to committee meeting

02:32:04 Sen. Essmann
02:33:41 Sen. Erickson
02:34:32 Sen. Gillan
02:36:16 Sen. Essmann
02:37:21 Sen. Black

02:41:11 **Vote:** Motion failed 5-6 by roll call vote with Sens. Black, Branae, Erickson, Hamlett, Kaufmann voting aye and Sen. Story voting by proxy.

02:42:34 **Motion:** Sen. Essmann moved that **SB 489 BE AMENDED.**
EXHIBIT(tas65a07)

Discussion:

02:43:13 John Alke, Attorney, Helena, representing Williston Basin Interstate Pipeline company and Fidelity Exploration & Production Company and Bitter Creek

02:44:54 **Vote:** Motion carried unanimously by voice vote of those present and voting.

02:45:23 **Motion:** Sen. Essmann moved that **SB 489 DO PASS AS AMENDED.**

Discussion:

02:45:33 Sen. Kaufmann
02:45:56 Sen. Essmann
02:47:21 Sen. Gillan
02:48:59 Sen. Black
02:50:14 Sen. Erickson

02:50:56 **Vote:** Motion carried 8-3 by roll call vote with Sens. Branae, Erickson, and Kaufmann voting no and Sen. Story voting by proxy.

EXECUTIVE ACTION ON SB 503

02:52:40 **Motion:** Sen. Essmann moved that **SB 503 DO PASS.**

02:53:03 **Motion/Vote:** Sen. Essmann moved that **SB 503 BE AMENDED.** Motion carried unanimously by voice vote of those present and voting.

EXHIBIT(tas65a08)

02:54:45 **Motion:** Sen. Essmann moved that **SB 503 DO PASS AS AMENDED.**

Discussion:

02:54:59 Sen. Essmann
02:56:50 Sen. Erickson

02:57:32 **Vote:** Motion carried 7-3 by voice vote of those present and voting with Sens. Erickson, Gillan, and Kaufmann voting no.

EXECUTIVE ACTION ON SB 506

02:58:51 **Motion:** Sen. Essmann moved that **SB 506 DO PASS.**

02:59:14 **Motion/Vote:** Sen. Essmann moved that **SB 506 BE AMENDED.** Motion carried unanimously by voice vote of those present and voting.

EXHIBIT(tas65a09)

03:00:20 **Motion:** Sen. Essmann moved that **SB 506 BE AMENDED.**

EXHIBIT(tas65a10)

Discussion:

03:00:47 Sen. Essmann
03:01:43 Sen. Erickson
03:02:34 Sen. Essmann

03:03:41 **Vote:** Motion carried 9-1 by voice vote of those present and voting with Sen. Erickson voting no.

03:04:40 **Motion:** Sen. Essmann moved that **SB 506 BE AMENDED. EXHIBIT(tas65a11)**

Discussion:

03:05:01 Sen. Essmann
03:08:22 Sen. Tutvedt
03:08:47 Sen. Erickson
03:09:35 Sen. Hamlett
03:09:45 Sen. Essmann
03:10:08 Vice Chair Brown
03:10:15 Sen. Gillan
03:10:43 Sen. Essmann

03:11:21 **Vote:** Motion failed 3-7 by roll call vote with Sens. Essmann, Gebhardt, and Gillan voting aye.

03:12:45 **Motion:** Sen. Gillan moved that **SB 506 BE AMENDED. EXHIBIT(tas65a12)**

Discussion:

03:13:29 Lee Heiman
03:13:49 Sen. Essmann

03:13:56 **Vote:** Motion carried unanimously by voice vote of those present and voting.

03:14:06 **Motion:** Sen. Essmann moved that **SB 506 DO PASS AS AMENDED.**

Discussion:

03:14:17 Sen. Essmann
03:18:18 Sen. Erickson
03:19:36 Sen. Gebhardt
03:20:01 Sen. Tutvedt
03:20:35 Sen. Black
03:21:11 Sen. Gillan
03:22:26 Sen. Essmann

03:25:36 **Vote:** Motion carried 6-5 by roll call vote with Sens. Black, Brown, Hamlett, Story, and Tutvedt voting no and Sen. Story voting by proxy.

EXECUTIVE ACTION ON SB 509

03:26:58 **Motion:** Sen. Gebhardt moved that **SB 509 DO PASS.**

03:27:09 **Motion/Vote:** Sen. Gebhardt moved that **SB 509 BE AMENDED.** Motion carried unanimously by voice vote of those present and voting.

[EXHIBIT\(tas65a13\)](#)

[EXHIBIT\(tas65a14\)](#)

03:29:08 **Motion:** Sen. Gebhardt moved that **SB 509 DO PASS AS AMENDED.**

Discussion:

03:29:39 Sen. Erickson

03:30:19 **Vote:** Motion carried 7-3 by voice vote of those present and voting with Sens. Branae, Kaufmann and Erickson voting no.

EXECUTIVE ACTION ON SB 510

03:30:56 **Motion:** Sen. Gebhardt moved that **SB 510 DO PASS.**

03:31:06 **Motion:** Sen. Gebhardt moved that **SB 510 BE AMENDED.**

[EXHIBIT\(tas65a15\)](#)

[EXHIBIT\(tas65a16\)](#)

Discussion:

03:31:36 Sen. Gebhardt

03:33:21 **Vote:** Motion carried unanimously by voice vote of those present and voting.

03:33:41 **Motion:** Sen. Gebhardt moved that **SB 510 DO PASS AS AMENDED.**

Discussion:

03:33:53 Sen. Erickson

03:34:02 **Vote:** Motion carried 9-1 by voice vote of those present and voting with Sen. Kaufmann voting no.

Committee Business:

03:34:35 Chairman Essmann

03:34:45 Sen. Erickson

03:35:25 Chairman Essmann

03:35:43 Sen. Kaufmann

ADJOURNMENT

Adjournment: 12:10 P.M.

Debra Polhemus, Secretary

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Additional Documents:

EXHIBIT ([tas65aad.pdf](#))