

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 62nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Mark Blasdel, on March 17, 2011 at 9:00 A.M., in Room 152 Capitol

ROLL CALL

Members Present:

Rep. Mark Blasdel, Chairman (R)
Rep. Mike Miller, Vice Chairman (R)
Rep. Kelly Flynn (R)
Rep. Alan Hale (R)
Rep. Brian Hoven (R)
Rep. Austin Knudsen (R)
Rep. Steve Lavin (R)
Rep. Sue Malek (D)
Rep. Edith (Edie) McClafferty (D)
Rep. Mary McNally (D)
Rep. Jerry O'Neil (R)
Rep. Mike Phillips (D)
Rep. Lee Randall (R)
Rep. Wayne Stahl (R)
Rep. Janna Taylor (R)
Rep. Kathleen Williams (D)
Rep. Max Yates (R)

Members Excused: None

Members Absent: Rep. Dick Barrett, Vice Chairman (D)
Rep. Steve Fitzpatrick (R)

Staff Present: Lisa Adams, Committee Secretary
Jeff Martin, Legislative Branch

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: HJ 2, 3/11/2011

HEARING ON HJ 2**Opening Statement by Sponsor:**

00:01:40 Rep. Roy Hollandsworth (R), HD 28, opened the hearing on HJ 2, Revenue estimating resolution.

Informational Testimony:

00:04:44 Terry Johnson, Principle Fiscal Analyst, Legislative Fiscal Division (LFD)

[**EXHIBIT\(tah60a01\)**](#)

[**EXHIBIT\(tah60a02\)**](#)

00:10:20 Presentation outline

00:10:46 Information Sources

00:11:05 Rep. Barrett arrived.

00:12:28 National Economic Indicators

00:14:23 State Economic Indicators

00:15:50 Sources with Significant Revisions

00:21:41 Sources with Accounting/Timing Issues

00:25:33 Fiscal 2011 to Date Summary

00:27:01 Individual Income Tax Refunds July 1 to December 31

00:29:56 Individual Income Tax Refunds January 1 to March 16

00:31:54 Individual Withholding Tax

00:33:02 Individual Estimated Tax

00:33:45 Individual Withholding & Estimated Tax components

00:34:35 Corporation Income Tax Estimated Payments

00:37:34 Corporation Income Tax Refunds Through February

00:38:28 Montana Oil Production

00:39:56 Montana Oil Rig Counts

00:40:25 North Dakota Oil Rig Counts

00:40:44 Montana Wellhead Oil Price

00:41:39 Montana Gas Production

00:42:24 Montana Wellhead Gas Price

00:42:47 Montana Coal Production

00:43:19 Montana FOB Coal Price

00:43:33 Recommended Adjustments to HJ2

00:47:02 Summary Points

00:49:21 Rep. Fitzpatrick arrived.

00:52:14 General fund Revenue - Actual vs Estimated

00:54:12 Ryan Evans, Finance Manager, Governor's Budget Office

00:54:37 Eric Dale, Senior Revenue Analyst, Governor's Budget Office

00:54:55 Ralph Franklin, Senior Revenue Analyst, Governor's Budget Office

Proponents' Testimony: None**Opponents' Testimony:**

00:55:16 David Ewer, Budget Director, Governor's Budget Office (GOV)

00:56:21 Rep. Hale left.

[**EXHIBIT\(tah60a03\)**](#)

00:58:46 Rep. Hale arrived.

01:06:00 Rep. Knudsen left.

01:07:45 Rep. Randall left.

01:10:29 Rep. Randall arrived.
01:12:58 Chairman Blasdel left.
01:13:02 Chris Aageson, Economic Development, Governor's Budget Office (GOV)
EXHIBIT(tah60a04)
01:13:45 Rep. Knudsen arrived.
01:13:55 Rep. McClafferty left.
01:13:56 Rep. Phillips left.
01:16:54 Tara Veazey, Montana Budget & Policy Center (MBPC)
01:16:58 Chairman Blasdel arrived.
01:19:37 Anita Roessmann, Advocate, Disability Rights Montana
01:20:21 Rep. Lavin left.
01:21:19 Rep. Phillips arrived.
01:21:47 Molly Severtson, Executive Director, The Policy Institute
01:22:23 Eric Burke, Montana Education Association - Montana Federation of Teachers
01:22:57 Rep. Lavin arrived.
01:23:16 Rep. Taylor left.
01:23:56 Rep. McClafferty arrived.
01:24:06 Rep. Taylor arrived.
01:26:01 Chris Cavazos, Political Coordinator, Montana American Federation of Labor and Congress of Industrialized Organizations
01:26:34 Rep. Malek left.
01:26:54 Sheena Rice, Montana Organizing Project
01:28:16 Stacey Anderson, Director of Public Affairs, Planned Parenthood of Montana (PPMT)
01:30:10 Rep. Malek arrived.
01:30:31 Travis Hoffman, Montanans for Centers for Independent Living
01:32:29 Lora Wier, Montana Public Health Association
01:32:57 Amanda Harrow, Montana Small Business Alliance (MSBA)
01:35:41 Claudia Clifford, Advocacy Director, American Association of Retired Persons (AARP)
01:37:19 Ken Richardson, Architect, CTA Architects Engineers
01:42:07 Kelsen Young, Executive Director, Coalition Against Domestic and Sexual Violence
01:42:52 Rep. Knudsen left.
01:43:50 Alex Corcoran, Director of Programs and Public Policy, National Abortion Rights Action League Pro-Choice Montana (NARAL)
01:44:41 Kristina Davis, Director, Children's Defense Fund (CDF)
01:46:56 Rep. Randall left.
01:47:04 Olivia Riutta, Montana Women Vote
01:48:18 Vice Chairman Miller left.
01:49:14 Rep. Phillips left.
01:49:15 Rep. Barrett left
01:49:16 Vice Chairman Miller arrived.
01:49:18 Jamee Greer, Montana Human Rights network

Questions from Committee Members and Responses:

01:50:13 Vice Chairman Miller
01:50:55 Dir. Ewer, GOV
01:51:02 Rep. Phillips and Rep. Barrett arrived.
01:52:14 Rep. Knudsen arrived.

01:53:03 Rep. Hale left.
01:53:08 Vice Chairman Miller
01:53:24 Dir. Ewer
01:54:27 Vice Chairman Miller
01:54:51 Dir. Ewer
01:54:56 Rep. Phillips
01:55:49 Mr. Johnson, LFD
01:56:10 Rep. Phillips
01:56:31 Mr. Johnson
01:57:04 Rep. Phillips
01:57:11 Mr. Johnson
01:57:16 Rep. Randall arrived.
01:57:45 Rep. McClafferty left.
01:57:58 Rep. Phillips
01:58:34 Rep. McClafferty arrived.
01:59:07 Mr. Johnson
02:00:23 Rep. Hale arrived.
02:01:05 Rep. Phillips
02:01:24 Mr. Johnson
02:01:32 Rep. Phillips
02:02:14 Mr. Johnson
02:02:47 Rep. Phillips
02:03:02 Mr. Johnson
02:03:30 Rep. Phillips
02:03:55 Mr. Johnson
02:04:23 Rep. Phillips
02:04:47 Dir. Ewer
02:06:52 Rep. Fitzpatrick
02:07:22 Mr. Johnson
02:08:32 Rep. Fitzpatrick
02:08:44 Dir. Ewer
02:11:28 Rep. Fitzpatrick
02:11:52 Mr. Johnson
02:13:19 Rep. Barrett
02:14:09 Rep. Fitzpatrick left.
02:14:35 Mr. Johnson
02:15:40 Rep. Barrett
02:16:29 Mr. Johnson
02:16:58 Rep. Barrett
02:17:30 Mr. Johnson
02:18:10 Rep. Barrett
02:18:37 Mr. Johnson
02:18:39 Rep. Barrett
02:19:04 Mr. Johnson
02:19:30 Rep. Barrett
02:20:05 Mr. Johnson
02:20:26 Rep. Barrett
02:21:16 Mr. Johnson
02:21:58 Rep. Barrett
02:22:18 Rep. Taylor

02:23:07 Dir. Ewer
02:23:13 Rep. Taylor
02:23:16 Rep. Randall left.
02:23:35 Rep. McNally left.
02:23:44 Dir. Ewer
02:24:15 Rep. Taylor
02:25:08 Dir. Ewer
02:26:00 Rep. Taylor
02:26:08 Rep. Fitzpatrick arrived.
02:26:17 Amy Carlson, LFD
02:27:09 Rep. McNally arrived.
02:28:24 Rep. Taylor
02:29:04 Ms. Carlson
EXHIBIT(tah60a05)
02:30:31 Rep. Taylor
02:30:35 Rep. O'Neil
02:31:33 Mr. Johnson
02:32:27 Rep. O'Neil
02:32:37 Mr. Johnson
02:33:03 Rep. Phillips
02:33:48 Dir. Ewer
02:34:04 Vice Chairman Miller left.
02:34:09 Rep. Phillips
02:34:11 Dir. Ewer
02:34:17 Rep. Phillips
02:34:59 Dir. Ewer
02:35:06 Rep. Phillips
02:35:26 Dir. Ewer
02:35:30 Rep. Phillips
02:35:38 Mr. Johnson
02:38:06 Rep. Hoven
02:38:43 Dir. Ewer
02:38:49 Vice Chairman Miller arrived.
02:40:45 Rep. Phillips
02:41:10 Dir. Ewer
02:41:15 Chairman Blasdel left.
02:41:16 Rep. Phillips
02:41:45 Rep. Hollandsworth
02:42:10 Vice Chairman Miller
02:42:24 Mr. Johnson
02:42:41 Vice Chairman Miller
02:42:52 Mr. Johnson
02:42:55 Rep. Stahl
02:43:18 Rep. Phillips left.
02:43:38 Mr. Johnson
02:44:27 Rep. Hale left.
02:45:08 Rep. Stahl
02:45:32 Rep. Phillips arrived.
02:45:43 Mr. Johnson
02:46:17 Rep. Stahl

02:46:40 Mr. Johnson
02:46:54 Rep. Knudsen left.
02:47:06 Rep. Stahl
02:47:16 Chairman Blasdel arrived.
02:48:14 Mr. Johnson
02:48:32 Rep. Stahl
02:48:52 Mr. Johnson
02:49:12 Rep. Stahl
02:49:19 Rep. Hale arrived.
02:50:23 Mr. Johnson
02:51:21 Rep. Stahl
02:51:40 Mr. Johnson
02:51:51 Rep. Stahl
02:52:55 Mr. Johnson
02:54:03 Rep. Williams
02:54:57 Mr. Johnson
02:55:18 Rep. Williams
02:55:37 Mr. Johnson
02:55:56 Rep. Barrett and Rep. Phillips left.
02:57:04 Rep. Williams
02:57:11 Rep. Phillips arrived.
02:57:37 Mr. Johnson
02:58:12 Rep. Williams
02:58:27 Mr. Johnson
02:58:45 Rep. Malek
02:59:13 Rep. Barrett arrived.
02:59:19 Dir. Ewer
03:00:11 Rep. Malek
03:00:54 Dir. Ewer
03:01:08 Rep. Flynn left.
03:02:24 Rep. Malek
03:02:38 Dir. Ewer
03:03:09 Rep. Malek
03:03:22 Dir. Ewer
03:03:26 Rep. Malek
03:03:35 Dir. Ewer
03:05:18 Rep. Malek
03:05:54 Mr. Johnson
03:06:18 Rep. Malek
03:06:37 Rep. Flynn arrived.
03:06:49 Mr. Johnson
03:08:20 Rep. Malek
03:09:43 Mr. Johnson
03:11:00 Rep. Malek
03:11:11 Mr. Johnson
03:11:58 Rep. Malek
03:12:20 Dir. Ewer
03:14:43 Rep. Yates
03:15:25 Rep. O'Neil left.
03:15:34 Mr. Johnson

03:15:50 Rep. Randall left.
03:16:40 Rep. Yates
03:17:19 Mr. Johnson
03:17:51 Vice Chairman Miller left.
03:18:07 Rep. Yates
03:18:17 Mr. Johnson
03:18:27 Rep. Stahl left.
03:18:43 Rep. Yates
03:19:15 Dir. Ewer
03:20:10 Vice Chairman Miller arrived.
03:20:38 Rep. Yates
03:21:13 Rep. O'Neil arrived.
03:21:23 Dir. Ewer
03:22:30 Rep. Stahl arrived.
03:22:45 Rep. McNally left.
03:22:52 Rep. Phillips
03:22:56 Rep. Stahl left.
03:23:20 Mr. Johnson
03:23:23 Rep. Phillips
03:23:27 Rep. McClafferty left.
03:23:34 Mr. Johnson
03:24:17 Rep. Phillips
03:25:03 Rep. Stahl arrived.
03:25:08 Rep. Hoven
03:25:28 Rep. Barrett
03:25:58 Rep. Knudsen arrived.
03:26:20 Chairman Blasdel
03:26:25 Rep. Barrett
03:27:10 Chairman Blasdel
03:27:24 Rep. McClafferty

Closing by Sponsor:

03:27:51 Hearing Closed without Rep. Hollandsworth closing

03:27:58 Rep. Phillips
03:28:36 Rep. Hale left.
03:28:42 Chairman Blasdel
03:29:38 Rep. Barrett
03:29:51 Chairman Blasdel
03:30:11 Rep. Barrett
03:30:48 Chairman Blasdel

ADJOURNMENT

03:30:53 Adjournment: 12:33 p.m.

Lisa Adams, Secretary

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Additional Documents:

EXHIBIT([tah60aad.pdf](#))