

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 64th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Mike Miller, on April 14, 2015 at 8:00 AM, in Room 152 Capitol

ROLL CALL

Members Present:

Rep. Mike Miller, Chair (R)
Rep. Greg Hertz, Vice Chair (R)
Rep. Kathleen Williams, Vice Chair (D)
Rep. Zach Brown (D)
Rep. Rob Cook (R)
Rep. Geraldine Custer (R)
Rep. Mary Ann Dunwell (D)
Rep. Kelly Flynn (R)
Rep. Steve Lavin (R)
Rep. Albert Olszewski (R)
Rep. Alan Redfield (R)
Rep. Nicholas Schwaderer (R)
Rep. Bridget Smith (D)
Rep. Kerry White (R)
Rep. Nancy Wilson (D)
Rep. Daniel Zolnikov (R)

Members Excused:

Rep. Tom Jacobson (D)
Rep. Ed Lieser (D)
Rep. Edith (Edie) McClafferty (D)
Rep. Lee Randall (R)

Members Absent: None

Staff Present: Megan Moore, Legislative Branch
Erica Siate, Committee Secretary
Stephanie Morrison, 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:

Executive Action: SB 194; SB 264; SB 394; SB 171; SB 157

00:00:00 Chair Miller

00:01:43 Rep. Jacobson entered the meeting.
00:01:59 Rep. Lieser entered the meeting.
00:02:14 Stephanie Morrison, Legislative Fiscal Division (LFD)
[EXHIBIT\(tah75a01\)](#)

00:10:39 Rep. White
00:12:12 Stephanie Morrison, LFD
00:15:53 Chair Miller
00:16:11 Rep. Dunwell
00:16:24 Stephanie Morrison, LFD
00:16:49 Chair Miller
00:16:58 Rep. Lieser left the meeting.

EXECUTIVE ACTION ON SB 194

00:17:20 **Motion:** Rep. Hertz moved that **SB 194 BE CONCURRED IN.**

Discussion:

00:17:28 Megan Moore, Legislative Services Division (LSD)
00:17:58 Rep. Schwaderer
00:18:11 Rep. Jacobson

00:19:48 **Motion:** Rep. Jacobson moved that **SB 194 BE AMENDED.**

EXHIBIT(tah75a02)

Discussion:

00:20:59 Megan Moore, LSD
00:21:31 Rep. Jacobson
00:21:36 Chair Miller
00:21:40 Megan Moore, LSD
00:21:49 Dan Dodds, Department of Revenue (DOR)
00:22:13 Rep. Jacobson
00:22:26 Megan Moore, LSD
00:22:39 Rep. Jacobson
00:22:53 Dan Dodds, DOR
00:23:12 Rep. Jacobson
00:23:34 Rep. Hertz
00:23:58 Dan Dodd, DOR
00:24:37 Rep. Hertz

00:25:04 **Vote:** Motion carried unanimously by voice vote. Rep. Lieser, Rep. McClafferty and Rep. Randall voted by proxy.

00:25:44 **Motion:** Rep. Hertz moved that **SB 194 BE CONCURRED IN AS AMENDED.**

Discussion:

00:25:56 Rep. Jacobson
00:26:19 Rep. Hertz
00:26:35 Megan Moore, LSD
00:27:01 Rep. Williams

00:28:02 **Vote:** Motion carried 18-2 by voice vote with Rep. Redfield and Rep. Schwaderer voting no. Rep. Lieser, Rep. McClafferty and Rep. Randall voted by proxy. Rep. Jacobson will carry the bill.

EXECUTIVE ACTION ON SB 264

00:28:58 **Motion:** Rep. Hertz moved that **SB 264 BE CONCURRED IN.**

Discussion:

[EXHIBIT\(tah75a03\)](#)
[EXHIBIT\(tah75a04\)](#)
[EXHIBIT\(tah75a05\)](#)

00:31:06 Chair Miller
00:32:04 Megan Moore, LSD
00:32:36 Chair Miller
00:32:41 Megan Moore, LSD

00:33:05 **Motion:** Rep. Olszewski moved that **SB 264 BE AMENDED.**
EXHIBIT(5)

Discussion:

00:34:07 Rep. Williams
00:34:14 Rep. Olszewski
00:34:47 Rep. Hertz
00:34:54 Rep. Olszewski

00:35:05 **Vote:** Motion carried 14-6 by roll call vote with Rep. Cook, Rep. Flynn, Rep. Miller, Rep. Randall, Rep. Redfield and Rep. Zolnikov voting no. Rep. Lieser, Rep. McClafferty and Rep. Randall voted by proxy.

00:35:51 Rep. Williams
00:36:13 Rep. Olszewski

00:38:12 **Motion:** Rep. Hertz moved that **SB 264 BE CONCURRED IN AS AMENDED.**

00:38:21 **Motion/Vote:** Rep. Hertz moved that **SB 264 BE AMENDED.** Motion carried 17-3 by voice vote with Rep. Randall, Rep. Redfield and Rep. Zolnikov voting no. Rep. Lieser, Rep. McClafferty and Rep. Randall voted by proxy.

EXHIBIT(3)

00:39:21 **Motion:** Rep. Hertz moved that **SB 264 BE CONCURRED IN AS AMENDED.**

00:39:31 **Motion:** Rep. Hertz moved that **SB 264 BE AMENDED.**
EXHIBIT(4)

Discussion:

00:40:01 Rep. Williams

00:40:24 Chair Miller

00:40:28 **Vote:** Motion carried unanimously by voice vote. Rep. Lieser, Rep. McClafferty and Rep. Randall voted by proxy.

00:40:48 **Motion:** Rep. Hertz moved that **SB 264 BE CONCURRED IN AS AMENDED.**

Discussion:

00:40:56 Rep. Flynn

00:41:13 Chair Miller

00:42:10 Rep. Wilson

00:42:32 Rep. Dunwell

00:43:43 **Vote:** Motion carried 16-4 by roll call vote with Rep. Cook, Rep. Randall, Rep. Redfield and Rep. Zolnikov voting no. Rep. Lieser, Rep. McClafferty and Rep. Randall voted by proxy. Rep. White will carry the bill.

00:45:13 Recessed

02:03:23 Reconvened

02:03:24 Rep. Lieser entered the meeting.

EXECUTIVE ACTION ON SB 394

02:04:00 **Motion:** Rep. Hertz moved that **SB 394 BE CONCURRED IN.**

02:05:07 **Motion:** Rep. Hertz moved that **SB 394 BE AMENDED.**
[EXHIBIT\(tah75a06\)](#)

Discussion:

02:05:56 Rep. Williams

02:06:11 Rep. Hertz

02:06:16 **Vote:** Motion carried unanimously by voice vote. Rep. McClafferty and Rep. Randall voted by proxy.

02:06:32 **Motion:** Rep. Hertz moved that **SB 394 BE CONCURRED IN AS AMENDED.**

Discussion:

02:06:50 Rep. Williams

02:07:10 **Vote:** Motion failed 10-10 by roll call vote with Rep. Flynn, Rep. Hertz, Rep. Lavin, Rep. Miller, Rep. Olszewski, Rep. Randall, Rep. Redfield, Rep. Schwaderer, Rep. White and Rep. Zolnikov voting aye. Rep. McClafferty and Rep. Randall voted by proxy.

02:08:52 **Motion/Vote:** Rep. Hertz moved that **SB 394 BE TABLED**. Motion carried 14-6 by voice vote with Rep. Hertz, Rep. Lavin, Rep. Randall, Rep. Redfield, Rep. Schwaderer and Rep. Zolnikov voting no. Rep. McClafferty and Rep. Randall voted by proxy.

EXECUTIVE ACTION ON SB 157

02:10:17 **Motion:** Rep. Hertz moved that **SB 157 BE CONCURRED IN**.

02:10:18 **Motion/Vote:** Rep. Schwaderer moved that **SB 157 BE TABLED**. Motion failed 7-13 by roll call vote with Rep. Hertz, Rep. Lavin, Rep. Olszewski, Rep. Randall, Rep. Schwaderer, Rep. White and Rep. Zolnikov voting aye. Rep. McClafferty and Rep. Randall voted by proxy.

02:12:04 Megan Moore, Legislative Services Division (LSD)

02:12:06 **Motion:** Rep. Flynn moved that **SB 157 BE AMENDED**.
[EXHIBIT\(tah75a07\)](#)

Discussion:

02:14:04 Rep. Cook
02:14:23 Rep. Flynn
02:14:29 Rep. Williams
02:15:27 Rep. Schwaderer
02:15:45 Rep. Hertz
02:16:23 Rep. Redfield
02:16:43 Rep. Zolnikov

02:17:00 **Vote:** Motion carried 14-6 by roll call vote with Rep. Brown, Rep. Dunwell, Rep. Jacobson, Rep. McClafferty, Rep. Williams and Rep. Wilson voting no. Rep. McClafferty and Rep. Randall voted by proxy.

02:18:36 **Motion:** Rep. Hertz moved that **SB 157 BE CONCURRED IN AS AMENDED**.

02:19:28 **Motion:** Rep. Lieser moved that **SB 157 BE AMENDED**.
[EXHIBIT\(tah75a08\)](#)

Discussion:

02:21:26 Rep. Cook
02:21:45 Mike Kadas, Department of Revenue (DOR)
02:22:02 Rep. Cook
02:22:19 Mike Kadas, DOR
02:22:21 Rep. Cook

- 02:22:39 Chair Miller
02:23:01 Cynthia Monteau Moore, Department of Revenue (DOR)
02:23:13 Rep. Redfield
02:23:29 Rep. Lieser
02:23:32 Cynthia Monteau Moore, DOR
02:24:16 Mike Kadas, DOR
02:24:43 Rep. Redfield
02:24:51 Rep. Dunwell
02:25:09 Rep. Williams
02:25:34 Rep. Lieser
- 02:26:07 **Vote:** Motion carried 14-6 by voice vote with Rep. Hertz, Rep. Randall, Rep. Redfield, Rep. Schwaderer, Rep. White and Rep. Zolnikov voting no. Rep. McClafferty and Rep. Randall voted by proxy.
- 02:27:10 **Motion:** Rep. Hertz moved that **SB 157 BE CONCURRED IN AS AMENDED.**
- 02:28:08 **Motion:** Rep. Hertz moved that **SB 157 BE AMENDED.**
EXHIBIT(tah75a09)
- Discussion:**
02:28:14 Megan Moore, LSD
02:29:07 Rep. Hertz
02:30:22 Megan Moore
02:30:40 Chair Miller
02:30:40 Rep. Zolnikov left the meeting.
02:30:44 Rep. Williams
02:31:47 Mike Kadas, DOR
- 02:32:08 **Vote:** Motion carried 18-2 by voice vote with Rep. Schwaderer and Rep. B. Smith voting no. Rep. McClafferty, Rep. Randall and Rep. Zolnikov voted by proxy.
- 02:32:08 **Motion:** Rep. Hertz moved that **SB 157 BE CONCURRED IN AS AMENDED.**
- Discussion:**
02:33:02 Megan Moore, LSD
02:33:04 Rep. White
02:35:29 Rep. Schwaderer
02:36:20 Rep. Z. Brown
02:38:12 Rep. Custer
02:39:41 Rep. Jacobson
02:40:27 Rep. Lavin
02:42:47 Rep. Williams
02:44:32 Rep. Flynn
02:45:12 Rep. Hertz

02:47:16 **Vote:** Motion carried 12-8 by roll call vote with Rep. Hertz, Rep. Lavin, Rep. Olszewski, Rep. Randall, Rep. Redfield, Rep. Schwaderer, Rep. White and Rep. Zolnikov voting no. Rep. McClafferty, Rep. Randall and Rep. Zolnikov voted by proxy. Rep. Cook will carry the bill.

02:49:49 Chair Miller
02:50:22 Rep. Williams
02:50:54 Megan Moore, LSD
02:51:05 Chair Miller
02:51:09 Megan Moore
02:51:10 Rep. Smith left the meeting.

02:51:39 Recessed
03:11:22 Reconvened

03:11:40 Megan Moore, LSD
03:11:43 Chair Miller

EXECUTIVE ACTION ON SB 171

03:11:47 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN.**

03:12:18 **Motion:** Rep. Hertz moved that **SB 171 BE AMENDED.**
EXHIBIT(tah75a10)

Discussion:
03:12:39 Megan Moore, Legislative Services Division (LSD)
03:13:37 Chair Miller

03:13:42 **Vote:** Motion carried unanimously by voice vote. Rep. McClafferty, Rep. Randall, Rep. Smith and Rep. Zolnikov voted by proxy.

03:14:06 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN AS AMENDED.**

03:14:18 **Motion:** Rep. Hertz moved that **SB 171 BE AMENDED.**
EXHIBIT(tah75a11)

Discussion:
03:14:28 Megan Moore, LSD

03:14:53 **Vote:** Motion carried 18-2 by voice vote with Rep. Randall and Rep. Zolnikov voting no. Rep. McClafferty, Rep. Randall, Rep. Smith and Rep. Zolnikov voted by proxy.

03:15:02 Rep. Smith entered the meeting.

03:15:38 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN AS AMENDED.**

03:15:38 **Motion:** Rep. Hertz moved that **SB 171 BE AMENDED.**
[EXHIBIT\(tah75a12\)](#)

Discussion:

03:15:50 Megan Moore, LSD

03:16:13 **Vote:** Motion carried unanimously by voice vote. Rep. McClafferty, Rep. Randall and Rep. Zolnikov voted by proxy.

03:16:40 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN AS AMENDED.**

03:16:46 **Motion:** Rep. Hertz moved that **SB 171 BE AMENDED.**
[EXHIBIT\(tah75a13\)](#)

Discussion:

03:17:22 Megan Moore, LSD

03:17:32 Rep. Hertz

03:17:46 Megan Moore, LSD

03:18:08 Rep. Hertz

03:18:20 Rep. Williams

03:18:33 Megan Moore, LSD

03:18:56 Rep. Williams

03:18:59 Rep. Hertz

03:19:13 Megan Moore, LSD

03:19:19 Rep. Hertz

03:19:33 Rep. Williams

03:20:07 **Vote:** Motion failed 10-10 by roll call vote with Rep. Brown, Rep. Custer, Rep. Dunwell, Rep. Jacobson, Rep. Lieser, Rep. McClafferty, Rep. Miller, Rep. B. Smith, Rep. Williams and Rep. Wilson voting aye. Rep. McClafferty, Rep. Randall and Rep. Zolnikov voted by proxy.

03:21:46 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN AS AMENDED.**

03:21:59 **Motion:** Rep. Hertz moved that **SB 171 BE AMENDED.**
[EXHIBIT\(tah75a14\)](#)

Discussion:

03:22:35 Megan Moore, LSD

03:22:40 Rep. Hertz

03:23:40 Rep. Dunwell

03:24:03 Megan Moore, LSD

03:24:36 Chair Miller

03:24:40 Megan Moore, LSD

03:25:38 Rep. Williams

03:25:50 Rep. Hertz

03:26:05 Megan Moore, LSD

03:26:46 Rep. Hertz

03:27:06 Megan Moore, LSD

- 03:27:24 Rep. Hertz
- 03:27:53 **Vote:** Motion failed 10-10 by roll call vote with Rep. Brown, Rep. Cook, Rep. Flynn, Rep. Hertz, Rep. Lavin, Rep. Miller, Rep. Olszewski, Rep. Randall, Rep. Redfield and Rep. Zolnikov voting aye. Rep. McClafferty, Rep. Randall and Rep. Zolnikov voted by proxy.
- 03:30:10 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN AS AMENDED.**
- 03:30:25 **Motion:** Rep. Williams moved that **SB 171 BE AMENDED.**
EXHIBIT(tah75a15)

Discussion:

- 03:32:56 Megan Moore, LSD
- 03:33:01 Rep. Williams
- 03:33:28 Megan Moore, LSD
- 03:33:34 Rep. Williams
- 03:34:55 Rep. Schwaderer
- 03:36:07 Rep. Z. Brown
- 03:36:19 Rep. Zolnikov entered the meeting.
- 03:36:44 Rep. Williams
- 03:37:13 Rep. Hertz
- 03:37:34 Rep. Redfield
- 03:38:00 Rep. Williams
- 03:38:19 Chair Miller
- 03:38:21 **Vote:** Motion failed 10-10 by roll call vote with Rep. Brown, Rep. Custer, Rep. Dunwell, Rep. Jacobson, Rep. Lieser, Rep. McClafferty, Rep. Miller, Rep. B. Smith, Rep. Williams and Rep. Wilson voting aye. Rep. McClafferty and Rep. Randall voted by proxy.
- 03:39:40 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN AS AMENDED.**
- 03:39:53 **Motion:** Rep. Miller moved that **SB 171 BE AMENDED.**
EXHIBIT(tah75a16)

Discussion:

- 03:41:26 Rep. Williams
- 03:41:44 Heather O'Loughlin, Montana Budget and Policy Center
- 03:42:29 Chair Miller
- 03:43:10 Heather O'Loughlin, Montana Budget and Policy Center
- 03:43:33 Chair Miller
- 03:43:55 Rep. Schwaderer
- 03:44:46 Rep. Dunwell
- 03:44:57 Megan Moore, LSD
- 03:45:53 Rep. Hertz
- 03:46:09 Megan Moore, LSD
- 03:46:29 Rep. Hertz
- 03:47:03 Megan Moore, LSD
- 03:47:31 Rep. Williams

03:47:51 Dan Dodds, DOR
03:48:18 Rep. Williams
03:48:42 Chair Miller
03:49:20 Rep. Williams

03:50:20 **Vote:** Motion carried 13-7 by roll call vote with Rep. Hertz, Rep. Lavin, Rep. McClafferty, Rep. Randall, Rep. Redfield, Rep. Wilson and Rep. Zolnikov voting no. Rep. McClafferty and Rep. Randall voted by proxy.

03:51:25 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN AS AMENDED.**

03:51:42 **Motion:** Rep. Hertz moved that **SB 171 BE AMENDED.**

Discussion:

03:52:29 Megan Moore, LSD
03:52:32 Rep. Hertz

03:52:42 **Vote:** Motion carried unanimously by voice vote. Rep. McClafferty and Rep. Randall voted by proxy.

03:53:04 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN AS AMENDED.**

03:53:16 **Motion:** Rep. Hertz moved that **SB 171 BE AMENDED.**

[EXHIBIT\(tah75a17\)](#)

Discussion:

03:54:00 Megan Moore, LSD
03:54:35 Rep. Hertz
03:54:49 Sen. Tutvedt
03:55:43 Rep. White
03:55:52 Chair Miller
03:56:03 Rep. Schwaderer
03:56:48 Chair Miller
03:56:59 Rep. Schwaderer
03:57:09 Chair Miller
03:57:26 Dan Dodds, DOR
03:58:27 Chair Miller

03:58:40 **Vote:** Motion carried 19-1 by roll call vote with Rep. Schwaderer voting no. Rep. McClafferty and Rep. Randall voted by proxy.

04:00:00 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN AS AMENDED.**

04:00:12 **Motion:** Rep. Cook moved that **SB 171 BE AMENDED.**

[EXHIBIT\(tah75a18\)](#)

Discussion:

04:00:48 Rep. Schwaderer
04:01:07 Rep. Jacobson
04:02:02 Rep. Flynn

04:03:02 **Vote:** Motion carried 15-5 by voice vote with Rep. Randall, Rep. Redfield, Rep. Schwaderer, Rep. White and Rep. Zolnikov voting no. Rep. McClafferty and Rep. Randall voted by proxy.

04:03:30 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN AS AMENDED.**

Discussion:

04:04:13 Rep. Schwaderer

04:04:36 **Motion:** Rep. Hertz moved that **SB 171 BE AMENDED.**
[EXHIBIT\(tah75a19\)](#)

Discussion:

04:05:09 Megan Moore, LSD

04:05:13 **Vote:** Motion carried 19-0 by voice vote. Rep. McClafferty and Rep. Randall voted by proxy.

04:05:58 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN AS AMENDED.**

04:06:04 **Motion:** Rep. Jacobson moved that **SB 171 BE AMENDED.**
[EXHIBIT\(tah75a20\)](#)

Discussion:

04:06:55 Megan Moore, LSD

04:07:18 **Vote:** Motion carried 14-6 by voice vote with Rep. Cook, Rep. Hertz, Rep. Olszewski, Rep. Randall, Rep. Redfield and Rep. White voting no. Rep. McClafferty and Rep. Randall voted by proxy.

04:08:37 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN AS AMENDED.**

04:08:45 **Motion:** Rep. Williams moved that **SB 171 BE AMENDED TO SEGREGATE AMENDMENT SB0171171.adb.**

Discussion:

04:09:34 Megan Moore, LSD

04:09:49 Without objection, Rep. Williams withdrew the **BE AMENDED TO SEGREGATE AMENDMENT SB0171171.adb** motion.

04:10:49 **Motion:** Rep. Williams moved that **SB 171 BE AMENDED CONCEPTUALLY TO REENACT THE BIG SKY ON THE BIG SCREEN BILL.**

Discussion:

04:11:06 Rep. Schwaderer

04:11:20 **Vote:** Motion carried 13-7 by roll call vote with Rep. Cook, Rep. Hertz, Rep. Olszewski, Rep. Randall, Rep. Redfield, Rep. White and Rep. Zolnikov voting no. Rep. McClafferty and Rep. Randall voted by proxy.

04:13:13 **Motion:** Rep. Hertz moved that **SB 171 BE CONCURRED IN AS AMENDED.**

Discussion:

04:13:26 Rep. Schwaderer

04:14:01 Rep. Zolnikov

04:14:21 Rep. Olszewski

04:14:44 Rep. Williams

04:14:53 Rep. Dunwell

04:15:39 Rep. Williams

04:15:42 **Vote:** Motion carried 15-5 by roll call vote with Rep. Jacobson, Rep. Olszewski, Rep. Randall, Rep. Redfield and Rep. White voting no. Rep. McClafferty and Rep. Randall voted by proxy. Rep. Cook will carry the bill.

04:17:07 Chair Miller

04:17:20 Rep. Williams

04:17:42 Rep. Hertz

04:17:55 Chair Miller

ADJOURNMENT

Adjournment: 04:18:12

Erica Siate, Secretary

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Additional Documents:

EXHIBIT([tah75aad.pdf](#))