

MINUTES

MONTANA SENATE 64th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Bruce Tutvedt, on March 24, 2015 at 8:00 AM, in Room 405 Capitol

ROLL CALL

Members Present:

Sen. Bruce Tutvedt, Chair (R)
Sen. Fred Thomas, Vice Chair (R)
Sen. Duane Ankney (R) (arrived after roll call)
Sen. Dick Barrett (D)
Sen. Taylor Brown (R) (arrived after roll call)
Sen. Jill Cohenour (D)
Sen. Brian Hoven (R)
Sen. Christine Kaufmann (D)
Sen. Sue Malek (D)
Sen. JP Pomnichowski (D)
Sen. Janna Taylor (R) (arrived after roll call)

Members Excused: Sen. Mark Blasdel (R)

Members Absent: None

Staff Present: Jaret Coles, Legislative Branch
Julie Ward, 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: HB 228, 3/23/2015, SB 404, 3/23/2015, SB 407, 3/23/2015

Executive Action: SB 399 - Do Pass As Amended

HEARING ON SB 407**Opening Statement by Sponsor:**

00:00:06 Sen. Chas Vincent (R), SD 1, opened the hearing on SB 407, Revise tax-exempt status requirements for certain nonprofit pharmacy operations.

[EXHIBIT\(tas61a01\)](#)

[EXHIBIT\(tas61a02\)](#)

[EXHIBIT\(tas61a03\)](#)

[EXHIBIT\(tas61a04\)](#)

[EXHIBIT\(tas61a05\)](#)

[EXHIBIT\(tas61a06\)](#)

[EXHIBIT\(tas61a07\)](#)

[EXHIBIT\(tas61a08\)](#)

00:21:02 Chairman Tutvedt left the meeting. Vice Chair Thomas assumed duties of the chair.

Proponents' Testimony:

00:22:32 Michael Wells, pharmacist, Kootenai Drug, Libby

Opponents' Testimony:

00:35:02 Tammy Cox, Southwest Montana Community Health Center (SWMTCHC)

00:43:36 Don Foley, Southwest Montana Community Health Center (SWMTCHC)

00:47:24 Landon Godfrey, pharmacist, Polson

00:52:53 Bob Marsalli, Montana Primary Care Association (MPCA)

[EXHIBIT\(tas61a09\)](#)

00:57:48 Aidan Myhre, Kalispell Regional Medical Center (KRMC)

[EXHIBIT\(tas61a10\)](#)

01:01:12 Bob Olsen, Montana Hospital Association (MHA)

01:08:43 Mike Foster, Catholic Hospitals

01:11:11 Bill Warden, Benefis Health System

01:12:36 Aimee Gromoljez, attorney, Crowley Fleck Law; Billings Clinic

Informational Testimony:

01:15:48 Nick Domitrovich, Department of Health and Human Services (DPHHS)

Questions from Committee Members and Responses:

01:16:24 Chairman Thomas

01:16:47 Ms. Myhre, KRMC

01:18:07 Sen. Barrett

01:19:18 Mr. Marsalli, MPCA

01:21:05 Sen. Barrett

01:21:43	Mr. Marsalli
01:22:46	Sen. Ankney
01:23:14	Mr. Marsalli
01:25:40	Sen. Ankney
01:26:55	Mr. Marsalli
01:28:48	Sen. Cohenour
01:29:16	Mr. Foley, SWMTCHC
01:29:40	Sen. Cohenour
01:30:04	Mr. Foley
01:30:33	Sen. Cohenour
01:31:13	Mr. Wells, Kootenai Drug
01:31:24	Sen. Cohenour
01:32:23	Mr. Wells
01:33:46	Sen. Kaufmann
01:34:18	Ms. Cox, SWMTCHC
01:36:34	Sen. Kaufmann
01:36:55	Ms. Cox
01:37:23	Sen. Kaufmann
01:37:38	Sen. Vincent
01:38:55	Sen. Kaufmann
01:39:56	Ms. Cox
01:41:29	Sen. Kaufmann
01:42:11	Mr. Marsalli
01:43:05	Sen. Brown
01:44:11	Ms. Myhre
01:45:28	Sen. Brown
01:46:27	Ms. Myhre
01:47:47	Sen. Brown
01:48:11	Ms. Myhre
01:48:34	Sen. Brown
01:48:56	Mr. Wells
01:49:11	Sen. Brown
01:49:21	Mr. Wells
01:49:37	Sen. Brown
01:49:54	Mr. Marsalli
01:50:17	Sen. Brown
01:51:06	Mr. Marsalli
01:53:24	Sen. Barrett
01:53:52	Ms. Cox
01:54:18	Sen. Barrett
01:54:31	Ms. Cox
01:54:44	Sen. Barrett
01:55:21	Sen. Vincent
01:57:01	Sen. Malek
01:57:51	Mr. Wells
01:58:16	Sen. Malek
01:58:35	Mr. Wells
01:58:46	Sen. Malek
01:59:32	Mr. Wells
02:00:31	Sen. Malek

02:01:06 Mr. Wells
02:01:19 Sen. Hoven
02:01:44 Mr. Marsalli
02:02:36 Sen. Hoven
02:03:01 Mr. Marsalli
02:03:19 Sen. Hoven
02:04:10 Mr. Foley

Closing by Sponsor:

02:06:14 Sen. Vincent
[EXHIBIT\(tas61a11\)](#)
[EXHIBIT\(tas61a12\)](#)
[EXHIBIT\(tas61a13\)](#)
[EXHIBIT\(tas61a14\)](#)

HEARING ON SB 404

Opening Statement by Sponsor:

02:20:06 Sen. Elsie Arntzen (R), SD 26, opened the hearing on SB 404, Revise education funding laws related to tax increment financing.
[EXHIBIT\(tas61a15\)](#)
[EXHIBIT\(tas61a16\)](#)

Proponents' Testimony:

02:28:17 Kevin Olsen, representing himself
02:32:53 Diane Fladmo, Montana Education Association-Montana Federation of Teachers (MEA-MFT)

Opponents' Testimony:

02:33:53 Steve Arveschough, Big Sky Economic Development
02:37:17 Chairman Tutvedt returned to the meeting and resumed duties of the chair.
02:40:30 Greg Krueger, director, Downtown Billings Association (DBA)
02:44:30 David Nielsen, Montana League of Cities and Towns (MLCT)
02:48:40 Harold Blattie, executive director, Montana Association of Counties (MACo)
02:52:27 John MacDonald, City of Missoula (CM)

Informational Testimony:

02:53:44 Bob Miller, Legislative Fiscal Division (LFD)
02:53:57 Bob Story, Montana Taxpayers Association (MONTAX)
02:54:10 Mike Kadas, director, Department of Revenue (DOR)

Questions from Committee Members and Responses:

02:54:29 Sen. Barrett
02:55:27 Mr. Kadas DOR

02:55:45 Sen. Barrett
02:56:18 Mr. Kadas
02:56:44 Sen. Barrett
02:57:31 Mr. Kadas
02:58:13 Sen. Malek
02:58:36 Mr. Krueger, DBA
02:59:28 Sen. Malek
02:59:54 Mr. Krueger
03:00:20 Sen. Hoven
03:01:24 Mr. Krueger
03:02:51 Sen. Hoven
03:03:23 Mr. Krueger
03:04:44 Sen. Cohenour
03:05:05 Mr. Kadas
03:06:40 Sen. Cohenour
03:07:02 Mr. Kadas
03:07:25 Sen. Thomas
03:07:43 Chairman Tutvedt
03:07:52 Mr. Kadas
03:11:37 Chairman Tutvedt
03:11:57 Mr. Kadas
03:13:03 Chairman Tutvedt
03:13:19 Mr. Krueger
03:13:50 Sen. Malek
03:14:36 Mr. MacDonald, CM
03:15:11 Sen. Barrett
03:15:52 Mr. Krueger

Closing by Sponsor:

03:16:50 Sen. Arntzen

HEARING ON HB 228

Opening Statement by Sponsor:

03:22:36 Rep. Tom Berry (R), HD 40, opened the hearing on HB 228, Increase coal board funding until June 30, 2019.
03:23:28 Sen. Taylor joined the meeting

Proponents' Testimony:

03:24:54 Bud Clinch, executive director, Montana Coal Council (MCC)
[EXHIBIT\(tas61a17\)](#)
[EXHIBIT\(tas61a18\)](#)
[EXHIBIT\(tas61a19\)](#)

03:33:13 Jim Atchison, executive director, Southeast Montana Economic Development
03:35:41 Llevando Fisher, president, Northern Cheyenne Tribes
[EXHIBIT\(tas61a20\)](#)

03:36:33 Rep. Geraldine Custer, HD 39
03:37:46 Robert Goffena, county commissioner, Musselshell County
03:39:44 Jason Rittal, Eastern Plains Montana Economic Development Corporation
03:40:31 Jon Metropoulos, Montana Association of Oil, Gas and Coal Counties
03:40:50 Chad Sealey, superintendent of schools, Roundup
03:41:42 Rep. Rae Peppers, HD 41
03:42:07 Nicole Borner, representing herself
03:43:21 Bob Gilbert, Rosebud, Musselshell, Dawson, Glendive Counties
03:45:22 George Real Bird, county commissioner, Big Horn County

[EXHIBIT\(tas61a21\)](#)

[EXHIBIT\(tas61a22\)](#)

03:47:35 David Picchioni, representing himself

Opponents' Testimony:

03:48:11 Doug Mitchell, deputy director, Department of Revenue (DOR)

Informational Testimony: None

Questions from Committee Members and Responses:

03:50:02 Sen. Kaufmann
03:50:27 Mr. Mitchell, DOR
03:51:36 Sen. Malek
03:51:51 Rep. Berry
03:52:44 Sen. Malek
03:52:52 Rep. Berry
03:53:14 Sen. Malek
03:53:21 Rep. Berry
03:53:57 Chairman Tutvedt
03:54:13 Rep. Berry
03:55:02 Sen. Ankney
03:55:38 Rep. Berry

Closing by Sponsor:

03:56:11 Rep. Berry

EXECUTIVE ACTION ON SB 399

03:58:49 **Motion:** Sen. Thomas moved that **SB 399 DO PASS.**

03:59:18 **Motion:** Sen. Thomas moved that **SB 399 BE AMENDED.**

[EXHIBIT\(tas61a23\)](#)

Discussion:

04:00:48 Jaret Coles, Legislative Services Division (LSD)

[EXHIBIT\(tas61a24\)](#)

04:02:28 Sen. Thomas
04:03:59 Chairman Tutvedt
04:04:08 Mr. Coles, LSD
04:04:31 Sen. Thomas
04:05:07 Chairman Tutvedt
04:05:22 Mr. Coles
04:06:11 Chairman Tutvedt
04:06:19 Sen. Barrett
04:07:43 Aimee Gromoljez, attorney, Crowley Fleck Law Firm
04:09:26 Chairman Tutvedt
04:09:53 Sen. Thomas
04:11:14 Sen. Barrett
04:11:51 Sen. Taylor
04:12:12 Chairman Tutvedt
04:12:21 Sen. Thomas
04:12:33 Chairman Tutvedt
04:12:40 Sen. Kaufmann

04:12:50 **Vote:** Motion carried unanimously by voice vote of those present and voting.

04:12:51 **Motion:** Sen. Thomas moved that **SB 399 BE AMENDED.**
EXHIBIT(tas61a25)

Discussion:

04:21:58 Mr. Coles

04:13:02 **Vote:** Motion carried unanimously by voice vote of those present and voting.

04:13:20 **Motion:** Sen. Thomas moved that **SB 399 BE AMENDED AND TO CHANGE THE WORD "BOARD" TO "DEPARTMENT" IN THE AMENDMENT.**
EXHIBIT(tas61a26)

Discussion:

04:13:26 Mr. Coles LSD
04:15:07 Chairman Tutvedt
04:15:30 Sen. Malek
04:15:39 Sen. Pomnichowski

04:16:25 **Vote:** Motion carried unanimously by **Voice Vote** of those present and voting.

04:16:50 **Motion:** Sen. Thomas moved that **SB 399 BE AMENDED AND TO CHANGE THE WORD "BOARD" TO "DEPARTMENT" IN THE AMENDMENT.**
EXHIBIT(tas61a27)

Discussion:

04:17:00 Mr. Coles

04:17:29 **Vote:** Motion carried unanimously by voice vote of those present and voting.

04:18:13 **Motion:** Sen. Thomas moved that **SB 399 BE AMENDED AND TO CHANGE THE WORD "BOARD" TO "DEPARTMENT" IN THE AMENDMENT.**

EXHIBIT(tas61a28)

Discussion:

04:18:25 Mr. Coles

04:19:23 **Vote:** Motion carried unanimously by voice vote of those present and voting.

04:19:55 Mr. Coles

04:20:08 **Motion/Vote:** Sen. Thomas moved that **SB 399 DO PASS AS AMENDED.** Motion carried unanimously by voice vote of those present and voting.

Sen. Brown was not present in the hearing room.

Discussion:

04:21:13 Chairman Tutvedt

04:22:04 Mr. Coles

04:25:08 **Motion/Vote:** Sen. Thomas moved to **RECONSIDER THE ACTION ON SB 399.** The motion carried 9-1 by voice vote with Sen. Pomnichowski voting no. Sen. Blasdel and Sen. Brown were excused.

04:25:45 **Motion:** Sen. Thomas moved that **SB 399 DO PASS.**

04:25:52 **Motion:** Sen. Thomas moved that **SB 399 BE AMENDED.**

EXHIBIT(tas61a29)

Discussion:

04:25:26 Mr. Coles

04:26:36 Chairman Tutvedt

04:26:42 Mr. Coles

04:26:52 **Vote:** Motion carried 9-1 by voice vote with Sen. Pomnichowski voting no. Sen. Brown and Sen. Blasdel were excused.

04:27:14 **Motion/Vote:** Sen. Thomas moved that **SB 399 DO PASS AS AMENDED.** Motion carried 10-0 by voice vote. Sen. Blasdel and Sen. Brown were excused.

Discussion:

04:28:06 Sen. Barrett

04:28:33 Sen. Cohenour

04:28:49 Chairman Tutvedt
04:29:17 Sen. Cohenour

ADJOURNMENT

Adjournment: 12:38 P.M.

Julie Ward, Secretary

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Additional Documents:

EXHIBIT([tas61aad.pdf](#))