

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 65th LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON TAXATION

**Call to Order:** Chair Jeff Essmann, on April 4, 2017 at 8:00 AM, in Room 152 Capitol

#### ROLL CALL

**Members Present:**

Rep. Jeff Essmann, Chair (R)  
Rep. Kelly Flynn, Vice Chair (R)  
Rep. Tom Jacobson, Vice Chair (D)  
Rep. Kim Abbott (D)  
Rep. Becky Beard (R)  
Rep. Zach Brown (D)  
Rep. Mary Ann Dunwell (D)  
Rep. Dave Fern (D)  
Rep. Wylie Galt (R)  
Rep. Jim Hamilton (D)  
Rep. Adam Hertz (R)  
Rep. Steve Lavin (R)  
Rep. James O'Hara (R)  
Rep. Alan Redfield (R)  
Rep. Tom Welch (R)  
Rep. Kerry White (R)

**Members Excused:**

Rep. Ron Ehli (R)  
Rep. Greg Hertz (R)  
Rep. George G. Kipp III (D)  
Rep. Bridget Smith (D)

**Members Absent:** None

**Staff Present:** Margot Miltenberger, Committee Secretary  
Megan Moore, 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: SB 317, 3/31/2017  
Executive Action on: SB 126; SB 94

00:01:20 Rep. G. Hertz joined the meeting

**EXECUTIVE ACTION ON SB 126**

00:01:52 **Motion:** Rep. Flynn moved that **SB 126 BE CONCURRED IN.**

00:03:01 **Motion:** Rep. G. Hertz moved that **SB 126 BE AMENDED.**  
**EXHIBIT(tah70a01)**

**Discussion:**

00:03:13 Megan Moore, Legislative Services Division (LSD)

00:04:35 Rep. G. Hertz

00:05:04 Rep. Dunwell

00:05:29 Chair Essmann

00:05:52 Rep. Z. Brown

00:06:08 Rep. G. Hertz

00:06:38 **Vote:** Motion carried 17-3 by voice vote with Rep. Beard, Rep. Dunwell and Rep. Hamilton voting no. Rep. Ehli, Rep. Kipp and Rep. B. Smith voted by proxy.

00:07:26 **Motion:** Rep. Flynn moved that **SB 126 BE CONCURRED IN AS AMENDED.**

**Discussion:**

00:07:41 Rep. Dunwell

00:08:01 **Vote:** Motion carried 14-6 by roll call vote with Rep. Abbott, Rep. Dunwell, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting no. Rep. Ehli, Rep. Kipp and Rep. B. Smith voted by proxy. Rep. Fern will carry the bill.

**HEARING ON SB 317**

**Opening Statement by Sponsor:**

00:09:38 Sen. Daniel Salomon (R), SD 47, opened the hearing on SB 317, Revise interest assessment on taxes other than individual income taxes.

**Proponents:**

00:13:31 Bridger Mahlum, Montana Chamber of Commerce (MCC)

**EXHIBIT(tah70a02)**

00:18:53 Peggy Trenk, Treasure State Resources Association (TSRA)

00:20:42 Todd O'Hair, Cloud Peak Energy (CPE)

00:24:22 Bob Story, Montana Taxpayers Association (Montax)

00:25:58 Holly Franz, Montana Society of CPAs (MSCPA)

**Opponents:**

00:27:40 Director Mike Kadas, Department of Revenue (DOR)

**EXHIBIT(tah70a03)**

**Informational Witnesses:** None

**Questions from Committee Members and Responses:**

00:35:48 Rep. Fern  
00:35:54 Rep. Kipp III joined the meeting  
00:37:53 Lee Baerlocher, Department of Revenue (DOR)  
00:39:07 Rep. White  
00:40:52 Lee Baerlocher, DOR  
00:41:31 Rep. Beard  
00:42:11 Sen. Salomon  
00:42:22 Rep. G. Hertz  
00:43:37 Lee Baerlocher, DOR  
00:44:53 Rep. G. Hertz  
00:45:33 Director Mike Kadas, DOR  
00:45:44 Rep. Flynn  
00:46:00 Lee Baerlocher, DOR  
00:46:34 Rep. Dunwell  
00:47:30 Director Mike Kadas, DOR  
00:49:11 Rep. Flynn  
00:49:34 Lee Baerlocher, DOR  
00:49:49 Rep. Jacobson  
00:50:37 Lee Baerlocher, DOR  
00:51:22 Rep. Hamilton  
00:52:28 Lee Baerlocher, DOR  
00:52:53 Rep. Hamilton  
00:53:26 Todd O'Hair, Cloud Peak Energy  
00:55:09 Rep. Fern  
00:55:43 Lee Baerlocher, DOR  
00:55:52 Rep. Beard  
00:56:26 Lee Baerlocher, DOR  
00:56:46 Rep. Dunwell  
00:58:47 Lee Baerlocher, DOR

**Closing by Sponsor:**

00:59:00 Sen. Salomon

**EXECUTIVE ACTION ON SB 94**

01:01:57 **Motion:** Rep. Flynn moved that **SB 94 BE CONCURRED IN.**

**Discussion:**

01:02:10 Megan Moore, LSD  
01:02:27 Rep. G. Hertz  
01:02:35 Rep. Fern

**EXHIBIT(tah70a04)**

01:03:55 **Motion:** Rep. Fern moved that **SB 94 BE AMENDED.**

**EXHIBIT(tah70a05)****Discussion:**

01:04:19 Megan Moore, LSD  
01:06:06 Rep. Fern

01:09:35 Rep. Flynn  
01:09:55 Rep. G. Hertz  
01:10:36 Rep. Hamilton  
01:11:02 Rep. Fern  
01:12:07 Rep. Hamilton  
01:12:15 Rep. Beard  
01:12:30 Rep. Fern  
01:12:58 Rep. G. Hertz  
01:13:21 Rep. Dunwell  
01:13:43 Director Mike Kadas, DOR  
01:13:55 Rep. Dunwell  
01:14:07 Chair Essmann  
01:14:39 Rep. Fern

01:15:33 **Vote:** Motion carried 18-2 by roll call vote with Rep. Beard and Rep. White voting no. Rep. Ehli and Rep. B. Smith voted by proxy.

01:17:57 Recessed  
01:36:51 Reconvened

01:37:00 **Motion/Vote:** Rep. Flynn moved that **SB 94 BE CONCURRED IN AS AMENDED**. Motion carried 18-2 by voice vote with Rep. Abbott and Rep. A. Hertz voting no. Rep. Ehli and Rep. B. Smith voted by proxy. Rep. Fern will carry the bill.

**Discussion:**

01:37:57 Rep. G. Hertz  
01:38:36 Chair Essmann  
01:39:16 Rep. Abbott  
01:39:54 Rep. Flynn  
01:40:10 Chair Essmann  
01:40:29 Rep. Dunwell  
01:40:46 Rep. Hamilton  
01:41:00 Rep. Flynn  
01:42:23 Rep. Dunwell  
01:42:42 Rep. Flynn

**ADJOURNMENT**

Adjournment: 01:43:39

---

Margot Miltenberger, Secretary

mm

Additional Documents:

**EXHIBIT([tah70aad.pdf](#))**