

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 66th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Alan Redfield, on March 26, 2019 at 8:00 A.M., in Room 152
Capitol

ROLL CALL

Members Present:

Rep. Alan Redfield, Chair (R)
Rep. Becky Beard, Vice Chair (R)
Rep. Zach Brown, Vice Chair (D)
Rep. Kim Abbott (D)
Rep. Mary Ann Dunwell (D)
Rep. Dave Fern (D)
Rep. John Fuller (R)
Rep. Joshua Kassmier (R)
Rep. Emma Kerr-Carpenter (D)
Rep. Rhonda Knudsen (R)
Rep. Lola Sheldon-Galloway (R)
Rep. Bridget Smith (D)
Rep. Tom Welch (R)
Rep. Kerry White (R)
Rep. Daniel Zolnikov (R)

Members Excused: Rep. Wylie Galt (R)
Rep. Greg Hertz (R)
Rep. Marilyn Marler (D)

Members Absent: None

Staff Present: Chris Bushnell, 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: HB 646, 3/22/2019; HB 650, 3/22/2019; HB 673, 3/22/2019; HB 691, 3/22/2019; HB 723, 3/22/2019

Executive Action: HB 646, HB 650, HB 673, HB 691, HB 707, HB 723, HB 733

HEARING ON HB 646**Opening Statement by Sponsor:**

08:01:53 Rep. Andrea Olsen (D), HD 100, opened the hearing on HB646, Provide tax credit for purchase of a gun safe.

Proponents' Testimony:

08:04:04 John Mott, M.D., Self
[EXHIBIT\(tah62a01\)](#)

08:05:57 Paulette Kohlman, Self
[EXHIBIT\(tah62a02\)](#)

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

08:09:38 Rep. Fern
08:10:34 Rep. Olsen
08:12:17 Rep. Dunwell
08:12:40 Rep. Olsen
08:13:37 Rep. Dunwell
08:13:52 Rep. Olsen
08:14:24 Rep. Smith
08:14:50 Rep. Olsen
08:15:02 Rep. R. Knudsen
08:15:36 Rep. Olsen
08:16:13 Rep. Dunwell
08:16:49 Vice Chair Beard
08:16:56 Rep. Dunwell
08:17:13 Dr. Mott, Self
08:18:43 Rep. Fuller
08:19:13 Rep. Olsen

Closing by Sponsor:

08:20:41 Rep. Olsen

HEARING ON HB 691**Opening Statement by Sponsor:**

08:22:04 Rep. Tom Woods (D), HD 62, opened the hearing on HB691, Eliminate oil and gas tax holiday.

[EXHIBIT\(tah62a03\)](#)

08:26:26 Chair Redfield left the meeting and Vice Chair Beard assumed the Chair.

Proponents' Testimony:

08:27:11 Heather O'Loughlin, Montana Budget and Policy Center (MBPC)
[EXHIBIT\(tah62a04\)](#)

08:28:20 Rep. White left the meeting.

08:28:40 Cody Ferguson, Northern Plains Resource Council (NPRC)

08:30:14 S.J. Howell, Montana Women Vote (MWV)

Opponents' Testimony:

08:31:11 Alan Olson, Montana Petroleum Association (MPA)

08:34:19 Bob Story, Montana Taxpayers Association (MTA)

08:36:25 E.J. Redding, Bainville Public School

08:36:52 Shelby DeMars, Montana Gas and Oil Counties

08:38:49 Peggy Trenk, Treasure State Resources Association (TSRA)

EXHIBIT(tah62a05)

08:40:06 Ed Bartlett, Continental Resources

08:42:23 Loren Young, Richland County

08:45:11 Bridger Mahlum, Montana Chamber of Commerce (MCC)

08:45:45 Roy Rost, Fallon County

08:46:37 Rep. Zolnikov left the meeting.

08:47:17 Jerry Collins, Garfield County

Informational Testimony:

08:47:41 Lee Baerlocher, Montana Department of Revenue (DOR)

Questions from Committee Members and Responses:

08:48:04 Rep. Dunwell

08:48:53 Lee Baerlocher, DOR

08:50:10 Rep. Marler entered the meeting.

08:50:36 Rep. White entered the meeting.

08:51:00 Rep. Sheldon-Galloway

08:52:00 Alan Olson, MPA

08:54:13 Rep. Dunwell

08:54:49 Heather O'Loughlin, MBPC

08:56:26 Rep. Sheldon-Galloway

08:56:59 Lee Baerlocher, DOR

Closing by Sponsor:

08:57:37 Rep. Woods

HEARING ON HB 673

Opening Statement by Sponsor:

09:00:53 Rep. Daniel Zolnikov (R), HD 45, opened the hearing on HB673, Constitutional amendment to prohibit or limit tax increases on appeal.

EXHIBIT(tah62a06)

Proponents' Testimony:

09:09:33 Bob Story, Montana Taxpayers Association (MTA)

Opponents' Testimony:

09:11:17 Dan Whyte, Montana Department of Revenue (DOR)

Informational Testimony:

09:15:58 Dave McAlpin, Montana Tax Appeal Board (MTAB)

Questions from Committee Members and Responses:

09:16:32 Rep. White
09:17:35 Dan Whyte, DOR
09:19:31 Rep. White
09:20:58 Dan Whyte, DOR
09:22:03 Rep. Fern
09:23:08 Dave McAlpin, MTAB
09:23:46 Rep. Fern
09:24:29 Rep. Zolnikov
09:27:11 Vice Chair Brown
09:27:32 Dave McAlpin, MTAB
09:29:30 Vice Chair Brown
09:29:51 Dave McAlpin, MTAB

Closing by Sponsor:

09:31:08 Rep. Zolnikov

HEARING ON HB 650**Opening Statement by Sponsor:**

09:34:20 Rep. Mary Ann Dunwell (D), HD 84, opened the hearing on HB650, Generally revise alcohol taxation.

Proponents' Testimony:

09:40:09 Shauna Helfert, Montana Department of Revenue (DOR)
09:40:29 Zoe Barnard, Montana Department of Public Health and Human Services (DPHHS)
09:42:58 Heather O'Loughlin, MBPC
09:43:54 Drenda Niemann, Lewis and Clark Public Health LCPH, Association of Montana Public Health Officials (AMPHO), Montana Public Health Association (MPHA), Montana Environmental Health Association (MEHA)
09:45:48 Stacey Anderson, Montana Primary Care Association (MPCA)
09:47:02 Kimberly Gardner, Intermountain
09:49:45 S.J. Howell, Montana Women Vote (MWV)
09:50:35 Aimee Grmoljez, Montana Behavioral Health Alliance (MBHA)

Opponents' Testimony:

09:51:23 Mitch Konen, Montana Grain Growers Association (MGGA)
09:54:14 Kristi Blazer, Montana Beer and Wine Distributors Association
09:55:24 Mark Taylor, Anheuser-Busch

EXHIBIT(tah62a07)

09:57:13 Bob Story, Montana Taxpayers Association
09:59:20 Rep. Redfield entered the meeting.
09:59:37 Ethan Kohoutek, Montana Brewers Association (MBA)
10:00:25 Melissa Lewis, Miller-Coors
10:02:04 Bridger Mahlum, Montana Chamber of Commerce (MCC)

Informational Testimony: None

Questions from Committee Members and Responses:

10:03:12 Rep. Kerr-Carpenter
10:03:41 Zoe Barnard, DPHHS
10:03:48 Rep. Kerr-Carpenter
10:03:51 Zoe Barnard, DPHHS
10:13:57 Rep. Kerr-Carpenter
10:04:09 Zoe Barnard, DPHHS
10:05:12 Rep. Kerr-Carpenter
10:05:27 Zoe Barnard, DPHHS
10:06:09 Rep. Smith
10:06:49 Stacey Anderson, MPCA
10:07:35 Zoe Barnard, DPHHS
10:08:21 Rep. Smith
10:08:29 Zoe Barnard, DPHHS
10:08:36 Rep. White
10:09:38 Rep. Dunwell
10:09:53 Shauna Helfert, DOR
10:10:21 Rep. White
10:10:58 Shauna Helfert, DOR
10:11:15 Vice Chair Brown
10:12:17 Kristi Blazer, Montana Beer and Wine Distributors Association
10:13:20 Rep. Redfield
10:13:40 Shauna Helfert, DOR
10:13:45 Rep. Redfield
10:14:06 Shauna Helfert, DOR
10:14:49 Rep. Redfield
10:15:18 Shauna Helfert, DOR
10:15:57 Rep. White
10:16:24 Shauna Helfert, DOR
10:16:27 Rep. White
10:16:35 Shauna Helfert, DOR

Closing by Sponsor:

10:16:58 Rep. Dunwell
10:20:50 Rep. Redfield resumed the Chair.

HEARING ON HB 723**Opening Statement by Sponsor:**

10:21:31 Rep. Dave Fern (D), HD 5, opened the hearing on HB723, Provide for review of income tax credits.

Proponents' Testimony:

10:27:51 Heather O'Loughlin, MBPC

Opponents' Testimony:

10:30:04 Brian Fadie, Montana Environmental Information Center (MEIC)

10:32:15 Andrew Valainis, Montana Renewable Energy Association (MREA)

Informational Testimony:

10:33:41 Lee Baerlocher, DOR

Questions from Committee Members and Responses:

10:34:23 Rep. Zolnikov

10:35:42 Brian Fadie, MEIC

10:36:39 Rep. Zolnikov

10:37:38 Brian Fadie, MEIC

10:38:31 Rep. Fuller

10:39:20 Brian Fadie, MEIC

10:39:37 Rep. Fuller

10:39:53 Brian Fadie, MEIC

10:40:50 Rep. Dunwell

10:41:40 Lee Baerlocher, DOR

10:42:35 Rep. Dunwell

10:43:26 Lee Baerlocher, DOR

10:44:18 Vice Chair Brown

10:44:40 Megan Moore, Legislative Services Division (LSD)

10:45:57 Rep. White

10:46:20 Megan Moore, LSD

10:46:58 Rep. White

10:47:11 Megan Moore, LSD

Closing by Sponsor:

10:47:25 Rep. Fern

10:50:28 Chair Redfield

10:51:31 Megan Moore, LSD

10:51:53 Chair Redfield

10:52:01 Recessed

11:15:30 Reconvened

EXECUTIVE ACTION ON HB 646

- 11:16:26 **Motion/Vote:** Rep. Beard moved that **HB 646 DO PASS**. Motion failed 7-11 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Kerr-Carpenter, Rep. Marler and Rep. B. Smith voting aye. Rep. Galt and Rep. Hertz voted by proxy.
- 11:18:03 **Motion/Vote:** Rep. Kassmier moved that **HB 646 BE TABLED**. Motion carried unanimously by voice vote. Rep. Galt and Rep. Hertz voted by proxy.

EXECUTIVE ACTION ON HB 650

- 11:18:07 **Motion:** Rep. Beard moved that **HB 650 DO PASS**.

Discussion:

- 11:18:13 Rep. Dunwell
- 11:18:26 Rep. Smith
- 11:19:40 **Vote:** Motion failed 7-11 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Kerr-Carpenter, Rep. Marler and Rep. B. Smith voting aye. Rep. Galt and Rep. Hertz voted by proxy.
- 11:19:39 **Motion/Vote:** Rep. White moved that **HB 650 BE TABLED**. Motion carried unanimously by voice vote. Rep. Hertz and Rep. Galt voted by proxy.

EXECUTIVE ACTION ON HB 673

- 11:20:05 **Motion:** Rep. Beard moved that **HB 673 DO PASS**.

Discussion:

- 11:20:13 Rep. Zolnikov
- 11:20:37 Rep. White
- 11:21:17 Vice Chair Z. Brown
- 11:21:26 Megan Moore, LSD
- 11:21:33 Vice Chair Z. Brown
- 11:22:33 **Substitute Motion/Vote:** Rep. Z. Brown made a substitute motion that **HB 673 BE TABLED**. Substitute Motion failed 7-11 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Kerr-Carpenter, Rep. Marler and Rep. B. Smith voting aye. Rep. Galt and Rep. Hertz voted by proxy.
- 11:23:34 Rep. Zolnikov
- 11:24:13 Rep. Fuller
- 11:24:32 Rep. Fern
- 11:25:25 Rep. Marler
- 11:25:48 Rep. White
- 11:27:05 **Vote:** Motion carried 12-6 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Kerr-Carpenter and Rep. Marler voting no. Rep. Galt and Rep. Hertz voted by proxy.

EXECUTIVE ACTION ON HB 691

11:28:12 **Motion/Vote:** Rep. Beard moved that **HB 691 DO PASS**. Motion failed 5-13 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Kerr-Carpenter and Rep. Marler voting aye. Rep. Galt and Rep. Hertz voted by proxy.

11:29:36 **Motion/Vote:** Rep. Kassmier moved that **HB 691 BE TABLED**. Motion carried unanimously by roll call vote. Rep. Galt and Rep. Hertz voted by proxy.

EXECUTIVE ACTION ON HB 707

11:29:55 **Motion:** Rep. Beard moved that **HB 707 DO PASS**.

Discussion:

11:30:02 Vice Chair Z. Brown
11:32:09 Rep. Dunwell
11:32:48 Rep. Smith
11:33:08 Rep. Fuller
11:33:21 Rep. White
11:33:31 Rep. Fern

11:33:50 **Vote:** Motion failed 8-10 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Kerr-Carpenter, Rep. Marler, Rep. B. Smith and Rep. Zolnikov voting aye. Rep. Galt and Rep. Hertz voted by proxy.

11:35:04 **Motion/Vote:** Rep. White moved that **HB 707 BE TABLED**. Motion carried unanimously by voice vote. Rep. Galt and Rep. Hertz voted by proxy.

EXECUTIVE ACTION ON HB 723

11:35:21 **Motion/Vote:** Rep. Beard moved that **HB 723 DO PASS**. Motion carried unanimously by voice vote. Rep. Galt and Rep. Hertz voted by proxy.

EXECUTIVE ACTION ON HB 733

11:35:55 **Motion:** Rep. Beard moved that **HB 733 DO PASS**.

Discussion:

11:36:04 **Motion/Vote:** Rep. Beard moved that **HB 733 BE AMENDED**. Motion carried unanimously by voice vote. Rep. Galt and Rep. Hertz voted by proxy.

EXHIBIT(tah62a08)

11:36:26 **Motion:** Rep. Beard moved that **HB 733 DO PASS AS AMENDED**.

11:36:38 **Substitute Motion/Vote:** Rep. B. Smith made a substitute motion that **HB 733 BE TABLED**. Substitute Motion failed 7-11 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Kerr-Carpenter, Rep. Marler and Rep. B. Smith voting aye. Rep. Galt and Rep. Hertz voted by proxy.

11:37:59 Rep. White

11:38:50 Vice Chair Z. Brown
11:39:30 Rep. Marler
11:40:05 Rep. Dunwell
11:40:40 Rep. Fuller
11:41:48 Rep. Smith

11:42:23 **Vote:** Motion carried 11-7 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Kerr-Carpenter, Rep. Marler and Rep. Sheldon-Galloway voting no. Rep. Galt and Rep. Hertz voted by proxy.

11:43:25 Chair Redfield

ADJOURNMENT

Adjournment: 11:43:36

Chris Bushnell, Secretary

cb

Additional Documents:

EXHIBIT([tah62aad.pdf](#))