

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 67th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Becky Beard, on April 13, 2021 at 8:00 AM, in Room 152 Capitol

ROLL CALL

Members Present:

Rep. Becky Beard, Chair (R)
Rep. Dave Fern, Vice Chair (D)
Rep. Tom Welch, Vice Chair (R)
Rep. Kim Abbott (D)
Rep. Larry Brewster (R)
Rep. Alice Buckley (D)
Rep. Mary Ann Dunwell (D)
Rep. Paul Fielder (R)
Rep. Caleb Hinkle (R)
Rep. Scot Kerns (R)
Rep. Rhonda Knudsen (R)
Rep. Marty Malone (R)
Rep. Braxton Mitchell (R)
Rep. Lola Sheldon-Galloway (R)
Rep. Mark Thane (D)
Rep. Jeremy Trebas (R)

Members Excused:

Rep. Joshua Kassmier (R)
Rep. Marilyn Marler (D)

Members Absent: None

Staff Present:

Megan Moore, Legislative Branch
Jacquie Simmons, Remote Meeting Coordinator
Kathy Sangray, 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: SB 376, 4/9/2021; SB 385, 4/9/2021; SB 388, 4/9/2021; SB 399, 4/9/2021; HJ 36, 4/12/2021

HEARING ON SB 376**Opening Statement by Sponsor:**

08:02:05 Sen. Greg Hertz (R), SD 6, opened the hearing on SB 376, Corporate tax modernization through double-sales factor apportionment.

EXHIBIT(tah70a01)

Proponents' Testimony:

08:10:34 Director Brendan Beatty, Department of Revenue (DOR)

08:14:30 Bob Story, Montana Taxpayers Association (MonTax)

EXHIBIT(tah70a02)

08:18:38 Bridger Mahlum, Montana Chamber of Commerce

08:19:23 Aimee Grmoljez, CHS; MDU Resources; Verizon

08:21:58 Daniel Brooks, Billings Chamber of Commerce

08:22:50 Tim McHugh, The Washington Companies

08:23:48 Craig Mitchell Dunham, Montana Instruments Corporation

08:26:07 Steve Arveschoug, Big Sky Economic Development (BSED)

08:27:55 Director Patrick Barkey, Bureau of Business and Economic Research, University of Montana

Opponents' Testimony: None

Informational Testimony:

08:30:23 Lee Baerlocher, Montana Department of Revenue (DOR)

Questions from Committee Members and Responses:

08:30:47 Rep. Trebas

08:31:16 Sen. Hertz

08:31:33 Rep. Malone

08:31:56 Lee Baerlocher, DOR

08:33:22 Rep. Thane

08:33:54 Sen. Hertz

08:34:39 Chair Beard

08:35:35 Lee Baerlocher, DOR

Closing by Sponsor:

08:36:46 Sen. Hertz

HEARING ON SB 385**Opening Statement by Sponsor:**

08:37:43 Sen. Greg Hertz (R), SD 6, opened the hearing on SB 385, Revise special district laws and provide time limit on property tax levies.

Proponents' Testimony:

08:46:00 Sen. John Esp

08:47:16 Bob Story, Montana Taxpayers Association (MonTax)

08:49:31 Jesse Ramos, Missoula City Council Ward 4

08:54:24 Pam Ellis, self

08:57:34 Pamela Purinton, self
[EXHIBIT\(tah70a03\)](#)

Opponents' Testimony:

09:00:08 SK Rossi, City of Missoula; City of Bozeman
09:02:04 Kelly Lynch, Montana League of Cities and Towns (MLCT)
09:05:37 Chris Kukulski, City of Billings

Informational Testimony: None

Questions from Committee Members and Responses:

09:11:05 Vice Chair Fern
09:11:52 Bob Story, MonTax
09:14:41 Rep. Dunwell
09:15:48 Kelly Lynch, MLCT
09:17:03 Rep. Malone
09:17:53 Sen. Hertz
09:20:38 Rep. Thane
09:20:58 Bob Story, MonTax
09:22:52 Rep. Marler joined the meeting
09:22:53 Vice Chair Fern
09:23:25 Kelly Lynch, MLCT
09:24:12 Vice Chair Fern
09:24:54 Sen. Hertz

Closing by Sponsor:

09:26:23 Sen. Hertz

HEARING ON HJ 36

Opening Statement by Sponsor:

09:27:50 Rep. Dave Fern (D), HD 5, opened the hearing on HJ 36, Interim study on residential property taxes.

Proponents' Testimony: None

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

09:32:51 Chair Beard
09:33:19 Vice Chair Fern

Closing by Sponsor:

09:35:50 Vice Chair Fern

09:37:15 Recess
09:55:41 Reconvened

HEARING ON SB 388**Opening Statement by Sponsor:**

09:55:48 Sen. Greg Hertz (R), SD 6, opened the hearing on SB 388, Provide for infrastructure through tax increment financing.

Proponents' Testimony:

09:58:28 Mark Taylor, Hospitality and Development Association of Montana
[EXHIBIT\(tah70a04\)](#)

Opponents' Testimony:

10:01:04 Karen Byrnes, Butte Silverbow
10:02:22 Kristen Rosa, Butte Silverbow
10:05:05 Julie Foster, Ravalli County Economic Development Authority (RCEDA)
[EXHIBIT\(tah70a05\)](#)

10:07:34 Emily Dean, Montana School Boards Association (MTSBA)
[EXHIBIT\(tah70a06\)](#)

10:09:35 Kirk Miller, School Administrators of Montana (SAM)
[EXHIBIT\(tah70a07\)](#)

10:12:17 Wyeth Friday, City of Billings
10:14:52 Dori Brownlow, Missoula County
10:17:55 Kelly Lynch, Montana League of Cities and Towns (MLCT)
10:19:50 Dianne Burke, Montana Quality Education Coalition (MQEC)
[EXHIBIT\(tah70a08\)](#)

10:21:57 Allison Corbyn, Big Sky Economic Development (BSED)
10:24:01 Dennis Parman, Montana Rural Education Association (MREA)
10:25:26 Erik Burke, Montana Federation of Public Employees (MFPE)

Informational Testimony: None

Questions from Committee Members and Responses:

10:26:20 Rep. Brewster
10:26:44 Sen. Hertz
10:27:46 Vice Chair Fern
10:28:48 Kristen Rosa, Butte Silverbow
10:29:51 Rep. Kerns
10:30:32 Dennis Parman, MREA
10:31:09 Rep. Trebas
10:32:31 Kelly Lynch, MLCT
10:34:15 Rep. Thane
10:35:22 Dianne Burke, MQEC

Closing by Sponsor:

10:37:06 Sen. Hertz

HEARING ON SB 399**Opening Statement by Sponsor:**

10:42:20 Sen. Greg Hertz (R), SD 6, opened the hearing on SB 399, Generally revise and simplify income taxes.

Proponents' Testimony:

10:47:58 George Olsen, Montana Society of CPAs (MSCPA)
EXHIBIT(tah70a09)

10:53:49 Allen Lloyd, Montana Society of CPAs (MSCPA)
EXHIBIT(tah70a10)

10:55:36 Bridger Mahlum, Montana Chamber of Commerce
10:56:04 Bob Story, Montana Taxpayers Association (MonTax)
10:58:38 Daniel Brooks, Billings Chamber of Commerce
10:59:28 Walter Kero, self

Opponents' Testimony:

11:02:04 Rose Bender, Montana Budget and Policy Center (MBPC)
EXHIBIT(tah70a11)

11:05:50 Andrew Valainis, Montana Renewable Energy Association (MREA)
11:08:51 Adam Haight, Montana AFL-CIO
11:09:51 Samuel Harworth, self
EXHIBIT(tah70a12)

11:11:42 Valerie Kurth, self
11:12:56 Shawn Reagor, Montana Human Right Network (MHRN)
11:14:35 Kelsen Young, Montana Coalition Against Domestic & Sexual Violence (MCADSV)
11:17:04 SJ Howell, Montana Women Vote
11:18:08 Tyler Mortenson, self
11:20:19 Conor Ploeger, Montana Environmental Information Center (MEIC)
11:21:30 Erik Burke, Montana Federation of Public Employees (MFPE)
11:23:54 Alanna Wulf, Big Sky 55+
11:24:57 Alisha Buchholz, Montana Food Bank Network (MFBN)
11:26:45 Ann Truesdell, National Association of Social Workers Montana (NASW)
11:28:13 Grace Benasutti, Forward Montana

Informational Testimony:

11:29:51 Lee Baerlocher, Montana Department of Revenue (DOR)
11:30:13 Aaron McNay, Montana Department of Revenue (DOR)

Questions from Committee Members and Responses:

11:30:32 Vice Chair Fern
11:31:32 Sen. Hertz
11:34:09 Rep. Buckley
11:34:47 Lee Baerlocher, DOR
11:35:47 Aaron McNay, DOR

11:38:27 Rep. Dunwell
11:38:52 Sen. Hertz
11:41:16 Rep. Fielder
11:41:48 Sen. Hertz
11:43:17 Rep. Malone
11:43:48 Sen. Hertz
11:44:21 Rep. Thane
11:45:40 Aaron McNay, DOR
11:46:03 Rep. Dunwell
11:47:10 Aaron McNay, DOR
11:48:42 Chair Beard
11:49:21 George Olsen, MSCPA

Closing by Sponsor:

11:50:58 Sen. Hertz

EXECUTIVE ACTION ON HJ 36

11:59:08 **Motion/Vote:** Rep. Fern moved that **HJ 36 DO PASS**. Motion carried unanimously by voice vote. Rep. Abbott, Rep. Kassmier and Rep. Marler voted by proxy.

EXECUTIVE ACTION ON SB 376

12:00:13 **Motion/Vote:** Rep. Welch moved that **SB 376 BE CONCURRED IN**. Motion carried 15-3 by roll call vote with Rep. Abbott, Rep. Buckley and Rep. Marler voting no. Rep. Abbott, Rep. Kassmier and Rep. Marler voted by proxy. Rep. Kerns will carry the bill.

ADJOURNMENT

Adjournment: 12:02:10

Kathy Sangray, Secretary

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Additional Documents:

EXHIBIT([tah70aad.pdf](#))