

MINUTES

MONTANA SENATE 67th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Brian Hoven, on April 1, 2021 at 8:00 AM, in Room 405 Capitol

ROLL CALL

Members Present in the Committee Room:

Sen. Brian Hoven, Chair (R)
Sen. Jill Cohenour, Vice Chair (D)
Sen. Greg Hertz, Vice Chair (R)
Sen. Brad Molnar (R)
Sen. Shannon O'Brien (D)
Sen. Walt Sales (R)
Sen. Russel (Russ) Tempel (R)

Members Present by Video Zoom Conference:

Sen. Edith (Edie) McClafferty (D)
Sen. JP Pomnichowski (D)

Members Excused:

Sen. Mark Blasdel (R)
Sen. Gordon Vance (R)

Members Absent: None

Staff Present: Jaret Coles, Legislative Branch
Charlene Devine, Committee Secretary
Alex Colafrancesco, Remote Meeting Coordinator

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 399, 3/30/2021

Executive Action:

SB 399 - Do Pass As Amended

08:03:06 Sen. Cohenour entered the meeting.

HEARING ON SB 399

Opening Statement by Sponsor:

08:03:16 Sen. Greg Hertz (R), SD 6, opened the hearing on SB399, Generally revise and simplify income taxes.

08:09:46 Sen. Molnar entered the meeting.

Proponents' Testimony:

08:15:27 George Olsen, Montana Society of CPAs

08:21:21 Allen Lloyd, Montana Society of CPAs

[**EXHIBIT\(tas64a01\)**](#)

08:25:15 Bridger Mahlum, Montana Chamber of Commerce

08:26:03 Bob Story, Montana Taxpayers Association

Opponents' Testimony:

08:28:45 Denise King, Montana Historical Society

08:33:39 Chere Jiusto, Preserve Montana

[**EXHIBIT\(tas64a02\)**](#)

08:41:19 Matt Elsaesser, 406 Recycling

[**EXHIBIT\(tas64a03\)**](#)

08:43:45 Dave Leverett, 4 Corners Recycling

08:44:51 Dave Galt, Steel Etc

08:47:48 Matthew Brower, Montana Catholic Conference

08:48:43 Sarah Mazanec, citizen

08:49:57 Alanna Wulf, Big Sky 55+

08:51:38 Heather McMilin, Homeword, Inc.

[**EXHIBIT\(tas64a04\)**](#)

08:56:16 Kevin McPherson, citizen

[**EXHIBIT\(tas64a05\)**](#)

08:59:33 Lesley Gilmore, citizen

[**EXHIBIT\(tas64a06\)**](#)

09:01:21 Conor Ploeger, Montana Environmental Information Center

09:02:56 Mark Scott, American Chemet Corporation

[**EXHIBIT\(tas64a07\)**](#)

09:05:35 John Hilton, Helena Recycling

09:06:51 Rose Bender, Montana Budget & Policy Center

09:10:22 Randy Hafer, High Plains Architects

[**EXHIBIT\(tas64a08\)**](#)

09:15:58 Dave Luvett, representing Scott Berens, Earth First
[EXHIBIT\(tas64a09\)](#)

Additional Testimony Received:

[EXHIBIT\(tas64a10\)](#)

Informational Testimony:

09:17:12 Lee Baerlocher, Department of Revenue (DOR)
09:17:28 Aaron McNay, DOR

Questions from Committee Members and Responses:

09:18:02 Sen. Cohenour
09:19:48 Sen. Hertz
09:21:09 Sen. Cohenour
09:25:41 Mr. McNay, DOR

[EXHIBIT\(tas64a11\)](#)

09:26:27 Sen. Tempel
09:27:56 Sen. Hertz
09:28:22 Sen. Molnar
09:32:51 Mr. Baerlocher, DOR
09:33:56 Sen. Molnar
09:34:45 Mr. McNay
09:35:06 Sen. Molnar
09:35:13 Sen. Sales
09:35:34 Sen. Hertz
09:36:09 Sen. Cohenour
09:40:33 Sen. Hertz
09:43:44 Chair Hoven
09:44:14 Sen. Hertz
09:44:31 Sen. Pomnichowski
09:45:34 Mr. Baerlocher
09:45:48 Sen. Pomnichowski
09:46:05 Chair Hoven
09:46:11 Sen. Pomnichowski
09:46:45 Mr. Baerlocher
09:47:01 Mr. McNay
09:47:12 Sen. Pomnichowski
09:47:30 Mr. McNay

09:49:41 Sen. O'Brien entered the meeting.

09:50:11 Sen. Pomnichowski
09:50:47 Mr. McNay
09:51:56 Sen. Pomnichowski
09:53:08 Sen. Hertz
09:54:52 Sen. Cohenour
09:55:28 Mr. McNay

Closing by Sponsor:

09:56:30 Sen. Hertz
10:09:51 Chair Hoven
10:10:16 Brief Recess
10:30:00 Reconvened

EXECUTIVE ACTION ON SB 399

10:30:12 **Motion:** Sen. Hertz moved that **SB 399 DO PASS.**

10:30:22 **Motion:** Sen. Hertz moved that **SB 399 BE AMENDED.**
[EXHIBIT\(tas64a12\)](#)

Discussion:

10:30:37 Jaret Coles, Legislative Services Division (LSD)
10:31:49 **Vote:** Motion carried unanimously by voice vote. Sen. Blasdel and Sen. Vance voted by proxy.
10:32:05 **Motion:** Sen. Hertz moved that **SB 399 DO PASS AS AMENDED.**

Discussion:

10:32:21 Mr. Coles, LSD
10:32:28 **Motion:** Sen. Hoven moved that **SB 399 BE AMENDED.**
[EXHIBIT\(tas64a13\)](#)

Discussion:

10:32:43 Mr. Coles
10:35:15 Chair Hoven
10:36:11 Sen. Cohenour
10:36:35 Sen. Sales
10:36:59 Sen. Tempel
10:37:44 Sen. Molnar
10:38:49 Sen. Hertz
10:39:48 Sen. Cohenour
10:40:51 Sen. Molnar
10:42:16 Chair Hoven
10:43:05 **Vote:** Motion carried 9-2 by roll call vote with Sen. Hertz and Sen. Tempel voting no. Sen. Blasdel and Sen. Vance voted by proxy.
10:44:02 **Motion:** Sen. Hertz moved that **SB 399 DO PASS AS AMENDED.**
10:44:09 **Motion:** Sen. Hoven moved that **SB 399 BE AMENDED.**
[EXHIBIT\(tas64a14\)](#)

Discussion:

10:44:24 Mr. Coles
10:46:17 Chair Hoven
10:47:16 Sen. Hertz
10:48:01 Sen. Tempel
10:48:22 Mr. Coles
10:49:16 Chair Hoven
10:50:03 Sen. Tempel
10:50:14 Chair Hoven

10:50:19 **Vote:** Motion carried 10-1 by roll call vote with Sen. Tempel voting no. Sen. Blasdel and Sen. Tempel voted by proxy.

10:51:03 **Motion:** Sen. Hertz moved that **SB 399 DO PASS AS AMENDED.**

Discussion:

10:51:13 Sen. Cohenour
10:51:58 Sen. Hertz
10:52:35 Mr. Coles
10:53:15 Chair Hoven
10:54:05 Mr. Coles
10:54:30 Sen. Cohenour
10:54:40 Mr. Coles
10:55:13 Sen. Hertz
10:55:43 Sen. O'Brien
10:57:11 Chair Hoven
10:57:50 Sen. Cohenour
10:58:05 Chair Hoven
10:59:38 Mr. Coles
10:59:53 Chair Hoven
10:59:59 Sen. Hertz
11:00:25 Chair Hoven
11:00:34 Mr. Coles
11:01:12 Sen. Cohenour
11:02:35 Chair Hoven

11:02:39 **Motion:** Sen. Cohenour moved that **SB 399 BE AMENDED WITH A CONCEPTUAL AMENDMENT TO RETAIN THE HISTORIC PRESERVATION TAX CREDIT.**

Discussion:

11:02:51 Sen. Cohenour
11:03:28 Sen. Sales
11:04:02 Sen. Hertz
11:04:54 Sen. McClafferty
11:05:18 Sen. O'Brien
11:06:18 Chair Hoven
11:06:51 Sen. Hertz
11:07:14 Mr. Coles
11:08:07 Sen. Cohenour

11:09:11 Sen. Hertz

11:09:36 **Vote:** Motion carried 6-5 by roll call vote with Sen. Hertz, Sen. Tempel, Sen. Blasdel, Sen. Molnar and Sen. Vance voting no. Sen. Blasdel and Sen. Vance voted by proxy.

11:10:24 **Motion:** Sen. Cohenour moved that **SB 399 BE AMENDED WITH A CONCEPTUAL AMENDMENT TO RETAIN THE ADOPTION TAX CREDIT.**

Discussion:

11:11:00 Sen. Hertz

11:11:32 Chair Hoven

11:12:15 Sen. Sales

11:12:58 **Vote:** Motion failed 3-8 by roll call vote with Sen. Cohenour, Sen. Molnar and Sen. O'Brien voting aye. Sen. Blasdel and Sen. Vance voted by proxy.

11:13:49 **Motion:** Sen. Cohenour moved that **SB 399 BE AMENDED WITH A CONCEPTUAL AMENDMENT TO RETAIN THE ENERGY CONSERVATION TAX CREDIT.**

Discussion:

11:15:12 Sen. Hertz

11:16:25 Sen. O'Brien

11:18:07 Sen. Pomnichowski

11:18:32 Chair Hoven

11:18:50 Mr. Coles

11:19:26 Sen. Hertz

11:19:59 Mr. Coles

11:20:35 Chair Hoven

11:21:30 Sen Hertz

11:22:13 **Vote:** Motion failed 5-6 by roll call vote with Sen. Cohenour, Sen. McClafferty, Sen. O'Brien, Sen. Pomnichowski and Sen. Hoven voting aye. Sen. Blasdel and Sen. Vance voted by proxy.

11:23:14 **Motion:** Sen. Hertz moved that **SB 399 DO PASS AS AMENDED.**

Discussion:

11:23:39 Sen. Cohenour

11:24:58 Sen. Tempel

11:25:52 Sen. Pomnichowski

11:29:21 Sen. Hertz

11:31:04 Sen. Sales

11:31:34 **Vote:** Motion carried 6-5 by roll call vote with Sen. Cohenour, Sen. McClafferty, Sen. Molnar, Sen. O'Brien and Sen. Pomnichowski voting no. Sen. Blasdel and Sen. Vance voted by proxy.

11:32:33 Sen. Hertz

11:33:53 Mr. Coles
11:33:59 Chair Hoven

ADJOURNMENT

Adjournment: 11:34 A.M.

Charlene Devine, Secretary

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Additional Documents:

EXHIBIT([tas64aad.pdf](#))