

**MINUTES**  
**MONTANA SENATE**  
**68th LEGISLATURE - REGULAR SESSION**  
**COMMITTEE ON (S) TAXATION**

**Call to Order:** Chair Greg Hertz-R, on March 30, 2023 at 8:27 AM, in 405

**ROLL CALL**

**Members Present:** Sen. Greg Hertz, Chair (R)  
Sen. Becky Beard (R)  
Sen. Mary Ann Dunwell (D)  
Sen. Denise Hayman (D)  
Sen. Edith (Edie) McClafferty (D)  
Sen. Wendy McKamey (R)  
Sen. Brad Molnar (R)  
Sen. Russel (Russ) Tempel (R)  
Sen. Jeremy Trebas (R)

**Members Excused:** Sen. Jason Ellsworth (R)  
Sen. Shannon O'Brien (D)  
Sen. Daniel Zolnikov (R)

**Staff Present:** Jaret Coles, Research Analyst  
Lorna Mason, 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 541 03/27/2023  
SB 548 03/27/2023  
SB 551 03/27/2023  
SB 554 03/27/2023  
Executive Action:  
SB 14 DO PASS AS AMENDED  
SB 511 DO PASS AS AMENDED  
SB 522 DO PASS AS AMENDED  
SB 541 TO TABLE  
SB 551 TO TABLE  
SB 554 DO PASS  
SB 449 DO PASS AS AMENDED  
SB 118 TO TABLE  
SB 548 DO PASS

**HEARING ON SB 551 - Provide for local option tax**

**Opening Statement:**

08:31:53 Sen. Christopher Pope (D), SD 65, opened the hearing on SB 551, Provide for local option tax.

**Proponent Testimony:**

08:42:01 Dale Bickell, City of Missoula

[EXHIBIT\(230330TASa1\)](#)

08:44:23 Kelly Lynch, Montana League of Cities and Towns (MLCT)

08:45:29 Darryl James, Montana Infrastructure Coalition (MIC)

08:46:55 Terry Cunningham, City of Bozeman

08:48:28 Jeff Mihelich, City of Bozeman

**Opponent Testimony:**

08:50:42 Bob Story, Montana Taxpayers Association (MonTax)

08:53:44 Rachel Cone, Montana Farm Bureau Federation (MFBF)

**Informational Witness Testimony:**

None

**Questions from Committee:**

08:55:50 Sen. Mary Ann Dunwell

08:56:45 Sen. Christopher Pope-D

08:56:55 Sen. Denise Hayman

08:57:18 Sen. Christopher Pope-D

08:59:47 Sen. Russel (Russ) Tempel

09:00:33 Sen. Christopher Pope-D

09:02:17 Sen. Denise Hayman

09:02:47 Sen. Becky Beard

09:03:36 Jaret Coles

**Closing Statement:**

09:04:34 Sen. Christopher Pope (D), SD 65, closed the hearing on SB 551.

**HEARING ON SB 541 - Establish tax credit for biofuels made and sold Montana**

**Opening Statement:**

09:09:30 Sen. Mary Ann Dunwell (D), SD 42, opened the hearing on SB 541, Establish tax credit for biofuels made and sold Montana.

**Proponent Testimony:**

09:12:39 Jasmine Krotkov, Montana Farmer's Union (MFU)

**Opponent Testimony:**

09:15:21 Allen Lloyd, Montana Society of CPAs (MSCPA)

09:16:19 Allen Olson, Montana Petroleum Association (MPA)

**Informational Witness Testimony:**

09:18:07 Jake Ford, Department of Revenue (DOR)

**Questions from Committee:**

09:18:41 Sen. Denise Hayman

09:18:46 Jasmine Krotkov, MFU

**Closing Statement:**

09:20:27 Sen. Mary Ann Dunwell (D), SD 42, closed the hearing on SB 541.

**HEARING ON SB 548 - Eliminate government entity property tax levy limitations**

**Opening Statement:**

09:24:18 Sen. Jeremy Trebas (R), SD 26, opened the hearing on SB 548, Eliminate government entity property tax levy limitations.

**Proponent Testimony:**

09:29:29 Eric Bryson, Montana Association of Counties (MACo)

[EXHIBIT\(230330TASa2\)](#)

09:32:24 Greg Chilcott, County of Ravalli  
09:35:00 Kelly Lynch, Montana League of Cities and Towns (MLCT)

**Opponent Testimony:**

None

**Informational Witness Testimony:**

09:37:09 Bob Story, Montana Taxpayers Association (MonTax)  
09:37:17 Brittany Mari, Department of Revenue (DOR)  
09:37:27 Robin Rude, Department of Revenue (DOR)

**Questions from Committee:**

09:38:34 Sen. Mary Ann Dunwell  
09:38:46 Robert Story MonTax  
09:41:19 Sen. Russel (Russ) Tempel  
09:41:48 Sen. Jeremy Trebas-R  
09:43:03 Sen. Denise Hayman  
09:43:16 Eric Bryson, MACo  
09:45:19 Sen. Mary Ann Dunwell  
09:45:36 Sen. Jeremy Trebas-R  
09:45:51 Sen. Becky Beard  
09:46:58 Eric Bryson, MACo

**Closing Statement:**

09:47:20 Sen. Jeremy Trebas (R), SD 26, closed the hearing on SB 548.

**HEARING ON SB 554 - Provide optional pass-through entity tax with refundable credit**

**Opening Statement:**

09:48:21 Chair Greg Hertz (R), SD 6, opened the hearing on SB 554, Provide optional pass-through entity tax with refundable credit.

**Discussion:**

[EXHIBIT\(230330TASa3\)](#)

**Proponent Testimony:**

09:54:56 Allen Lloyd, Montana Society of CPAs (MSCPA)

09:55:29 Robert Story, Montana Taxpayers Association (MonTax)

**Opponent Testimony:**

None

**Informational Witness Testimony:**

09:57:22 David Merrien, Department of Revenue (DOR)

**Questions from Committee:**

10:00:02 Sen. Denise Hayman

10:00:14 Allen Lloyd, MSCPA

10:00:35 Sen. Mary Ann Dunwell

10:00:48 David Merrien, DOR

10:03:07 Sen. Mary Ann Dunwell

10:03:49 Allen Lloyd, MSCPA

10:04:52 Sen. Becky Beard

10:04:56 Robert Story, MonTax

10:06:36 Allen Lloyd, MSCPA

**Closing Statement:**

10:07:01 Chair Greg Hertz (R), SD 6, closed the hearing on SB 554.

10:09:54 **Recessed**

10:34:52 **Reconvened**

**EXECUTIVE ACTION ON SB 14 - Revise MEDIA Act film credit cap**

- 10:40:31 **Motion:** Sen. Becky Beard moved that **SB 14 DO PASS.**
- 10:40:55 **Motion:** Sen. Edith (Edie) McClafferty moved that **SB 14 BE AMENDED.**
- 10:40:55 **Vote:** Motion carried unanimously by voice vote.
- 10:42:13 **Motion:** Sen. Mary Ann Dunwell moved that **SB 14 BE AMENDED.**
- 10:42:13 **Vote:** Motion carried unanimously by voice vote.
- 10:49:59 **Motion:** Sen. Mary Ann Dunwell moved that **SB 14 BE AMENDED.**
- 10:49:59 **Vote:** Motion failed 10 - 2 by voice vote with Sen. Dunwell, Sen. O'Brien, voting yes.  
Sen. O'Brien, By Proxy
- 10:52:46 **Motion:** Sen. Mary Ann Dunwell moved that **SB 14 BE AMENDED.**
- 10:52:46 **Vote:** Motion failed 9 - 3 by voice vote with Sen. Dunwell, Sen. O'Brien, Sen. Tempel, voting yes.  
Sen. O'Brien, By Proxy
- 10:55:42 **Motion:** Sen. Becky Beard moved that **SB 14 DO PASS AS AMENDED.**
- 10:55:42 **Vote:** Motion carried 7 - 5 by roll call vote with Sen. Beard, Sen. Hayman, Sen. Molnar, Sen. O'Brien, Sen. Tempel, voting no.  
Sen. O'Brien, By Proxy

**EXECUTIVE ACTION ON SB 511 - Revise government entity limitations on property tax increases**

- 10:57:54 **Motion:** Sen. Becky Beard moved that **SB 511 DO PASS.**
- 10:58:08 **Motion:** Sen. Russel (Russ) Tempel moved that **SB 511 BE AMENDED.**
- 10:58:08 **Vote:** Motion carried 11 - 1 by voice vote with Sen. Molnar, voting no.
- 10:59:35 **Motion:** Sen. Becky Beard moved that **SB 511 DO PASS AS AMENDED.**
- 10:59:35 **Vote:** Motion carried 7 - 5 by roll call vote with Sen. Dunwell, Sen. Hayman, Sen. McClafferty, Sen. Molnar, Sen. O'Brien, voting no.  
Sen. O'Brien, By Proxy

**EXECUTIVE ACTION ON SB 522 - Provide hotels with grants to shelter victims of violence and human trafficking**

- 11:00:53 **Motion:** Sen. Becky Beard moved that **SB 522 BE AMENDED.**
- 11:00:53 **Vote:** Motion carried unanimously by voice vote.
- 11:03:18 **Motion:** Sen. Becky Beard moved that **SB 522 DO PASS AS AMENDED.**
- 11:03:18 **Vote:** Motion carried 11 - 1 by voice vote with Sen. Trebas, voting no.

**EXECUTIVE ACTION ON SB 541 - Establish tax credit for biofuels made and sold Montana**

- 11:05:23 **Motion:** Sen. Becky Beard moved that **SB 541 DO PASS.**
- 11:05:23 **Vote:** Motion failed 7 - 5 by roll call vote with Sen. Dunwell, Sen. Hayman, Sen. McClafferty, Sen. O'Brien, Sen. Trebas, voting yes.  
Sen. O'Brien, By Proxy
- 11:09:29 **Motion:** Sen. Becky Beard moved that **SB 541 TO TABLE.**
- 11:09:29 **Vote:** Motion carried 10 - 2 by voice vote with Sen. Dunwell, Sen. O'Brien, voting no.  
Sen. O'Brien, By Proxy

**EXECUTIVE ACTION ON SB 551 - Provide for local option tax**

- 11:12:39 **Motion:** Sen. Becky Beard moved that **SB 551 DO PASS.**
- 11:12:39 **Vote:** Motion failed 8 - 4 by roll call vote with Sen. Dunwell, Sen. Hayman, Sen. McClafferty, Sen. O'Brien, voting yes.  
Sen. O'Brien, By Proxy
- 11:17:36 **Motion:** Sen. Becky Beard moved that **SB 551 TO TABLE.**
- 11:17:36 **Vote:** Motion carried 10 - 2 by voice vote with Sen. Dunwell, Sen. O'Brien, voting no.  
Sen. O'Brien, By Proxy

**EXECUTIVE ACTION ON SB 554 - Provide optional pass-through entity tax with refundable credit**

- 11:18:16 **Motion:** Sen. Greg Hertz moved that **SB 554 DO PASS.**
- 11:18:16 **Vote:** Motion carried unanimously by voice vote.

**EXECUTIVE ACTION ON SB 449 - Limit tax collection to 2 years**

- 11:43:04 **Motion:** Sen. Greg Hertz moved that **SB 449 TO TAKE FROM THE TABLE.**
- 11:43:04 **Vote:** Motion carried 9 - 3 by roll call vote with Sen. Dunwell, Sen. O'Brien, Sen. Tempel, voting no.  
Sen. O'Brien, By Proxy
- 11:44:57 **Motion:** Sen. Greg Hertz moved that **SB 449 DO PASS AS AMENDED.**
- 11:44:57 **Vote:** Motion carried 8 - 4 by roll call vote with Sen. Dunwell, Sen. Hayman, Sen. O'Brien, Sen. Tempel, voting no.  
Sen. O'Brien, By Proxy

**EXECUTIVE ACTION ON SB 118 - Revise aggregate limit on education scholarship tax credit programs**

11:45:57        **Motion:** Sen. Greg Hertz moved that **SB 118 TO TABLE.**

11:45:57        **Vote:** Motion carried unanimously by voice vote.

**EXECUTIVE ACTION ON SB 548 - Eliminate government entity property tax levy limitations**

11:50:56        **Motion:** Sen. Becky Beard moved that **SB 548 DO PASS.**

11:50:56        **Vote:** Motion carried 9 - 3 by roll call vote with Sen. Ellsworth, Sen. Hertz, Sen. Zolnikov, voting no.  
Sen. Ellsworth, Sen. Zolnikov, By Proxy

**ADJOURNMENT**

Adjournment: 11:52:40

---

Lorna Mason, Secretary

Additional Documents: [EXHIBIT\(230330TASaad\)](#)