MINUTES

MONTANA HOUSE OF REPRESENTATIVES
56th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN CHASE HIBBARD**, on March 30, 1999 at
8:00 A.M., in Room 437 Capitol.

ROLL CALL

Members Present:
    Rep. Chase Hibbard, Chairman (R)
    Rep. Kim Gillan, Vice Chairman (D)
    Rep. Bob Story, Vice Chairman (R)
    Rep. Gary Beck (D)
    Rep. Rick Dale (R)
    Rep. Bob Davies (R)
    Rep. Ron Erickson (D)
    Rep. Daniel Fuchs (R)
    Rep. Mary Anne Guggenheim (D)
    Rep. Marian Hanson (R)
    Rep. Hal Harper (D)
    Rep. Dan Harrington (D)
    Rep. John L. Holden (R)
    Rep. Verdell Jackson (R)
    Rep. Scott J. Orr (R)
    Rep. Bob Raney (D)
    Rep. Bill Rehbein (R)
    Rep. Trudi Schmidt (D)
    Rep. Roger Somerville (R)

Members Excused: Rep. Sam Rose

Members Absent: None.

Staff Present: Donna Grace, Committee Secretary
                   Jeff Martin, Legislative Branch

Please Note: These are summary minutes. Testimony and
                 discussion are paraphrased and condensed.

Committee Business Summary:
    Hearing(s) & Date(s) Posted: SB 426, SB 430, SB 487,
                                  3/22/99
          Executive Action: SB 264, SB 206, SB 426,
                                  SB 205, SB 111, SB 500

HEARING ON SB 426

Opening Statement by Sponsor:

Senator Mike Sprague, SD 6 EXHIBIT(tah71a01)
{Tape : 1; Side : A; Approx. Time Counter : 0 - 4.8}

Proponents' Testimony: None

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

{Tape : 1; Side : A; Approx. Time Counter : 5.6 - 12.9}

Closing Statement by Sponsor:

Senator Sprague closed the Hearing on SB 426
{Tape : 1; Side : A; Approx. Time Counter : 12.9 - 13.}

EXECUTIVE ACTION ON SB 426

Motion: Rep. Fuchs moved Be Concurred In.
{Tape : 1; Side : A; Approx. Time Counter : 13 - 13.2}

Motion: Rep. Rehbein moved a Conceptual Amendment, 1/2 income
and 1/2 property.
{Tape : 1; Side : A; Approx. Time Counter : 13.2 - 13.4}

Discussion:

{Tape : 1; Side : A; Approx. Time Counter : 13.4 - 14.6}

Vote: Motion failed 1-19 with Rep. Rehbein voting yes.
{Tape : 1; Side : A; Approx. Time Counter : 14.6 - 15}

Vote: SB 426 Be Concurred In passed unanimously 19-0
{Tape : 1; Side : A; Approx. Time Counter : 15 - 15.2}

HEARING ON SB 430

Opening Statement by Sponsor:

Senator Glenn Roush, SD 43, EXHIBIT(tah71a02)
{Tape : 1; Side : A; Approx. Time Counter : 15.2 - 21.5}

Proponents' Testimony:

Elaine Mitchell, Self-Employeed Accountant, Cut Bank
EXHIBIT(tah71a03)
{Tape : 1; Side : A; Approx. Time Counter : 22.2 - 27.1}

Rep. Roy Brown, HD 14
{Tape : 1; Side : A; Approx. Time Counter : 27.1 - 30.9}
{Tape : 1; Side : B; Approx. Time Counter : 0.1 - 0.5}

Stan Mitchell, Cut Bank, Owner Comanche Drilling Co.
{Tape : 1; Side : B; Approx. Time Counter : 0.5 - 2.6}

Gary Feland, Shelby
{Tape : 1; Side : B; Approx. Time Counter : 2.6 - 4.4}

Patrick Montalban, Northern Montana Oil and Gas Association
{Tape : 1; Side : B; Approx. Time Counter : 4.4 - 10.6}

Dexter Busby, Montana Refinery, Great Falls
{Tape : 1; Side : B; Approx. Time Counter : 10.6 - 11.2}

Don Allen, Cenex
{Tape : 1; Side : B; Approx. Time Counter : 11.2 - 11.8}

Opponents' Testimony:

Don Hoffman, Department of Revenue
{Tape : 1; Side : B; Approx. Time Counter : 11.8 - 16.2}

Informational Testimony: None

Questions from Committee Members and Responses:

{Tape : 1; Side : B; Approx. Time Counter : 16.2 - 29.9}
{Tape : 2; Side : A; Approx. Time Counter : 0.1 - 21.1}

Closing Statement by Sponsor:

Senator Roush closed the Hearing on SB 430
{Tape : 2; Side : A; Approx. Time Counter : 21.1 - 25.5}

HEARING ON HB 487

Opening Statement by Sponsor:

Senator Glenn Roush, SD 43
{Tape : 2; Side : A; Approx. Time Counter : 25.5 - 29.8}

Proponents' Testimony:

Elaine Mitchell, Self-employed Accountant
{Tape : 2; Side : B; Approx. Time Counter : 0.1 - 2.7}

Gary Feland, Oil Producer, Toole County
{Tape : 2; Side : B; Approx. Time Counter : 2.7 - 4.5}

Patrick Montalban, Northern Montana Oil and Gas Association
{Tape : 2; Side : B; Approx. Time Counter : 4.5 - 10.5}

Opponents' Testimony: None

Informational Testimony:

Randy Wilke, Department of Revenue, EXHIBIT(tah71a04)
EXHIBIT(tah71a05)
{Tape : 2; Side : B; Approx. Time Counter : 10.5 - 21}

Questions from Committee Members and Responses:

{Tape : 2; Side : B; Approx. Time Counter : 21 - 28.2}
{Tape : 3; Side : A; Approx. Time Counter : 0.1 - 1.2}

Closing Statement by Sponsor:

Senator Roush Closed the Hearing on SB 487
{Tape : 3; Side : A; Approx. Time Counter : 1.2 - 5.8}

EXECUTIVE ACTION ON SB 205

Motion: Rep. Hanson moved Be Concurred In
{Tape : 3; Side : A; Approx. Time Counter : 5.8 - 6}

Motion: Rep. Rehbein moved a Technical Amendment #20502
EXHIBIT(tah71a06)
{Tape : 3; Side : A; Approx. Time Counter : 6 - 7.0}

Discussion:

{Tape : 3; Side : A; Approx. Time Counter : 7 - 8.5}

Vote: Motion on Amendment #20502 passed unanimously 20-0
{Tape : 3; Side : A; Approx. Time Counter : 8.5 - 8.8}

Motion: Rep. Rehbein moved Amendment #20501 EXHIBIT(tah71a07)
{Tape : 3; Side : A; Approx. Time Counter : 8.8 - 9}

Discussion:

{Tape : 3; Side : A; Approx. Time Counter : 9 - 26.4}

Vote: Motion on Amendment #20501 passed 12-8 with Reps. Orr,
Schmidt, Guggenheim, Jackson, Dale, Somerville, Davies and Gillan
voting no.
{Tape : 3; Side : A; Approx. Time Counter : 26.4 - 27.5}

Discussion:

{Tape : 3; Side : A; Approx. Time Counter : 27.5 - 28.4}

Vote: SB 205 Be Concurred in as Amended passed 12-8 with Reps.
Orr, Schmidt, Jackson, Dale, Somerville, Davies, Fuchs and Raney
voted no.
{Tape : 3; Side : A; Approx. Time Counter : 28.4 - 29}

EXECUTIVE ACTION ON SB 206

Motion/Vote: Rep. Orr moved to TABLE. Motion passed 20-0
{Tape : 3; Side : B; Approx. Time Counter : 0.1 - 0.5}

EXECUTIVE ACTION ON SB 111

Discussion:

{Tape : 3; Side : B; Approx. Time Counter : 0.5 - 17.2}

Motion: Rep. Story moved Be Concurred In.
{Tape : 3; Side : B; Approx. Time Counter : 17.2- 17.4}

Motion/Vote: Rep. Story moved Amendments to return back to
original draft. Motion passed 19-1 with Rep. Erickson voting no.
{Tape : 3; Side : B; Approx. Time Counter : 17.4 - 17.6}

Discussion:

{Tape : 3; Side : B; Approx. Time Counter : 17.6 - 22}

Motion: Rep. Story moved amendments SB 111 to strike from
Section 1, Subsection 2 and Subsection 3 in its entirety.
{Tape : 3; Side : B; Approx. Time Counter : 22 - 23.1}

Discussion:

{Tape : 3; Side : B; Approx. Time Counter : 23.1 - 28}
{Tape : 4; Side : A; Approx. Time Counter : 0.1 - 6.1}

Vote: Motion to accept Story's second set of Amendments passed
13-7 with Reps. Guggenheim, Harrington, Erickson, Beck, Harper,
Raney and Gillan voting no.
{Tape : 4; Side : A; Approx. Time Counter : 6.1 - 6.2}

The Bill was referred to Staff for drafting.
{Tape : 4; Side : A; Approx. Time Counter : 6.2 - 7.1}

EXECUTIVE ACTION ON SB 264

Motion: Rep. Harper moved Be Concurred In.
{Tape : 4; Side : A; Approx. Time Counter : 7.1 - 8.7}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 8.7 - 11.8}

Motion/Vote: Rep. Rehbein moved to TABLE. Motion carried 15-5 with Reps. Dale, Jackson, Erickson, Harper and Rose voting no.
{Tape : 4; Side : A; Approx. Time Counter : 11.8 - 12}

EXECUTIVE ACTION ON SB 500

Motion: Rep. Hanson moved Be Concurred In.
{Tape : 4; Side : A; Approx. Time Counter : 12 - 12.3}

Motion: Rep. Story moved Amendments #50004
{Tape : 4; Side : A; Approx. Time Counter : 12.3 - 14.1}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 14.1 - 17.2}

Vote: Rep. Story's Amendment #50004 motion carried 19-1 with Rep. Gillan voting no.
{Tape : 4; Side : A; Approx. Time Counter : 17.2 - 17.5}

Motion/Vote: Rep. Story moved Amendment #50001,
EXHIBIT(tah71a08)
Motion passed 19-1 with Rep. Gillan voting no.
{Tape : 4; Side : A; Approx. Time Counter : 17.5 - 18.5}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 18.5 - 23.1}

Vote: Motion SB 500 Be Concurred in As Amended passed 13-7 with Reps. Orr, Rehbein, Davies, Fuchs, Harper, Raney and Gillan voting no.

{Tape : 4; Side : A; Approx. Time Counter : 23.1 - 23.8}
ADJOURNMENT

Adjournment: 12:00 A.M.

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REP. CHASE HIBBARD, Chairman

_____
DONNA GRACE, Secretary

CH/DG

EXHIBIT(tah71aad)