

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN KARL WAITSCHIES**, on March 30, 2005 at 8:00 A.M., in Room 152 Capitol.

ROLL CALL

Members Present:

Rep. Karl Waitschies, Chairman (R)
Rep. Gary Branae, Vice Chairman (D)
Rep. Bob Lake, Vice Chairman (R)
Rep. Norma Bixby (D)
Rep. Edward B. Butcher (R)
Rep. Margaret H. Campbell (D)
Rep. Jill Cohenour (D)
Rep. Tom Facey (D)
Rep. Wanda Grinde (D)
Rep. Dennis Himmelberger (R)
Rep. Carol Lambert (R)
Rep. Dave McAlpin (D)
Rep. Jim Peterson (R)
Rep. John (Jack) W. Ross (R)
Rep. Scott Sales (R)
Rep. Bill Warden (R)
Rep. Brady Wiseman (D)

Members Excused: Rep. George G. Groesbeck (D)
Rep. Holly Raser (D)

Members Absent: Rep. John Balyeat (R)

Staff Present: Jeff Martin, Legislative Branch
Debra Polhemus, 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:

Executive Action: HB 741; HB 779; HB 408; HB 639
HB 592; HB 472; HB 528; HB 792
HB 764; HB 756; HB 776

EXECUTIVE ACTION ON HB 741

00:02:27 **Motion:** REP. PETERSON moved that HB 741 DO PASS.

00:03:17 **Motion:** REP. PETERSON moved that HB 741 BE AMENDED.

EXHIBIT (tah67a01)

Discussion:

00:04:15 Jeff Martin, Legislative Services Division

00:07:07 REP. PETERSON

EXHIBIT (tah67a02)

00:15:05 **Vote:** Motion carried unanimously by voice vote with REPS. BALYEAT, RASER, FACEY and GROESBECK voting by proxy.

00:15:46 **Motion:** REP. PETERSON moved that HB 741 DO PASS AS AMENDED.

Discussion:

00:15:54 REP. PETERSON

EXHIBIT (tah67a03)

00:23:01 Myles Watts, PhD., Professor of Economics, Montana State University

00:24:32 REP. FACEY

00:25:00 CHAIRMAN WAITSCHIES

00:26:35 REP. LAKE

00:28:16 REP. ROSS

00:28:46 REP. PETERSON

00:29:51 REP. FACEY

00:32:15 REP. PETERSON

00:35:48 REP. FACEY

00:39:29 REP. BUTCHER

00:40:56 REP. PETERSON

00:42:12 REP. WARDEN

00:45:17 Jeff Martin, Legislative Services Division

00:45:34 REP. WARDEN

00:46:18 REP. FACEY

00:47:08 James Standaert, Legislative Fiscal Division

00:48:45 REP. PETERSON

00:49:15 REP. LAMBERT

Discussion: (con't)

00:51:43 CHAIRMAN WAITSCHIES
 00:52:13 REP. ROSS
 00:52:26 Alec Hanson, Montana League of Cities and Towns
 00:53:41 REP. BUTCHER
 00:58:47 REP. FACEY
 01:00:23 CHAIRMAN WAITSCHIES
 01:00:59 REP. LAKE
 01:03:13 REP. BUTCHER
 01:04:36 REP. COHENOUR
 01:05:24 REP. WARDEN
 01:06:10 REP. ROSS
 01:06:48 REP. PETERSON

01:09:38 Vote: Motion HB 741 failed 10-10 by roll call vote with REPS. BALYEAT, BUTCHER, FACEY, HIMMELBERGER, LAKE, LAMBERT, PETERSON, ROSS, WAITSCHIES, and WARDEN voting aye and REPS. BALYEAT, GROESBECK and RASER voting by proxy.

EXECUTIVE ACTION ON HB 779

01:11:17 Motion: REP. BUTCHER moved that HB 779 DO PASS.

Discussion:

01:11:50 REP. BUTCHER
 01:17:50 REP. LAKE
 01:23:20 REP. LAMBERT
 01:25:44 REP. WARDEN

01:27:00 Vote: Motion failed 8-12 by voice vote with REPS. BALYEAT, BUTCHER, HIMMELBERGER, LAMBERT, PETERSON, ROSS, WAITSCHIES, and WARDEN voting aye and REPS. FACEY, GROESBECK, RASER, BALYEAT and SALES voting by proxy.

01:28:45 Motion/Vote: REP. ROSS moved that HB 779 BE TABLED AND THE VOTE REVERSED. Motion carried by voice vote.

EXECUTIVE ACTION ON HB 408

01:29:11 Motion: REP. BRANAE moved that HB 408 DO PASS.

01:29:38 Motion: REP. BUTCHER moved that HB 408 BE AMENDED.

EXHIBIT (tah67a04)

Discussion:

01:29:55 REP. BUTCHER
01:39:34 REP. LAMBERT
01:41:23 REP. COHENOUR
01:43:30 REP. SALES
01:44:11 CHAIRMAN WAITSCHIES

01:51:30 **Vote:** Motion carried unanimously by voice vote with REPS. McALPIN, BALYEAT, GROESBECK and RASER voting by proxy.

01:51:59 **Motion/Vote:** REP. BUTCHER moved that HB 408 DO PASS AS AMENDED. Motion failed 8-12 by roll call vote with REPS. BUTCHER, HIMMELBERGER, LAMBERT, PETERSON, ROSS, SALES, WAITSCHIES, and WARDEN voting aye and REPS. BALYEAT, GROESBECK, McALPIN and RASER voting by proxy.

01:53:36 **Motion/Vote:** REP. HIMMELBERGER moved that HB 408 BE TABLED AND THE VOTE REVERSED. Motion carried by voice vote with REPS. BALYEAT, GROESBECK, McALPIN and RASER voting by proxy.

01:54:25 Break

02:04:55 Resume

ADDITIONAL EXECUTIVE ACTION ON HB 741

02:05:06 **Motion/Vote:** REP. WARDEN moved to RECONSIDER THE MOTION on HB 741. Motion carried 11-9 by roll call vote with REPS. BRANAE, BIXBY, BUTCHER, CAMPBELL, COHENOUR, GROESBECK, MCALPIN, RASER, and WISEMAN voting no and REPS. BALYEAT, CAMPBELL, GROESBECK, MCALPIN and WISEMAN voting by proxy.

02:06:57 **Motion:** REP. PETERSON moved that HB 741 DO PASS AS AMENDED.

Discussion:

02:07:06 REP. FACEY
02:07:15 REP. BRANAE
02:07:37 REP. ROSS
02:08:16 REP. GRINDE
02:08:37 REP. WARDEN

02:08:53 Vote: Motion carried 11-9 by roll call vote with REPS. BIXBY, BRANAE, BUTCHER, CAMPBELL, COHENOUR, GROESBECK, MCALPIN, RASER, and WISEMAN voting no and REPS. BALYEAT, GROESBECK, McALPIN and RASER voting by proxy.

EXECUTIVE ACTION ON HB 639

02:10:18 Motion: REP. PETERSON moved that HB 639 DO PASS.

02:13:06 Motion: REP. PETERSON moved that HB 639 BE AMENDED with a conceptual amendment.

Discussion:

02:13:27 Jeff Martin, Legislative Services Division

02:14:13 Vote: Motion carried unanimously by voice vote with REPS. BALYEAT, GROESBECK, McALPIN and RASER voting by proxy.

02:14:43 Motion: REP. PETERSON moved that HB 639 DO PASS AS AMENDED.

Discussion:

02:14:49 REP. COHENOUR

02:14:57 Vote: Motion carried 12-8 by roll call vote with REPS. BIXBY, BRANAE, CAMPBELL, COHENOUR, GROESBECK, MCALPIN, RASER, and WISEMAN voting no and REPS. BALYEAT, GROESBECK, McALPIN and RASER voting by proxy.

EXECUTIVE ACTION ON HB 592

02:16:23 Motion: REP. WAITSCHIES moved that HB 592 DO PASS.

02:16:30 Motion: REP. WAITSCHIES moved that HB 592 BE AMENDED.

EXHIBIT (tah67a05)

Discussion:

02:17:15 Jeff Martin, Legislative Services Division

02:19:37 REP. WISEMAN

02:20:30 REP. COHENOUR

02:20:58 Vote: Motion carried 13-7 by roll call vote with REPS. BIXBY, CAMPBELL, COHENOUR, GROESBECK, MCALPIN, RASER, and WISEMAN voting no and REPS. BALYEAT, GROESBECK, McALPIN and RASER voting by proxy.

02:22:02 Motion: REP. WAITSCHIES moved that HB 592 DO PASS AS AMENDED.

02:22:53 Motion: REP. WAITSCHIES moved that HB 592 BE AMENDED.

EXHIBIT (tah67a06)

Discussion:

02:23:05 Jeff Martin, Legislative Services Division

02:25:32 REP. COHENOUR

02:25:46 CHAIRMAN WAITSCHIES

02:26:16 REP. FACEY

02:26:52 REP. ROSS

02:28:08 REP. COHENOUR

02:28:43 REP. WARDEN

02:29:08 CHAIRMAN WAITSCHIES

02:29:26 REP. SALES

02:29:40 REP. BRANAE

02:30:31 REP. FACEY

02:31:02 Vote: Motion failed 10-10 by roll call vote with REPS. BALYEAT, BUTCHER, HIMMELBERGER, LAKE, LAMBERT, PETERSON, ROSS, SALES, WAITSCHIES, and WARDEN voting aye and REPS. BALYEAT, GROESBECK, McALPIN and RASER voting by proxy.

02:32:05 Vote: Motion carried 12-8 by roll call vote with REPS. BIXBY, BRANAE, CAMPBELL, COHENOUR, GRINDE, GROESBECK, MCALPIN, and RASER voting no and REPS. BALYEAT, GROESBECK, McALPIN and RASER voting by proxy.

EXECUTIVE ACTION ON HB 472

02:33:31 Motion: REP. LAKE moved that HB 472 DO PASS.

Discussion:

02:33:59 REP. COHENOUR
02:34:15 REP. LAKE
02:34:56 REP. BUTCHER

02:35:03 *REP. RASER arrives at Committee Meeting.*

02:35:40 REP. BIXBY
02:35:55 REP. BRANAE
02:36:18 REP. SALES

02:37:27 Vote: Motion failed 10-10 by roll call vote with REPS. BALYEAT, BUTCHER, HIMMELBERGER, LAKE, LAMBERT, PETERSON, ROSS, SALES, WAITSCHIES, and WARDEN voting aye and REPS. BALYEAT, GROESBECK and McALPIN voting by proxy.

EXECUTIVE ACTION ON HB 528

02:38:42 Motion: REP. WISEMAN moved that HB 528 DO PASS.

02:39:17 Motion: REP. LAMBERT moved that HB 528 BE AMENDED.

EXHIBIT (tah67a07)

Discussion:

02:40:40 REP. LAKE

02:42:50 Vote: Motion carried unanimously by voice vote with REPS. McALPIN, BALYEAT and GROESBECK voting by proxy.

02:43:13 Motion: REP. LAMBERT moved that HB 528 DO PASS AS AMENDED.

Discussion:

02:43:21 REP. WISEMAN
02:43:56 REP. HIMMELBERGER
02:46:39 REP. BUTCHER
02:47:45 REP. COHENOUR

02:49:17 Vote: Motion carried 17-3 by roll call vote with REPS. GROESBECK, HIMMELBERGER, and ROSS voting no and REPS. BALYEAT, GROESBECK and McALPIN voting by proxy.

EXECUTIVE ACTION ON HB 792

02:51:00 Motion: REP. LAKE moved that HB 792 DO PASS.

02:51:48 Motion: REP. WARDEN moved that HB 792 BE AMENDED.
EXHIBIT (tah67a08)

Discussion:

02:51:53 Jeff Martin, Legislative Services Division

02:55:36 REP. COHENOUR

02:56:38 Vote: Motion failed 10-10 by roll call vote with
REPS. BALYEAT, BUTCHER, HIMMELBERGER, LAKE,
LAMBERT, PETERSON, ROSS, SALES, WAITSCHIES, and
WARDEN voting aye and REPS. BALYEAT, GROESBECK and
McALPIN voting by proxy.

02:57:38 Vote: Motion failed 10-10 by roll call vote with
REPS. BALYEAT, BUTCHER, HIMMELBERGER, LAKE,
LAMBERT, PETERSON, ROSS, SALES, WAITSCHIES, and
WARDEN voting aye and REPS. BALYEAT, GROESBECK and
McALPIN voting by proxy.

EXECUTIVE ACTION ON HB 764

02:58:52 Motion: REP. WISEMAN moved that HB 764 DO PASS.

02:59:27 Motion: REP. FACEY moved that HB 764 BE AMENDED.
EXHIBIT (tah67a09)

Discussion:

03:00:16 REP. FACEY

03:03:21 REP. LAKE

03:04:50 REP. COHENOUR

03:05:10 REP. FACEY

03:05:34 CHAIRMAN WAITSCHIES

03:06:06 REP. FACEY

03:08:45 REP. LAKE

03:10:22 Vote: Motion carried 13-7 by roll call vote with
REPS. BALYEAT, HIMMELBERGER, LAKE, LAMBERT, ROSS,
SALES, and WAITSCHIES voting no and REPS. BALYEAT,
GROESBECK and McALPIN voting by proxy.

03:11:28 Motion: REP. FACEY moved that HB 764 BE AMENDED.
EXHIBIT (tah67a10)

Discussion:

03:12:27 Jeff Martin, Legislative Services Division

03:13:26 Vote: Motion carried 18-2 by roll call vote with REPS. SALES and WAITSCHIES voting no and REPS. BALYEAT, GROESBECK, McALPIN and PETERSON voting by proxy.

03:15:33 Motion: REP. FACEY moved that HB 764 DO PASS AS AMENDED.

03:15:49 Motion/Vote: REP. FACEY moved that HB 764 BE AMENDED. Motion carried 19-1 by voice vote with REP. SALES voting no and REPS. BALYEAT, GROESBECK and McALPIN voting by proxy.

[EXHIBIT](#) (tah67a11)

03:18:02 Motion: REP. FACEY moved that HB 764 DO PASS AS AMENDED.

Discussion:

03:18:09 REP. ROSS
03:18:42 REP. FACEY
03:19:21 REP. COHENOUR
03:20:01 REP. LAKE
03:21:12 REP. CAMPBELL
03:21:49 REP. BUTCHER
03:23:21 REP. FACEY
03:24:31 REP. BUTCHER
03:26:23 REP. COHENOUR
03:27:10 REP. FACEY
03:27:26 REP. LAMBERT

03:27:48 *REP. CAMPBELL left Committee Meeting.*

03:28:01 REP. BUTCHER

03:28:43 *REP. WISEMAN left Committee Meeting.*

03:29:02 CHAIRMAN WAITSCHIES

03:30:23 Vote: Motion that HB 764 DO PASS AS AMENDED failed 10-10 by roll call vote with REPS. BIXBY, BRANAE, CAMPBELL, COHENOUR, FACEY, GRINDE, GROESBECK, MCALPIN, RASER, and WISEMAN voting aye and REPS. BALYEAT, CAMPBELL, GROESBECK, McALPIN and WISEMAN voting by proxy.

EXECUTIVE ACTION ON HB 756

03:32:06 **Motion:** REP. RASER moved that HB 756 DO PASS.

03:32:50 **Motion:** REP. RASER moved that HB 756 BE AMENDED.

[EXHIBIT](#)(tah67a12)

Discussion:

03:33:19 Jeff Martin, Legislative Services Division

03:36:10 **REP. WARDEN**

03:36:38 **CHAIRMAN WAITSCHIES**

03:37:43 **Vote:** Motion carried unanimously by voice vote
with REPS. BALYEAT, CAMPBELL, GROESBECK and
McALPIN voting by proxy.

03:38:12 **Motion:** REP. RASER moved that HB 756 DO PASS AS
AMENDED.

Discussion:

03:39:08 **REP. ROSS**

03:39:42 **CHAIRMAN WAITSCHIES**

03:40:33 **REP. RASER**

03:41:16 **REP. LAMBERT**

03:41:42 **REP. RASER**

03:42:10 **Vote:** Motion carried 14-6 by roll call vote with
REPS. BALYEAT, BUTCHER, HIMMELBERGER, LAKE,
LAMBERT, and ROSS voting no and REPS. BALYEAT,
CAMPBELL, GROESBECK and McALPIN voting by proxy.

EXECUTIVE ACTION ON HB 776

03:43:42 **Motion:** REP. RASER moved that HB 776 DO PASS.

03:44:01 **Motion:** REP. RASER moved that HB 776 BE AMENDED.

[EXHIBIT](#)(tah67a13)

[EXHIBIT](#)(tah67a14)

Discussion:

03:47:33 **REP. RASER**

03:47:45 **Vote:** Motion carried unanimously by voice vote
with REPS. BALYEAT, PETERSON, ROSS, LAMBERT,
McALPIN, CAMPBELL and GROESBECK voting by proxy.

03:48:15 Motion/Vote: REP. RASER moved that HB 776 DO PASS
AS AMENDED. Motion carried unanimously by voice
vote with REPS. BALLYEAT, ROSS, PETERSON, LAMBERT,
CAMPBELL, GROESBECK, and McALPIN voting by proxy.

EXECUTIVE ACTION ON HB 252

03:49:25 Motion: REP. WISEMAN moved to RECONSIDER THE
MOTION on HB 252.

Discussion:

03:50:36 REP. LAKE

03:51:01 REP. WISEMAN withdrew the Motion to RECONSIDER THE
ACTION on HB 252.

ADJOURNMENT

Adjournment: 12:00 P.M.

REP. KARL WAITSCHIES, Chairman

DEBRA POLHEMUS, Secretary

KW/dp

Additional Exhibits:

EXHIBIT ([tah67aad0.PDF](#))