

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Chairman Harrington, on March 14, 1989, at
8:00 a.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Dave Bohyer, Legislative Council

Announcements/Discussion: None.

HEARING ON HOUSE BILL 766

Presentation and Opening Statement by Sponsor:

Rep. Jerry Driscoll, House District 92, stated the bill is to provide a tax exemption for a malting barley plant to be built by Budweiser possibly in Billings or Butte. Rep. Driscoll stated the plant could be built anywhere in the state. He said the market value of the plant would be \$50,000,000.00.

Testifying Proponents and Who They Represent:

None.

Proponent Testimony:

None.

Testifying Opponents and Who They Represent:

None.

Opponent Testimony:

None.

Ken Nortveldt, Department of Revenue, stated he held no particular position on the bill. He wished to state that this could start a precedent to move potential new industries into another class and thereby encourage them to locate in the state.

Questions From Committee Members: Rep. Patterson asked Rep. Driscoll if he knew how many employees the plant would hire. Rep. Driscoll stated there would be 300 for the initial construction and 40 to 50 permanent employees for operations.

Rep. Ellison asked Dr. Nortveldt if the state would be inviting lawsuits by changing property from one class to another. Dr. Nortveldt replied he had checked this with the legal department and they had responded this was certainly possible.

Rep. Hoffman asked Rep. Driscoll if this would not come under the new industry clause. Rep. Driscoll replied it would for the first five years, but under his bill, they would have a lower tax rate for those years.

Rep. Gilbert asked Rep. Driscoll if this bill is passed granting a 3% rate, would the company still qualify for new and expanding industries. Rep. Driscoll replied yes. Rep. Gilbert then stated with both of these tax breaks, the company would only be paying 1.5%, and asked Rep. Driscoll if this wouldn't create an imbalance with other new industries who have to pay all of the taxes. Rep. Driscoll replied the company would pay 3.86 on their real property and 3% on their machinery and equipment. He said this would amount to approximately 1.5 million in taxes so he did not think that could be considered an imbalance.

Closing by Sponsor: Rep. Driscoll stated in regard to the mention of lawsuits, there had been no problem with the aluminum plant that was given a tax reduction. He said the legislature has the right to classify property taxes and he saw no problem in this area.

DISPOSITION OF HOUSE BILL 766

Motion: None.

Discussion: None.

Amendments, Discussion, and Votes: None.

Recommendation and Vote: None. Action will be taken at a later date.

HEARING ON SENATE BILL 257

Presentation and Opening Statement by Sponsor:

Senator Paul Rapp-Svrcek, District 26, stated the gas and diesel taxes in the state in 1980 were over \$100,000,000.00. He said the gas distributors collect the tax for the state. If the distributors sell gas or diesel to a customer who

does not pay their bill, the distributor still has to pay the state tax on the product even though the tax money has not been collected on the debt. Sen. Rapp-Svrcek said SB 257 would remove that inequity where bad debts are concerned and the distributor would receive a credit on all bad debts. He stated this is a matter of fairness to the distributors.

Testifying Proponents and Who They Represent:

Steve Visocan, Montana Petroleum Marketers Association
Ted Neuman, Montana Council of Oil & Petroleum
Rep. Orville Ellison, House District 81

Proponent Testimony:

Steve Visocan stated the major problem with the bad debts is that the money for the tax was never collected from the customer but the distributor must still pay the tax. He said SB 257 simply eliminates this inequity. He said there is no significant administrative burden to the state since the distributor will submit their tax record with their income tax and be issued a credit for all bad debts. He stated it was not fair to be forced to pay taxes on money never collected.

Ted Neuman stated the tax on a load of fuel can be several thousand dollars for one distributor which is a significant amount for them. He urged support of the bill.

Rep. Orville Ellison stated he supports the bill. He said the dealer not only loses the tax, he loses additional funds as well since he is not paid for his product but still must pay the tax.

Testifying Opponents and Who They Represent:

Ken Nortveldt, Director, Department of Revenue

Opponent Testimony:

Ken Nortveldt said the state should not become involved in the collection efforts of two private parties who have a contract. He stated the tax on fuel is not a typical tax since it is meant to be user oriented. He stated the problem arises because private vendors are granting credit to their customers.

Questions From Committee Members: Rep. Driscoll asked Steve Visocan what the federal government did with their portion of the tax. Mr. Visocan replied they do not provide for a credit. Rep. Driscoll then asked what the refiner did and Mr. Visocan replied the refiner pays the tax directly to the state.

Rep. Ellison asked Ken Nortveldt if he had a better solution

to the problem. Dr. Nortveldt replied he did not but basically it was a matter of deciding whose bad debt this is and who should have the responsibility of collecting.

Rep. Hoffman asked Dr. Nortveldt if the bill passed, would there be considerable expense for the Department of Revenue. Dr. Nortveldt replied he did not think additional FTEs would be necessary as he did not see any indication there would be that much additional work involved.

Rep. Ellison asked Dr. Nortveldt if there was a way the state could collect the tax part of the debt since this is an obligation to the state. Dr. Nortveldt stated if this was transferred back to the DOR, the auditors would have to try to collect. Rep. Ellison said the state has more influence to collect the tax than the fuel dealers. Dr. Nortveldt replied in the sense that government liens have priority over private liens.

Rep. Good asked Dr. Nortveldt about the DOR requirement for reports on page 4 of the bill and how would this be handled. Dr. Nortveldt replied they would try to collect the tax but would need a mechanism to know who did not pay the tax since the distributor's tax form would not identify the party. He said there would also have to be a judgment as to the point in time to collect the tax since this would not become a bad debt immediately.

Rep. Patterson asked Mr. Visocan how much money was involved in bad debts. He replied about \$60,000.00 per year.

Closing by Sponsor: Sen. Rapp-Svrcek stated he found the DOR's opposition to the bill frustrating since the Governor has endorsed this. He said this is a matter of fairness and as to the credit problem, the economy runs on credit and the state grants credit to the dealers. He said the dealers have great incentive to make every effort to collect the debts since the state loses \$.20 per gallon while the dealer loses \$.80 gallon. He stated this was a good business bill and Rep. Grady had agreed to carry the bill on the House floor if the committee chose to pass it.

DISPOSITION OF SENATE BILL 257

Motion: None.

Discussion: None.

Amendments, Discussion, and Votes: None.

Recommendation and Vote: None. Action will be taken at a later date.

Presentation and Opening Statement by Sponsor:

Senator Mike Halligan, District 29, stated SB 282 was a product of two years study made by the Montana Alliance for Better Child Care and other coalitions. He said the intention was to find a way for the state to promote private day care for children. Sen. Halligan stated absenteeism in the work place due to child care problems, is approximately a billion dollars a year and the resultant loss in productivity is detrimental to the economy. He said the company can start their own on-site facility and receive up to a 50% tax credit for this or they can contract with private day care facilities or include this in a benefit package to their employees and still receive the credit. Sen. Halligan stated the two wage earner family is the rule and not the exception and good child care is essential.

Testifying Proponents and Who They Represent:

Nancy Griffin, Montana Women's Lobby
Christine Denney, League of Women Voters
Eric Fever, Montana Education Association
Dan Walker, U.S. West
Paulette Bailey, Concerned Citizen
Don Judge, AFL-CIO

Proponent Testimony:

Nancy Griffin spoke in support of the bill. (Exhibit 1).

Christine Denney stated the League supports the use of economic incentives such as tax credits to involve employers in the child care needs of their workers. She said it is essential that women have equal opportunity in employment and quality and affordable child care is a major problem for working mothers, 50% of whom are employed currently in Montana. She urged support of the bill.

Eric Fever stated he agreed with the previous proponents reasons for supporting the bill. He urged support since child care is an immediate and essential concern.

Dan Walker stated his company recognized the issue of child care and strongly supported the bill. He said this was a problem of productivity as well as morale since the parents at work are often preoccupied with the child care problems they are experiencing. He urged support of the bill.

Paulette Bailey stated she was a single mother and worked for Plum Creek Timber. She stated when her daughter was born, she went to the personnel office of Plum Creek Timber and asked if they could establish a day care center in a very large building they had just constructed for their clerical employees, and she was laughed out of the office. She stated she was glad to see that the issue of quality day

care was finally being taken seriously.

Don Judge urged support of the bill. He stated good quality child care that everyone can afford is essential for reduction of absenteeism and stress and will increase productivity among workers.

Testifying Opponents and Who They Represent:

None.

Opponent Testimony:

None.

Questions From Committee Members: Dr. Ken Nortveldt wished to speak on the bill as a neutral. He stated he supported the concept of child care needs but felt this should be done in the private sector rather than government. He said the tax credit level could be a significant loss in revenue. Dr. Nortveldt stated proposals that call for the granting of large tax credits really are appropriations issues. He said this would represent a major change in state social policy and the administration could not support the 50% credit level.

Rep. John Patterson asked Dr. Nortveldt what level credit would the administration support. He replied the administration had no immediate figure but they would supply this information to the committee.

Rep. Driscoll stated that, according to the fiscal note, this would impact individual income tax collections but according to the testimony, the corporations would take advantage of this and they do not pay individual income tax so the only companies affected would be subchapter S or proprietorships. He asked Dr. Nortveldt if the major corporations would not be the most likely to take advantage of this credit. Dr. Nortveldt replied this was true although it was hoped that the smaller companies would take advantage of this also. He said the impact should come from the corporate license tax rather than individual income tax.

Rep. Ream asked Sen. Halligan about page 1, lines 21-25, which states that the cap would be \$1,250.00 or is it \$2,500.00. Sen. Halligan stated he would like to work with the DOR on this but the original intent was a cap of \$2,500.00.

Rep. Rehberg asked Sen. Halligan if the employer, under this bill, would pay one-half of the child care costs and under existing law, the other half would be excluded from gross income so the employee would have no child care cost. Sen. Halligan replied he was not sure on this. Nancy Griffin responded if the employer pays \$5,000.00 for each employee,

the employer would get 50% tax credit. She said the IRS requires that the employer work out a child care plan and the employer would pay the employee for the child care or pay a private contractor directly, if that is the arrangement. Rep. Rehberg stated then the employee does not pay any of the child care costs but the employee deducts the costs from their income tax. Ms. Griffin said that would be true if the employer agreed to pay 100% of the costs but it was doubtful any employer would do this.

Rep. Good asked Sen. Halligan if dependent care assistance in this bill would include care for the elderly. Sen. Halligan stated under the federal definition of dependent care, the elderly and the handicapped are included.

Rep. Hoffman asked Sen. Halligan about the statement in the bill regarding the determination of marital status. Sen. Halligan replied this was an IRS requirement primarily for separations and divorced parents to determine who has custody of the children and should rightfully receive the deduction.

Rep. Cohen asked Eric Feaver about his support of the bill although the schools do not pay taxes so there is no benefit to them as employers or fiscal incentive for them to take part in this program. Mr. Feaver concurred. Rep. Cohen then asked if there was any way a single parent schoolteacher could receive benefit from this bill. Mr. Feaver replied he was not sure, but it would be his assumption there would be no benefit. Rep. Cohen then directed this question to Sen. Halligan who said there would be no benefit for public employees. Rep. Cohen then asked Mr. Feaver why he would support the bill when the fiscal note shows a 2.6 million dollar loss to the combined general fund and foundation program in one year. Mr. Feaver replied he would call the bill a tax expenditure and the issue of child care means more to the MEA and its members than the cost involved. He said he considered this a good government expenditure. Rep. Cohen then asked if Mr. Feaver would rather see the government spending money for a program such as this which has no benefit for teachers or making this benefit available to both public and private sectors. Mr. Feaver responded they would certainly prefer that this be available to all sectors but even without that, it is still a good bill and hoped it would not be defeated because of this aspect.

Dr. Nortveldt stated if this is provided to the private sector, in the future there would be pressure to apply this to the public sector as well in the name of fairness. He stated the public sector does not need a tax credit since they have the public tax funding to provide them with child care.

Closing by Sponsor: Sen. Halligan thanked the committee for a

very good discussion. He stated this was an appropriate role for state government and this is a serious need that must be carefully considered. Sen. Halligan said he applauded Eric Feaver for supporting the bill even though most of his members would not benefit from it. He said public sector child care may be in the near future. He said it is necessary to look at this issue as the way of the future.

DISPOSITION OF SENATE BILL 282

Motion: None.

Discussion: None.

Amendments, Discussion, and Votes: None.

Recommendation and Vote: None. Action will be taken at a later date.

HEARING ON HOUSE BILL 269

Presentation and Opening Statement by Sponsor:

Rep. Francis Koehnke, District 32, presented an unofficial gray bill to the committee on HB 269. (Exhibit 2). Rep. Koehnke stated HB 269 is a bill to require voter approval before a statewide general sales tax or local option sales tax could be enacted, increased in rate, or expanded to include additional goods or services. He stated this must be approved at the next general election to change the constitution and the effective date would be January 1, 1991. He stated any reduction of the credit rebate would also have to be approved by the people and there would be a transition period so that anything in place at the time of passage of the bill would stay in place. Rep. Koehnke stated the opponents to the bill will say this is the function of the legislature but if a sales tax is enacted, it constitutes a change in the entire tax system of the state and, once it is passed, it is unlikely it will ever be repealed. Rep. Koehnke stated Eastern Montana College conducted a survey regarding the sales tax with the following results: 37% for; 57% against; if property tax relief was provided-59% for; 36% against; if the legislature should do this without the vote of the people - 13% for; 85% against. Rep. Koehnke said it was clear that the people want the right to decide this issue.

Testifying Proponents and Who They Represent:

Mike Koehnke, Farmer, Townsend
Gail Stoltz, Executive Director, Flathead Democratic Party
Ken Nortveldt, Director, Department of Revenue
Don Judge, Montana AFL-CIO

Proponent Testimony:

Mike Koehnke explained the amendments on the gray bill. (Exhibits 3 & 4). He stated the bill is a constitutional amendment to cap the sales tax if it is passed, and prevent any expansion of the tax without a vote of the people. He said the bill deals only with a statewide general sales tax. He stated he thought a lot of the opposition to the sales tax in the state had to do with the fear that once the tax is in place, it will continually increase, other exemptions will be added or the regressivity will be removed. He said, with this bill, there is no need for concern in these areas because any change in the sales tax would require the vote of the people.

Gail Stoltz stated she supports the right of the people to vote on the sales tax and this bill would ensure this. She urged support of the bill.

Ken Nortveldt spoke on behalf of the Administration. He said any major change in the tax system should be voted on by the people. Dr. Nortveldt stated there were concerns about the timing of the election. He said they were concerned with the language change on page 1, line 22, stating "an election" instead of "a general election." He stated this needs clarification since "an election" is rather vague and may result in a small voter turnout. He also cited page 2, the effective date of January 1, 1991. Dr. Nortveldt stated a constitutional referendum can only occur at the general election which will be in November of 1990 and hence this effective date. He said he had asked for the Attorney General's opinion on this. He stated, otherwise, the Administration strongly endorses the bill.

Don Judge said his organization supports the bill since it guarantees the right of the people to vote on the implementation of a sales tax. He said opponents of the bill will say this is bad policy but the eroding of the tax base is bad policy. Mr. Judge said this erosion has placed the state in the position of having to consider a sales tax. He stated it has been made clear by the people of Montana that they want to vote on any sales tax and the bill guarantees this right. He urged a do pass on the bill.

Testifying Opponents and Who They Represent:

Dennis Burr, Montana Taxpayers Association
Eric Feaver, Montana Education Association

Opponent Testimony:

Dennis Burr stated he opposed the bill since he felt tax policy was the prerogative of the legislature and the language in Section 3, Page 2, of the gray bill really preserves selective sales taxes that are already in place.

He said the legislature already has the discretion to submit a sales tax to the people and this is the type of discretion they should have.

Eric Feaver agrees that a sales tax, if passed by the legislature, should go to the vote of the people but sees no relationship between this and HB 269. He stated his organization adamantly opposes the bill and considers it bad tax policy. Mr. Feaver said the bill will unnecessarily encumber Montana's constitution with restrictions to the legislative power to tax. He said HB 269, SB 441, and HB 725 all limit the power of the legislature to respond to emergency situations and the MEA opposes all of them. He said there are checks and balances to control legislative action. He said these restrictions are bad tax policy and urged defeat of the bill.

Questions From Committee Members: Rep. Rehberg asked Don Judge if the basis of his support of this bill was the public polls on the vote of the people. Mr. Judge replied labor unions support the right of the people to vote on any sales tax. Rep. Rehberg asked if he thought the local governments should pay the costs of the election. Mr. Judge replied this would be voted on at the next general election so the cost is the obligation of the state. Rep. Rehberg stated this bill states "an election." Mr. Judge replied if there is a special election for this, then the state should pay for this. Rep. Rehberg then asked Rep. Koehnke why should there be any legislative action if every decision has to go to a vote of the people. Rep. Koehnke replied the purpose is to stop runaway taxation. Rep. Rehberg said he agreed runaway taxes should be stopped but why should the legislature go through the motions of passing something; why not go directly to the people. He asked Rep. Koehnke if, in this case, the bill could be amended to omit the legislature entirely. Rep. Koehnke replied he did not know if this could be done but possibly in this case, it might be the proper action.

Rep. Elliott asked Mike Koehnke to explain the reduction limitation in the bill. Mr. Koehnke stated this was addressed on line 24, subsection 3, and does not change the current language in the constitution. He said line 18, subsection 2, covers specific item taxes and this would not require a vote of the people. He said the bill applies to a general sales tax only.

Rep. Giacometto stated he was opposed to the concept of the bill and asked Rep. Koehnke if he was open to an amendment to include all tax adjustments rather than just sales tax. Rep. Koehnke stated he would be willing to do this on a separate issue but not in this bill which applies only to the general sales tax.

Rep. Good asked Mr. Judge if he thought any sales tax on any

ballot would ever pass. Mr. Judge responded that he did not and his organization was opposed to any sales tax but if one should be passed out of the legislature, then the people have the right to vote on it.

Rep. Giacometto asked Gail Stoltz if she would support including all taxes in this bill. Ms. Stoltz replied her position is opposition to the sales tax but not people having the right to vote on it. She said the public has not indicated they wish to vote on other taxes and her party position is support of progressive tax policy where everyone pays their fair share. Rep. Giacometto stated this bill goes beyond the sales tax since it controls any further changes to the sales tax and this is setting a new policy. Ms. Stoltz stated this is a special tax and her party does not support this since it is unfair.

Rep. Rehberg asked Grace Edwards, who was in the audience, about the "an election" statement in the bill and he asked if she would support her county paying for this election. Ms. Edwards responded she could not support this since they are bound by budget laws in the counties. She said \$50,000.00 would be the cost of a special election in Yellowstone County alone.

Closing by Sponsor: Rep. Koehnke thanked the committee for a good discussion. He stated there was no intent in the bill to have a special election. He said any confusion in the language can be changed and he is more than willing to do so.

DISPOSITION OF HOUSE BILL 269

Motion: None.

Discussion: None.

Amendments, Discussion, and Votes: None.

Recommendation and Vote: None. Action will be taken at a later date.

HEARING ON SENATE BILL 341

Presentation and Opening Statement by Sponsor:

Senator Bob Brown, District 2, stated this bill comes from the Revenue Oversight Committee. He said the bill provides for an ongoing revenue estimating committee to function during the interim and the committee would be assisted by the Legislative Fiscal Analyst, the Department of Revenue, the Legislative Auditor and any other agency that has information regarding taxes and revenue.

Testifying Proponents and Who They Represent:

Rep. Dan Harrington, District 68, Butte

Proponent Testimony:

Rep. Dan Harrington stated he was a very strong proponent of the bill. He said the Revenue Oversight Committee should definitely have this capability and continue its work during the interim.

Testifying Opponents and Who They Represent:

None.

Opponent Testimony:

None.

Questions From Committee Members: Rep. Koehnke asked Chairman Harrington if the committee didn't do this now. Rep. Harrington responded the committee had never had the power to do this previously. Sen. Brown responded there should be an ongoing basis to monitor revenue expenditures and it was decided that the Revenue Oversight Committee was the logical decision.

Rep. Cohen asked Sen. Brown who would provide staffing for this committee. Sen. Brown replied the Legislative Council will do this. Rep. Cohen stated the Legislative Fiscal Analyst does their own revenue estimating. Sen. Brown replied this bill is the result of negotiations between the Legislative Council and the Legislative Fiscal Analyst to coordinate estimating during the interim.

Rep. Ream asked Sen. Brown if the joint rules that established the joint revenue estimating subcommittee would be changed and that the revenue oversight would act during the session as well as during the interim. Sen. Brown replied it would make sense to do this since there is no point in having one committee handle this during the interim and then switch to a new committee during the legislative session.

Rep. Patterson asked Sen. Brown about a date when the committee report would be adopted so the appropriations people have some idea of the anticipated revenue estimate. Sen. Brown stated the assumption is this would occur at the outset of the legislative session and the resultant resolution would be introduced in the house. He said perhaps there should be a clarification of this issue.

Rep. Good asked Judy Reppingill, the Legislative Fiscal Analyst who was in the audience, about additional costs to her office for the interim work. Ms. Reppingill replied this work is done at present by her office. She said in

this bill, her office would provide support to the Revenue Oversight Committee for doing the work prior to the legislative session. She stated the first resolution should be done by November.

Rep. Ray Peck stated he agreed with this bill and that this specific duty should be assigned to the Revenue Oversight Committee.

Closing by Sponsor: Sen. Brown made no further comment on the bill.

DISPOSITION OF SENATE BILL 341

Motion: None.

Discussion: None.

Amendments, Discussion, and Votes: None.

Recommendation and Vote: None. Action will be taken at a later date.

EXECUTIVE SESSION

DISPOSITION OF HOUSE BILL 163 HEARD ON JANUARY 25:

DISCUSSION: Rep. Ben Cohen, Chairman of the Subcommittee on HB 163, asked the committee members to look at the fiscal note. He said the electric and telephone coop was left in the bill. Rep. O'Keefe disagreed with this and explained that the taxes on these coops are the same as electric and telephone in private industry and this constitutes an unfair break for the coops. Rep. Rehberg stated he opposed taking this out because the impact of the coops competition with private industry was so minimal as to be insignificant. Rep. Cohen stated there was no significant benefit for the DOR to remove these cooperatives from the bill. Rep. Cohen stated it was their proposal that the bill be amended to increase the mercacious mine tax to \$.50 per ton and that half of the money go to the local county government. He said the express company and sleeping car license taxes were eliminated. He stated on the cement tax, the subcommittee recommended repeal of this section of the bill.

MOTION: On the Rural Electric Telephone Cooperative tax repeal, the motion FAILED by a 12 - 6 roll call vote. On the camper decal fee, the recommendation of the subcommittee was to leave this in the bill. The motion CARRIED by a unanimous voice vote. On the mercacious mineral mine license tax, the recommendation is to leave this in the bill. The motion CARRIED by a 13 to 5 vote with Reps. Giacometto, Rehberg, Ellison, Ream and Patterson voting no. On the express company and sleeping car tax, the recommendation is to leave this in the bill. The motion was

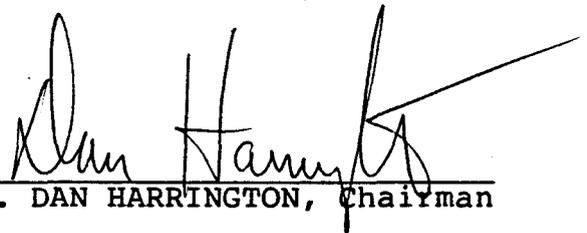
CARRIED by a unanimous voice vote. On the store license tax, Rep. Stang asked why the state needed a list of these stores. Rep. Cohen responded the store license tax has a progressive structure according to the store size. Rep. Driscoll stated it costs too much to collect \$11.00. Rep. Stang asked what good does it do. Rep. Gilbert stated it raised \$270,000.00 per year. On the store license tax, the recommendation is to strike the tax from the bill. The motion FAILED and the tax stays in the bill. On the coal retailers license tax, the recommendation is to leave this intact. The motion CARRIED by unanimous voice vote. On the cement and gypsum tax, the recommendation is to leave in the bill. The motion CARRIED by a unanimous voice vote. On the tramway and annual registration fee of gross receipts tax, the subcommittee recommended an amendment for a single fee determined by their board and the recommendation is to eliminate this from the bill. Motion CARRIED by a unanimous voice vote.

MOTION: DO PASS AS AMENDED by Rep. Gilbert. Motion CARRIED by a 16 to 2 voice vote with Reps. O'Keefe and Cohen voting no.

The Office of Public Instruction submitted a statement of the school impact of various tax bills in the House Taxation Committee. (Exhibit 5).

ADJOURNMENT

Adjournment At: 11:00 a.m.



REP. DAN HARRINGTON, Chairman

DH/lj

5915.min

DAILY ROLL CALL

TAXATION

COMMITTEE

51st LEGISLATIVE SESSION -- 1989

Date March 14, 1989

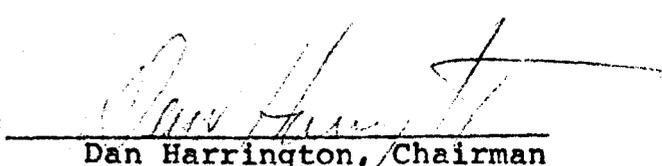
NAME	PRESENT	ABSENT	EXCUSED
Harrington, Dan, Chairman	✓		
Ream, Bob, Vice Chairman	✓		
Cohen, Ben	✓		
Driscoll, Jerry	✓		
Elliott, Jim	✓		
Koehnke, Francis	✓		
O'Keefe, Mark	✓		
Raney, Bob	✓		
Schye, Ted	✓		
Stang, Barry	✓		
Ellison, Orval	✓		
Giacometto, Leo	✓		
Gilbert, Bob	✓		
Good, Susan	✓		
Hanson, Marian	✓		
Hoffman, Robert	✓		
Patterson, John	✓		
Rehberg, Dennis	✓		

STANDING COMMITTEE REPORT

March 14, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Taxation report that HOUSE BILL 163 (first reading copy -- white) do pass as amended.

Signed: 

Dan Harrington, Chairman

And, that such amendments read:

1. Title, lines 6 and 7.

Following: "FEE," on line 6

Strike: the remainder of line 6 through "TAX," on line 7

2. Title, line 9.

Following: "RETAILER'S LICENSE TAX,"

Insert: "AND".

3. Title, lines 10 and 11.

Following: "TAX" on line 10

Strike: the remainder of line 10 through "TAX" on line 11

4. Title, lines 12 and 13.

Following: "REPEALING" on line 12

Strike: "TITLE 15, CHAPTER 37, PART 2;"

5. Title, line 14.

Strike: "23-2-714, 23-2-715,"

6. Page 2, lines 12 and 13.

Following: "Repealer." on line 12

Strike: "Title 15, chapter 37, part 2;"

7. Page 2, line 14.

Strike: "23-2-714, 23-2-715,"

FUND

P.O. Box 1099

Helena, MT 59624

406/449-7917

Testimony of Nancy Lien Griffin
Proponent for S.B. 282
Employer Assisted Child Care

In the past decade working parents have asked their employers and government for assistance with child care, identified in some polls as the number one family need in America. Child care costs are a major cost of employment for workers in our country and the lower the income, the higher percentage of the worker's paycheck is eaten up by child care costs.

Companies all over America are rising to the challenge and are anxious to meet the needs of their employees. Employer assisted child care programs have come to be known as the "benefit" of the 90's. Many companies has assigned task forces and study commissions to prepare child care plans for their employees. Child care has come to be recognized as a personnel issue.

Many Montana companies, Champion International, U.S. West, Montana Power, as well as hospitals, local governments and school districts are voluntarily becoming involved in child care. The provision of tax incentives for this involved, as developed by S.B. 282, will encourage more companies, large and small, to join this trend toward employer assisted child care.

Montana employers are, for the most part, small businesses that employ fewer than 20 people. The advantage of S.B. 282 is that it provides real incentives to involve business, regardless of its size, in assistance with employee's child care costs.

S.B. 282 allows Montana businesses who develop a plan in accordance with IRS guidelines to take a tax credit of 50% of employer assisted child care payments, up to \$2400 per employee. The employer has flexible options in determining both the method of disbursement of child care payments, and whether payments will be made to the employee or the provider. The employee is able to choose licensed child care placement for their child, and terms of the company's child care plan are negotiated between employee and employer.

S.B. 282 allows for growth of private, small business child care programs designed to meet the specific needs of Montana's workers and their employees.

Early Childhood Project



EXHIBIT 1

DATE 3/14/89

Herrick Hall
Montana State University
Bozeman, Montana
59717
406-994-4746

EMPLOYER-SUPPORTED CHILD CARE: WHAT ARE THE BENEFITS?

The workforce is changing

- * Women now comprise over 62 percent of Montana's laborforce, and are expected to represent over two-thirds by 1995.
- * More than 79 percent of Montana families are now supported by two or more wage-earners.
- * More than 65 percent of Montana mothers of children under the age of six, and 80 percent of mothers of school-age children, work outside their homes.
- * The report Focus: Women in the Workforce predicts that two-thirds of new entrants to the state's workforce between now and the year 2000 will be women. (MEA Research Department, August 1987)

Child care problems can affect the productivity of working parents

- * A nationwide Fortune Magazine study released in February, 1987 found that - for male and female employees with children under 12 - "problems with child care are the most significant predictors of absenteeism and unproductive time at work."
- * In a 1984 Portland State University survey of 8,000 Portland-area employees, 47 percent of women and 28 percent of men said that child care was a source of stress.
- * A 1987 survey of 931 employees in New Jersey found that 40 percent had missed at least one day of work in the previous three months because of child care.

Employers believe workplace child care programs are beneficial

recruitment
absenteeism
productivity

No methodologically sound data are yet available on the effects of child care programs on productivity. However, three national surveys have produced information on the perceptions of employers with programs that support working parent employees:

- * A 1978 survey of 58 employers (primarily hospitals) sponsored by the U.S. Department of Labor found that 88 percent said that an onsite child care center had been a boon to recruitment; 72 percent reported lowered absenteeism; and 57 percent said the turnover rate was lower.

- * In a 1984 study published by the American Management Association, the 204 companies responding ranked recruitment advantage, improve employee morale, and lowered absenteeism at the top of a list of impacts.
- * The National Employer-Supported Child Care Project found in a 1984 survey that 90 percent of the 178 employers responding reported that their child care program improved employee morale; 85 percent reported a favorable impact on recruitment; 85 percent saw the program as improving public relations; and 83 percent reported an improvement in employee work satisfaction.

A growing number of employers are becoming involved
Nationally:

- * The Conference Board, a New York-based research organization, estimates that 3300 American employers have child care-related programs, compared to just over 100 in 1978.
- * The U.S. Chamber of Commerce predicted in 1982 that child care will be the fastest-growing benefit of the 1990's.
- * Employer assistance with child care can involve flexible work arrangements, financial assistance (such as subsidies, flexible benefit plans and salary reduction accounts), information and referral programs, on- or near-site child care centers, or participation in community projects.

In Montana:

- * Community Hospital in Missoula and St. Peter's Hospital in Helena have started on-site centers for employers and parents from the community.
- * Family Resources, Inc. has a contract with Work/Family Directions, a national resource and referral service to provide referrals for their employees statewide.
- * The Great Falls Public School has started an on-site center for school district employees.
- * St. Patrick's Hospital in Missoula has started the first sick-child care program in Montana.
- * US WEST has provided a grant to the Early Childhood Project to provide information and assistance to employers.

FOR ADDITIONAL INFORMATION on employer-supported child care program options, needs assessment, and tax considerations, contact:

Billie Warford, Early Childhood Project
M.S.U., Herrick Hall
Bozeman, MT 59717
994-5005

Gray HB269 -- Unofficial
March 13, 1989

1 next general AN election following authorization of the tax by the governing body
2 of that UNIT OF local government.

3 ~~(5) A local government or the people, by initiative or referendum, may~~
4 ~~abolish a local option sales tax, decrease its rate, or limit its coverage of any~~
5 ~~goods or services, provided that revenue from a local option sales tax is not~~
6 ~~pledged as payment on bonds or other debts.~~

7 ~~(6)(5)~~ The legislature may by law authorize, prohibit, restrict, and regulate
8 local option sales taxes as provided for by this section.

9 NEW SECTION. Section 2. Effective date. If approved by the electorate,
10 this amendment is effective January 1, 1991.

11 NEW SECTION. SECTION 3. GENERAL TRANSITION. ALL STATEWIDE
12 AND LOCAL OPTION GENERAL OR SPECIFIC ITEM SALES TAX LAWS IN
13 EFFECT ON DECEMBER 31, 1990, REMAIN IN EFFECT, AS IF THIS SECTION
14 HAD NOT BEEN ADOPTED, UNTIL THEY EXPIRE BY THEIR OWN
15 LIMITATIONS OR ARE ALTERED OR REPEALED AS PROVIDED BY LAW.

16 NEW SECTION. Section 4. Submission to electorate. This amendment
17 shall be submitted to the qualified electors of Montana at the general election to
18 be held in November 1990 by printing on the ballot the full title of this act and
19 the following:

20 ~~FOR establishing restrictions on state and local option sales taxes~~
21 REQUIRING VOTER APPROVAL BEFORE A STATEWIDE GENERAL OR LOCAL
22 OPTION SALES TAX MAY BE ENACTED, INCREASED IN RATE, OR
23 EXPANDED TO INCLUDE ADDITIONAL GOODS OR SERVICES.

24 ~~AGAINST establishing restrictions on state and local option sales taxes~~
25 REQUIRING VOTER APPROVAL BEFORE A STATEWIDE GENERAL OR LOCAL
26 OPTION SALES TAX MAY BE ENACTED, INCREASED IN RATE, OR
27 EXPANDED TO INCLUDE ADDITIONAL GOODS OR SERVICES.

28 -END-
29

Gray HB269 -- Unofficial
March 13, 1989

EXHIBIT 2
DATE 3/14/89
HB 269
Rep. F. Koehne

1
2 A BILL FOR AN ACT ENTITLED: "AN ACT TO SUBMIT TO THE QUALIFIED
3 ELECTORS OF MONTANA AN AMENDMENT TO ARTICLE VIII OF THE
4 MONTANA CONSTITUTION TO ESTABLISH RESTRICTIONS ON STATE AND
5 LOCAL SALES TAXES; REQUIRING VOTER APPROVAL BEFORE A STATEWIDE
6 GENERAL SALES TAX OR LOCAL OPTION SALES TAX MAY BE ENACTED,
7 INCREASED IN RATE, OR EXPANDED TO INCLUDE ADDITIONAL GOODS OR
8 SERVICES; AND PROVIDING AN EFFECTIVE DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Article VIII of The Constitution of the State of Montana is
12 amended by adding a new section 15 that reads:

13 Section 15. Sales tax restrictions. (1) As used in this section, "sales tax"
14 means a pecuniary charge levied THROUGHOUT A TAXING JURISDICTION on
15 the sale OR USE of goods or services that is calculated as a percentage of the
16 purchase price paid and that is collected by the seller on behalf of the state or
17 UNIT OF local government.

18 (2) No state STATEWIDE GENERAL sales tax may be enacted, increased in
19 rate, or expanded to include additional goods or services AND NO SALES TAX
20 CREDIT OR REBATE MAY BE ALTERED OR REPEALED unless such action is:

21 (a) adopted by a majority vote in each house of the legislature; and

22 (b) approved by the electorate at the ~~next~~ general AN election following
23 adoption by the legislature.

24 (3) The legislature or the people, by initiative or referendum, may abolish a
25 state sales tax, decrease its rate, or limit its coverage of any goods or
26 services.

27 (4) No local option sales tax may be enacted, increased in rate, or
28 expanded to include additional goods or services AND NO SALES TAX CREDIT
29 OR REBATE MAY BE ALTERED OR REPEALED unless a local option sales tax
30 is:

31 (a) provided for by law;

32 (b) authorized by a unit of local government established by law under Article
33 XI, section 1, of the Montana constitution; and

34 (c) approved by the electors of the UNIT OF local government unit at the

EXHIBIT 3
DATE 3/14/89
HB 269
Rep. F. Koehnke

Amendments to House Bill No. 269
First Reading Copy

Requested by Rep. Koehnke
For the House Committee on Taxation

March 13, 1989

1. Title, line 7.
Following: "TAXES;"
Insert: "REQUIRING VOTER APPROVAL BEFORE A STATEWIDE GENERAL SALES TAX OR LOCAL OPTION SALES TAX MAY BE ENACTED, INCREASED IN RATE, OR EXPANDED TO INCLUDE ADDITIONAL GOODS OR SERVICES;"
2. Page 1, line 15.
Following: "levied"
Insert: "throughout a taxing jurisdiction"
3. Page 1, line 16.
Following: "sale"
Insert: "or use"
4. Page 1, line 18.
Following: "or"
Insert: "unit of"
5. Page 1, line 19.
Strike: "state"
Insert: "statewide general"
6. Page 1, line 24.
Strike: "the next general"
Insert: "an"
7. Page 2, line 11.
Following: "of the"
Insert: "unit of"
8. Page 2, line 12.
Strike: "unit"
Strike: "the next general"
Insert: "an"
9. Page 2, line 13.
Following: "that"
Insert: "unit of"
10. Page 2, lines 14 through 18.
Strike: "(5)" on line 14 through "debts." on line 18
Renumber: subsequent subsection

11. Page 2.

Following: line 24

Insert: "NEW SECTION. Section 3. General transition. All statewide and local option general or specific item sales tax laws in effect on December 31, 1990, remain in effect, as if this section had not been adopted, until they expire by their own limitations or are altered or repealed as provided by law."

Renumber: subsequent section

12. Page 3, lines 5 and 6.

Strike: "establishing" on line 5 through "taxes" on line 6

Insert: "requiring voter approval before a statewide general or local option sales tax may be enacted, increased in rate, or expanded to include additional goods or services"

13. Page 3, lines 7 and 8.

Strike: "establishing" on line 7 through "taxes" on line 8

Insert: "requiring voter approval before a statewide general or local option sales tax may be enacted, increased in rate, or expanded to include additional goods or services"

EXHIBIT 4
DATE 3/14/89
HB 269

Rep. F. Koehnke

Amendments to House Bill No. 269
First Reading Copy

Requested by Rep. Francis Koehnke
For the Committee on Taxation

March 13, 1989

1. Page 1, line 20.

Following: "services"

Insert: "and no sales tax credit or rebate may be altered or
repealed"

2. Page 2, line 6.

Following: "services"

Insert: "and no sales tax credit or rebate may be altered or
repealed"



EXH 311981
 DATE 3/11/81
 HB 11A

HOUSE TAXATION

As of March 10, 1989
 NANCY KEENAN OPI SCHOOL IMPACT REPORT

Heard	Bill #	Title	State Funds for Schools FY90	Local Schools FY91	Total Education Impact FY91
1/12	HB55	Estimation of unclaimed property assessments (Signed by Governor)	no fiscal information	no fiscal information	no fiscal information
1/20	HB125	Revise property tax freeze-inflation, mandated costs, voted charge (In Committee)	5,533,000	11,804,000	17,337,000
2/3	HB2361	Amending constitution to dedicate 7.5% of coal severance tax to public school fund (In House - 2nd Reading 3/2)	-0-	-0-	-0-
2/3	HB435	Allow county electors to remove tax freeze for taxing units in county. (In Committee)	no fiscal note	no fiscal note	no fiscal note
2/9	HB494	Raising smokeless tobacco tax to aid school foundation program (Tabled)	724,000	-0-	724,000
2/14	HB588	Revise fee in lieu tax on boats and include other motorized vessels (In Committee)	no fiscal information	no fiscal information	no fiscal information
3/2	HB634	Replacing 2% tax on light vehicles with a fee in lieu of tax (In Committee)	1,840,000	3,249,000	5,089,000
3/9	SB2	Clears up 105 interpretation (In Committee)	-0-	7,689,000	7,689,000
3/9	SB65	Similar to SB 2 (In Committee)	-0-	7,689,000	7,689,000
TOTAL:			8,097,000	22,742,000	30,839,000

In FY92, the foundation program would receive 95% of the interest earned on the investment of the dedicated amount.

HOUSE TAXATION

NANCY KEENAN OPI SCHOOL IMPACT REPORT

As of March 10, 1989

Page 2

Hear#	Bill #	Title	State Funds for Schools		Local Schools		Total Education Impact	
			FY90	FY91	FY90	FY91	FY90	FY91
2/7	HB451	Standard deduction in addition to deduction for house and dependent care. (In House)	(50,000)	(50,000)	-0-	-0-	(50,000)	(50,000)
3/1	HB586	Fraternal organizations tax exemption (In Committee)	(62,000)	(62,000)	(122,000)	(1,22,000)	(184,000)	(184,000)
3/2	HB641	Local tax exemption for industrial parks (In Committee)						no fiscal note
3/7	HB690	Deduction from taxable value the value of title plants (In Committee)	-0-	(8,000)	-0-	-0-	-0-	(8,000)
3/8	HB737	Revising tax rates for individual income taxpayers (In Committee)						no fiscal note
3/8	HB745	Exempting older farm machinery and construction equipment from taxation (In Committee)	(169,000)	(564,000)	(365,000)	(1,216,000)	(534,000)	(1,780,000)
3/6	HB747	Bradley--4% sales and use tax and distribution of revenues (In Committee)						no fiscal note
3/10	HB475	Cohen--Revising classification of property for property tax purposes (In Committee)	(872,000)	(7,517,000)	(2,092,000)	(20,597,000)	(2,964,000)	(28,114,000)
2/1	SB17	Property tax less on old cars (In Committee)	(33,000)	(33,000)	(59,000)	(59,000)	(92,000)	(92,000)
3/2	SB90	Repeals an unconstitutional bill (In committee)						no fiscal information
3/7	SB118	Revise property tax protest laws (In Committee)						no fiscal information

EXHIBIT 5
 DATE 3/14/89
 HB N/A

As of March 10, 1989
 NANCY KEENAN OPI SCHOOL IMPACT REPORT

Total Education Impact
 FY90 _____ FY91 _____

State Funds for Schools
 FY90 _____ FY91 _____

Local Schools
 FY90 _____ FY91 _____

(6,000) (14,000)
 no fiscal note
 (23,000) (23,000)
 no fiscal information
 (93,000) (93,000)
 (44,000) (44,000)
 (27,000) (108,000)
 no fiscal note
 no fiscal note
 (384,000) (884,000)
 (690,000) (724,000)
 (832,000) (832,000)

State Funds for Schools
 FY90 _____ FY91 _____

Local Schools
 FY90 _____ FY91 _____

(6,000) (14,000) -0- -0-
 no fiscal note
 (9,000) (9,000) (14,000) (14,000)
 no fiscal information
 (31,000) (31,000) (62,000) (62,000)
 (16,000) (16,000) (28,000) (28,000)
 (27,000) (108,000) -0- -0-
 no fiscal note
 no fiscal note
 (141,000) (286,000) (243,000) (598,000)
 (690,000) (724,000) -0- -0-
 (223,000) (223,000) (609,000) (609,000)

Title

1/12 HB41 Lowers tax for some coal (Will act on 1/18) (Signed by Governor)
 1/10 HB10 Oil tax cuts education trust fund (Tabled 1/11)
 1/4 HB15 Exempt motorboats 5 HP or less (Tabled 1/12)
 1/4 HB30 Changing tax on "old vehicles" (Tabled)
 1/11 HB35 Change personal property assessment tax on livestock, "coal & oil hauling trucks," etc. (Referred to Senate Tax)
 1/13 HB90 Exempt trucks, etc. from property tax (Amended for recreational & comm.) (Passed out of Committee 1/17) (Referred to S Agriculture) (Passed 3rd Reading in Senate)
 1/17 HB95 Exempt lottery prizes from state income tax (Adverse Committee Report)
 1/24 HB181 Method to appropriate coal tax proceeds to public school trust fund (In Committee)
 1/31 HB208 Prepayment of property taxes by hard-rock mine exploration developers. (Adverse committee report adopted)
 1/26 HB280 Revising definition of "income" to increase property tax relief (In Committee)
 2/2 HB293 Credit for household and dependent care based on I.R.C. (In Committee)
 2/7 HB4152 Exempt hand-held tools, etc., from property taxation (In House - 2nd Reading 3/2)

HOUSE TAXATION

Heard Bill #

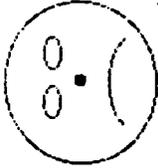
1/12 HB41
 1/10 HB10
 1/4 HB15
 1/4 HB30
 1/11 HB35
 1/13 HB90
 1/17 HB95
 1/24 HB181
 1/31 HB208
 1/26 HB280
 2/2 HB293
 2/7 HB4152



HOUSE TAXATION

As of March 10, 1989
NANCY KEENAN OPI SCHOOL IMPACT REPORT

EXHIBIT
DATE 3/14/89
HB WA Page 3



Heard	Bill #	Title	State Funds for Schools		Local Schools		Total Education Impact	
			FY90	FY91	FY90	FY91	FY90	FY91
3/10	SB184 ³	Eliminate tax on livestock and agriculture products (in Committee)	(1,030,000)	(992,000)	(1,689,000)	(1,627,000)	(2,719,000)	(2,619,000)
TOTAL			(2,487,000)	(3,120,000)	(3,191,000)	(4,335,000)	(5,678,000)	(7,455,000)

1 (87,096) in 92; (44,916) in 93
 2 Retroactive date reduces FY89 state funds for schools by 223,000 and local school district revenue by 608,000.
 3 Due to retroactive date, school district revenues will be reduced by 552,000 in FY 89

* at 1.9m/mill
 at 2.3m/1% general income tax charge

*An additional 2.9884 mills necessary to offset this loss or 2.47% income tax surcharge.

*An additional 3.9237 mills necessary to offset this loss or 3.24% income tax surcharge.

SENATE TAXATION
 As of March 10, 1989
 NANCY KEENAN OPI SCHOOL IMPACT REPORT

Heard	Bill #	Title	State Funds for Schools FY90	Local Schools FY90	Local Schools FY91	Total Education Impact FY90	Total Education Impact FY91
2/15	SB374	Property tax phase-in for improvements to real property or other improvements (Tabled 2/15)	-0-	-0-	(107,000)	-0-	(158,000)
2/15	SB379	Change classification of 1-ton trucks for motor vehicle taxation (Passed out of Committee 3/2)	(21,000)	(38,000)	(77,000)	(59,000)	(119,000)
2/15	SB380	Exclude social security number and tier 1 benefits from adjusted gross income in computing individual income tax (In Committee)	(757,000)	-0-	-0-	(757,000)	(757,000)
2/16	SB392	Exempt certain motion picture property from property taxation (In Committee)	(2,000)	(3,000)	(3,000)	(5,000)	(5,000)
3/8	SB408	Generally revise tax laws of the state (In Committee)	-0-	-0-	-0-	-0-	(827,000)
3/1	SB451 ⁴	Governor's personal property proposal (In Committee)	(706,000)	(216,000)	(812,000)	(922,000)	(3,781,000)
3/10	SB459	State income tax based on % of federal income tax (In Committee)	(1,649,000)	-0-	-0-	(1,649,000)	(1,421,000)
3/1	HB35	Change personal property assessment on livestock, "coal and oil hauling" trucks, etc. (In Committee)	(31,000)	(62,000)	(62,000)	(93,000)	(93,000)
2/1	HB4 ³	Lowers tax for some coal (Signed by Governor)	(6,000)	(14,000)		(6,000)	(14,000)
		TOTAL	(7,409,000)	(9,433,000)	(10,593,000)	(16,842,000)	(21,986,000)

*An additional 8.8642 mills necessary to offset this loss or 7.32% income tax surcharge
 *An additional 11.5716 mills necessary to offset this loss or 9.56% income tax surcharge

1 (Approximately 3.8% of coal tax royalties go to foundation program)
 2 (Due to retroactive date, local school district revenues will be reduced by \$552,000 in FY 89)
 3 (87,096) in 1992; (44,916) in 1993
 4 (5,015,529) in 1992; (7,062,447) in 1993. This legislation does not provide for a reimbursement to statewide levies. Reimbursements to local jurisdictions are not adequate to compensate for losses incurred from the reduction in property tax revenues

* at 1.9m/mill
 * at 2.3m/1% general income tax charge

SENATE TAXATION

As of March 10, 1989
NANCY KEENAN OPI SCHOOL IMPACT REPORT

Heard	Bill #	Title	State Funds for Schools FY90	Local Schools FY90	Total Education Impact FY90
1/12	SB11	Private coal royalty to be saved as federal and state (In Committee) (Transmitted to House)	(61,000)	-0-	(61,000)
1/5	SB17	Property tax less on old cars (Passed Senate; in House 3/1)	(33,000)	(59,000)	(92,000)
1/9	SB50	Refund property tax if proprietor moves out of state (Tabled 1/11)	no fiscal information	no fiscal information	no fiscal information
1/16	SB90	Repeals an unconstitutional bill (Passed out of Committee 1/16) (In House 3/1)	no fiscal information	no fiscal information	no fiscal information
1/19	SB97	Exempting certain class 14 property and additions or expansions to class 14 & 4 (In Committee)	(224,000)	(470,000)	(694,000)
1/24	SB118	Revise property tax protest laws (Transmitted to House 2/10) (In Committee)	no fiscal information	no fiscal information	no fiscal information
1/25	SB137	Election to forego carryback of NOL's of corporations (Committee Report--do pass) (Transmitted to House) (In Committee)	no fiscal information	no fiscal information	no fiscal information
1/25	SB1842	Eliminate tax on livestock and agricultural products (Transmitted to House) (In Committee)	(1,030,000)	(1,689,000)	(2,719,000)
2/1	SB220	Discount for payment of entire property tax bill in November (Indefinitely postponed)	(2,746,000)	(6,896,000)	(9,642,000)
2/2	SB230	Allow property taxes to be paid in monthly installments (In Committee)	no fiscal note	no fiscal note	no fiscal note
2/2	SB282	Credit for employer payment of employee dependent care assistance (Transmitted to House) (In Committee)	-0-	(826,000)	(826,000)
2/9	SB339	Individual income tax changes and tax changes for subchapter 5 corporations (In Committee)	(143,000)	-0-	(143,000)

VISITORS' REGISTER

HOUSE TAXATION

COMMITTEE

BILL NO. HB 766

DATE March 14, 1989

SPONSOR Rep. Jerry Driscoll

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
<i>Don Inghel</i>	<i>Mo Chamber of Commerce</i>		<i>Monitor</i>
<i>Eric Feaver</i>	<i>MEA</i>		
<i>TED NEUMAN</i>	<i>MT COUNCIL OF LIONS</i>	<i>—</i>	
<i>John Lawton</i>	<i>City of Billings</i>	<i>✓</i>	
<i>Kay Foster</i>	<i>Billings Chamber</i>	<i>X</i>	
<i>DENNIS FLICK</i>	<i>CITY of BILLINGS</i>	<i>X</i>	
<i>AL CUMIN</i>	<i>YELLOWSTONE CO</i>	<i>X</i>	
<i>Don Edwards</i>	<i>Yellowstone Co. Comm.</i>	<i>X</i>	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

ROLL CALL VOTE

TAXATION

COMMITTEE

DATE March 14, 1989 BILL NO. HB 163 NUMBER _____

NAME	AYE	NAY
Cohen, Ben	✓	
Driscoll, Jerry		✓
Elliott, Jim		✓
Ellison, Orval		✓
Giacometto, Leo		✓
Gilbert, Bob		✓
Good, Susan		✓
Hanson, Marian		✓
Hoffman, Robert		✓
Koehnke, Francis		✓
O'Keefe, Mark	✓	
Patterson, John		✓
Raney, Bob	✓	
Ream, Bob	✓	
Rehberg, Dennis		✓
Schye, Ted		✓
Stang, Barry "Spook"	✓	
Harrington, Dan, Chairman	✓	

TALLY

John

 Secretary

6 12
Dan Harrington

 Chairman

MOTION: AMENDMENT TO REPEAL ELECTRIC & TELEPHONE COOPERATIVES

TAX UNDER HB 163. MOTION FAILED.