

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
55th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON TAXATION

Call to Order: By Chairman Chase Hibbard, on March 4, 1997, at 8:00 a.m., in Room 437.

ROLL CALL

Members Present:

Rep. Chase Hibbard, Chairman (R)
Rep. Robert R. Story, Jr., Vice Chairman (Majority) (R)
Rep. Robert R. "Bob" Ream, Vice Chairman (Minority) (D)
Rep. Peggy Arnott (R)
Rep. Paul Bankhead (R)
Rep. John C. Bohlinger (R)
Rep. Bill Carey (D)
Rep. Alvin A. Ellis, Jr. (R)
Rep. Marian W. Hanson (R)
Rep. Hal Harper (D)
Rep. Dan W. Harrington (D)
Rep. Rick Jore (R)
Rep. Scott J. Orr (R)
Rep. Bob Raney (D)
Rep. John "Sam" Rose (R)
Rep. William M. "Bill" Ryan (D)
Rep. Richard D. Simpkins (R)
Rep. Emily Swanson (D)
Rep. Lila V. Taylor (R)
Rep. Jack Wells (R)

Members Excused: None.

Members Absent: None

Staff Present: Lee Heiman, Legislative Services Division
Donna Grace, Committee Secretary

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 548 (2/17)
HB 525 (2/17)
HB 591 (2/25)

Executive Action: HB 438 - Table
HB 525 - Table
HB 591 - Discussion Only

HEARING ON HB 548Opening Statement by Sponsor:

Rep. Wes Prouse, House District 15, opened the hearing on HB 548, a bill proposing a constitutional amendment to allow for an 8% sales tax. EXHIBIT 1 AND 2. {Tape: 1; Side: A; Approx. Time Count: 1.5.}

Proponents' Testimony:

Rep. Rick Jore, House District 73. EXHIBIT 3 AND 4. Rep. Jore also presented a letter from the Commissioners of Lake County. EXHIBIT 5. {Tape: 1; Side: A; Approx. Time Count: 1.5.}

Opponents' Testimony:

Dennis Burr, Montana Taxpayers' Association. {Tape: 1; Side: A; Approx. Time Count: 11.8.}

Gordon Morris, Montana Association of Counties. {Tape: 1; Side: A; Approx. Time Count: 23.8.}

Don Judge, AFL-CIO. {Tape: 1; Side: A; Approx. Time Count: 29.0.}

Verner Bertelson, Montana Senior Citizens' Association. {Tape: 1; Side: A; Approx. Time Count: 32.9.}

Informational Testimony:

None.

Questions From Committee Members and Responses:

{Tape: 1; Side: A; Approx. Time Count: 36.0; Comments: Questions continued on Tape 1 B.}

Closing by Sponsor:

Rep. Prouse closed. {Tape: 1; Side: B; Approx. Time Count: 13.3.}

HEARING ON HB 525Opening Statement by Sponsor:

Rep. Deb. Kottel, House District 45, opened the hearing on HB 525. The bill would abolish penalties and interest on social security withholding until voluntary withholding is established. {Tape: 1; Side: B; Approx. Time Count: 18.2.}

Proponents' Testimony:

Dave Westenberger, Tax Aid Program, Great Falls. {Tape: 1; Side: B; Approx. Time Count: 20.3.}

Dennis Burr, Montana Taxpayers' Association. {Tape: 1; Side: B; Approx. Time Count: 23.6.}

Verner Bertelson, Montana Senior Citizens Association. {Tape: 1; Side: B; Approx. Time Count: 24.3.}

Dick Pattison, Montana Senior Citizens. {Tape: 1; Side: B; Approx. Time Count: 24.8.}

Irene Theurer, American Association of Retired Persons. {Tape: 1; Side: B; Approx. Time Count: 25.3.}

Russel LaVigne, Montana Low Income Coalition. {Tape: 1; Side: B; Approx. Time Count: 25.6.}

Opponents' Testimony:

None.

Informational Testimony:

Jeff Miller, Department of Revenue. {Tape: 1; Side: B; Approx. Time Count: 26.1.}

Questions From Committee Members and Responses:

{Tape: 1; Side: B; Approx. Time Count: 29.6.}

Closing by Sponsor:

Rep. Kottel closed the hearing. {Tape: 1; Side: B; Approx. Time Count: 39.4.}

HEARING ON HB 591Opening Statement by Sponsor:

Rep. Peggy Arnott, House District 20, Opened the hearing on HB 591, a bill which would revise the elderly homeowner tax credit process. EXHIBIT 6 AND 7. {Tape: 2; Side: A; Approx. Time Count: 0.7.}

Proponents' Testimony:

Dennis Burr, Montana Taxpayers Association. {Tape: 2; Side: A; Approx. Time Count: 4.1.}

Verner Bertelson, Montana Senior Citizens Association. {Tape: 2; Side: A; Approx. Time Count: 5.4.}

Irene Theurer, American Association of Retired Persons. {Tape: 2; Side: A; Approx. Time Count: 5.8.}

Opponents' Testimony:

None.

Informational Testimony:

Jeff Miller, Department of Revenue. {Tape: 2; Side: A; Approx. Time Count: 6.6.}

Questions From Committee Members and Responses:

{Tape: 2; Side: A; Approx. Time Count: 14.6.}

Closing by Sponsor:

Rep. Arnott closed. {Tape: 2; Side: A; Approx. Time Count: 22.5.}

EXECUTIVE ACTION ON HB 591

Motion/Vote:

Rep. Arnott moved the amendments to HB 591 do pass. EXHIBIT 8. The motion passed 20 - 0. No further action was taken on the bill. {Tape: 2; Side: A; Approx. Time Count: 24.7.}

EXECUTIVE ACTION ON HB 525

Motion/Vote:

Rep. Story moved to table HB 525. The motion passed on a vote of 17 - 3, with Reps. Harper, Ryan and Carey voting no. {Tape: 2; Side: A; Approx. Time Count: 30.2.}

EXECUTIVE ACTION ON HB 438

Motion:

Rep. Harper moved HB 438 do pass. {Tape: 2; Side: B; Approx. Time Count: 1.0.}

Motion/Vote:

Rep. Ream moved an amendment to strike Section 5. The motion passed unanimously. {Tape: 2; Side: B; Approx. Time Count: 1.6.}

Motion:

Rep. Bohlinger moved a conceptual amendment to strike the words "have resided in the homestead for more than 20 years." The

motion was withdrawn. *{Tape: 2; Side: B; Approx. Time Count: 23.3.}*

Vote:

On a roll call vote, the do pass as amended motion failed, 13 - 7, with Reps. Ryan, Carey, Harrington, Swanson, Harper, Raney and Ream voting yes. *{Tape: 2; Side: B; Approx. Time Count: 23.4.}*

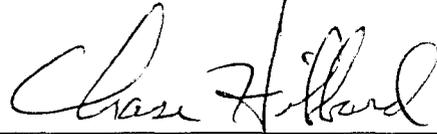
Motion/Vote:

Rep. Orr moved to table HB 438. The motion carried 17 - 3, with Reps. Ryan, Carey and Raney voting no. *{Tape: 2; Side: B; Approx. Time Count: 25.0.}*

{Tape: 2; Side: B; Approx. Time Count: 27.4; Comments: Adjourn.}

ADJOURNMENT

Adjournment: 11:50 a.m.



REP. CHASE HIBBARD, Chairman



DONNA GRACE, Secretary

CH/DG