

MINUTES

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

COMMITTEE ON TAXATION

Call to Order: By Chairman Chase Hibbard, on March 10, 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: SB 211
SB 319
HB 589

Executive Action: HB 514 - Table
HB 417 - Table
HB 516 - Do Pass as Amended

HEARING ON SB 211Opening Statement by Sponsor:

Sen. Gerry Devlin, Senate District 2, opened the hearing on SB 211, an act submitting to the qualified electors of Montana an amendment to the Constitution to allow equalization of property values for property tax purposes to be based on classification and on acquisition values, to limit increases in valuation of property, if provided by law, to 2 percent a year for property tax purposes, and to allow any increase because of periodic reappraisal to be phased in over the course of a reappraisal cycle. *{Tape: 1; Side: A; Approx. Time Count: 1.3.}*

Proponents' Testimony:

Dennis Burr, Montana Taxpayers' Association. *{Tape: 1; Side: A; Approx. Time Count: 4.8.}*

Mick Robinson, Governor's Office. *{Tape: 1; Side: A; Approx. Time Count: 10.1.}*

John Shontz, Montana Association of Realtors. *{Tape: 1; Side: A; Approx. Time Count: 11.6.}*

Opponents' Testimony:

None.

Informational Testimony:

Eric Feaver, Montana Education Association. *{Tape: 1; Side: A; Approx. Time Count: 12.4.}*

Questions From Committee Members and Responses:

{Tape: 1; Side: A; Approx. Time Count: 13.8.}

Closing by Sponsor:

Senator Devlin closed the hearing.

HEARING ON SB 319Opening Statement by Sponsor:

Sen. Barry Stang, Senate District 36, opened the hearing on the bill which would revise property tax limitations under I-105. The bill was introduced on the recommendation of the Governor's Tax Policy Task Force. **EXHIBIT 1.** *{Tape: 1; Side: B; Approx. Time Count: 0.1.}*

Proponents' Testimony:

Mick Robinson, Governor's Office. {Tape: 1; Side: B; Approx. Time Count: 7.5.}

Dennis Burr, Montana Taxpayers' Association. {Tape: 1; Side: B; Approx. Time Count: 15.3.}

Mike Mathew, Commissioner, Yellowstone County, and President, Montana Association of Counties. {Tape: 1; Side: B; Approx. Time Count: 19.6.}

John Shontz, Montana Association of Realtors. {Tape: 1; Side: B; Approx. Time Count: 22.7.}

Gordon Morris, Executive Director, Montana Association of Counties. {Tape: 1; Side: B; Approx. Time Count: 24.7; Comments: Continued on Tape 2A.}

Opponents' Testimony:

Larry Fasbender, Great Falls Schools. {Tape: 2; Side: A; Approx. Time Count: 1.7.}

Eric Feather, Montana Education Association. {Tape: 2; Side: A; Approx. Time Count: 7.5.}

Scott Walters, Frenchtown Fire Department. {Tape: 2; Side: A; Approx. Time Count: 11.0.}

Alex Hanson, League of Cities and Towns. EXHIBIT 2. {Tape: 2; Side: A; Approx. Time Count: 13.5.}

Tim Sayles, Missoula Rural Fire Districts. {Tape: 2; Side: A; Approx. Time Count: 19.3.}

John Lawton, City Manager, Great Falls. {Tape: 2; Side: A; Approx. Time Count: 21.4.}

Gordon Gieser, Florence Fire District. {Tape: 2; Side: A; Approx. Time Count: 25.2.}

Evan Barrett, Butte Local Development. {Tape: 1; Side: A; Approx. Time Count: 26.5.}

J. R. Richardson, Finance Director, Butte-Silverbow. {Tape: 2; Side: B; Approx. Time Count: 1.0.}

Mike Casey, Executive Director, Helena Improvement District. {Tape: 2; Side: B; Approx. Time Count: 2.5.}

Tom Harrison, AgriTech. {Tape: 2; Side: B; Approx. Time Count: 4.3.}

Rody Homan, Butte. {Tape: 2; Side: B; Approx. Time Count: 6.7.}

Informational Testimony:

None.

Questions From Committee Members and Responses:

{Tape: 2; Side: B; Approx. Time Count: 10.0; Comments: Continued on Tape 3A.}

Closing by Sponsor:

Sen. Stang closed. {Tape: 3; Side: A; Approx. Time Count: 20.5.}

HEARING ON HB 589

Opening Statement by Sponsor:

Rep. Bob Ream, House District 69, said the bill would reduce the taxable percentage applied to class four property. EXHIBIT 3, 4 AND 5. {Tape: 3; Side: A; Approx. Time Count: 25.4; Comments: Continued on Tape 3B.}

Proponents' Testimony:

Rep. Pat Galvin, House District 48. {Tape: 3; Side: B; Approx. Time Count: 12.2.}

Mike Mathew, Yellowstone County. {Tape: 3; Side: B; Approx. Time Count: 12.4.}

Opponents' Testimony:

None.

Informational Testimony:

John Shontz, Montana Association of Realtors. {Tape: 3; Side: B; Approx. Time Count: 14.3.}

Questions From Committee Members and Responses:

{Tape: 3; Side: B; Approx. Time Count: 19.3; Comments: Continued on Tape 4A.}

Closing by Sponsor:

Rep. Ream closed the hearing. {Tape: 4; Side: A; Approx. Time Count: 4.9.}

EXECUTIVE ACTION ON HB 514Discussion:

EXHIBIT 6, 7 AND 8. {Tape: 4; Side: a; Approx. Time Count: 8.7.}

Motion/Vote:

The do pass as amended motion failed 11 - 9, with Reps. Ryan, Carey, Harrington, Ellis, Simpkins, Bohlinger, Swanson, Harper and Ream voting yes. {Tape: 4; Side: A; Approx. Time Count: 24.0.}

Motion/Vote:

Rep. Orr moved to table HB 514. The motion passed with Reps. Ryan, Carey, Harrington, Bohlinger, Swanson, Harper and Ream voting no.

EXECUTIVE ACTION ON HB 417Motion:

Rep. Simpkins moved that HB 417 do pass. {Tape: 4; Side: A; Approx. Time Count: 27.1.}

Discussion:

{Tape: 4; Side: B; Approx. Time Count: 0.1.}

Motion/Vote:

Rep. Simpkins moved to table HB 417. The motion passed 11 - 9, with Reps. Ryan, Carey, Harrington, Ellis, Bohlinger, Swanson, Harper, Raney and Ream voting no. {Tape: 4; Side: B; Approx. Time Count: 8.0.}

EXECUTIVE ACTION ON HB 516Motion/Vote:

Rep. Hanson moved to reconsider HB 516. The motion passed unanimously. {Tape: 4; Side: B; Approx. Time Count: 10.6.}

Motion/Vote:

Rep. Hanson moved the amendments to HB 516 do pass. EXHIBIT 9. The motion passed unanimously. {Tape: 4; Side: B; Approx. Time Count: 12.0.}

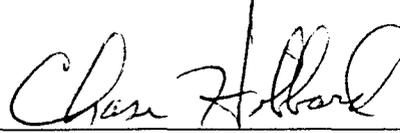
Motion/Vote:

Rep. Hanson moved that HB 516 do pass as amended. The motion passed 19 - 1, with Rep. Arnott voting no. *{Tape: 4; Side: B; Approx. Time Count: 17.0.}*

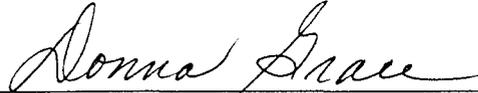
{Tape: 4; Side: B; Approx. Time Count: 18.8; Comments: Adjourn.}

ADJOURNMENT

Adjournment: 12:05 p.m.



REP. CHASE HIBBARD, Chairman



DONNA GRACE, Secretary

CH/DG