

**MINUTES**

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

**COMMITTEE ON TAXATION**

**Call to Order:** By Chairman Chase Hibbard, on March 14, 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. Richard D. Simpkins (R)  
Rep. Emily Swanson (D)  
Rep. Lila V. Taylor (R)  
Rep. Jack Wells (R)

**Members Excused:** Rep. William "Bill" Ryan (D)

**Members Absent:** None.

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

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: HB 603 (3/12)

Executive Action: HB 433 - Removed from the  
table and passed  
SB 57 - Concur  
HB 498 - Table  
HB 393 - Table  
SB 195 - Do Pass as Amended  
SB 319 - Table  
HB 443 - Table  
HB 589 - Table  
HB 590 - Do Pass as Amended

HEARING ON HB 603Opening Statement by Sponsor:

Rep. Rick Jore, House District 73, opened the hearing on HB 603, a bill which would amend the constitution to prohibit property tax. {Tape: 1; Side: A; Approx. Time Count: 1.7.}

Proponents' Testimony:

None.

Opponents' Testimony:

Bob Gilbert, Montana Woolgrowers. {Tape: 1; Side: A; Approx. Time Count: 15.5.}

Eric Feaver, Montana Education Association. {Tape: 1; Side: A; Approx. Time Count: 16.2.}

Ralph Peck, Director, Department of Agriculture. {Tape: 1; Side: A; Approx. Time Count: 20.6.}

Laurence Peterson, Board of Livestock. EXHIBIT 1. {Tape: 1; Side: A; Approx. Time Count: 26.4.}

Informational Testimony:

None.

Questions From Committee Members and Responses:

{Tape: 1; Side: A; Approx. Time Count: 28.0; Comments: Questions continued on Tape 1 B.}

Closing by Sponsor:

Rep. Jore closed the hearing. {Tape: 1; Side: B; Approx. Time Count: 9.9.}

EXECUTIVE ACTION ON SB 57 AND HB 498Discussion:

Rep. Story presented the report of the sub-committee appointed to consider SB 57 and HB 498. EXHIBIT 2. {Tape: 1; Side: B; Approx. Time Count: 15.1.}

Motion/Vote:

Rep. Story moved to table HB 498. The motion passed 20 - 0. {Tape: 1; Side: B; Approx. Time Count: 18.7.}

**Motion:**

Rep. Ream moved that SB 57 be concurred in. {Tape: 1; Side: B; Approx. Time Count: 22.0.}

**Discussion:**

Mary Whittinghill, Department of Revenue, was asked to comment on the bill. {Tape: 1; Side: B; Approx. Time Count: 22.5; Comments: Discussion continued on Tape 2 A.}

**Motion/Vote:**

Rep. Simpkins moved to table SB 57. The motion failed 14 - 6, with Reps. Orr, Arnott, Wells, Jore, Simpkins and Bankhead voting yes. {Tape: 2; Side: A; Approx. Time Count: 13.0.}

**Vote:**

Rep. Ream's concurred in motion carried 14 - 6, with Reps. Orr, Arnott, Wells, Jore, Simpkins and Bankhead voting no. {Tape: 2; Side: A; Approx. Time Count: 14.0.}

**DISCUSSION OF PROPERTY TAX BILLS****SB 195, SB 211, HB 443, HB 590, HB 589, SB 319**

Chairman Hibbard made a statement on the status of action to date on property tax bills. He presented an unofficial gray bill, SB 195, for the Committee consideration. EXHIBIT 3. {Tape: 2; Side: A; Approx. Time Count: 16.0.}

Mr. Heiman discussed the bill and the changes which had been made. {Tape: 2; Side: A; Approx. Time Count: 21.7; Comments: Discussion continued on Tape 3 A and 3 B. Tape 2 B malfunctioned and contains no information.}

**EXECUTIVE ACTION ON SB 195****Motion:**

Rep. Ellis moved that SB 195 be concurred in. {Tape: 3; Side: B; Approx. Time Count: 1.9.}

**Motion:**

Rep. Story moved the bill with the proposed amendments to SB 195. EXHIBIT 4. {Tape: 3; Side: b; Approx. Time Count: 3.0.}

**Discussion:**

Rep. Ream indicated there could be a problem with forest productivity in the bill. {Tape: 3; Side: B; Approx. Time Count: 5.4.}

Dave Woodgerd, Department of Revenue, discussed problems in the bill which could be fixed with technical amendments. *{Tape: 3; Side: B; Approx. Time Count: 8.9.}*

Vote:

The amendments carried, 14 - 6 with Reps. Orr, Arnott, Carey, Wells, Harper and Raney voting no. *{Tape: 3; Side: B; Approx. Time Count: 10.0.}*

Motion/Vote:

Rep. Ellis moved that SB 195 as amended be concurred in. The motion carried 12 - 8, with Reps. Orr, Ryan, Arnott, Carey, Swanson, Harper, Raney and Ream voting no. *{Tape: 3; Side: B; Approx. Time Count: 13.0.}*

EXECUTIVE ACTION ON SB 319

Motion/Vote:

Rep. Simpkins moved to table SB 319. The motion carried 17 - 2 with Reps. Harper and Raney voting no. *{Tape: 3; Side: B; Approx. Time Count: 15.3.}*

EXECUTIVE ACTION ON HB 590

Motion:

Rep. Arnott moved the amendments to HB 590. **EXHIBIT 5.** *{Tape: 3; Side: B; Approx. Time Count: 22.0.}*

Discussion:

*{Tape: 3; Side: B; Approx. Time Count: 24.5.}*

Vote:

The motion passed, 17 - 2, with Reps. Raney and Ream voting no.

Motion/Vote:

Rep. Raney moved to amend the bill to provide that no vote would be required to bring revenue back to the whole. The amendments passed 14 - 6, with Reps. Orr, Arnott, Wells, Jore, Simpkins and Bankhead voting no. *{Tape: 4; Side: A; Approx. Time Count: 1.8.}*

Motion/Vote:

Rep. Swanson moved to amend the bill by adding a homestead provision and reducing the rate. The motion failed with 13 - 7 with Reps. Ryan, Carey, Harrington, Swanson, Harper, Raney and Ream voting yes. *{Tape: 4; Side: A; Approx. Time Count: 11.0; Comments: Discussion and final vote on Tape 4B.}*

Motion/Vote:

Rep. Ellis moved that SB 195, as amended, be concurred in. The motion was carried, 17 - 3, with Reps. Carey, Harrington and Ream voting no. *{Tape: 4; Side: B; Approx. Time Count: 3.2.}*

EXECUTIVE ACTION ON HB 443Motion/Vote:

Rep. Ellis moved to table HB 443. The motion passed 13 - 7, with Reps. Ryan, Carey, Harrington, Swanson, Harper, Raney and Ream voting no. *{Tape: 4; Side: B; Approx. Time Count: 5.3.}*

EXECUTIVE ACTION ON HB 589Motion/Vote:

Rep. Simpkins moved to table HB 589. The motion passed 13 - 7, with Reps. Ryan, Carey, Harrington, Swanson, Harper, Raney and Ream voting no. *{Tape: 4; Side: B; Approx. Time Count: 6.4.}*

EXECUTIVE ACTION ON SB 195Motion/Vote:

Rep. Orr moved to reconsider the action taken on SB 195. The motion failed on a tie vote, 10 - 10, with Reps. Story, Rose, Harrington, Ellis, Simpkins, Bankhead, Bohlinger, Taylor, Hanson and Hibbard voting no. *{Tape: 4; Side: B; Approx. Time Count: 7.7.}*

EXECUTIVE ACTION ON HB 433Motion/Vote:

Rep. Wells moved to remove HB 433 from the table. The motion passed 11 - 9, with Reps. Ryan, Carey, Rose, Harrington, Bohlinger, Swanson, Harper, Raney and Ream voting no. *{Tape: 4; Side: B; Approx. Time Count: 17.3.}*

Motion/Vote:

Rep. Wells moved that HB 433 do pass. The motion carried 11 - 9, with Reps. Ryan, Carey, Rose, Harrington, Bohlinger, Swanson, Harper, Raney and Ream voting no. *{Tape: 4; Side: B; Approx. Time Count: 18.0.}*

EXECUTIVE ACTION ON HB 393Motion/Vote:

Rep. Simpkins moved the amendments to HB 393. **EXHIBIT 6.** The motion failed on a tie vote, 10 - 10, with Reps. Ryan, Carey,

Rose, Harrington, Bohlinger, Swanson, Harper, Raney, Ream and Hibbard voting no. *{Tape: 4; Side: B; Approx. Time Count: 19.3.}*

**Motion/Vote:**

Rep. Hanson moved to table HB 393. The motion was carried, 14 - 6 with Reps. Orr, Arnott, Wells, Jore, Simpkins and Bankhead voting no. *{Tape: 4; Side: B; Approx. Time Count: 25.5.}*

*{Tape: 4; Side: B; Approx. Time Count: 26.6; Comments: Adjourn.}*

ADJOURNMENT

Adjournment: 11:55 a.m.



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REP. CHASE HIBBARD, Chairman



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DONNA GRACE, Secretary

CH/DG