

**MINUTES**

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

**COMMITTEE ON TAXATION**

**Call to Order:** By Chairman Chase Hibbard, on March 21, 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. 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:**

Rep. Scott J. Orr (R)

**Members Absent:** None

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

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: HB 606 (3/19)  
HB 611 (3/18)

Executive Action: HB 597 - Do Pass as Amended  
HB 601 - Do Pass  
HB 295 - Table  
HB 417 - Table  
HB 465 - Table  
HB 194 - Table  
HB 451 - Table  
HB 609 - Table

HEARING ON HB 606Opening Statement by Sponsor:

Rep. Joan Hurdle, House District 13, opened the hearing on HB 606. The bill would place a cap on the federal income tax deduction and includes a homestead exemption. **EXHIBIT 1.** {Tape: 1; Side: A; Approx. Time Count: 1.3.}

Proponents' Testimony:

Russell LeVigne, People's Law Center. {Tape: 1; Side: A; Approx. Time Count: 13.8.}

Darrell Holzer, Montana State AFL-CIO. {Tape: 1; Side: A; Approx. Time Count: 15.8.}

Opponents' Testimony:

Dennis Burr, Montana Taxpayers' Association. {Tape: 1; Side: A; Approx. Time Count: 18.6.}

Informational Testimony:

None.

Questions From Committee Members and Responses:

**EXHIBIT 2.** {Tape: 1; Side: A; Approx. Time Count: 22.0; Comments: Continued on Tape 1 B.}

Closing by Sponsor:

Rep. Hurdle closed the hearing. {Tape: 1; Side: B; Approx. Time Count: 11.9.}

HEARING ON HB 611Opening Statement by Sponsor:

Rep. Hal Harper, House District 52, opened the hearing on HB 611, a bill which would allow an exclusion of taxable value of property under a protest proceeding from taxable valuation. {Tape: 1; Side: B; Approx. Time Count: 13.5.}

Proponents' Testimony:

Mary Bryson, Director, Department of Revenue. {Tape: 1; Side: B; Approx. Time Count: 16.6.}

Gordon Morris, Director, Montana Association of Counties. {Tape: 1; Side: B; Approx. Time Count: 18.2.}

Alec Hanson, League of Cities and Towns. {Tape: 1; Side: B;  
Approx. Time Count: 20.5.}

Don Walter, Rural Education Association. {Tape: 1; Side: B;  
Approx. Time Count: 21.7.}

Opponents' Testimony:

None.

Informational Testimony:

None.

Questions From Committee Members and Responses:

{Tape: 1; Side: B; Approx. Time Count: 22.3; Comments: Continued  
on Tape 2 A.}

Closing by Sponsor:

Rep. Harper closed. {Tape: 2; Side: A; Approx. Time Count: 1.0.}

EXECUTIVE ACTION ON HB 295

Motion:

Rep. Raney moved do pass on the gray bill version of HB 295.  
{Tape: 2; Side: A; Approx. Time Count: 1.9.}

Discussion:

{Tape: 2; Side: A; Approx. Time Count: 2.0.}

Motion/Vote:

Rep. Raney moved a conceptual amendment to the section on  
historic preservation. The motion passed 17 - 3, with Reps.  
Rose, Bohlinger and Swanson voting no. {Tape: 2; Side: A;  
Approx. Time Count: 27.5.}

Vote:

Rep. Raney moved do pass as amended on HB 295. The motion failed  
on a 10 - 10 tie vote. Reps. Story, Orr, Rose, Wells, Ellis,  
Simpkins, Bankhead, Taylor, Hanson and Hibbard voting no. {Tape:  
2; Side: B; Approx. Time Count: 0.1.}

Motion/Vote:

Rep. Ellis moved to table HB 295. The motion passed on a tie  
vote, 10 - 10 with Reps. Ryan, Arnott, Carey, Harrington, Jore,  
Bohlinger, Swanson, Harper, Raney and Ream voting no. {Tape: 2;  
Side: B; Approx. Time Count: 1.1.}

EXECUTIVE ACTION ON HB 417

Discussion:

*{Tape: 2; Side: B; Approx. Time Count: 4.2.}*

Motion/Vote:

Rep. Harper moved that HB 417 do pass as amended. The motion failed 11 - 9, with Reps. Ryan, Carey, Harrington, Simpkins, Bohlinger, Swanson, Harper, Raney and Ream voting yes. *{Tape: 2; Side: B; Approx. Time Count: 6.6.}*

Motion/Vote:

Rep. Story moved to table HB 417. The motion carried 11 - 9, with Reps. Ryan, Carey, Harrington, Simpkins, Bohlinger, Swanson, Harper, Raney and Ream voting no. *{Tape: 2; Side: B; Approx. Time Count: 8.0.}*

EXECUTIVE ACTION ON HB 465

Motion/Vote:

Rep. Rose moved to table HB 465. The motion passed 15 - 4 with Reps. Ryan, Harrington, Harper and Raney voting no. *{Tape: 2; Side: B; Approx. Time Count: 9.2.}*

EXECUTIVE ACTION ON HB 599

Motion:

Rep. Bankhead moved HB 599 do pass. *{Tape: 2; Side: B; Approx. Time Count: 12.0.}*

Motion/Vote:

Rep. Bankhead moved the amendments to HB 599. **EXHIBIT 3.** The motion passed 18 - 1. *{Tape: 2; Side: B; Approx. Time Count: 13.3.}*

Motion/Vote:

Rep. Bankhead moved a conceptual amendment to place responsibility on the account owner. The motion passed unanimously. *{Tape: 2; Side: B; Approx. Time Count: 23.8; Comments: Further discussion on Tape 3 A.}*

Further action on HB 599 was postponed.

EXECUTIVE ACTION ON HB 601

Motion/Vote:

Rep. Harrington moved HB 601 do pass. **EXHIBIT 4.** The motion passed 11 - 9, with Story, Orr, Arnott, Rose, Wells, Ellis, Jore, Taylor and Hanson voting no. {Tape: 3; Side: A; Approx. Time Count: 5.1.}

EXECUTIVE ACTION ON HB 194

Motion:

Rep. Swanson moved HB 194 do pass. {Tape: 3; Side: A; Approx. Time Count: 28.0.}

Discussion:

{Tape: 3; Side: B; Approx. Time Count: 0.1.} **EXHIBIT 5.**

Motion/Vote:

Rep. Harper moved amendments to HB 194. The motion passed unanimously. {Tape: 3; Side: B; Approx. Time Count: 6.3.}

Substitute Motion/Vote

Rep. Hanson moved to table HB 194. The motion passed 14 - 6, with Reps. Carey, Harrington, Bohlinger, Swanson, Harper and Ream voting no. {Tape: 3; Side: B; Approx. Time Count: 10.1.}

EXECUTIVE ACTION ON HB 451

Motion:

Rep. Harper moved HB 451 do pass. {Tape: 3; Side: B; Approx. Time Count: 12.2.}

Motion/Vote:

Rep. Simpkins moved amendment No. 1. **EXHIBIT 6.** The motion passed 19 - 1 with Rep. Story voting no. {Tape: 3; Side: b; Approx. Time Count: 12.2.}

Motion/Vote:

Rep. Simpkins moved that HB 451 as amended do pass. The motion failed 13 - 7 with Reps. Ryan, Arnott, Wells, Harrington, Simpkins, Bankhead and Harper voting yes. {Tape: 3; Side: B; Approx. Time Count: 26.1.}

**Motion/Vote:**

Rep. Story moved to table HB 451. The motion passed 13 - 7 with Reps. Ryan, Arnott, Wells, Harrington, Simpkins, Bankhead and Harper voting no. {Tape: 3; Side: B; Approx. Time Count: 29.0.}

**EXECUTIVE ACTION ON HB 597****Motion:**

Rep. Rose moved that HB 597 do pass. {Tape: 4; Side: A; Approx. Time Count: 0.1.}

**Motion/Vote:**

Rep. Rose moved amendments to HB 597. EXHIBIT 7. The motion passed unanimously. {Tape: 4; Side: A; Approx. Time Count: 1.0.}

**Motion/Vote:**

Rep. Rose moved that HB 597 do pass as amended. The motion passed unanimously. {Tape: 4; Side: A; Approx. Time Count: 17.5.}

**EXECUTIVE ACTION ON HB 609****Motion:**

Rep. Arnott moved HB 609 do pass. {Tape: 4; Side: A; Approx. Time Count: 18.1.}

**Substitute Motion/Vote:**

Rep. Simpkins moved to table HB 609. The motion passed 19 - 1 with Rep. Arnott voting no. {Tape: 4; Side: A; Approx. Time Count: 23.1.}

**EXECUTIVE ACTION ON PROPOSED COMMITTEE BILL****Discussion:**

Rep. Ream proposed a Committee bill which would provide property tax options in regard to the conversion of property from one use to another. EXHIBIT 8. {Tape: 4; Side: A; Approx. Time Count: 25.2; Comments: Discussion continued on Tape 4 B.}

**Motion/Vote:**

Rep. Ream moved to draft a Committee bill. The motion failed 13 - 7 with Story, Arnott, Wells, Ellis, Jore, Bankhead and Taylor voting no. (75% required to draft a committee bill.) {Tape: 4; Side: B; Approx. Time Count: 4.8.}

EXECUTIVE ACTION ON HB 393

Motion/Vote:

Rep. Simpkins moved to remove HB 393 from the table for amendment. The motion failed 13 - 7, with Reps. Story, Orr,

Arnott, Wells, Jore, Simpkins and Bankhead voting yes. {Tape: 4; Side: B; Approx. Time Count: 7.9.}

{Tape: 4; Side: B; Approx. Time Count: 9.7; Comments: Adjourn.}

ADJOURNMENT

Adjournment: 12:00 Noon.



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REP. CHASE HIBBARD, Chairman



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DONNA GRACE, Secretary

CH/DG