

MINUTES OF THE
TAXATION COMMITTEE
MONTANA STATE SENATE

January 25, 1977

The tenth meeting of the Taxation Committee was called to order on the above date in Room 415 of the State Capitol Building by Chairman Mathers at 8:05 a.m.

ROLL CALL: Roll call found all of the members present.

The following witnesses were present:

T. Carl Johnson	School Admin.
Bob Rundel	State Tax Appeal Board
Helen Peterson	"
Bob Stockton	O. S. P. I.
Chad Smith	Mont. School B'ds. Assoc.
Ed Nelson	Mont. Taxpayers Assoc.
Leonard H. Sargent	Mont. School Bds. Assoc.
Gregg L. McCurdy	Mont. Assoc. of Counties

CONSIDERATION OF SENATE BILL 118: Sen. McOmber, Dist. 6, said his bill was being introduced for the S.T.A.B., and the bill did several things, one of them providing for staggered terms for the county tax appeal boards, providing continuity among the members. The bill also moves the date for transmitting records from the county to the state tax appeal board, thus giving the board additional time to prepare cases in the event of tax appeals. Mrs. Peterson also appeared as a proponent of the bill and said that all of the county boards they had contacted in the last year were very much in favor of the proposed legislation.

Chairman Mathers asked first for other proponents or opponents of the bill and there being none, permitted questions by the committee. Sen. Turnage made the comment that several amendments might be considered in order that no one's rights to appeal were abridged, and that sufficient time is allowed for an individual to file his appeal following receipt of his tax assessment. Following some discussion in this regard, several amendments were proposed and discussed by the committee.

DISPOSITION: Four amendments were proposed. Sen. Turnage Moved to adopt Amend. #1, seconded by Sen. Towe; motion carried. Sen. Towe Moved to Adopt Amend. #2, seconded by Sen. Turnage, motion also carried. Sen. Towe Moved to Adopt Amend. #3, seconded by Sen. Turnage and motion carried. Sen. Towe also voted to Adopt Amend. #4, seconded by Sen. Turnage, motion carried.

Sen. Towe then Moved SB118 Do Pass As Amended; motion was then seconded by Sen. Watt. Roll call vote showed motion carried unanimously.

CONSIDERATION OF SENATE BILL 90: Chairman Mathers introduced his bill which would allow passage of school bond issues by a simple majority vote. He said that under the present law a percentage of eligible voters must cast their ballot at the elections and then of the total eligible voters, between 30 and 40% of these voters must approve the bond issue. When eligible voters stay away from the polls, the bond issue can fail even though there may be a majority who favor the issue. He stated that there was difficulty in getting bond issues through and the school had encountered numerous financial difficulties as a result. Mr. Smith testified next in support of the bill and stated that the people who appear at the polls to vote are the ones who care and should be making the decisions. He said that voter apathy can defeat bond issues. Also he stated that current voter lists are not always available and a true percentage figure of eligible voters is not as current as it should be at election time. Mr. Stockton appeared also as a proponent of the bill as did Mr. Sargent and Mr. Johnson.

Vice Chairman Watt, now in charge of the meeting, then called for opponents to the bill and Mr. Nelson spoke, presenting written testimony also, Exh. #1, attached. He asked the committee to consider a 60% approval by the voters. The Vice Chairman asked for other witnesses to testify and then permitted questions from the committee. There followed a general discussion concerning the possibility of scheduling the school bond elections on the same date as General Elections to insure a better voter turnout. It was felt, however, that such a system would not be any more effective than the present one, and further, that school boards work a long time preparing details for the plans for such bonding. If something were to arise it would mean a long wait between General Elections and it was thought this might create additional problems for the boards.

It was brought out also in the discussion that present laws have been loosened and the point was made that it was possible for a school district to be threatened with loss of accreditation in order to force the voters to pass bond issues. Sen. Towe suggested a formula which would take a percentage of voters eligible, figured with votes cast, to arrive at a majority. One point on which a number of the witnesses agreed upon, that if the voters want to defeat the bond issue they should have to come out and vote against it in order to defeat it. The chair was turned back to Chairman Mathers at this point, and following his announcement about any additional questions, asked the committee to take executive action on bills previously heard.

DISPOSITION: Sen. Goodover Moved SB59 Do Pass; the motion was seconded by Sen. Roskie.

A discussion followed and Sen. Turnage asked if there were objections to removing section 2 from the bill, there being none, the amendment was moved.

Sen. Turnage made a substitute motion and Moved To Adopt Amend #1; Sen. Towe seconded the motion and motion carried.

Sen. Goodover then Moved SB59 As Amended, Do Pass. A roll call vote was taken and the motion failed by a 2-8 vote.

Sen. Towe then Moved SB59 Do Not Pass, As Amended. The motion passed by an 8-2 vote.

Sen. Turnage then Moved that SB61 Do Not Pass. The motion was seconded by Sen. Norman. A roll call vote was taken and results were a 5-5 tie vote and thus is to come out of the committee WITHOUT RECOMMENDATION. The committee agreed however, that the bill should have the amendment that had been proposed when the bill was heard, a correction by the Legislative Council. The committee will take necessary action on this amendment.

ADJOURN: The motion was made by Sen. Norman, seconded by Sen. Manning, that the meeting adjourn, and the motion carried.



WILLIAM MATHERS CHAIRMAN

ROLL CALL

SENATE TAXATION COMMITTEE

45th LEGISLATIVE SESSION - - 1977

Date 1/25/77

NAME	PRESENT	ABSENT	EXCUSED
SEN. WATT	✓		
SEN. BROWN	✓		
SEN. GOODOVER	✓		
SEN. HEALY	✓		
SEN. MANNING	✓		
SEN. NORMAN	✓		
SEN. ROSKIE	✓		
SEN. TOWE	✓		
SEN. TURNAGE	✓		
CHAIRMAN MATHERS	✓		

Each day attach to minutes.

NAME GREGG L. McCURDY

Bill No. SB118

ADDRESS BOX 234, AVON, MT. 59713

Date 1-25-77

WHOM DO YOU REPRESENT? MONTANA ASSOCIATION OF COUNTIES

SUPPORT

X

OPPOSE

AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

*SUPPORT ! Allows appeals
prior to setting budget.*

The logo for the Montana Association of Counties (MACO) features the letters "MACO" in a bold, sans-serif font. To the left of the letters is a stylized graphic of a mountain range with several peaks, rendered in a way that suggests depth and perspective.

MONTANA ASSOCIATION OF COUNTIES

1802 ELEVENTH AVE. HELENA, MONTANA 59601 (406) 442-5209

January 6, 1977

Senator Gordon McOmber, President
Montana State Senate
Capitol Station
Helena, Montana 59601

Dear Senator:

This letter is in response to your request for comments on the State Tax Appeals Board's proposed amendments to 84-601, 84-603, and 84-604.

Generally, the Montana Association of Counties finds the proposed changes quite desirable. Our organization and S.T.A.B. worked together on the proposal originally. We find it helpful, with one exception, and perfectly compatible with the proposed local government laws, 47A.

Our single suggestion, already discussed and agreed upon with STAB member Robert Raundal, pertains to the minimum cases a local board must have to request an extension of deliberations from the STAB. The number suggested (75) is arbitrary and pays no regard to the complexity of cases. We suggest that the STAB be able to grant extensions to local boards upon application without regard to the number of cases being considered locally. The additional discretion accorded STAB should result in extensions granted purely on merit rather than case volume alone.

A brief on each suggested amendment follows:

84-601 Changes local tax appeal board terms from four years to staggered terms, a definite advantage over losing accumulated expertise all at one time.

Suggest deletion of case load related time extensions in favor of discretionary ability of STAB to grant extensions based on merit of request.

84-603 Changes the last date a taxpayer may protest assessments from the third Monday of July to the first Monday of June. Advantageous change in that it lessens the chance that unsettled protests will affect the county levy. Also, separate legislation originating with the State Commission on Local Government will require the Dept. of Revenue to provide all assessment data to counties by the second Monday of May. Thus, setting up the dates is coordinated with assessment data, appeals, and levy setting at the county level.

84-604 Provides for the transmission of local appeal decisions to the STAB within three days after the second Monday in July instead of August. Corresponds to the earlier appeals dates of the third Monday of April through the last Monday of June.

Please accept MACo's appreciation for your request for comment on this proposal affecting county government. If we can be of further assistance, please contact us.

Sincerely,



R. Dean Zinnecker
Executive Director

RDZ/glm/ds

Cascade County

State of Montana

TELEPHONE: (406) 761-6700



Great Falls, Montana 59401

July 22 1976

Montana County Comptroller's
Attention: Gregg L. McCurdy P.D.
1802 - 11th Ave Helena Mt. 59601

Dear Gregg: In answer to your letter of the
16 on proposed amendments to 84-601 I am in favor
of the amendments as stated.

As you know the assessment date has been
changed from the first Monday in March to January
1st which means our assessing procedure is advanced
to run 18 weeks ahead of previous time. We will now
get our assessments mailed in February or sooner.

By having a dead-line of last Monday in June
for the protest board to sit will give us and the
state more time to meet dead-lines and get the
certified figures completed.

I appreciate ^{your asking for} help in this matter. I
wish the legislature, Dept of Revenue and others
would get the assessor's comments on tax matters
before they mess the tax base up.

Keep up the good work let me know
what is decided and keep the faith.

Sincerely Carl C. Setty's Assessor.

VIOLET A. PARSLEY
Deputy

Clerks:
CHERYL STRATTON
and
JACQUELYN G. ANDERSON



County of Roosevelt
OFFICE OF
WALTER K. GREUFE
ASSESSOR
Box 310

WOLF POINT, MONTANA 59201

July 27, 1976

My dear Mr. [unclear]
[unclear]
[unclear]
[unclear]
[unclear]

Dear Sir:

After looking over your proposed amendments to the [unclear] of 1963 I believe that that change would be a [unclear] of help, and contacted the local [unclear] Board chairman, if that is what he would like to see done in being the [unclear] of the [unclear] of June 1, 1976 year.

Sincerely,
Walter K. Greufe
Assessor

Edward W. Nelson
Exec. Vice. Pres.
Montana Taxpayers Assoc.

1-25-77

Senate hearing on SB 90.

Senate bill # 90 would dramatically change Montana law as it relates to the authority for issuing school bonds.

Present law requires that if 40% of the electors vote, a simple majority of those voting will be sufficient to approve the bonds.

If the voting percentage is less than 40%, but more than 30%, a 60% of those voting is required to approve the bond issue.

If less than a 30% of the electorate votes, the issue is defeated.

In recent history, those who can vote on bond issues has been expanded to include nearly all the electorate. However, the number of resident homeowners as a percentage of the electorate has not increased. This means that our transient population can impose on real property, and business realty, including business equipment a mortgage that will last for 30 or 40 years. Those who can with their vote impose this burden can also move on and not have to pay the burden. Since those who must pay are not necessarily the same persons as those who have imposed the burden, we recommend Montana law remain as it is for the issuing of school bonds.

SENATE COMMITTEE TAXATION

Date 1/25/77 Sen. Bill No. 59 Time _____

NAME	YES	NO
SEN. WATT		✓
SEN. BROWN		✓
SEN. GOODOVER	✓	
SEN. HEALY		✓
SEN. MANNING		✓
SEN. NORMAN		✓
SEN. ROSKIE	✓	
SEN. TOWE		✓
SEN. TURNAGE		✓
CHAIRMAN MATHERS		✓
	2	8
	YES	No

Nita Fjeseth
Secretary

William L. Mathers
Chairman

Motion: Do Pass As Amended

#1

#2

MOTION FAILED

(include enough information on motion--put with yellow copy of committee report.)

SENATE COMMITTEE TAXATION

Date 1/25/77 Sen. Bill No. 59 Time _____

NAME	YES	NO
SEN. WATT	✓	
SEN. BROWN	✓	
SEN. GOODOVER		✓
SEN. HEALY	✓	
SEN. MANNING	✓	
SEN. NORMAN	✓	
SEN. ROSKIE		✓
SEN. TOWE	✓	
SEN. TURNAGE	✓	
CHAIRMAN MATHERS	✓	
	8	2

Nita Fjeseth
Secretary

William L. Mathers
Chairman

Motion: DO NOT PASS AS AMENDED

(include enough information on motion--put with yellow copy of committee report.)

SENATE COMMITTEE TAXATION

Date 1/25/77 Senate Bill No. 118 Time 8:25

NAME	YES	NO
SEN. WATT	✓	
SEN. BROWN	✓	
SEN. GOODOVER	✓	
SEN. HEALY	✓	
SEN. MANNING	✓	
SEN. NORMAN	✓	
SEN. ROSKIE	✓	
SEN. TOWE	✓	
SEN. TURNAGE	✓	
CHAIRMAN MATHERS	✓	
	10	0

Nita Fjeseth
Secretary

William L. Mathers
Chairman

S.B. 118
Motion: Do Pass - As Amended

(include enough information on motion--put with yellow copy of committee report.)

SENATE COMMITTEE TAXATION

Date 1/25/77 Sen. Bill No. 61 Time 9:30

NAME	YES	NO
SEN. WATT		✓
SEN. BROWN		✓
SEN. GOODOVER	✓	.
SEN. HEALY	✓	
SEN. MANNING		✓
SEN. NORMAN	✓	
SEN. ROSKIE		✓
SEN. TOWE		✓
SEN. TURNAGE	✓	
CHAIRMAN MATHERS	✓	
	15	5

Nita Fjeseth
Secretary

William L. Mathers
Chairman

Motion: Do Not Pass
As Amended
Yi
✓ on f

- WITHOUT RECOMMENDATION -

(include enough information on motion--put with yellow copy of committee report.)

STANDING COMMITTEE REPORT

.....JANUARY 25..... 19 77..

MR. PRESIDENT:.....

We, your committee on TAXATION.....

having had under consideration SENATE Bill No. 59.....

Respectfully report as follows: That.....SENATE Bill No. 59,.....

introduced bill, be amended as follows:

1. Amend title, line 6.

Following: "1947"

Strike: ", AND REQUIRING THE DEPARTMENT OF REVENUE TO DESTROY
ALL INFORMATION COLLECTED PURSUANT TO THAT ACT"

2. Amend section 2, lines 12 through 15.

Strike: section 2 in its entirety.

AND AS SO AMENDED,

~~SENATE~~ DO NOT PASS

P.A.