

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

January 28, 1977

The thirteenth 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.

CONSIDERATION OF SENATE BILL 129: Sen. Himsel, Dist. 9, sponsor of the bill, said that the bill authorizes a levy of up to 6 mills for the financing of the University system. He stated that the authorization is for a ten-year period, as have the past such levies, passed in 1948, '58 and '68. He mentioned that there was no need to have an effective date, as is included in the bill in section 4. There were no witnesses present to give testimony on the bill.

The Chairman called for questions from the committee and Sen. Norman asked about the 6 mills, wondering if reappraisal would change statewide property valuation, if it would then be necessary for the full 6 mill levy. Following some brief discussion, the next bill of Sen. Himsel was called.

CONSIDERATION OF SENATE BILL 130: Sen. Himsel said this bill calls for a referendum to be placed before the people, authorizing a 6 mill levy for a 10-year period to finance the University system. There were several questions raised by the committee, including the inclusion of community colleges. It was also brought out the Legislature can appropriate funds to finance the system without such a referendum and the legislation thus may not be necessary. Sen. Himsel then made the point that he believed it was good to have the referendum vote in order to get the thinking of the people of the state. He cited figures of the last such referendum votes indicating that the levy passed by a 68.8 figure in 1948, 51.5% in 1958 and 58.8% in 1968. It was suggested that rather than 'lock in' the levy for the next 10 years, this period be shortened so it could be reviewed more frequently.

The Chairman asked if any of those present had comments to make on the bill and permitted further questions by the committee. There followed discussion on a number of possible amendments to make it acceptable. Sen. Himsel agreed that the University system would be funded through appropriations from the General Fund whether the levy passed or not, however, he reiterated his earlier statement that he believed it to be of great merit to find out the people's opinion regarding funding of the system and the referendum measure was such a means. Following this discussion, the hearing was concluded.

CONSIDERATION OF SJR2: Sen. Watt said there was a definite strata of low income people who found it most difficult to obtain or finance housing in the state. Higher income people are able to obtain loans through various lending agencies and the low income

group can obtain subsidized housing but he felt this group needed attention insofar as housing is concerned. He wanted this study directed toward this group. He said he had heard good comments on Montana's utilization thus far of the coal tax moneys, and felt that some of these funds should be invested in such a study to help citizens of this state.

Following his presentation Chairman Mathers asked for questions or comment by the committee and Roger Tippy stated there is a bill in the House that authorizes funds from the coal tax trust fund for subsidizing housing projects. It was pointed out that the study, if adopted, could go with other similar bills to the Priorities Committee if there are conflicts.

DISPOSITION: Sen. Turnage Moved The Adoption of Amends. #1 through #5 for SJR2. The motion was seconded by Sen. Towe and the motion carried.

Sen. Watt then Moved that SJR2, AS AMENDED, BE ADOPTED. The motion was seconded by Sen. Turnage and motion carried unanimously.

Sen. Watt then Moved the Adoption of Amend. #1 to SB129. Motion was seconded by Sen. Towe and motion carried.

Sen. Watt Moved that SB129 AS AMENDED, DO PASS. The motion was seconded by Sen. Turnage and motion carried unanimously.

Sen. Towe Moved to Adopt Amends. #1 through #6 to SB130. The motion was seconded by Sen. Turnage. Motion carried and it is noted for the record that Sen. Brown voted "No."

Sen. Goodover Moved that SB130, AS AMENDED, DO PASS. The motion was seconded by Sen. Turnage and motion carried unanimously.

Sen. Goodover Moved SB81 DO NOT PASS. The motion was seconded by Sen. Watt and motion carried unanimously.

A motion was made to adjourn by Sen. Manning, seconded by Sen. Healy; motion carried.

W.M.
WILLIAM MATHERS

CHAIRMAN