

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATEAUG 10 1979
OF MONTANA

March 13, 1979

The forty-seventh meeting of the committee was called to order on the above date in Room 415 of the State Capitol Building for a hearing and executive session, Chairman Turnage presiding.

ROLL CALL: Roll call found all members present with the exception of Senator Towe who was excused to present testimony in the House.

The Chairman asked the committee to first consider SB492, previously heard, concerning the time allotted to heirs to file claims to an estate. There followed discussion on several proposed amendments and the committee moved to accept the amendments. Senator McCallum Moved to Adopt Amendments to SB492. Motion was carried.

Senator McCallum then Moved SB492 As Amended, Do Pass. The motion carried.

CONSIDERATION OF HOUSE BILL 845: Representative Ramirez presented his bill which he said broadens the definition laws relating to the bonding projects. He stated one of the advantages of the bill is that a hospital or similar public place could issue industrial revenue bonds and the savings could be passed on to the patients. Senator Watt questioned him concerning the general intent of the bill and Representative Ramirez said bonding companies would like clarification of the laws on notices, and too, hospitals and nursing homes are very interested in the bill. He said too, that since last year Congress deregulated the airlines, the impact to small communities would be great since they would probably lose airline service. He said he believed Frontier is going to pull out of the smaller communities and someone will have to take over that service so the state will have to go to commuter airline service. It is a high risk business, he stated, and financing of these aircraft can mean the difference if they remain in business or not. and this bill could make a difference of 4 to 5/10's interest on their loans.

In answer to several questions by the committee Representative Ramirez stated these were not general obligation bonds; the municipality or state are merely lending their tax-exempt status to the bonding. Mention was made that the city of Forsyth had made money on bond sale to another local government outside their jurisdiction.

Senator Goodover said the bill was heard more fully in the Business and Industry Committee (from where it was transferred) and it was brought out the bill as written means the Board of Aeronautics Commission could determine who would buy plans, parts, etc. This bill would not restrict it to Big Sky Airlines, but the Commission will not certify anyone else. He said if this is put into effect jet service will disappear in the three major cities of the state. Repr. Ramirez stated his disagreement with Senator Goodover's state-

ments, saying he felt the deregulation was a fact and nothing could be done about that. However, he felt this legislation would help to meet some of the problems the deregulation would create.

Senator Norman said it was the committee's intention to bring the bill in because of its similarity to several other bills on industrial revenue bonds. He asked if there could be a statute that required such revenue bonds be registered with one of the state departments so a count could be kept of them. Rep. Ramirez said he would have no objection to such condition but he felt the problem being addressed was created at the federal level and that the state must involve itself with this portion of the economy or the state's economic well-being would be adversely affected.

Senator Norman said he believed it imperative that such data be kept, because in the event of an emergency counties or the state then would be liable for the bonds. Repr. Ramirez said the bonding is still private enterprise. Senator Norman also wanted to have a statement included which would permit local governments to approve or disapprove such bonding. Repr. Ramirez's response was that he saw no problems with such guidelines being put into the bill.

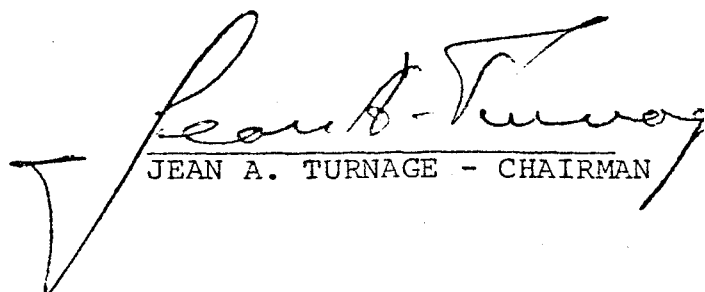
There followed discussion on bonding processes and Researcher Terry Cohea read from the statutes concerning the refunding of such bonds. This concluded discussion on HB845.

The committee next looked at HB363 and discussed it, and proffered amendments. Its similarity to SB254 was noted and observation made that if HB363 were passed SB254 would be negated. The committee then agreed to move SB254 out:

Senator Goodover Moved SB254 Do Not Pass. A roll call vote was taken which resulted in a 7-4 vote. Motion carried.

Senator McCallum then Moved HB363 As Amended Be Concurred in. The motion carried.

Meeting was then adjourned.


JEAN A. TURNAGE - CHAIRMAN

SENATE COMMITTEE

TAXATION

1

Date 3/13

11

Bill No. 363

Time 9:30

10:20 Manley

NAME	YES	NO
SEN. GOODOVER (Vice Chairman) <i>Noted 9:45</i>	X	
SEN. BROWN	X	
SEN. HAGER		X
SEN. MANLEY		X
SEN. MANNING	X	
SEN. McCOLLUM	X	
SEN. NORMAN	X	
SEN. ROSKIE		X
SEN. SEVERSON	X	
SEN. TOWE		
SEN. WATT		X
CHAIRMAN TURNAGE	X	

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Nita Fjeseth
Secretary

Jean A. Turnage
Chairman

Motion: As Am.
Be Conced

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

SENATE COMMITTEE TAXATION

Date 3/13 [Signature] Bill No. 254 Time 9:33

NAME	YES	NO
SEN. GOODOVER (Vice Chairman) <i>Noted 9:45</i>		X
SEN. BROWN		X
SEN. HAGER	X	
SEN. MANLEY <i>Noted 10:20</i>	X	
SEN. MANNING		X
SEN. McCOLLUM		X
SEN. NORMAN		X
SEN. ROSKIE	X	
SEN. SEVERSON		X
SEN. TOWE		
SEN. WATT	X	
CHAIRMAN TURNAGE		X

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Nita Fjeseth
Secretary

Jean A. Turnage
Chairman

Motion: Be Conc. Inv.

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

SENATE COMMITTEE TAXATION

Date 3/13 JL Bill No. 254 Time 9:35

NAME	YES	NO
SEN. GOODOVER (Vice Chairman) <i>voted 9:45</i>	X	
SEN. BROWN	X	
SEN. HAGER		X
SEN. MANLEY		X <i>voted 10:20</i>
SEN. MANNING	X	
SEN. McCOLLUM	X	
SEN. NORMAN	X	
SEN. ROSKIE		X
SEN. SEVERSON	X	
SEN. TOWE		
SEN. WATT		X
CHAIRMAN TURNAGE	X	

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Nita Fjeseth
Secretary

Jean A. Turnage
Chairman

Motion: be not come in

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

STANDING COMMITTEE REPORT

March 13 1979

MR. President

We, your committee on Taxation

having had under consideration Senate Bill No. 254

Respectfully report as follows: That Senate Bill No. 254

DO NOT PASS

~~DO PASS~~

STANDING COMMITTEE REPORT

March 13

19 79

MR. President

We, your committee on Taxation

having had under consideration Senate Bill No. 492

Respectfully report as follows: That Senate Bill No. 492, introduced bill, be amended as follows:

1. Title, line 13.
Following: "CLAIMANTS;"
Insert: "LENGTHENING THE PERIOD OF TIME IN WHICH TO FILE CLAIMS;"
2. Title, line 16.
Following: "72-14-210,"
Insert: "72-14-302,"
3. Page 4, line 5.
Following: line 4
Strike: "an executor's or administrator's"
Insert: "a"

DO PASS

(continued)

4. Page 6, line 6.

Following: "sale"

Strike: "and to contain a list and description of the property to be sold."

INSERT: ". The notice shall give the time and place of such sale and contain a description of the property to be sold."

5. Page 7, line 15.

Following: "19"

Strike: "2"

Insert: "5"

6. Page 7.

Following: line 25

Insert: "Section 9. Section 72-14-302, MCA, IS AMENDED TO READ:

72-14-302. Statute of limitations. Such action must be brought within 2 5 years from the date on which money or property is received by the state treasurer, saving, however, to infants and persons of unsound mind or citizens of the United States beyond the limits of the United States, the right to commence their action at any time within the time limited or 2 5 years after their respective disabilities cease."

Remember: all subsequent sections

7. Page 10, line 8.

Following: "thereto"

Strike: "within 2 years from the date of such deposit"

And, as amended,
DO PASS

STANDING COMMITTEE REPORT

..... March 13 19 79

MR. President.....

We, your committee on Taxation

having had under consideration House Bill No. 363

Respectfully report as follows: That..... House Bill No. 363.....

third reading bill, be amended as follows:

1. Page 2, line 7.

Following: "amended"

Insert: ", excluding unemployment compensation included in federal gross income under the provisions of section 35 of the Internal Revenue Code of 1954 as amended"

And, as amended,

BE CONCURRED IN

~~DO PASS~~

STANDING COMMITTEE REPORT

March 14 19 79

MR. President

We, your committee on Taxation

having had under consideration House Bill No. 63

House Bill - Dassinger (

Respectfully report as follows: That House Bill No. 63

BE CONCURRED IN

~~DOYASE~~

Date MAR. 13, 1979

ROLL CALL

SENATE TAXATION COMMITTEE

46th LEGISLATIVE SESSION - 1979

NAME	PRESENT	ABSENT	EXCUSED
SEN. GOODOVER (Vice Chairman)	✓		
SEN. BROWN	✓		
SEN. HAGER	✓		
SEN. MANLEY	✓		
SEN. MANNING	✓		
SEN. MCCOLLUM	✓		
SEN. NORMAN	✓		
SEN. ROSKIE	✓		
SEN. SEVERSON	✓		
SEN. TOWE			✓
SEN. WATT	✓		
CHAIRMAN TURNAGE	✓		

Each Day Attach to Minutes.