

HOUSE TAXATION COMMITTEE MEETING MINUTES  
February 19, 1981

A meeting of the House Taxation Committee was held on Thursday, February 19, 1981 at 10:15 a.m. in Room 102 of the State Capitol. All members were present except Rep. Brand, who was excused. EXECUTIVE ACTION was taken on HOUSE BILLS 635 and 371.

Rep. Underdal moved that HOUSE BILL 635, AS AMENDED per the Sponsor, DO PASS. The question was called for; motion carried with Rep. Brand (by written ballot) opposed.

HOUSE BILL 455 was considered. Chairman Nordtvedt pointed out that this bill was subject to the 45-day transmittal deadline. Rep. Oberg moved that the bill DO PASS, in order that it be kept alive. He said he felt it contained a viable option and the Select Committee may want to use the bill. Rep. Williams stated that he was on the Select Committee, and they had already taken action towards separating commercial, industrial, and residential property.

Rep. Sivertsen brought up the problem with defining commercial and industrial which would be involved in Subsection (iii) on p. 1. He didn't think HB 455 was of any consideration to the Taxation Committee, and should be left up to the Select Committee's discretion.

Rep. Nordtvedt pointed out that this bill is very similar to a Senate Committee bill which had recently been drafted. He suggested that the bill be kept on the Table.

Rep. Harrington questioned the revenue status of the bill. He submitted that the Committee would maybe have up to the 70th Legislative day to consider the bill. Rep. Nordtvedt said he was not sure the Senate would accept the bill after the 45th day because they had a stricter interpretation of what a revenue bill was.

Rep. Zabrocki moved to take HB 455 OFF THE TABLE. Rep. Williams said that they have a bill in the Select Committee which divides property into two classes, but this bill divides it into three. Rep. Zabrocki then withdrew his motion.

Reps. Roth, Zabrocki, and Dozier were assigned to a Subcommittee to address HOUSE BILL 599.

Rep. Underdal moved that HOUSE BILL 371 be TABLED. Motion carried unanimously.

HOUSE BILL 511 was then considered. Rep. Burnett said he would be in favor of the concept in the bill, provided the issue wouldn't be put up for a vote in the second year. Rep. Asay disagreed with Rep. Burnett's view, because it would lend itself to making inflated budgets.

Rep. Switzer moved that HOUSE BILL 511 DO NOT PASS. The idea of making the levy effective for two years and then being able to put

five extra mills, for instance, on the ballot would defeat the whole purpose of the bill, of having a two-year vote. Rep. Harrington said that by passing the bill, the system would be put on a two-year basis, which would be in line with how the Legislature is set up. The Foundation Program is funded for two years, also. The School Districts should be able to set their budget for two years, and this bill would help them do that.

Rep. Williams rose in support of the bill because (1) the whole budget is jeopardized if the present bond increase goes down; and (2) if additional funding isn't needed, the District wouldn't even have to use the total amount, and they would have a mechanism to reduce the number of mills.

Rep. Burnett brought up the fact of automatic tenure. Rep. Harrington submitted that it was not the mill levy that gave the teacher tenure, it was how the teacher performed a job. He said he didn't think the bill had anything to do with tenure.

Rep. Neuman spoke up in support of avoiding an election if the mill levy didn't need raising. Rep. Harrington said that school boards were made up of reasonable people, and wouldn't try to get more money than was needed. If there was an excess in revenue, they would lower the mills.

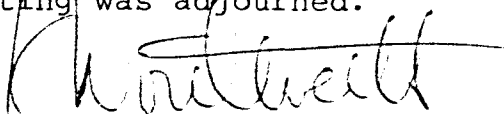
Rep. Sivertsen pointed out that additional tax levies were what was being talked about in the bill. Rep. Williams withdrew his comments.

Rep. Bertelsen said that passage of this bill would help the School Districts.

Rep. Asay submitted that the bill would add an additional burden to the School Districts to budget. Rep. Switzer pointed out that a vote in the second year didn't cost any more than a vote on the entire levy each year. Rep. Nordtvedt rose in support of the DO NOT PASS motion on the basis of local control over School District Spending. Rep. Williams said he supported this bill for the same reason that he supported HB 521.

The question was then called for on the DO NOT PASS motion, and there was a 9 - 9 tie vote; see roll call vote. The possibility of sending the bill to the floor without a recommendation was discussed, and it was decided to wait another day and take a re-vote on the measure.

The meeting was adjourned.



Rep. Ken Nordtvedt, Chairman

Tuesday  
2/19/81

HOUSE BILL 635, introduced (white), be amended as follows:

1. Page 3, line 23.  
Following: "16-11-111"  
Strike: "(1)"

2. Page 4, line 2.  
Following: "~~15~~%"  
Strike: "77%"  
Insert: "73%"

3. Page 4, line 3.  
Following: "35%"  
Strike: "23%"  
Insert: "27%"

4. Page 6, line 3.  
Following: "~~15~~%"  
Strike: "77%"  
Insert: "73%"

AND AS AMENDED  
DO PASS