

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

January 31, 1983

The fifteenth meeting of the Taxation Committee was called to order at 8:30 a.m. by Chairman Pat M. Goodover in Room 415 of the Capitol Building.

ROLL CALL: All members were present except Senators Hager, Lynch and Norman, who were all excused.

CONSIDERATION OF SENATE BILL 185: Senator Jack Galt, Senate District 23, the sponsor of the bill, said that if these mines are forced to close it will not only hurt the economy and miners in the Roundup area but will hurt all across the state as well.

Representative Gay Holliday, House District 46, co-sponsored the bill and said several people were here at the meeting to verify the impact of this bill. She urged the committee to act favorably in their behalf.

PROPOSERS

Mr. Kim Kuzara, testifying on behalf of the P-M Coal Company and the Divide Mining Company, submitted a written statement which is attached to these minutes as Exhibit A.

Mr. Bruce Hoiland, representing the Musselshell Valley Chamber of Commerce, also submitted a written statement, and it is attached as Exhibit B.

Mr. Joe Vranish, a resident of Roundup, stated that he is a homeowner and he can't pass along his expenses or taxes to any customers. Why tax someone to pay another tax? Their school uses coal, which is taxed, and then the school turns around and taxes the homeowners to pay their taxes. He also submitted a written witness statement. (See Exhibit C.)

Mr. Bruce Konia, who runs an alcohol plant outside of Manhattan, Montana, said this bill could make the difference as to whether a small operation such as his survives or closes its doors. They are going up to about 4,000 tons of coal; they have to expand in order to be profitable. They have learned about out-of-date technology, and expenses have to be borne by someone. If a lack of tax can make that possible, then let's do it, he said. They use Roundup coal at their plant because it has a higher BTU than other coal produced in the state. Transportation is a critical factor for his business. He asked that the legislature not close the door on these small operations. (See Exhibit D.)

Mr. Robert Krogh, representing the Roundup schools, submitted a written statement which is attached as Exhibit E.

Chairman Goodover mentioned that several letters were received in support of SB 185 and they were made a part of the record. Letters were received from: Darrell _____, Jack Ambrozich, Mr. and Mrs. F. R. Baldwin, Kathryn R. Baylis, Jerry J. Bernhardt, Eva Boucher (2 letters), James N. Boucher, Don Bujok, Anita M. Burch, Mr. and Mrs. Theron Castle, Alan D. Curtis, Eugene and Delores DesJarlais, Jeanette Devine, Luther G. Egge, J. Jay Erdie, Verna Fanyak, P. G. Funk (2 letters), Sherry F. Garcia, Hugh C. Grove, Alice Hanley (2 letters), Hugh Hegle, Ell Heinle, Lloyd Herman, Otto C. Hettborg, Douglas D. Hoag, Robert Hochmuth (and others), Bruce J. Hoiland, Emelie G. Jensvold and Alvin W. Jensvold, Robert L. Justin, Richard Kemper, Helen Kombol, T. R. Kratochvil, Annie E. Larsen, Robert Lassle, John H. Lee, Mr. and Mrs. Clarence Marking, Donna Marmon, Bob Marshall, Mr. and Mrs. Ronald Martin, Richard McCall, Richard V. Mihalovich, Jo Ann E. Mills, Walter J. Moore, Avonelle Pleas, John J. and Jeanne M. Rae (2 letters), Louise G. Rasmussen, Mr. and Mrs. Vern Rich, P. L. and N. J. Schlappich, Bin Sh _____, Julia Siemion, Agnes Simkins, Lyle E. Stortz, Trevor and Cleo Sysum, Mr. and Mrs. George C. Thomas, Joseph Vicars (Mayor) (2 letters), Mrs. Gus Weigum, Mr. and Mrs. James Weigum and family, Florence J. Wood and James Wood, and Mr. and Mrs. Joe Zupec. The letters are attached as Exhibits F-1 to F-65.

Additionally, ten sheets with "We support Senate Bill 185" on them with a total of 267 signatures were submitted and made a part of the record. See Exhibit G.

Senator Max Conover, Senate District 36, stated that he still uses coal on one of the farms that he has. He said that if the bill does not pass, Wyoming coal will start moving into the Billings area, where a lot of the Roundup coal now goes. He doesn't want to see that happen with the price of coal and today's economic times. The prices of gas and electricity are going way up, too, in the next 3-4 years. He requested the committee's support of SB 185.

OPPONENTS

There were no opponents to SB 185.

Questions from the committee were called for.

Senator Elliott asked if someone was available who could answer questions regarding the economics of the mining business. Jack Carlson from the Divide Coal Mining Company said they are mining government coal on their own land. Their lease with the government has been extended to November. The government wants to raise royalties from 15 cents a ton to \$4.19 a ton (12 1/2%). To make a viable operation you have to produce about 35,000 tons.

According to previous testimony, Mr. Carlson said, if you mined 20,000 tons a year at \$30 a ton, that is \$600,000. They hope to realize a ten percent profit on the operation.

Senator Eck asked what determines the \$33 a ton they are getting now. Mr. Carlson said it was based on expenses of operation. Senator Towe then questioned George Meged's previous billing practices in his coal company (Exhibit H). Senator Crippen asked why the bill could not be amended to provide for a straight 100,000-ton exemption.

Senator Galt closed the hearing on SB 185.

CONSIDERATION OF SENATE BILL 172: Senator Dorothy Eck, Senate District 39, sponsored the bill and said Montana is providing a lot of pension exclusions, and as long as we are allowing those exclusions, we are discriminating against private pension beneficiaries. Private sector pension plans are very low. The Department of Revenue worked with Senator Eck and others on this bill, and with the \$360 exclusion allowed last session, they were able to come up with some figures. She prefers that the committee look at the full \$3,600 exemption proposed now.

PROPOSERS

Mr. Joe Thares, representing the Mountain Bell Retired Employees Association, said there are about 750 Mountain Bell retirees in Montana. In the private sector, a lot of pension plans do not have escalator clauses as government pension plans do. Give a break to the retirees in the private sector as you do in the government sector. (Written statement: Exh. I)

Ed Sheehy, a national field vice president of the National Association of Retired Federal Employees, stated that in 1981, they went to the legislature and got the \$360 exemption. He noted that federal retired employees are totally exempt from tax. He is not eligible for and will never receive social security benefits. His benefits are taxed by both federal and state governments. He said the \$3,600 proposed exemption was too low; that it should be raised to \$5,400. People are being advised to elect automatic withholding on their retirement or face a penalty. He urged the committee to look at what state retirement plans are doing. He mentioned an article in the Butte paper this past weekend regarding a bargaining group whose minimum salaries were \$26,000 and maximum salaries were \$42,000. Those people are eligible for from \$13,000 to \$26,000 a year in retirement benefits.

OPPOSERS

There were no opposers to SB 172.

Questions were called for from the committee.

Senator Turnage asked Mr. Thares if he would be willing to raise everyone's personal income taxes to take care of the impact this would have on the state's budget. Mr. Thares responded affirmatively.

Senator Elliott asked Senator Eck if she would consider amendments that would tie this exemption to gross income. She said yes, amendments tying the exemption to a person's income would take care of it. For example, those retirees receiving \$0 - \$10,000 would get the full exemption for pension benefits; then, in the upper brackets, they wouldn't get any tax break.

Senator Gage asked if she had a definition of "gross income." She said it was defined in the federal laws and in the Montana Code Annotated as well (15-30-101(7), MCA). She will work on amendments to the bill and furnish them to the committee for discussion. Dan Bucks from the Department of Revenue will furnish information as to what the adjusted gross incomes might have been for those taking the \$360 exemption. Senator Turnage questioned whether these people were in the \$75,000 income range or in the \$5,000 income range.

Senator Eck stated that there is a proposal for a \$400 credit for homeowners and renters which the committee might want to look at together with the counties already giving lower taxes to retirees.

Senator Eck closed the hearing on SB 172.

CONSIDERATION OF SENATE BILL 131 (CONTINUED): Cort Harrington presented amendments to SB 131. After Cort reviewed them with the committee, Senator Turnage moved for adoption of the amendments. The motion was seconded and passed unanimously. Senator Turnage then moved to lay SB 131 on the table.

Senator Mazurek made a substitute motion that SB 131 as amended DO PASS.

Senator Eck then stated that last session, the county treasurers thought they could recoup lost revenues if a good bill was passed. She said she was willing to give SB 131 a chance.

Senator Turnage was opposed to the bill. He said anyone who drives a new car home from the dealer's lot is a criminal under this bill. He suggested that if the legislature wants to go after someone, they should go after the new or used car dealers who abuse their dealer plates.

Senator Mazurek withdrew his substitute motion.

The committee voted on the original motion to lay SB 131 on the table. The motion was seconded and passed, with Senators Crippen, Eck, Mazurek and Towe voting no. The bill is laid on the table. (Proposed amendments to SB 131 are attached: Exh. J.)

CONSIDERATION OF SENATE BILL 185 (CONTINUED): Senator Towe said there are two ways to resolve this: (1) raise the exempt tonnage to 30,000 or 35,000, and take out the language concerning only producers less than 100,000, or (2) give half rate to the companies with between 20,000 and 100,000 tons of coal.

Senator Towe mentioned that the only mines that produce coal with 10,000+ BTUs are the Meged and Carlson mines near Roundup. Decker is 9,600 BTUs. Senator Crippen said that if the exemption were passed based on BTUs, there would be no discrimination.

Senator Gage asked if, in relation to justifying constitutionality, there was any merit to comparing this coal situation to stripper wells in the oil and gas industry. Senator Towe said it is the product, not the size of the company, that causes the differences in rate. Senator Towe said that when passing the coal severance tax itself, Mr. Robbins came to him and asked him about the two companies, Meged and Carlson operations. These mines each have mined 10,000 tons of coal each year. If the companies combined, they would mine around 22,000-23,000 tons a year. At the present time, those mines are not paying the tax because they are exempt (under 20,000 tons). We could try to figure out a way to help them and no one else.

Senator Severson said 20,000 tons is \$660,000 (at \$33 a ton). That is not a big operation when you buy that type of equipment. If they had good equipment, they could probably handle a lot more coal.

Senator Towe stated the average company pays \$2 a ton in tax. The impact would be about \$2 million a biennium if the bill is passed as is. He said we should keep one other factor in mind. The Montana-Dakota Utilities plant at Savage produces 200,000 tons a year, and they would probably raise a fuss.

Cort Harrington suggested we could set it up like the federal estate tax--the first 100,000 tons is exempt; then the second 100,000 tons is taxed at a double rate.

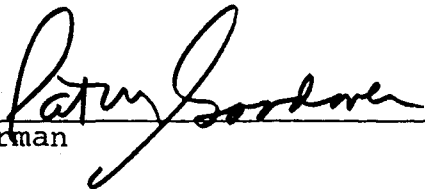
Senator Crippen thought his suggestion would encourage other small mines to produce coal with 10,000+ BTUs.

Senator Severson moved to amend the bill, striking "100,000" at page 1, line 13; page 2, line 14; and page 2, line 15, and inserting "50,000" in each instance. The motion was seconded and passed, with Senator Turnage voting no.

Senator Crippen moved that the language following "year" on page 2, line 15, through line 17, be deleted. There was no second to his motion.

Senator Towe said that if we did that, we would have impact fiscally. He was amenable to the half rate tax for tonnage between 20,000 and 100,000, but not the exemption for tonnages between 20,000 and 100,000.

The committee adjourned at 10 a.m.


Chairman

ROLL CALL

SENATE TAXATION

COMMITTEE

48th LEGISLATIVE SESSION -- 1983

Date 1/31/83

NAME	PRESENT	ABSENT	EXCUSED
SENATOR GOODOVER, CHAIRMAN	✓		
SENATOR McCALLUM, VICE CHAIRMAN	✓		
SENATOR BROWN	✓		
SENATOR CRIPPEN	✓		
SENATOR ELLIOTT	✓		
SENATOR GAGE	✓		
SENATOR TURNAGE	✓		
SENATOR SEVERSON	✓		
SENATOR HAGER			✓
SENATOR ECK	✓		
SENATOR HALLIGAN	✓		
SENATOR LYNCH			✓
SENATOR NORMAN			✓
SENATOR TOWE	✓		
SENATOR MAZUREK	✓		

DATE January 31, 1983

COMMITTEE ON TAXATION

VISITORS' REGISTER

NAME (PLEASE PRINT)	REPRESENTING	BILL #	Check One	
			Support	Oppose
McNAMS	MT			
Danell Bruner	Bounded County			
Quaranta Bruner				
H.A. "Frank" Dupree				
NUDY LAND	ROUNDUP			
Al Landberg	"			
Bob D...	"			
Emery E. Langan	✓			
Lee Luf	✓			
Louis J. Luf	✓			
Joe Thomas	✓			
Donna Hwang	✓			
Robert O. Kone	✓	185	✓	
Richard J. Sawyer	✓	185	✓	
Leif Carlson	✓	185	✓	
George Mead	✓	185	✓	
Samuel ...	✓	✓	✓	
Rep. Day Hepting		185	✓	
Joe Thares	Mtn Bell Employees	172	X	
Jim ...	MAPO	185	✓	
Jim Mockler	MT. Coal Council	185		
Ed Sheedy	MT. Coal Council	172	✓	

(Please leave prepared statement with Secretary)

*Senate Taxation
Exhibit A
Jan. 31, 1983
SB 185*

Mr. Chairman, Committee Members, Senator Galt and Representative Holliday:

My name is Kim Kuzara and I wish to speak on behalf of the P-M Coal Company and the Divide Mining Company. As you may know, both of these firms own and operate small surface mines a few miles south of Roundup.

Both mines are family operated and have been for two generations. They both own the land on which they mine and they both raise cattle to supplement their mine incomes.

As far as I know, these are the only small mines left in the State of Montana that produce coal exclusively for home, small business and local government use. All others, and at one time we had about ten in the Roundup area, have gone out of business.

They are the only existing mines in the state that would be affected by Senate Bill 185. With its passage, these mines will have a chance to survive. Without it they will either be forced to close their doors or severely restrict production.

I have done some consulting work for both mines but I have no financial interest in either. So what I say here today isn't coming from my checkbook. It's coming from a deep concern for my community.....from the heritage of my coal mining family members who collectively have spent more than 150 years working in underground mines....from my friendship with the owners of these two mines who are fighting for survival.

From my knowledge of these two mines, I can assure you that neither company can show what you and I would consider an attractive bottom line on their financial statements.

They spent enormous amounts of money obtaining strip mining permits and converting to that method of mining after they were forced by government regulations to cease underground operations. They now spend huge additional sums to expand their permit areas as mining progresses.

They have spent years in a continuous battle for existence....from trying to comply with rules and regulations that they don't understand, shouldn't apply to them, and that are changed at the whim of some unaccountable bureaucrat....to trying to mollify people who delight in using the environmental movement to harrass their every action.

Purchase of new equipment such as scrapers, loaders, crawlers, drills, haul trucks and processing machines is simply out of the question. Instead, they are forced to buy older, less reliable equipment and along with it, the maintenance and repair headaches.

Quite frankly, I don't understand how they have managed to stay in business as long as they have. They are tired, they are discouraged, and they aren't getting any younger.

As with any other business, these mines have to have a break-even point. For the Divide operation, an accountant has suggested that production levels would have to be in the 35,000 to 55,000 ton per year range to make the mine economically viable. I suspect that a similar figure would apply to the P-M mine. And that figure makes the assumption that the cost of coal to the consumer would stay in the \$30.00 to \$35.00 per ton range, which, according to the National Coal Association, is about the average price of coal nationwide.

Again, passage of Senate Bill 185 would provide these two mines with the flexibility of increasing production without significant cost to the consumer.

I should mention that the owners of the Divide Mine are now in the process of appealing a huge increase in their royalty payment to the Bureau of Land Management for the federal coal that they are mining. The prospects for success of that appeal are at this time bleak, and if it fails, Divide will likely cease operation.

It is that likelihood which prompted us to seek the 100,000 ton exemption contained in Senate Bill 185. If Divide is forced to close, then P-M will have to make up the production difference or, hundreds of customers will

either have to convert to other fuels or find other sources of coal.

Speaking of customers, both mines supply coal to about 3,000 buyers. Although you may think that most of those customers would be in the Roundup trade area, such is not the case. The mine owners estimate that between 60 and 65 percent of their customers come from the Yellowstone Valley and probably another 10 to 15 percent come from other places in Montana and northern Wyoming.

Believe me, there is a market for Roundup's high quality coal. I've been out at the mines and seen trucks, pickups and even station wagons lined up for blocks waiting to get coal. And I've been there when the mines turned away business because they didn't have extra coal to sell.

With permitting and operating costs what they are now, both mines limit their tonnage to the 10,000 to 15,000 ton per year range. They simply cannot afford to seek larger permit areas, invest in plant and equipment, produce more coal and be subjected to the 30 percent tax upon reaching the existing 20,000 ton limit.

A 100,000 ton exemption would give both of these mines ample room for expansion within the foreseeable future. It would respect changing economic conditions which may dictate increased production. It would allow P-M to assume Divide's production should Divide have to close. It would give these owners some stability and some certainty for the future should their children desire to take over their mines or should they find new owners. Right now, they have none of this.

Being Chairman of the Musselshell County Planning Board, I can appreciate your concerns over the potential loss of revenues should this measure become law. So far as existing revenues are concerned, there would be no loss at all of severance tax funds. Neither mine has exceeded the 20,000 ton exemption and so they have paid no severance

tax. There are no other mines producing between 20,000 and 100,000 tons per year so there would be no loss there. And finally, this bill would not affect severance taxes from the large mines because upon exceeding the proposed 100,000 ton limit, their tax would be rolled back to the current 20,000 ton exemption.

The other portion of this bill would have an affect on revenues to the state, counties, and schools. In essence, the gross proceeds tax exemption would be raised from 10,000 tons to 50,000 tons. Since the tax received is a function of mill levies, the price of coal, and the deductions allowed by law, it is difficult to assess the impact of this increase.

However, if we assume the price of coal to be \$30.00 per ton, allowable deductions to be 5 percent of the contract sales price, and if we use Musselshell County's mill levy last year as an example, we can illustrate those effects.

The gross proceeds from the 40,000 ton difference between existing and proposed statutes would be 1.2 million dollars if coal sells for \$30.00 per ton and if the mines produced the full 100,000 tons. If deductions of 5 percent are applied to that, the gross would be 1.14 million of which 45 percent is taxable for a total of \$513,000 valuation.

Musselshell County's levy last year was 159.54 mills which means that had these conditions all been present, \$81,844 would have been collected in gross proceeds tax. Of that, the state would have received \$3,078, the school districts in Musselshell County would have shared \$65,079 and the county itself would have been paid \$13,686.

total losses
if 100,000
tons produce

You should remember that this loss of revenue would exist only if the mines produced the full 100,000 tons. If they only mined 50,000 tons, the total loss would amount to about \$31,000.

I'm certain that those losses would be dwarfed by those

that would be incurred in our county if either or both of our mines are forced to close. Aside from the taxable value of the plants and equipment, about 35 people would be out of work, a number of businesses would have to close and taxpayers could anticipate large expenditures converting systems to other fuels.

In summation, I want to stress the following points:

1. We are talking about small "Ma and Pa" mines, not huge corporate enterprizes.
2. We are talking about thousands of Montanans who rely on coal to heat their homes, businesses and schools, not large industrial users who can pass costs on to others.
3. We are talking about an insignificant loss of revenue when compared to the alternatives.

I strongly urge your support for Senate Bill 185 here in this committee and on the floor of the Senate.

Thank you.

*Senate Taxation
Exhibit A
Jan. 31, 1983
SB 185*

Mr. Chairman, Committee Members, Senator Galt and Representative Holliday:

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Both mines are family operated and have been for two generations. They both own the land on which they mine and they both raise cattle to supplement their mine incomes.

As far as I know, these are the only small mines left in the State of Montana that produce coal exclusively for home, small business and local government use. All others, and at one time we had about ten in the Roundup area, have gone out of business.

They are the only existing mines in the state that would be affected by Senate Bill 185. With its passage, these mines will have a chance to survive. Without it they will either be forced to close their doors or severely restrict production.

I have done some consulting work for both mines but I have no financial interest in either. So what I say here today isn't coming from my checkbook. It's coming from a deep concern for my community.....from the heritage of my coal mining family members who collectively have spent more than 150 years working in underground mines....from my friendship with the owners of these two mines who are fighting for survival.

From my knowledge of these two mines, I can assure you that neither company can show what you and I would consider an attractive bottom line on their financial statements.

They spent enormous amounts of money obtaining strip mining permits and converting to that method of mining after they were forced by government regulations to cease underground operations. They now spend huge additional sums to expand their permit areas as mining progresses.

NAME: Bruce J. Hoiland DATE: Jan 31, 1983

ADDRESS: 420 2nd Street West Roundup Montana

PHONE: 406-323-1102

REPRESENTING WHOM? Holland Ford and Musselshell Valley Chamber of Commerce

APPEARING ON WHICH PROPOSAL: Senate Bill 185

DO YOU: SUPPORT? X AMEND? _____ OPPOSE? _____

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

*Senate Testimony
Exhibit B
Jan. 31, 1983
SB 185*

Mr. Chairman, Committee Members, Senator Galt and Representative Holliday:

I'm Bruce Hoiland and I am representing the 60 or so members of the Musselshell Valley Chamber of Commerce.

You have heard Mr. Kuzara's remarks concerning the importance of Senate Bill 185 from the mine owner's standpoint.

I would like to comment briefly on what the measure means to the Main Street businessmen. A significant number of buildings throughout Montana are heated by coal although we in Roundup certainly have a higher percentage than other cities and towns. I would suspect that slightly over half of the buildings in Roundup use coal.

We in the business community feel strongly that the situation with respect to these coal mines is critical. Just a few years ago, you could call any one of several mines and receive a load of coal that day.

That isn't the case now. With only two mines operating, equipment and machinery breakdowns, weather, and other considerations, delivery of coal is no longer assured.

Sub-zero temperatures mean that I burn up to about a ton a day and there have been times when I wasn't sure that I'd be able to last until the next load arrived. Sometimes, the mines simply don't have enough coal and I can only get a partial load.

Now, I'm told that there is a 95 percent chance that the Divide mine will be closing and it doesn't really surprise me. The Divide owners are getting along in years and they are probably looking forward to retirement. They've been struggling for years and they're getting tired. And, as Mr. Kuzara pointed out, neither mine represents an attractive investment for a new owner.

If the Divide mine closes, an already bad situation is going to be twice as bad. We can expect either a 30 percent

increase in the cost of coal or we can expect the supply to dry up altogether.

Some of our businesses have tried to burn Colstrip or Sheridan coal and it just doesn't work in our systems. With the difference in BTU content, it takes anywhere from 30 to 60 percent more of that coal to provide the same level of heating. That also means costly modifications to auger and feed systems. It means more frequent deliveries or larger bins. It means more reliance on the weather and the uncertainties of transportation. It means higher costs.

I looked into converting my building to fuel oil or propane. Propane is out of the question because the structure occupies nearly all of the lot and there is no place where a tank can be safely and legally placed. I also have no place where I could conveniently locate a fuel oil tank. The plumbing and mechanical contractors say that I could expect to pay about \$30,000 to get my 6500 square foot building into a condition allowing conversion.

I can't even consider it. I'd simply have to close. So would a majority of the other businesses that I've talked to.

One of our members did convert to fuel oil seven years ago. Just the controls and the oil injection system - not a boiler designed for oil - cost them \$4000 at that time. That first winter, they spent just over \$12,000 for fuel oil at an average of about 69¢ per gallon. Oil sells for \$1.13 today. They went back to their coal fired boiler and last year their bill was just under \$5,000.

Another consideration that we have to contend with is the availability of other fuels. In talking with the fuel oil distributors and propane suppliers, we find that they may not be able to increase their allocations by enough to supply our needs. A Montana Power Company representative

says that major revisions in his system capacity would have to be made to allow any significant conversion to electric heating in Roundup.

And, even if we could afford the changes necessary to convert, the added costs of the fuels themselves would be astronomical. All else being equal, oil and propane would quadruple our fuel bills while electricity would raise them something like 8 times.

Let's face it. Some form of relief has to be had or a lot of us are going to be out of business. It's just that simple.

You might think that raising the exemptions by 80,000 tons is excessive. You can look at the mine production figures and say, "Well, if they aren't pushing the 20,000 ton limit now, why should we raise it to 100,000 tons?"

We already know that neither mine can stand by itself now. Their production is limited by the equipment that they have to work with and though I don't want to offend anyone, what they have to work with is little more than junk. They spend more time working on it than they do using it, simply because they can't afford anything better., and because they have to work at other things to make ends meet. As a consequence, we users suffer the uncertainty of being able to get coal when we need it and in the quantities that we need it.

You should also bear in mind that when the Legislature first made the 20,000 ton exemption, we had 5 small mines operating near Roundup and others elsewhere in Montana. Now there are only the two.

A 100,000 ton exemption would let these mines take advantage of both existing and developable markets for good quality coal in Montana. It would let one mine take up the slack if the other closes. It would provide room for future growth in the event that other firms should choose to burn coal. And it would help a great deal to keep heating costs at an affordable level.

By approving Senate Bill 185 you would do a great service to the people who live, work, and do business in Roundup and many other Montana communities.

Thank you.

JAN. 31, 1983

SB 185

NAME:

Joe Transik

DATE:

1/31/83

ADDRESS:

1117 2nd St. W. Roundup Mont 5907.

PHONE:

323-1124

REPRESENTING WHOM?

Self.

APPEARING ON WHICH PROPOSAL:

S.B. 185

DO YOU:

SUPPORT?

X

AMEND?

OPPOSE?

COMMENTS:

Home owners can't Pass Taxes on
Home owners and seniors on fixed incomes
can't afford to pay for new heating systems
in schools, county, & Hospital buildings
And significant increases in the coal price
due to insurance taxes would raise other taxes
and cost of living.

Fixed income users and average homeowners
could not afford to pay cost of conversion
Many homes are old and poorly insulated

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Bruce Kania

DATE: 1/31/83

ADDRESS: 440 W. 3rd St. Indianapolis, IN.

PHONE: 765-228-4444

REPRESENTING WHOM? ATLANTA

APPEARING ON WHICH PROPOSAL: 1983-84

DO YOU: SUPPORT? / AMEND? / OPPOSE? /

COMMENTS: will be to address comm.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Robert D. Krogh DATE: 1-31-83

ADDRESS: 606 3rd St. West, Roundup, Mont.

PHONE: 323-1051

REPRESENTING WHOM? Roundup Schools

APPEARING ON WHICH PROPOSAL: Senate Bill 185

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Chairman Goodover, members of the Senate Taxation Committee, Senator Galt and Representative Holliday.

My name is Robert Krogh, my home is in Roundup, and I am here this morning to also speak in favor of Senate Bill 185.

As Superintendent of the Roundup School System, we are very much concerned about the availability of coal from our local mines for our heating purposes.

During the past two years the taxpayers of our school district have just spent some \$415,000.00 to replace one of the boilers and to up-grade the entire heating systems in our school buildings, so that they can be more fuel efficient.

Our three school buildings, together with our local hospital, courthouse and county shop buildings are no doubt the biggest users of coal in Musselshell County, consuming some 850 tons a year. If our local mines are forced to close or coal production is limited, due to the 20,000 ton restriction for severance tax purposes, this could be devastrating to our community.

As far as the school district is concerned, if they must convert to another means of fuel, such as propane or fuel oil, it has been estimated by heating contractors that the cost would be somewhere in the range of \$300,000.00. I don't think it would be fair to force this added expense upon our taxpayers, who still haven't recovered from the expense of replacing the school's present coal heating system. School budgets would also have to be drastically increased to allow for the added cost for using another means of fuel. With school budgets being as tight as they are, this would result in higher special mill levies which could easily be rejected considering today's economic situation.

The only other alternative then would be to try and get coal from the next closest source, that being Colstrip, which is some 147 miles away. With our railroad gone, the coal would have to be hauled in by large semi-trailer trucks. Because of the long distance involved, the cost of transporting could be as much as the price of coal itself, thus doubling the cost for this fuel. We are presently paying \$39.00 per ton delivered for Roundup coal, so with some simple arithmetic, taking 850 tons, which is now costing the taxpayer \$33,150.00, and by adding the extra expense for the long haul and handling charges, the cost for this new source of energy could jump to \$66,300.00.

Another problem that we would be faced with, especially concerning our school buildings, is that there is not enough room around the buildings to accommodate large trucks for unloading purposes. This then could result in having to stock pile the coal elsewhere and then transfer it to the schools by another means.

It should also be noted that the coal obtained from Colstrip area does not have the equivalent BTU's as that of the Roundup coal. Figures that I have obtained rate the Colstrip coal at approx. 8,850 BTU's as compared to the coal mined in our area which runs between 10,500 - 11,900 BTU's. To give us the same heat value which we need to keep our buildings at a comfortable level, we could conceivably have to burn another 1/3 more coal, thus adding more to the total cost.

Like most small hospitals, our county hospital is operating on a shoestring too and there is no way it could absorb the increased

costs to convert and operate using another fuel. No doubt they too would be forced to close their doors.

As it has already been stated here this morning, people living in our county are not the only ones who depend on the Roundup mines for their source of coal.

In checking with a number of communities around our area, I was surprised to learn that there are some fifteen (15) other school systems consisting of: Shepherd, Broadview, Lavina, Musselshell, Jordan, Winifred, Roy, Custer, Geyser, Rapleje, Hays Lodgepole, Reedpoint, Ingomar, Niehart and even as far as Ekalaka, who use Roundup coal for their main source of energy. The county shops in both McCone, Judith Basin and Wheatland counties also rely on the same means of fuel for their heating purposes. So, there is no doubt that alot of people could be affected if the supply of coal from our small mines is no longer available.

Many of the administrators from the mentioned schools have also indicated to me that many of these school buildings are quite old and if they had to be converted to oil or gas, they would certainly have to consider spending large sums of money to remodel their existing facilities, such as changing windows, and doing alot more insulating, as with the price of oil or gas, there would be no way they could afford to keep their buildings heated.

As you can see, I have tried to relate to you what effect the loss of coal could place on our schools, hospital, and other governmental agencies. Therefore, minor changes in the present law need to be made to insure that coal produced by the small mines can be made available for heating needs at a reasonable cost to the taxpayer.

And then, lets not forget the impact that this could place upon our younger generation if schools and hospitals are forced to close because of unbarriable heating costs which they can't afford. After all, they are our future taxpayers and our hope for tomorrow.

I sincerely hope that each member of this committee will do their part to strongly support Senate Bill 185.

Thank you.

January 26, 1983

Senator Galt
State Capital
Helena, MT 59601

Dear Senator Galt:

I hereby certify that I want to support your Senate Bill 185
which is to exempt small operators with coal production of
under 100,000 tons per year from a 30% service tax.

Sincerely,

Daniel L. Mitchell
4628 MITCHELL
Bellingham MT 59101

Jan 29, 1983

Dear Sirs

I am writing about SB185

I am retired and single and live on a small pension I have used coal for 36 years and changing to something else would cost too much. Help these mine owners so they can keep these mines open to help us all

Sincerely

Jack Ambrozich
619 - 1st St E
Roundup, Mt.

Boondup, MT.
Jan. 26, 1982

Senate Taxation Committee
Senator Pat Goodover, Chairman
Capitol Station
Helena, MT. 59601

Dear Sir:

It is a well known fact that our local Coal mines service a large area of the state. About two years ago, when the government was urging people to cut back on the use of oil and electricity, I converted (at considerable expense) from oil to Coal.

Most of Boondup's businesses, schools, homes, etc burn Coal.

KATHRYN R. BAYLIS

ATTORNEY AT LAW

216 MAIN STREET - P.O. BOX 986
ROUNDUP, MONTANA 59072
(406) 323-1226

January 27, 1983

Senator Pat Goodover, Chairman
Senate Taxation Committee
Capitol Station
Helena, Montana 59601

Re: Senate Bill 185

Dear Senator Goodover,

I am writing in support of Senate Bill 185 which would increase the coal severance tax exemption from 20,000 tons to 100,000 tons.

An exemption of only 20,000 tons means that only the very smallest of independent coal miners can operate without paying the coal severance tax. In order for an independent operator, such as those in Musselshell County, to be able to produce more coal, a higher exemption is necessary. An independent operator who wishes to gear up for higher coal production needs this assistance from the State in order to afford the equipment and personnel to accomplish greater production.

The higher exemption requested would probably not cause a great loss of revenue to the State, since an exemption of 100,000 tons would still not exempt the larger coal mines which are already paying the severance tax. However, it would be a boon to a small independent mines and to local economies such as that of Musselshell County. To refuse to raise the exemption would cause Musselshell County a great hardship, since many of our public and private buildings are heated with coal. If our independent mines are forced to shut down, it would be a great burden on all of the tax payers here.

I am confident your committee will give this matter careful consideration. Thank you.

Very truly yours,


Kathryn R. Baylis

cc: Gay Holliday, Representative
Jack Galt, Senator

JAN. 31, 1983

SB 185

Bernhardt Consulting, Inc.

P. O. Box 1027
Roundup, Montana 59072

Telephone 406 - 323-3348

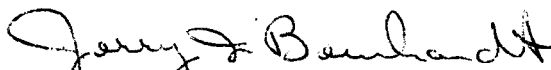
January 28, 1983

Senate Taxation Committee
Senator Pat Goodover, Chairman
Capitol Station
Helena, MT 59601

Gentlemen:

As a resident of the Roundup, Montana community, I fully support Senate Bill 185. Defeat of Senate Bill 185 would adversely affect the future economic status of this Community. As a result, please consider the potential effect this bill would have to whole communities.

Sincerely yours,


Jerry J. Bernhardt

423 2nd St. East
Roundup, Montana
January 26, 1983

Senate Taxation Committee
Sen. Pat Goodover, Chairman
Capital Station
Helena, Mt. 59601

Dear Sirs:

Please approve Senate Bill No. 185 to increase the severance tax exemption on small coal mines from 20,000 to 100,000 tons.

My coal bill is about \$450 a year for my home, but if I have to go to another kind of heating, I will probably have to pay double that amount. I am a low-income Senior Citizen.

Please do what is best for us. We need coal.
Keep it for us! *Thank you.*

Yours respectfully,

Eva Boucher

Musselshell County Senior Citizens, Inc.
Box 464
Roundup, Mt. 59072

January 28, 1983

Senate Taxation Committee
Sen. Pat Goodover, Chairman
Capital Station
Helena, Montana 59601

Dear Taxation Committee:

Please approve Senate Bill No. 185 to
increase the severance tax exemption on small
coal mines from 20,000 to 100,000 tons.

We need our local coal mines, and with a
plentiful supply of coal resources, why not use
them instead of oil and electricity (which cost more.)

We need coal. Keep it for us!

Yours truly,

Eva Boucher

Margaret Keiskemietz
Carol Peters
Roy G. Fairley
James E. Langan
Herbert A. Walker
Lloyd T. Parsons
Mrs. Otthe Ego
Clara Seger
Ed Crim
Anne Golob
Anna Katana
Maria Rodighiero
Mrs. Josephine Mikalovich
Cecilia E. Thompson
Catherine M. Fairley

TO THE COMMITTEE

I AM AN EMPLOYEE OF P.M. COAL
NEAR ROUNDUP. I HAVE WORKED
AT THE MINE FOR SEVERAL YEARS
BUT I AM CONCERNED ABOUT MY
JOB AT THE PRESENT TIME.

BECAUSE OF THE ECONOMIC CONDITIONS
IN THE COUNTRY TODAY I AM
AFRAID THE MINE WOULD SLOW
DOWN OR CLOSE DOWN ALL TOGETHER
IF WE ARE NOT ABLE TO MINE
MORE COAL. I STRONGLY SUPPORT
SENATE BILL NO. 185. THANK YOU
FOR YOUR TIME.

James R. Baucher

Honorable Pat M. Goodover
Chairman
Senate Taxation Committee

1/26/83

Dear Sir,

I am writing in regard to SB 185 which I understand will come for hearing on Monday, January 31, 1953. I fully understand that this bill will revise the exemption of the 30% coal severance tax for certain producers and if this means less of a tax burden on the small producers I am all for it and respectfully urge you to favorably consider and pass it.

As you are aware, we are in the middle of one of the largest economic downturns our country has ever experienced, and if it doesn't get better very soon I'm afraid it'll mean the "Thirties I lived". With layoffs, mortgage foreclosures and bankruptcies at an all time high I do not feel that we can afford to do any less than ease the burden of those who are hurting so much and give them more breathing room and a chance to survive.

The coal producers are particularly hard hit these days as they have been over -

614 Third Street West
Roundup, Montana 59072
January 27, 1983

Senator Pat Goodover, Chairman
Senate Taxation Committee
Capitol Station
Helena, Montana 59601

Dear Senator Goodover:

I am writing to urge you to recommend passage of Senate Bill 185 which would increase the coal severance tax exemption from 20,000 tons to 100,000 tons.

Roundup is a small community which depends quite heavily on the use of coal for heating, not only homes but schools, businesses and government buildings as well. Many business owners have indicated that they would shut down their businesses rather than to try to convert to some other fuel because of the cost involved.

Since Roundup does have good quality coal available near by, it would be a shame to have to close the mines and cause economic hardship for the town as well if this bill is not passed.

Please give this matter your most careful consideration.
Thank you.

Sincerely,



Anita M. Burch

Jan. 30-1983

Senate Taxation Committee

We live in Roundup and have
a coal furnace. We are retired
and live on a fixed income. If
the coal mines would have to

close we could not convert over
to oil or propane as it would cost
too much. The town of Roundup
depends on coal as the Hospital, Schools
and most of the business heat with coal,
and many, many homes. We hope
you can help keep our coal mines
open.

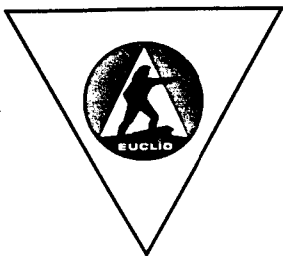
Yours Truly

Mr & Mrs. Theron Castle

1120 - 2nd street

Roundup, mt. 59072

SB 185



SENATE TAXATION COMM.
EXHIBIT F 12
JAN. 31, 1983
SB 185



TRI-STATE EQUIPMENT, INC.

P.O. Box 1298 Phone 406-245-3188

Billings, Montana 59103

January 27, 1983

Honorable Senator Pat Goodover
Chairman Taxation Committee
Capitol Building
Helena, Montana 59601

Dear Senator Goodyear:

We wish to express our support for Senate Bill 185 which would exempt Montana's small coal producers who produce 100,000 Tons or less per year from paying the State Coal Severance Tax. The present law places our small Coal Mines at a disadvantage when competing with the larger coal producers in Montana and the small coal producers in Wyoming and North Dakota who sell to Montana Customers.

Very truly yours,

TRI-STATE EQUIPMENT, INC.

Alan D. Curtis
Assistant Sales Manager

ADC/dms

602 Third St. West
Roundup, MT 59072
January 26, 1983

Senate Taxation Committee
Sen. Pat Goodover, Chairman
Capital Station
Helena, MT 59601

Senate Taxation Committee:

Re: S.B. 183

It is urgently necessary that S.B. 183 for increase of Severence Tax Exemption for Coal Mines from 20,000 tons to 100,000 be supported.

Without this legislation the small mines located in the Roundup area will be forced to close. This will place a financial burden on all citizens of Montana, and particularly in Roundup. If there is no coal available as a source of heat, all of the larger institutions, schools, hospitals, etc., will be forced to use the very expensive type of heating, such as fuel oil. This will greatly increase the tax burden for everyone. Also, the elderly who use coal furnaces will be forced to turn to alternatives, and many of them are unable to afford this move.

IT IS IMPORTANT TO THE SURVIVAL OF THE ENTIRE COMMUNITY THAT THIS BILL BE SUPPORTED.

Sincerely,

Eugene H. Desjarlais

Eugene H. Desjarlais and

Delores L. Desjarlais

Delores L. Desjarlais



UNITED BUILDING CENTERS

A Division of Laird Norton Company

January 28, 1983

Senate Taxation Committee
Helena, Montana

Pat M. Goodover, Chairman

We join concerned citizens of Roundup, Montana in asking
for help for our coal mines in SB #185.

The loss of coal mines would result in many business
casualties and cause others to struggle even more to
survive. Small business is the backbone of this
community, and we hope your interest in Roundup and
Montana, will guide you to a good decision.

Sincerely yours,

Jeanette Devine, Manager
United Building Centers
Roundup, Montana Yard

LUTHER G. EGGE

OPTOMETRIST

433 MAIN

ROUNDUP, MONTANA 59072

PHONE 323-2014

Senate Taxation Committee
Pat Goodover, Chairman
Helena, Montana

Dear Sirs:

In these days of concern over efficient utilization of fuel, it would seem prudent that all energy sources be seriously considered. This is particularly true in regard to our presently operating coal mines in Musselshell County. Besides the fact that many consumers in the surrounding area are dependent upon this coal for heating and would be adversely affected if it were no longer available, is the consideration that these mining companies operations should be encouraged rather than deterred. They are providing a necessary and well-nigh indispensable product to the local and adjacent communities.

For these reasons, it is hoped and strongly urged that passage of Senate Bill 185 be accomplished, thereby allowing both the Carlson and Meged Mines to continue their operation.

Yours truly,

Luther G. Egge
Luther G. Egge, O.D.

Office of Superintendent
Roundup Public Schools

MRS. SYLVIA SHELHAMER
District Clerk
Phone 323-1507



School Districts No. 55 and 55-H
P. O. Box 717
Roundup, Montana 59072
January 26, 1983

ROBERT D. KROGH
Superintendent of Schools
Phone 323-1507

Senate Taxation Committee
Senator Pat Goodover, Chairman
Capitol Station
Helena, MT 59601

Dear Senator Goodover:

I am writing this letter in regard to Senate Bill 185.

Being an employee of one of the largest local consumers of local coal, I am writing in favor of Senate Bill 185.

The Carlsons at the Divide Coal Mine and Megeds at the P-M Mine cannot continue to run their small mines economically under the present statutes that they must operate by. I know for a fact that George and Paul Meged have already gone into great debt to improve their operation for better quality coal, and yet, they can only pass so much of this cost on to the consumer if they want to stay in business. Big business legislation is hurting little business incentive. Exemptions provided by SB 185 will help the small operators and the consumers of their product.

In School District 55 and 55H we consume about 425-450 tons of coal per year. This consumption is for three buildings and could vary from year to year depending on weather conditions. Should the Divide and P.M. Mines close, we have two options: (1) to go to another supplier, or (2) Convert to a different source of energy, which would require a different boiler. Anything different from what we are presently doing would be an added expense to local taxpayers.

One last comment would be that as a resident of Roundup and Musselshell County, I have great concerns about this legislation as it affects local users, but according to facts stated by owners of the local mines, approximately 65% of their product is used by consumers outside of Musselshell County. Legislation for these two operations not only affects Musselshell County, But Yellowstone, Carbon and Big Horn counties.

J. JAY ERDIE
High School Principal
Phone 323-2402

GERALD F. HOPKINS
Elementary Principal
Phone 323-1512

GARY F. RAY
Activities Director
Phone 323-2402

Office of Superintendent
Roundup Public Schools

MRS. SYLVIA SHELHAMER

District Clerk
Phone 323-1507



School Districts No. 55 and 55-H
P. O. Box 717
Roundup, Montana 59072

ROBERT D. KROGH
Superintendent of Schools
Phone 323-1507

Thank you, and please give consideration to SB 185. The domino affect it has is very apparent.

Sincerely,

J. Jay Erdie, Principal

cc: Representative Gay Holliday
Senator Jack Galt

J. JAY ERDIE
High School Principal
Phone 323-2402

GERALD F. HOPKINS
Elementary Principal
Phone 323-1512

GARY F. RAY
Activities Director
Phone 323-2402

January 27, 1983

Verna Fanyak
118 Second West
Roundup, Montana

Senate Taxation Committee
Pat M. Goodover, Chairman

Dear Chairman Goodover,

RE: SB 185

Please be advised that our schools, library, court house, hospital and rest home, most businesses on Main Street and many home owners are using Roundup coal and have depended on it for many years. Perhaps this sounds far-fetched and alarming, but during our history, some towns in Montana have become ghost towns. We citizens in Roundup know this could happen to our town if the mines close. Many business people and local citizens can not afford to convert to other forms of energy during this period of inflation.

We turn to our government because we know this is our only source of help. If your committee and state government cannot help in this matter, than who can?

I support SB 185 and ask your consideration in passing this bill.

Thank you very much.

Sincerely,

Verna Fanyak

SENATE TAXATION COMM.

EXHIBIT F 18

JAN. 18 1983
189 GLDSMOBILE

◆ NEW HOLLAND
◆ HESSTON

◆ BUICK

◆ INTERNATIONAL

Musselshell Valley Equipment Co.

TEL. 323-2605

418 MAIN STREET

ROUNDUP, MONT. 59072

JANUARY 27, 1983

TAXATION COMMITTEE
MONTANA STATE HOUSE
HELENA, MONTANA.

SENATE BILL 185

GENE KEMM

AS A COAL USER WHO HAS NOT OTHER ALTERNATIVE IN HEATING OUR
BUILDING, WE ASK THAT YOU GIVE YOUR SUPPORT TO THE BILL THAT
HAS BEEN INTRODUCED BY SENATOR JACK GALT.

THE FEW SMALL COAL MINES LEFT, THAT SO MANY OF US DEPEND ON,
NEED THIS BILL OR IT WILL BE EVER HARDER FOR THEM TO KEEP ON
OPERATING. I TRUST YOU WILL GIVE JACKS BILL YOUR EVERY CONSIDERATION.

VERY TRULY YOURS,



P.G. FUNK

Musselshell Valley Equipment Co.

SENATE TAXATION COMM.

EXHIBIT F 19

JAN. 31, 1983

◆ BUICK

◆ CHEVROLET

◆ NEW HOLLAND

◆ INTERNATIONAL

◆ OLDSMOBILE

◆ HESSTON SB 185

TEL 323-1605

418 MAIN STREET

ROJNDUP, MONT. 59071

JANUARY 27, 1983

TAXATION COMMITTEE
MONTANA STATE SENATE
HELENA, MONTANA.

SENATE BILL 185

GENTLEMEN;

AS USERS OF COAL FROM SMALL MINES IN OUR AREA, WE ARE MUCH IN
SUPPORT OF SENATOR GALTS BILL EXEMPTING SMALL COAL PRODUCERS
FROM CERTAIN TAXING.

FIRST OFF THESE THINGS ARE HARD ON SMALL PRODUCERS TRYING TO
STAY IN BUSINESS. SECONDLY, BUT EQUALLY IMPORTANT, IS THE FACT THAT
WE HEAT WITH COAL AND HAVE NO REAL ALTERNATIVE. I TRUST YOU
WILL GIVE YOUR CONSIDERATION TO HELP GET GALTS BILL PASSED.

VERY TRULY YOURS,



P. G. Funk c/b

January 26, 1983

Senator Galt
State Capital
Helena, MT 59601

Dear Senator Galt:

I hereby certify that I want to support your Senate Bill 185 which is to exempt small operators with coal production of under 100,000 tons per year from a 30% service tax.

Sincerely,

Shirley F. Garcia
1620 Claire Street
Billings, MT 59105

NORTHERN HOTEL

WINNETT, MONT. 59087

1-26-83

Dear Senator,

Pat Goodover
Chairman Taxation Comm.

I am writing you
in regards to Senate
Bill #185. We need
to have the bill pass.
If it doesn't pass 2
under stand that the
price of coal will go
up \$10.00 per ton in
price. We are now
paying \$33.00 per ton.
It will get so high
priced that we won't
be able to afford it.

January 26, 1983

Please support S.B. 185, so our two (2) coal mines can continue to supply us with coal for our heating systems.

Our schools, hospital, nursing home, Courthouse, and many homes use coal.

There is no way we should be saddled by a 30¢/ton coal tax -- again--.

We need relief, not another TAX to be paid with our tax monies.

A handwritten signature in cursive script, reading "Alice Hanley". The signature is written in dark ink and is positioned above the printed name.

Alice Hanley

MUSSELSHELL COUNTY SENIOR SERVICES
P.O. BOX 205
ROUNDUP, MONTANA 59072

January 27, 1983

Musselshell County Senior Services provide much for our Senior clientele, many of whom heat their homes with local coal.

Our home-chore person keeps the Senior Citizens home fires burning, by keeping their stokers filled with coal, ashes cleaned out, and whatever else is needed to keep them in their homes.

They cannot afford to convert to another type of heating system at this point and time in their lives. Therefore, we hope you will support SB 185 in their behalf.

Musselshell County Senior Services


Alice Hanley, director

January 26, 1983

Senator Galt
State Capital
Helena, MT 59601

Dear Senator Galt:

I hereby certify that I want to support your Senate Bill 185
which is to exempt small operators with coal production of
under 100,000 tons per year from a 30% service tax.

Sincerely,

Bugh Heyle
Rt One
Honolulu 59037

Roundup, Montana
January 27, 1982

Senate Taxation Committee
Senator Pat Goodover, Chairman
Capital Station
Helena, Montana 59601

To Whom It may Concern:

Do not ruin our community by taking away our coal.
Please support bill S.B. 185.

Sincerely,

GAMBLES

Ell Heinle
BY: Ell Heinle

January 26, 1983

Senator Galt
State Capital
Helena, MT 59601

Dear Senator Galt:

I hereby certify that I want to support your Senate Bill 185 which is to exempt small operators with coal production of under 100,000 tons per year from a 30% service tax.

Sincerely,

Lloyd Herman
2632 Terry Ave
Billings, Mt. 59102

January 26, 1983

Senator Galt
State Capital
Helena, MT 59601

Dear Senator Galt:

I hereby certify that I want to support your Senate Bill 185
which is to exempt small operators with coal production of
under 100,000 tons per year from a 30% service tax.

Sincerely,

Otto C. Herberg
2937 miles Ave.
Billings, Mt.
59102

Jan. 27, 1983

Senator J. E. Towe:

This letter is a request
for your support of S.B. 185.

Many people in Roundup
are on limited fixed
incomes and their
source of energy is coal.

We only have two mines
left here! Unless relief
is provided under S.B. 185
many people will have
to convert to other sources
of energy at prohibitive
expense in many cases.

Also the burden of
converting our hospital
courthouse and schools

at taxpayers expense.

Musselshell & Yellowstone counties are not the only affected, as coal from this area is used in homes and public buildings throughout the state.

This is becoming a very serious matter to many people in Montana and sincerely hope you will assist in passage of S.B. 183 to rectify the problem.

Douglas D Hoag
703 - 2 St West
Roundup, Mont.
59072

January 27, 1983

Sirs;

We are in favor of SB185 to revise the exemption of certain coal producers from the coal severance tax of 30%. We believe this is necessary for the survival of our local coal miners. Coal mining is a vital part of our local economy and to discontinue it would put a tremendous financial strain on the community.

ROBERT HOCHMUTH
P.O. Box 188
Bowdoin, ME 04907

Robert D. Hochmuth
Phyllis E. Hochmuth
Barrett E. Lode
Dorothy K. Hochmuth
Henry M. Hochmuth

SENATE TAXATION COMMITTEE
EXHIBIT F 30
JAN. 31, 1983
SEN. 185
HOILAND MOTORS, Inc.



Telephone 323-1102 104 Main Street
ROUNDUP, MONTANA 59072

To Senator Pat M. Goodover
Chairman of the Senate Taxation Committee

It has been brought to my attention that senate bill 185 needs to be passed in order for our local coal mines to continue mineing. We heat our building with local coal as well as our schools, churches hospital and county courthouse. Please pass senate bill 185.

Thanks

Bruce J. Hoiland

A handwritten signature in cursive script that reads "Bruce J. Hoiland".

Jan. 28. 1983
Roundup, MT.

The Senate Taxation Committee,
Pat M. Goodover, Chairman -

Please consider Senate Bill No. 185 and
let the small mines increase the tons
mined, to be exempted from the
30 percent tax.

Emilie G. Jensvold
Alvin W. Jensvold

SENATE TAXATION/COMM? IN ST
EXHIBIT F32 ROUNDUP MT
JAN. 31, 1983 5-9072
SB 185

TO WHOM IT MAY CONCERN

IN THE WINTER OF 1982 I BURNED

18 TON OF COAL TO HEAT MY BUILDING & APT.

AT THAT TIME COAL WAS \$30.00 A TON

NOW, IF THE MINES ARE FORCED TO CLOSE - (MIDGET & PIM MINES)
COAL WILL DOUBLE & I WILL BE FORCED TO CLOSE MY SHOP, AS I CAN NOT
AFFORD TO PAY THAT KIND OF PRICE & STAY OPEN.
PLEASE SUPPORT SENATE BILL # 185.

Robert J. Justice
DBA Bote Law Shop
Roundup MT.



SENATE TAXATION COMM.
EXHIBIT B 33
JAN. 31, 1983
S. 185

Bull Mountain Jaycees
P.O. Box 441
Roundup, MT 59072

Senate Taxation Committee
Senator Pat Goodover, Chairman
Capitol Station
Helena, Montana 59601

January 28, 1983

Honorable Senator Goodover:

We urge your support of S.B. 185 which will increase the Severance Tax exemption for Coal Mines from 20,000 tons to 100,000 tons. Modern mining techniques have a capability of removing far more amounts of coal than is currently being mined at our two operations in Roundup. These were in operation before the Severance Tax on coal came into existence. Should they be forced to pay the Severance Taxes and their production costs, the majority of Roundup's businesses and residents would be directly affected.

The impact these operations have on our environment and amount of funds that would be generated would be minimum compared to the economic impact that would occur should they be forced to close down their operation.

Please consider these impacts when casting your vote and support S.B. 185. Our community depends upon it.

Sincerely,

Richard W. Kemper
Richard Kemper, President
Bull Mountain Jaycees

CC: Gay Holliday
Jack Galt

January 26, 1983

Senate Taxation Committee
Senator Pat Goodover, Chairman
Capitol Station
Helena, MT 59601

Gentlemen:

I am writing in support of Senate Bill 185. Our two remaining coal mines cannot survive under the present laws. Extreme hardship will be placed on numerous citizens and businesses if their sources of fuel cease to exist.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Helen Kombol".

Helen Kombol

Mrs. Frank Kombol
Box 495
Roundup, MT 59072

January 26, 1983

Senator Galt
State Capital
Helena, MT 59601

Dear Senator Galt:

I hereby certify that I want to support your Senate Bill 185 which is to exempt small operators with coal production of under 100,000 tons per year from a 30% service tax.

Sincerely,

T. R. Kratochvil
406 BROADWATER
BILLINGS, MONTANA

JAN. 31, 1983

CB 135

Evans Furniture & Gifts

144 MAIN STREET

ROUNDUP, MONTANA

Jan. 29, 1983

Senator Jack Galt
Helena, Montana

Dear Senator Galt,

May I urge your support for
Bill 185 concerning the coal
severance tax.

I have a large business building
here in Roundup which I heat with coal.
I do not care to change to what would
be less satisfactory heat.

Also, I am concerned for the
elderly here in Roundup who would
be in financial stress if they had to
substitute another form of heat.

Thanking you in advance for
your continuing support of our mines.

Yours truly,

Annie E. Larsen

Evans Furniture & Gifts

144 MAIN STREET
ROUNDUP, MONTANA

January 29, 1983

Representative Gaye Holliday
Helena, Montana

Dear Gaye,

I strongly urge you to support Bill 185 concerning the coal surcharge tax.

As you know, I heat my business building with coal and would not care to change to a less satisfactory heating arrangement.

I'm also concerned about the many elderly people here in Roundup who would find it impossible to change over from coal.

Thanking you in advance.

Sincerely,
Annie Larsen

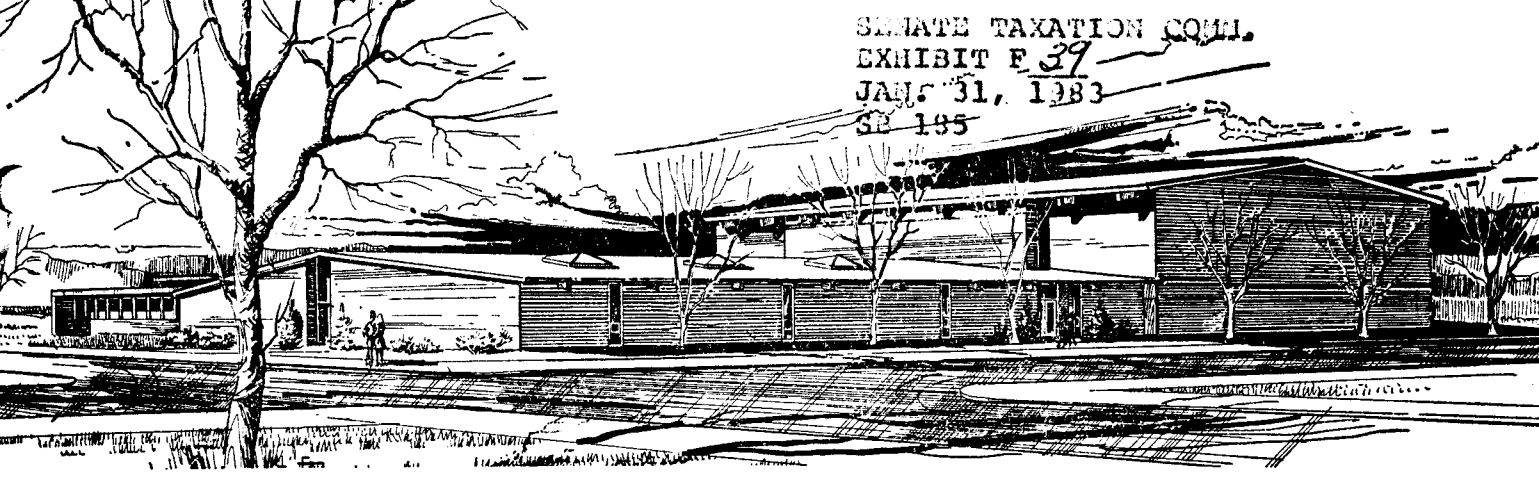
January 26, 1983

Senator Galt
State Capital
Helena, MT 59601

Dear Senator Galt:

I hereby certify that I want to support your Senate Bill 185
which is to exempt small operators with coal production of
under 100,000 tons per year from a 30% service tax.

Sincerely, *Robert Lassb*
RR#5 Pine Hills Dr



Districts 1 & 159

WINNETT PUBLIC SCHOOLS

Winnett, Mt. 59087

January 27, 1983

Senator Pat Goodover, Chairman
Taxation Committee
State Capitol
Helena, Montana 59620

Dear Senator Goodover,

On behalf of Winnett School District #159, Petroleum County, I would like to add our support for the passage of SB 185 - Coal tax on small mines. Without support on SB 185 it will force another small business out of operation, thus contributing to more unemployment.

Also, many schools have coal heating plants who rely on small and local coal mines that give schools a fair price. Again, it would force schools such as Winnett's to look for another source and the increase would be approximately \$10.00 per ton. This may not seem like much to a large user, however, with schools facing tight money, it would be an added expense that could not be used for education of children.

Thank you for your consideration on this bill.

Yours truly,

John H. Lee,
Superintendent

Roundup mortuary
Jan. 27-1983.

Senate Taxation Committee
Pat M. Lonsdale Chairman.

Please support S.B. 185. We
heat our home with coal as
do four of our neighbors all in
a one block area and all retired
senior citizens. To change to
another type of heat would
be very expensive and work
a real hardship on all of us.

Thank you—

Mrs. & Mrs. Clarence Marking
320. 2nd St. East
Roundup Mont.
59072

239 Main St.
Roundup, Mt. 59072
Jan. 26, 1983

Senate Taxation Committee
Sen. Pat Goodover, Chairman
Capital Station
Helena, Mt. 59601

Dear Committee Members:

I very urgently ask you to
approve S.B. 185 which will increase
the Severance Tax Exemption for Coal
Mines from 20,000 tons to 100,000 tons.

Coal is a very important
part of our community, not only for
the people who work there, but also
our schools, County buildings, hospital,
& many, many homes, especially
homes of the elderly, are heated by
coal. People from quite a distance
come here for coal. I know my aunt
and uncle from Stanford, Mt. get their
coal in Roundup.

Jan.28,1983

Senate Taxation Committee:

Montana Senate Bill SB 185, introduced by Senator Jack

Galt and Rep. Gay Holliday, has my complete approval.

I am employed at the PM Coal Mine and this Bill would
enable my employer to operate year-round, thus assuring me of
employment without lay-offs.

The small mines also provide an economic service to this
community by providing a low cost high energy heating service and
is also depended on by many Montana rsidents.

Sincerely,



Bob Marshall

PO Box 771

Roundup, Mt. 59072

406-323-3012

To whom it may concern,
With the income my husband
is making we can't see how
we can afford to heat our home
with anything else but coal.

The way the price of oil, propane
or electricity ~~cost~~ today.

So in Roundup area our only
source is to leave our two little
strip mine operating.

The need for coal also used
in our hospital, & school. So
how can we help but to ask
for our coal mine rights.

Thank you.
Mr & Mrs. Ronald Martin

January 26, 1983

Senator Galt
State Capital
Helena, MT 59601

Dear Senator Galt:

I hereby certify that I want to support your Senate Bill 185 which is to exempt small operators with coal production of under 100,000 tons per year from a 30% service tax.

Sincerely,

Richard McCall
2010 7th St W.
Billings, Mt.

JAN. 31, 1983

SB 185

THE INSURANCE CENTER

GENERAL INSURANCE • REAL ESTATE • FARM & RANCH LOANS • INCOME TAX SERVICE

P. O. BOX 567

ROUNDUP, MONTANA 59072

PHONE 323-2310

January 28, 1983

Honorable Pat M. Goodover, Chairman
Senate Taxation Committee
Montana State Senate
Capitol Building
Helena, Montana 59601

Re: Senate Bill No. 185

Dear Senator Goodover:

It has been brought to my attention that Senate Bill No. 185 proposes to increase the exemption certain coal producers are subject to under the present coal severance tax laws.

This increase in exemption would allow the small volume, seasonal coal producers to continue to operate.

A large percentage of the local business and residents are dependant on coal as an economical source of fuel for heat. Loss of this source of fuel would place an additional strain on an economy which is already in a very slow period. This would be especially hard on people on a fixed income.

Both the business which I am in the process of buying and the residence in which I live are heated with coal.

I sincerely hope you and the other members of this committee will support this bill.

Thank You.

Sincerely yours

Richard V. Mihalovich
Richard V. Mihalovich

January 27, 1983
Klein Star Route #5162
Roundup, Montana 59072

Senate Taxation Committee
Pat M. Goodover, Chairman
Helena, Montana 59601

Dear Sir:

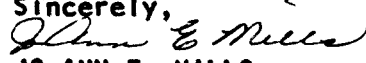
I am writing to you in regard to Senate Bill #185 in an effort to supply you with a few of the disastrous effects the failure of this bill would cause in our community.

The biggest share of our business people depend on coal to heat their buildings, most of which are big, old, and poorly insulated. For these people the change-over to another heating source and the following heat bills would force them to close their doors forever.

Our high school, grade school, hospital and county buildings all operate on coal heat and would cost a small fortune to convert to any other type of system.

Last, but not least by any means, Roundup has many elderly people who not only could not afford to change on their fixed incomes, but would not be willing to change what has always been a way of life for them.

Should this Bill fail to pass, it would not only be another unnecessary burden to the consumers and taxpayers who are already overloaded in these times of DEPRESSION, but it would mean the demise of what Roundup was built on in the beginning - COAL. It is not worth not only the cost, but the loss of history and our heritage. Please help us preserve this all-important commodity to our community.

Sincerely,

JO ANN E. MILLS

JAN. 31, 1983

185

THE INSURANCE CENTER

GENERAL INSURANCE • REAL ESTATE • FARM & RANCH LOANS • INCOME TAX SERVICE

P. O. BOX 567
ROUNDUP, MONTANA 59072

January 27, 1983

PHONE 323-2310

Honorable Pat M. Goodover, Chairman
Senate Taxation Committee
Montana State Senate
Capital Building
Helena, Montana 59601

Re: Senate Bill No. 185
Subj: Hearing Proceedings

Dear Senator Goodover:

It is my understanding that current legislation proposes to exempt certain coal producers from the thirty percent (30%) coal severance tax.

The smaller coal producers operate strictly on a seasonal basis rather than twelve months basis of operation enjoyed by the coal producers shipping coal out of state. For this reason the small operators have been subjected to a cash flow and annual earnings financial burden.

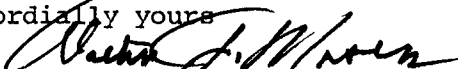
Many businesses including county owned buildings and residences are heated during the fall and winter months with coal produced locally. Since coal provides the cheapest source of heating, the loss of local mines would work a burden upon nearly all business and residential properties owners. It would place an additional financial burden upon our elderly people on a very limited fixed income.

We heat our office with coal.

I sincerely hope that you and the other members of the hereinabove committee, will be mindful of existing problems confronting our community and support this bill.

Thank you.

Cordially yours


Walter J. Moore-Owner

January 26, 1983

Senator Galt
State Capital
Helena, MT 59601

Dear Senator Galt:

I hereby certify that I want to support your Senate Bill 185 which is to exempt small operators with coal production of under 100,000 tons per year from a 30% service tax.

Sincerely,

Yvonelle Pleas
326 Covert Lane
Bellings, Mt.

OFFICE PHONE 323-2604

SENATE TAXATION COMM.

EXHIBIT F 49

JAN. 31, 1983

SB 185

RESIDENCE PHONE 323-1017

WIER FUNERAL HOME

John J. Rae
Funeral Director
ROUNDUP, MONTANA

January 26, 1983

Senate Taxation Committee
Sen. Pat Goodover, Chairman
Capital Station
Helena, Mt. 59601

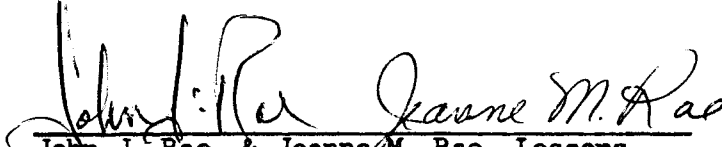
Dear Committee Member;

We are writing to ask you to support S.B. 185 which will increase Severance Tax Exemption for Coal Mines from 20,000 tons to 100,000 tons.

We own the building of the Wier Funeral Home of Roundup, Mt. and lease it to Wier Furniture, a corporation of Roundup, Mt. This building covers 2,066 square feet and is heated by a coal furnace. It would be a great expense to change the present system and in doing so we would be forced to raise the monthly rent to the above corporation. This increase plus higher fuel bills would cause a higher charge to their clients and have a serious impact on the present economy.

Sincerely;

WIER FUNERAL HOME


John J. Rae, & Jeanne M. Rae, Lessors

WIER FURNITURE

Complete Home Furnishings
PHILCO APPLIANCES
MAYTAG

SENATE TAXATION COMM.
EXHIBIT F 52
JAN. 31, 1983
SB 185

207 MAIN
PHONE 323-2604
ROUNDUP, MONTANA

January 26, 1983

Senate Taxation Committee
Sen. Pat Goodover, Chairman
Capital Station
Helena, Mt. 59601

Dear Committee Member;

We are writing to ask you to support S.B. 185 which will increase Severance Tax Exemption for Coal Mines from 20,000 ton to 100,000 tons.

Our building consists of 13,334 square feet with 2 levels. In 1976 we converted our boiler system from coal to oil at the cost of \$3,894.64. Our oil bill steadily increased each year. In 1979 it started at 42¢ a gallon and by December it was up to 88.4¢ a gallon, costing us a total of \$7,996.42 to heat for the year. For just January and February of 1980 we paid \$4,029.57, the price of oil having raised by then to 96¢ a gallon.

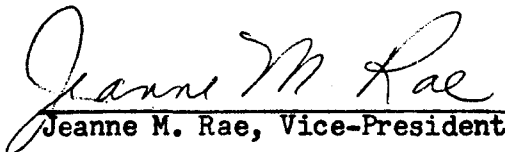
In the fall of 1980 we converted our heating system back to coal at the cost of \$1,498.93. This has been a tremendous savings for our Corporation. We heated the above building, our warehouse which consists of 6,976 square feet and our Funeral Chapel with 2,066 square feet the entire year of 1982 for the sum of only \$4,775.20.

As you can see if we were to convert to another heating system or buy coal from another area that has half the BTU's it would put a tremendous hardship on our business and have a serious impact on the cost of our services. It might even help to put us out of business especially with the present economy.

Sincerely,
Wier Furniture of Roundup, Mt., a Corporation



John J. Rae, Sr. President



Jeanne M. Rae, Vice-President



The Roundup Record-Tribune

P. O. Box 747

ROUNDUP, MONTANA 59072

KEN and LOUISE RASMUSSEN, Publishers
MRS. LOUISE RASMUSSEN, Editor

January 28, 1983

Senate Taxation Committee
Senator Pat Goodover, Chairman
Helena, Mt.

Dear Senator Goodover and committee members:

We add our voice personally as well as we have editorially
to the passage of SB 185.

Coal, which founded our community 75 years ago, is still
a vital part of our daily lives. The majority of the
people in Roundup and many of our ranchers in Central
Montana depend on coal for their heat. Our public
buildings, business buildings and a number of schools
such as Winnett are using Roundup coal.

If one of our mines shut down, there would be no way the
other could stay under the 20,000 ton limitation....a
very cold winter would be a disaster!

We respectfully ask you give full consideration to our
citizens and taxpayers and pass this bill.

Sincerely ,

Louise G. Rasmussen
Editor
Roundup Record-Tribune

Louise G. Rasmussen

Chairman of Committee

He are retired people living on a fixed income, and we burn coal, and would be very disturbed if we lost our coal mines. Inflation is so terribly hard on older retired people and the coal is the most economical and comfortable heat there is to use. He certainly can't afford to lose our coal mines and we think that the government should raise the quota from 20,000 tons to 100,000 tons.

Why not give the smaller mines a chance for a decent living and at the same ^{time} be able to provide coal for all the consumers. This is very good coal and everyone in the surrounding area uses and benefits from our mines.

The Roundup coal has been used by consumers for many years, before everyone went to natural gas. These mines provide

To: Pat M. Goodover

28 Jan. 1983

VIA: Gay Holliday


Jack Galt

Subj: S.B. 185

Very disheartened to hear of this problem with our Roundup coal mines. Their financial straits can be ours - the residents, if they aren't relieved of the severance tax and many of the interfering regulations now in effect.

I personally don't use coal - but many others do as well as our public facilities.

Please endeavor to repeal the above tax and up the tonnage of coal produced (We cannot afford to let another industry go down the chutes.)

 P. L. & N. J. Schlappich
Box 4404
Goulding Creek St. Rt.
Roundup, MT 59072

V.R.

Paul L. Schlappich

January 26, 1983

Senator Galt
State Capital
Helena, MT 59601

Dear Senator Galt:

I hereby certify that I want to support your Senate Bill 185
which is to exempt small operators with coal production of
under 100,000 tons per year from a 30% service tax.

Sincerely,

Don Shady
1019 NIMROCK
BILLINGS, MONT.

Roundup, Mont
Jan 27, 1983

Senate Taxation Committee
Sen. Pat. M. Goodover, Chairman
Helena, Mont.

Dear Sir;

I am writing you about SB
185. I am for the Severance Tax
Exemption for coal mines
from 50,000 tons to 100,000 tons.
If these mines close, what are
we to use to heat our homes
with next winter? Give this
matter your consideration.

Sincerely,

Julia Hemion

SENATE TAXATION COMM.
EXHIBIT F 56
JAN. 31, 1983
SB 185

Maverick Bar

Roundup, Montana

Dear Senators;

My business has been heated with Roundup coal for many years. Local coal mine owners tell us, Roundup business owners, that without senate bill 185 they will not be able to continue supplying us coal. Please endorse and pass senate bill 185.

The Maverick Bar owner

Agnes Simkins

January 27, 1983



TV - STEREO
Sales & Service

SENATE TAXATION COMM.
EXHIBIT F 57
JAN. 31, 1983
SB 185
Telephone 323-2306

ELECTRIC SERVICE SHOP

Electrical Wiring & Contracting

Lyle E. Stortz

Roundup, Montana 59072

January 27, 1983

MAJOR APPLIANCES
Sales & Service

SENATE TAXATION COMMITTEE
Senator Pat Goodover, Chairman
Capital Station
Helena, Montana 59601

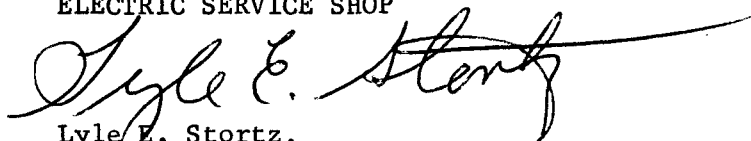
Dear Sir:

We support Senate Bill 185 which will increase the Severance
Tax Exemption for coal mines from 20,000 tons to 100,000 tons.

This bill is sponsored by Senator Jack Galt.

Very truly yours,

ELECTRIC SERVICE SHOP


Lyle E. Stortz,
Owner

LES/ebs

Jan. 26, 1983

Senate Taxation Committee
Sen. Pat Goodover, Chairman
Capital Station
Helena, Montana 59601

Dear Senator Pat Goodover,

My husband and I are
retired (Senior Citizens) and
use Coal to heat our home.

We've owned our home
south of Roundup for 39 years
and have always used
coal to heat it.

It would be a real burden
on us, if we had to change
to another source of fuel.

Therefore we strongly
support the Senate Bill
185.

Sincerely,

Trevor & Cleo Sycum

59072 Box 5115 Klein Rt,
Roundup, Mt.

coal

1221 3rd. St. W.
Roundup, Mont. 59072
Jan. 26, 1983

Senate Taxation Committee
Sen. Pat Goodover, Chairman
Capital Station
Helena, Mont. 59601

To Whom It May Concern:

We would like to go on record in support of S. B. 185.

We own a business in Roundup and have always used coal for the sole heat in our business and our home as do many, many other businesses and homes in our town and surrounding towns.

It would put a tremendous burden on us and may other people if our remaining small mines are forced to close.

We respectfully request that your committee put all their support behind passage of this bill.

Very truly yours,

Mr & Mrs. George C. Thomas

Mr. & Mrs. George C. Thomas

JAN. 31, 1983

SB 185

ALDERMEN

DARRELL BREWER, 1st Ward

LEONARD TEESDALE, 1st Ward

THELMA KEY, 2nd Ward

LYLE STORTZ, 2nd Ward

PAUL SMITH, 3rd Ward

CLARENCE RITTIERODT, 3rd Ward

WM. ROBINSON, 4th Ward

AUGUST ADOLPH, 4th Ward

WM. ROBINSON, President of Council
 RON HOLLAND, City Clerk
 ROBERT E. NOTTON, Treasurer
 MARY THOMAS, Comm. of Public Works
 JOHN PRATT, City Attorney
 EVELYN HATTERSCHEID, Police Magistrate
 LYLE STORTZ, Fire Chief

JOSEPH VICARS, Mayor

City of Roundup

Jan 26, 1983

Senate Taxation Committee
 Montana
 Pat M. Goodover, Chairman.

Gentlemen,

Senate Bill 185 is of vital importance to the people of this area. Many businesses feel that it would be too costly for them to have to switch to oil or gas. But, the people most affected are our Senior Citizens and others who subsist on a very limited income. Many would have to use food dollars to keep warm.

Please give this Bill your thoughtful consideration. We will appreciate your affirmative action.

Sincerely,

J. C. Vicars

WM. ROBINSON, President of Council
ON HOLLAND, City Clerk
ROBERT E. NOTTON, Treasurer
MARY THOMAS, Comm. of Public Works
JOHN PRATT, City Attorney
VELYN HATTERSCHEID, Police Magistrate
LYLE STORTZ, Fire Chief

JOSEPH VICARS, Mayor

SENATE TAXATION COMMITTEE

EXHIBIT F 61

JAN. 31, 1983

SB 185

ALDERMEN

DARRELL BREWER, 1st Ward

LEONARD TEESDALE, 1st Ward

THELMA KEY, 2nd Ward

LYLE STORTZ, 2nd Ward

PAUL SMITH, 3rd Ward

CLARENCE RITTIERODT, 3rd Ward

WM. ROBINSON, 4th Ward

AUGUST ADOLPH, 4th Ward

City of Roundup

Montana

Jan 26, 1983

Senator Jack Galt
Helena, Mont

Dear Jack,
we are behind you 100% on
your Senate Bill #185. It is our earnest
hope, that the Senate Taxation Committee
will favor us with Affirmative Action on
this matter.

Many of our Business people feel that the
switch to oil would be too costly for them.
The Senior Citizens and others on very low
incomes would be hit the hardest.

Thank you for going to bat for us in
this crisis.

Sincerely,
Joe Vicars

Coal Commission

I am a Senior Citizen
and I have used coal
to heat my home since
1935. I would like to
have the two coal
mines to able to keep
operating as it would
be too expensive for
me to convert to some
other form of heating.

Mrs Gus Weigum

LETTA WEIGUM
17 4th St. West
Sandusky, Mt. 59072

To Whom It May Concern:

We, in Randsburg favor our
coal more than any other
~~coal~~ fuel. Coal for heat
and any other purpose has
the BTU's to provide a
home of any size with heat
that electric, oil, or propane
could ever do in a home
our size.

I am on a fixed income
and no one would come
to me and say that we would
provide you with any means
of heat. So why don't we
leave the coal production
here in the Randsburg area
well alone so we can
manage on our fixed income
that we are provided with.

Thank you

Mrs Mrs. James Wiegman
+
Family

705 Main St.
Roundup, Mt. 59072
January 27, 1983

Pat M. Goodover, Chairman
Senate Taxation Committee
State Capitol
Helena, Mt. 59601

RE: Senate Bill #185 - Galt and Holliday

Dear Chairman Goodover:

We earnestly solicit favorable consideration of the captioned bill which would alleviate pressure on our local coal mines. The availability of this coal is very important to this community for many reasons.

Roundup cannot afford the loss of any more industries, the employment which is provided directly as well as the business it brings in from all over eastern Montana.

This coal is important not only to consumers but also to all taxpayers as the coal is used in schools and other public buildings. Conversion and additional fuel costs for alternate energy will be prohibitive in some of the older and poorly insulated buildings.

We much prefer to see school funds go to build minds and bodies rather than to exorbitant fuel costs.

Yours very truly,

James Howard
Glenn J. Wood

cc Galt
cc Holliday

Jan 29 - 1983

Dear Sirs

I am writing about SB
185.

We are retired people living
on a pension, and have used
Coal to heat our home for 35
years. Changing over to another
heat would cause us undue
hardship. Also we have no
guarantee, that they would
have enough fuel to supply
our town.

Please help these small
mine owners, so they can
keep their mines open for
us.

Sincerely
Mr. & Mrs. Joe Zupac

See report hereto
dated 1/18/55.

Therme
von Har-
zberg

Colchester
Box 1011 Roundup
Roundup.

Paul H. Ackerman
H. and H. Ackerman
John H. Ackerman
W. H. Ackerman

Box 96
Beverly
Box 4397 Pompano
Beach
Beach

David Johnson

Box 4136 Overlign
Silver Lake Park Overlign

Specimen of
Mossy Wood

1916-17 and 1917-18
1918-19, 1919-20

to Mr. Haines -
Mary and Schlapbach

Handwritten: 30741011 Handwritten: 1877

3
Mauricey Mellic
Eden L. L. L. L. L.

Box 603 Hanksville Mt.
449 3rd S. W., Hanksville Mt.

James Mair
Margie Huber

239 Main St. Burlington, VT
309-444-5140

Howard W. Green

1104-4th W Roundup

Verde - 1000

118 - and 121 - Norway, 71 ft.

Beth G. Henderson.

170

for content.
Jaden Schmitt

Monday
Tuesday

Wm. D. Hunt

Grand
Fountain

by paper

Handing

Wm. M. Brown

135 Main St. Newbury
- 14 Oct - Mondays

Alfred Mear
Lee Thomson
Marion Dafford
Derek Dafford
James McIlwaine

County, Va
Roundup
Roundup
Roundup
Roundup
Roundup, Va.

Done On

W & support Senate
Bill No. 185.

Heine

Adeline

Change Skrapits
Miles

Peiggi Skapits

Josephine High
Don Duck

Dear O. Field

Dear Johnnie
I have

Den Brief

1. Green
2. Yellow
3. Orange
4. Red
5. Purple
6. Blue
7. Grey
8. Black

Wetzel, Hermann.

Adm. of N. Y. State
Alfred A. Tamm

Wrote Henry

William and Mary
Richard Norton

Missy Ke

James G. Thompson

De la Cruz
De la Cruz

441. Carrie Dickerson

Wm L. Gifford

Edward H. Carter

Calvinist Church,
Newbury, N.H.

Lee-Phia Star Route, Rounding, Att

Delphia Star Rte, Picundur, Mt.

North of Roundup. Box 792
July 13-84 5/4

Shedding like the *Baruch*, *Mass.*

Aug 21 - 20th St. East Portland,

186. Bcy 681. Accordup, 77 Kent. 590 72

1) *Fraxetia* 57659

Montana
Mendelsohn

Received 1107 March
Sunday 9th 5.30.22

Dec 30 - 1893. Accompanying. 57/10/2

Sept 212 mms Howell
 Oct 6610 Kennedy, HT

Don't forget to get a good night's sleep.

374 4378 Bandwidth 54002

Washed up in
Grand

754 Record

or 342 Bonds
X 261 D. No

56. Roundup.

(2) one hundred 5

We support Senate

Bill No. 185

Name

Address

Henry Kack
Wichita St. Kan
Clark Street

301 3rd St W, Roundup
6065 House Thiergart, Roundup
503 2nd St W, Roundup

Thomas H. Mayer
Robert J. Magdon
David H. Ruffalo
John H. Ruffalo
Jed. Vichela

Box 187 Roundup
Roundup, Montana
186 St. West Rd.
711 11th St Roundup
Roundup

John H. Mayer
Robert J. Magdon
David H. Ruffalo
John H. Ruffalo
Jed. Vichela

Box 187 Roundup
Roundup, Montana
186 St. West Rd.
711 11th St Roundup
Roundup

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Jed. Vichela

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711 11th St Roundup
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Robert J. Magdon
David H. Ruffalo
John H. Ruffalo
Jed. Vichela

Box 187 Roundup
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186 St. West Rd.
711 11th St Roundup
Roundup

Robert J. Magdon
David H. Ruffalo
John H. Ruffalo
Jed. Vichela

Box 187 Roundup
Roundup, Montana
186 St. West Rd.
711 11th St Roundup
Roundup

We support & endorse
 Bill No. 185

Name Colorado

Down Field ASK, Roundup, Mt.

717 '11 Mason Roundup, Mt.

717 '11 Mason Roundup, Mt.

717 '11 Mason Roundup, Mt.

717 '11 Mason Roundup, Mt.

717 '11 Mason Roundup, Mt.

717 '11 Mason Roundup, Mt.

717 '11 Mason Roundup, Mt.

717 '11 Mason Roundup, Mt.

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no report made

Bill No. 185

Name

Address

Steuers

300 3rd St. east

7th

Minneapolis, Mt.

W. J. Moore

Box 1116, Round Bay, MT

Harvard, Mass

405 3rd St. W. Minneapolis, MT

W. J. Moore

Minneapolis, MT

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Minneapolis, MT

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Adolfina Leese 320 - lat East Roundup Mt
Es-park, E. Benton 208 2d St E. Roundup, Mont. 159072
Olin Mae Benton Box 652 Roundup, Mont.
Mrs Irene Wolff 815 - 1st St. E. Roundup, Mont
Carol Marshall P.O. Box 371 Roundup, Mt.

name

name
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 city, state, zip

ilc support senate

1210 1st 185

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 city, state, zip

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 city, state, zip

701 1st E. Memphis
 322 2nd E. Memphis
 301 2nd St East Memphis

name
 address
 city, state, zip

1324 432 St. East Memphis
 322 1st St. East Memphis
 322 3rd E.

name
 address
 city, state, zip

1002 3rd E. Memphis
 1002 3rd E. Memphis
 1002 3rd E. Memphis

name
 address
 city, state, zip

Box 912, Knoxville, TN 37912
 Box 5914 Knoxville, TN 37912
 Box 5128 Knoxville, TN 37912

name
 address
 city, state, zip

Box 64, Oak Ridge, TN 37831
 Box 147, Knoxville, TN 37912
 R. 4 R. Box 3070, Knoxville, TN 37912

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 city, state, zip

416 2nd St E. Knoxville, TN 37912
 522 2nd E. Knoxville, TN 37912
 359 1st E. Knoxville, TN 37912

name
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 city, state, zip

1121 2nd W. Knoxville, TN 37912
 1003 4th St. West, Knoxville, TN 37912
 147 792 Broadway, TN 37912

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1234 Main, Knoxville, TN 37912
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 1234 Main, Knoxville, TN 37912

Save our

We Support Senate Bill No. 185.

Name	Address
Everett Cicerley	1936 3rd St West Roundup
James W. Parker	Box 343 Roundup
Elcanos Worthington	805 1st E. Roundup
North Felticon	306 1st E Roundup
Wayne Rogers	306 1st E Roundup
Virginia E. Spe.	Box 218, Roundup, Mt.
Margaret P. Fairfield	Roundup Mont
Edna Lee	Roundup Mont
Mabel J. Fagerty	914 1st St W. Roundup, Mont.
Paul White	917 - 1st - St W. Roundup Mt.
Virginia Finney	P.R. Box 4034. Roundup, Mt.
John Sted	Roundup Mont
Opie, Legler	Roundup Mont
Spurley Lecker	508 2nd St West Roundup
Charles Crooks	115 4th Ave. W.
Julien Logan	1919 11th Ave NW Billings
William Lee Duvall	1304 1st E. Roundup
Edna Henry	Box 5803 Roundup, Mont
Audie Blanton	Roundup Mont
Mary Wilder	520 2nd St West "
Wanda Dyer	1115 5th St
Elizabeth Dyer	415 1st East
Ellen Hinde Osborne	115 - 3rd St West Roundup
Annie Jensen	Box 2000 Roundup
Ellen Johnson	701 1st West
Mary Ann Cole	Box 8000, Roundup
	Wassell

Name
Darlene Epp
Cant Hand
Patti Taylor
Belene
Charles N. 29
Marilyn Heath
Kathy Bayles
Clarke Bayles

Clodre 20
Roundup 27
Roundup
Box 233 Belp
via 1st East Roundup
1st 2nd 3rd 4th 5th 6th 7th 8th 9th 10th
619 2nd St East Roundup
317-2nd St W
Roundup

have on

SENATE TAXATION COMMITTEE
EXHIBIT C
JAN 31 1965
SD 165

We support Senate

Bill No. 185

Name

Address

Normie Caroline
Hoffmeyer
1000 1st St
St. Paul, Minn

#3 north
5113 1st St
St. Paul, Minn 55114

Rebecca Stogdole
Bellevue Cann
Price Henry
St. Paul, Minn

Box 764 - Rdg.
1302 1st St. Bldg.
3rd 4th St. N.E.
Roundup, Mont.

Donald Hunter
Crescent Station
Cedar Rapids

Roundup, Mont.
" "
4010 Roundup, C. Rd. - Roundup

Paul Jones

Box 581 Roundup

Sharon Clark
First West Lighthouse Cabin
Hatchie, Montana

611 1st St. Roundup
524 - 2nd St. City
807 West W. - Roundup

**P.M.
COAL MINE**

GEO. & PAUL MEGED

PHONE 323-1131

ROUNDUP, MONT. 59072

DATE		9-16 1976	
SOLD TO			
ADDRESS			
CASH	CHARGE	ON ACCT.	C.O.D.
DRIVER		WEIGHED BY	
GROSS	KIND	GRADE	
62750			
TARE			
25600			
NET	@		37985
TAXES ON MONTANA COAL			
5% Natural Resource			
30% Towe Sales Tax			
45% Towe Gross Proceed			
12.5% Federal Gross Tax			
TOTAL			
No. 16325			
Rec'd by			

DEC 2 1976

State of Montana

Thomas H. Judge
Governor

Department of Business Regulation
Harold Pitts, Director
805 North Main, Helena, Montana 59601
Telephone 449-3163

December 1, 1976

Divide Coal Mining Company
Blue Flame Coal
Roundup, MT 59072

Re: Billing and Invoicing Coal

Gentlemen:

This Department is charged with the enforcement of Chapter 6, Title 50, R.C.M. 1947, which concerns sale and marketing of coal. One of the requirements of that chapter is that coal be accurately billed and invoiced. Also administered by this Department is Chapter 4, Title 85, R.C.M. 1947 which concerns unfair trade practices and consumer protection. That chapter prohibits unfair or deceptive acts in the conduct of any trade or commerce.

It has come to our attention that the coal invoices of your company contain the following statement:

TAXES ON MONTANA COAL

.5% Natural Resource
30.0% Towe Sales Tax
45.0% Towe Gross Proceed
12.5% Federal Gross Tax

We realize that your company pays no severance tax. We are unable to determine either the reason for the statement being included on your invoices or the affect these taxes have upon the prices paid for your coal.

We are therefore requesting an explanation of this practice so that we may respond to inquiries concerning it. Your prompt attention to this matter will be sincerely appreciated.

Sincerely,

MONTANA DEPARTMENT OF BUSINESS REGULATION

By 

Harold Pitts, Director

HP/JHM/wk

JAN. 31, 1983

SB 172

DATE:

NAME: JOE THARFS1/31/83ADDRESS: 560 NO PARK AVEPHONE: 449-4301REPRESENTING WHOM? MOUNTAIN BELL RETIRED EMPLOYEE'S ASSOCAPPEARING ON WHICH PROPOSAL: SB 172DO YOU: SUPPORT? X AMEND? OPPOSE?

COMMENTS: There are presently over 750 former Mountain
Bell employees in Montana drawing pensions
Unlike some other ^(GOVT) retirement programs
Most private plans do not have automatic escalator
clauses to increase pensions with inflation

We are in complete agreement that public employees
deserve the exemption and feel that after
20 years it should also be extended to
those on private plans since they face
the same economic pressures as the retirees
in the public sector

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Proposed Amendment to SB 131

1. Page 2, line 6.

Following: "vehicle."

Insert: "The proof of purchase may only be issued if the applicant for the issuance of the proof of purchase presents to the issuing authority a bill of sale that is signed and notarized by the previous owner and contains a description of the motor vehicle and the date of sale."

2. Page 2, line 20.

Following: "may be issued"

Strike: "for"

Insert: "before"

Following: "each"

Insert: "application for"

3. Page 2, line 21.

Following: "transfer of title"

Insert: "is made to the division and before this application is acted on by the division"