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MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

March 21, 1983

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

ROLL CALL: All members were present except Senator McCallum.

CONSIDERATION AND DISPOSITION OF HOUSE BILL 706: Representative Tom Asay, House District 50, sponsored the bill. HB 706 would remove federal, state and Indian royalties greater than 15 cents per ton from the sale price of coal. We are in coals now where a royalty is stated in a percentage of the selling price figure. The way of figuring is being changed--the royalty will be moving from 15-20 cents to $1.00-$1.50 a ton. They want to keep it at a flat rate. Over a period of three years, we reduce this percentage increase to where we will have a flat rate of 15 cents per ton. We need to realize what impact this new way of calculation has on the marketability of coal. We need to do this in order to maintain a marketable situation. This will stimulate future production of coal. We have had a reduction in coal sales which has had a big effect on income to the state of Montana.

PROPONENTS

Martin White, president of Western Energy Company, submitted written testimony, attached as Exhibit A.

Jim Mockler, representing the Montana Coal Council, said the Coal Council projections are down by several million tons. We want our people back at work. Passage of this bill will encourage people to come back and take coal again.

Gary Langley, executive director of the Montana Mining Association, said mining, like agriculture, is a basic industry to Montana. State tax policy will determine the future of the mining industry in Montana. If we have a favorable tax climate, the result is more jobs in Montana. He urged the committee to pass HB 706.

Dave Lewis, Office of Budget and Program Planning, submitted written testimony, attached as Exhibit B.

Tom Ebzery, representing NERCO, Inc., the mining and resource development subsidiary of Pacific Power and Light, submitted written testimony, attached as Exhibit C.

Tom Staples, representing the Montana International Trade Commission, supported HB 706.

Larry Persinger, Montana State Building Construction Trades Council, supported HB 706 also.

OPPONENTS

There were no opponents to HB 706.

Questions from the committee were called for. There were no questions.

Senator Lynch moved that HB 706 BE CONCURRED IN. The motion was seconded and passed, with Senator Norman voting no. Senator Lynch will carry the bill on the floor.

CONSIDERATION AND DISPOSITION OF HOUSE BILL 126: Senator Crippen said the subcommittee decided that, rather than risk loss of the bill because of the 5%, they would just as soon strike subsection (ii) (page 2, lines 17-21) in its entirety.

Senator Crippen moved that (ii) on page 2 (lines 17-21) be stricken from the bill. The motion was seconded.

Senator Eck wondered if subsection (ii) was out, what about (2) on page 3? She said she would rather see the 3% stricken (page 2, lines 1-6) and the 5% on page 2, line 19 changed to 3%. We should make sure what funds we are referring to.

Senator Crippen said the 3% is for improvements; the 5% goes into the revolving fund. He has heard reports on how Billings takes money for SIDs and uses it for streets in other parts of town. The 3% is to be used up in the improvement process whereas the 5% in the second section of the bill is to assure that the taxpayers in the county don't end up paying for delinquent SIDs. If we take out the 5% on page 2, lines 17-21, we also have to take out the extra language in subsection (2) on page 3. We have to talk about "annual" assessments. Strike subsection (2) on page 3 entirely.

Senator Turnage thought subsection (2) on page 3 should be left in in the case of a surplus after the bonds are paid.

Senator Eck felt that if the county general fund has to pay for delinquencies, there is something wrong.

Senator Turnage stated that an SID is a general obligation of the entire governing body. Make the county commissioners and the people aware that when SIDs are approved, they are contingent liabilities of everyone in the county. In the past, they didn't know about bonding statutes. He wanted this addressed in the bill so people know what they are doing.

Senator Norman asked what the cities do with the 3%. They have a 5% start-up cost in the revolving fund. Senator Crippen responded that it is in addition to the 5%.

Senator Turnage suggested taking section 2 (page 2, line 7 to end) out of the bill, or at least taking subsection (ii) on page 2 out.

Senator Eck said that in limiting this to 3% up front, they can charge anything they want, so 3% plus the cost of the improvements.

Senator Turnage stated that the intent was to allow an additional 3%.

Senator Lynch made a substitute motion to strike section 2 of the bill and to amend the title accordingly. The motion was seconded and passed on a roll call vote, 11-2. The roll call vote sheet is attached to the standing committee report attached to these minutes.

Senator Turnage moved that the following amendments be adopted:

Page 1, line 22.
Following: "preparation of"
Strike: "annual"

Page 2, line 1.
Following: "(2) The"
Insert: "original"

The motion was seconded and passed unanimously.

Senator Crippen moved that HB 126 BE CONCURRED IN AS AMENDED. The motion was seconded and passed unanimously. Senator Crippen will carry the bill on the floor. The standing committee report is attached to these minutes.

CONSIDERATION OF HOUSE BILL 779: Representative John Harp, House District 19, sponsored HB 779, and said it will not decrease revenue to the University System, the foundation program, or to local governments. It deals with light utility and boat trailers under 2,500 pounds only.

PROPONENTS

There were no proponents other than the sponsor.

OPPONENTS

There were no opponents to HB 779.

Questions from the committee were called for.

Senator Lynch asked if the big boat owner would pay less and the small boat owner would pay more, and Representative Harp said yes, he was right.

Senator Severson mentioned that there was a bill putting trailers into two different classes (HB 492?). Representative Harp was vaguely aware of that bill. He also did not know how this would affect U-Haul and other outfits like that.

The hearing on HB 779 was closed.

CONSIDERATION OF HOUSE BILL 780: Representative John Harp, House District 19, sponsored HB 780, and said the first few sections of the bill deal with information for the Department of Revenue. We only have two gasohol producers in Montana--A&E in Belgrade and one in Ringling. They pay a 2-cent tax per gallon, and the gas tax is 9 cents per gallon. Last year, we subsidized them for $700,000. They were started in 1979 as a new program. There is a possibility of another plant opening near Hardin. Together, the two plants we now have produce over 1 million gallons of gasohol a year in Montana. If up to 8% of the market is reached, the subsidy is 7 cents per gallon; if 8-11% of the market is reached, the subsidy drops to 5 cents per gallon; if 11-18% of the market is reached, the subsidy drops to 3 cents per gallon. When over 18% of the market is reached, there is no more subsidy. As the industry grows, we have to let it stand on its own two feet. We are talking about trying to get lead out of gasoline; gasohol is a way of doing that.

PROPONENTS

Ellen Feaver, director of the Department of Revenue, said the need is great as far as administering the Gasohol Subsidy Act. Because we have so few gasohol taxpayers, we have worked out how the subsidy will be handled. Section 4 of the bill requires alcohol distributors to be licensed. There is presently no reporting requirement, so the Department doesn't know what distributors are carrying alcohol to make gasohol. The bill describes the reporting basis that the Department has worked out right now. Without HB 780, the subsidy for gasohol would increase. The industry enjoys a 12-cent per gallon subsidy at the present time. Putting a cap on the total amount of the subsidy at $2.4 million was critical as far as balancing the needs of the industry and the need to fund highways. The bill does maintain current provisions for Montana-produced alcohol from Montana agricultural products.

John Braunbeck, representing Energy Service Co., and Montana Intermountain Oil Marketers Association, supported the bill as presented by Representative Harp.

Jo Brunner, representing Women Involved in Farm Economics (WIFE), said they support the production of gasohol, but they do have concerns about the bill. They agree with sections 4, 8, and 9; but the rules for recordkeeping are excessive. She said raising the tax from its present level and complete removal of the incentive tax will not encourage gasohol producers.

Senator Dorothy Eck, Senate District 39, said she had talked yesterday with Bruce Konia from the A&E plant at Belgrade, Montana. The subsidy is important for people going into business. Mr. Konia intends to spend $80,000 in research to make his operation a better operation but was looking at by-products of methane, etc. It is going to spin off in other directions and could create other small industries. His other concern was for other businesses getting started and the cap proposed. He never complained about the rules and regulations though, she said.

OPPONENTS

There were no opponents to HB 780.

Questions from the committee were called for.

Senator Turnage said we are giving them a great subsidy by giving a refund on the gas tax portion. It is 9 cents tax per gallon on gas now, then 13.5 cents per gallon. He didn't mind the subsidy but didn't want the gas tax fund invaded in order to give the subsidy.

Representative Harp said he would appreciate any amendments the committee might suggest.

Senator Eck said she would hesitate to remove or lessen the kind of subsidy the plants are getting now because it would put them in jeopardy.

Senator Elliott asked Ms. Feaver if he bought 100 gallons of alcohol and blended it with gasoline, could he get the refund. Ms. Feaver replied yes, he could, as long as he was using Montana-produced alcohol.

Senator Severson asked for what price a plant sells the alcohol to make gasohol. We need to know that to figure out this bill, he said. Terry Murphy, who represents the Farmers Union, said it changes with the market price of grain. A year ago, using barley, it was $3 a gallon. It is mixed one part alcohol to ten parts gasoline.

Senator Towe asked Ms. Feaver how it is handled if it's blended at the pump. Ms. Feaver said that is by voluntary compliance. We are making refunds right now, she said.

Senator Turnage suggested excluding any tax on the one gallon of alcohol.

Ms. Feaver said that in the statutes, gasohol only pays 2 cents tax a gallon; so if someone paid 9 cents tax a gallon for it, the state has to pay back 7 cents a gallon.

Senator Norman suggested taxing the gas portion but not the alcohol portion of the gasohol.

Representative Harp stated that Senator Turnage's suggestion is already taking place.

Senator Towe felt the present law didn't contemplate that the dealer would do the blending of the gasoline and the alcohol. Senator Turnage added that anybody can blend it; everyone will be getting refunds.

Senator Elliott noted that in the bill they refer to "alcohol distributors."

Senator Gage said if the intent is to give the refund to the alcohol producer, maybe we should structure the bill that way. Otherwise, the one who does the blending gets the refund and it doesn't help the producer at all.

Senator Towe stated that gasohol runs about 1 cent higher than regular gas. Terry Murphy said that in 1981 gasohol ran about 5 cents higher. When it became available from Montana distributors, they basically equalized the price.

Jo Brunner said farmers make their own for their farm vehicles, but they have to use it on the farm.

Senator Turnage said we want to subsidize the gasohol operations but not everyone else.

A subcommittee consisting of Senators Elliott, Gage and Eck was appointed to work on this bill and submit recommendations to the committee.

COMMENTS ON HOUSE BILL 730: Senator Towe stated his objections to the action taken on HB 730 in regard to coal royalties. Senator Goodover stated that Wyoming does this with their coal, and we have to be competitive with them. Senator Elliott said that if Senator Towe was willing to decrease the coal severance tax to 20%, he would be glad to take this benefit off the severance tax calculation. Senator Towe said Wyoming's greater coal production has nothing to do with what we or Wyoming did. It takes 7 to 8 years for a coal company to get going. The tax on the price of delivered coal is 10%. Are we going to tax gross receipts, or shall we allow deductions? Senator Gage asked Senator Towe how many contracts were entered into since 1975. Very few, Senator Towe responded, because of the drop in the coal market. There was no further discussion on HB 730.

CONSIDERATION OF HOUSE BILL 750: Senator Turnage moved that HB 750 be taken from the table for further consideration. The motion was seconded and passed unanimously.

The meeting adjourned at 9:55 a.m.

Chairman

<u>ROLL CALL</u>

SENATE TAXATION COMMITTEE

48th LEGISLATIVE SESSION -- 1983 Date 3/21 /8

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 March 21, 1983

COMMITTEE ON TAXATION

VISITORS' REGISTER

NAME (please print)	REPRESENTING	BILL #	Check One: Support	Check One: Oppose
MARTIN A. WHITE	WESTERN ENERGY Co.	HB 706	✓	
BILL ROBINSON	WESTERN ENERGY CO	HB706	✓	
Kenneth Williams	Western Energy Co.	HB-706	✓	
Tom Ebzery	NERCO Inc	HB 706	✓	
Dave Lewis	ORPP	HB 706	✓	
Jim Mockler	MT. Coal Council	"	✓	
GARY LANGLEY	MT. MINING ASSN	HB 706	✓	
Hal [illegible]	MSRCTC	H 706	✓	
Larry [illegible]	Montana State Building Trades	HB 706	✓	
John [illegible]	Montana Joint Council LRB [illegible] Assn	HB-706	✓	
Tom Staples	MT Int'l Trade Commission	HB 706	✓	

(Please leave prepared statement with Secretary)

Revision 1: 2/2/83

SENATE TAXATION COMMITTEE
EXHIBIT A
March 21, 1983
House BILL/RES. 706

ISSUE PAPER
MONTANA SEVERANCE TAX & COAL ROYALTY INTERACTION
WESTERN ENERGY COMPANY

Revenues

Montana faces a serious threat to its Coal Tax Revenue due to the declining production rate of Montana coal compared to Wyoming coal.

Wyoming's coal has many advantages. Their taxing picture and the method used to calculate their taxes is better than Montana's. Their coal occurs in seams thicker than those in Montana. The environmentally acceptable quality of their coal is generally better than Montana's. More rail freight competition out of Wyoming causes lower freight rates and they are closer to most markets. These advantages are contributing to greater levels of production in Wyoming.

In 1971, Montana produced 7.3 million tons of coal and Wyoming produced 8.0 million. In 1980, Montana produced 30.0 million tons and Wyoming produced 94 million tons. In 1982, Montana produced 27.8 million tons and Wyoming produced 106 million tons. Based on available projections, by 1987, Montana's production will be 40.6 million tons versus Wyoming's 153 million tons.

Montana can help the coal industry and benefit the State by changing the method used to calculate the Coal Severance Tax to eliminate the royalty from the calculation.

When the 1975 Montana Legislature passed a 30 percent severance tax, royalties paid on coal generally ranged from 15 to 20 cents per ton. At that time, the Severance Tax, Royalties and Production Taxes did not interact mathematically to inflate the price. In 1976, however, the Federal Coal Lease Amendments Act of

1976 changed the fundamental structure of coal royalties in the West by providing that no surface mined coal would be leased for less than 12½ percent royalty paid on the gross value of the coal.

The example on the following page compares the price of coal using a flat fee royalty as it was in 1975 when the Severance Tax was passed and the price using a 12½ percent royalty as mandated by the 1976 Leasing Amendments Act. Also, it compares the price of coal as calculated using the new formula as prescribed by the proposed legislation.

The problem is created by the fact that the Severance Tax is levered up because it applies to the Federal Royalty costs on a percentage basis, while the percentage royalty applies to all elements of the price including severance taxes. This was not the case prior to the Federal Government passing a percentage royalty rather than a flat fee royalty rate. Wyoming, in contrast, allows a deduction for Federal, State, and Indian Royalties to ensure that an artificial price increase does not occur. The most serious implication for Montana will be the continuing loss of market share to Wyoming coal producers. The loss of market share can occur in at least two ways:

(1) Reduce the coal taken under existing contracts to the contract minimum.

Most of the coal in Montana is produced under long-term contracts which typically contain a maximum and minimum tonnage provision. For instance, our contract with Northern States Power Company has a maximum of 5.5 million tons and a minimum of 2.5 million. Northern States Power can drop to the contract minimum of 2.5 million tons with no more than 30 days notice. All of our contracts have similar maximum and minimum provisions. Conceivably, Western Energy Company's production could be reduced by 8 million tons on an annual basis because of the difference between our present projected production level and the contract minimums.

PRICE ELEMENTS	FLAT FEE ROYALTY $.15/TON	EXISTING METHOD 12½% ROYALTY	PROPOSED METHOD 12½% ROYALTY
Operating Cost and Profit	$6.32	$ 6.32	$ 6.32
Royalty	.15	1.40	1.34
Contract Sale Price	$6.47	7.72	7.66
State Prod. Taxes (1)*	2.28	2.71 [3]	2.28
Fed. Reclamation Fee	.35	.35	.35
Subtotal	$9.10	$10.78	$10.29
Black Lung @ 4%	.36	.43	.41
TOTAL PRICE	$9.46	$11.21	$10.70

*(1) Assumes Montana Production Taxes:

Severance @	30.00%
Gross Proceeds @	4.62%
Resource Indemnity Trust Tax @	.50%
TOTAL	35.12%

371442

(2) Do not enter into new contracts with Montana producers.

To our knowledge, there have been no new major long-term contracts for Montana coal signed since 1975.

Jobs

Earlier this month when Anaconda Company announced the closing of the Butte pit and the fact that there would be 700 people laid off, every newspaper in the State carried the article. Since 1979, Montana has lost 360 primary jobs in the coal fields and using a standard multiplier of 3 to 1 for secondary jobs, another 1,080 jobs have been lost in support businesses. There has been no outcry about these jobs. The jobs lost to date are just the beginning. The following charts and graphs explain the impact of the proposed change.

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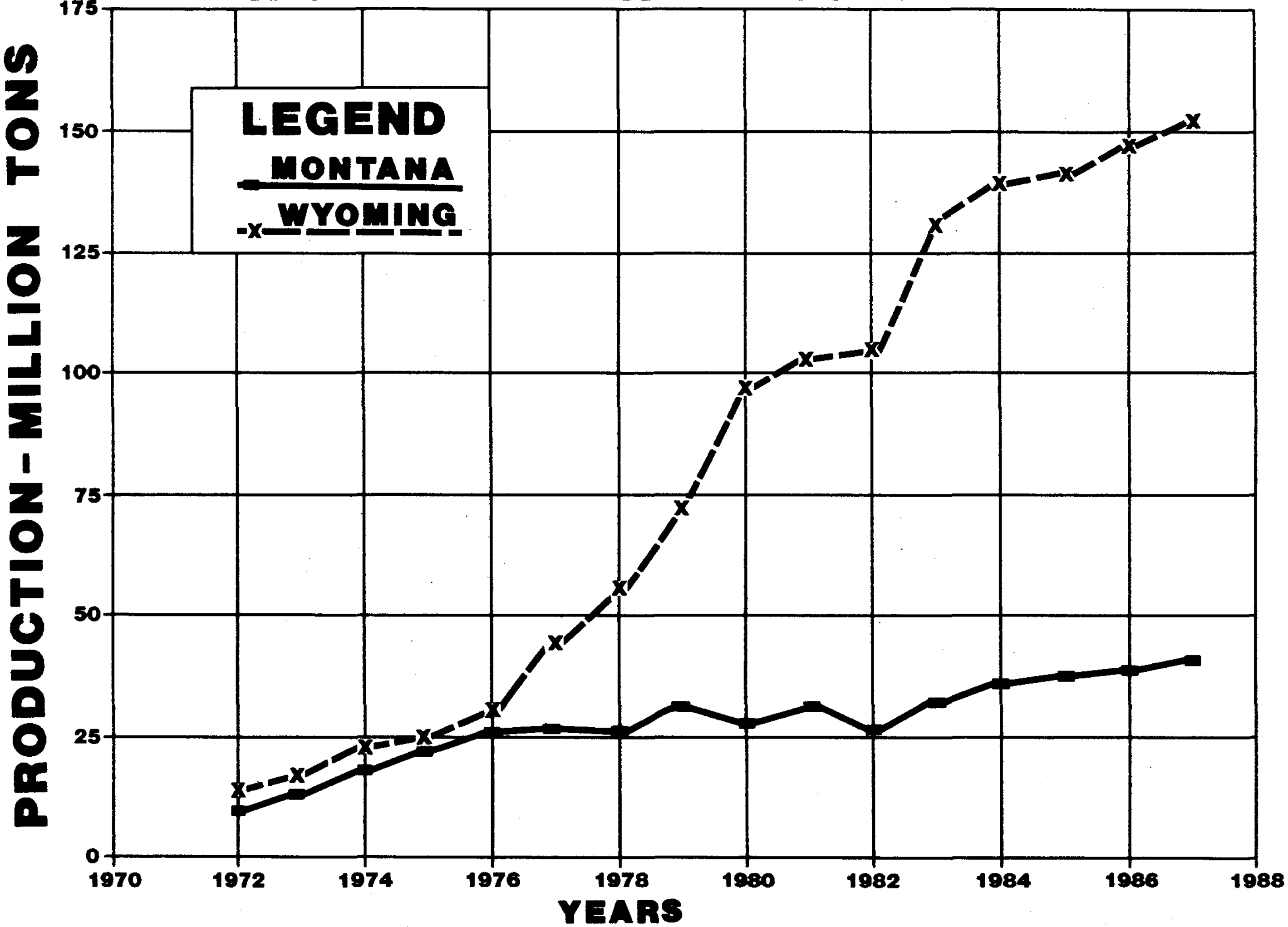
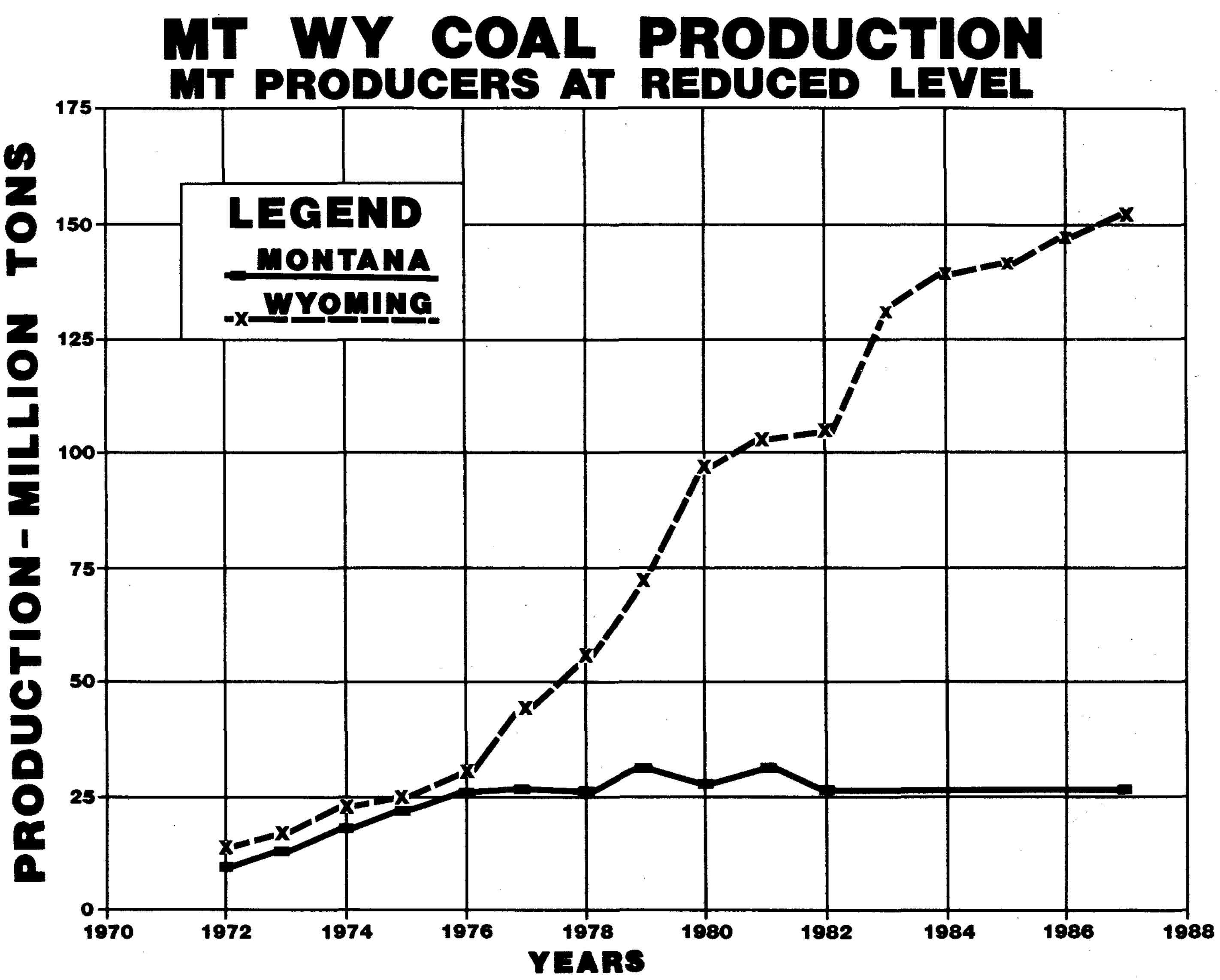
MT WY COAL PRODUCTION
HISTORICAL AND PROJECTED



(1) Wyoming Production estimated by Wyoming Geological Survey
(2) Montana Production from producer estimates supplied to the Montana Coal Council

CHART 1

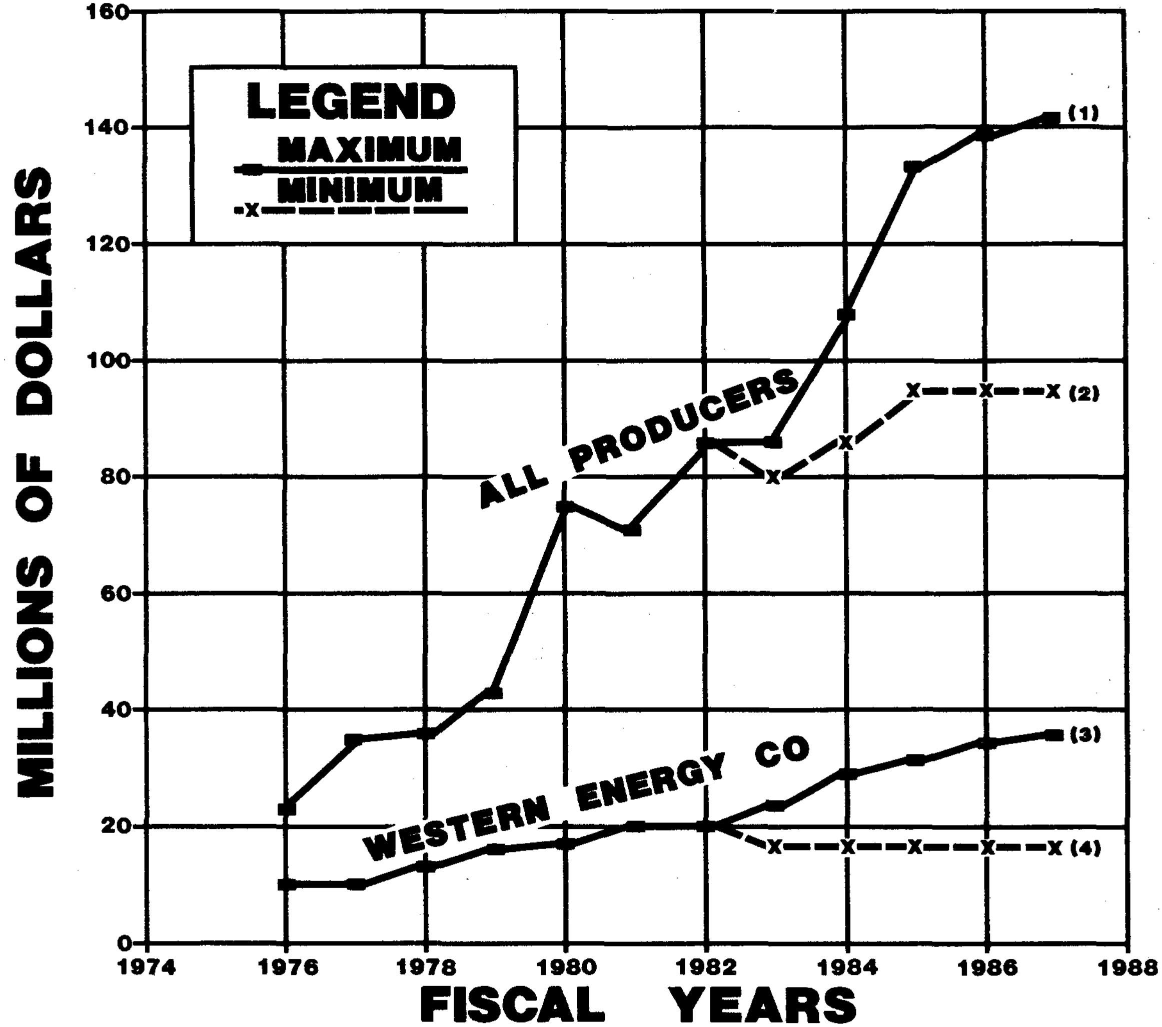


Wyoming production estimated by Wyoming Geological Survey

Western Energy forced to contract minimums - other Montana Producers at 82 level

CHART 2

COAL SEVERANCE TAX REVENUES



(1) Budget Office estimates FY83, 84, 85 / FY86, 87 projected at FY85 rates.
(2) Assumes Western forced to minimums and other producers at 82 levels, severance tax collections uses average severance tax, Budget estimates.
(3) Assumes Western at projected production levels.
(4) Assumes Western at Minimum Levels.

CHART 3

MONTANA COAL PRODUCERS

Projected and actual receipts from Federal Royalties:

	1982	1983	1984
Peabody	$ 575,000	$ 630,000	$ 630,000
Nerco	400,000	861,000	861,000
Western Energy	7,700,000	5,953,000	6,905,000
Decker	918,227	1,881,677	11,629,761
Knife River	200,000	200,000	200,000
Total	$9,793,227	$9,525,667	$20,225,761
State's Share of Federal Royalty	$4,896,613	$4,762,833	$10,112,880

Projected and actual receipts from State Royalties:

	1982	1983	1984
Peabody	$ 0	$ 0	$ 0
Nerco	0	0	0
Western Energy	0	0	360,000
Decker	49,631	623,000	5,500,000
Knife River	0	0	0
Westmoreland	41,261	145,250	145,250
State Royalties	$ 90,892	$ 768,250	$ 6,005,250
Total State & Fed. Royalties	$4,987,505	$5,531,083	$16,118,130

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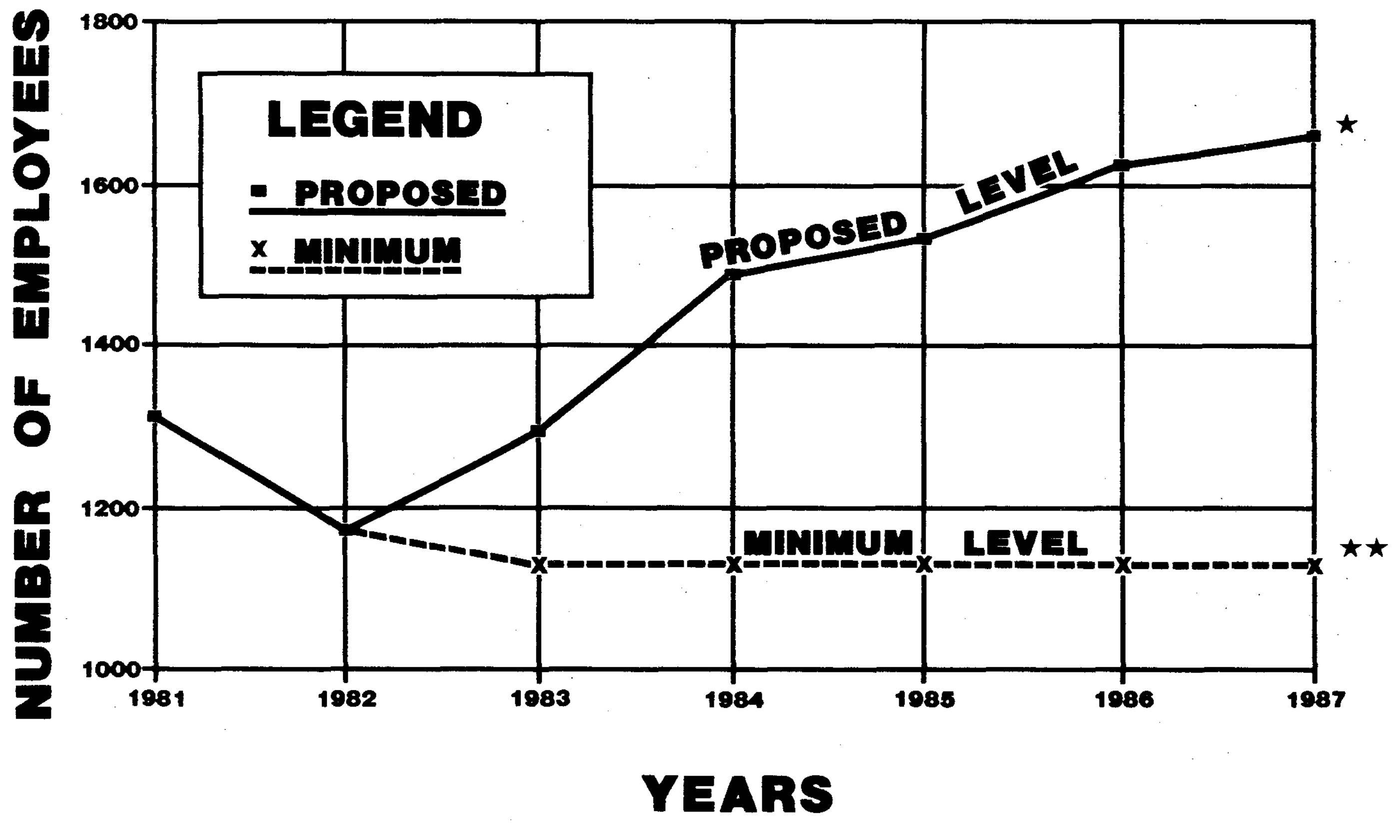
MT COAL MINE EMPLOYMENT

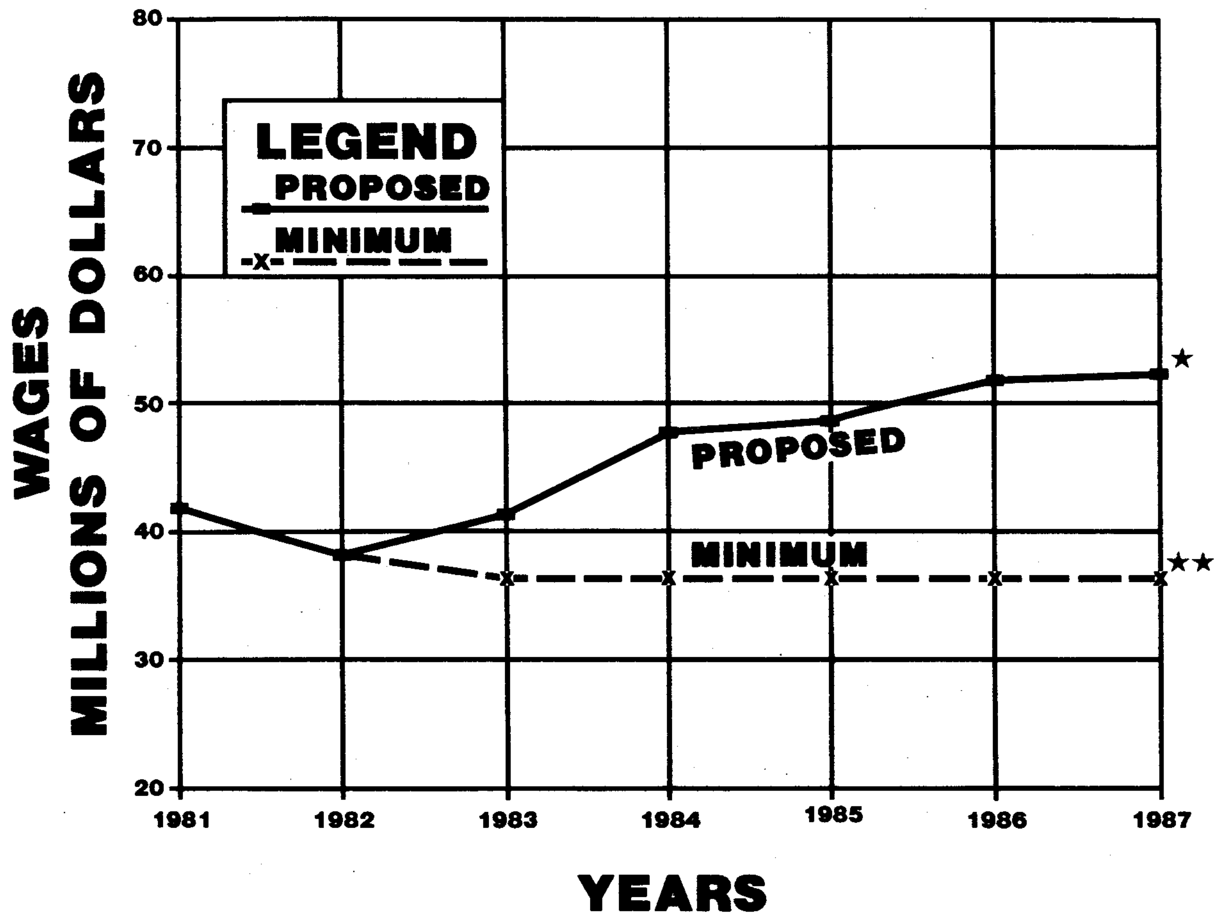


★ 1981 and 1982 actual employment 1983-1987 projected at 24,460 tons/man/year against producers production estimates

★★ 1983-1987 at 27.5 million tons/year - WECo forced to minimum and other producers at 1982 level

CHART 4

PROJECTED COAL MINE WAGES



★ 1981 figure from Mt. Coal Council 1982 - 1987 assumes $32,000/year/worker X anticipated employment.

★★ 1983 - 1987 assumes Western forced to minimums other producers at 82 level number of workers X $32,000.

CHART 5

OFFICE OF THE GOVERNOR
BUDGET AND PROGRAM PLANNING

TED SCHWINDEN, GOVERNOR
CAPITOL BUILDING

STATE OF MONTANA

(406) 449-3616
HELENA, MONTANA 59620

TESTIMONY ON HOUSE BILL 706

House Bill 706, as amended, phases out the State Coal Severance Tax on future increases in royalties paid to the governments of the United States, Montana, or a federally recognized Indian Tribe. This will make our treatment of these royalties, for severance tax purposes, the same as in Wyoming.

The Governor was approached by the coal industry and asked to support the bill in its original form. Given our current fiscal condition he felt that the original bill was "too much too soon". However, the amended bill will have a limited impact on the General Fund in 1984 and 1985 and is acceptable. The administration does feel that the tax increase which would take place if this amended bill were not approved would be the wrong signal to the industry. We want to maintain our competitive relationship with Wyoming Coal and increase Montana employment in the coal industry.

Eliminating the state severance tax on Federal Royalties, or a tax on a tax, is a positive signal to Congress that we are willing to be reasonable with our coal tax. There has been interest in Congress in reducing the amount of Federal Royalties returned to the state to 35% rather than the current 50%. One reason for this is that state taxes on Federal Royalties will increase when these royalties are increased.

Future Legislatures will be able to evaluate this tax change to determine if it has helped to maintain and increase Montana production.

I want to stress that the effect of the amended House Bill 706 is to phase out a state tax increase that would occur when Federal Royalties are increased. At the end of the phase out period our tax would be exactly at the current level. There will be no decrease from current tax levels.

LEGISLATURE1:O/1

NERCO TESTIMONY ON HB 706

BEFORE THE

MONTANA SENATE COMMITTEE ON TAXATION

March 21, 1983

Introduction

Mr. Chairman, for the record, I am Tom Ebzery, an attorney from Billings, representing NERCO, Inc. I have been asked by my principal to make the following statement on behalf of Gerard K. Drummond, President of NERCO, Inc.

NERCO, Inc. is the mining and resource development subsidiary of Pacific Power and Light Company. NERCO is the owner and operator of Spring Creek Coal Company and fifty percent owner of the Decker Coal Mine located in Big Horn County.

Purpose

I am here today to express NERCO's support for HB 706 which permits a deduction of royalties when calculating State coal taxes. This legislation would provide relief for utility customers in Montana and other states. In addition, HB 706 would do much to help Montana coal producers in today's soft, competitive market.

Impacts of Royalty Adjustments

Significant increases in the price of Montana coal will result from upcoming adjustments in royalties paid to Federal, State, and Indian governments. For example, NERCO's Spring Creek Mine currently pays a federal royalty of 20¢ per ton. Effective in 1985, that royalty will jump to 12.5% of the value of the coal.

Severance taxes are paid on the value of coal, which, under the current law, includes the cost of royalties. Because long-term coal contracts are generally structured to pass through these costs, utility customers in Montana and other states bear the burden of these increases in the form of higher fuel prices. Therefore, increases in royalties also result in higher severance tax payments.

The inability to deduct royalties would create new problems for the marketing of Montana coal as well. The current market for coal is already depressed at home and abroad. In addition, several other factors uniquely affect the market for Montana and other Powder River Basin coal.

First, the market advantage of low-sulfur "compliance coal" was virtually eliminated by amendments to the Clean Air Act in 1977 requiring all new coal-fired plants to use scrubbers. This enhanced the market for high-sulfur coal located closer to major consuming areas.

Second, escalating rail rates have turned the remote location of Powder River Basin coal, one thousand miles from major markets, into a great disadvantage. Anywhere from two-thirds to three-fourths of the total delivered cost of the product is attributable to transportation.

Finally, diligent development requirements imposed upon existing leases have promoted increased supply even though demand has lagged, placing downward pressure on price.

Benefits of HB 706

We believe that HB 706 would provide reasonable relief for Montana fuel customers, enhance the marketability of Montana coal, and generate benefits for the State of Montana.

Easing the burden of royalty increases on coal consumers will help Montana coal producers to renew existing contracts. This would preserve existing jobs and revenues.

Also, this deduction will help Montana coal producers maintain a competitive posture in the marketplace. It will help open the door to new markets which would create new jobs for Montanans and increase revenues for the State.

Finally HB 706 ensures that a portion of royalties will always be subject to State coal taxes. As the fiscal note prepared by the Office of Budget and Program Planning indicates, the fiscal impact of HB 706 in the current and following biennia appears reasonable.

We support this proposal and stand prepared to work with the legislature and State government to protect and improve the marketability of Montana coal.

STANDING COMMITTEE REPORT

March 21 19 83

MR. PRESIDENT

We, your committee on taxation

having had under consideration House Bill No. 706

Asay (Lynch)

Respectfully report as follows: That House Bill No. 706

third reading copy

BE CONCURRED IN

~~DO PASS~~

STATE PUB. CO.
Helena, Mont.

Pat M. Goodover Chairman.

4 C

STANDING COMMITTEE REPORT

March 21 19 83

MR. PRESIDENT

We, your committee on taxation

having had under consideration House Bill No. 126

Kitselman (Crippen)

Respectfully report as follows: That House Bill No. 126

third reading copy, be amended as follows:

1. Title, line 4 through line 6.
Following: "ENTITLED: "AN ACT" on line 2
Strike: line 2 through "DISTRICT;" on line 6

2. Title, line 9 through line 12.
Following: "EXPENSES;" on line 9
Strike: line 9 through "REVOLVING FUND;" on line 12

3. Title, line 12.
Following: "AMENDING"
Strike: "SECTIONS"
Insert: "SECTION"
Following: "7-12-2153"
Strike: "AND 7-12-2182"

XXXXXXXX

(Continued on page 2)

Chairman.

STATE PUB. CO.
Helena, Mont.

March 21 19 83

4. Page 1, line 22.
Following: "preparation of"
Strike: "annual"

5. Page 2, line 1.
Following: "(2) The"
Insert: "original"

6. Page 2, line 7.
Strike: section 2 in its entirety

And, as so amended

BE CONCURRED IN

Pat M. Goodover Chairman.

STATE PUB. CO.
Helena, Mont.

ROLL CALL VOTE

SENATE COMMITTEE TAXATION

Date Mar 21, 1983 House Bill No. 126 Time 8:51

NAME	YES	NO
SENATOR GOODOVER, CHAIRMAN	✓	
SENATOR McCALLUM, VICE CHAIRMAN	A	
SENATOR BROWN	✓	
SENATOR CRIPPEN	✓	
SENATOR ELLIOTT	✓	
SENATOR GAGE	✓	
SENATOR TURNAGE	✓	
SENATOR SEVERSON	✓	
SENATOR HAGER		✓
SENATOR ECK		✓
SENATOR HALLIGAN	✓	
SENATOR LYNCH	✓	
SENATOR NORMAN	✓	
SENATOR TOWE	A	
SENATOR MAZUREK	✓	

Secretary: Barbara J. Effing Chairman: Pat M. Goodover

Motion: substitute motion to strike Section 2 from the bill (so that 7-12-2182 won't be amended by HB 126)

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