

MINUTES OF THE MEETING  
TAXATION COMMITTEE  
MONTANA STATE  
HOUSE OF REPRESENTATIVES

February 7, 1985

The twentieth meeting of the Taxation Committee was called to order in room 312-1 of the state capitol at 8:03 a.m. by Chairman Gerry Devlin.

ROLL CALL: All members were present with the exception of Representative Dennis Iverson, who was excused by the chairman. Also present were Dave Bohyer, Researcher for the Legislative Council, and Alice Omang, Secretary.

CONSIDERATION OF HOUSE BILL NO. 617: Representative Hammond, District #52, explained that the bill, as written, would reduce the tax allowable for shrinkage to those dealers that deal in special fuels, primarily diesel; it includes every diesel fuel dealer in the state as written; but the intention was to address only those dealers who sell 10,000 gallons or less, because these special fuel dealers are collecting taxes for the state and they are not being compensated for this. Representative Hammond distributed and explained the amendments which are attached hereto as Exhibit 1. This will affect approximately 15 small dealers in Missoula, although statewide impact is unknown, he explained.

PROPOSERS: Mike Hammond of Missoula, stated an inequity is present and House Bill 617 will address this. He explained that he spends from three to six hours a month preparing tax statements for payment of both state and federal diesel tax and last month was compensated \$1.79 in shrinkage and \$.40 went for postage and \$.30 went to copying.

There were no further proposers.

OPPOSERS: Gary Wicks, representing the Department of Highways stated the highway earmark account is suffering from the series of bills introduced to take money out of the highway earmark account. He indicated that the department cannot afford to have money taken out of this account and continue to build roads that have been proposed; he believes this will add \$200,000 per year to come out of the diesel tax fund; and currently \$70,000 is paid out each year to diesel dealers in the state. He informed the committee that the highway department does not receive all of the money that comes out of the gasoline tax - this is a misconception - they receive \$36 million out of the \$64 million that comes from the gasoline tax; and the other 43% goes for a variety of programs. The department cannot build highways and give tax breaks at the same time, he declared.

Jim Manion, representing the Montana Automobile Association, explained they echo the highway department's concern and feel

the road situation will suffer if this legislation is passed.

There were no further opponents.

QUESTIONS ON HOUSE BILL NO. 617: Representative Raney asked Representative Hammond if the dealer will raise their retail price to compensate for the shrinkage.

Representative Hammond replied that this is possible, but the dealer still must compete with others who sell diesel.

Representative Williams questioned Representative Hammond on the use of the word "shrinkage" as it appears in the bill. He explained that diesel fuel has little shrinkage and does not evaporate.

Representative Hammond stated he had tried to solve this problem; but due to present statute, this is the only way to address this, without totally rewriting the statute.

Representative Sands asked if a person had 11,000 gallons would they still only receive a 1% deduction and Representative Hammond responded that this is correct.

Representative Sands inquired as to why a dealer who sells over 10,000 gallons should receive a 5% greater tax break.

Representative Hammond replied that a cap must be placed somewhere and most small fuel dealers deal with between 5,000 and 8,500 gallons per month.

Representative Gilbert asked if the bill also affects bulk dealers as well as retail dealers.

Representative Hammond answered that a special fuel dealer would be a bulk dealer.

Representative Gilbert explained that he purchases fuel each month and the dealer does not ever see this fuel, and yet the dealer gets the shrinkage on it and those that are buying for their own use, do not get this special consideration.

Mike Hammond commented these people are trying to get compensated for handling the paperwork for these diesel transactions.

Representative Ellison asked Mike Hammond what the paperwork involves.

Mr. Hammond answered that the name and address of each person that buys diesel fuel and it must be separated as to whether it is taxable or non-taxable. This information is compiled and sent to the state and federal offices, he advised.

Chairman Devlin questioned Gary Wicks how much in tax they raised out of the special fuels.

Mr. Wicks answered stating they receive \$21 million per year - this comes out of the pumps and also by way of appropriation.

Representative Williams asked if the dealer receives a percentage of the tax now and Representative Hammond indicated that they receive 1% of the six cents.

Representative Hanson asked if the department receives only 57% of the \$65 million and \$21 million from diesel, is there only \$15 million that comes out for regular gas.

Mr. Wicks stated the department gets approximately \$56 million a year from both the diesel and gasoline taxes.

Representative Sands asked how much money does the highway department spend each year.

Mr. Wicks explained that the total budget including the federal dollars works out to approximately \$500 billion per biennium.

Representative Ream questioned Mr. Norris Nichols as to the number of special fuel dealers in the state of Montana, who answered at last count there were 1,300.

Representative Gilbert asked Representative Hammond if he would consider amending this to limit this to the retail fuel dealers only as they are the ones experiencing problems.

Mr. Nichols responded to the question and stated that confusion exists and at the present time only retail dealers pay the tax; the statute says you have to put the fuel in a storage tank and a bulk dealer who hauls does not get any rebate. Representative Zabrocki asked if it does not need to be amended then. Mr. Morris indicated it is already identified in the present statute.

Representative Hammond distributed to committee members a fact sheet, which is attached hereto as Exhibit 2. He advised that the crux of the problem is that these small dealers must figure out at the end of each month how to collect the tax for the state; every person that purchases diesel fuel from a station must be recorded with name, address and volume of purchase; and these dealers are acting as tax collectors for the state and only want some compensation for this duty.

The hearing on this bill was closed.

CONSIDERATION OF HOUSE BILL NO. 518: Representative Driscoll, District 92, explained this bill will exclude from income tax all benefits received under the workers' compensation laws and all health insurance premiums paid by an employer for an employee

if attributed as income to the employee under federal law. He indicated that under the federal tax codes, these two items are being considered for taxation; and if we do not exempt these under Montana law, this income will automatically be taxed. This will create no impact because they are not taxed now, he stated, and this is similar to what has happened with the senior citizens and their social security - the federal government taxed social security and so did the state.

PROPOSERS: Don Judge, representing the Montana State AFL-CIO, explained these items are not being taxed by the federal government but they are being considered. He informed the committee that under the current Montana State Workers' Compensation Statute, the level of money that any injured worker receives is established at the date of the injury and is never increased. This is only fair to those to exclude them from tax liabilities, should the federal government decide to include them in the tax liabilities, he contended.

There were no further proposers.

OPPOSERS: There were none.

QUESTIONS ON HOUSE BILL NO. 518: Representative Sands asked Representative Driscoll if he had any idea what the fiscal impact would be if the federal law was in effect now.

Representative Driscoll replied that he did not, but with health insurance, it would be a nightmare of paper work if this passes, but the workmens' compensation would be fairly easy to figure.

Representative Raney asked Don Judge if Montana went along with the federal government would there be a substantial tax increase to the working class and Mr. Judge stated there could be some increase.

Chairman Devlin asked if these benefits are taxed now under the present law - Representative Driscoll responded that they are not taxed.

Representative Patterson questioned whether a person filing for workmens' compensation gets a full wage or a fraction of his wage.

Representative Driscoll advised that he gets 66 2/3% of his effective weekly wage prior to injury, not to exceed 75% of his average monthly wage but with a minimum of \$280.00. He explained if he made \$200.00 a week, it would be around \$135.00.

There were no further questions.

Representative Driscoll closed and the hearing on this bill was closed.

Chairman Devlin explained to the committee that Representative Driscoll had a request for a committee bill. Representative Driscoll stated that he is proposing this legislation and it must be by way of committee bill due to a late bill drafting request. He explained that this bill would require that the chief sponsor of a bill be sent the fiscal note prior to it being published; the sponsor would have one day to review the fiscal note - currently, the sponsor never sees the fiscal note until it is in final printed form - it was decided that the committee will meet later with Representative Driscoll for further discussion on the committee bill.

#### EXECUTIVE SESSION

DISPOSITION OF HOUSE BILL NO. 33: Representative Keenan moved DO PASS and moved the amendments as shown on Exhibit 3 attached hereto. Representative Keenan explained that those in the industry worked out these proposed amendments and are very comfortable with them. Question being called on the amendments, they were adopted by unanimous vote. A vote was taken on the DO PASS AS AMENDED motion and received a unanimous vote.

DISPOSITION OF HOUSE BILL NO. 64: Representative Switzer moved DO PASS and moved the amendments. Representative Zabrocki offered a substitute motion of DO NOT PASS. Representative Schye stated he asked for an amended fiscal note and he would like to see it before proceeding. Representative Asay explained the amendments further.

Representative Zabrocki withdrew his motion explaining that this is a good bill but we just can't pass it this session as there is no money. A motion to TABLE House Bill 64 was offered by Representative Harp. The motion CARRIED by unanimous vote.

DISPOSITION OF HOUSE BILL NO. 208: Mr. Terry Johnson, representing the Executive Budget Office was present and explained that the Department of Revenue is comfortable with the assumptions in the original fiscal note.

Representative Raney moved DO NOT PASS on House Bill 208. He then withdrew the motion and moved to TABLE House Bill 208. The motion carried with Representatives Abrams, Asay, Patterson and Switzer voting no.

Representative Raney moved to RECONSIDER THEIR ACTION ON House Bill 208 and a unanimous vote was recorded.

Representative Ellison explained that he has problems with this bill and Representatives Devlin, Gilbert and Hart agreed. Representative Raney offered a motion to TABLE House Bill 208, which carried with Representative Switzer voting no.

DISPOSITION OF HOUSE BILL NO. 518: Representative Switzer moved DO PASS on House Bill 518. The motion carried by unanimous vote.

The chairman called a recess at 9:25 a.m. and the committee reconvened at 9:42 a.m.

DISPOSITION OF HOUSE BILL NO. 339: Representative Harp moved DO PASS on House Bill 339.

Representative Raney explained that he had talked with a city councilman from Billings who asked for the passage of this bill and stated that Billings presently can take advantage of this.

Representative Williams stated that during the hearing, two individuals testified as to where the money is being spent in Missoula; they do have a valid point; the law was originally passed for the purposes of creating a tax base; and this sounds like it may be out of line.

Representative Raney added this money is being used for sidewalks, sewers, city parks, etc.

Representative Gilbert stated this contributes to downtown economy.

Representative Ream advised that the tents in question in Missoula were purchased by a group of businessmen and this draws tourists as well as locals.

Representative Williams asked if this increases the tax base and Representative Ream stated that, with the improvements on the riverfront in Missoula, this does increase the tax base for the entire downtown area. Question being called, the motion on House Bill 339, DO PASS, carried by unanimous vote.

DISPOSITION OF HOUSE BILL NO. 307: Representative Harrington moved DO PASS on House Bill 307.

Representative Devlin asked Terry Johnson if an amended fiscal note had been requested and Mr. Johnson explained that there has not been one and the problem with the original fiscal note is that it is believed that additional people would need to be available to license motor boats and the original fiscal note was based on these people already being available.

Representative Ellison indicated that one of the problems currently, is that the fine for non-licensure is \$10 and the cost of a license is \$250.00; many look at this and feel it is cheaper to pay the fine than to purchase the license; and there is currently a bill that has not yet passed the house, which would raise the fine from \$10 to between \$50.00 and \$500.00.

Representative Harrington added that this is a real inequity and no basic service is being received.

Representative Schye explained that in the Fort Peck area the laws are enforced and this bill will raise the fees for the smaller boat owner and reduce them for the larger owner.

Rep. Switzer agreed with Representative Harrington's comments on the seasonal use of the equipment and Representative Gilbert asked the committee to remember those persons who had older vehicles when the fee system was established for automobiles.

Representative Williams offered a substitute motion of DO NOT PASS, which carried with Representatives Harrington, Keenan, Schye and Gilbert voting no.

DISPOSITION OF HOUSE BILL NO. 151: Chairman Devlin explained to the committee that the amendments were refused by the committee and this put the department of revenue in a bind. Representative Keyser will get together with Norris Nichols and take another look at this and perhaps other amendments will be considered.

DISPOSITION OF HOUSE BILL NO 392: Representative Harrington asked Chairman Devlin when the committee will act on House Bill 392. The chairman explained that after the hearing he was asked the same question by members of the press and he told them Friday.

The committee stood at ease from 9:58 a.m. until 10:03 a.m.

COMMITTEE BILL: Representative Driscoll explained that he is asking the committee to request a committee bill be drafted to require the sponsor of legislation to see the fiscal note prior to printing. Many arguments have arisen due to fiscal notes and amended fiscal notes and this will provide a more true picture of the cost to be presented to the legislature, he informed the committee.

Dave Hunter contended that this is a good idea and will help to solve many of the problems his office has had with legislators concerning fiscal notes. He advised that currently, they are allowed six legislative days to fulfill a request and this would not change; the fiscal note would be held for 24 hours so that the sponsor could review and determine if it is correct. If the sponsor feels the assumptions are not correct, they will review the note and all problems can be solved prior to the fiscal note hitting the floor, he indicated. This will also provide participation from the sponsor and will allow the sponsor to write the fiscal note if they desire, he concluded. He offered Exhibit 4 to the committee.

Chairman Devlin asked Dave Hunter how the information is cross-checked when it is received from the agency.

Mr. Hunter replied that when the information is received, an analyst goes through the data and checks the calculations; the office certifies the information is correct and makes sure it is accurate; and they can send back for revisions or more information.

Chairman Devlin asked Dave Hunter if this would be adding more time to the six-day process should a fiscal note need to go through a revision process.

Mr. Hunter responded that 24 hours is being added to the process; and if there is a necessary revision, an extension will be requested. It is better to have an accurate fiscal note a few days late than to get an inaccurate one and argue about it for days, he contended.

Representative Williams raised his concern with allowing a sponsor of a bill to prepare his own fiscal note.

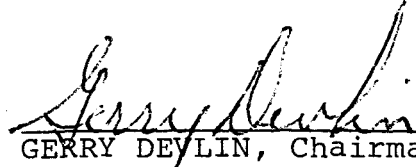
Mr. Hunter stated a sponsor will find out it is difficult to write a fiscal note and to consider all of the factors involved - it is different when a sponsor must sit down and do the work to make the numbers come out.

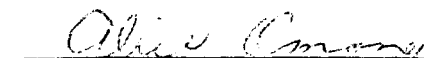
Representative Driscoll added that if he sponsored a bill and prepared his own fiscal note that was not accurate, the committee would probably kill the legislation due to inaccurate information being presented.

Mr. Hunter stated this bill will get the legislators to confront his office prior to a problem developing.

Representative Asay moved the committee draft a committee bill. The motion carried by unanimous vote.

ADJOURNMENT: There being no further business, the meeting was adjourned at 10:25 a.m.

  
GERRY DEVLIN, Chairman

  
Alice Omang, Secretary



# DAILY ROLL CALL

HOUSE TAXATION

COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date February 7, 1985

NAME	PRESENT	ABSENT	EXCUSED
DEVLIN, GERRY, Chrm.	X		
WILLIAMS, MEL, V. Chrm.	X		
ABRAMS, HUGH	X		
ASAY, TOM	X		
COHEN, BEN	X		
ELLISON, ORVAL	X		
GILBERT, BOB	X		
HANSON, MARIAN	X		
HARRINGTON, DAN	X		
HARP, JOHN	X		
IVERSON, DENNIS			X
KEENAN, NANCY	X		
KOEHNKE, FRANCIS	X		
PATTERSON, JOHN	X		
RANEY, BOB	X		
REAM, BOB	X		
SANDS, JACK	X		
SCHYE, TED	X		
SWITZER, DEAN	X		
ZABROCKI, CARL	X		

# STANDING COMMITTEE REPORT

February 7 1935

MR. **SPEAKER:** .....

We, your committee on **TAXATION** .....

having had under consideration **HOUSE** ..... Bill No. **307** .....

first reading copy ( white )  
color

**AN ACT PROVIDING A FEE IN LIEU OF PROPERTY TAX FOR MOTORBOATS  
16 FEET IN LENGTH OR LONGER:**

Respectfully report as follows: That **HOUSE** ..... Bill No. **307** .....

Do Not Pass

~~DO PASS~~

# STANDING COMMITTEE REPORT

February 8, 19 85

MR. SPEAKER

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 33

FIRST reading copy ( WHITE )  
color

ESTABLISHING DEFINITION OF AND FEES FOR USERS OF ALTERNATE FUELS;  
ETC.

Respectfully report as follows: That HOUSE Bill No. 33

be amended as follows:

1. Title, line 7.

Following: "FUEL;"

Insert: "EXPANDING THE EXEMPTION FROM THE ANNUAL FEE;"

2. Title, line 9.

Following: "SECTIONS"

Insert: "15-70-302"

3. Title, line 10.

Following: "MCA"

Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE FOR  
CERTAIN SECTIONS"

XXXXXX  
DO PASS

FEBRUARY 8, 1985

4. Page 1, line 13.

Following: the enacting clause

Insert: "Section 1. Section 15-70-302, MCA, is amended to read:

"15-70-302. Special fuel dealer's licenses and special fuel user's permits required -- exceptions. (1) It shall be unlawful for any person to act as a special fuel dealer in this state unless such person is the holder of an uncanceled fuel dealer's license issued to him by the department.

(2) Every special fuel user shall obtain annually from the department, prior to the use of such special fuel for the propulsion of a motor vehicle or vehicles in this state, a special fuel user's permit and shall at all times display the original or reproduced copy of the permit in each such vehicle or vehicles operated by him upon the highways as herein defined which shall be exhibited for inspection on request of any checking station officer, Montana highway patrol officer, authorized employee of the department, or any other law enforcement officer. The special fuel user shall be responsible for reproducing clear and legible copies of the permit.

(3) A special fuel user's permit is not required of any person whose sole use of special fuel is for the propulsion of a privately operated passenger automobile provided the person purchases special fuel, tax paid, from a licensed special fuel dealer in this state. For purposes of this exemption, a privately operated passenger vehicle does not include a motor vehicle used for the transportation of persons for hire or for compensation or designed, used, or maintained primarily for transportation of property.

(4) Any out-of-state user who operates a special fuel or an alternate fuel vehicle solely for recreation or for religious, charitable, educational, or other eleemosynary purposes shall secure a special or alternate fuel user's courtesy vehicle permit. The permit shall not be transferable and shall be valid for 90 days. Permits will be issued at no cost to the user by the department, scale house personnel, and gross vehicle weight patrol crews. The department may require the user who has fuel capacity in excess of 30 gallons to file a report and pay the tax on fuel used in Montana on which the tax has not been paid."

Renumber: subsequent sections

5. Page 1, line 23.

Following: "annually"

Insert: "which license tax fee is prorated on a quarterly basis and may be paid quarterly, semiannually, or annually"

6. Page 3, line 24.

Following: line 23

Insert: "NEW SECTION. Section 6. Effective date. Section 4 and this section are effective on passage and approval, but no rules promulgated under section 4 may be made effective before October 1, 1985."

AND AS AMENDED

DO PASS

# STANDING COMMITTEE REPORT

.....February 7,..... 1935.....

MR. SPEAKER:.....

We, your committee on.....Taxation.....

having had under consideration .....House..... Bill No. 518

first reading copy ( white )  
color

AN ACT TO EXCLUDE FROM INCOME TAX THE AMOUNT RECEIVED AS WORKERS'  
COMPENSATION BENEFITS AND THE AMOUNT PAID FOR HEALTH INSURANCE  
PREMIUMS BY AN EMPLOYER FOR AN EMPLOYEE, ETC.,

Respectfully report as follows: That.....House..... Bill No. 518.....

DO PASS

# STANDING COMMITTEE REPORT

February 7, 1985

MR. SPEAKER

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 339

FIRST reading copy ( WHITE )  
color

AN ACT TO AMEND TERMINATION PROVISIONS FOR TAX  
INCREMENT FINANCING BY ALLOWING TAX INCREMENTS  
PROJECTS ADOPTED PRIOR TO 1980 TO HAVE A MINIMUM  
LIFE OF 12 YEARS INSTEAD OF 10 YEARS AND TO DELETE  
THE REQUIREMENT THAT NO FURTHER BONDING MAY OCCUR  
AFTER APRIL 29, 1987

Respectfully report as follows: That HOUSE Bill No. 339

DO PASS

# STANDING COMMITTEE REPORT

February 7 1935

SPEAKER:  
MR. ....

We, your committee on TAXATION .....

having had under consideration HOUSE ..... Bill No. 307

first reading copy (white)  
color

AN ACT PROVIDING A FEE IN LIEU OF PROPERTY TAX FOR MOTORBOATS  
16 FEET IN LENGTH OR LONGER:

Respectfully report as follows: That HOUSE ..... Bill No. 307

Do Not Pass

~~DO PASS~~



Exhibit 1  
HB 617  
2/7/85  
Hammond

Amendments to HB 617, Introduced Bill

1. Title, line 5.

Following: "DEALER"

Insert: "WHO PAYS TAXES ON 10,000 GALLONS OR LESS A MONTH"

2. Title, line 6.

Following: "SHRINKAGE"

Strike: the remainder of line 6 and line 7 through "GALLONS"

3. Line 16.

Following: "deduction"

Strike: the remainder of line 16, line 17 in its entirety, and  
line 18 through "fuel"

Insert: "from the taxes"

4. Line 21.

Following: "control"

Insert: "equal to 1% of the first 6 cents per gallon of the tax  
paid by the dealer except that if the dealer paid taxes  
under 15-70-321 on 10,000 gallons or less of special fuel  
during the month the deduction allowed him is equal to 5% of  
the taxes paid by him"

AMEND/ee/HB 617

Exhibit 2  
HB 617  
2/7/85  
Hammond

SPECIAL FUEL DEALER  
SHRINKAGE INCREASE

COST BASED ON 10,000 GALLONS

10,000	)	
.17	)	Present Tax on Diesel
\$1,700.00	)	Maximum Tax on 10,000 Gallons

Percentage Breakdown

- 1) \$1,700.00  
    .05 - Bill Recommendations  
    \$ 85.00 - Shrinkage Effect
- 2) \$1,700.00 x .04 = \$68.00
- 3) \$1,700.00 x .03 = \$51.00
- 4) \$1,700.00 x .02 = \$34.00
- 5) \$1,700.00 x .01 = \$17.00

Cost Based on 7,500 Gallons

- 1) \$1,275.00 x .05 = \$63.75
- 2) \$1,275.00 x .03 = \$38.25
- 3) \$1,275.00 x .01 = \$12.75

Cost Based on 5,000 Gallons

- 1) \$ 850.00 x .05 = \$42.50
- 2) \$ 850.00 x .03 = \$25.50
- 3) \$ 850.00 x .01 = \$ 8.50

Exhibit 3  
HB 33  
2/5/85  
Boyer-Keenan

PROPOSED AMENDMENTS

House Bill No. 33  
Introduced Copy

1. Title, line 7.  
Following: "FUEL;"  
Insert: "EXPANDING THE EXEMPTION FROM THE ANNUAL FEE;"
2. Page 1, line 13.  
Following: the enacting clause  
Insert: "Section 1. Section 15-70-302, MCA, is amended to read:  
"15-70-302. Special fuel dealer's licenses and special fuel user's permits required -- exceptions. (1) It shall be unlawful for any person to act as a special fuel dealer in this state unless such person is the holder of an uncanceled fuel dealer's license issued to him by the department.  
(2) Every special fuel user shall obtain annually from the department, prior to the use of such special fuel for the propulsion of a motor vehicle or vehicles in this state, a special fuel user's permit and shall at all times display the original or reproduced copy of the permit in each such vehicle or vehicles operated by him upon the highways as herein defined which shall be exhibited for inspection on request of any checking station officer, Montana highway patrol officer, authorized employee of the department, or any other law enforcement officer. The special fuel user shall be responsible for reproducing clear and legible copies of the permit.  
(3) A special fuel user's permit is not required of any person whose sole use of special fuel is for the propulsion of a privately operated passenger automobile provided the person purchases special fuel, tax paid, from a licensed special fuel dealer in this state. For purposes of this exemption, a privately operated passenger vehicle does not include a motor vehicle used for the transportation of persons for hire or for compensation or designed, used, or maintained primarily for transportation of property.  
(4) Any out-of-state user who operates a special fuel or an alternate fuel vehicle solely for recreation or for religious, charitable, educational, or other eleemosynary purposes shall secure a special or alternate fuel user's courtesy vehicle permit. The permit shall not be transferable and shall be valid for 90 days. Permits will be issued at no cost to the user by the department, state house personnel, and gross vehicle weight patrol crews. The department may require the user who has fuel capacity in excess of 30 gallons to file a report and pay the tax on fuel used in Montana on which the tax has not been paid."

Renumber: subsequent sections

2. Page 1, line 23.

Following: "~~annually~~"

Insert: "which license tax fee is prorated on a quarterly basis and may be paid quarterly, semiannually, or annually"

Page 3, line 24.

Following: line 23

Insert: "NEW SECTION. Section 6. Effective date. Section 4 and this section are effective on passage and approval, but no rules promulgated under section 4 may be made effective until October 1, 1985."

Exhibit 4  
2/2/85  
Committee Bill  
Hunt-

49th Legislature

LC 000/01

HOUSE BILL NO.  
INTRODUCED BY THE HOUSE TAXATION COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE SPONSOR OF A BILL TO PREPARE A FISCAL NOTE WHEN THE BILL HAS AN EFFECT ON THE REVENUES, EXPENDITURES, OR FISCAL LIABILITY OF THE STATE, A COUNTY, OR A MUNICIPALITY; AMENDING SECTION 5-4-204, MCA.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. SECTION 1. Sponsor's fiscal note. (1) The sponsor of a bill, after examining the fiscal note delivered to the presiding officer under 5-4-204, may prepare a sponsor's fiscal note.

(2) A sponsor's fiscal note shall be returned to the presiding officer within 4 days of receipt of the completed fiscal note received under 5-4-204. If the bill is printed, the note shall be reproduced and placed on the members' desks.

(3) The presiding officer may grant an extension to the sponsor for additional time to prepare the sponsor's fiscal note.

(4) The requirements of 5-4-205 and 5-4-206 apply to sponsor's fiscal notes.

Section 2. Section 5-4-204, MCA, is amended to read:

"5-4-204. Submission of fiscal note - distribution to legislators. A completed fiscal note shall be submitted by the budget director to the presiding officer who requested it. The presiding officer shall immediately notify the sponsor of the bill for which the fiscal note was prepared that the completed fiscal note is available for examination. After 24 hours have passed from receipt of the completed fiscal note, and if no extension has been applied for by the budget director under 5-4-203, the presiding officer --who shall refer it to the committee considering the bill. If the bill is printed, the note shall be reproduced and placed on the members' desks."

Section 3. Codification instruction. Section 1 is intended to be codified as an integral part of Title 5, chapter 4, part 2, and the provisions of Title 5, chapter 4, part 2, apply to section 1.

Section 4. Effective date. This act is effective on passage and approval.

WITNESS STATEMENT

Name E. Michael Hammond Committee On \_\_\_\_\_  
Address 1409 Stanley WSA Date \_\_\_\_\_  
Representing Estate Husky Support \_\_\_\_\_  
Bill No. 617 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1.

2.

3.

4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

WITNESS STATEMENT

Name Don Judge Committee On Taxation  
Address Helena Date 2/7/85  
Representing MT STATE AFL-CIO Support X  
Bill No. HB 518 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1.

2.

3.

4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

## COMMITTEE

DATE February 7, 1985

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.