

MINUTES OF THE MEETING  
TAXATION COMMITTEE  
MONTANA STATE  
HOUSE OF REPRESENTATIVES

March 12, 1985

The thirty-ninth meeting of the Taxation Committee was called to order in room 325 of the state capitol at 8:03 a.m. by Chairman Gerry Devlin.

ROLL CALL: All members were present as were Dave Bohyer, Researcher for the Legislative Council, and Alice Omang, Secretary.

CONSIDERATION OF HOUSE BILL 735: Representative Spaeth, District 84, stated that this bill, which is an act to reallocate funds among the highway program, the school foundation program and the local government block grant program and to raise the motor fuels tax rate 3 cents per gallon, is a strong dose of fiscal reality proposed by the governor. He said that the government surplus is gone and the legislature has a difficult challenge in balancing the state budget. He explained that this bill will increase the share of the mineral royalties to 92.5% for the school foundation program and it will also earmark 7.5% of the federal mineral royalties (\$3 million) to the local government block grant account and this will provide \$6 million to continue the motor vehicle reimbursement program and will provide a permanent source of revenue. He explained that this bill will also raise \$32 million for reconstruction of Montana's highways over the next biennium.

PROPONENTS: David Hunter, Director of the Office of Budget and Program Planning, stated that this is one of the least painful ways to balance the budget. He offered further testimony in support of this bill. See Exhibit 1.

Gary Wicks, Director of the Department of Highways, testified that this issue is not easy because no one likes to raise taxes, but there is a need for improving highways and a growing need for new highways. He indicated they had objectives to (1) finish the 74 miles of interstate that is left in Montana to complete (2) eliminate about 454 miles of primary highway that is critically deficient in the state of Montana and improve the remaining 5,000 miles

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and (3) to establish a preventive maintenance program to protect the investment in the highway system. He displayed to the committee some maps which illustrated the primary system program, the projects that will have to be cut out of the program if this bill does not pass and a map which indicated their proposed plan of highway construction for the years 1988 through 1991. He concluded by saying that if this bill does not pass, it is going to leave a deficit for future generations.

Dan Peoples, Chief Executor of Butte-Silver Bow, also representing the Urban Coalition and also on the Board of Directors for the Montana League of Cities and Towns, stated that he recognized the difficult job that the legislature has in regard to increasing any tax and they do support this bill. He addressed the impact that this bill would have on the block grant program. He said that if this program is not funded, the only alternative they would have would be to seek higher property taxes at the local level.

Alec Hanson, representing the Montana League of Cities and Towns, testified that the cities and towns have cut their expenditures back to the level of necessity and he informed the committee of the decreasing vehicle replacement account. He indicated that if the cities are going to have to make up a \$10 million deficit, they are going to have to increase mill levies; and the general tax increase in Montana will be on your house, your business, your farm and your ranch.

Bill Olson, Secretary-Manager of the Montana Contractors' Association, said that membership in this association is basically highway contractors and members of this association probably perform 90 to 95% of the highway construction work in Montana and their support of this bill is quite obvious.

There were no further proponents.

OPPONENTS: Robert VanDeVere, a concerned citizen who lives on the outskirts of Helena, gave a statement in opposition to this bill as he was against raising taxes in any form.

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Larry Huss, representing the Montana Highway Users Federation, said that in 1972, they advocated raising the gas tax to help fund the highway program and instead the tax went to fund half of the highway patrol and in 1981, they supported the use of another 1 cent to build the highway program and again this went to the highway patrol. They also supported a bill in 1983, he continued, and this was used elsewhere and this year, the gas tax is not for the highway program. He indicated that there are sufficient funds to continue the highway program at its present level if the legislature simply follows through on its covenant to the people of Montana made in 1983 when it adopted the 6 cents gas tax.

Ben Havdahl, representing the Montana Motor Carriers, gave a statement in opposition to this bill. See Exhibit 2.

Representative Ramirez testified that this is a tax increase that is intended to balance the budget and it affects everyone and if there is going to be a tax increase, he thought it should be done up front rather than this way. He said that without this tax increase, revenue is going to increase - the existing tax structure that they have will provide more income for the state of Montana in the coming biennium than they have in the present biennium and that figure right now is \$58 million and that is the increase in revenue that will take place without any tax increases. He continued that if the Department of Revenue modifications are granted, that will net another \$10 million in increased revenue and that is a 10% increase in revenue at a time when he believes that many Montanans are not coming anywhere close to having that kind of increase in their incomes. He exclaimed that if they add this \$30 million in additional taxes, that will result in nearly \$100 million in additional revenue for the state of Montana and that is a 14% increase in revenue when people are having difficulty in making ends meet.

Larry Tobiason, President of the Montana Automobile Association, stated that their association has been very involved in the highway building program, but they find it very difficult to support this particular gas increase when so much has already been diverted from the highway trust fund for other purposes and basically to balance the general fund.

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Bob Marks, testifying for himself, stated that he was especially against the part of the bill that would take 3 cents out of the pockets of the people of Montana and those people who are complaining about the block grant program were warned two years ago that the falling price of oil would put them in this predicament and now they are here trying to get some money out of a source that does not have anything to do with local impact. He informed the committee that 25% of the selling price of gas is already taxed and this bill will increase this to 27 to 28% and there has to be a limit someplace. He asked the committee to table this bill.

Senator Ed Smith, District 10, said that he represents an agricultural area and agriculture is struggling for life and today they are paying more in taxes on gas and fuel than what they paid for the fuel combined with the taxes less than 20 years ago. He said that if the committee has any sympathy for agriculture, they should not pass this legislation and drive another nail into the coffin.

Keith Olson, Executive Director of the Montana Logging Association, indicated that they supported the gas tax increase in 1983 because they believe in a strong and aggressive highway construction program, but they now feel somewhat betrayed because they feel that fuel tax may be the panacea for all things including a balanced state budget.

Ray Havig, owner of Bairs Truck Stops and Service Stations, and also representing the Montana Chapter of Intermountain Oil Markets, distributed to the committee Exhibit 3. He stated that he questioned the logic that because the price of something comes down, it should be taxed higher and they would appraise this bill as a sales tax on gasoline.

Doug Alexander, Chairman of the Legislative Committee for the Montana Chapter of Intermountain Oil Markets, said that they strongly oppose this bill and they feel that

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it is very wrong to use gasoline tax to fund programs other than highway, road repairs and rebuilding of highways. They felt this would be setting a questionable precedent.

Tom Hanson, representing the Montana Automobile Dealers' Association, stated that to put this added tax on gasoline is to put the burden of taxation upon everybody without regard to whether or not there is a profit involved and it is inappropriate to take this money away from the legitimate highway program.

There were no further opponents.

QUESTIONS ON HOUSE BILL 735: Representative Sands stated that in the last legislature, they increased gas tax by 6 cents and the whole idea was to fund the highway program and he asked Mr. Wicks to explain to him why that 6-cents gas tax is not enough to fund the highway program that was planned for in the past.

Mr. Wicks answered that the legislature never intended and they never received 6 cents a gallon for the highway program - they clearly indicated that 1½ cent would go to local governments, another 1 cent goes to highway patrol for salaries and they probably had in the neighborhood of 3½ cents a gallon for the highway program. He advised that with that and what they anticipated from the coal tax, they told the legislature that they could fund the program through 1987 and that was the position they were in before it became apparent that something had to be done about the general fund and about the general budget and this would take some of the mineral royalties that previously had been committed to the highway program and dedicate it to the school foundation program. He indicated that if this is done, this will not correct the coal tax problem and the highway program will be left \$28 million short from what they anticipated in 1983 and this would be replaced with the fuel tax increase that is in this bill.

Representative Sands asked why the programs that were shown on the charts were not still in effect and did they make some miscalculations.

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Mr. Wicks replied that they did not make any miscalculations in the coal tax, but they found out in the latter days of the 1983 session that the intention of the legislature and the highway department was to take money from the coal tax and put it to the highways beginning in fiscal 1986 and the bill read July 1, 1986, which is in reality fiscal year 1987, so because of that they lost approximately \$13 million. He continued that they based their program on the availability of that money and the availability of the mineral royalties.

Representative Ream asked Mr. Wicks to comment on alternate fuels and asked what percentage of overall budget does the mineral royalties represent.

Mr. Wicks answered that the bills on alternate fuels are in the Senate and he thought there should be taxes on those alternate fuels; and in terms of mineral royalties, their revenues in 1986 will end up being about \$125 million and mineral royalties make up about \$7.5 million of that.

Representative Ream asked what is the remainder.

Mr. Wicks responded that the remainder is GVW, which will bring in about \$23 million, the gas tax at the current rate should bring in about \$62 million and the diesel tax should bring in about \$18 million and the coal tax revenue, if it should be what it should be, should bring in about \$6 million and interest income should bring in about \$6 million.

Representative Harp stated that last session local governments received a 100% increase in funding for streets and roads and he felt that was a very generous offer and he asked Mr. Hanson if he would agree.

Mr. Hanson responded that that money does help, but they need to go back to 1981 when the legislature repealed the tax on automobiles and light trucks and this cost the cities, counties and schools in Montana \$30 million and now the cost is \$34 million and there was a promise that those funds would be replaced. He indicated that if this bill is not passed, or some acceptable

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alternative, that promise is going to be broken.

Chairman Devlin asked if it was to come about, would he support the return to the tax system for cars and light vehicles.

Mr. Hanson replied that he felt they would have to. As it is right now with the loss of \$10 million they are in a desperate situation.

Chairman Devlin asked the same question of Mr. Peoples, who responded that he did not think they had any other choice.

Representative Asay asked Mr. Wicks about a corresponding decrease in costs.

Mr. Wicks answered that the contractors' payments will be increased as they have an expanded program and if they take that out, they are looking at a budget request that is less than what they had budgeted for 1985 and most of that is that they are looking at reduced costs for road oil, gasoline and diesel.

Representative Keenan asked Representative Marks if he knew where the \$68 million increase in revenue, which Representative Ramirez referred to, was coming from.

Representative Marks said that he believed that this was in reference to House Joint Resolution 9 and examination of that estimate would indicate that the on-going revenue sources that are in place now will grow to the tune of some \$60 million and that is an approximately 9% growth.

Chairman Devlin asked Mr. Havdahl if his group would be inclined to come before the PSC for a rate increase because of the increase in taxes.

Mr. Havdahl replied that that is difficult to answer, because all of their carriers are not operating under regulated authority and, in fact, the vast majority of trucking in Montana involves non-regulated commodities. He stated that in the case of regulated commodities, if this affects the cost significantly enough, it might happen that they will have to go to the PSC for a rate increase.

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Mayo (?) Foster, Vice-president of United Industries, informed the committee that he runs in excess of 200 vehicles in the state of Montana and he would be pleased to pay a 3 cent increase if it will keep our highway program as it is currently or as it is projected.

Chairman Devlin asked if the appropriations committee would have to go back in and look over the appropriations if this should pass.

Representative Spaeth responded that he is on appropriations and they dealt with that and they determined that the amount of moneys would be sufficient and they did not take any formal position but they felt that if an increase did arise in the gas tax, they would probably not adjust the budgets.

There were no further questions.

Representative Spaeth stated that he is a strong supporter of users paying their way, that he felt it was important to keep our highway construction on track and he asked if the legislature does not pass any revenue enhancement measures, where do they make the cuts in the budget.

The hearing on this bill was closed and the committee recessed and moved to room 312-1 at 9:59 a.m.

CONSIDERATION OF HOUSE BILL 822: Representative Schye, District 18, said that this bill was introduced at the request of the Montana Pilots' Association and that there are special problems in living in a large rural state and that many people are not aware that the state's airports are not in the same condition as the highways. He distributed to the committee Exhibits 4 through 15. He informed the committee that Jim Haughey was at the meeting and he represented the F.A.A. and he could answer questions, but he could not testify on the bill.

PROPOSERS: Sam Hubbard, Deputy Director of the Department of Commerce, stated that at the current level of operations, the aeronautics fund will be in a deficit position by 1988 and this bill would provide the funds to remedy that problem. He indicated that there was a problem with the bill as drafted, i.e., on page 5, line 1, the bill would provide that those funds could not be spent without prior approval of the board and they feel that this puts the board into a new position



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of responsibility and it would make administrative duties of the department much more difficult and cumbersome and they would request that "with prior approval" be stricken.

Marilyn Lewis, representing the Montana Flying Farmers and Ranchers, said that they represent about 125 families in the state of Montana and they use the small airports more than the large ones and they are concerned about the maintenance on these airports.

John Semple, representing the Montana Aviation Trades Association, testified that they agree with the previous testimony and are in support of this bill.

Ted Mathis, the airport manager at Gallatin Field near Bozeman, and president of the Montana Airport Management Association, advised the committee that this bill simply allows the aviation industry to increase the fuel tax paid by the aviation industry to support the programs and facilities designed for the aviation industry.

Fred Lark, Lewistown, representing the Montana Aeronautics Board and the Montana Pilots' Association, said that this bill would fund all airports and there would be no discrimination whatsoever.

Russ Pankey, Director of Airports of Missoula County, indicated that they support this bill as amended by Mr. Mathis.

There were no further proponents.

OPPONENTS: Les Loble, representing Northwest Airlines and other air carriers, handed out to the committee a copy of a proposed amendment. See Exhibit 16.

Steven Wheeler, representing Northwest Airlines and other major airlines serving Montana, gave a statement in opposition to this bill. See Exhibit 17.

Carol Luther, Manager of Public Affairs for Frontier Airlines, offered testimony opposing this bill. See Exhibit 18.

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Marcy Stinson, an employee of the Montana Refining Company in Great Falls, offered a statement in opposition to this bill. See Exhibit 19.

Larry Stanley, an employee of Western Airlines, rose in opposition to this bill. See Exhibit 20.

Jim Mular, the State Legislative Director of the Brotherhood of Railway and Airline Clerks, stated that they adopted a resolution to oppose this particular legislation and this bill asked the major cities to build the smaller airports.

Arden Smith, an employee of Northwest Airlines in Helena, testified that he felt that the added increase is not needed or justified and also that there is no apparent benefit to the principal payers. He concluded that he was concerned about what this bill would do to his present employment in Montana.

Terry Marshall, representing Big Sky Airlines and also Chairman of the Aeronautics Board, informed the committee that more and more of the relationship of the air carriers is one of interdependency and they work closely with each other to be able to service the market's needs.

Arden Smith, an employee of Northwest Airlines, gave a statement in opposition to this bill. See Exhibit 21.

There were no further opponents, but Mr. Lobled handed out Exhibit 22.

QUESTIONS ON HOUSE BILL 822: Representative Sands noted that they started out with quite a large balance and now are projecting a deficit and he asked why.

Mr. Hubbard responded that prior to closure of the Glasgow Air Base and the reduction in activity in Malmstrom in Great Falls, the aeronautic's fund developed a rather substantial balance as result of tax collection from the military, but they have gradually been drawing down that balance and the day of reckoning is about to come.

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Representative Sands asked if this tax increase comes about, do they have projections of how they will spend the money.

Mr. Hubbard replied that they have calculated that they are proposing to continue on the current level of operations that they have been providing over the last several years and this would simply go to offset that declining money. He indicated that the legislation does contemplate more funds available for airport loans and improvements.

Representative Sands noted that they are going to have a 200% increase and asked why they are not going to increase services at all.

Mr. Hubbard answered that they have a downward curve in available funds now; revenues have stayed constant but for a long time, the actual cost of doing business have exceeded the actual revenues collected and they are about to exhaust that fund balance. He indicated that they are now going to have to match the current operations with the actual money generated by the 1-cent-per-gallon fuel tax.

Representative Gilbert asked Mr. Stanley some questions concerning deregulation and the price war among airlines.

Representative Gilbert asked if it was not good business to raise prices if the airlines are hurting so bad.

Mr. Stanley responded that there are people that are able to produce the product cheaper and they either match that price or they go out of business and they have been in business for 57 years.

Representative Gilbert asked several questions concerning fees at different airports.

Representative Gilbert asked where is the 1 cents going today.

Representative Schye replied that the 1 cent is running the aeronautics division right now, but the 1 cent used to cover two accounts.

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Representative Patterson asked Representative Schye about loans and grants.

Representative Schye indicated that the airports could borrow money and they would have to pay that back but on grants, they would not have to pay that back. He explained that the aeronautic's board is chosen by the governor, consisting of nine people and they are the ones that decide where the loans and grants go.

Representative Asay asked if there was some intertie between HB 324 and this bill.

Representative Schye stated that he was a strong supporter of this bill also and the 10% match money could only be used for certain things, i.e., new construction and reconstruction and there are stipulations on that and that only applies to the airports that qualify and 30% of the airports in Montana do not qualify.

Representative Sands asked Mr. Wheeler about the fuel taxes in surrounding states compared to Montana as per the handout.

Mr. Wheeler answered that the ones for Montana are accurate, but Utah shows a 4-cents tax on the airlines and it is his understanding that 3 cents of that goes back to the originating airport and in Wyoming, they have a 4-cents tax, but under that program, all but administrative costs, goes to the airport from which the fuel was originated so he did not feel that this chart was accurate.

Representative Sands asked how the landing fees compare with the state fuel tax.

Mr. Wheeler responded that the landing fees that Northwest paid in 1984 were \$660,000.00 just for the landing fees and the other carriers paid substantial sums for landing fees as well and the fuel tax they paid was \$62,000.00 and the others were approximately \$45,000.00.

Chairman Devlin asked the representative of Big Sky if they were solely Montana based.

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Mr. Marshall replied that they are based in Billings and they serve two cities in North Dakota and one city in Wyoming.

Chairman Devlin asked where do they pay their property taxes.

Mr. Marshall responded that they are assessed by the state and collected by the counties where there is service.

Representative Asay asked Ms. Stinson if Northwest fueled up in Great Falls.

She replied that they did and they have to remain competitive as the major airlines are their biggest customers.

There were no further questions.

Representative Schye stated that this is an important bill for Montana aviation trades and he indicated they could work out some of the amendments suggested except for the one which would exclude airlines.

The hearing on this bill was closed.

EXECUTIVE SESSION:

DISPOSITION OF HOUSE BILL 652: Representative Switzer handed proposed amendments out to the committee. See Exhibit 23. Mr. Bohyer explained the amendments and Representative Switzer moved that the amendments BE ADOPTED. He explained that the Powell county commissioners wrote him and told him that this is particularly important to them concerning the reclamation feature.

Representative Switzer also distributed to the committee the amended fiscal note. See Exhibit 24. A vote was taken on the motion and the motion passed unanimously.

Representative Switzer moved that this bill DO PASS AS AMENDED and the motion carried with a vote of 10 to 9. See Roll Call Vote.

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There being no further business, the meeting was adjourned  
at 11:42 a.m.

  
GERRY DEVLIN, Chairman

  
Alice Omang, Secretary

## DAILY ROLL CALL

HOUSE TAXATION

COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 3/12/85

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

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Speaker:

MR. ....

Taxation

We, your committee on .....

having had under consideration ..... House ..... Bill No. 557

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reading copy ( ..... )  
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## ALLOWING RECLAMATION AND ADMINISTRATIVE COSTS DEDUCTED FROM NET PROCEEDS

Respectfully report as follows: That ..... HOUSE ..... Bill No. 557

BE AMENDED AS FOLLOWS:

1. Page 3, line 23.

Following: ";"

Insert: "and"

2. Pages 3 and 4.

Following: "reclamation" on line 24 of page 3

Strike: the remainder of line 24 through "processes" on line 4 of page 4

2 a. Page 5, line 19. Following: "; " Insert: "and "

2. Page 5, line 20.

Following: "reclamation"

Strike: the remainder of line 20 through "processes" on line 26

4. Page 6, lines 15 and 17.

Following: "mine" on line 16

Strike: "the reduction of reclamation process."

DO PASS

CONTINUED



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5. Page 6, lines 18 and 19.

Following: "thereof" on line 18

Strike: "of such operations or of the office, clerical, and  
administrative services necessary thereto"

Insert: "thereof"

And as amended,  
DO PASS

# ROLL CALL VOTE

HOUSE COMMITTEE TAXATION

DATE March 12, 1985 BILL NO. HB 652 TIME \_\_\_\_\_

NAME	AYE	NAY
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		
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

Secretary Alice Omang

Chairman Gerry Devlin

Motion: DO PASS, AS AMENDED

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HOUSE BILL 735

Exhibit 1  
HB 735  
3/12/85  
David Hunter

House Bill 735 will accomplish three things:

1. It will earmark substantial additional revenue to the school foundation program. Currently, the school foundation program receives 62.5% of the state's share of the federal mineral royalties. This bill will increase the foundation program's share to 92.5%, providing an additional \$12.13 million in revenue during the coming biennium. This reduces the general fund cost of the foundation program by a like amount.

FY '86-'87 Biennium

	<u>%</u>	<u>Current</u> \$	<u>%</u>	<u>Proposed</u> \$	<u>General Fund</u> <u>Savings</u>
School Foundation	62.5	\$25.27 million	92.5	\$37.40 million	\$12.13 million
Highway Program	37.5	15.13 million	0		
Local Government Block Grant	0	0	7.5	3.0	

2. It provides \$6 million to the local government block grant account. The bill earmarks 7.5% of the state's share of the federal mineral royalties (about \$3 million during the coming biennium) and appropriates \$3 million in general fund to the local government block grant amounts. This will help finance the motor vehicle reimbursement program and provide a new, permanent source of revenue for Montana's local governments.

FY '86-'87 Biennium

	<u>Current Biennium</u>	<u>With</u> <u>House Bill 735</u>
Local Government Block Grant		
1/3 of Oil Severance Tax	\$24.17 million	\$24.17 million
General Fund Appropriation	0	3.00
7.5% of Federal Mineral Royalties	0	3.03
TOTAL	\$24.17	\$30.20

3. It raise \$17 million for the highway reconstruction program during the coming biennium. The proposed 3¢ increase in gasoline and diesel tax will raise about \$16 million per year, offsetting the loss of the federal mineral royalty funds and providing an additional \$17.4 million to the highway program during the next beinnium.

FY '86-'87 Biennium

Loss of Federal Mineral Royalty	(15.13) million
3¢ Motor Fuel Tax Increase	32.57
	17.44 million

**MMCA STATEMENT ON HOUSE BILL 735**

The Montana Motor Carriers Association is opposed to House Bill 735 ... we are opposed to the increase in diesel fuel tax and gasoline tax by an additional 3 cents per gallon .....

We are opposed to diverting highway trust fund money to balance the state general fund budget..... a back door approach by taking federal mineral royalty payments approaching \$7.5 million per year from highways and using the money to fund the school foundation program and local block grants.

It is the firm belief of MMCA that the use of federal royalties for construction and maintenance of roads and highways in the State and in areas where these resources are being developed is exactly what the U. S. Congress intended these funds for. To totally remove these royalty payments from the highway trust fund, is in our view, inconsistent with the federal law authorizing their payment.

Title 30, Section 19 of the Federal Mineral Lands and Mining Act indicates that it is intended that states give priority to the use of royalty payments for impacted areas specifically for planning, construction and maintenance of public facilities and provision of public service. Our reading of that language would discourage use of 100% of these funds for general fund uses.

The Montana Motor Carriers Association, has an established on-going policy, strongly supporting an adequately financed highway program in Montana. The trucking industry in Montana has always paid its fair share of the cost of building and maintaining our highway system. Of the \$90 million dollars, or so, collected and deposited in the state's highway earmarked account in 1983, \$55.5 million or 62% was paid in GVW fees, fuel taxes and other taxes by trucks and buses in the state.

In addition \$24 million dollars of the \$37.4 million dollars collected in federal user taxes in the state or 64% was paid by trucks and buses.....

In the 1981 Legislature, the Motor Carriers Association supported a fuel tax increase needed for the reconstruction of our primary highway system. The measure did not pass.

During the 1983 session of the legislature and the preceeding year, the motor carrier industry worked very closely with the various interim committees as well as the Governor to design and obtain passage of a huge highway funding program designed to improve and extend the life of Montana's highways. Since the last session of this legislature, state diesel fuel taxes increased 55%, from 11 cents to 17 cents per gallon; federal diesel fuel taxes have increased 275% from 4 cents to 15 cents per gallon.....

Exhibit 2  
HB 735  
3/12/85  
Ben Haredah

The diesel fuel tax rate in Montana of 17 cents per gallon, is the second highest diesel fuel tax rate in the country, ..... If HB 735 becomes law, Montana will have the dubious honor of having the highest diesel fuel tax rate in the nation at 20 cents per gallon.

I would also point out that the total state and federal diesel fuel taxes of 32 cents per gallon is 8 cents higher... 33% more.... than the total state and federal taxes on gasoline of 24 cents.

Montana's surrounding states have diesel fuel tax rates per gallon considerably lower. North Dakota is 13 cents; Idaho is 14.5 cents; Utah is 14 cents and Wyoming is 8 cents.

In addition, federal taxes on trucks as well as fuel were raised in 1983 and 1984. The federal use tax on heavy trucks was increased 162%.....from \$210 to \$550 per truck.

In addition, excise taxes on new trucks and trailers increased 32%...

The excise taxes on truck tires was increased 45%.

The impact of increased State and Federal highway taxes on a typical five axle semi is major. We have calculated the impact of the tax increases using a typical combination as follows:

An 80,000 pound five axle tractor semi trailer combination... with the tractor valued at \$75,000 the semi trailer valued at \$22,000, and estimated fuel consumption of 14,583 gallons traveling 70,000 miles in the state. This sample unit is used as the basis for Federal Highway Administration's Road User and Property Taxes Report. However, in Montana, 100,000 miles to 120,000 miles per year per truck are more realistic.

Montana taxes paid on the sample unit in 1984 was approximately \$5,429 an increase of 36% when compared to the tax cost prior to July, 1983 of about \$4,000.

Federal diesel fuel tax increases, the federal use tax increase and the array of federal excise tax increases add an additional \$4,151 to the state taxes on the five axle semi for a total of \$9,580 per year per truck. A cost of 14 cents per mile.

The federal tax increases represent a 133% increase in the federal taxes of \$1,785 paid prior to the enactment of the Federal Surface Transportation and Assistance Act of 1983... there wasn't much "assistance" to truckers in that act.

We're opposed to House Bill 735, not because of any change in our policy to support the highway program in Montana.....but simply because.....WE CANNOT AFFORD IT.....

The Montana Motor Carriers Association has some 450 Carrier and Supplier Members, all of whom are employers and range in size from a one-truck operation to medium size companies operating fleets of trucks up to 300 plus in numbers. We have only a handful of large out-of-state carriers as members of MMCA. 95% of our Montana based trucking companies operate in several states, some in all 48 states. They have to if they are to survive. Because of the economics, few trucking companies I know of can operate profitably solely within Montana. Some trucking operations such as log hauling, wood chip hauling, and livestock hauling are operating solely within Montana; however, their economic well being is marginal at best and unprofitable at worst.

In 1983, for example, from reports to the PSC, 56 Montana regulated livestock carriers reported a combined revenue from livestock hauling within Montana of \$3.15 million and expenses of \$3.19 million...an operating ratio of 101% or a loss of 1% AND THAT WAS BEFORE INCREASED FEDERAL AND TRUCK TAXES AND 6 MONTHS OF STATE INCREASED TAXES.

The burden of the "cost squeeze" faces all our members and the problem has grown to acute levels. Costs of doing business, including those imposed by governments at the federal and state levels, are among major costs adversely affecting the trucking industry in the State. Some I've already mentioned. There are others....Montana Worker's Compensation premiums for truckmen increased 50% two years ago and are threatened with an additional 35% hike....Unemployment Compensation premium costs will go up approximately 40% for trucking companies to offset a large deficit balance in that trust fund.

Trucking industry liability insurance rates, effective January 1, 1985, increased ranging from 50% to 400% because of government required liability limits for general commodity carriers to \$750,000, \$1 million for non-bulk hazardous materials, and trucks carrying bulk hazardous materials to \$5,000,000.....

Cargo insurance rates have increased from 50% to as high as 370%....these rates are not manual rates or not published in a book but are based on certain criteria of the company....the most important is the carrier's perceived financial health....in other words, the poorer a company's financial status, the higher the rate.

All of these factors, together with partial deregulation of interstate trucking in 1980, coupled with the 1981-1982 recession during which time many carriers scraped by with chewing gum and rubber bands, cutting rates in an effort to keep customers while putting off capital improvements....all of these have added up to adversely affect trucking operations bringing some to the brink.

In the last two or three months, two companies, Salt Creek Freightways and Tomahawk Transportation have filed for bankruptcy since January 1 of this year.

Another Montana Carrier, Transystems has moved 80% of its employees that were based in Montana out of Montana. Because of the drop in industrial activity, the company has placed nearly all of its Montana trucking properties in the market for sale and anticipates that in the near future its operations in Montana will consist of only a few contractual projects.

No doubt others will follow suit.

I point out all these cost factors because they are, cost, factors affecting the bottom line....the "cost squeeze".

It's appropriate, I think, to remind this committee that Montana is the most remote, transportation dependent state in the Union. To serve the same number of people that would be served in the industrial northeast United States, a truck in Montana must travel 12 times farther over roads paid for only by 7% of the number of people per mile as the industrial northeast. Transportation burdens in Montana are staggering and the principal users of our services, the farmers, ranchers and timber industry, are in no position to pay the bill.

As the inability to pay higher transportation costs increases, it is simple for the motor carrier industry to reduce in size, find alternatives, or leave the state. Unfortunately the latter is the option most frequently used. Total state and federal Highway use taxes alone now are pushing and in many cases exceed \$1,000 a month on Montana based over-the-road vehicles that travel 100,000 or 120,000 miles annually. With the impact of property taxes on trucks plus highway taxes, I believe that we would find that Montana has the fourth most highest taxed vehicles in the entire nation. (Arizona \$8,474; Colorado \$6,256; Oregon \$6,010 Montana \$5,429) Only Colorado of those states mentioned, assess a property tax on trucks, in addition to highway users taxes.

We question seriously whether further tax increases of any kind is an intelligent approach for a state that both requires more transportation per capita than any other state in the Union and whose principal industries of agriculture, timber, mining and petroleum are transportation intensive. It's time to stop increasing taxes and unnecessary costs to employers in the state....WE CAN STAND NO MORE....

We urge the defeat of HB 735.

ADDENDUM TO MMCA STATEMENT OF HB 735

A typical combination as follows:

An 80,000 pound five axle tractor semi trailer combination....  
tractor valued at \$75,000 and semi-trailer valued at \$22,000.  
Estimated fuel consumption of 14,583 gallons traveling 70,000  
miles in the State. This unit is used as basis for Federal  
Highway Administrations Road User and Property Taxes Report.  
However, in Montana 100,000 miles to 120,000 miles per year  
are more realistic.

Tax Description	Current Tax Rate	Tax Cost
Montana GVW Tax	schedule	\$ 991.00
Montana Misc. Truck		\$ 139.00
Montana Diesel Fuel	.17 per gallon	\$2,479.00
Montana Property Tax	state wide avg. mileage	<u>\$1,820.00</u>
Total Montana Taxes		\$5,429.00
Federal Heavy Truck Tax	*	\$ 550.00
Federal Misc. Excise Taxes	**	\$1,414.00
Federal Diesel Fuel Tax	.15 per gallon	<u>\$2,187.00</u>
Total Federal Taxes		\$4,151.00
<u>Total Montana and Federal Taxes</u>		<u>\$9,580.00</u>

\* \$100 plus \$22 for each additional 1,000 pounds, maximum \$550

\*\* Trucks/Trailer excise tax, tire tax, Parts & Accessories, Lube oil tax

Note:

100,000 miles	Montana Fuel Tax \$3,541	Federal \$3,125 = \$6.666
120,000 miles	Montana Fuel Tax \$4,250	Federal \$3,750 = \$8,000



# GVW TAXES

Growth of highway trust fund revenues from GVW fees, including International Registration Plan Sources.

<u>Fiscal Year</u>	<u>Revenue *</u>
1975	\$10,250,000
1976	\$13,250,000
1977	\$14,060,000
1978	\$15,400,000
1979	\$17,850,000
1980	\$18,200,000
1981	\$19,700,000
1982	\$21,000,000
1983	\$21,800,000

\* Average percentage growth per year is 10% per year plus per year total revenues have increased 113% since 1975.

## § 190. Oath; requirement; form; blanks

West's Federal Forms

Jurat, see § 1487.

## § 191. Disposition of moneys received

All money received from sales, bonuses, royalties including interest charges collected under the Federal Oil and Gas Royalty Management Act of 1982 [30 U.S.C.A. § 1701 et seq.], and rentals of the public lands under the provisions of this chapter and the Geothermal Steam Act of 1970 [30 U.S.C.A. § 1001 et seq.], notwithstanding the provisions of section 20 thereof [30 U.S.C.A. § 1019], shall be paid into the Treasury of the United States; 50 per centum thereof shall be paid by the Secretary of the Treasury to the State other than Alaska within the boundaries of which the leased lands or deposits are or were located; said moneys paid to any of such States on or after January 1, 1976, to be used by such State and its subdivisions, as the legislature of the State may direct giving priority to those subdivisions of the State socially or economically impacted by development of minerals leased under this chapter, for (i) planning, (ii) construction and maintenance of public facilities, and (iii) provision of public service; and excepting those from Alaska, 40 per centum thereof shall be paid into, reserved, appropriated, as part of the reclamation fund created by the Act of Congress known as the Reclamation Act, approved June 17, 1902, and of those from Alaska, 90 per centum thereof shall be paid to the State of Alaska for disposition by the legislature thereof: *Provided*, That all moneys which may accrue to the United States under the provisions of this chapter and the Geothermal Steam Act of 1970 from lands within the naval petroleum reserves shall be deposited in the Treasury as "miscellaneous receipts", as provided by section 7433(b) of Title 10. All moneys received under the provisions of this chapter and the Geothermal Steam Act of 1970 not otherwise disposed of by this section shall be credited to miscellaneous receipts. Payments to States under this section with respect to any moneys received by the United States, shall be made not later than the last business day of the month in which such moneys are warranted by the United States Treasury to the Secretary as having been received, except for any portion of such moneys which is under challenge and placed in a suspense account pending resolution of a dispute. Such warrants shall be issued by the United States Treasury not later than 10 days after receipt of such moneys by the Treasury. Moneys placed in a suspense account which are determined to be payable to a State shall be made not later than the last business day of the month in which such dispute is resolved. Any such amount placed in a suspense account pending resolution shall bear interest until the dispute is resolved.

(As amended Apr. 21, 1976, Pub.L. 94-273, § 6(2), 90 Stat. 377; Aug. 4, 1976, Pub.L. 94-377, § 9, 90 Stat. 1090; Sept. 28, 1976, Pub.L. 94-422, Title III, § 301, 90 Stat. 1323; Oct. 21, 1976, Pub.L. 94-579, Title III, § 317(a), 90 Stat. 2770; Jan. 12, 1983, Pub.L. 97-451, Title I, § 104(a), 111(g), 96 Stat. 2451, 2456.)

**References in Text.** The Federal Oil and Gas Royalty Management Act of 1982, referred to in text, is Pub.L. 97-451, Jan. 12, 1983, 96 Stat. 2447, which is classified principally to chapter 29 (section 1701 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note under section 1701 of this title and Tables volume.

The Geothermal Steam Act of 1970, referred to in text, is Pub.L. 91-581, Dec. 24, 1970, 84 Stat. 1566, which is classified principally to chapter 23 (section 1001 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of this title and Tables volume.

The Reclamation Act, referred to in text, is Act June 17, 1902, c. 1093, 32 Stat. 388, as amended, which is classified generally to chapter 12 (section 371 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see

Short Title note set out under section 371 of Title 43 and Tables volume.

**Codification.** "Section 7433(b) of Title 10" was substituted for "the Act of June 4, 1920 (41 Stat. 813), as amended June 30, 1938 (52 Stat. 1252)", which had been classified to section 524 of former Title 34, Navy, on authority of section 49(b) of Act Aug. 10, 1956, c. 1041, 70A Stat. 640, section 1 of which enacted Title 10, Armed Forces.

Provisions which authorized the payment of monies to the Territory of Alaska were omitted as superseded by the provisions authorizing the payment of monies to the State of Alaska.

**1983 Amendment.** Pub.L. 97-451, § 104(a), struck out provision which had directed that moneys received by the Treasury of the United States from sales, bonuses, royalties, interest charges, and rentals of public lands be paid out by the Secretary of the Treasury to the States "as soon as practicable after March 31 and September 30 of each year" and added provisions directing that

Exhibit 3  
HB 735  
3/12/85  
Ray HAVIK

UNITED STATES TAX RATE

July 1, 1984

STATE	GASOLINE	DIESEL	INSPECTION FEES
California	.09		
Colorado	.12	.13	
Idaho	.145	.145	
Iowa	.13		
Kansas	.11		.005 Bbl.
Montana	.15	.17	
Nebraska	.149		
Nevada	.12		.0005 Gal.
New Mexico	.11		
North Dakota	.13	.13	.00025 Gal.
Oregon	.09		
South Dakota	.13	.13	
Texas	.05	.065	
Utah	.14		
Washington	.18	.18	
Wyoming	.08		

Effective April 1, 1983, Federal Gasoline and Distillates Tax increased from \$0.04 per gallon to \$0.09 per gallon

Exhibit 4

HB 822

3/12/85

Rep Sahye

# MONTANA

## AIRPORT DIRECTORY



MONTANA  
AERONAUTICS DIVISION

4

Exhibit 5  
HB 822  
3/12/85  
Rep. Schye



(5)  
(K)

# MONTANA

## AERONAUTICAL CHART

Exhibit 6  
HB 822  
3/12/85  
Rep. Schye

AERONAUTICS DIVISION

Funding Projections

At Current 1¢ per Gallon Aviation Fuel Tax

	<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>	<u>FY89</u>
Beginning Acct. Balance (w/o Airport Lic. Mod.)	426,266	242,181	84,466	(66,931)	(266,284)
Income					
Aviation Fuel Tax	321,000	321,000	321,000	321,000	321,000
Other Income	<u>184,000</u>	<u>171,000</u>	<u>151,500</u>	<u>128,500</u>	<u>96,500</u>
Total Income	505,000	492,000	472,500	449,500	417,500
*Expenses (Current Level)	(689,085)	(649,715)	(623,897)	(648,853)	(674,807)
Ending Account Balance	<u>242,181</u>	<u>84,466</u>	<u>(66,931)</u>	<u>(266,284)</u>	<u>(523,591)</u>

\* All expenses are based on budgeted levels with inflation of 4 percent added to personal services in fiscal years 1986 and 1987. Inflation of 4 percent is added to all budget lines for fiscal years 1988 and 1989.

4  
 Exhibit  
 #B 822  
 3/12/85  
 Rep. Schye

FUEL TAX COMPARISONS  
 February 1985

STATE	STATE FUEL TAX			SALES TAX ON FUEL	REBATES	AERONAUTICS FUNDED BY		
	GA	AIRLINES				FUEL TAX	GEN. FUND	REG. FEES
COLORADO	NO	NO	3%	NO	NO	NONE		
IDAHO	.035	.035	NO	NO	NO	YES	NO	YES
MICHIGAN	.03	.03	NO	YES <sup>1</sup>	YES	YES	NO	YES
MINNESOTA	.05	.05	NO	YES <sup>2</sup>	YES	YES	NO <sup>3</sup>	YES
MONTANA	.01 <sup>4</sup>	.01 <sup>4</sup>	NO	NO	YES	YES	NO	YES
NEBRASKA	.05	.03	NO	NO	YES	YES	NO	NO
NORTH DAKOTA	4%	4%	NO	YES <sup>5</sup>	YES	YES	NO	YES
OHIO	NO	NO	5% (GA ONLY)	NO	NO	NO	YES <sup>6</sup>	YES
OREGON	.03	.005	NO	YES <sup>7</sup>	YES	YES	NO	YES
SOUTH DAKOTA	.06 <sup>8</sup>	.04 <sup>8</sup>	NO	YES	YES	YES	NO	NO
UTAH	.04	.04	NO	NO	YES	YES	NO	NO
WASHINGTON	3% <sup>9</sup>	NO	7-8.5%	NO	YES	YES	NO	YES
WISCONSIN	.06	NO	NO	NO	YES	YES	YES <sup>9</sup>	YES
WYOMING	.04	.04	NO	NO	NO	NO	YES	NO

- 1- \$.015 rebate to airlines
- 2- Fuel tax \$.05 maximum. (\$.05 to 50,000 gal.; \$.02 50,000-150,000 gal.; \$.01 150,000-200,000 gal.; \$.005 over 200,000 gal.)
- 3- Aeronautics Division receives airline flight property taxes
- 4- Aeronautics Division receives approximately \$320,000/year from fuel taxes
- 5- \$.08 maximum fuel tax. Rebate of any amount over \$.08/gal
- 6- Aeronautics Division receives all of revenue generated by fuel sales tax
- 7- No fuel tax to international flights
- 8- \$.04/gal on all jet fuel, \$.06/gal on all avgas
- 9- Aeronautics Division receives airline flight property taxes

### Tax as Percentage of Price

The aviation fuel tax has been 1¢ per gallon since it was first levied in 1945. At that time, aviation fuel sold for 26¢ per gallon. Thus, the tax constituted 3.8 percent of price. Currently, almost 40 years later, aviation fuel sells for about \$2.00 per gallon. With the tax still at 1¢ per gallon, it now amounts to .5 percent of price. The following table compares tax as a percentage of price at five levels.

<u>Price Per Gallon</u>	<u>Tax</u>	<u>Tax as Percentage of Price</u>
\$ .26	\$ .01	3.8
2.00	.01	.5
2.00	.02	1.0
2.00	.03	1.5
2.00	.04	2.0

The table shows that even if the tax was raised to 4¢ per gallon, it would amount to only 2 percent of price or 1.8 percent less than the tax rate in 1945.

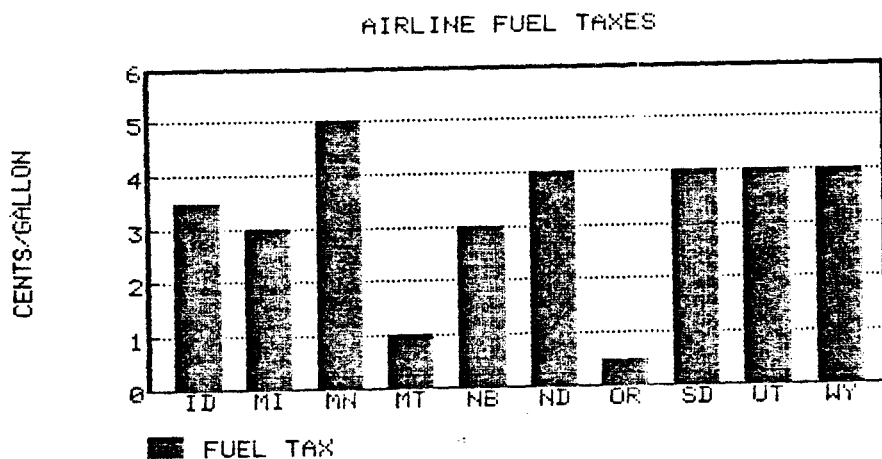




Exhibit 8  
HB 822  
3/12/85  
Rep. Schye

AERONAUTICS AVIATION FUEL TAX INCOME

	Fiscal 1975	Fiscal 1976	Fiscal 1977	Fiscal 1978	Fiscal 1979	Fiscal 1980	Fiscal 1981	Fiscal 1982	Fiscal 1983	Fiscal 1984	Fiscal 1985
July	\$37,701.40	\$31,371.54	\$30,839.05	\$34,580.86	\$28,187.64	\$37,895.20	\$37,188.23	\$34,278.91	\$30,647.59	\$26,850.64	\$26,070.64
August	33,924.58	29,640.96	35,877.85	33,341.26	20,641.04	20,131.81	47,934.86	39,530.16	\$21,061.14	21,177.55	39,349.10
Sept.	33,146.77	45,612.09	18,461.44	36,992.70	37,413.19	61,934.80	47,934.86	39,530.16	\$27,803.95	35,117.83	8,710.49
Oct.	17,318.25	29,992.42	44,016.42	29,865.54	28,855.25	30,684.78	29,101.77	31,291.11	\$25,363.31	38,800.71	52,515.93
Nov.	47,307.96	4,547.19	31,546.39	27,811.66	25,222.68	14,135.70	25,694.10	40,382.40	\$48,020.09	16,370.45	24,018.34
Dec.	27,284.10	39,548.01	14,133.88	27,537.86	1,652.00	48,639.05	30,218.89	11,325.06	\$15,227.78	24,444.17	12,306.82
Jan.	31,348.49	25,615.65	42,892.87	27,963.83	60,751.11	30,940.71	33,206.73	23,430.33	\$30,034.75	25,853.59	32,267.47
Feb.	None	28,365.93	20,891.17	23,327.95	14,840.64	10,117.06	6,131.99	1,049.35	\$24,560.04	23,283.02	
March	57,478.58	37,207.95	22,716.47	23,128.50	43,040.31	42,466.85	51,198.57	45,070.38	\$27,667.31	34,627.51	
April	20,450.00	28,683.12	36,430.70	26,261.15	30,902.64	29,575.09	27,120.04	19,578.15	\$17,307.93	5,524.67	
May	38,612.52	28,239.04	26,309.04	28,480.09	30,000.61	26,483.23	23,806.62	20,790.63	\$32,144.65	42,005.55	
June	30,594.00	27,854.91	28,430.76	21,572.43	34,695.11	31,210.92	27,251.90	21,871.18	\$25,348.19	27,139.26	
	\$375,166.65	\$355,678.81	\$352,546.85	\$340,863.83	\$356,202.22	\$384,215.20	\$386,788.56	\$328,127.82	\$325,186.73	321,194.95	
	\$31,263.89	\$29,639.90	\$29,378.90	\$28,405.32	\$29,683.52	\$32,017.93	\$32,232.38	\$27,343.99	\$27,098.89	26,766.25	

195, 238.75

27,891.26

Exhibit 9  
HB 822  
3/12/85  
Rep. Schye

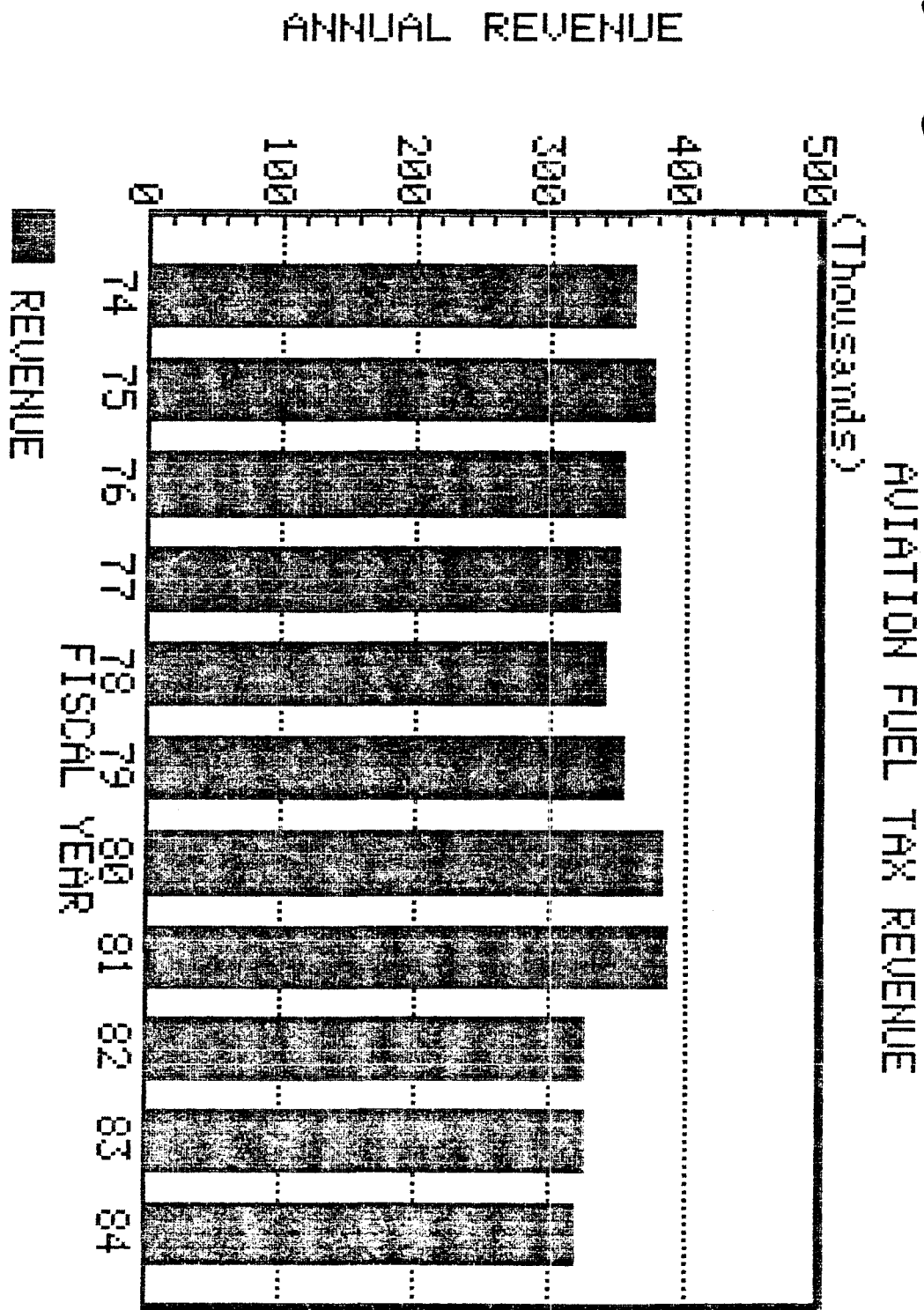


Exhibit ~~9~~ 10  
 HB 822  
 3/12/85  
 Rep. Schye

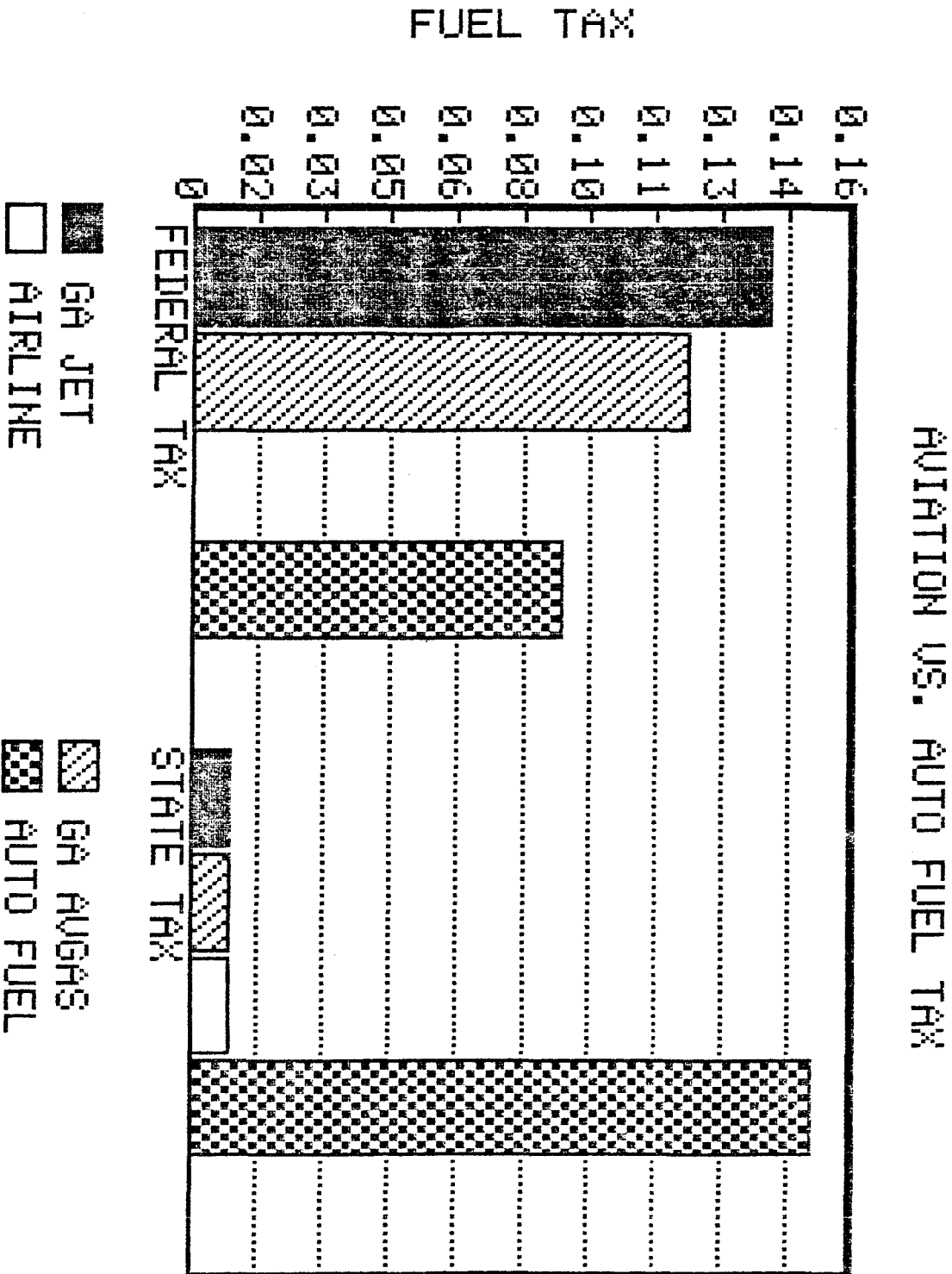
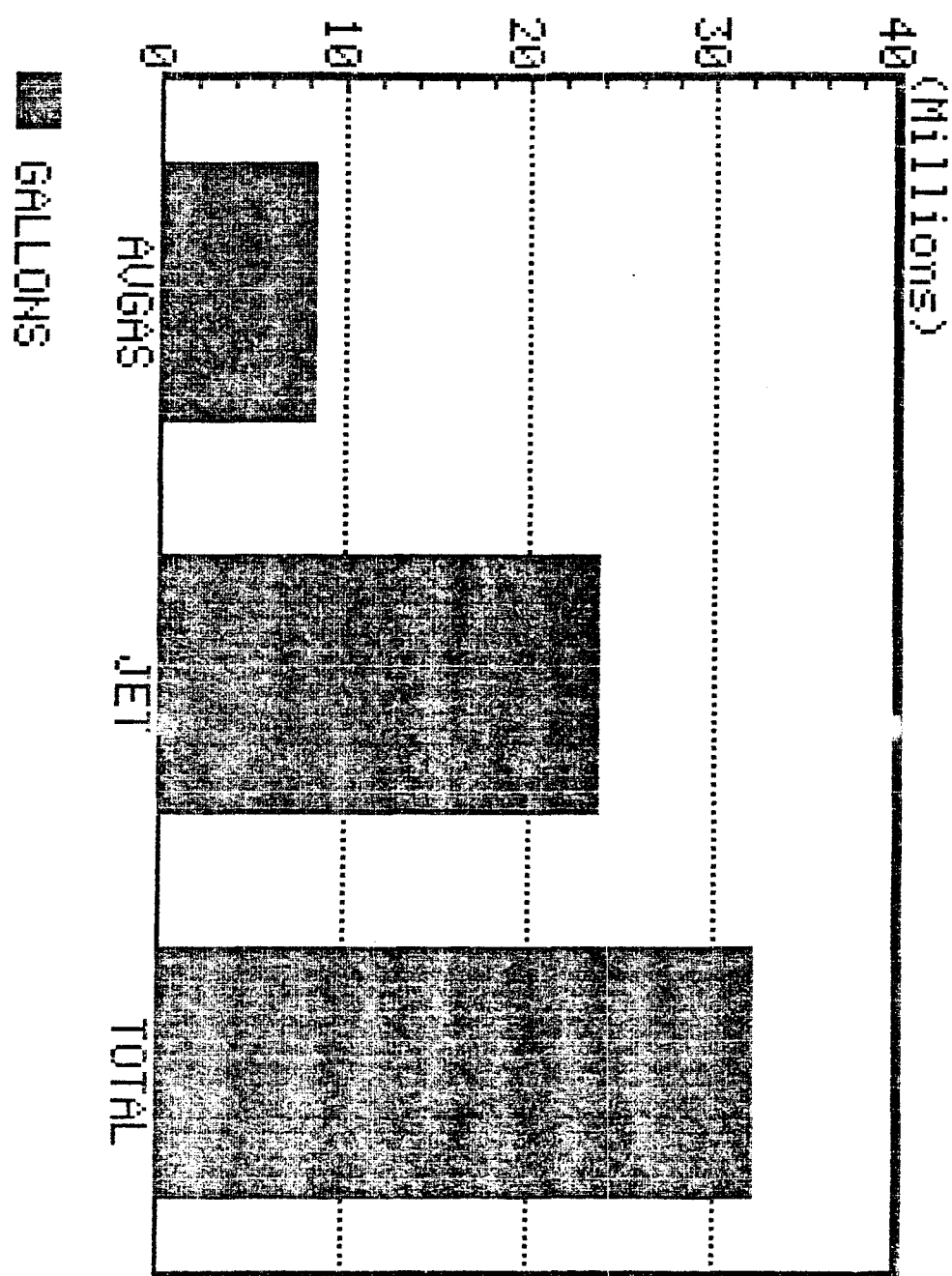


Exhibit A  
HB 822  
3/12/85  
Rep. Schye

# FUEL PURCHASED IN GALLONS



SOURCE: DEPARTMENT OF REVENUE REPORTS

AVIATION FUEL PURCHASED IN MONTANA 1984

Aviation Gasoline  
January, 1985

NAME	AV. GAS	JET FUEL	TOTAL GALLONS	DATE
Beacon Carter Service	9,000		9,000	12/84
City Service (Kalispeell)	24,532	19,099	43,631	12/84
Conoco Inc.	10,501	487,040	497,541	12/84
Exxon Corporation	137,001	647,515	784,516	11/84
Exxon Corporation	97,000	815,531	942,531	12/84
Hendrickson Oil Co.	212		212	12/84
Exxon Service	2,185		2,185	12/84
Montana Refining	330,360	528,259	858,619	12/84
Phillips Petroleum	34,718		34,718	12/84
RMT Properties	17,002	19,701	36,703	12/84
Shucks Gas & Oil	6,500		6,500	12/84
Valley Oil Company		8,000	8,000	12/84
Gasoline Used as Aviation	2,591		2,591	12/84
TOTAL GALLONS	671,602	2,555,145		
Total Gallons Av. Gas & Jet Fuel			3,226,747	
Aeronautics Allocation			\$32,267.47	

Please return the enclosed copy of this report to Motor Fuels Tax Division, Mitchell Bldg, Helena, MT to the attention of Mr. Norris Nichols, Administrator.

Signed *[Signature]*  
Title Administrator

# Air Transport Association



OF AMERICA

Daniel Z. Henkin  
Vice President — Public Information

1709 New York Avenue, NW  
Washington, DC 20006  
Phone (202) 626-4000

IMMEDIATE RELEASE

## AIRLINE PASSENGER TRAFFIC SCORES RECORD IN JANUARY

Exhibit 1  
HB 822  
3/12/85  
Rep. Schy

WASHINGTON, Feb. 20 — The U.S. airlines set a January traffic record of more than 20.4 billion revenue passenger miles, a 10.1 percent gain over the same month last year, the Air Transport Association said today.

A passenger mile represents one passenger flown one mile. The previous January record occurred with more than 18.5 billion passenger miles produced in the first month of 1984.

Domestic passenger traffic in January, 1985, rose 10.9 percent. The load factor was 54.3 percent, up from 52.3 percent in January of last year.

International passenger traffic in January was up 6 percent. Load factor was 59.4 percent, up from 57.9 percent in January, 1984.

The total passenger load factor in January, including both domestic and international, rose to 55.0 percent from 53.1 percent in the same month a year earlier. Available seat miles were up 6.3 percent.

\*\*\*\*

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FEB 25 1985

MONTANA AERONAUTICS DIVISION  
HELENA, MONTANA

#7 2/20/85

12

PRELIMINARY PASSENGER TRAFFIC STATISTICS  
U.S. SCHEDULED AIRLINE INDUSTRY

---

JANUARY 1985 - 1984

		RPM'S (000)	ASM'S (000)	LOAD FACTOR
DOMESTIC	85	17,230,671	31,730,850	54.3
	84	15,538,764	29,705,412	52.3
PERCENT CHANGE		10.9	6.8	
INTERNATIONAL	85	3,218,309	5,420,145	59.4
	84	3,036,618	5,247,740	57.9
PERCENT CHANGE		6.0	3.3	
TOTAL	85	20,448,980	37,150,995	55.0
	84	18,575,382	34,953,152	53.1
PERCENT CHANGE		10.1	6.3	

---

CARRIERS INCLUDED: AMERICAN, DELTA, EASTERN, NORTHWEST (DOMESTIC ONLY),  
PAN AM, PIEDMONT, REPUBLIC, TRANS WORLD, UNITED,  
USAIR, WESTERN, AIRCAL, ALASKA, ALOHA, BRANIFF, FRONTIER,  
HAWAIIAN, MIDWAY, OZARK, AND PSA.

Exhibit 13  
HB 822  
3/12/85  
Rep. Schyc

The following facts and figures were taken from Northwest Airlines brochure which was distributed to the 1983 legislature, "Northwest Orient and the Montana Community":

Boardings in Montana in 1982                      328,000

Assumed (very conservative)  
average ticket cost                      X \$350\*\*

GROSS INCOME TO NORTHWEST IN 1982 - MONTANA ONLY                      \$114,800,000

Taxes Paid	\$ 340,000
User Fees Paid	764,000
Fuel Purchased	842,000
Employee Payroll	2,800,000
Supplies Purchased	<u>2,700,000</u>

TOTAL EXPENDITURES TO OPERATE IN MONTANA                      7,446,000

NET TAKEN OUT OF MONTANA                      \$107,354,000

\*\*Only an estimate - not included in brochure



Exhibit 14  
HB 822  
3/12/85  
Rep. Schye

FRONTIER AIRLINES BILLINGS TO MISSOULA

EQUIPMENT - Boeing 737-200

SEATS - 107

TRIP TIME - 55 minutes (.92 Block hour)<sup>1</sup>

FUEL BURN - 690 gallons<sup>2</sup>

INCREASED COST OF TRIP WITH \$.02/GALLON INCREASE - \$13.80

INCREASED COST PER SEAT, BILLINGS TO MISSOULA - \$0.13

NORTHWEST AIRLINES BILLINGS TO MISSOULA

EQUIPMENT - Boeing 727-200

SEATS - 120

TRIP TIME - 1 Hour, 15 minutes (1.25 Block hour)<sup>3</sup>

FUEL BURN - 1,480 gallons<sup>4</sup>

INCREASED COST OF TRIP WITH \$0.02/GALLON INCREASE - \$29.60

INCREASED COST PER SEAT, BILLINGS TO MISSOULA - \$0.25

<sup>1</sup>Block Time obtained from Billings Operations Personnel

<sup>2</sup>Fuel burn computed based on 750 gallons/hour as based on United Airlines System Average provided in AIR TRANSPORT WORLD, February, 1985. Figure prepared by AVMARK, Inc. from the I.P. Sharp C.A.B. form 41 Database.

<sup>3</sup>Block Time obtained from System Timetable of Northwest Airlines, effective 10/28/84

<sup>4</sup>Fuel burn per block hour obtained from Northwest Airlines

MONTANA PUBLIC USE AIRPORTS  
1985 UPDATE

Exhibit 15  
HB 822  
3/12/85  
Rep. Schye

Anaconda	NASP	Drummond	
Ashland *	NASP	Dutton	Future NASP
Augusta		East Poplar	
Babb		Ekalaka	NASP
Baker	NASP	Ennis-Big Sky <u>/1</u>	
Belle Creek		Ennis-Sportsman <u>/1</u>	NASP
Benchmark	NASP	Eureka	NASP
Big Fork	Future NASP	Fairfield	
Big Sandy	NASP	Fairview	
Big Timber	NASP	Forsyth	NASP
Billings	NASP	Fort Benton	NASP
Boulder		Fortine *	
Bozeman	NASP	Gardiner	NASP
Brady *		Geraldine	
Bridger	Future NASP	Glasgow	NASP
Broadus	NASP	Glendive	NASP
Browning		Great Falls	NASP
Butte	NASP	Hamilton	NASP
Chester	NASP	Hardin	NASP
Chinook	NASP	Harlen	NASP
Choteau	NASP	Harlowton	NASP
Circle	NASP	Havre	NASP
Clinton		Helena	NASP
Colstrip	NASP	Hinsdale	
Columbus	NASP	Hogeland	
Condon		Hot Springs	
Conrad	NASP	Hysham	Future NASP
Culbertson	NASP	Jackson	
Cut Bank	NASP	Jordan	NASP
Deer Lodge	NASP	Kalispell-City	Future NASP
Dell		Kalispell-GPIA	NASP
Denton		Laurel	NASP
Dillon	NASP	Lavina	
Del Bonita			

# MONTANA PUBLIC USE AIRPORTS

## 1985 UPDATE

Lewistown	NASP	Spotted Bear	
Libby	NASP	Stanford	NASP
Lincoln	NASP	Stevensville	NASP
Livingston	NASP	Sunburst	
Malta	NASP	Superior	NASP
Meadow Creek		Sweetgrass	
Medicine Lake		Terry	NASP
Miles City	NASP	Thompson Falls	NASP
Missoula	NASP	Three Forks	NASP
Morgan		Tiber Dam	
Opheim		Townsend	NASP
Philipsburg	NASP	Townsend-Canyon Ferry	
Plains	NASP	Troy	
Plentywood	NASP	Turner	NASP
Polson	NASP	Twin Bridges	NASP
Poplar	NASP	Valier	NASP
Red Lodge	NASP	West Yellowstone	NASP
Richey		Whitefish	
Ronan	NASP	White Sulphur Springs	NASP
Roundup	NASP	Wilsall	
Ryegate		Winifred	NASP
St. Ignatius		Wisdom	
Scobey	NASP	Wolf Creek	
Schafer		Wolf Point	NASP
Seeley Lake			
Shelby	NASP		
Sidney	NASP		
		<u>116 Total Airports</u>	
		70 NASP	
		41 Non NASP	
		5 Future NASP	

NASP-National Airport System Plan

/1 Ennis NASP qualified, location undetermined

\* Indicates privately owned, opened to public

Exhibit 16  
HB 822  
3/12/85  
Air Carriers

Amendments to HB 822:

1. Title, line 5.

Following: "FUEL"

Insert: "FOR ALL PURCHASERS EXCEPT AIR CARRIERS"

2. Page 1, line 17.

Following: "~~1 cent~~"

Strike: "3 cents for each gallon of aviation gasoline, which"

Insert: ": (a) 1 cent for each gallon of aviation gasoline sold to an air carrier certificated under sections 401 <sup>or</sup> 418 of the Federal Aviation Act of 1958 (49 U.S.C. 1371 and 1388) as that act reads on July 1, 1985.

(b) 3 cents for each gallon of aviation gasoline sold to all other purchasers.

(c) The tax"

3. Page 2, line 21.

Following: "~~cent~~"

Strike: "3 cents"

4. Page 5, line 6.

Following: "gallon"

Insert: "collected under subsection (1)(b)"

After Correction  
which

(16)

Exhibit 17  
HB 822  
3/12/85  
Wheeler

Mr. Chairman, Members of the Committee

March 12, 1985

STATEMENT OF STEVEN D. WHEELER  
REPRESENTING NORTHWEST AIRLINES AND  
OTHER MAJOR AIRLINES SERVING MONTANA

My name is Steven D. Wheeler. I am the Corporate Secretary and Counsel for Northwest Airlines and the designated Air Transport Association public affairs coordinator for Western Airlines, Frontier Airlines and United Airlines.

My purpose is to express the opposition of the major airlines to HB 822 which would increase the aviation fuel tax by 2¢ per gallon.

Airline - Montana Partnership

The airlines view their relationship with Montana as a partnership--by which both will grow and benefit. In all partnerships each partner makes a certain contribution.

Contributions to Montana by Major Airlines

1. Provide needed important air service to passengers and shippers to and from the other states and the world thus promoting the economic development of the State.
2. Provide employment to hundreds of Montana citizens.
3. Purchase goods and services from Montana businesses.
4. Pay state and local taxes and pay landing and rental fees to airports used by the airlines. In 1984 the major airlines paid over \$4,700,000 in these areas, including \$1,377,498 in taxes.
5. Provide funds and services to promote tourism in the State. In 1984-5 Northwest contributed over \$100,000 to co-sponsor tourism brochures and transport Montana tourism officials and tour operators on sales blitzes to numerous U.S. cities. In 1984 alone Northwest spent almost \$500,000 on advertisements promoting Montana destinations.

Airline Reasons for Opposing Aviation  
Fuel Tax Increase

1. Major Airport Funding.

The funds raised by the tax are not necessary to support the airports facilities used by the major airlines. If there is a need for funds at the larger airports the mechanism already exists to determine the extent of need for funds and method of payment associated with necessary airport development

and maintenance. This mechanism is the negotiation process of give and take based on justification and accountability between the airport and airlines. This process has met the needs of major airports in Montana and the rest of the U. S. for many years.

2. Smaller Airport Funding

Following the principle that those who use and benefit should pay for their privileges the funding of airports not served by airlines should not be paid for by airlines. Exactly which users and beneficiaries of the smaller airports should share in the costs should be left to the users and governmental interests involved.

3. H.B. 224

The Long Range Planning Committee is currently considering H. B. 224 which would provide \$1.7 million to support the very goals of HB 822. It is the sequel to a very successful bill passed in the last session for \$1.3 million. Under HB 224 bonds would be sold. The funds raised would be loaned to airports to use as matching funds needed to obtain federal Airport Improvement Program funds of approximately \$15.3 million. The airports would repay the loans. These repayments would retire the bonds. If loans were made to airports served by airlines the airport officials would require the airlines to pay their share of the loan through landing fees and rental charges. The current bill (HB 822) seems to be redundant.

4. The effect of HB 822 is unfair, inequitable, and arbitrary:

a. The tax is unfair because it would substantially increase the dollar cost and represents a 200% increase in the current tax.

b. The tax is inequitable because it taxes airlines without offering a corresponding benefit.

c. The tax is arbitrary because it is unrelated to the needs of any particular airport since it is based on fuel flowage.

5. The tax may result in double taxation of the airlines since almost 60% of the funding of the trust fund would be paid by the airline and airports could require the airlines to repay all loans (with interest) to the airport from the fund.

Summary--one of the basic premises of a healthy partnership is that each partner be treated fairly. Currently the airlines pay their share plus contributing to the Division of Aeronautics, tourism, etc. We ask only to be treated fairly in the future. To that end we request that this unfair tax increase not be adopted.

Exhibit 18  
HB 822  
3/12/85

TESTIMONY OF FRONTIER AIRLINES

Mr. Chairman, Members of the Committee. My name is Carol Luther and I am the Manager of Public Affairs for Frontier Airlines. Frontier Airlines is a proud company with loyal employees. We've been in business since 1936, and today we are fighting for our life.

That is the reality. I am not seeking sympathy here this morning, because the employees have come up with a plan to buy Frontier through an Employee Stock Ownership Plan in an attempt to save ourselves. Our parent company has made it clear that our profit (or more accurately, our losses) have made us a liability, and they want to sell and they would prefer to shut us down,--sell the planes, put 5,300 people out of work and protect their shareholders interest. That is the reality, and those are the corporate breaks. We're doing everything in our power to keep Frontier flying--but we have our work cut out for us.

I am here to make this committee aware that increases in our cost of doing business must be carefully analyzed by our planners and projected forward--not with the goal of increasing our profits--but with the much more somber goal of (1) staying in business and (2) staying in business in Montana.

I know that in order for the employees to get the necessary financing, Frontier will provide a new Business Plan for the investors and banks. This plan, by definition, will have to change and grow to accommodate the kind of company we become.

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If we are successful in buying our company thru an Employee Stock Ownership Plan, we will reevaluate our costs, route system and entire way of doing business. We want to stay in business. We want to succeed with you in Montana.

If deregulation of the airlines forced the carriers to compete, which it did, it would seem to follow that states and cities of this country would have to do some competing of their own to attract and keep carriers who do not have to serve any market anymore.

That is Frontier's sense of reality. HB 822 flies in the face of my theory of competition and prohibitive costs. Frontier Airlines asks for your support in defeat of this bill.

Thank you.



Exhibit 19  
HB 822  
3/12/85  
Stinson, Marcy

Mr. Chairman and Committee Members:

My name is Marcy Stinson and I am employed by Montana Refining Company in Great Falls. We are a small refinery marketing several products one of which is Jet-A fuel.

This proposed \$0.02 tax increase would make Montana Refining Company non-competitive and force us to reduce our Jet-A price. To further my point, I would ask that you refer to the fuel summary handout.

Montana produced fuel at the Billings Refinery would cost:

\$1.00	rack price
.00833	freight
<u>.03</u>	State Tax (Proposed increase of \$0.02 plus \$0.01 present State Tax)
\$1.03833	

However, Montana produced fuel placed in the pipeline at Billings and shipped to Spokane would cost:

\$1.00	rack price
.0229	freight
<u>0</u>	tax
\$1.0229	

The difference in the Jet-A fuel is \$0.01543. Over <sup>\$0.015</sup>~~\$0.15~~ cheaper in Spokane, Washington for Montana produced fuel.

Montana Refining Company does not have a direct pipeline to Spokane. Our only option is/sell the fuel in ~~RM~~ Great Falls and absorb the loss.

Our refinery is having financial problems and our overall profits are marginal at best. HB 822 would reduce our profitability at least \$100,000 annually. Montana Refinery wants to remain in business in Montana, and urges opposition to this bill.

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## TYPE OF FUEL.

## DISTRIBUTION

EXAMPLE:		
	Billings	Spokane
cost	\$1.00	cost
airport freight	.00833	pipeline freight
Montana tax	.03	
		\$1.00
		.0229
		Billings cost
		Spokane cost
		Difference
		<u>\$ .01543</u>

With the fuel tax, Spokane has a competitive cost advantage of 1.543 cents per gallon over the Billings airport.

# Yellowstone Pipe Line Company

## Local Tariff Applying On Petroleum Products

Subject to the Rules and Regulations Named Herein

Shipping  
cost per  
gallon

From	To	Rate in Cents per Barrel of 42 United States Gallons	in cents
Billings, Montana	Spokane, Washington	◆ 93.5	.0223
	* Hillyard, Washington	◆ 94.5	
	Ⓐ Spokane International Airport * Spokane County, Washington	◆ 96	.0229
	* Fairchild Air Force Base, Washington	◆ 97	
	* Moses Lake, Washington	① ◆ 108	.0257
	Ⓐ * Grant County Airport, Washington	◆ 109.5	

Ⓐ Applies on Commercial Jet Fuel only.

\*Note Special Facilities Required in Section 10, Page 3, of This Tariff.

① Rate includes truck loading from shipper's tanks and incidental billing and clerical work.

◆ Denotes Increase.

▲ Change in wording which results in neither increase nor reduction in charges.

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

Issued May 1, 1984

Effective June 1, 1984

Issued by  
▲ J. R. Walsh, Vice President  
Yellowstone Pipe Line Company  
P.O. Box 2197  
Houston, Texas 77252

Mr. Chairman & members of the Committee:

My name is Larry Stanley. I have been employed by Western Airlines for 26 years, of which 18 have been in management. I have been a resident of Montana since 1947.

I am currently the Customer Service Manager in Helena and Butte. I am responsible for all activities in Butte and Helena that have anything to do with Western Airlines and have a total staff of 22 people.

I am asking that you consider my reasons for being against House Bill 822.

My reasons for being against House Bill 822 (or any other legislation that would increase the commercial airlines cost of serving Montana) are as follows.

- ① The commercial airlines currently contribute about 57% of the monies used to support the Montana Aeronautics through the current Aviation Fuel Tax. For the fuel tax revenue currently paid to the State of Montana, the airlines and our customers receive nothing in return.

② The statement has been made in past legislatures that the airlines merely pass on any costs to our customers. This statement has no validity for if it were true, every employee at Western Airlines would not have had to make wage and salary concessions. In my case, I have worked for 12.5% less salary since Dec 1981 and I have increased my productivity by 100% (I manage 2 stations rather than 1). I also have not had any wage increases of any kind since the fall of 1980.

all of my employees have taken wage cuts of 22% and increased their productivity by 8%. There are no wage increases likely for any of us in the foreseeable future.

The statement, that all costs are passed on to the customer is simply not true, for if it were, our employees would not have had to make the sacrifices mentioned above, nor would there be any airlines losing money. Our employees should not be asked to subsidize our company's increased cost of doing business in Montana.

all Montana employees have reduced Western Airlines cost of doing business in Montana by over \$250,000 a year and House Bill 822 will take approximately \$91,000 more a year from Western Airlines in increased fuel taxes, which means that 30% of what our employees have given up will go directly to the State of Montana.

Thank you.

Exhibit 21  
HBP22  
3/12/85  
Smith

MR. CHAIRMAN : MEMBERS OF THE COMMITTEE

My NAME IS ARDEN SMITH. I AM EMPLOYED BY NORTHWEST AIRLINES IN HELENA, MONTANA, I AM EMPLOYED AS A TRANSPORTATION AGENT. I HAVE BEEN IN THIS CAPACITY FOR 24 YEARS. I WAS BORN AND RAISED IN THE STATE OF MONTANA. I WAS AWAY FROM THE STATE FOR SEVERAL YEARS AS A NAVY VETERAN AND AFTER EMPLOYMENT WITH NORTHWEST AIRLINES, WHICH TOOK ME TO ANCHORAGE ALASKA FOR 3 YEARS AND THEN TO SEATTLE, WASHINGTON FOR 7 YEARS, I FINALLY RETURNED TO HELENA, WHERE I WISH TO STAY. I FEEL THAT I AM A MONTANA NATIVE AND I AM VERY CONCERNED ABOUT THE EVENTS AND HAPPENINGS IN THIS STATE.

BESIDES MY EMPLOYMENT WITH NORTHWEST AIRLINES, I AM THE LOCAL CHAIRMAN FOR THE BROTHERHOOD OF RAILWAY AND AIRLINE CLERKS, AIR TRANSPORT DIVISION, AFL-CIO, FOR THE STATE OF MONTANA, REPRESENTING EMPLOYEES IN THE TRANSPORTATION FIELD ON NORTHWEST AIRLINES.

My DUTIES VARY, FROM INTERPRETING CONTRACT LANGUAGE, FILING GRIEVANCES, IF NEEDED, AND A FAIR WORKING ROUTINE BETWEEN THE COMPANY AND EMPLOYEES.

next #.

WITH THIS IN MIND, I AM HERE TO TESTIFY  
IN OPPOSITION TO HB 822.

I FEEL THAT THE ADDED INCREASE IN COST TO  
THE COMMERCIAL CARRIERS IS NOT NEEDED, NOR  
JUSTIFIED. IT SEEMS, ALSO, THAT THERE IS NO  
APPARENT BENEFIT TO THE PRINCIPAL PAYERS.

I AM VERY CONCERNED AS AN EMPLOYEE OF NORTHWEST  
AIRLINES, WHAT THIS BILL COULD DO TO MY EMPLOYMENT,  
AS FAR AS STAYING IN MONTANA, WHERE I WOULD  
PREFER TO STAY, AND AS A UNION REPRESENTATIVE  
WHAT THE DIVERSE EFFECT WOULD BE ON OUR  
EMPLOYER, AND EMPLOYEES I REPRESENT.

THERE IS ALSO A VERY GREAT POSSIBILITY, THAT OUR  
EMPLOYER, COULD CURTAIL FLIGHT PATTERNS AND  
SCHEDULES. THIS IN EFFECT COULD BRING ABOUT  
LAYOFFS FOR EMPLOYEES OR POSSIBLE STATION CLOSURES.  
IF THESE POSSIBILITIES WERE TO HAPPEN, THE STATE  
OF MONTANA COULD STAND TO LOSE A VERY NEEDED  
MONEY INCOME FROM THE EMPLOYEES INVOLVED, WAGES  
AND TAXES SPENT IN THIS STATE, ALSO LOST TAXES,  
LANDING FEES AND RENT, PAID BY COMMERCIAL CARRIERS.

I THEREFORE URGE OPPOSITION TO HB 822.



EXHIBIT 22  
HB 822  
2/12/85  
Lob/e

TAXES AND FEES PAID BY MAJOR AIRLINES IN MONTANA  
DURING CALENDAR YEAR 1984

<u>FORM OF TAXES OR FEES</u>	<u>NORTHWEST</u>	<u>FRONTIER</u>	<u>WESTERN</u>	<u>UNITED*</u>
Corporate License Tax	\$ 56,200	\$ 50	\$ 50	\$ 99,000(e)
Property Tax	429,344	333,349	226,716	40
Unemployment	32,290	22,000	12,000	4,460
Fuel Tax	<u>62,435</u>	<u>46,514</u>	<u>45,800</u>	<u>7,150</u>
	\$ 580,269	\$ 401,913	\$ 284,566	\$110,650
Landing Fees	\$ 660,537	\$ 508,256	\$ 508,496	\$ 72,509
Rentals	<u>632,565</u>	<u>392,769</u>	<u>466,757</u>	<u>128,070</u>
	\$1,293,102	\$ 901,025	\$ 975,253	\$199,579
Grand Total	\$1,873,371	\$1,302,938	\$1,259,819	\$310,229
4 Airline Total		\$4,746,357		

\* These figures represent only a partial year's operations as United started service to Montana during 1984. United estimates that some of these figures (especially property and fuel tax and landing fees and rents) will be substantially increased for full year 1985.

Exhibit 23  
HB 652  
3/12/85  
Switzer

PROPOSED AMENDMENTS  
House Bill No. 652  
Second Reading (Yellow) Copy

1. Page 3, line 23.

Following: "i;"

Insert: "and"

2. Pages 3 and 4.

Following: "reclamation" on line 24 of page 3

Strike: the remainder of line 24 through "processes" on line 4 of page 4

3. Page 5, line 20.

Following: "reclamation"

Strike: the remainder of line 20 through "processes" on line 25

4. Page 6.

Following: "mine" on line 16

Strike: the remainder of line 16 through "thereto" on line 19

STATE OF MONTANA  
FISCAL NOTE

REQUEST NO. FNN338-85 (Amended)

Form BD-15

In compliance with a written request received March 8, 19 85, there is hereby submitted a Fiscal Note for H.B. 652 (Amended) pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION

An act to allow the deduction of certain costs from the net proceeds tax on mines applicable to nonmetallic mines and mining claims; amending sections 15-23-502 and 15-23-503, MCA; and providing an applicability date.

FISCAL IMPACT

There will be no impact during the 86-87 biennium because the act is applicable to tax years beginning after December 31, 1985.

The amended bill permits an additional deduction for reclamation costs. Such costs and their potential timing cannot be estimated within the time frame allowed for the completion of this note so a precise estimate of the fiscal impact cannot be given. One index of the amount involved is the value of reclamation bonds for nonmetallic mines. According to Department of State Lands records, there are approximately \$2.8M in reclamation bonds for such mines. In general, the value of reclamation bonds underestimates the actual cost of reclamation.

Exhibit 24  
HB 652  
3/12/85  
Switzer

(24)

David L. Hunter

BUDGET DIRECTOR  
Office of Budget and Program Planning

Date: March 12, 1985

## VISITORS' REGISTER

TAXATION

COMMITTEE

BILL NO. HOUSE BILL 822DATE March 12, 1985SPONSOR REPRESENTATIVE SCHYE

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
JAMES T MULAR	BRAC Butte		X
ARDEN R. SMITH	BRAC - NOVA ALN		X
LES LOBLE	Northwest Air Lines		X
Carol Lutter	Frontier Airlines		X
Steven Althuler	Northwest Airlines		X
H. P. Hoffman	Great Falls		X
Marcy Stinson	Beet		X
Kenneth Curtis	Helena		X
Marion Lewis	Mt Flying Farmers	X	
James E. Lewis	Mt. Flying Farmers	X	
Larry Stanley	Western Airlines		X
Jim KANE	Helena		X
Gerald Hays	Northwest Airlines		X
Don Kilgus	Northwest Airlines		X
Jim HOUGHTON	FPA	Neither	
John Sample	MATA	X	
Russ Pankey	Missoula Airport	X	
FRED LARK	Int-MBA \$ 99 <sup>MAD</sup> 5¢ <sup>Bar</sup>	X	
TED MATHIS	MAMA	X	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

## VISITORS' REGISTER

COMMITTEE

BILL NO.

DATE \_\_\_\_\_

SPONSOR

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

## VISITORS' REGISTER

TAXATION

COMMITTEE

BILL NO. HOUSE BILL 735DATE March 12, 1985SPONSOR REPRESENTATIVE SPAETH

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Ben Hudson	Missoula tv Carriers Helena		X
Gray Davis	Baird, truck stops Billings		X
John B. Bensenbeck	TOMMA		X
KEITH L. OLSON	KALISPELL		X
Larry Tobiasson	Mont. Auto Assn		X
LARRY HUSS	Mont. Highway Users		X
Stephen T. Vercan	Helena, MT		X
Bill Olson	MT. Contractors Assn Helena, MT	✓	
Pat Rust	Helena, MT		✓
Ann Ed Smith	Dirt #110		✓
Gary Wicks	Helena, MT	✓	
Daniel Hunter	" "	✓	
Spit J. Schaffer	Helena		✓
Doug Alexander	Boronia, MT - TOMMA		✓
Tom Bellairs	ASARCO, INC.		✓
Alec Hansen	WLCR - Helena	✓	
Gary Jackson	Urban Coalition	✓	
Paul M. Foster	Longmont	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

DATE \_\_\_\_\_

COMMITTEE ON \_\_\_\_\_

## VISITORS' REGISTER

[illegible]