

MINUTES OF THE MEETING  
TAXATION COMMITTEE  
49TH LEGISLATURE  
SPECIAL SESSION III  
HOUSE OF REPRESENTATIVES

June 27, 1986 A.M.

The seventh meeting of the taxation committee was called to order in room 312-1 of the state capitol at 9:03 a.m. by chairman Gerry Devlin.

ROLL CALL: All members were present with the exception of Representative Asay. Also present were Dave Bohyer, researcher for the legislative council, and Alice Omang, secretary.

EXECUTIVE SESSION:

DISPOSITION OF SENATE BILL 14: Representative Harp moved that this bill DO PASS. This bill is an act to revise the highway department funding and to increase the gasoline license tax by 5 cents.

Representative Cohen made a motion to amend this bill on page 1 in the title on line 11 by changing the 5 cents to 2 cents and on page 2, line 9, by striking 20 cents and inserting 17 cents. He explained that this would make the tax on gasoline identical to the tax on diesel fuel.

Representative Harp noted that they reduce the amount of money going into the earmarked fund by about 60% and that would be fine if they allowed the coal money to stay in the earmarked fund, but then they would have to figure out how to balance the general fund. He hoped that they would oppose this amendment.

Representative Raney indicated that most of Montana's highways were built in the 30s and he thought it was peculiar to build highways in the 30s when they did not have a dime and now they are in the second major depression of this century in Montana; and they are saying that Montanans do have enough money to maintain an aggressive highway program; and he said, "hogwash". He contended that if they don't start reducing the highway department now, they are going to take a tremendous crash come January or February.

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Representative Harrington stated that he opposed the amendment and he thought they should recognize the fact that if they do cut the highway department, there is going to be a loss of jobs.

Representative Williams advised that he opposed the amendment on the same grounds as already stated and he felt that they should vote on the 5 cents and get this bill on the floor for debate.

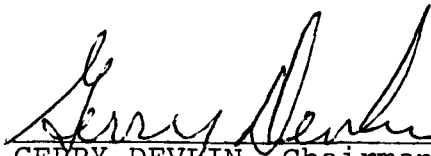
Representative Gilbert said that he opposed the amendment and diesel is paying 8 cents more a gallon right now in state and federal taxes than gasoline is and he asked if they want equality, should they put the gasoline up to make it equal.


Representative Sands informed the committee that he supports the amendment as the legislative fiscal analysts indicated that, if all the transfers were made and no gas tax increase was provided, they would have about a \$12.3 million in the two accounts by the end of 1987. He continued that that compares to about \$15 to \$16 million that was projected when they left the legislature in 1985. He contended that a 2 cents gas tax would add to that and probably bring them back to where they were about before; and he did not feel that this is appropriate at this time.

A vote was taken on the motion to amend and the motion failed 9 to 10. See roll call vote.

A vote was then taken on the DO PASS motion and it failed 7 to 13. The committee agreed to reverse the vote on a DO NOT PASS.

ADJOURNMENT: There being no further business, the meeting adjourned at 9:15 a.m.

  
GERRY DEVLIN, Chairman

  
Alice Omang, Secretary

## DAILY ROLL CALL

TAXATION

COMMITTEE

49th LEGISLATIVE SESSION -- 1986

Second Special

Date 6/27/86

NAME	PRESENT	ABSENT	EXCUSED
DEVLIN, Gerry, Chairman	✓		
WILLIAMS, Mel, Vice-Chairman	✓		
ABRAMS, Hugh	✓		
ASAY, Tom	<del>✓</del>		✓
COHEN, Ben	✓		
ELLISON, Orval	✓		
GILBERT, Bob	✓		
HANSON, Marian	✓		
HARRINGTON, Dan	✓		
HARP, John	✓		
IVERSON, Dennis	✓		
KEENAN, Nancy	✓		
KOEHNKE, Francis	✓		
PATTERSON, John	✓		
RANEY, Bob	✓		
REAM, Bob	✓		
SANDS, Jack	✓		
SCHYE, Ted	✓		
SWITZER, Dean	✓		
ZABROCKI, Carl	✓		

# STANDING COMMITTEE REPORT

June 27

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Mr. Speaker: We, the committee on TAXATION

report SB 14

☐ do pass

☒ do not pass

☐ be concurred in

☐ be not concurred in

☐ as amended

☐ statement of intent attached

Gerry Devlin

Chairman

To generally revise highway department funding; to increase the gasoline license tax by 5 cents

# ROLL CALL VOTE

TAXATION

COMMITTEE

Date: June 27, 1986

Bill # SB 14

Number 2

Motion: DO PASS

Name	Aye	Nay
DEVLIN, Gerry, Chm.		X
WILLIAMS, Mel, V.Chm.	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
Totals	7	13

# ROLL CALL VOTE

## TAXATION

## COMMITTEE

Date: June 27, 1986

Bill # SB 14

Number 1

Motion: Representative Cohen's motion

Name	Aye	Nay
DEVLIN, Gerry, Chm.	x	
WILLIAMS, Mel, V.Chm.		X
ABRAMS, Hugh		X
ASAY, Tom		
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	
Totals	9	10