

MINUTES

MONTANA SENATE 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Senator Halligan, Chairman, on March 14, 1991,
at 8:00 a.m.

ROLL CALL

Members Present:

Mike Halligan, Chairman (D)
Dorothy Eck, Vice Chairman (D)
Robert Brown (R)
Steve Doherty (D)
Delwyn Gage (R)
John Harp (R)
Francis Koehnke (D)
Thomas Towe (D)
Fred Van Valkenburg (D)
Bill Yellowtail (D)

Members Excused:

Gene Thayer (R)

Staff Present: Jeff Martin (Legislative Council).

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Announcements/Discussion: None

HEARING ON HOUSE BILL 193

Presentation and Opening Statement by Sponsor:

Representative Toole, District 60, sponsor, said the bill eliminates discrimination toward step-children in the inheritance tax laws. The natural child has been excluded and the adopted child has been entitled to the exclusion for more than ten years. The House Taxation Committee made some changes in the bill and as it was amended the only requirement is that the step-child/step-parent relationship must have originated on or before the step-child's 18th birthday.

Proponents' Testimony:

There were no proponents.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

There were no questions.

Closing by Sponsor:

Rep. Toole closed.

EXECUTIVE ACTION ON HOUSE BILL 193

Recommendation and Vote:

Senator Eck moved HB 193 Be Concurred In.

The motion CARRIED unanimously.

HEARING ON HOUSE BILL 422

Presentation and Opening Statement by Sponsor:

Rep. Hoffman, District 74, sponsor, said the bill was introduced at the request of the State Board of Tax Appeals. It allows for a Board member or a hearings officer to conduct hearings for STAB around the state. Instead of requiring the whole Board to conduct a hearing, one Board member may conduct a hearing or a hearing officer may be hired by the Board to conduct the hearing.

Proponents' Testimony:

John McNaught, Chairman, State Tax Appeals Board, said the bill would allow STAB to speed up the appeal procedures and would provide safeguards against a potential heavy caseload from the pending reappraisal process.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

Senator Harp said the fiscal note indicates that attorneys paid as hearings officers will receive \$45 an hour. He asked if it is possible to get good attorneys to for that wage.

Mr. McNaught said it is difficult. However, it is unlikely that an attorney would be hired as a hearing officer.

Closing by Sponsor:

Rep. Hoffman closed.

EXECUTIVE ACTION ON HOUSE BILL 422

Recommendation and Vote:

Senator Eck moved HB 422 Be Concurred In.

The motion CARRIED unanimously.

HEARING ON SENATE BILL 446

Presentation and Opening Statement by Sponsor:

Senator Rea, District 38, sponsor presented a series of proposed amendments to committee (Exhibit #1). The bill was introduced at the request of the Montana horse industry and would transfer 3.33% of the net income tax on video gambling machines to the Board of Horseracing for distribution to local fair boards to increase purses for live horseracing.

Proponents' Testimony:

Steve Meloy, Department of Commerce, and as an individual who is a licensed participant in the horseracing industry, presented his testimony in support of the bill (Exhibit #2).

Dave Dennis, thoroughbred breeder and trainer, presented his testimony in support of the bill (Exhibit #3).

Bob Hollow, quarterhorse breeder, trainer, and racer, presented his testimony in support of the bill (Exhibit #4).

Gib Goodman, Agri Feeds and Service, Helena, presented his testimony in support of the bill (Exhibit #5).

Robert Stewart, Polson, said Montana is horse country. He said the racing industry in Montana was as strong as that of Colorado ten years ago, but has declined until there are very serious problems facing the industry now. There is direct competition for the recreation dollar and the money that could be generated by this bill could save an industry which, itself, pumps millions of dollars into all segments of Montana's economy.

Bill Chiesa, Manager, Metra Park, Billings, presented a letter from the Yellowstone County Commissioners in support of the bill (Exhibit #6). He indicated the investment of Metra Park in horseracing is substantial and urged the committee to continue to support an industry that is vital to the fairs in the state, the counties, and the economy as a whole.

Jay Clark, Marias Fair, Shelby, a member of the Fair Board, said horseracing is a very important part of the Marias Fair. It contributes a lot of money to local organizations as well as to businesses. The racing industry has been negatively impacted by many factors the past few years. Video games, declining numbers, declining income, rising expenses, and workers' compensation have all taken their toll on the industry. This bill would impact all the problem areas and the increased purses would help get more and better quality horses back into racing in the state.

John Shellheimer, representing United Tote, Shepherd, presented his testimony in support of the bill (Exhibit #7).

Dale Mahlum, Immediate Past President, Montana Thoroughbred Breeder's Association, presented his testimony in support of the bill (Exhibit #8).

Jim McGowan, Helena, owner and trainer, said we are about to lose an industry in Montana which we can ill afford. He asked the committee to give favorable consideration to the bill.

Kay Foster, Billings Chamber of Commerce, presented her testimony in support of the bill (Exhibit #9).

Opponents' Testimony:

Larry Akey, Gaming Industry Association of Montana, said he is neither supporting or opposing the bill. He said some comments need to be made regarding the decline of the racing industry. He said the decline has little to do with purses. Two years ago, the Gaming Industry offered to assist with off-track betting and was turned down. Most other states faced with the same decline have experienced a turnaround when they began off-track betting. The problem in Montana has not occurred

because of the advent of commercial gaming. He submitted comments by Ray Tracy, Miles City regarding the commercial gaming argument (Exhibit #10).

Questions From Committee Members:

Senator Towe asked Mr. Meloy why he felt the legislature should subsidize horseracing.

Mr. Meloy replied the industry's total handle is \$12 million. Of that, only 20% gets back to the industry.

Senator Towe wondered if a \$600,000 subsidy would be enough to help.

Mr. Shellheimer said, nationally, the industry has come together to promote large scale simulcasting.

Senator Brown asked Mr. Meloy if he was representing the Chamber of Commerce, if he was aware of the amendments when he came to testify, and if he was aware of the \$600,000 expenditure.

Mr. Meloy replied affirmatively to all the questions.

Senator Brown asked Mr. Meloy if the Director of the Department of Commerce approved that expenditure.

Mr. Meloy replied, yes, it was regarded as seed capital for a greater return to the state.

Senator Brown said the dilemma the legislature faces is where to get the money. Do we cut another program to promote horseracing or do we levy another tax to compensate?

Mr. Brazier replied for Mr. Meloy that the 3.3% would come out of the state's share that goes to the general fund.

Senator Brown said, as introduced, the bill was a tax increase. It no longer is a tax increase due to the amendments. Therefore, there is going to have to be a new tax or another program will have to be shorted.

Mr. Brazier replied the level of gambling is increasing and with more people getting involved in horseracing the difference should be made up in income taxes.

Senator Brown said asked Mr. Meloy where the figures on the total purse in the state came from.

Mr. Meloy said the Department of Justice and the Department of Commerce provided the figures.

Senator Brown said there must be impacts on other industries also. He said a car dealer in Whitefish recently told him that it is very difficult to sell low price, high mileage, used cars anymore which he attributes directly to the gambling in the state.

Mr. Meloy said horseracing depended for years on the recreational dollar. The extra money at the end of the month that people used for "play". There is now concern that more than the recreational dollar is being expended in electronic gambling. Mr. Meloy wondered where the \$3 million plus dollars that is being spent on gambling now was three or four years ago. He suggested it was spent on a number of things, even groceries.

Senator Brown said 13% of the prison inmates at Deer Lodge are there because of gambling related debts or thefts. That is an impact which must be paid by state government. The Rimrock Foundation has had an increase of 1200% in compulsive gambling treatment since 1984. Unemployment is roughly twice as high among compulsive gamblers than the rest of the population. Those figures should be of a great deal of concern to the Department of Commerce.

Mr. Meloy said that is a large reason why this industry, which they regard as wholesome, is having trouble. There are other things going on over which the racing industry has no control and they need some help.

Senator Koehnke asked if the other states where Montanans are taking their horse to race face the same competition with gaming.

Mr. Hollow said they did not as far as he knew.

Senator Gage asked what would happen to the county fair in his district if there were no more horseracing.

Jay Clark replied it would be very diminished. The fair draws a lot of people over a three day period. It would end up being a small 4-H gathering with perhaps a small rodeo. The financial impact would be considerable.

Senator Doherty asked if the racing industry gets any tourist marketing money.

Mr. Meloy said the racing industry is required by law to exist on their own proceeds.

Senator Doherty wanted to know what affect simulcasting has on attracting out-of-state horses to Montana.

Mr. Meloy said this is a last ditch attempt to raise money and it is hoped it would encourage more participation.

Senator Halligan asked Senator Rea why he backed off the tax increase on the video games. By backing off, it puts the bill into competition with welfare services, higher education, and the general fund.

Senator Rea replied the industry and the individuals involved objected to the original provisions.

Closing by Sponsor:

Senator Rea closed said this is a vehicle which will allow investment in a Montana industry which is losing money and needs help. He asked the committee to support the bill.

HEARING ON SENATE BILL 445

Presentation and Opening Statement by Sponsor:

Senator Doherty, District 20, said this bill could be called a taxpayer's bill of rights if Senator Brown had not already usurped that title for his bill. The Department of Revenue developed the bill in order to bring a uniform review procedure to tax appeals. The bill would make the review procedure uniform for all taxes except inheritance, property and state taxes. It is important to note that most of the operative language is in Section 1 where there is provision for denial of refund. The "triggering mechanism" is on page 3 in which the taxpayers notifies the Department of his disagreement and the process then begins. The State Bar had concerns about the question of where the factual finding will be made and worked with the Department of Revenue in order to solve the problem through proposed amendments.

Proponents' Testimony:

Dave Woodgerd, Chief Counsel, Department of Revenue, said the bill has been developing over a long period of time and has been reviewed by many people involved in the tax appeal process. He presented a list of proposed amendments and the accompanying explanation to the committee (Exhibit #11).

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

There was a question from Senator Towe regarding refunds. Mr. Woodgerd responded that it had been reviewed and everyone was satisfied.

Closing by Sponsor:

Senator Doherty closed.

ADJOURNMENT

Adjournment At: 10:00 a.m.


SENATOR MIKE HALLIGAN, Chairman


JILL D. ROHYANS, Secretary

MH/jdr

ROLL CALL

SENATE TAXATION COMMITTEE

DATE 3/14/81

52nd LEGISLATIVE SESSION

NAME	PRESENT	ABSENT	EXCUSED
SEN. HALLIGAN	X		
SEN. ECK	X		
SEN. BROWN	X		
SEN. DOHERTY	X		
SEN. GAGE	X		
SEN. HARP	X		
SEN. KOEHNKE	X		
SEN. THAYER			
SEN. TOWE	X		
SEN. VAN VALKENBURG	X		
SEN. YELLOWTAIL	X		

Each day attach to minutes.

3/14/91

TAXATION

SB 446, SB 445, HB 193 HB 922

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Bill Jordan	Self	446	✓	
Paul Sewell	Self	446	✓	
Wing Tun	Self	446	✓	
Orege Polson	Self	446	✓	
John M. Ince	Self	446	✓	
STEVE PITCHER	Self	446	✓	
Eva Crawford	Self	446	✓	
Joe Henry	Self	446	✓	
Leo Zonaskie	Self	446	✓	
Don Sheffield	Self	446	✓	
James Rich	Self	446	✓	
Bobby Gruel	Self	446	✓	
DALE MAHLIN	Self	446	✓	
Jim McGowan	Self	446	✓	
LLOYD DE BRUYCKER	SELF	446	✓	
Bill Chieva	Self			

(5) The following are the names of the persons who have been appointed as members of the Board of Directors of the Corporation:

DATE

3/11/91

COMMITTEE ON

TAXATION

SA 446, SB 445, HB 193, HB 422

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Sue Resch	Sue Resch Housing Habiles	446	✓	
Tom Nelson	MTBA	446	✓	
Jack Barnes		446		✓
Doug Barnes		446		✓
De Lorne Barnes		446		✓
Janet Bramblett	Self	446	✓	
Debbie Smithson	Self	446	✓	
Lamona Murphy	"		✓	
Bill Brion	"		✓	
R.C. Forster	HBPA	446	✓	
Kori Stewart	MTBA	446	✓	
KEN NOTLEY	SELF	446	✓	
John J. McNaught	STATE TAX APPEAL	422	✓	
Dave Woodgerd	DOR	445	✓	
Gary Moden	DOR	193	✓	
Jay C. Clark	MARIAS FAIR	446	✓	
M. H. Lee	HBPA	446	✓	
STEVE MELOY	Dept of Comm / self	446	✓	
Sid Erickson	Self	446	✓	
John Swank	Self	446	✓	
Dave Bird	Self	446		
James Lafer	Self	446	✓	
Don Grovel	Self	446	✓	
Kay Foster	Bidenings Chamber	446	✓	
William J. Allen	Self	446	✓	
Robert W. Waller	Self	446	-	

DATE

3/14/81

COMMITTEE ON

TAXATION

SB 446, SB 445, HB 143, HB 422

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Terrell Caddy	Self.	446	✓	
Edna Hume	Self - Buckle Race	446	✓	
Rene Dennis	Racing & Ag. Industry	446	✓	
Ellen Dennis	" " " "	446	✓	
Susan Stuart	Thoroughbred Breeding Industry	446	✓	
Jeffrey L. Bragier	HBPA	446	✓	
Robert F. Stuart	Thoroughbred Breeding Industry	446	✓	
Leo D. W. Gichuk	Thoroughbred Breeding	446	✓	
Ben W. Jersberg	Thoroughbred Owners	446	✓	
Ben J. Wall	Thoroughbred Owners & Trainers	446	✓	
Steve Christian	M.T. (Bord.) Hauling	446	✓	
Keith L. Wolff	Midland Horse	446	✓	
LeRoy Anderson	Midland Horse Racing	446	✓	
Barbara J. Spruon	Thoroughbred Ass.	446	✓	
Judy Moffett	" "	446	✓	
Walter Brown	" "		✓	
W. Brown	Horse Trainers	446	✓	
Gordon Midmonson	Horse Show	446	✓	
Mike Haggerty	HBPA	446	✓	
Angela Hoffman	HBPA	446	✓	
Lyn Benton	Shamrock Stable	446	✓	
Arnd Schopp	Kalispell Turf Club	446	✓	
Bob SYVRUD, DVM	SIGNE STABLES	446	✓	
David Keil	Keil Stables	446	✓	
Teri Wayne	Wayne Stables	446	✓	
Janet A. Bault	BAA Tech Racing	446	✓	

3/14/91

Taxation

SB 446 SR 445, TAB 193 TAB 422

VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretary)

Amendments to Senate Bill No. 446
First Reading Copy

For the Committee on Business and Industry

Prepared by Bart Campbell
March 4, 1991

1. Title, line 4.
Strike: "INCREASING"
Insert: "TRANSFERRING 3.33 PERCENT OF"
2. Title, lines 5 and 6.
Strike: "BY" on line 5 through "TAX" on line 6
3. Page 1, line 17.
Strike: "15.5%"
Insert: "15%"
4. Page 2, line 8.
Strike: "32.258%"
Insert: "30%"
5. Page 2, line 11.
Strike: "3.226%"
Insert: "3.33%"
6. Page 2, line 20.
Strike: "64.516%"
Insert: "two-thirds"

SENATE BILL NO. 446

INTRODUCED BY

Don Anderson

TO TRANSFER 3.33% OF

4 BILL FOR AN ACT ENTITLED: "AN ACT AMENDING THE NET

5 INCOME TAX ON VIDEO GAMBLING MACHINES ~~BY 1% OF NET INCOME~~

6 ~~ALLOCATING THE REVENUE FROM THE INCREASED TAX TO THE BOARD OF~~

7 HORSE-RACING FOR PROPORTIONAL DISTRIBUTION TO LOCAL FAIR

8 BOARDS FOR INCREASING PURSES FOR LIVE HORSE-RACING; AMENDING

9 SECTION 23-5-610, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE

10 DATE."

11

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

13 Section 1. Section 23-5-610, MCA, is amended to read:

14 "23-5-610. Video gambling machine net income tax --

15 records -- distribution -- quarterly statement and payment.

16 (1) An operator issued a permit under this part shall pay to

17 the department a video gambling machine tax of 1% ^{15%} of

18 net machine income from each video gambling machine licensed

19 under this part.

20 (2) An operator issued a permit under this part shall

21 keep a record of net machine income in such form as the

22 department may require. The records must at all times during

23 the business hours of the licensee be subject to inspection

24 by the department.

25 (3) An operator issued a permit under this part shall,

1 within 15 days after the end of each quarter, complete and

2 deliver to the department a statement showing the total net

3 machine income from each video gambling machine licensed to

4 him, together with the total amount due the state as video

5 gambling machine net income tax for the preceding quarter.

6 The statement must contain other relevant information as the
department may require.

8 (4) (a) The department shall forward one-third ^{3.33%} of the tax
9 of the tax collected under subsection (3) to the general
10 fund.

11 (b) The department shall forward ^{3.33%} of the tax

12 collected to the department of commerce for deposit to the

13 account of the board of horse-racing. Proceeds from taxes on

14 income from video gambling machines in this state deposited

15 in the account of the board of horse-racing must be allotted

16 by the board of horse-racing on a proportional basis to

17 licensed county fair boards for the purpose of increasing

18 the purses for live horse-races.

19 (b)(c) The department shall forward the remaining

20 two-thirds ^{two-thirds} of the tax collected under subsection (3)

21 to the treasurer of the county or the clerk, finance

22 officer, or treasurer of the city or town in which the

23 licensed machine is located, for deposit to the county or

24 municipal treasury. Counties are not entitled to proceeds
25 from taxes on income from video gambling machines located in

TESTIMONY

MARCH 14, 1991

SENATE BILL 446

Presented by Steve Meloy

MR CHAIRMAN, MEMBERS OF THE COMMITTEE, FOR THE RECORD MY NAME IS STEVE MELOY. I AM HERE THIS MORNING OFFERING TESTIMONY IN SUPPORT OF SB 446 ON BEHALF OF THE DEPARTMENT OF COMMERCE FROM AN ECONOMIC DEVELOPMENT PERSPECTIVE AND MYSELF AS A LICENSED PARTICIPANT IN THE HORSERACING INDUSTRY SINCE 1972.

I WILL LEAD OFF A FORMAL PRESENTATION BY A DELEGATION FROM THE INDUSTRY CONSISTING OF BUT NOT LIMITED TO MEMBERS OF THE CURRENT BOARD OF HORSERACING, HORSE BREEDERS, COUNTY COMMISSIONERS, TRACK MANAGEMENT, HORSEMANS BENEVOLENT AND PROTECTIVE ASSOCIATION, AND AND A TOTALIZATOR COMPANY. WE WILL ATTEMPT TO BE BRIEF, SUCCINCT AND NON-REPETITIVE IN OUR TESTIMONY.

ONE PREDOMINANT THEME IN OUR FORMAL PRESENTATION CONTAINS A SIMPLE CONCEPT THAT THIS COMMITTEE SHOULD HEAR AND INDEED THE BODY OF THE LEGISLATURE SHOULD HEAR. THE ENABLING LEGISLATION WHICH CREATED HORSERACING UNDER THE PARI-MUTUEL SYSTEM ENACTED IN 1965 WAS PREDICATED ON THE AGRICULTURAL AND ECONOMIC IMPACT ON THE STATE OF MONTANA. IT WAS NOT A GAMBLING ENACTMENT NOR WAS IT CONSIDERED A GAMING BILL. THE ONLY REASON THIS BILL IS BEFORE YOU TODAY IS BECAUSE OF THE ADVERSE EFFECTS EXPANDED GAMING PURSUITS SEEM TO BE HAVING ON AN AGRICULTURAL AND ECONOMICALLY DIVERSE INDUSTRY.

CONTRARY TO AN EDITORIAL IN MONDAY'S LOCAL NEWSPAPER, THE PEOPLE INVOLVED WITH THIS BUSINESS ARE NOT BEHIND THIS LEGISLATION TO "LINE THE POCKETS OF HORSEMAN". THESE FOLKS ARE BEHIND THIS LEGISLATION TO DO WHATEVER THEY CAN TO KEEP A MULTI MILLION DOLLAR INDUSTRY IN THIS GREAT STATE FROM DYING..

HORSERACING AND MONTANA HAVE BEEN SYNONYMOUS SINCE THE STATE WAS STILL A TERRITORY. SOCIAL EVENTS IN ALL PARTS OF MONTANA WERE PLANNED AROUND POT LUCK PICNICS, DANCING AND MATCH RACES BETWEEN HORSES WHICH TOOK PLACE OVER ALL TYPES OF TERRAIN AND AT AS MANY DISTANCES.

THIS TRADITION IS RICH IN HISTORY THROUGH THE TIMES AND LARGE STABLES OF MARCUS DALY IN THE BITTERROOT AND A FARMER BY THE NAME OF NOAH ARMSTRONG WHO, IN THE LATE 1880'S, RAISED AND TRAINED A HORSE IN THE DEER LODGE VALLEY WHO WAS SHIPPED BACK EAST AND AGAINST MANY ODDS WON THE KENTUCKY DERBY. HISTORICALLY, HORSERACING IN MONTANA HAS NOT GAINED IT'S PROWESS AS A GAMBLING PURSUIT BUT RATHER AS PART OF MONTANA'S LARGE AGRICULTURAL HERITAGE.

ALTHOUGH NO COMPREHENSIVE STUDY HAS EVER BEEN DONE IN MONTANA,

SEVERAL OTHER STUDIES SHED LIGHT ON THE POSSIBLE IMPACT TO THIS STATE. THE AMERICAN HORSE COUNCIL IN 1987 FOUND THAT THE UNITED STATES HORSE BUSINESS IS A 15.2 BILLION DOLLAR INDUSTRY WHICH ACCOUNTS FOR A LARGE SHARE OF THE COUNTRY'S AGRICULTURE PRODUCTION AT 16%. ANOTHER STUDY IN THE STATE OF TEXAS IN 1988 FOUND THE HORSE INDUSTRY TO BE IN EXCESS OF ONE BILLION DOLLARS. A STUDY IN WASHINGTON IN 1990 FOUND THAT THE THOROUGHBRED INDUSTRY ALONE PROVIDED A DIRECT CASH FLOW OF 113 MILLION DOLLARS.

TO GAIN SOME IDEA OF THE SIZE OF THE MONTANA HORSE INDUSTRY ONE NOTES THAT QUARTER HORSES ALONE NUMBER 83,909, THE FIFTH HIGHEST IN THE NATION. (*NOTE- YOU CAN BE ASSURED THAT A GOOD NUMBER OF EVERY REGISTERED QUARTER HORSE RAISED IN MONTANA THAT BECOME USING HORSES ON RANCHES AND IN STOCKYARDS AT ONE TIME WERE CONSIDERED BY THEIR OWNERS FOR A RACING CAREER). THE TOTAL HORSE POPULATION IN MONTANA IS ROUGHLY ESTIMATED AT 90,000 ANIMALS. IF ONE ESTIMATES THAT ONLY ONE DOLLAR PER DAY WAS SPENT ON HAY OR PASTURE, AS AN AVERAGE PER ANIMAL, THE TOTAL CONTRIBUTION TO THE AGRICULTURAL SECTOR WOULD BE 32,850,000 PER YEAR ON ROUGHAGE FEED ALONE. THUS A CONSERVATIVE ESTIMATE OF THE MONTANA CASH FLOW RELATED DIRECTLY TO HORSES WOULD APPROACH THE 100,000,000 DOLLAR MARK.

THE DIRECT CASH FLOW CREATED BY HORSERACING RESULTING FROM THE EIGHT LIVE RACE MEETS IN MONTANA IN A GOOD YEAR IS 12,000,000. IF YOU ADD TO THAT FIGURE 10,000,000 EXPENDED BY DIRECT PARTICIPANTS IN THE INDUSTRY FROM BREEDERS TO GROOMS YOU CAN TALK OF A DIRECT CASH FLOW OF 22,000,000. BASED ON INFORMATION FROM EVERY STATE WHICH HAS CONDUCTED A STUDY, WE CAN ASSUME THAT EACH OF THESE DOLLARS TURNS OVER AT LEAST THREE TIMES. IF WE USE AN ECONOMIC MULTIPLIER OF THREE WE CAN ESTIMATE THAT CURRENTLY, THE MONTANA HORSERACING INDUSTRY GENERATES A 66,000,000 MILLION ECONOMIC IMPACT ON THE STATE. (* I DOUBT THAT ANY OTHER INTEREST WHICH WOULD EYEBALL RECEIPTS FROM THE GAMING INDUSTRY CAN BOAST AN ECONOMIC RETURN OF THIS NATURE.)

HORSE RACE MEETS, TRAINING AND BREEDING FARMS PROVIDE A MARKET FOR MANY OF THE STATES PRODUCTS SUCH AS HAY, STRAW, GRAIN, MIXED GRAIN PRODUCTS AND WOOD CHIPS. A MATURE RACE HORSE WILL EAT 20 TO 25 POUNDS OF FEED PER DAY STIMULATING A NETWORK OF SEED AND FEED MANUFACTURERS AND SUPPLIERS AND PRODUCERS OF OATS CORN BARLEY AND ALFALFA.

THE ECONOMIC IMPACT COULD BE BEST ILLUSTRATED BY A TRIANGLE. THE MAIN DIRECT COMPONENTS OF THIS TRIANGLE WOULD INCLUDE HORSE PRODUCTION YIELDING A RETURN TO LAND AND CAPITAL AND PROPRIETOR INCOME.

ANOTHER COMPONENT WOULD INCLUDE RACETRACK OPERATION INCLUDING LABOR WAGES, SALARIES, TAXES ON INCOME, ADMISSIONS, CONCESSIONS, PURCHASE OF FEEDS, SUPPLIES AND PROFESSIONAL SERVICES OF VETS AND FARRIERS, AND A THIRD COMPONENT WOULD INCLUDE RACE TRACK PATRONAGE. RACE FANS AND SPECTATORS WOULD INVEST IN FOOD, LODGING, TRAVEL, RV PARKS, GROCERIES, GAS, OIL ETC.

THE CATALYST WHICH LENDS TO THIS TRIANGLE STRENGTH AND VIABILITY IS THE PURSE. THIS INDUSTRY IS PURSE DRIVEN. WITHOUT PURSES THIS WHOLE TRIANGLE WOULD LOSE STRENGTH COLLAPSE AND EVENTUALLY DIE.

FROM HERE ON OUT, THE EQUATIONS ARE FAIRLY SIMPLE. THE PURSE IS DICTATED BY THE HANDLE (MONEY PAID IN AND OUT OF THE BETTING WINDOWS) . SINCE 1987 THE YEAR THE LOTTERY WAS INTRODUCED, HANDLES HAVE DIMINISHED SUBSTANTIALLY. IN 1987, THE PARIMUTUEL HANDLE FOR THE ENTIRE STATE WAS 10.5 MILLION. IN 1988 THE HANDLE DROPPED TO 9.7 MILLION WHILE TOTAL DOLLARS WAGERED ON ELECTRONIC GAMING MACHINES REACHED 173.6 MILLION. IN 1989, WAGERING AT THE TRACKS DROPPED SUBSTANTIALLY TO 7.8 MILLION WHILE GAMING REACHED 208.2 MILLION. THE DROP FOR THE RACE HANDLE REALIZED 41 % FROM 1987 WHEN IT REACHED A MEAGER 6.2 MILLION IN 1990 WHILE AT THE SAME TIME WAGERING ON ELECTRONIC MACHINES ATTAINED A HIGH OF 322.7 MILLION. ITS THIS TREND WHICH IS CAUSING SO MUCH CONCERN AND WHY SO MANY ARE HERE TODAY. THE INDUSTRY IS ON THE ROPES AND OSTENSIBLY BECAUSE IT CAN NOT COMPETE EVENLY FOR THE DISCRETIONARY OR RECREATIONAL DOLLAR OF THE CITIZENS AND TOURISTS OF THIS STATE.

LADIES AND GENTLEMEN OF THE COMMITTEE. THIS IS WHAT SB 466 WILL NOT DO. IT WILL NOT INCREASE THE EXISTING EXCISE OF VIDEO GAMING REVENUE. IT WILL NOT REDUCE THE LEVEL OF REVENUE CONTRIBUTION OF VIDEO GAMING INCOME TO THE STATE BELOW THE FISCAL YEAR 90 LEVEL. THIS BILL ON THE OTHER HAND WILL, FOR ONLY 1/100TH OF 1 PERCENT OF THE TOTAL OF TAX RECEIPTS TO THE GENERAL FUND OR APPROXIMATELY 700,000 DOLLARS BREATH LIFE AND ALLOW TO GROW AN INDUSTRY WHICH COULD RETURN APPROXIMATELY 66,000,000 DOLLARS TO THE ECONOMY. IF EVER WE COULD INVOKE THE CLICHE "PENNY WISE AND POUND FOOLISH" WE COULD IN THIS PROPOSITION.

INCOME ASSOCIATED WITH HORSERACING HAS REDUCED OVER 40% SINCE 1987. THERE APPEAR TO BE SEVERAL CAUSES FOR THIS DECLINE INCLUDING, BUT NOT LIMITED TO THE GENERAL ECONOMY, THE LOTTERY, WORKER COMP PREMIUMS AND THE OVERALL INCREASE IN THE COST OF LIVING. HOWEVER THERE APPEARS TO BE A CORRELATION IN THE DRAMATIC DECLINE OF HORSE REVENUE AND INCREASE IN GAMING INCOME WHICH IS BACKED BY EMPIRICAL DATA. THIS MAKES IT A NATURAL TO TURN TO THE GAMING INDUSTRY FOR SOME RELIEF. SINCE HORSERACING BEGAN IN MONTANA, THE INDUSTRY HAS PAID ITS OWN WAY. THROUGH EARMARKED ACCOUNTS WE HAVE PAID ALL THE COSTS OF REGULATION. WE HAVE NEVER TAPPED ONE PENNY OF GENERAL FUND MONEY WHILE ADDING TO THE TAX BASE. BUT LADIES AND GENTLEMEN THE SCALES HAVE BEEN TIPPED. WE NOW COMPETE AGAINST A 300,000 MILLION DOLLAR BUSINESS, AUTHORIZED BY THE LEGISLATURE, REGULATED BY THE STATE. AGAINST WHICH WE CANNOT COMPETE. THE INDUSTRY IS ASKING FOR THE OPPORTUNITY TO KEEP PAYING ITS FAIR SHARE UNDER MORE EQUITABLE CIRCUMSTANCES.

MEMBERS OF THE COMMITTEE, I FEEL THAT I HAVE CAPSULIZED IN THIS OPENING PRESENTATION SOME OF THE EXPRESSED CONCERNS OF THE MY OWN, THE MONTANA DEPARTMENT OF COMMERCE AND MEMBERS OF THE HORSE INDUSTRY. I WILL NOW LET OTHER PROPONENTS MAKE OTHER

PRESENTATIONS IN SUPPORT OF SB 466 AND WILL MAKE MYSELF AVAILABLE
FOR QUESTIONS.

THANK YOU FOR YOUR TIME AND ATTENTION.

My name is ~~the~~ Dave Glenn
I raise & train thoroughbred
race horses & have ~~over~~
about a 1/4 million invested
in the industry.

The past 2 years I
have taken my horses
to ~~Calgary~~ Canada to run
because there is no way
~~you~~ can run quality
horses in Montana
under the current purse
structure.

We must raise the
purse structure ~~to attract~~
and attract quality
animals for a quality
meet.

I would much
prefer to spend my
\$50,000 plus per year in
~~Montana~~ right here in
good old Montana

Good Morning Senators, Members of Committee
Mr. Chairman

My name is Bob Hallour and I live in Helena Montana. For the past 10 years, my wife & I have bred and raised Quarter horses & then bred to race in Montana, with hopes of making a profit. However, for the last 3 years, my wife has had to take the horses out of state to work in 1988 & 1989 & New Mexico in 1990 to Race.

The Majority of the expense that we paid for training & racing these horse out of state averaged over \$36,000 per year for the last three years. We have only a small stable of 4 to 6 horses and it takes hundreds of stables like ours to run a successful race meet.

For the past three years we have been joined by more & more of ^{our} friends & fellow horsemen in their exodus from racing for the low dollar purses in Montana.

With your approval & support of SB 446, we would once again be able to ~~see~~ breed & race our horses in Montana with our families & Friends

Thank you

Agri Feeds and Service

1518 Dodge Avenue
HELENA, MONTANA 59601

SENATE TAXATION

EXHIBIT NO. 5

DATE 3/14/91

BILL NO. SB 446

Phone 406/442-7606

My name is Gib Goodman. I own Agri Feeds here in Helena. We have been in business for nearly 20 years, providing feed and supplies to the agricultural community.

I will present a very brief story of how the racing industry benefits both an agricultural business while also directly benefiting the local farmers. The best explanation I can provide in this short time is to review the production & utilization of a primary horse feed - Whole oats.

In the beginning of my business, oat production was basically limited to a few farmers who used them as calf feed. Oats were a very minor part of their production & played a small part in the income of the operation. When racing got serious, more horses were raised & many more came into our fairgrounds to train & run. At one time we had up to 700 horses stalled in Helena. So far in 1991, we have 170 stall applications & it is not anticipated to go much higher.

When racing first started, Agri Feeds was shipping into our elevator, many truckloads of oats, primarily from North Dakota. There just was not a sufficient supply to meet the demand created by this new industry called horse racing. It did not take long for the local farmer to capitalize on the expanded market for a crop that grows well in our area. In a very few years, the importing of oats ended because the local producers were able to meet the demand.

Please keep in mind that oats were only one part of the horse ration. The market increased for hay, barley, corn & supplements. Believe me the racing industry has a significant positive impact on the agricultural community in Montana

Gib Goodman

AGRI FEEDS & FERTILIZER

1518 DODGE AVENUE
HELENA, MONTANA 59601
406-442-7606

Page 2

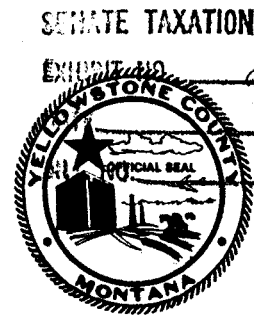
With the decline of racing, we now have a surplus of oats. This means less income to the farmer because we now have to ship many of the oats out of state, in fact this year it is difficult to even find a market at a favorable price.

I do have to give one set of figures to put this supply -demand thing into perspective. For easy figuring, using \$2/day feed cost x 700 horses x 200 days, you have a total cash impact of ^{120,000}~~\$280,000~~. * this is for feed only & does not represent the off season. ^{feed requirement} The 170 horses at the track this year would ^{spend}~~amount~~ to ^{102,000}~~\$68,000.00~~ a tremendous decrease in ^{revenue for our community}~~expenditure~~.

In summary, I want to emphasize that this scenerio is typical of what is happening. An industry that was providing a great impact to Montana is rapidly fading away. Racing is much more than a source of entertainment Race horses like all animals require good care, including feed, supplies, & facilities. Add to this the fact that it takes people to make the program work & many of these people virtually move into our communities ~~for~~ 7-8 months, also buying food, supplies & facilities, thus providing a multiple benefit to the farmer business & labor ~~and~~ community in Montana. I urge your support of this bill which by injecting a small amount of income to the horseman, will return multiple dollars back into the Montana communities.

County of Yellowstone

COMMISSIONERS



(406) 256-2701

March 12, 1991

Box 35000
Billings, MT 59107

Senator Mike Halligan, Chairman
Committee Members
Senate Taxation Committee

Dear Chairman Halligan:

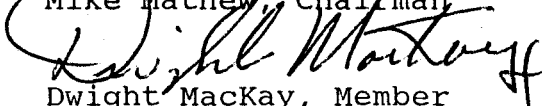
The Yellowstone County Commissioners offer their support for SB446. Horse racing has always been a prime Montana business. When the State went into the lottery business and expanded video gaming, it made an adverse impact on this basic agri-business. If horse racing is to survive in this state, this adverse impact has to be offset. This legislation will improve purses to allow the horse racing industry to stay vital.

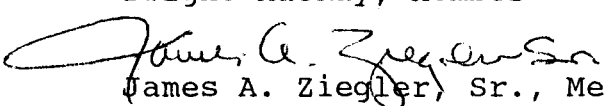
Please give this legislation your support.

Very truly yours,

BOARD OF COUNTY COMMISSIONERS
YELLOWSTONE COUNTY, MONTANA


Mike Mathew, Chairman


Dwight MacKay, Member


James A. Ziegler, Sr., Member

/pf

John Shull ^{DATE} 3/14/10 ^{FILE NO.} 58911/6

United TOTE

Provides wagging equipment to Wagging industry
300 customers in N.A.

NYRA - Aqueduct - Belmont

50 International

Korea

Venezuela

Denmark

Germany

Cyprus

Employ 900

Revenue's \$69M in 1990

One of few public traded Companies in MT.

Headquarters in Shepoco.

while ~~the~~ ^{by United TOTE} ~~United~~ revenue received from MT tracks is
> than .12% - the Horse industry is important &
United Tote's chairman & mt employees

70 MT employees - 50 from MT in other States

Fed EX top 5

UPS top 10

250 families Insured by MT Blue Cross/blue shield

January '60,000 - air travel

50 man weeks of training

The tax paying families in MT employed by U.T.
strongly support Senate Bill 466 Because bill
literally mean life or death to MT racing
thereby impact of the Horse Industry in general

Problem in MT not unique

NATIONALLY

over last 5 years almost every state has sat down with industry to reverse downward trend in racing caused in large part by lotteries & expanded gaming.

~~One good result of economic pressures facing industry~~

~~everyone has come together~~

~~Horsemen - Owners - Breeders~~

~~Trainers~~

~~Industry Suppliers~~

~~TO Support Industry~~

Why ~~are~~ ^{are} most states actively promoting the horse industry

Why is Horse Industry important to MT.

Love of Horses or Racing - NO

Realization of Economic Impact of Horse Industry on each States Economy.

Real Question is how big is that Impact.

Unital impact is real & easy to see
Estimates of 20 to \$100M annually in MT.

~~Part~~

National Horse Council Study 1987

Widely ^{Recognized} as authoritative Study on ~~Industry~~
Impact of Horse Industry on GNP of the U.S.

\$15B - 5.2M horses
is Spent \$166B on Recreation in 1984 ~~total~~
If we include private owned horses in Recreation
Sector of economy -
Horse industry is 4th largest category of
personal spending in Recreation Sector

Relation between horse industry + specific Sector
of the economy who contribute to the U.S GNP.

\$15B is 16% of GNP Agriculture
Forestry + Fisheries

equals to 83% of textile mill product sector
" " 65% of lumber & wood product sector

equals combined output of tobacco & leather products

Study concludes as long as equine spending
increases at same rate - each \$1 increase in personal
income will lead to \$1.20 increase in horse economy.

30 years

446

SENATE TAXATION

EXHIBIT NO. 7

DATE 3/14/91

BILL NO. SB 946

THE ECONOMIC IMPACT OF THE U.S. HORSE INDUSTRY

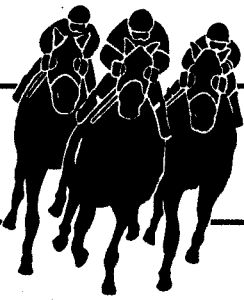
Executive Summary

Prepared for:
The American Horse Council

Submitted by
Policy Economics Group
of
Peat, Marwick, Mitchell & Co.

January, 1987





Montana Thoroughbred Breeder's Association

SENATE TAXATION

EXHIBIT NO. 8

DATE 3/19/91

BILL NO. SD 446

3/2/91

The enclosed package of data and information is to be used by the committee for information only. The data is from the operation of Dale Mahlum Thoroughbred Farm, located near Missoula. If one were to multiply this against the number of thoroughbred farms in Montana--it would give one the vast amount of money spent on this agricultural industry. It would seem that the impact of losing the thoroughbred industry would have a large degree of monetary loss distributed across the state of Montana. Millions of dollars would be lost in the industry and subsequent spin-off of these dollars would have a devastating effect on our agricultural base.

Most Sincerely

Dale Mahlum
President, Immediate Past

Mahlum

THOROUGHBRED FARM

SENATE TAXATION

EXHIBIT NO. 8

DATE 3/14/91

BILL NO. 58446

Here is how money is spent in Montana on one thoroughbred farm.

Training-----	27,000.00
Veterinarian-----	12,000.00
Board/horse-----	4,400.00
Feed---Hay---Grain-----	32,000.00
Tranportation-----	5,000.00
Farrier-----	3,400.00
Sales expense-----	6,100.00
Nominations for sales-----	6,300.00
Total-----	96,200.00

The income derived from this operation is in the form of purse monies and claiming monies and monies from the sales of yearlings at the sales in Montana and from the sales in Washington. Money is spent in Montana to raise and get yearlings ready for the sales out of state; the yearlings are sold and the money is brought back into Montana to be used for the above.


Dale Mahlum, Owner

#data is from the year 1989

Mahlum
THOROUGHbred FARM

SENATE TAXATION

EXHIBIT NO. 8

DATE 3/17/91

BILL NO. SB 446

Please begin with page 90 thru page 94.

The story has to do with raising horses with the ultimate goal of these athletes going to the tracks in Montana and across the United States. We feel that this is a industry deeply rooted in the agricultural traditions of our great state. The money that we are asking for will help keep our industry alive; thereby keeping our farms with a opportunity to continue to produce and market quality livestock.

Fourth Annual Summer Travel Special

MONTANA

M A G A Z I N E

SENATE TAXATION

EXHIBIT

DATE

FILE

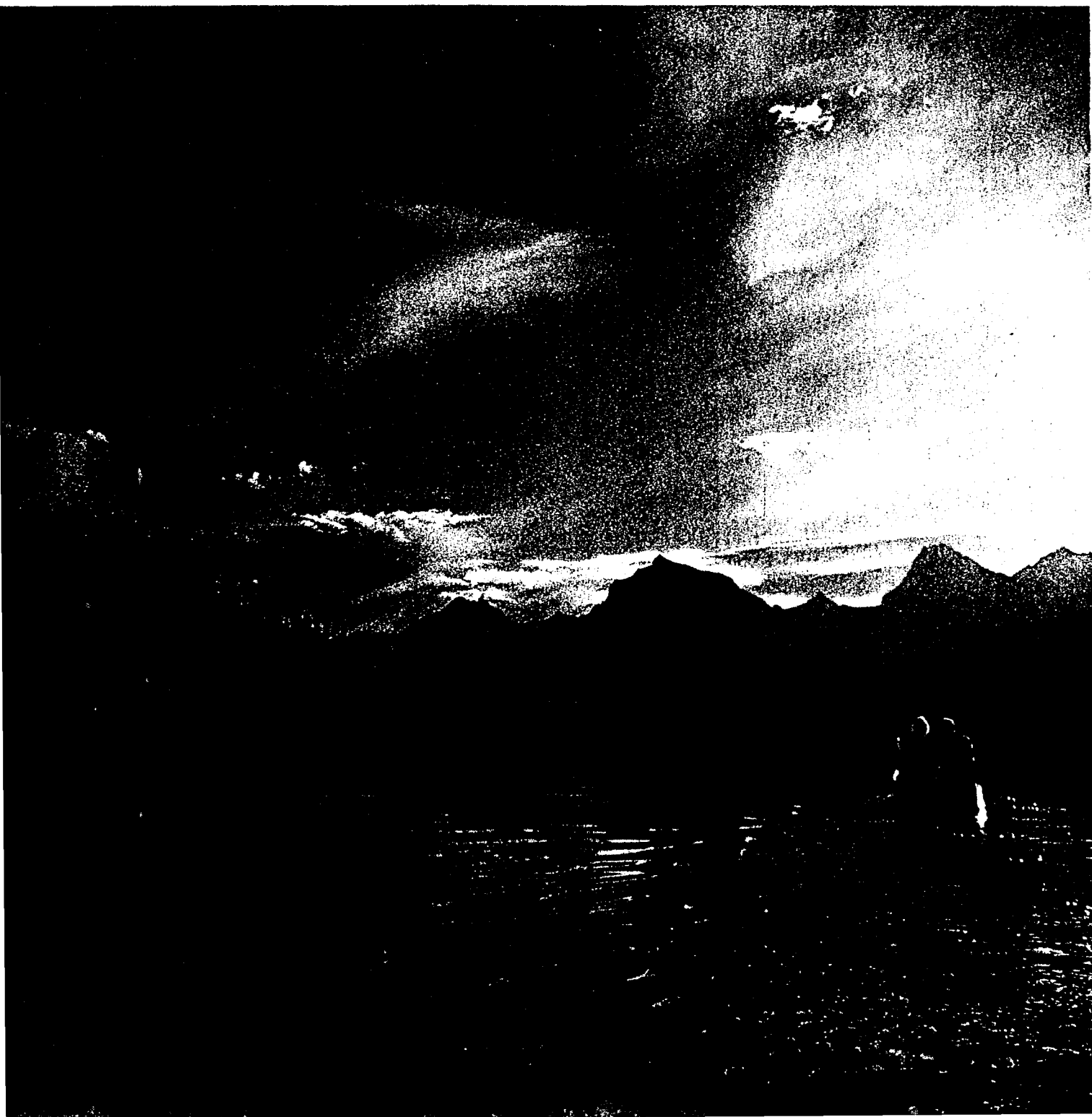
8

3/14/91

SB446

JULY-AUGUST 1989

\$2.50



The Velvet Touch

Black Velvet®
The Premium Whisky
Imported from Canada.



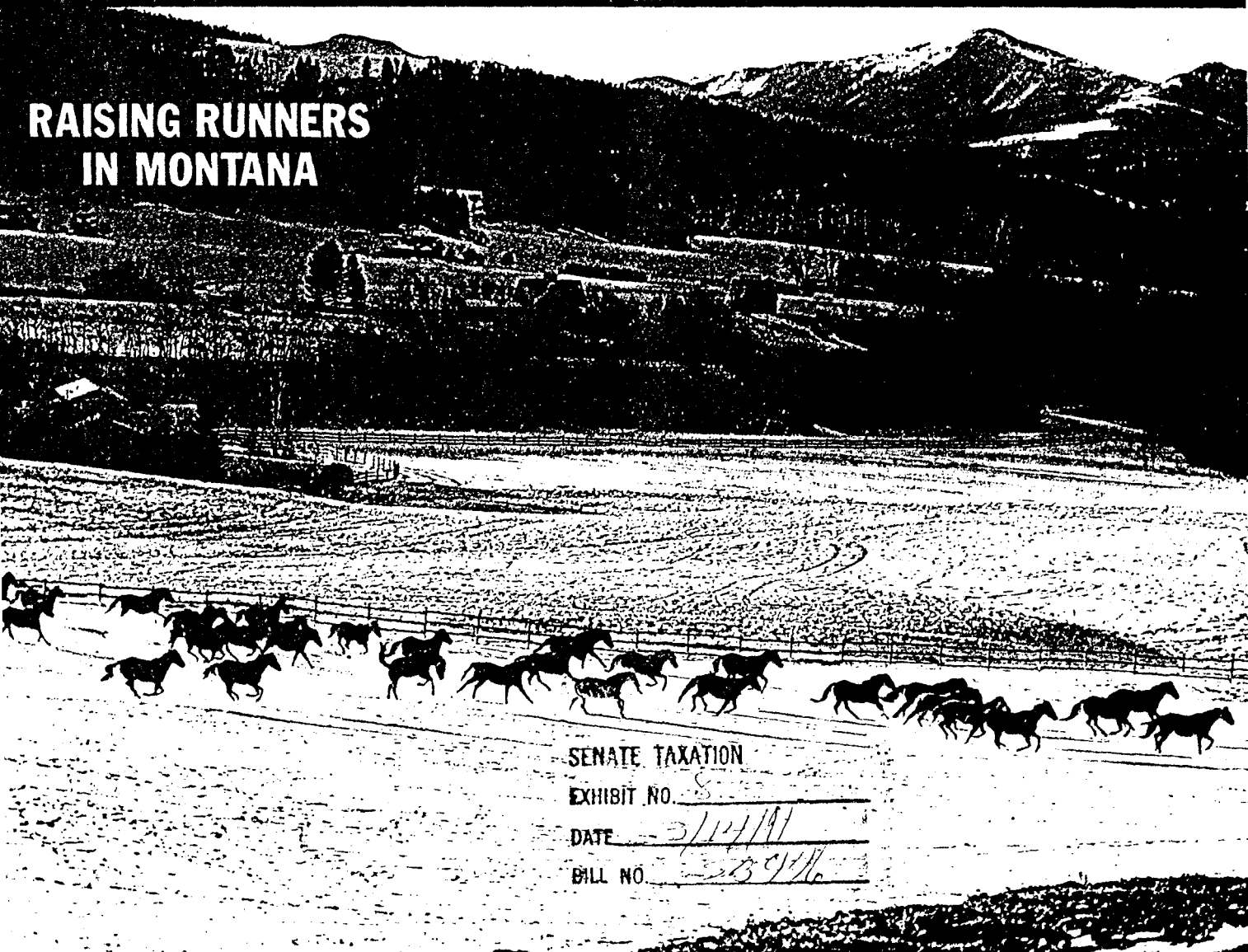
JANUARY 31, 1987 / \$2.25



THE BLOOD-HORSE

A WEEKLY PUBLICATION OF THE THOROUGHBRED OWNERS AND BREEDERS ASSOCIATION DEDICATED TO THE IMPROVEMENT OF THOROUGHBRED BREEDING AND RACING

RAISING RUNNERS IN MONTANA



SENATE TAXATION
EXHIBIT NO. 8
DATE 3/14/87
BILL NO. 23916

MILLION-DOLLAR SALE YEARLINGS
HANDLING SICK FOALS AT THE FARM

SENATE TAXATION

EXHIBIT NO. 8

DATE 3/14/91

BILL NO. SB 446

March 9, 1991

Senator Halligan,

Enclosed, please find a number of petitions supporting SB 446. There are over ~~120~~¹⁵⁰ signatures that were gathered in just a few days, from a small town in Montana. People love to go to the races and they enjoy betting on full fields of good horses. Montana is letting this slip through her fingers.

The horsemen have united in this effort to save this agriculturally related industry. If we fail in this endeavor to save racing, I am afraid that the state would lose millions of dollars of income and also thousands of people who are supporters of this industry. Already many horsemen and their families have moved to where the purses will support them. As of now, Montana offers very little for the horsemen, but this bill allows us to hope and pray that it will come out of it's slump.

Any horsemen who is still running in Montana is tough. Those that are sticking it out during the hard times have had to tighten their belts but, many are talking about leaving the state to go where workman's compensation isn't raiding their pocket books and where the purses will support them.

This bill could bring in more than financial rewards. This bill has the potential of healing a state that needs attention. Ask most anyone. Everybody has a good time at the races!

Thank you for your consideration and support of this bill.

Sincerely,



Jill Ronan
Rt. 1
Park City, MT 59063

WE, THE UNDERSIGNED, SUPPORT SB 446, TO SAVE HORSE RACING IN MONTANA, WHICH IN TURN WILL STIMULATE THE ECONOMY OF MONTANA.

1. Karl O. Matson 420 3RD AVE Laurel
2. Susan M. Matson 420 3RD AVE. Laurel
3. Debbie K. Matson 420 3RD AVE Laurel
4. Jeff Hobb 420 3RD AVE Laurel
5. Donny Mulligan 120 E. 13th St. Laurel, Mt.
6. Sam Wedel 319 6th Ave Laurel, Mt.
7. Jinda Wedel 319 6th Ave. Laurel, MT
8. Kale Tulee 1124 th Ave, Laurel, mt.
9. RC Ulrich 1740 Wilkins Rd; Laurel, mt.
10. Aure Foster Park City
11. Mike Foster 714 Locust St Laurel, mt
12. Art Brennan Laurel Mt. 59044
13. Larry Hagen Laurel mt
14. Due Hagen 1030 2nd Ave, Laurel, MT 59044
15. Tom Christen 2007 S. Bess Blvd. #37 Bess.
16. Vernon Kennedy 515 FIR AVE LAUREL MT
17. Rob Harris 320 FORD ST Laurel MT
18. Mike Atkinson 510 FIR
19. Beta Atkinson 510 FIR
20. Alan Schreiner 406 Forrest
21. Dudy Sussler 900 Penn Ave Laurel Mt
22. William M. Hogan 348 North 3rd Columbus Mt.
23. Mike Lindichson 115-6th St W Apt 3 Bess
24. Constance Cummings Central Ave Livingston, Mt

WE, THE UNDERSIGNED, SUPPORT
SB 446, TO SAVE HORSE RACING IN
MONTANA, WHICH IN TURN WILL
STIMULATE THE ECONOMY OF MONTANA.

1. C. W. Heflinger 555 TABRIZ Bldg, MT.
2. Walter R. Doon RT 1 Box 46 Robert's Mt.
3. Ed Schmidt PO Box 50576 Bldg MT
4. Carl Mills 931 8th Ave Laurel MT.
5. David Jaeger 909 CASA LINDA Laurel MT.
6. Herald Ascentuy 902 6th Ave Laurel MT.
7. Bennie Gieser Rte 1 Laurel MT
8. Ron Nissen 2415 Rimrock Rd Bldg MT
9. Don Wilson 1734 GROSHOLE LAUREL
10. Carole Mayes 1316 5th Av., Laurel, Mt. 59044
11. Larry Mayo 1316 5th Av. Laurel, Mt. 59044
12. Don Barclay 501 12th St West Laurel, Mt 59044
13. Merri Cherry Box 293 Laurel 59044
14. Monty Cherry Box 293 Laurel 59044
15. Roy E. Coan 6594 Bear Claw Lane Bozeman 59711
16. Harold Barclay Box 303 Laurel 59044
17. Luigi Math Fremberg, Mt.
18. Bucky M. Hodges South of LAUREL, MT. 59044
19. Mills Halton 419 8th Ave Laurel MT 59044
20. Vicki L. Bretton 419 8th AV Laurel MT 59044
21. Don Rice 1422 Willow Dr, Laurel
22. Raymond Hatten 1410 9th St. W Laurel, MT 59044
23. Don Manning 1422 Willow Dr. Laurel, MT. 59044
24. Bob Hatten 1410 9th St. Laurel, MT 59044

6

WE, THE UNDERSIGNED, SUPPORT SB 446, TO SAVE HORSE RACING IN MONTANA, WHICH IN TURN WILL STIMULATE THE ECONOMY OF MONTANA.

1. Neal Wath 219 West Main Laurel Mont
2. Milton Husten 211 Laurmac Laurel, mt
3. Alfred Wath 211 Laurmac Laurel, mt
4. Francis Hermann 702 W Maryland Laurel mt
5. Sheila Schueno 1926 Muldowney Ln #38 MT
6. Kathleen Dove 9 Wakefield Dr. Billings MT
7. Helen Wyrwinski 1219 Valley Drive Laurel, mt
8. Dean Schack 29 Brookpark Dr Billings, MT,
9. Sheila Grow 11 Walnut Grove Billings
10. Monty Hys 11 Walnut Drive Billings mt
11. ~~Robert Johnson~~ 2500 Colton Dr. #3 Billings, Mt.
12. Linda Parth R 1.1 Bigs. mt
13. Mike Rouane 2019 SHAY Rd. LAUREL MT
14. Denise Wall P.O. Box 34 Grey Cliff Mt.
15. Diane Ovensen 1034 Montana Laurel, mt
16. Bob Ovensen 211 5th Ave Laurel, Mt
17. BARBARA ALLEE CITY CENTER GREY CLIFF MT.
18. Bruce Ann Owens Bigs MT
19. Stan Kautz 519 Fairway View Dr. LAUREL, mt.
20. Gayle Kautz 519 Fairway View Dr. Laurel
21. LeRoy Gonzalez 1112 8th Ave Laurel, mt.
22. Rick Kurbness 1612 Lewis Bigs. mt.
23. Floyd G. Blum 1320 VISTA Lane Laurel mt
24. Dennis R. Beth box 325 Stanford Mt.

WE, THE UNDERSIGNED, SUPPORT
SB 446, TO SAVE HORSE RACING IN
MONTANA, WHICH IN TURN WILL
STIMULATE THE ECONOMY OF MONTANA.

1. Little T. Warden Blue Creek - Billings Mont. B
2. Mike Lumphrey Laurel Mt
3. Mike Dantia 455 Fairway View Dr. Laurel MT.
4. Jim Michel 116-17th St West Billings
5. Jim W. Dindas 6024 4th St Laurel Mt
6. Kelly Brewster 1035 12th Ave " "
7. Ken Kalle 1241 1st Ave Laurel MT
8. ~~Delores D. Dindas~~ 1012 10th Ave. Laurel, MT.
9. Henry C. Potts 616 Hazel #2 Laurel, MT
10. Leroy J. Quirk 34 Shadow Pl Billings MT
11. Rocky Packer 208 N 3rd Columbus, MT

WE, THE UNDERSIGNED, SUPPORT SB 446, TO SAVE HORSE
RACING IN MONTANA, WHICH IN TURN WILL STIMULATE THE ECONOMY
OF MONTANA.

1. Veronica Christensen Rt 1 Park City
2. Robert W. Graham 819 Birch Ave Laurel
3. Clyde Regal 4481 Cimlock Rd. Bldg.
4. Brenda Kline 1703 11th Ave S. H. Falls MT 59405
5. Joe Davis 1202 W. Maryland Ln Laurel MT
6. George Kline 1109 10th Ave. Laurel, MT
7. L. Eugene Cuiett 1924 Clubhouse way Billings MT.
8. Bill Lunsby RT 1 PARK CITY
9. Jimmy Jagan 2900 PRAIRIE DR. Bldg, MT
10. Michael G. O'Donnell 1308 Deerhorn Dr Laurel, MT
11. Patrick F. O'Brien 310 5th Ave Laurel, MT
12. Gary Deeries Buffalo Trail, Laurel, MT
13. Carrie Deeries Buffalo Trail Laurel MT
14. Julia Ford 8 5th Ave Laurel, MT

WE, THE UNDERSIGNED, SUPPORT SB 446, TO SAVE HORSE RACING IN MONTANA, WHICH IN TURN WILL STIMULATE THE ECONOMY OF MONTANA.

1. David M. Foster Box 203 Judith Gap MT
2. Mylanie Schmidt 1214 Rosebud Ln. Bks. MT. 59104
3. Scott Schmole 1214 Rosebud Ln. Bks. MT. 59104
4. Craig Wiersinski 1219 Valley Dr Laurel MT
5. Cathy Gauror SB & Maryland Laurel
6. Jack P. Muthy P.O. Box 123 Billings MT
7. Susan G. Meyer 1123 North Billings MT
8. Oly Ethelma 3278 Tahoe Dr Billings MT
9. Helma Shay 511-6th Ave Grl Int. 59044
10. Betty Shay 712 8th Ave #11 Laurel, MT 59044
11. Michael Bird 610 Fairview Lane, Laurel, MT 59004

WE, THE UNDERSIGNED, SUPPORT SB 446, TO SAVE HORSE RACING IN MONTANA, WHICH IN TURN WILL STIMULATE THE ECONOMY OF MONTANA.

1. Dennis Eaton 304 West Avenue Laurel
2. Dean Adams Park City MT Box 64
3. Sharon Raymond 1029 10th Ave. Laurel
4. Jim Lowery Rf #1 Park City
5. David Hest Box 361 Park City
6. Cuthbert 8516 Ave Laurel
7. Tom Hendrix 116 5th Ave. Laurel
8. Erwin Wood 115 Garland Ave Laurel
9. Dave Greenwalt 1690 Beartooth Dr Laurel
10. _____
11. _____
12. _____
13. _____
14. _____

WE, THE UNDERSIGNED, SUPPORT SB 446, TO SAVE HORSE
RACING IN MONTANA, WHICH IN TURN WILL STIMULATE THE ECONOMY
OF MONTANA.

1. James 402 Badger Laurel
2. Radcliff Clark RRT 1 PARK CITY
3. Nita L. Kroll 816 W. MARYLAND LAUREL
4. Marlene M. Campbell R.R. 1 Park City
5. Gordon Beebe 476 Mont. Av Laurel, mt
6. Margie Brown 402 Badger St Laurel MT
7. Wade Kim 3723 SAN JUAN Billings, MT
8. Curtis R 523 W 4th LAUREL MT
9. Steve Easton 1011 4th Ave Laurel, mt.
10. Anton Lobanovsk 1321 Fern St.
11. Alvin Miller Box 1031 Columbus.
12. Charles Fisher 216-25th Ave Laurel
13. Curtis Schaefer 5805 Silver Saddle Dr, Shepherd mt.
14. Mike Clark 1208 4th Ave Laurel.
15. James R. Marchant 518 LAUNNIE LANE LAUREL
16. Shirley L. McCall 511 W. 11th St. LAUREL, MT.
17. Mickey Roberts N. Street Livingston, MT
18. Dean Berkeley Cotton Blvd. Billings MT
19. Ruth Hauer Quarter Horse Assoc. Harrison, MT
20. _____
21. _____
22. _____
23. _____
24. _____

WE, THE UNDERSIGNED, SUPPORT SB 446, TO SAVE HORSE
RACING IN MONTANA, WHICH IN TURN WILL STIMULATE THE ECONOMY
OF MONTANA.

1. Ken Swenson 110 Woodland Ave Laurel
2. Crangschell Rt 1 box 67 Silesia Mt
3. Justin Stynall RR Joliet Mt
4. Jim Pellison Blgs Mt
5. Phil Kish Laurel MT.
6. Bill Gaynor Laurel Mt.
7. Jim Tugue 310 Highway 212 Laurel Mt.
8. Doug Roberts 2441 Folsom St Billings Mont
9. Richard Milligan 120 E. 13th Laurel Mt.
10. Michael G. Smith P.O. Box 280 Laurel Mt.
11. Paul Geyer P.O. Box 21347 Blgs 59104
12. JERRY L JOHNSON 3245 64th ST. W BLGS.
13. Donna Garslow 314 Forest Lrl
14. Jo Ann McNeil 2760 Avalon Billings 59102
15. Joan Markovich 518 Lournac Laurel
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____

March 3, 199

I, the undersigned, support SB 446 to save horse racing in Montana, which in turn will stimulate the economy of Montana.

Jim Ronan	Rt 1	Park City, MT.
Mc Smith	1635 Cove Lane	Laurel, MT
Richard Miller	BILLINGS	
Lee Medina	5948 Haynes Rd	Shey bed, mt
Lee Anderson	Rt 1,	Shepherd mt
Rhonda Anderson	"	"
Lucille Massick	418 Lewis	Billings mt.
Jim Oliver	3533 King Ave E.	Billings mt
Stewart Marsh	1936 W. 6 th	Billings mt
Doreen Miller	838 Blue Sky Dr	Billings, Mt
Marlene Smith	5541 Powder Rd	Billings MT 59102
Lynd J. Sperman	1046 Alderson	Biggs mt. 59102
James W. Smith	5541 Powder Rd	Biggs Mt. 59105

I, the undersigned, support SB 446 to save horse racing in Montana, which in turn will stimulate the economy in Montana.

Richard D. Ronan	Route #1	Park City, Mt.
Robert Ogren	MT 21m	Laurel, mt.
Randy Greer		Billings MT.
Deb McCorrick	2932 Stillwater Dr.	Biggs, Mt.

WE, THE UNDERSIGNED, SUPPORT SB 446, TO SAVE HORSE
RACING IN MONTANA, WHICH IN TURN WILL STIMULATE THE ECONOMY
OF MONTANA.

1. Phillip Garrett 211 Woodland Ave, Laurel, MT
2. Dave Felt _____
3. Roland D. Dwyer 302 Forrest Ave, Laurel, MT
4. Mike O'Malley 3672 Spartan Ave Billings MT.
5. Forley Dargatzis 345C Windmill Cr. Billings MT.
6. Duane Van Atta 3286 Granger Ave E #12 Billings, MT
7. Keith Thompson 6016 16th Ave Laurel MT.
8. Quinn Wheeler 1649 W. 9th, Laurel, MT.
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____



SENATE TAXATION

EXHIBIT NO. 9
DATE 3/14/91
BILL NO. SB 446

March 12, 1991

Senator Mike Halligan
Senate Taxation Committee
Capitol Station
Helena, MT 59620

Dear Senator Halligan and Committee Members:

The Billings Area Chamber of Commerce would like to go on record in support of Senate Bill 446 which would set aside approximately \$700,000 of the state's video gaming tax which would be used for purse supplements at Montana's eight licensed race tracks.

Horse racing in Montana represents approximately a \$22 million annual industry. In recent years the state has experienced decline in this industry as a result of the increased gambling in our state. This bill would hopefully stabilize declining racing dollars in Yellowstone County, thus helping maintain our local economy.

Once again, we urge your support.

Respectfully,

A handwritten signature in dark ink, appearing to read "Butch Ott".

Butch Ott
President/CEO

BO/cz

's impact on racing debated

bling," said Scott Langeman, manager of the state's simulcast network, which allows Montana handicappers to bet on races at Hollywood Park in California and Sundland Park in New Mexico.

While Langeman acknowledged that casino gambling adds to the state's economy, he believes Montana's agricultural base is better suited for horse racing. He pointed out that the economic benefits of thoroughbred racing extend to breeders and trainers and feed producers, while income from casino games goes straight into the pockets of the casino operators.

Murfitt said Montana's horse racing industry is fighting for its life. "Tracks can't continue to operate with declining revenues. The sport of kings in Montana is in for tough times," he said.

Ray Tracy, who operates the Racing Journal and works as race manager for the Cow Capital Turf Club in Miles City, is not sure all the blame for horseracing's decline can be placed on the shoulders of other forms of gambling.

"I do believe that gambling's had a disastrous effect on horse racing all over the state," Tracy said. "At the same time as gambling has picked up, horse racing started falling apart for its own reasons."

He named conflicting dates and battles between tracks for what they saw as the most favorable dates as the first stage in the decline.

"A real circuit was destroyed at almost the same time as the gam-

bling upsurge," Tracy said. "Horse owners went out of state or out of business."

"I don't think gambling has had as much effect on the industry as people give it credit for. It would have taken a beating from outside gambling, but not near as bad as it did. It's almost like horse racing was its own worst enemy, more than gambling."

The second thing bedeviling Montana's racing industry is that the workers' compensation rate increases started at about that same time. As workers' compensation costs climbed to 60 percent of a horse worker's salary, Idaho and Wyoming benefitted from racing operations moving there. "Montana has taken the brunt of it," he said.

"Squabbling between race tracks and workers' comp probably has had more of an effect on racing than gambling has," Tracy added.

He and Murfitt both mentioned efforts to ease the workers' compensation bite. Murfitt said both a lower premium and a short-term policy for out-of-state horse workers are being discussed as ways to address those concerns.

Tracy said that while getting rid of the double whammy won't solve all of horse racing's woes, getting a May to September circuit and easing the workers' compensation squeeze will go a long way toward strengthening the industry.

That's fine for the industry, but what about the people in the stands,

whose \$2 bets are the driving economic force behind the business of seeing which horse is faster?

"We do need the people sitting in the grandstands," Tracy said. "As far as people sitting, putting money through poker machines, they are looking for a quick decision. In my mind, you get different players for both games."

"With horse racing, it's not so much the chance. People go to horse racing to watch the horses run, to decide which horse is going to be there. They want the excitement, the competition. It's like a football game; a bet makes it more interesting."

He said that when he patronizes a place offering both simulcast racing and gambling machines, the two crowds don't mix and mingle. "Each group seems to be unaware there's another group in there."

"These are different dollars," Tracy said. "We lost them not necessarily to gambling, but we lost them because the show we are putting on has started to deteriorate."

"I really think if we get good races, strong races, the crowds will come back. If we get the programs, we are still going to get the fan base."

He compared the situation to that of the movie industry after television developed, and noted how the movies changed their content and format to attract people back to the theaters.

"I think we may be looking at the same thing if we approach it right."

has its costs, too

"The trend is definitely very noticeable in the last four to five years. The number of cases I am handling has jumped from practically nothing to three to four a month. That may not seem like a lot, but these numbers are steadily increasing," he said.

"It is a more than a little scary that many of these crimes are being committed by regular people: housewives writing bad checks, business men getting in trouble and resorting to embezzlement and fraud, working men turning to burglary and theft to pay their gambling debts," Burgess said.

"I think if we are going to look at the potential cost of wide open gambling, we have to look at the states where it is legalized: Nevada and New Jersey. Nevada is close to Montana in population with about a million people to Montana's 800,000, but Nevada has 5,700 adult felons incarcerated, compared to 1,400 in Montana. This is a state with a population difference of about 25 percent," Burgess said.

"Nevada has a corrections budget of 66 million, compared to 26 million here. Again, I must emphasize that this is with a population only one quarter larger than Montana," he said.

"Nevada has 17 penal institutions scattered all over the state, compared to eight in Montana, and five of these are half-way house facilities with 35 inmates or less."

Burgess said that Montana is already in a situation where it would require \$35 million to bring its correction facilities up to what they should be, including a new women's correctional facility and an addition to the men's prison.

"I don't know where we are going to get this money, let alone handle the increases open gambling would bring," he said.

AMENDMENTS TO SB 445

Introduced Copy (white)

Department of Revenue

SENATE TAXATION

EXHIBIT NO. 11

DATE 3/14/91

BILL NO. SB 445

The following amendments are largely the result of comments received from the Tax and Probate Council of the State Bar. The major effect is to remove from the bill any amendments to the declaratory judgement section. The Council has agreed to form a subcommittee to review the issue of what forum is the most appropriate to consider tax issues. If the subcommittee is successful, legislation concerning this issue may be presented next session.

The rest of the amendments make minor language changes to clear up some of the procedures for review by the department. They also clear up some technical problems with the effective date.

1. Title, lines 10 and 11
Following: "TAXES;"
Strike: "CLARIFYING AND LIMITING THE USE OF DECLARATORY JUDGMENT ACTIONS IN TAX CASES;"
2. Title, line 12
Following: "SECTIONS"
Strike: "15-1-402,"
3. Title, line 13
Following: "15-1-705,"
Strike: "15-2-307,"
4. Page 2, lines 14 through 16
Following: "notice,"
Strike: the rest of the text through "due." on line 16
5. Page 2, line 17
Following: "limitations"
Insert: "regarding assessment of the tax"
6. Page 3, line 1
Following: "determination"
Insert: "under this section or file an appeal with the State Tax Appeal Board"
7. Page 3, line 4
Following: "assessed;"
Strike: "and"
8. Page 3, line 8
Following: "days"
Strike: "."
Insert: "; and"

19. Page 4, line 23
Following: "who"
Strike: "validly"
Following: "objects"
Strike: "to the administrator's decision"
Insert: "pursuant to (a)"
20. Page 4, line 25
Following: "other"
Strike: "required"
21. Page 5, line 1
Following: "within"
Strike: "90"
Insert: "60"
Following: "notice"
Insert: "from the taxpayer referred to in (a)"
22. Page 5, line 6
Following: "Within"
Strike: "90"
Insert: "60"
23. Page 5, line 23
Following: "decision."
Insert: "If an appeal is filed the administrator's decision shall be the final decision of the department."
24. Page 6, line 1
Following: "review"
Strike: "a final assessment or"
Insert: "the administrator's"
25. Page 6, line 13
Following: "reasonable"
Insert: "not to exceed 90 days except upon the mutual consent of both parties"
26. Page 6, line 13
Following: "Procedure"
Insert: "including 3 days additional time for mailing"
27. Page 6, lines 14 and 15
Following: "taxpayer"
Strike: "or by order of the department"
28. Page 6, line 15
Following: "shall"
Strike: "grant"
Insert: "consent to"

SB 445

SENATE TAXATION
EXHIBIT NO 11
DATE 3/14/91
BILL NO SB 445

BY REQUEST OF THE DEPARTMENT OF REVENUE

Purpose

- 0 The purpose of this bill is to provide a simple, inexpensive, and effective method for taxpayers to have audit issues reviewed within the Department.
- 0 It also clarifies the Department's authority to enter into closing agreements.

Applicability

- 0 The proposed process does not apply to property taxes (with the exception of revised assessments of centrally assessed property) or inheritance taxes.
- 0 The normal property tax appeal process is not effected. Taxpayers will still appeal to the county board and the state tax appeal board as they do now.
- 0 In the case of inheritance tax cases, appeals will remain in the District Court.

Current Procedures

- 0 Currently there are a variety of review procedures which apply depending on the tax which is at issue.
- 0 For individual income tax there is a lengthy process of appeals within the Department. It is governed by the Montana Administrative Procedures Act. At the conclusion of the process the Director makes a final decision which may be appealed to the State Tax Appeal Board.
- 0 In the corporation and natural resource tax area there is a more informal process which is not governed by the Montana Administrative Procedures Act. However, there is no guarantee of a review by the Director's office.
- 0 In other tax areas no particular procedure is set forth and no one review process applies.

0 The advantages for the Department are:

(1) There will be one system that applies to all taxes except property taxes and inheritance taxes;

(2) It guarantees consistent treatment of taxpayers and issues; and

(3) It will give the Department a better opportunity to resolve issues before they reach STAB or the courts.

Closing Agreements

0 These are simply the agreements which the Department and a taxpayer sign when an issue has been resolved.

0 Although the Department has entered into them for all of the different taxes, specific authority only exists for income and corporation taxes.

0 Subsection eight of section one provides this authority for all taxes administered by the Department.

March 9, 1991

The Honorable Mike Halligan
Room 412, Capital Station
Helena, Montana 59620

Re: Senate Bill 446

Dear Senator Halligan,

I am a member of Montana's racing industry and feel SB 446, as amended, would lend the support needed to make racing in this state feasible. Please support SB 446, as amended. I would appreciate distribution of this letter to the other members of the taxation committee.

Respectfully yours,

R. Kyle Schoen
275 LAKE WAINE Rd.
Kalispell, MT. 59901

March 9, 1991

The Honorable Mike Halligan
Room 412, Capital Station
Helena, MT. 59620

Re: Senate Bill 446

Dear Senator Halligan,

Please support SB 446, as amended,
I feel Montana cannot afford to lose 22 million
in cash flow that helps other segments of State
agriculture. Please vote yes for SB 446, as amended,
I would appreciate distribution of this letter to
other members of the taxation committee.

Respectfully your,

Brad Schoepf
215 Lake Blaine Rd
Kalispell, MT
59901

Mary Schoepf
215 LAKE LAINE ROAD
KAUSPELL, MONTANA 59901

March 9, 1991

The Honorable Mike Halligan
Room 412, CAPITAL STATION
HELENA, MONTANA 59620

Re: SB 446

DEAR SENATOR HALLIGAN:

UNLESS SB 446, AS AMENDED, IS PASSED, THE RACING INDUSTRY IN MONTANA IS IN JEOPARDY. PASSAGE OF THIS LEGISLATION WOULD MAKING RACING COMPETITIVE WITH OTHER AREAS. PLEASE SUPPORT SB 446, AS AMENDED & URGE THE OTHER MEMBERS OF THE TAXATION COMMITTEE TO SUPPORT IT AS WELL.

PLEASE DISTRIBUTE THIS LETTER TO AN MEMBER OF THE TAXATION COMMITTEE.

Sincerely,

Mary Schoepf

State of Montana
Senate Committee on Taxation
Helena, MT

Ladies and Gentlemen:

I submit these comments in opposition to SB 446, which proposes a disposition of .5% of the video gaming machine tax to horse racing. Horse racing interests in Montana have blamed the introduction of video gaming machines for the decline in racing handles in Montana. They argue that funds generated from gaming machine taxes to augment race purses will provide full race gates which will cause the public to flock to the tracks.

Racing interests connect the decline in betting handles and horse numbers to video gaming and the State lottery. Although one cannot deny that there is some correlation, I suggest that there are many more problems intrinsic to the racing industry in Montana that have contributed to its decline.

First is the seldom mentioned 1986 Federal Income Tax legislation, which negated several of the direct tax benefits relating to owning horses. This caused a significant drop in the number of horse owners, which resulted in a smaller number of horses to train and resultant downward spiral in the racing industry in terms of the number of people the industry employs.

Second: Many of the current problems at Montana's race tracks stem from the racing commission's decision to allow overlapping race dates and cause various tracks to cannibalize each other in competition for horses. Many of the smaller tracks in Montana were not able to compete successfully and have either folded or had financial difficulty. These tracks served as both training and developmental tracks for horses throughout rural Montana and served as feeder tracks from which the larger tracks benefitted. One questions which track's purses would now benefit from tax money. Should the entire state support the few remaining large tracks?

Third: Many states legalized parimutuel race betting during the 1930's. However, while other forms of entertainment have spent years developing their audience racing has stagnated. Parimutuel race betting is a child of the depression and depression children were its audience. This audience is growing older and is not being replaced. The average race bettor's age in this country is 55, growing older, on fixed income. At one time racing was America's largest spectator sport. Now it attracts a national television audience twice a year and has not kept pace with changing life styles and tastes. WWF wrestling now has a larger audience.

Forth: Racing interests contend that their connection to agriculture and agricultural interests is vital to the state of Montana. This is possibly the industry's biggest problem in that it does not recognize its position in the market. Although it is connected agriculturally to the state's economy, it is in a larger sense part of the state's entertainment industry and must recognize itself as such and compete accordingly. If the racing industry does not recognize its own identity, identify its market or its position in the market, full race gates will not be the solution.

Fifth: Public policy is not well served by the State's unwarranted intrusion into the market place. The taxation of a successful segment of the gambling and entertainment industry in Montana should not be used as a crutch to sustain another segment that cannot otherwise compete in that market place.

For the reasons mentioned above I ask that you oppose SB 446.

Thank you for your time and consideration.

Sincerely,

John R. Tooke 3/13/91
John R. Tooke C.P.A.
Miles City, MT



MARIAS VETERINARY CLINIC

BOX 762

C. HARDEE CLARK D.V.M.

(406)434-5176

SHELBY, MT 59474

March 13, 1991

Mike Halligen
Chairman Senate Taxation Committee
Helena MT 59601

Dear Mike;

I am a practicing veterinarian and rely on the livestock and horse industry of Montana.

I feel the racing industry could be boosted by the implementation of Senate Bill 446 as ammended. The horse industry has always been active in Montana, but any increase will create economic activity in all areas of trade.


C. Hardee Clark D.V.M.

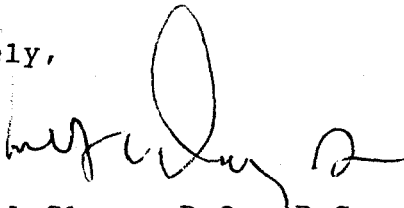
Robert A Clary, D.O.
Box 709
Shelby, Mt. 59474

To whom it may concern:

As a horseman within the State in MONTANA who is active in breeding and racing horses in the State of Montana I support the House Bill to a percentage of the gambling take out to the purse structure of horse races within the State of Montana. Horse racing is a viable industry within the state of Montana. Increases in purses in tight supply of horse racing industry is faced with possible extinction. This would be bad for all concerned as horse racing is the agriculture scene of the State of Montana.

If I can be of any further assistance please do not hesitate to call.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Robert A Clary', with a large, stylized initial 'R' at the beginning.

Robert A Clary, D.O., P.C.
RAC/dp



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Fax: (406) 873-5915

March 13, 1991

TO: Mr. Mike Halligan
Chairman of the Senate Taxation Committee

RE: Senate Bill 446--amended bill

Dear Sir,

I have been involved with horse racing in Montana for thirteen years as an announcer and also in promotions. I do the announcing at Great Falls, Kalispell and Shelby.

There has been a decline in interest in this great sport, mainly due to a lack of quality horses and the number of horses. I have seen many times when there is a good card, in other words good horses, a good attendance and a good handle.

You hear the term at times, "Well we're going to have an Alpo special today" meaning dogs running and that attitude runs throughout the industry and the public. A lot of good trainers and riders either leave Montana or get out of the business because they just can't make it. Any extra money for purses helps bring better horses and more quality people.

I do strongly support any support our tracks can get.

Thank you,

Bob Norris

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 14 day of March, 1991.

Name: Bob SYRUD, PVM

Address: 8732 Mt. View Rd.

Polson, mt 59860

Telephone Number: (406) 883-4758

Representing whom?

SIGNET STABLES - SUMMIT RESEARCH

Appearing on which proposal?

SB 446

Do you: Support? X Amend? _____ Oppose? _____

Comments:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 14 day of MARCH, 1991.

Name: LAY C CLARK

Address: SWEETGRASS

Telephone Number: 937-6905

Representing whom?

MARIAS FAIR SHELBY

Appearing on which proposal?

SENATE BILL 446

Do you: Support? X Amend? Oppose?

Comments:

HORSE RACING NEED THIS
TO SURVIVE IN MONT

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 14 day of March, 1991.

Name: Bill Ozy

Address: POB 1888

Great Falls mt 59403

Telephone Number: 4727-8900

Representing whom?

Montana State Fair Race Meet

Appearing on which proposal?

SB 446

Do you: Support? ☒ Amend? ☐ Oppose? ☐

Comments:

Preserve an industry that significantly and historically
support Montana and its tax base

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 15 day of MARCH, 1991.

Name: John SHELHAMER

Address: 2909 Gregory Drive

Billings MT 59002

Telephone Number: 406 373-5507

Representing whom?

United Tote Inc

Appearing on which proposal?

SB 446

Do you: Support? ☒ Amend? ☐ Oppose? ☐

Comments:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 14 day of MARCH, 1991.

Name: Robert W. Hollow

Address: 3815 Jupiter Drive

Telephone Number: 406-443-6016

Representing whom?

SELF

Appearing on which proposal?

SB 446

Do you: Support? ✓ Amend? Oppose?

Comments:

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper has a slightly textured appearance and some minor blemishes or dust specks. The edges of the paper are slightly irregular.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 14 day of March, 1991.

Name: Silvia Chiesa

Address: 659 Indian Trail

Telephone Number: 406-256-2400

Representing whom?

Missa Pank

Appearing on which proposal?

SB 446

Do you: Support? ☒ Amend? ☐ Oppose? ☐

Comments:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 14 day of MAR, 1991.

Name: DALE MATHUM

Address: 10955 Hwy 23 N
Missoula

Telephone Number: 545-3115

Representing whom? M. T. B. A.

Appearing on which proposal?
GB 446

Do you: Support? ✓ Amend? _____ Oppose? _____

[illegible]

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 14 day of March, 1991.

Name: STEVE CHRISTIAN

Address: 130 & 130

WHITEFISH, MT 59937

Telephone Number: 862-4180

Representing whom?

MT Board of Horse Racing

Appearing on which proposal?

SB 446 as AMENDED

Do you: Support? X Amend? _____ Oppose? _____

Comments:

This image shows a single sheet of white paper with horizontal black ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. A small, dark smudge or mark is present near the top right corner of the page.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 14 day of March, 1991.

Name: P. J. Berman

Address: 4506 Halber Dr
Halena Sh601

Telephone Number: 442 7606

Representing whom?

Appearing on which proposal?

5B 446

Do you: Support? ☒ Amend? ☐ Oppose? ☐

Comments:

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or printed text on the paper.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 14 day of March, 1991.

Name: Wane Dennis

Address: 2322 Cannon
Helena, MT.

Telephone Number: 443-0019

Representing whom?

Appearing on which proposal?

SB 446

Do you: Support? ✓ Amend? _____ Oppose? _____

Comments:

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears slightly aged or off-white. There is no handwriting or other markings on the page.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 1st day of March, 1991.

Name: ROBERT STUART

Address: 153 SKYLARK LANE. Ronan Montana, 59864

Telephone Number: 406-883-4255

Representing whom?

Thoroughbred Breeding industry

Appearing on which proposal?

SB. 446

Do you: Support? ☒ Amend? ☐ Oppose? ☐

Comments:

This image shows a single sheet of white paper with horizontal black ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. A small, dark mark or smudge is present near the top right corner. The paper appears to be from a notebook or a set of legal pads.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 14, 1991

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 422 (third reading copy -- blue), respectfully report that House Bill No. 422 be concurred in.

Signed: _____
Mike Halligan, Chairman

LB 3/14/91
Amd. Coord.

SB 2-14-91 11:10
Sec. of Senate

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 14, 1991

MR. PRESIDENT,

We, your committee on Taxation having had under consideration House Bill No. 193 (third reading copy -- blue), respectfully report that House Bill No. 193 be concurred in.

Signed: Mike Halligan
Mike Halligan, Chairman

LB 3/14/91
Amd. Coord.

SP 3-14-91
Sec. of Senate