

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN CHASE HIBBARD**, on February 21, 1995,
at 8:00 a.m.

ROLL CALL

Members Present:

Rep. Chase Hibbard, Chairman (R)
Rep. Marian W. Hanson, Vice Chairman (Majority) (R)
Rep. Robert R. "Bob" Ream, Vice Chairman (Minority) (D)
Rep. Peggy Arnott (R)
Rep. John C. Bohlinger (R)
Rep. Jim Elliott (D)
Rep. Hal Harper (D)
Rep. Rick Jore (R)
Rep. Judy Murdock (R)
Rep. Thomas E. Nelson (R)
Rep. Scott J. Orr (R)
Rep. Bob Raney (D)
Rep. John "Sam" Rose (R)
Rep. William M. "Bill" Ryan (D)
Rep. Roger Somerville (R)
Rep. Robert R. Story, Jr. (R)
Rep. Emily Swanson (D)
Rep. Jack Wells (R)
Rep. Kenneth Wennemar (D)

Members Excused: Rep. Daniel C. Fuchs (R)

Members Absent: None.

Staff Present: Lee Heiman, Legislative Council
Donna Grace, Committee Secretary

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

Committee Business Summary:

Hearing: HB 418
HB 524

Executive Action: HB 90 - Do Pass as Amended

{Tape: 1; Side: A.}

HEARING ON HB 418

Opening Statement by Sponsor:

REP. CHARLES DEVANEY, House District 97, Plentywood, said the substance of the bill was a proposal to raise the privilege and license tax on producers of oil and natural gas from .2% to .3%. The tax is applied against the value of oil and gas produced in the State of Montana and, consequently, the amount raised depends on the volume produced and the market value. The Board of Oil and Gas Conservation is funded on a proprietary basis, primarily from this revenue source and the budget is set by the Legislature and the Board, by administrative rule, sets the tax rate necessary to fund the budget not to exceed the maximum set by law. It is imperative to maintain a sufficiently funded organization because oil and gas represents a large portion of Montana's economic base and to ensure that the production is accomplished in an environmentally safe way. This is accomplished through field inspectors being on location. The goal of this Legislature is to not raise taxes and to reduce government; however, this proposal is unique because it has the support of those who will pay the tax, the citizens who own the minerals and the producers who develop them.

Proponents' Testimony:

John Richmond, Administrator of Petroleum Engineers for the Board of Oil and Gas, testified on the need for the tax increase. His testimony and supporting documentation are attached as EXHIBIT 1.

Gail Abercrombie, Executive Director of the Montana Petroleum Association, rose in support of HB 418, advising that the Association had discussed the increase and they realize that the professional staff is necessary. The producers are willing to pay the increase because it helps them maintain their credibility with the environmental community.

Jerome Anderson, Shell Western Exploration, said Shell is the largest crude oil producer in Montana and pays the largest share of the tax and the company supports the bill.

Dennis Iverson, Northern Montana Oil and Gas Association, said he represented the small independent producers in the north-central area who strongly support the bill.

Dave Ballard, Ballard Associates of Billings, spoke in support of the bill because it is important to maintain the services provided by the Board and, as a Commissioner on the Board of Oil and Gas, he acknowledged that the Board has cut as much as they can and still maintain the services.

Warren Ross, Member of the Board of Oil and Gas and Member of the Montana Land and Mineral Owners Association, testified in support of the bill. He said the Board has reduced its budget to the minimum but still found it necessary to use all the money in reserve to meet expenses. During the last budget period, it was necessary to obtain a loan from the Department of Natural Resources to meet the payroll. There is a responsible oil and gas industry in Montana, and the reason for that is because of the record of the Board of Oil and Gas and the Land and Mineral Owners Association who have worked together.

Opponents' Testimony:

Pete Sherwood, Great Falls, stated that he was opposed to a raise in the rate. As a small producer of oil and gas, he was not asked whether he approved of the rate increase. He said the industry is depressed, and the small producers cannot afford the increase. He criticized the employees of the Board for wasting time and money and duplicating services provided by other agencies.

Pati Jo O'Reilly, Independent Producer, testified in opposition to the bill. She presented written testimony on her behalf as well as other small producers. EXHIBIT 2.

Questions From Committee Members and Responses:

REP. JORE asked Mr. Sherwood what benefits he had received from the Board of Oil and Gas. **Mr. Sherwood** said it was harder to deal with the Board than it was to deal with the federal government who try to assist the small producers to stay in business. He said he did not oppose the Board, but he didn't want to fund it. He said there must be benefits but he couldn't think of any.

REP. BOHLINGER asked for an explanation of the duties and responsibilities of the Board of Oil and Gas. **Mr. Anderson** said the Board is responsible for regulation of the industry. It issues drilling permits and keeps logs of all wells which is a valuable source of information for people in the industry, the Department of Revenue and people involved in environmental control. It serves as the "policeman" of the gas and oil industry. It is also responsible for seeing that wells are plugged in a way that they will provide safety to the public. As a follow up question, **REP. BOHLINGER** asked how much of a financial burden the .1% increase would place on a typical small producer. **Mr. Anderson** said the total collected each year is about \$560,000 and Shell pays about \$150,000 of that. It is an extremely small portion of the total oil and gas tax paid which is approximately 14% of production.

REP. ARNOTT asked what the total operating budget was, and how many members served on the Board.

{Tape: 1; Side: B.}

Mr. Richmond replied that it is a quasi-judicial board consisting of seven members appointed by Governor. The Board's regulatory budget for the current year is \$900,000. **REP. ARNOTT** asked if the responsibilities of the board decrease as production becomes less. **Mr. Richmond** said the responsibilities increase because the Montana Environmental Policy Act has been integrated into the permitting procedures and they have received other responsibilities from the DOR. As production declines, there are abandoned wells to be dealt with and compliance problems increase when people have less money to operate. **REP. ARNOTT** asked how many people are employed by the Board. **Mr. Richmond** said they have 15 employees presently with two vacancies.

REP. ORR said it would be helpful to have a breakdown of who pays the taxes by size of producer. **Mr. Richmond** indicated that he could get that information for the Committee.

REP. SWANSON asked how the Board was handling the decline in revenue. **Mr. Richmond** said they reduced staff, closed two offices and consolidated operations in Billings. **REP. SWANSON** asked how they could justify to the small producers that, after downsizing the operation, they were asking for a 50% tax increase. **Mr. Richmond** replied that they have had to borrow \$100,000 from the Department of Natural Resources for the current year. The justification is that they have the authority by statute to lower the tax and they hope the problem is temporary and that production will go up as a result of some incentive programs. If this happens, or if the price of oil goes up, the Board will reduce the tax. **REP. SWANSON** asked what the Board would do if they are not granted the increase. **Mr. Richmond** said they would have to reduce staff further. They would continue the regulatory activities and eliminate some of the other duties.

REP. ELLIOTT asked why the Board of Oil and Gas was plugging wells. **Mr. Richmond** explained that these are "orphan wells" where the operator has gone bankrupt or disappeared. Some of the wells that are being plugged are extremely old, having been drilled in the 1920s.

REP. SOMERVILLE asked **Mr. Sherwood** to comment on the Board's plugging of wells. **Mr. Sherwood** said the Board does not spend this money to plug wells because the producers pay another tax, the Resource Indemnity Trust, for that purpose.

REP. ARNOTT asked for a breakdown of the Board's budget. **Mr. Richmond** said about three-quarters of the budget goes for personal services. **CHAIRMAN HIBBARD** suggested that **Mr. Richmond** furnish this information in written form.

REP. WELLS said he was trying to determine what the impact would be on small producers. **Mr. Sherwood** said he produces approximately 800 barrels a month. **Ms. O'Reilly** said the groups

she was representing also were small producers, many of which are operating at the borderline.

REP. ELLIOTT asked if it was correct that the funds for plugging wells does not come out of the Board's administrative budget.

Mr. Richmond said they have a special fund called the production damage mitigation account which is the emergency plugging account and it has a biennial \$50,000 appropriation from RIT interest and they also put bond forfeiture money into this account which currently has a balance of \$150,000. **REP. ELLIOTT** again asked if any of the operating budget was used for plugging wells. **Mr. Richmond** said it was not. The only other source of income they have to plug wells is from participation in the DNRC grant program which uses RIT funds. **REP. ELLIOTT** said an operator producing 500 barrels a month at \$12 would realize \$72,000 a year and this bill would mean a tax increase of \$72. **Mr. Richmond** said that was correct.

Closing by Sponsor:

REP. DEVANEY said the Board of Oil and Gas Conservation is responsible for monitoring every oil and gas well drilled in the State of Montana throughout the life of the well. To actually accomplish this, someone must be at the site.

{Tape: 2; Side: A.}

He said he was aware of situations where operators performed work on weekends or holidays, because they knew there would be no inspectors around. The industry likes to have the regulation because it assures that their employees are playing by the rules. It absolves the companies of liability if the state inspector is on the site. The owners like the regulation because it protects their interests and production records are accurately kept so they receive the proper royalty payments. They also want to be assured that pollution is controlled. The Board provides an important service for the mineral owners, the oil industry and the State of Montana; therefore, he urged a do pass recommendation on this bill.

HEARING ON HB 524

Opening Statement by Sponsor:

REP. JEANETTE MCKEE, House District 36, Hamilton, said that when she thinks of resort areas in Montana, she thinks of West Yellowstone, Big Sky and Whitefish. The resort area law is already in place; however, the criteria for designation is so restrictive that Whitefish has been unable to qualify as a resort community. The reason is that criteria for designation specifies that the major portion of the community's economic well-being must be derived from employment related to tourism. In the case of Whitefish, retirement was computed as the major source of

economic well-being. House Bill 524 loosens the criteria to adjust the population requirement from 2,500 to 5,500 and amends the existing statutory language so that tourism can also be the secondary source of economic well-being. These changes would allow Whitefish to qualify as a resort community.

Proponents' Testimony:

Jim Welsh, Mayor, Whitefish, explained why it is important for Whitefish to have a resort tax. He provided copies of graphs illustrating the community's revenues and expenditures. EXHIBIT 3. **Mr. Welsh** said the streets of Whitefish are the laughing stock of everyone in the State of Montana. They would like to be the "flagship" tourist town of Montana. The tourists are coming to Montana and what happens is that they bring their problems with them. The 4,300 residents of Whitefish are trying to support the infrastructure, but a large portion of their revenue must go to law enforcement instead. The people of Whitefish feel that they have done a good job of managing their resources; however, in another five years there will be no beginning balance for them to work with. He asked the Committee for a favorable decision on HB 524.

Phelps L'Hommedieu, Owner of the Palace Bar, Whitefish, said fully supports HB 524. As a tavern owner, he is dependent on tourists and will be responsible for collecting the tax and this will not be a problem. He said the City of Whitefish needs the tax to keep the community in good shape so the tourists will want to return. **Mr. L'Hommedieu** also presented testimony on behalf of the owner of the Great Northern Bar and Grill in support of the bill.

Dan Spivey, Vice President of the Whitefish Planning Board, spoke in favor of the bill. He said they do the best job they can to provide infrastructure funds to the community to take care of the necessary services. In spite of all their effort, they can't get it all done because of the tourists who enjoy the community and consume resources. As owner of a bed and breakfast establishment, **Mr. Spivey** said he had asked his customers what they thought about the condition of the community and what they thought of paying tax in addition to the bed tax. They said they didn't care about the increase in taxes but they would like to see improvement of the streets and infrastructure that would make visiting the area more enjoyable. He asked the Committee to give Whitefish a chance to fix the problems.

Andy Feury, Whitefish City Council, expressed his strong support for HB 524. He said Whitefish has long been known as the "Holiday Village," because it has the largest ski area in the state, great golfing, and is only 22 miles from Glacier Park. Many of the people visiting the area stay in Whitefish and they have 100% hotel occupancy during the summer months. However, they find themselves in the unique situation of not qualifying as a resort

community because the designation is based on population and primary sources of income. He encouraged passage of the bill.

Jan Metzmaker, Vice President, Whitefish County Water and Sewer District, rose in support of the bill primarily because it would help Whitefish address their problems. She said that on the previous weekend, 6,000 skiers were using the Big Mountain ski area and this amount of traffic, together with the lack of stormwater drainage, is ruining the roads. She said the Water and Sewer District has plans for the Whitefish Lake drainage and they consistently require that developers provide stormwater drainage plans, but they cannot require a developer to hook up a system nor can they expect the developer to foot the bill for constructing an entire system. They feel that their water quality is being affected by excessive amounts of sediment and heavy metals and chemicals that are being washed into the river and lake. Whitefish Lake is essential to the economy of the area and is a source of the town's water and must be protected. Stormwater is also raising havoc with the sewage treatment facility. The city does not have the revenue to implement a system now and HB 524 would assist greatly.

Tim Gratte, Owner of Grouse Mountain Lodge, Whitefish, appeared before the Committee as a proponent of HB 524 because the legislation would obviously offer a solution to fix what has become broken by the influx of tourists. They need a mechanism to maintain the infrastructure they do have. He said they have been assured by the city that this will be a broad based tax and will be applied fairly. He urged the Committee's favorable support.

Lindsay Akey, citizen of Whitefish, said that Whitefish has two natural resources -- tourism and potholes. They would like to use one to cure the other. Big Mountain, their neighbor to the north, measures its visitors in thousands, and their neighbor to the east, Glacier Park, measures its visitors by the millions, and with this come many problems. He distributed copies of a letter from William LaBrie, Whitefish Police Department Chief. EXHIBIT 4. The letter emphasizes the impact on the police department of millions of people passing through Whitefish on an annual basis. Whitefish has the third highest crime rate in the state. **Mr. Akey** asked the Committee to give Whitefish the ability to control its destiny and fix the major problems that exist.

Donna Maddux, Whitefish resident and teacher, said that 4,300 residents are trying to take care of the infrastructure of Whitefish and it is becoming a heavy burden. The visitors coming to the area expect "up-scale" and they are frequently critical of the roads and other services. She said they are only asking for the right to go to the community and ask them if they want the tax to relieve some of the burden. She said she would appreciate the Committee's support.

Chet Hope, Whitefish resident, presented two letters of support for the bill. EXHIBIT 5. He referred to a questionnaire in which 80% of the 830 respondents agreed that the roads were the biggest problem. He said he represented the average Whitefish citizen and there is overwhelming support in the community for HB 524 because it would give them the opportunity to decide for themselves whether they want the resort tax.

{Tape: 2; Side: B.}

David Stewart, President, Whitefish Community Development Corporation, said he represented a group of thirty businessmen and women who are interested in improving things in Whitefish. He said the members of the organization, as well as other citizens of Whitefish, recognize that as they become more of a tourism community, their tax dollars are being diverted. They realize that the tax will affect everyone in Whitefish, as well as the tourists, and they are willing to accept that. He said there are no other solutions for the problems the city faces and he urged the Committee to vote in favor of the bill.

Greg Bryan, Whitefish hotel owner, said that Whitefish is impacted by a variety of types of travelers they are creating a problem of infrastructure disrepair for the community. Federal and state revenue sources are diminishing and another source of revenue must be found. He said he supports the legislation because it is broad-based and will not affect only the lodging industry.

Mona Jamison, representing the City of Whitefish, said that she hoped that the parade of support shown so far demonstrates the broad-based community support for this bill. The collectors of the tax and the payers of the tax have all been supportive and it is rare to get that kind of support on anything. If Whitefish can't qualify under the existing statutory language as a resort community, something is broke and needs to be fixed. Whitefish is certainly representative of a resort community and, if the statute doesn't allow them to present the issue to the voters, the statute needs to be changed. **Ms. Jamison** said the bill would change the criteria so that Whitefish could be designated by the Department of Commerce as a resort community. The next step for the town council would be to put the tax up for a vote. The people residing in the area would then vote on the issue. There are strong indications that the tax would pass. The town council would form an advisory council composed of various citizens and interests who would develop the broad-based structure of the tax. Under the existing statute, the tax can only be imposed on luxuries as defined in the statute. The local ordinance would clarify what the luxuries are. The process has worked in other resort areas. **Ms. Jamison** explained that Whitefish is in a unique situation, with a population of 4,300, and in close proximity to popular tourist areas. The tourist impact is severe on roads, law enforcement and other infrastructure. This bill would allow the folks who enjoy their stay in Whitefish to pay a

tax on luxuries. The bill benefits not only Whitefish because it would also provide additional revenue for the county and the state. She asked the Committee to support Whitefish with this legislation.

Opponents' Testimony:

Mark Staples, Montana Tavern Association, said he reluctantly opposed the bill. Historically, the Tavern Association and the hospitality industry in general have been opponents to local option taxes because they are the industry paying the tax. This bill does go a long way toward broadening the base. He said that not all the tavern owners in Whitefish support this bill but those not supporting it are in the minority. **Mr. Staples** said he did not think that Whitefish was the only community in Montana with a population under 5,500 that had tourist impacts. He suggested that the Committee look very carefully at the language in the bill. He said he would like to work closely with the proponents of the bill to tighten the language.

Questions From Committee Members and Responses:

REP. BOHLINGER asked why the tavern owners would not support this bill, recognizing the need for repair of the infrastructure. **Mr. Staples** said the Tavern Association is in favor of a public vote if the prices are laid out in front of them. It is not just the hospitality industry and the retail industry that benefits from tourism and thus they should not be the only ones looking at taxation to cover the impact from tourism. If there is a vote, and it does cover all luxury items and the tax is broad based rather than narrowly based, they would support the bill.

REP. SOMERVILLE asked how they established the population cap at 5,500. **Ms. Jamison** said she started with the base population, then called the Census Bureau who determined that the growth rate was 3% per year for the county. They tried to keep the population expansion as low as possible so it would not open it wide up to many communities, but would still allow the people of Whitefish to take advantage of the legislation. As a follow up question, **REP. SOMERVILLE** asked how many communities would fit the description. **Ms. Jamison** said she did not know but there were quite a few; however, very few would come close to claiming that they were a resort community. **REP. SOMERVILLE** asked if there would be any objection to raising the population cap. **Ms. Jamison** said if it would help the bill pass, it would be great, but the bill was designed to meet the unique problems existing at Whitefish.

{Tape: 3; Side: A.}

REP. ELLIOTT asked if the items to be taxed would appear on the ballot. **Ms. Jamison** said the proposal to impose a resort tax not to exceed 3% would appear on the ballot together with what the tax could be used for and must reflect the language in the

statute. If the proposal passes, the administrative ordinances must go through two public hearings and must be very specific on what the tax will be imposed on. **REP. ELLIOTT** asked if the public would be aware of what would be taxed prior to the election. **Ms. Jamison** said that to a certain degree they would; however, an advisory committee will be named by the mayor to provide input as to what will be included in the administrative ordinance. **REP. ELLIOTT** said he had some concern that using the language "a secondary" in determining economic well-being might be too broad. **Ms. Jamison** said she had no objection to changing the language to "the secondary." She explained that the reasons they used the word "secondary" was because the primary income in Whitefish is retirement income. If "employment income" were used, the city would also qualify as a resort community. **REP. ELLIOTT** asked how much it would cost to repair the streets of Whitefish. **Mayor Welch** said the present estimate is \$12.5 million.

REP. REAM suggested that perhaps the language should be "primary" rather than "major" source of income if that was what was intended. **Ms. Jamison** said she would agree to the change; however, she indicated that the intent was to keep the language as close as possible to the existing resort area language so as not to broaden the scope of the bill but would allow Whitefish to qualify.

REP. RANEY said he did not like the bill because it caused competition between communities and a lot of other communities would like to have the same ability to tax. In his mind, it represents "piecemeal" taxation. **Ms. Jamison** suggested that perhaps the Committee would like to sponsor a general local option sales tax.

REP. STORY asked how many other communities might qualify under the proposed legislation. Without objection, **Matt Cohen, Department of Commerce, Travel Division**, replied that the communities of Red Lodge, Gardiner and Hamilton, might qualify.

REP. STORY asked if there had been any attempts at annexation and, if so, how that might affect the population. **Mr. Spivey** said an attempt was being made to annex a commercial district and it would not affect the population.

REP. BOHLINGER asked Mr. Staples if he had visited West Yellowstone before and after they adopted the sales tax, and, if so, how the tavern owners had felt about the tax. **Mr. Staples** emphasized that the Montana Tavern Association opposes a general local option sales tax. He said the sales tax has been a benefit to the tavern owners in West Yellowstone. His objection to the bill is that it would set indefinite parameters with indefinite language.

REP. HARPER said he has opposed statewide local option taxes but favors this option because it has been limited to exceptional

circumstances. He asked if there had been any property tax relief in the communities that presently have a local option tax in place. **Ms. Jamison** said no information was available for Big Sky and she did not have the information for West Yellowstone, but she would obtain it.

{Tape: 3; Side: B.}

REP. ARNOTT asked how Whitefish had benefited from the bed tax. **Mayor Welsh** replied that the bed tax had done its job very well and the people keep coming to Big Mountain and Glacier Park. The down side is that the same people come to Whitefish to sleep and party, causing law enforcement problems and infrastructure impacts.

REP. ELLIOTT asked if Whitefish had considered any other options for financing bonds to fix the streets and sewer. **Mayor Welsh** advised that Whitefish is the smallest town in Montana with its own charter, an urban renewal plan, and tax increment financing districts. He said they had examined the possibility of financing the street repair but it would totally negate the whole idea behind tax increment financing.

REP. REAM said he understood that property tax relief was not the real issue behind this legislation. **Mayor Welsh** said that was not correct as they would like to get the property tax down so residents who had lived in Whitefish for many years could stay. The bill says that 5% must go for property tax relief and he would like to see that figure pushed higher.

REP. REAM asked what would happen if the population, through natural growth or annexation, went beyond 5,500. **Ms. Jamison** explained that the ballot must contain the length of time the tax will be in effect. If, at the end of that time period, the population has expanded beyond 5,500, the community would not qualify to present another proposal to implement a local sales tax.

CHAIRMAN HIBBARD asked what assurances could be given that communities such as Townsend or Martinsdale would not apply for this tax. **Ms. Jamison** said she could not speak for other communities, but the answer was obvious because Townsend is not looked at as a resort community in the same light as Whitefish. **CHAIRMAN HIBBARD** asked what assurances could be given that the tax would be broad-based. **Ms. Jamison** said the statutes say that any business that sells a luxury must collect the tax and this language assures that it will be a broad-based tax.

Closing by Sponsor:

REP. MCKEE advised that there would be an amendment to the bill to clarify the "primary" and "secondary" language and there would also be a discussion with Mr. Staples relative to his concerns. She said one of the reasons for the bill is that the tax

structure in Montana is not fair and Western Montana, in particular, is seeing huge tax increases. Montana has 400 incorporated towns and only eleven had populations in excess of 5,000; however, most of them would be excluded because tourism would not be the primary or secondary source of economic well-being. She emphasized that the law is already in place and there is total local control because the citizens can vote for or against the tax. Whitefish really needs the help because the municipal tax base is not large enough to support its infrastructure needs which have been impacted by tourism. She noted that on weekends the law enforcement agency must deal with approximately 30,000 people. She asked the Committee to seriously consider a do pass action on the bill.

{Tape: 4; Side: A.}

EXECUTIVE ACTION ON HB 90

Motion:

REP. ELLIOTT MOVED THAT HB 90 DO PASS.

Motion/Vote:

REP. ELLIOTT MOVED THAT THE CONTINGENT VOIDNESS AMENDMENT TO HB 90 DO PASS. The motion passed unanimously.

Discussion:

Mr. Heiman said it would be necessary to add coordination language to reflect that whatever action is taken on HB 90 will coordinate with HB 412, the general revision of the oil and gas tax.

Motion/Vote:

REP. REAM MOVED THAT THE COORDINATION AMENDMENT BE ADOPTED. The motion passed unanimously.

Motion:

REP. ELLIOTT MOVED THAT HB 90 AS AMENDED DO PASS.

Discussion:

REP. RANEY said he did not agree with the figures -- three barrels and \$30 -- in the bill. He said the testimony given indicated that the problem was with the operators producing one and a half to two barrels because at three barrels there was some profit.

REP. HANSON said she was under the impression that the bill would put the operators back to where they were before the gulf war.

HOUSE TAXATION COMMITTEE

February 21, 1995

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REP. ELLIOTT said that was partially correct except that before the gulf war the first five barrels were exempt from the severance tax.

Vote:

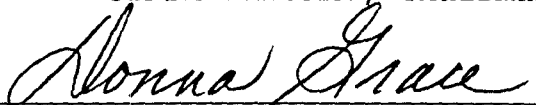
On a voice vote, the motion passed 17 - 2.

ADJOURNMENT

Adjournment: 11:30 A.M.



CHASE HIBBARD, Chairman



DONNA GRACE, Secretary

CH/dg

HOUSE OF REPRESENTATIVES

Taxation

ROLL CALL

DATE 2/21/95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Chase Hibbard, Chairman	✓		
Rep. Marian Hanson, Vice Chairman, Majority	✓		
Rep. Bob Ream, Vice Chairman, Minority	✓		
Rep. Peggy Arnott	✓		
Rep. John Bohlinger	✓		
Rep. Jim Elliott	✓		
Rep. Daniel Fuchs		✓	
Rep. Hal Harper	✓		
Rep. Rick Jore	✓		
Rep. Judy Rice Murdock	✓		
Rep. Tom Nelson	✓		
Rep. Scott Orr	✓		
Rep. Bob Raney	✓		
Rep. Sam Rose	✓		
Rep. Bill Ryan	✓		
Rep. Roger Somerville	✓		
Rep. Robert Story	✓		
Rep. Emily Swanson	✓		
Rep. Jack Wells	✓		
Rep. Ken Wennemar	✓		

HOUSE OF REPRESENTATIVES

ROLL CALL VOTE

DATE 2/21/95 BILL NO. HB 90 NUMBER

MOTION: Rep Elliott moved HB 90 to
PASS AS AMENDED.

NAME	YES	NO
Vice Chairman Marian Hanson	✓	
Vice Hairman Bob Ream	✓	
Rep. Peggy Arnott	✓	
Rep. John Bohlinger	✓	
Rep. Jim Elliott	✓	
Rep. Daniel Fuchs		
Rep. Hal Harper		✓
Rep. Rick Jore	✓	
Rep. Judy Rice Murdock	✓	
Rep. Tom Nelson	✓	
Rep. Scott Orr	✓	
Rep. Bob Raney		✓
Rep. Sam Rose	✓	
Rep. Bill Ryan	✓	
Rep. Roger Somerville	✓	
Rep. Robert Story	✓	
Rep. Emily Swanson	✓	
Rep. Jack Wells	✓	
Rep. Ken Wennemar	✓	
Chairman Chase Hibbard	✓	

Amendments to House Bill No. 90
First Reading Copy

For the Committee on Taxation

Prepared by Lee Heiman
February 21, 1995

1. Title, line 7.

Following: the first "DATE"

Strike: "AND"

Insert: ", "

Following: "APPLICABILITY DATE"

Insert: ", AND A CONTINGENT VOIDNESS PROVISION"

2. Page 8, line 11.

Insert: "NEW SECTION. **Section 3. Coordination instruction.** If Senate Bill No. 412 is passed and approved, then Senate Bill No. 412 is amended as provided in subsections (1) and (2) of this section and the distribution of revenue must be modified as provided in subsection (3) of this section. If necessary, the code commissioner shall correct all erroneous internal references within Senate Bill No. 412 caused by this section.

(1) The definition section, [section 3], of Senate Bill No. 412, is amended by adding the following definition, in alphabetical order, and renumbering subsequent subsections:

"(20) "Stripper exemption" means the first 3 barrels a day for petroleum and other mineral or crude oil produced by a stripper well if the average price per barrel of oil as reported in the Wall Street Journal for west Texas intermediate crude oil during a calendar quarter is less than \$30 a barrel. If the price of oil is equal to or greater than \$30 per barrel in a calendar quarter, there is no stripper exemption in that quarter. The average price per barrel is computed by dividing the sum of the daily price for west Texas intermediate crude oil as reported in the Wall Street Journal for the calendar quarter by the number of days on which the price was reported in the quarter."

(2)(a) The section imposing tax rates, [section 4], of Senate Bill No. 412, is amended by amending subsection (4)(b) as follows:

Following: "(b) stripper oil production"

Insert: "(i)"

Following: the row entitled "pre-1985 and post-1985 wells"

Insert: "(ii) stripper exemption production [a%] [b%]"

(b) The rate "a%" is 5 percentage points less than the rate for stripper oil production working interest pre-1985 and post-1985, including all changes to that rate resulting from bills other than [this act]. The rate "b%" is the same rate as stripper oil production nonworking interest pre-1985 and post-1985, including all changes to that rate resulting from bills other than [this act].

(3) The department of revenue shall, by rule, change the formula under [section 18] of Senate Bill No. 412 for distribution of taxes collected under [section 4] of Senate Bill No. 412. In recalculating distribution rates for the revenue

raised by Senate Bill No. 412, the department of revenue shall determine the revised rate according to a formula that presumes that the reduction in the tax rate for a working interest between subsections (4)(b)(i) and (4)(b)(ii) of [section 4] of Senate Bill No. 412 is to be borne by the state and not local governments.

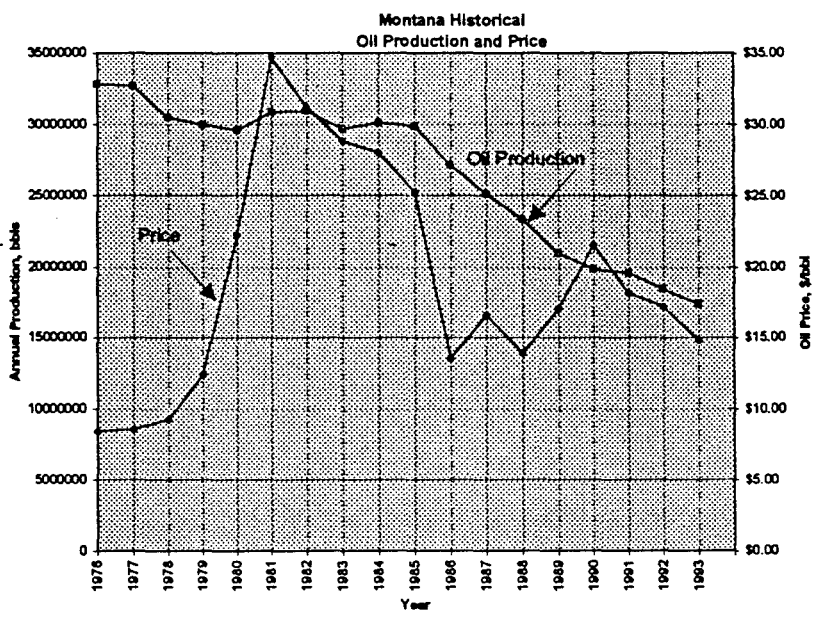
NEW SECTION. **Section 4. Contingent voidness.** In order to maintain a balanced budget, because [this act] reduces revenue, it may not be transmitted to the governor unless a corresponding identified reduction in spending is contained in House Bill No. 2. If a corresponding identified reduction in spending is not contained in House Bill No. 2, [this act] is void."

Renumber: subsequent sections

Dear Committee Member,

The Board of Oil and Gas Conservation is a quasi-judicial board that, with its staff, is the regulatory agency with overall responsibility for oil and gas exploratory and development operations in the state. It was established in 1954 and has been funded from its inception by a License and Privilege tax on oil and gas production paid by oil and gas companies and mineral interest owners; the board does not receive any general fund money. Initially, the License and Privilege tax was a levy of not more than 3/4 ¢ per barrel. Later, the tax was changed to a percentage (not to exceed 0.2%) of value of marketed oil and gas. The statute establishing the tax authorized to Board to adjust the rate levied to recognize the variability of market conditions and prices.

During the past several years both the average price and the quantity of oil produced in Montana has declined precipitously, reducing the revenue needed to finance the Board's regulatory program.



The majority of the revenue generated by the License and Privilege Tax comes from oil production; therefore the revenues are most affected by oil price and volume. Natural gas production continues to increase each year as shallow gas development drilling increases. However, natural gas prices have remained at or below \$1.50 per thousand cubic feet. Annual gas revenue is expected to remain under \$175,000 for the 1996-97 biennium. Miscellaneous revenue to the Board include copying charges, drilling permit fees, and data base services; annual revenue from these sources is estimated at \$12,000. The following chart shows the sensitivity of revenue to oil price at an estimated annual volume of 15,500,000 bbls.

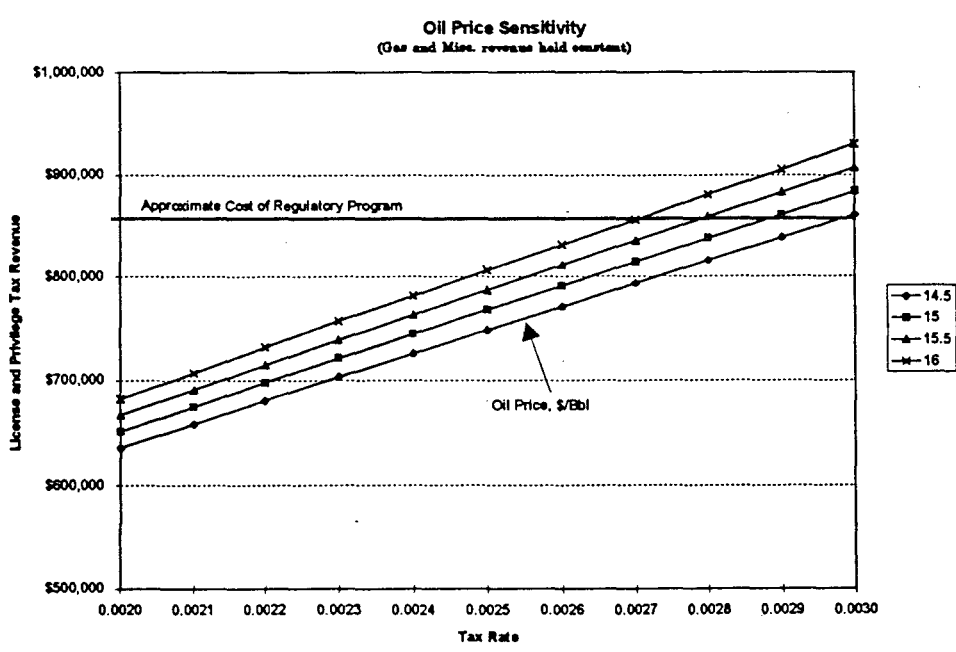


EXHIBIT 2
DATE 2/21/95
HB 418

February 20, 1995

Fax No; (900) 444-5529

Natural Resources Committee
House of Representatives
Chairman Knox
Capital Station
Helena, MT 59620

Dear Chairman and Committee Members:

This correspondence is to OPPOSE HOUSE BILL 418. I am in the oil and gas production business and certainly do not feel that I can afford any more taxes.

I realize the Board of Oil and Gas needs operating capital- however it would seem that they could find ways to cut expenses rather than requesting a tax increase.

I believe that their budget contains A REQUEST for funds to operate the Underground Injection Program--this program is now operated and has been operated by the federal EPA--and it does not appear that EPA is going to grant primacy to the Montana Oil and Gas Board. Take this \$235,000 out of the budget and then do they need any increase?? They also have to unfilled positions that are included in the budget--lets not cover the cost of unfilled positions. They claim that their revenue is low because the price of oil and gas is down--that would make less revenue for an already struggling industry. How can we justify adding taxes to a struggling industry???

Thank you for allowing me to express my concerns.

Sincerely,



Patti Jo O'Reilly
869 Hill St.
Shelby, MT 59474

2/21/95

Dick Knox, Chairman
Natural Resource
Helena, MT 59620

Committee Members:

I am writing in regards to House Bill 418- this bill is a proposal to increase the license and privledge tax on oil and gas. This is the tax that funds our Oil and Gas Board.

I am NOT FOR THIS BILL. We are operating about 150 stripper wells south of Cut Bank. This field is barely holding its own and the previous operators went into bankruptcy-therefore we are attempting to keep the fields together until prices pick up. In the meantime we are providing jobs and taxes to the State of Montana. However, we cannot afford any more taxes- if the Oil and Gas Board needs more funds-then adjust their budget, they told us they were cutting some positions last year, yet the same persons are still there-except for one person. This doesn't seem lika a very good effort to me.

I urge you to vote against this bill.

Thank you.

Bearclaw East



Mark Allen Fickett, President
P O Box 456
Shelby, MT 59474



P.O. BOX 766
SHELBY, MONTANA 59474

BRANCH OIL & GAS

(406) 434-5291

103 TETON
SHELBY, MONTANA 59474

FACSIMILE TRANSMISSION SHEET

FAX NUMBER: (406) 434-2857

DATE Feb. 20, 1995

TIME 3:45 PM

MESSAGE TO: Dick Knox, Chairman

COMPANY: Natural Resources Committee

FAX NUMBER TRANSMITTED TO: 1-900-444-5529

NUMBER OF PAGES (INCLUDING THIS COVER SHEET): 1

MESSAGE SENT FROM: Colby Branch

NOTES:

Branch Oil & Gas is an independent natural gas producer in Northwestern Montana. Five families rely on this company for their livelihood. We oppose the proposed increase in the P&L tax, or any other production related tax, especially in this time of steadily increasing costs and decreasing revenues. There is still much fat to be cut in the budget of the Board of Oil & Gas Conservation.

Sincerely,

EXHIBIT 2

2-21-95

HB 418

GENERAL WELL SERVICE, INC.

BOX 1308

CUT BANK, MONTANA 59427

OFFICE PHONE (406) 873-5081

SHOP PHONE (406) 873-4862

FAX (406) 873-5083

February 20, 1995

TO: STATE OF MONTANA
HELENA LEGISLATURE
C/O: NATURAL RESOURCES
MR. DICK KNOX

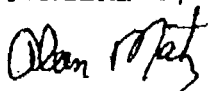
DEAR SIR:

WE, AT GENERAL WELL SERVICE, INC, AN OIL & GAS SERVICE/DRILLING
COMPANY STRONGLY OPPOSE THE PROPOSED BILL #418 TO INCREASE LIC. &
PRIVILEGE TAX.

THIS WILL INCREASE DRILLING FEE'S AND HURT US IN THE OIL-FIELD
INDUSTRY.

WE DON'T NEED ANY MORE TAXES PUT ON THE OIL INDUSTRY THAT IS
ALREADY THERE NOW! THANK YOU!

SINCERELY,



ALAN MATZ
VICE PRESIDENT

Februaury 20, 1995

House Natural Resources Committee

Dick Knox, Chaiman
Capital Station
Helena, MT 59620

Dear Committee Members:

I am wiring to express my OPPOSITION to House Bill #418.

I am a Royalty Owner and have interest in several gas wells in the Toole County area.

I do not feel that I should pay anymore taxes-especially for for an agency that has not and apparently will not attempt to cut their operating costs. After reviewing the current budget request I can find no evidence of budget cuts.

I also am aware of one RITT Grant this has been requested to plug wells-for wells that have been purchased and are now producing-yet this item has not been removed from their request.

We have reached a saturation point and do not feel that is fair for this agency to even request a tax increase- REMEMBER the Governor said "no new taxes". Have you forgotten his statement or is there some reason that this agency is ignoring the Governor?

I trust the GOVERNOR - the representatives past track record has not been impressive.

Sincerely,

A handwritten signature in cursive script that reads "Ralph & Carole Russell". The signature is written in dark ink and is positioned above the typed name.

Ralph and Carole Russell
4 Russell Road
Shelby, MT 59474

Milan R. Ayers
Oil & Gas Properties

Box 737 • 869 Hill Street • Shelby, Montana 59474 • (406) 494-5387

February 20, 1995

House of Representatives
Natural Resources Committee
State Capitol
Helena, MT 59460

Dear Mr. Chairman and Committeemembers:

I am OPPOSED to HB 418 for the following reasons:

1. As an oil and gas operator I cannot afford any additional taxes.
2. I understood that the Governor has said there would be no NEW TAXES.
3. This Agency has not cut any expenses- they have exempt employees, that are paid more than other state employees--and testified they could afford them.
4. They said they retired one employee and are now paying that employee (on a contract basis) more than their original salary.
5. They have funding for the UIC Program in their budget, yet they do not have primacy and will not have primacy within the next year.

I encourage you to please consider the economy of the oil and gas industry before asking us to pay any increase in taxes.

Sincerely,

M Milan
Milan R. Ayers
Operator

Fax

DATE Tuesday, February 21, 1995

TIME 12:53:00 AM

PAGES 2

TO Dick Knox

COMPANY Natural Resource Comity

VOICE NUMBER

FAX NUMBER 1900-225-1600

NOTE

GARTH OWENS **FROM**

A & G DRILLING INC **COMPANY**

(406) 337-2275 **VOICE NUMBER**

(406) 337-3031 **FAX NUMBER**

EXHIBIT 2
2-21-95
HB 418

A & G DRILLING INC.
P.O. BOX 363
OILMONT, MONTANA

Feburary 21, 1995

Dick Knox, Chairman
Natural Resource comity

I am writing this note to protest House Bill # 418. In my opinion it is not in anybodies interest to impose another tax, when an industry is in such a depressed state. It is hard enough for myself and the other employees of A & G Drilling to survive on what little work we can scare up now, and I am convinced Operators would not be taxed into further development.

Sincerely,

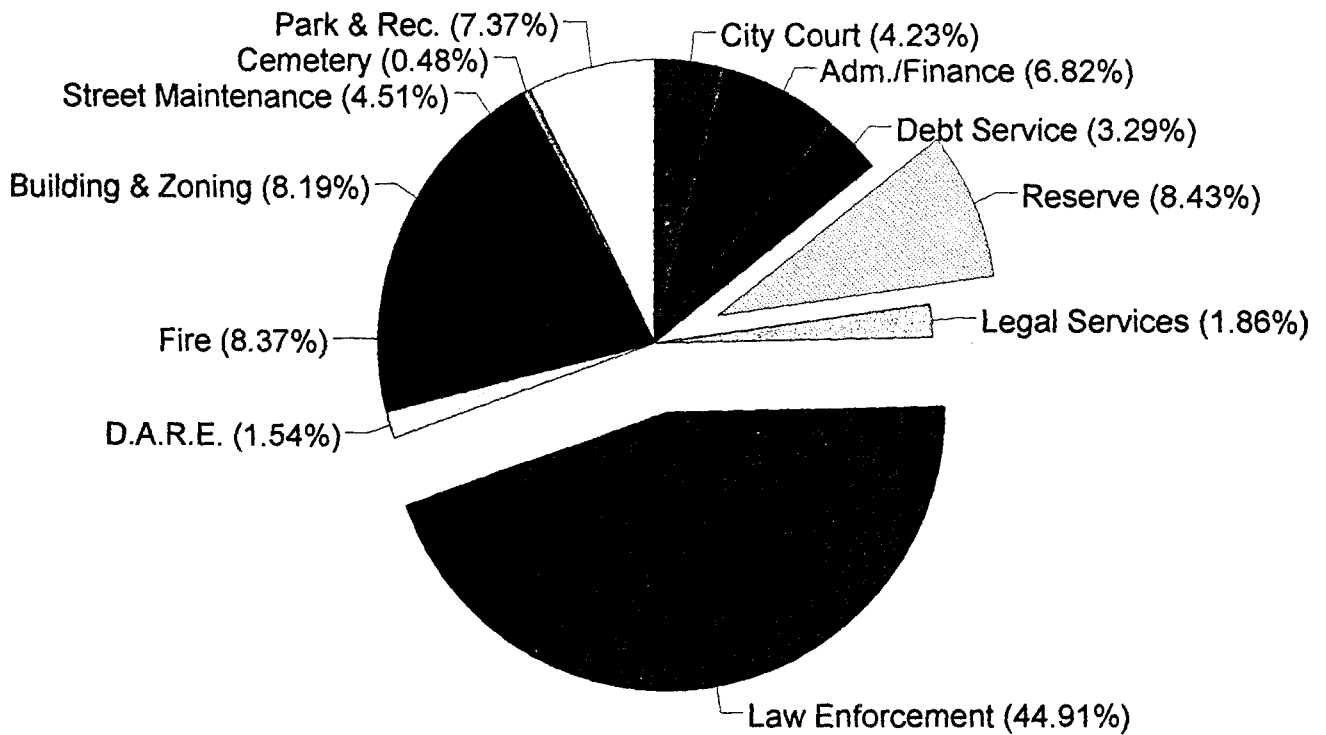
Garth Owens
Drilling Superintendent

EXHIBIT 3
DATE 2/2/95
HB 524

CITY OF WHITEFISH

General Expenditures

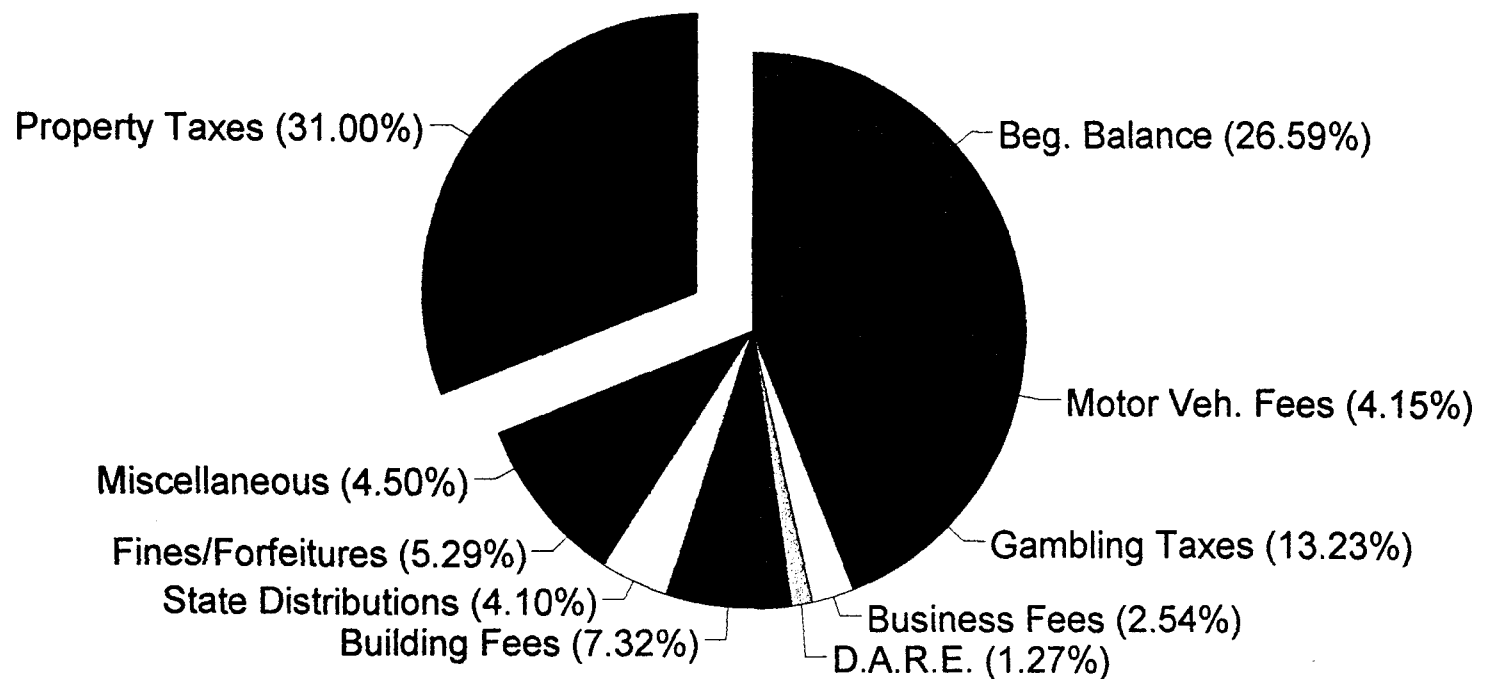
Total GF: \$1,965,488



CITY OF WHITEFISH

General Revenues

Total GF: \$1,965,488





WHITEFISH POLICE DEPARTMENT

131 Baker Ave.
Whitefish, Montana 59937
(406) 862-2521
FAX (406) 862-3099

Chief William J. La

February 20, 1995

The Honorable Bob Raney
House Taxation Committee
Capitol Station
Helena, MT 59620-1706

RE: House Bill 524, To Revise Resort Community,
Population and Economic Well Being Requirements.

Dear Representative Hibbard and Committee Members,

As Chief of Police for the City of Whitefish, I would like to address House Bill 524, the Bill to revise Resort Community, Population and Economic Well Being Requirements.

To further introduce myself, I have been a Police Officer for twenty-five years, twenty of which was with the Los Angeles Police Department. I am President of the Montana Association of Chiefs of Police, I am Vice-Chairman of the Joint Advisory Law Enforcement Committee at the Montana Law Enforcement Academy. I was appointed by Governor Racicot to his Advisory Committee on Corrections and Criminal Justice, and I was appointed by Attorney General Mazurek to his Advisory Committee on Law Enforcement. I also take great pride in stating that I was born and raised in Whitefish, living there for well over 30 years. I received part of my higher education both at the University of Montana at Missoula, and at Carroll College.

Whitefish desperately needs your support and the passage of House Bill 524. The problems faced by the City of Whitefish are unlike those of any other City or Town of comparable size in the State of Montana. Whitefish sits in the very scenic surroundings on the North end of the Flathead Valley. Whitefish is the home of the Big Mountain Ski and Summer Resort. The City borders the beautiful Whitefish Lake. Whitefish has the first thirty-six hole golf course in the State. Whitefish is located approximately twenty-five miles West of the West Entrance to Glacier National Park, and all traffic entering the United States from the Roosville Border Crossing that continues South on U.S. 93, must travel through Whitefish.

The 1990 census reported the size of Whitefish to be 4,368.



In Whitefish there are approximately 700 motel rooms available, and on a yearly basis, 60% of these rooms, approximately 420, are occupied on any given night. The average occupancy is 2.1 persons per room, or roughly 882 visitors that stay each night in Whitefish.

Currently the Rocky Mountain Motel/Convention Center with 76 rooms is under construction. Plans to continue the expansion of the Whitefish Lake Lodge/Convention Center are still being considered. Plans for a Motel/Recreational Facility referred to as Riverside at Whitefish, are still being worked on, and recently Montana Capital Partners, Inc., (Kinnikinnik Resort), proposed building another golf course and a 275 unit hotel on the North side of Whitefish.

Once again Glacier National Park set a new attendance record with well over 2,000,000 visitors during a four month time period. A great number of these visitors come to Whitefish to golf, to tour, to shop, to stay while they are visiting the area, or just to check out the area for future trips.

The U.S. Immigration and Naturalization Service registered well over 400,000 visitors that crossed the Border at the Roosville Crossing, North of Eureka. Most of these individuals came through Whitefish.

The Big Mountain Ski and Summer Resort is expecting almost 300,000 visitors again this year, and their expansion continues. Many of the approximately 1200 nightly residents in the facilities come into Whitefish for the evening relaxation and recreation.

Whitefish has in fact become the Hub City of Tourism in the Flathead, if not the State. This is due in part to the great job done by the Bureau of Tourism. One doesn't spend much time in a large city in this nation without seeing or hearing a paper, a magazine, a radio or television commercial about Montana, the "Last Best Place" to visit. Last year Whitefish again received world wide attention at the Winter Olympic Games, when a former resident, Tommy Moe won a Gold Medal. Whitefish and Big Mountain were seen on T.V. by hundreds of millions of viewers.

The Whitefish business community welcomes these visitors and the business they bring, not only to Whitefish, but to the Flathead Valley and the State of Montana. There are, however, problems. The problem that concerns me, is the negative impact generated by these vast numbers of people on the Whitefish Police Department.

The work load being forced on a small Department of only 12 Officers, (Chief and Detective included), is reaching critical mass. The 1993 Annual Crime Report prepared by the Montana Board

of Crime Control reports that Whitefish has earned the dubious distinction of having the third highest Crime Rate in the State, following Kalispell and Great Falls respectively. One should note that West Yellowstone, another major tourist town is fourth.

Although the Crime Rate indicates that there are serious problems, the Police Department can also take pride in reporting that it is doing a great deal of work to control and correct those problems. Arrests continue to climb. In 1994 Whitefish Officers arrested 65 individuals for Felony Crimes, (not including drug violations), and 60 individuals for Drug Violations. Total Arrests in 1994 numbered 600.

Whitefish is in it's third year of having a D.A.R.E. Program which has been very well received, and we are proud to say that not one individual that has graduated from the D.A.R.E. Program has ever come into our system as an arrestee.

The Whitefish Police Department has solved 46% of the reported Auto Thefts, 50% of the reported Burglaries, 76% of the reported Assaults, 98% of the reported Drug Cases, 92% of the reported Sex Crimes, 97% of the reported Domestic Abuse Cases, and 100% of the reported Attempted Murders. Whitefish Police also responded to and investigated 138 Traffic Accidents. Whitefish Police also dispatch and assist the Whitefish Volunteer Fire Department and Ambulance with their 600 calls for service. Whitefish Police also respond to mutual aid calls from the Flathead County Sheriff and the Montana Highway Patrol.

This increasing work load not only has a negative affect on the Staff, but also has a very negative and expensive impact on equipment.

The Whitefish Police Department should be expanding it's personnel to meet the needs of this Community and the people that visit this Community. There are many times that the work load is so great, that calls for service cannot be answered in what I refer to as a timely manner. Work load is such that Officers are having to work more and more overtime. Our Felony cases are becoming more involved, causing much more in-depth investigations. As arrests increase, so does the amount of time spent in Court.

Most recently, the Whitefish Winter Carnival generated enough work load that it was necessary to request the assistance of twenty-seven Flathead County Sheriff's Posse members to assist the eight Whitefish Police Officers just to maintain Crowd and Traffic Control at the Annual Parade. That night, five Sheriff's Posse Members assisted nine Whitefish Officers with the crowds visiting the downtown area. This visual presence by Law Enforcement

Montana House Committee on Taxation
Feb. 20, 1995
Page 4

resulted in minimal problems, and great appreciation by many in attendance, for the trouble free environment for these events.

The equipment is becoming very tired and costly to repair. Two of the three Patrol Vehicles have in excess of 100,000 miles. Our one four wheel drive vehicle has over 70,000 miles. All of the radar units in the these vehicles are in excess of 8 years old and can no longer be repaired by anyone including the manufacturer. Our Computer System which works twenty-four hours a day, seven days a week, fifty-two weeks a year, like everything else in a Police Department is also approaching the time to be both upgraded or replaced. Equipment has a habit of wearing out just from being worked constantly.

Everything, personnel and equipment, is very expensive. Officers need training, both basic and advanced. Each Officer should be sent to some sort of In-Service training at least once if not twice a year. Support personnel, our Dispatchers/Office Staff, also need yearly training and the proper equipment to perform their Mission.

The number of visitors that are attracted to this Community are causing changes that are not pleasant. We are starting to see serious personality changes of the community itself. Tempers are short. We have responded to traffic accidents where physical altercations are in progress upon our arrival. We have witnessed an increase in assaults, thefts, domestic abuse, much of which centers around the use of alcohol and drugs. Many of our arrestees are visitors to our Community. The local residents are blaming the negative attitudes, the deterioration of roads and the increased costs of Service, such as the Police Department, on this influx of tourists to Whitefish.

The Whitefish Police Department, as with all Departments across this Nation, is charged with the responsibility of keeping the peace; the recovery of stolen property; and the investigation, the identification, the arrest and the assisting in the prosecution of those responsible for committing criminal acts. To accomplish this mission, the Whitefish Police Department needs the fiscal resources to hire an adequate number of Officers, to continue with the Training of all current and future Staff, and the purchase of necessary support equipment.

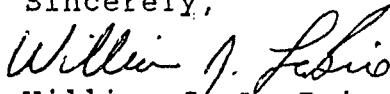
The Whitefish Police Department gravely needs your support with the passage of this Bill. The few dollars received from each of the hundreds of thousands of tourists that visit Whitefish will be of great financial assistance in making this Community a better and safer place for all.

Montana House Committee on Taxation
Feb. 20, 1995
Page 5

I pray that you will support House Bill 524, and I will make myself available for any questions regarding this bill as it pertains to the Whitefish Police Department that you might have.

Thank you for your time and assistance.

Sincerely,



William J. La Brie
Whitefish Police Department

cc: Committee Members:

Representative Marian Hanson, Vice-Chair
Representative Peggy Arnott
Representative John Bohlinger
Representative Jim Elliot
Representative Daniel Fuchs
Representative Hal Harper
Representative Rick Jore
Representative Judy Rice Murdock
Representative Tom Nelson
Representative Scott Orr
Representative Bob Raney
Representative Bob Ream
Representative John "Sam" Rose
Representative Bill Ryan
Representative Roger Somerville
Representative Robert Story Jr.
Representative Emily Swanson
Representative Jack Wells
Representative Ken Wennemar

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

House Location COMMITTEE BILL NO. HB 418
 DATE 2-21-95 SPONSOR(S) Rep. Delaney

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
DENNIS IVERSON	NMOGA	HB 418		✓
Warren H. Ross	Self			✓
Pete Sherwood	Self		✓	
Paul Abercrombie	MT Petroleum Assn			✓
TOM RICHMOND	BOARD OF OIL & GAS			✓
Pat J. O'Gulley	Self		X	
Dave Ballard	Ballard & Associates			✓
SBROMIE ANDERSON	SHELL WESTERN EXPLORATION & PRODUCTION INC.			✓

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS
 ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

House Legislation

COMMITTEE

BILL NO.

HB 524

DATE

2-21-95

SPONSOR(S)

Rep Jeannette McFee

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
<u>Don Spivey</u>	<u>SELF</u>	<u>524</u>		<input checked="" type="checkbox"/>
<u>Jan B. Metzmaker</u>	<u>Whitefish County Water + Sewer District</u>	<u>524</u>		<input checked="" type="checkbox"/>
<u>Chet Hope - 444 O'Brien Whitefish</u>	<u>Self</u>	<u>524</u>		<input checked="" type="checkbox"/>
<u>DAVID STEWART</u> <u>POBX 2098 Whitefish</u>	<u>Whitefish Community Development Corp.</u>			<input checked="" type="checkbox"/>
<u>ANDY FEURY</u> <u>Box 1506 Whitefish</u>	<u>CITY OF WHITEFISH</u> <u>Councilman</u>	<u>524</u>		<input checked="" type="checkbox"/>
<u>Jim Wells</u> <u>345 Shady Ln WF</u>	<u>MAYOR WF</u>	<u>524</u>		<input checked="" type="checkbox"/>
<u>Phelps L'Honnemiere</u> <u>706 Karvee WF</u>	<u>W.F. Taverns</u>	<u>524</u>		<input checked="" type="checkbox"/>
<u>LINDSAY Akey</u>	<u>WF. / Self</u>	<u>524</u>		<input checked="" type="checkbox"/>
<u>Mona Jansson</u>	<u>City of Whitefish</u>	<u>524</u>		<input checked="" type="checkbox"/>
<u>Donna Madden</u>	<u>WF. / Self</u>	<u>524</u>		<input checked="" type="checkbox"/>
<u>Tim Gault</u>	<u>WF Self</u>	<u>524</u>		<input checked="" type="checkbox"/>
<u>Greg Bayne</u>	<u>WF Self</u>	<u>524</u>		<input checked="" type="checkbox"/>

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.