

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN CHASE HIBBARD**, on January 11, 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. Daniel C. Fuchs (R)
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. Kenneth Wennemar (D)

Members Excused: None

Members Absent: Rep. Emily Swanson (D)
Rep. Jack Wells (R)

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 96
Executive Action: None

HEARING ON HB 96

Opening Statement by Sponsor:

REP. DON LARSON, House District 58, Seeley Lake, said the bill was being introduced at the request of the Montana Rural Fire District Association. The bill would exempt vehicles owned by special districts from vehicle registration fees, the weed control fee and the new car sales tax, and would allow vehicles owned by special districts to have exempt license plates. Some counties in Montana elect to tax special districts on these vehicles and some do not. This bill would assure that all special districts would be treated the same.

Proponents' Testimony:

James Lofftus, President of the Montana Fire District Association, testified that the Montana Fire District Association supports this bill as it clarifies the law regarding the licensing of vehicles owned by special districts. He urged the Committee to vote in favor of the bill.

Bob Gilbert, representing the Montana Volunteer Firefighters Association, spoke in favor of the bill.

Dean Roberts, Administrator of the Motor Vehicle Division, Department of Justice, said the bill would clarify the law and there would be no fiscal impact because the number of special districts paying the fees is minimal.

Roger Stevens, Kalispell Fire Department, representing the Flathead County Fire Fighters, said that Flathead County is in the process of charging all special districts for vehicle licensure fees. He asked for the Committee's favorable action on this bill.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

None.

Closing by Sponsor:

REP. LARSON closed. He said this was a good bill that would assure that all governmental entities are treated fairly and equally.

CHAIRMAN HIBBARD asked if the Committee had any objections to taking executive action on HB 96 at this time.

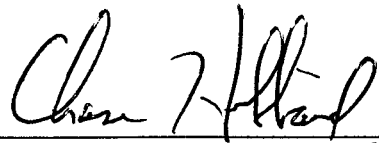
REP. ORR said he was concerned about the bill because many people in the private sector compete with special districts when providing services such as garbage disposal. There are costs that the private sector must bear that the government entity does not, therefore giving an unfair cost advantage. **REP. ORR** suggested that perhaps the bill could be amended to exempt those districts that are competing against the private sector. **Mr. Heiman** said it would involve making a list of those special districts and it would be difficult to develop a formula. **REP. ORR** withdrew his question.

REP. HARPER said that in some situations where a public entity is in direct competition with a private entity, the cost of the license plates and registration fees would have to be added to the cost of doing business. These added costs could make a difference and the private company could lose the bid.

CHAIRMAN HIBBARD announced that executive action would be postponed until a later date to provide an opportunity for Committee Members to look at the bill more closely.

ADJOURNMENT

Adjournment: 8:15 A.M.



CHASE HIBBARD, Chairman



Donna Grace, Secretary

CH/dg

HOUSE OF REPRESENTATIVES

Taxation

ROLL CALL

DATE 1-11-95

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	<i>Wells</i>	✓	
Rep. Ken Wennemar	✓		

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Taxation

COMMITTEE

BILL NO.

96

DATE 1/11/95

SPONSOR(S)

Rip Larson

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
JAMES A LOFFTUS 2521 SO. AVE, W. MESA	MT FIRE DIS ASSN	✓	
Bob Gilbert	MT Volunteer Firefighters ASSN	✓	
Bud Schoen	MTVE VEHICLE DIV.	✓	
Dean Roberts	Dept of Justice	✓	
DAVE GALT	MDT	✓ 96	
Robert Throssell	MT Assoc. Clerk & Recrd	✓	
Roger Stevens	Flathead County Fire Fighters	✓	

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