

**MINUTES**

**MONTANA HOUSE OF REPRESENTATIVES  
55th LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON TAXATION**

**Call to Order:** By Vice Chairman Robert Story, on January 15, 1997, at 8:00 a.m., in Room 437.

**ROLL CALL**

**Members Present:**

Rep. Chase Hibbard, Chairman (R)  
Rep. Robert R. Story, Jr., Vice Chairman (Majority) (R)  
Rep. Robert R. "Bob" Ream, Vice Chairman (Minority) (D)  
Rep. Peggy Arnott (R)  
Rep. Paul Bankhead (R)  
Rep. John C. Bohlinger (R)  
Rep. Bill Carey (D)  
Rep. Alvin A. Ellis, Jr. (R)  
Rep. Marian W. Hanson (R)  
Rep. Hal Harper (D)  
Rep. Dan W. Harrington (D)  
Rep. Rick Jore (R)  
Rep. Scott J. Orr (R)  
Rep. Bob Raney (D)  
Rep. John "Sam" Rose (R)  
Rep. William M. "Bill" Ryan (D)  
Rep. Richard D. Simpkins (R)  
Rep. Emily Swanson (D)  
Rep. Lila V. Taylor (R)  
Rep. Jack Wells (R)

**Members Excused:** None.

**Members Absent:** None

**Staff Present:** Lee Heiman, Legislative Services Division  
Donna Grace, Committee Secretary

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: HB 86 (1/8/97)  
HB 107 (1/9/97)  
HB 171 (1/9/97)  
HB 39 (1/9/97)

Executive Action: HB 82 - Discussion Only  
HB 171 - Discussion Only

HEARING ON HB 86Opening Statement by Sponsor:

Rep. Chase Hibbard, House District 54, introduced HB 86 at the request of the Department of Transportation. The bill would generally revise gasoline and special fuel tax laws. *{Tape: 1; Side: A; Approx. Time Count: 1.3; Comments: The first portion of Rep. Hibbard's opening statement did not record properly.}*

Proponents' Testimony:

Bill Salisbury, Montana Department of Transportation, Exhibit 1 and 2. *{Tape: 1; Side: A; Approx. Time Count: 10.2.}*

Bob Turner, DOR, Miscellaneous Tax Division. *{Tape: 1; Side: A; Approx. Time Count: 16.9.}*

Sharon Kindle, President, Montana Women Involved in Farm Economics. Exhibit 3. *{Tape: 1; Side: A; Approx. Time Count: 19.2.}*

John Bloomquist, Montana Stockgrowers Association. *{Tape: 1; Side: A; Approx. Time Count: 19.8; .}*

Les Graham, Montana Cattlewomens' Assoc., Montana Dairy Association, Montana Woolgrowers' Assoc., Montana Livestock Auction Association. *{Tape: 1; Side: A; Approx. Time Count: 20.0.}*

John Youngberg, Montana Farm Bureau. *{Tape: 1; Side: A; Approx. Time Count: 20.5.}*

Opponents' Testimony:

None.

Informational Testimony:

None.

Questions From Committee Members and Responses:

*{Tape: 1; Side: A; Approx. Time Count: 20.7. Comments: At Counter 25.1 there was a tape malfunction. Questions from Committee Members and responses are continued on Tape 2: Side A.}*

Closing by Sponsor:

Rep. Hibbard closed the hearing. *{Tape: 2; Side: A; Approx. Time Count: 14.0.}*

HEARING ON HB 171Opening Statement by Sponsor:

Rep. Bob Raney, House District 26, opened the hearing on HB 171, which would alleviate environmental grant cash flow problems.

*{Tape: 2; Side: A; Approx. Time Count: 20.2.}*

Proponents' Testimony:

John Tubbs, DNRC, presented informational testimony in support of the bill. *{Tape: 2; Side: A; Approx. Time Count: 23.5.}*

Jack Stults, Water Resources Division, DNRC. Exhibit 4. *{Tape: 2; Side: A; Approx. Time Count: 29.2.}*

Judy Hanson, Administrator, Centralized Services, Department of Environmental Quality. Exhibit 5. *{Tape: 2; Side: B; Approx. Time Count: 3.9.}*

Opponents' Testimony:

None.

Informational Testimony:

None.

Questions From Committee Members and Responses:

None.

Sponsor's Closing Statement:

Rep. Raney presented a closing statement. *{Tape: 2; Side: B; Approx. Time Count: 5.6.}*

HEARING ON HB 39Opening Statement by Sponsor:

Rep. Ed Grady, House District 55, opened the hearing on HB 39, a bill to fund an interim study of the resource indemnity trust tax and expenditures at the request of the Legislative Finance Committee.

*{Tape: 2; Side: B; Approx. Time Count: 7.1.}*

Proponents' Testimony:

Ray Beck, DNRC, also presented supporting testimony in behalf of the Governor's Budget Office. *{Tape: 2; Side: B; Approx. Time Count: 13.0.}*

Judy Hanson, Administrator, Centralized Services, Department of Environmental Quality. Exhibit 6. {Tape: 2; Side: B; Approx. Time Count: 17.0.}

Anne Hedges, Montana Environmental Information Center. {Tape: 2; Side: B; Approx. Time Count: 17.6.}

Page Dringman, SB 382 Study Commission created by the 1995 legislature. {Tape: 2; Side: B; Approx. Time Count: 18.4.}

Opponents' Testimony:

Rep. Bob Raney, House District 26. {Tape: 2; Side: B; Approx. Time Count: 21.1.}

Informational Testimony:

None.

Questions From Committee Members and Responses:

{Tape: 2; Side: B; Approx. Time Count: 27.3; Comments: Questions continued on Tape 3, Side A.}

Closing by Sponsor:

Rep. Grady closed the hearing. {Tape: 3; Side: A; Approx. Time Count: 9.1.}

EXECUTIVE ACTION ON HB 82

Motion:

Rep. Hanson moved that HB 82 do pass. {Tape: 3; Side: A; Approx. Time Count: 13.2.}

Motion/:

Rep. Jore moved to amend HB 82 to change the 25% penalty to 15% on page 1, line 18. {Tape: 3; Side: A; Approx. Time Count: 15.3.}

Following discussion, on a roll call vote, the motion failed 9 - 9. {Tape: 3; Side: B; Approx. Time Count: 0.1.}

At this point in the meeting, executive action on HB 82 was postponed until a later date.

HEARING ON HB 107Opening Statement by Sponsor:

Rep. Betty Lou Kasten, House District 99, opened the hearing on HB 107, a bill to revise the long-term care insurance premium deduction. *{Tape: 3; Side: B; Approx. Time Count: 3.0; Comments: .}*

Informational Testimony:

Bob Turner, DOR, discussed amendments to HB 107. Exhibits 7, 8 and 9. *{Tape: 3; Side: B; Approx. Time Count: 8.5.}*

Proponents' Testimony:

Mike Hawshaw, Office of Public Health and Human Services. *{Tape: 3; Side: B; Approx. Time Count: 15.8.}*

Bob Olson, Montana Hospital Association. *{Tape: 3; Side: B; Approx. Time Count: 17.6.}*

Clyde Dailey, State Auditor's Office. *{Tape: 3; Side: B; Approx. Time Count: 19.0; Comments:..}*

Susan Good, Montana Association of Life Underwriters and HEAL Montana. *{Tape: 3; Side: B; Approx. Time Count: 19.9.}*

Charles Briggs, State Long Term Care Reform Council. *{Tape: 3; Side: B; Approx. Time Count: 23.1.}*

Tim McCauley, representing himself. *{Tape: 3; Side: B; Approx. Time Count: 24.8.}*

Ron Iverson, Independent Insurance Agent. Exhibits 10 and 11. *{Tape: 3; Side: B; Approx. Time Count: 26.9.}*

Irene Theurec, American Association of Retired Persons. *{Tape: 4; Side: A; Approx. Time Count: 6.9.}*

Verner Bertelson, MSCA. *{Tape: 4; Side: A; Approx. Time Count: 7.5.}*

Rose Hughes, Montana Health Care Association. *{Tape: 4; Side: A; Approx. Time Count: 8.1.}*

Duane Lutke, Western Montana Area Agency on Aging. *{Tape: 4; Side: A; Approx. Time Count: 9.5.}*

Charles Rehbein, on behalf of Dorothea Neath, Chairman, Governor's Advisory Council on Aging. Exhibit 12. *{Tape: 4; Side: A; Approx. Time Count: 10.7.}*

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

*{Tape: 4; Side: A; Approx. Time Count: 12.0.}*

Closing by Sponsor:

Rep. Kasten Closed. *{Tape: 4; Side: A; Approx. Time Count: 16.0.}*

EXECUTIVE ACTION ON HB 171

Amendments:

Rep. Raney moved that the amendments to HB 171 presented in Exhibit 4 be approved. On a voice vote, the motion passed 20 - 0. *{Tape: 4; Side: A; Approx. Time Count: 22.6 .}*

Rep. Raney moved that the amendment presented in Exhibit 13 be approved. On a voice vote, the motion passed 20 - 0. *{Tape: 4; Side: A; Approx. Time Count: 23.4.}*

Further discussion was postponed. *{Tape: 4; Side: B; Approx. Time Count: 4.7.}*

*{Tape: 4; Side: B; Approx. Time Count: 7.5. Comments: Adjourned.}*

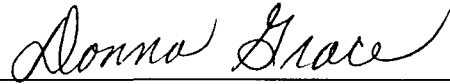
ADJOURNMENT

Adjournment: 11:15 a.m.



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REP. CHASE HIBBARD, Chairman



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DONNA GRACE, Secretary

CH/DG