

MPMCSA-LEGISLATIVE BULLETIN
March 31, 2013

The Legislature adjourned last Thursday for the Easter break and reconvenes mid-day Tuesday for floor sessions; committees begin meeting again on Wednesday and now face the revenue bill transmittal deadline of Friday April 5th. Bills languishing in committee include the Governor's proposed, one-time, \$400 property tax rebate bill with a \$100 million price tag, heard on February 22nd. The Republican rival tax-cut bill by Rep. Scott Reichner-Big Fork, would provide \$100 million in property tax cuts over the next two years, and in future years too, unless revised. This bill was reviewed by the House Appropriations Committee last Thursday and if approved will go to the Senate. The primary job of the Legislature is to pass a balanced budget. The Constitution says; "Appropriations by the Legislature shall not exceed anticipated revenues". At this point of deliberations, the recent analysis shows the state facing a structural balance that is now in the red by \$178 million; a far cry from the January projected ending-fund balance of more than \$450 million. As previously reported, House Bill 2 has been transmitted to the Senate and lies in the hands of the Senate Finance & Claims Committee which will have to roll up its sleeves and get to work. The last month of the Session is always about the budget and the 63rd will be no different.

INDUSTRY BILLS

HOUSE BILL 509 – 911 fee collection at retail. By Representative Keith Regier-Kalispell. This bill enacts a 911 fee/tax collection at the retail point of sale for Trac phones & cards. The bill has passed approval with the House and been transmitted to the Senate. POSITION: AMEND/OPPOSE

SENATE BILL 226 - Dyed Fuel

Senator Bill 226 introduced by Senator Eric Moore-Miles City, would allow vehicles that are equipped with a feed-delivery box to operate on public roads and highways using dyed fuel. The feed-delivery box must be permanently affixed to the vehicle; be used exclusively for the feeding of livestock; and the GVW must be greater than 12,000 lbs. The bill was heard in the House Agricultural Committee on March 26th but has not been acted on. POSITION: MONITOR

SENATE BILL 294 – "Mitigating Circumstances". Sponsored by Senator Elsie Arntzen-Billings, this is the Associations' bill to insert language into the alcohol enforcement statutes that will require the Department of Revenue to consider "mitigating circumstances" before assessing a violation to a license. The House Business & Labor Committee will vote on the bill the morning of April 3rd. Committee members are listed here: if you do business in the area where these committee members reside, please send them an Email asking for their support. You may use the online legislator contact found at this link: <http://leg.mt.gov/css/Sessions/63rd/legwebmessage.asp>. It's easy!

Representative Tom Berry – Roundup (Chairman)

R. Dan Salomon – Ronan

R. Carlie Boland – Great Falls

R. Christy Clark – Choteau

R. Amanda Curtis – Butte

R. Steve Fitzpatrick – Great Falls

R. Ed Greef – Florence

R. Roger Hagan – Great Falls
R. Chuck Hunter – Helena
R. Mike Lang – Malta
R. Jonathan McNiven – Billings
R. David (Doc) Moore – Missoula
R. Reilly Neill – Livingston
R. Rae Peppers – Lame Deer
R. Gordon Pierson – Deer Lodge
R. Scott Reichner – Big Fork
R. Cary Smith – Billings
R. Carolyn Squires – Missoula
R. Tom Steenberg – Missoula
R. Jeff Welborn – Dillon

GENERAL BUSINESS BILLS

HOUSE BILL 87 – By Representative Jeff Welborn-Dillon. HB87 that will give the state insurance commissioner power to review rate increases in health insurance premiums has passed the House, been transmitted to the Senate and will have its first hearing April 3rd in the Public Health Committee. If the bill passes the Legislature, the office won't have the power to force the insurer to lower its increases but, it should have leverage to negotiate a lower rate for consumers. Currently Montana has some of the highest insurance premiums in the nation.

SENATE BILL 96: By Senator Bruce Tudvedt-Kalispell. Would lower the business equipment tax to 1.5% for property assessed up to \$10 million; over \$10 million in assessed property would be taxed at 3%. The bill has passed the Senate and been referred to the House Taxation Committee. A competing bill brought forward by the MT Chamber of Commerce (HB472) and sponsored by Rep. Jerry Bennett-Libby, has passed the House and been transmitted to the Senate. This bill reduces the business equipment tax by changing the current \$20,000 assessed value threshold to a \$250,000 exemption. As previously reported, if both bills pass both Houses, they will be sent to a conference committee.

SENATE BILL 175 – By Senator Llew Jones-Conrad. This is the school funding bill previously reported on that has the support of the entire school funding lobby. SB175 cuts property taxes while increasing state money for public schools by \$75 million the next two years. It would also cut local school district property taxes by \$19.5 million and, more widely distribute oil & gas revenue to assist school districts dealing with the impacts of oil & gas development in eastern Montana. The bill passed the Senate on February 23rd and will finally have its first hearing in the House Education Committee on April 8th.

Please contact me at the Email address listed below if there are questions or concerns.

Submitted by
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