

MPMCSA-LEGISLATIVE BULLETIN

April 7, 2013

The Final Stretch...

The Legislature is in the final stretch of the 63rd Session as legislators undertake the difficult task of fitting numerous spending and tax relief proposals into the state's biennial budget. According to the Legislative Fiscal Division's latest General Fund Balance Sheet, with all that is on the table there is a structural imbalance of \$94.6 million - meaning that the cost of spending and tax relief is that amount over projected revenue. The Legislature is required to pass a budget that will result in a positive ending fund balance at the conclusion of the 2014-2015 biennium. Over the next couple weeks (13 legislative days), lawmakers will need to trim significant amounts of spending and tax relief in order to stay within revenue projections.

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 the Senate Energy Committee and will be heard on the Senate floor in the next few days.

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 passed the House but was sent to the black hole of Appropriations and promptly tabled.

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 bill passed the House unanimously and will be sent to the Governor for his approval.

GENERAL BUSINESS BILLS

HOUSE BILL 87 – By Representative Jeff Welborn-Dillon. HB87 that would give the state insurance commissioner power to review rate increases in health insurance premiums was taken from the table in the Senate Public Health Committee and will be debated on the Senate floor the 15th.

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 passed the House Taxation Committee and been referred to the Appropriations Committee. A competing bill brought forward by the MT Chamber of Commerce (HB472) and sponsored by Rep. Jerry Bennett-Libby, was heard in the Senate Taxation Committee on April 10th but has not been acted on. 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.

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

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