

## **MPMCSA-LEGISLATIVE BULLETIN**

**March 16, 2013**

First, we are pleased to report that the legislative reception held last Tuesday evening was a success! At final count, 42 legislators had stopped by for a visit – while that may not sound like many, it's almost 1/3 of the body. Many thanks to the members that made the trip to Helena and for your personal invitations to your representatives that certainly made a difference in the attendance!

The first signs of contention between parties came this week as the House Appropriations Committee began the first round of voting on the major budget bill – House Bill 2. Until last week the story on HB2 was one of bipartisan cooperation with members drafting a measure that largely honored the requests of Governor Steve Bullock. Democrat members attempted to amend back into the bill several proposals that were left out of the subcommittee's work and when rebuffed by majority Republicans threw a hissy fit. Acting like it was a tragedy of major proportions, certain Democrats heaped scorn on their Republican counterparts and in the process have seen some of the work accomplished come unraveled. The entire House will begin debate on the \$9 billion budget bill on Tuesday and the Democrats now find themselves in a tentative position in seeing any of the amendment proposals accepted.

### **INDUSTRY BILLS**

#### **HOUSE BILL 347**-Transportation Contract Indemnification

House Bill 347 introduced by Representative Steve Fitzpatrick-Great Falls, is the primary bill of the Motor Carriers Association. It would void certain types of cross-party indemnification in transportation contracts. The bill has now passed the Senate and will be sent to the Governor for his approval.

POSITION: SUPPORT

**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 was passed by the House Telecommunications Committee on Friday with all industry proposed amendments approved as well. The bill will be sent to the full House for debate this week.

POSITION: AMEND/OPPOSE

#### **SENATE BILL 116**-Special Fuel Permits

Senate Bill 116 by Senator Ron Arthun-Wilsaw, repeals the controversial legislation passed by the MT Contractors Association in 2009 that requires small contractors to secure a temporary special fuel permit and file a \$500 bond. The legislation in fact, repeals the temporary permits in total unless the vehicle (over 26,000 lbs. gvw) is not covered under the International Fuel Tax Agreement. The bill has passed the House Transportation Committee.

POSITION: MONITOR

#### **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 has passed the Senate.

POSITION: MONITOR

**SENATE BILL 262** – By Senator John Brenden-Scobey. SB262 would bar the Department of Environmental Quality from investigating anonymous civil complaints of alleged environmental

violations. The bill addresses in particular, Title 75 for releases of hazardous substances. It does not prohibit an employee from reporting anonymously a violation of the law by an employer. The bill has passed the Senate.

POSITION: SUPPORT

**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 licensee. The bill will be heard in the House Business Committee on March 26th. POSITION: SUPPORT

### **GENERAL BUSINESS BILLS**

**HOUSE BILL 158:** By Representative Doug Kary-Billings. HB158 would require state agencies to appear in person before the appropriate administrative rule committee prior to adopting, amending, or repealing any rules except emergency or temporary rules. This bill has passed the House and was heard in the Senate State Administration Committee last week.

**HOUSE BILL 472:** By Representative Jerry Bennet-Libby is the Montana Chamber's proposal to cut the business equipment tax by creating a \$250,000 exemption. The bill was heard in House Appropriations with strong support, but now faces the budgeting juggernaut. There is not only bipartisan consensus that a cut to the business equipment tax is a good idea to help small businesses; there is consensus that it should be an exemption. A \$250,000 exemption means that if a business stays under that exemption, they pay no taxes on the value of their equipment, which would be about 85% of Montana businesses. If a business exceeds that value, they only pay the tax on the value above it. With the current \$20,000 threshold, if you exceed it you pay the full tax rate on all the value of your equipment. The Chamber is confident that some sort of business equipment tax cut will emerge from the session.

**SENATE BILL 27:** By Senator Cliff Larsen-Missoula; SB27 would have expanded the definition of “small employer” for the insurance pool and tax credit program known as “Insure Montana” from a limit of nine total employees to 25 employees. The bill was tabled in the Senate Health Committee. One other bill regarding “Insure Montana” by Representative Bill McChesney-Miles City (HB48) makes several revisions to existing code by relaxing the requirements for employers to qualify for the program. The bill has passed the House and was heard in the Senate Health Committee on Friday.

**SENATE BILL 139:** By Senator Ed Walker-Billings. Dubbed the “Small Business Impact Act”, and patterned after the federal Regulatory Flexibility Act (RFA), SB139 would require agencies to provide evidence to the Legislature as to how a proposed rule or regulation would adversely or positively impact small businesses. The bill defines a small business as 50 or fewer employees. The bill has now passed the Legislature with an amendment for a sunset provision that will enable the agencies and the business community to monitor the success of the requirement for two years and, consider a permanent statute in the future.

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

Submitted by

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