

Chamber of Commerce  
Legislative Report #2  
Week of Jan 8-12, 2007

The Legislature completed its second week and is still trying to get into a full swing. The Governor's proposal to give a \$400 property tax rebate was heard in Senate Taxation. The bill had many supporters and no detractors. However, there will be several other bills to return money to the taxpayers and SB 139 is just the first of many.

I testified in support of SB 150 which extended the expiration date for the endowment fund tax credit. The bill was heard in Senate Taxation.

**Upcoming Friday Morning Conference Call Guests**

Jan 19<sup>th</sup> Mary Wittinghill, President of the Montana Taxpayers Association  
Jan 26<sup>th</sup> Speaker Scott Sales  
Feb 2<sup>nd</sup> Senator Greg Barkus, Kalispell and Rep Jack Wells, Bozeman

As the legislature begins the 3<sup>rd</sup> week here are some bills that businesses should be following:

**HB 213 – Healthy Workplace:** This bill influences the relationship between employers and employees. Here is just an example of one definition that is unfriendly to employers.

A hostile work environment means:

“a workplace where an employee is subjected to abusive conduct so severe as to cause physical harm or psychological harm to the employee and that is based on race, religion, sex, national origin, age, disability, veteran status, sexual orientation, political affiliation, citizenship status, marital status, family responsibilities, or personal appearance.”

Evidently, employers will not be able to comment or influence the personal appearance of an employee. This bill will be heard in House Business and Labor on Tuesday, Jan. 16. To see the entire bill go to <http://laws.leg.state.mt.us/pls/laws07>.

**HB 220 Lowering Highest Income Tax Rates:** This bill would make the highest income tax rate in Montana at 3.9%. This bill is sponsored by Craig Witte from Kalispell and will be heard on Wednesday, Jan. 17 in House Taxation.

**HB 270 Providing a tax incentive for individual health care:** This bill creates a Montana income tax credit for an individual whose health care expenses are not covered by an insurance program. The credit varies based upon marital status and dependents. This bill will be heard in House Taxation on Friday, Jan. 19<sup>th</sup>.

**SB 151: Mandatory hearing aid coverage in health insurance:** This bill will impact health insurance rates. It will be heard in Senate Business and Labor Committee on Tuesday, Jan 16<sup>th</sup>.

**SB 42: Revise economic development programs:** This bill removes the termination date for several economic development program financed by Coal Severance Taxes. Programs such as the Montana Manufacturing Extension Center will continue to receive funding indefinitely. This bill sponsored by Sen. Bruggerman from Polson, will be heard in Senate Business and Labor on Friday, Jan. 19<sup>th</sup>.

**SB 135: Equity in gift certificates:** This bill will make gift card become abandoned property if not used within 3 years. This bill will be heard in Senate Business and Labor on Friday, Jan 19<sup>th</sup>. This is a bill that businesses who offer gift cards should take a hard look at and let the committee know how this bill will impact your business.

Other bills on the horizon that have not been scheduled:

**SB 120: This bill will require Real Estate Investment Trusts (REIT) to pay taxes on income earned in Montana.** This bill has not been scheduled for a hearing, but will be heard in Senate Taxation.

**SB 240 Code of corporate responsibility:** This bill is not scheduled for a hearing, but it is not a business friendly bill.

#### General Business Legislation

Bill	Primary Sponsor	Status	Status Date	Short Title
<a href="#">HB 202</a>	Mike Jopek	(H) Hearing-- (H) State Administration	01/17/2007; 8 AM, Rm 455	Revise laws relating to public officials and lobbyists
<a href="#">HB 213</a>	Jonathan Windy Boy	(H) Hearing-- (H) Business and Labor	01/16/2007; 8 AM, Rm 172	Healthy workplace
<a href="#">HB 235</a>	Ernie Dutton	(H) Introduced	01/08/2007	Business improvement district law
<a href="#">HB 262</a>	Mike Jopek	(H) Referred to Committee-- (H) Natural Resources	01/09/2007	Water rights in growth counties
<a href="#">HB 267</a>	Ron Erickson	(H) Hearing-- (H) Education	01/22/2007; 3 PM, Rm 137	Clarify impact fee laws
<a href="#">HB 270</a>	Michael Lange	(H) Hearing-- (H) Taxation	01/19/2007; 8 AM, Rm 152	Tax credit for purchase of health care
<a href="#">HB 280</a>	Ray Hawk	(H) Introduced	01/10/2007	Revise impact fee laws
<a href="#">HB 282</a>	Ron Erickson	(H) Referred to Committee-- (H) Natural Resources	01/11/2007	Sequestration to slow global warming
<a href="#">HB 295</a>	Ron Erickson	(H) Introduced	01/11/2007	Revise use of adopted growth policy
<a href="#">SB 67</a>	David E Wanzenried	(S) Hearing-- (S) Judiciary	01/09/2007; 8 AM, Rm 303	Prohibit price gouging on essential goods or services during emergencies
<a href="#">SB 89</a>	Carol Williams	(S) Hearing-- (S) Public Health, Welfare and Safety	01/17/2007; 3 PM, Rm 317A	Providing for breast feeding in the workplace
<a href="#">SB 218</a>	Greg Lind	(S) Referred to Committee-- (S) Natural Resources and Energy	01/09/2007	Sequestration standards for carbon dioxide
<a href="#">SB 240</a>	Christine	(S) Referred to Committee-- (S)	01/11/2007	Code of corporate responsibility

	Kaufmann	Business, Labor, and Economic Affairs		
<a href="#">SB 250</a>	Gregory D Barkus	(S) Referred to Committee-- (S) Business, Labor, and Economic Affairs	01/12/2007	Right to work

### Taxation Legislation

<a href="#">HB 59</a>	Jim Keane	(H) Hearing-- (H) Business and Labor	01/09/2007; 8 AM, Rm 172	Revise unemployment insurance assessments and rate schedules
<a href="#">HB 147</a>	Mike Jopek	(H) Hearing-- (H) Taxation	01/23/2007; 8 AM, Rm 152	Revise and clarify application of bed tax and sales and use tax
<a href="#">HB 220</a>	Craig Witte	(H) Hearing-- (H) Taxation	01/17/2007; 8 AM, Rm 152	Reduce individual income tax rates
<a href="#">SB 61</a>	John Cobb	(S) Hearing-- (S) Taxation	01/05/2007; 8 AM, Rm 405	Adopt federal standard deduction for state income taxes
<a href="#">SB 76</a>	Kim Gillan	(S) Hearing-- (S) Taxation	01/12/2007; 9 AM, Rm 405	Revise law on agency access to tax and revenue information
<a href="#">SB 120</a>	Jim Elliott	(S) Referred to Committee-- (S) Taxation	12/27/2006	Revise tax treatment of income and dividends of real estate investment trusts
<a href="#">SB 138</a>	David E Wanzenried	(S) Referred to Committee-- (S) Taxation	12/27/2006	Prevent corporations from channeling income to insurance subsidiary
<a href="#">SB 139</a>	Dan Harrington	(S) Hearing-- (S) Taxation	01/09/2007; 8 AM, Rm 405	Governor's \$400 property tax rebate
<a href="#">SB 150</a>	Kim Gillan	(S) Hearing-- (S) Taxation	01/12/2007; 9 AM, Rm 405	Exclude property contributions from qualified endowment credit and extend credit
<a href="#">SB 174</a>	Jim Elliott	(S) Hearing-- (S) Taxation	01/11/2007; 9 AM, Rm 405	Revise laws on revenue administration
<a href="#">SB 220</a>	Jim Elliott	(S) Referred to Committee-- (S) Taxation	01/09/2007	Tax law administration -- transactions, compliance, withholding, class 8 exempt.

### Economic Development Legislation

<a href="#">HB 34</a>	Jim Keane	(H) Hearing-- (H) Appropriations	01/10/2007; UPON ADJ, Rm 102	Fund implementation of Equity Capital Investment Board
<a href="#">SB 42</a>	John Brueggeman	(S) Hearing-- (S) Business, Labor, and Economic Affairs	01/19/2007; 9 AM, Rm 422	Revise economic development programs