

**Bozeman Area Chamber of Commerce**  
**Legislative Report #5**  
**Week of Jan 29 – Feb. 3, 2007**

The 60<sup>th</sup> Montana Legislature enters February with plenty of work to do and the transmittal date of Feb. 28 approaching quickly. Most legislation, with the exception of taxation and appropriations, must meet the transmittal date or for all intents and purposes it fails. The Legislature worked on Saturday, Feb. 3, reflecting the slow pace this session has taken.

Some of the legislation we have been following had the activity noted below:

**SB 240 Code of corporate responsibility.** - The chamber opposed this bill and it was tabled in the Senate Business, Labor and Economic Affairs Committee

**HB 267 Revise Impact Fees** – This bill would have expanded local impact fee to include schools. This bill was tabled in House Taxation.

**SB 250 Right to Work** – This bill was tabled in Senate Business, Labor and Economic Affairs

**SB 296 Increase Beer and Wine Licenses** – This bill was approved by the Senate Business and Labor and will be heard by the full Senate

**Upcoming Friday Morning Conference Call Guests**

Feb 9<sup>nd</sup>            Rep Jack Wells, Bozeman – Chairman of Joint Appropriations Committee on Education

The coming week will see the following bills of interest being heard in various committees.

**HB 530 – Require paid rest breaks for certain employees:** This bill would mandate a paid 10 minute rest break for each 4 hours worked. This bill will be heard in House Business and Labor on Tuesday, Feb. 6. The chamber will oppose this bill

**SB 284 Revise allocation of bed tax and taxes on rental cars** - This legislation redirects the distribution of the accommodations tax and the rental car tax from the general fund to a number of tourism-promotion related programs. The proposed legislation would distribute the accommodation tax and rental car tax collections according to the following formula:

- 81.18% to the Department of Commerce;
- 6.26% to the Montana Historical Society;
- 5.43% to the Capitol Art Preservation Trust;
- 3.52% to the Montana Heritage Preservation and Development Commission;
- 3.25% to the Department of Fish, Wildlife, and Parks; and

- 0.36% to the Montana Travel Research Program.

This bill will be heard in Senate Local Government on Tuesday, Feb. 6<sup>th</sup>.

**SB 220 Revisions to taxes** - This bill consists of four parts. Sections 1 through 14 relate to taxpayer reporting requirements. Sections 1 through 7 require additional reporting of potentially abusive tax avoidance transactions and impose penalties for failure to report and for using abusive tax avoidance transactions to misstate income or corporate tax liability. Sections 8 through 14 require corporations to provide information about their tax returns filed in other states. Sections 15 through 17 provide a voluntary compliance program for taxpayers who have engaged in an abusive tax avoidance transaction. Sections 18 through 24 require withholding for taxes on capital gains from the sale of real estate, other than the seller's principle residence, by non-residents. Section 25 increases the Class 8 property tax exemption from \$20,000 to \$150,000.

This bill will be heard in Senate Taxation on Wednesday, Feb. 7<sup>th</sup>.

### General Business Legislation

Bill Type - Number	Primary Sponsor	Status	Status Date	Short Title
<a href="#">HB 202</a>	Mike Jopek	(H) Tabled in Committee-- (H) State Administration	01/24/2007	Revise laws relating to public officials and lobbyists
<a href="#">HB 213</a>	Jonathan Windy Boy	(H) Tabled in Committee-- (H) Business and Labor	01/19/2007	Healthy workplace
<a href="#">HB 235</a>	Ernie Dutton	(H) Hearing-- (H) Local Government	01/23/2007; 3 PM, Rm 172	Business improvement district law
<a href="#">HB 262</a>	Mike Jopek	(H) Hearing-- (H) Natural Resources	01/29/2007; 3 PM, Rm 472	Water rights in growth counties
<a href="#">HB 267</a>	Ron Erickson	(H) Tabled in Committee-- (H) Education	01/30/2007	Clarify impact fee laws
<a href="#">HB 270</a>	Michael Lange	(H) Hearing-- (H) Taxation	01/30/2007; 8 AM, Rm 152	Tax credit for purchase of health care
<a href="#">HB 280</a>	Ray Hawk	(H) Hearing-- (H) Local Government	01/25/2007; 3 PM, Rm 172	Revise impact fee laws
<a href="#">HB 282</a>	Ron Erickson	(H) Hearing-- (H) Natural Resources	02/02/2007; 3 PM, Rm 472	Sequestration to slow global warming
<a href="#">HB 295</a>	Ron Erickson	(H) Referred to Committee-- (H) Local Government	02/03/2007	Revise use of adopted growth policy
<a href="#">HB 399</a>	Dan Villa	(H) Hearing-- (H) State Administration	01/25/2007; 8 AM, Rm 455	Health insurance option for local economic development organizations
<a href="#">HB 447</a>	Dan Villa	(H) Referred to Committee-- (H) Appropriations	01/29/2007	Infrastructure development funding
<a href="#">HB 464</a>	Ken Peterson	(H) Hearing-- (H) Judiciary	02/08/2007; 8 AM, Rm 137	Revise damages for unfair claims settlement practices
<a href="#">HB 492</a>	Dennis Himmelberger	(H) Hearing-- (H) Business and Labor	02/02/2007; 8 AM, Rm 172	Quality service allowance for minimum wage
<a href="#">HB 499</a>	JP Pomnichowski	(H) Referred to Committee-- (H) Business and Labor	02/03/2007	Revise law on technology tax increment financing district
<a href="#">HB 508</a>	Diane Rice	(H) Hearing-- (H) Business and	02/02/2007; 8	Revise wages definition to reduce

		Labor	AM, Rm 172	unemployment ins. and work comp contributions
<a href="#">HB 512</a>	Llew Jones	(H) Hearing-- (H) Appropriations	02/06/2007; UPON ADJ, Rm 102	Fund certain local government infrastructure projects
<a href="#">HB 516</a>	Betsy Hands	(H) Referred to Committee-- (H) Appropriations	02/01/2007	Fund affordable housing revolving loan act
<a href="#">HB 530</a>	Ken Peterson	(H) Hearing-- (H) Business and Labor	02/07/2007; 8 AM, Rm 172	Require paid rest breaks for certain employees
<a href="#">HB 565</a>	Ken Peterson	(H) Referred to Committee-- (H) Business and Labor	02/03/2007	Clarifying negligence principles in workplace safety act
<a href="#">SB 67</a>	David E Wanzenried	(S) Transmitted to House	01/31/2007	Prohibit price gouging on essential goods or services during emergencies
<a href="#">SB 89</a>	Carol Williams	(S) Transmitted to House	02/01/2007	Providing for breast feeding in the workplace
<a href="#">SB 218</a>	Greg Lind	(S) Hearing-- (S) Natural Resources and Energy	01/24/2007; 3 PM, Rm 317B	Sequestration standards for carbon dioxide
<a href="#">SB 240</a>	Christine Kaufmann	(S) Tabled in Committee-- (S) Business, Labor, and Economic Affairs	01/31/2007	Code of corporate responsibility
<a href="#">SB 250</a>	Gregory D Barkus	(S) Adverse Committee Report Adopted*-- (S) Business, Labor, and Economic Affairs	01/30/2007	Right to work
<a href="#">SB 254</a>	David E Wanzenried	(S) Hearing-- (S) Business, Labor, and Economic Affairs	02/06/2007; 9 AM, Rm 422	Require collective bargaining neutrality agreement in state services contracts
<a href="#">SB 259</a>	Jim Shockley	(S) Tabled in Committee-- (S) Taxation	01/30/2007	Prohibit deductions of wages paid to illegal aliens
<a href="#">SB 264</a>	Christine Kaufmann	(S) Hearing-- (S) Local Government	02/08/2007; 3 PM, Rm 335	Low-income rates for local government utilities
<a href="#">SB 265</a>	Sam Kitzenberg	(S) Hearing-- (S) Public Health, Welfare and Safety	02/12/2007; 3 PM, Rm 317A	Revising premium provisions of the comprehensive health association plan
<a href="#">SB 296</a>	Dan Weinberg	(S) Scheduled for 2nd Reading	02/05/2007	Revise beer and wine licensing laws
<a href="#">SB 313</a>	David E Wanzenried	(S) Referred to Committee-- (S) Natural Resources and Energy	01/19/2007	Generation acquisition for certain utilities
<a href="#">SB 321</a>	John Brueggeman	(S) Referred to Committee-- (S) Business, Labor, and Economic Affairs	01/22/2007	Authorize business and industrial development corporations
<a href="#">SB 344</a>	Jeff Essmann	(S) Hearing-- (S) Business, Labor, and Economic Affairs	02/07/2007; 9 AM, Rm 422	Revise definition of misconduct under unemployment insurance laws
<a href="#">SB 366</a>	Lynda Moss	(S) Hearing-- (S) State Administration	02/12/2007; 3 PM, Rm 335	Reporting of corporate violations
<a href="#">SB 371</a>	Christine Kaufmann	(S) Hearing-- (S) Judiciary	02/02/2007; 8 AM, Rm 303	Include sexual orientation and gender identity in certain laws
<a href="#">SB 416</a>	Christine Kaufmann	(S) Referred to Committee-- (S) Taxation	02/01/2007	Secretary of state - department of revenue taxpayer identification
<a href="#">SB 418</a>	Dan Weinberg	(S) Referred to Committee-- (S) Taxation	02/02/2007	Revise distribution of lodging facility use taxes
<a href="#">SB 419</a>	Greg Lind	(S) Referred to Committee-- (S) Business, Labor, and Economic Affairs	02/02/2007	Allow children to remain covered by parent's health insurance to age 26

## Taxation Legislation

<a href="#">HB 59</a>	Jim Keane	(H) Tabled in Committee-- (H) Business and Labor	02/02/2007	Revise unemployment insurance assessments and rate schedules
<a href="#">HB 147</a>	Mike Jopek	(H) Tabled in Committee-- (H) Taxation	01/31/2007	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="#">HB 463</a>	Dan Villa	(H) Hearing-- (H) Taxation	02/02/2007; 8 AM, Rm 152	Revise taxation of new or expanded business enterprise property
<a href="#">HB 488</a>	Mike Jopek	(H) Hearing-- (H) Appropriations	02/06/2007; UPON ADJ, Rm 102	Study of property taxes
<a href="#">HB 490</a>	Julie French	(H) Hearing-- (H) Taxation	02/02/2007; 8 AM, Rm 152	Adoption tax credit
<a href="#">HB 529</a>	Bob Lake	(H) Referred to Committee-- (H) Taxation	02/01/2007	Increase business equipment tax exemption and reduce tax rate
<a href="#">HB 552</a>	Ron Erickson	(H) Referred to Committee-- (H) Taxation	02/02/2007	Real estate transfer tax
<a href="#">HB 564</a>	Tom McGillvray	(H) Referred to Committee-- (H) Taxation	02/03/2007	Revise and reduce income taxes
<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) Hearing-- (S) Taxation	02/06/2007; 9 AM, Rm 405	Prevent corporations from channeling income to insurance subsidiary
<a href="#">SB 139</a>	Dan Harrington	(S) Transmitted to House	01/22/2007	Governor's \$400 property tax rebate
<a href="#">SB 150</a>	Kim Gillan	(S) Transmitted to House	01/19/2007	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) Hearing-- (S) Taxation	02/06/2007; 9 AM, Rm 405	Tax law administration -- transactions, compliance, withholding, class 8 exempt.
<a href="#">SB 275</a>	Sam Kitzenberg	(S) Committee Report--Bill Passed as Amended-- (S) Taxation	01/30/2007	Local option sales tax
<a href="#">SB 284</a>	Lynda Moss	(S) Hearing-- (S) Local Government	02/06/2007; 3 PM, Rm 335	Revise allocation of bed tax and taxes on rental cars
<a href="#">SB 320</a>	Kim Gillan	(S) Committee Report--Bill Passed as Amended-- (S) Local Government	02/02/2007	Revise resort tax -- delete population and designation requirement
<a href="#">SB 378</a>	Kim Gillan	(S) Hearing-- (S) Taxation	02/07/2007; 9 AM, Rm 405	Standardize income tax definitions and interpretation with federal law
<a href="#">SB 418</a>	Dan Weinberg	(S) Referred to Committee-- (S) Taxation	02/02/2007	Revise distribution of lodging facility use taxes