



REVENUE INTERIM COMMITTEE 68th Montana Legislature

SENATE MEMBERS

Becky Beard
Greg Hertz
Shannon O'Brien
Jeremy Trebas

HOUSE MEMBERS

Larry Brewster
Sherry Essmann
Paul Fielder
Mark Thane

COMMITTEE STAFF

Jaret Coles - Attorney
LJ Jennings - Secretary
Megan Moore - Research Analyst

MINUTES LOG

March 21, 2024
Capitol Room 137
Helena, Montana

Please note: This document is a Minutes Log and provides annotation of the time elapsed between the beginning of the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken. The narrative presented here is provided only as a guide to the audio or video recording of the meeting. The official discussion, motion, or vote is available on the audio or video archive of this meeting. The Legislature does not prepare a transcript of the meeting activities. The time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

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MEMBERS PRESENT:

Sen. Becky Beard, Chair (R)
Rep. Mark Thane, Vice Chair (D)
Rep. Larry Brewster (R)
Rep. Sherry Essmann (R)
Rep. Paul Fielder (R)
Sen. Greg Hertz (R)
Sen. Jeremy Trebas (R)

MEMBERS EXCUSED:

Sen. Shannon O'Brien (D)

MEMBERS ABSENT:

STAFF PRESENT:

Jaret Coles, Attorney
LJ Jennings, Secretary
Megan Moore, Research Analyst

AGENDA ([Attachment 1](#))

VISITORS' LIST ([Attachment 2](#))

CALL TO ORDER/ROLL CALL

10:29:36 Presiding Officer Becky Beard called the meeting to order at 10:29 AM. The committee secretary took roll.

Administrative Matters

10:30:57 Megan Moore, Lead Staff, Legislative Services Division, (LSD)

PROPERTY TAX MODERNIZATION STUDY: PROPERTY VALUATION

Revaluation Cycles in Montana and U.S.

10:32:12 Megan Moore
[EXHIBIT1](#)

Committee Questions/Discussion

10:37:03 Rep. Paul Fielder

Legal Framework for Property Valuation

10:38:11 Jaret Coles, Staff Attorney, LSD
[EXHIBIT2](#)

Public Comment on Property Valuation

11:05:37 NONE

Committee Questions/Discussion

11:05:53 Sen. Jeremy Trebas

Property Tax Modernization Study: Data Tools

11:07:46 Julia Pattin, Legislative Fiscal Division, (LFD)
[EXHIBIT3](#)

11:08:24 Kurt Swimley, LFD (See Exhibit 3)

11:09:32 Sen. Greg Hertz left the meeting.

Committee Questions/Discussion

11:12:36 Rep. Paul Fielder

Property Tax Modernization Study: Data Tools- Cont'd

11:14:04 Kurt Swimley

11:18:44 Sen. Greg Hertz joined the meeting.

Committee Questions/Discussion

11:24:40 Vice Presiding Officer Mark Thane

Property Tax Modernization Study: Data Tools- Cont'd

11:25:42 Kurt Swimley (See Exhibit 3)

Committee Questions/Discussion

11:30:21 Rep. Paul Fielder
11:32:22 Vice Presiding Officer Mark Thane

Property Tax Modernization Study: Data Tools- Cont'd

11:33:48 Julia Pattin (See Exhibit 3)

Public Comment on Data Tools

11:58:24 Bob Story, Montana Taxpayers Association

Committee Questions/Discussion

12:06:30 Vice Presiding Officer Mark Thane

RECESS

12:07:18 Reconvened at 13:00:11

PROPERTY TAX MODERNIZATION STUDY: 15-10-420 CALCULATION

Introduction of the Topic

13:00:35 Megan Moore

Inflation Calculation in 15-10-420

13:02:05 Dylan Cole, Department of Revenue (DOR)
[EXHIBIT4](#)

Committee Questions/Discussion

13:11:39 Sen. Jeremy Trebas
13:12:06 Presiding Officer Becky Beard
13:12:39 Rep. Paul Fielder

Consideration of Including Localized Growth Factor

13:13:06 Megan Moore
[EXHIBIT5](#)

Committee Questions/Discussion

13:19:22 Rep. Larry Brewster
13:20:38 Sen. Jeremy Trebas
13:21:59 Presiding Officer Becky Beard

Property Tax Modernization Study: 15-10-420 Recommendations Follow-up

Inclusion of State Equalization Mills in Revenue Estimate

13:23:01 Megan Moore
[EXHIBIT6](#)

Consideration of Combining Equalization Mills

13:27:24 Megan Moore
[EXHIBIT7](#)

Consideration of Other Changes to 15-10-420

13:30:09 Megan Moore

Public Comment on 15-10-420 Recommendations Follow-up

13:32:13 Jason Rittal, Montana Association of Counties (MaCO)

13:33:13 Bob Story

Committee Questions/Discussion

13:39:18 Rep. Paul Fielder

13:41:30 Sen. Greg Hertz

13:44:18 Rep. Larry Brewster

13:46:06 Rep. Paul Fielder

13:47:52 Sen. Greg Hertz

13:49:44 Sen. Jeremy Trebas

13:50:06 Rep. Paul Fielder

**Property Tax Modernization Study: Real Property Exemption Audit Follow-up
Exempt Property Review Process Updated Proposal (PD 23 and PD 22)**

13:51:03 Megan Moore
[EXHIBIT8](#)
[EXHIBIT9](#)
[EXHIBIT10](#)
[EXHIBIT11](#)

Committee Questions/Discussion

13:55:07 Presiding Officer Becky Beard

Exempt Property Review Process Updated Proposal (PD 23 and PD 22)- Cont'd

13:56:01 Megan Moore (See Exhibit 10)

Committee Questions/Discussion

13:58:24 Sen. Greg Hertz

Public Comment on Real Property Exemption Audit Follow-up (PD 23 and PD 22)

14:00:06 NONE

Committee Questions/Discussion

14:00:17 Sen. Greg Hertz to DOR.

14:00:41 Tiffany Pouliot- Harris, DOR

14:02:42 Presiding Officer Becky Beard

14:04:07 Sen. Greg Hertz
14:04:27 Redirected to Robin Rude, DOR
14:05:06 Vice Presiding Officer Mark Thane
14:05:41 Jaret Coles
14:06:33 Megan Moore
14:06:51 Presiding Officer Becky Beard
14:07:19 Megan Moore
14:07:43 Rep. Sherry Essmann
14:08:34 Vice Presiding Officer Mark Thane to DOR
14:08:52 Tiffany Pouliot-Harris
14:09:26 Presiding Officer Becky Beard
14:09:40 Rep. Sherry Essmann
14:10:22 Sen. Jeremy Trebas
14:10:46 Sen. Greg Hertz to Jason Rittal

MOTION

14:12:25 Rep. Sherry Essmann moved to have PD 23 drafted as a committee bill.

Discussion on the Motion

14:13:14 Rep. Paul Fielder
14:13:39 Sen. Greg Hertz
14:14:31 Megan Moore

MOTION

14:15:09 Rep. Essmann withdrew the motion.
14:15:45 Presiding Officer Becky Beard

**Property Tax Modernization Study: Real Property Exemption Audit Follow-up
Exempt Property Review Process Updated Proposal (PD 23 and PD 22)- Cont'd**

Committee Questions/Discussion

14:16:19 Vice Presiding Officer Mark Thane
14:17:08 Presiding Officer Becky Beard
14:17:36 Rep. Larry Brewster

MOTION

14:18:39 Sen. Jeremy Trebas moved to have PD 22 drafted as a committee bill.

Discussion on the Motion

14:19:04 Sen. Greg Hertz
14:19:31 Sen. Jeremy Trebas

VOTE

14:20:30 Carried unanimously by roll call vote with Sen. O'Brien voting "yes" by proxy.
([Attachment 3](#))

Property Tax Modernization Study: Voted Levies

14:21:33 Megan Moore
[EXHIBIT12](#)

Public Comment on Voted Levies

14:30:29 Bob Story
14:31:46 Jason Rittal
14:35:09 Michael Waterman, Bozeman Public Schools
14:35:46 Kelly Lynch, Executive Director, Montana League of Cities and Towns

Committee Questions/Discussion

14:37:52 Rep. Larry Brewster
14:39:23 Jaret Coles
14:40:45 Sen. Greg Hertz
14:42:00 Jaret Coles
14:42:19 Megan Moore
14:42:34 Sen. Greg Hertz
14:42:49 Presiding Officer Becky Beard to Jason Rittal

RECESS

14:48:04 Reconvened at 14:55:43

PROPERTY TAX MODERNIZATION STUDY: TAX INCREMENT FINANCING (TIF)

TIF Reporting Requirements

14:56:11 Megan Moore
[EXHIBIT13](#)

Receiving Input from Affected Taxing Jurisdictions

Overview of State Laws

15:08:25 Megan Moore
[EXHIBIT14](#)

Committee Questions/Discussion

15:10:43 Sen. Greg Hertz

Stakeholder Perspectives

15:12:43 Kristen Rosa, TIFID Administrator, Butte-Silver Bow
[EXHIBIT15](#)

15:16:52 Greg Chilcott, Ravalli County Commissioner
15:21:51 Michael Waterman, Executive Director of Business and Operations, Bozeman
Public Schools
[EXHIBIT16](#)

15:35:16 Megan Moore to Sen. Greg Hertz

Committee Questions/Discussion

15:36:35 Sen. Greg Hertz to Michael Waterman.
15:39:43 Vice Presiding Officer Mark Thane

Use of Tax Increment to Benefit Nonprofits

15:41:31 Megan Moore
[EXHIBIT17](#)

1988 Attorney General Opinion

15:42:59 Jaret Coles
[EXHIBIT18](#)
15:48:34 Karen Byrnes, Community Development Director, Butte-Silver Bow

District Duration in Montana and Other States

15:55:57 Megan Moore
[EXHIBIT19](#)

Public Comment on Tax Increment Financing (TIF)

16:02:22 Bob Story
16:05:25 Kristen Rosa
16:06:37 Kelly Lynch
16:08:54 Michael Waterman
16:10:04 Karen Byrnes

Committee Questions/Discussion

16:11:41 Sen. Greg Hertz to Kelly Lynch
16:15:25 Vice Presiding Officer Mark Thane
16:17:40 Presiding Officer Becky Beard
16:18:20 Vice Presiding Officer Mark Thane
16:20:12 Sen. Jeremy Trebas
16:22:03 Rep. Larry Brewster
16:23:56 Presiding Officer Becky Beard

Impact of Districts

16:24:28 Megan Moore
[EXHIBIT20](#)
16:29:56 Sen. Greg Hertz

Property Tax Modernization Study: Identifying Problems

16:30:52 Megan Moore

Public Comment on Identifying Problems

16:32:14 NONE

Committee Questions/Discussion

16:32:26 Sen. Jeremy Trebas

16:33:52 Rep. Sherry Essmann

16:34:20 Sen. Jeremy Trebas

16:36:26 Presiding Officer Becky Beard

16:39:54 Sen. Greg Hertz

Property Tax Modernization Study: Governor's Property Tax Task Force update

16:40:23 Megan Moore

16:43:05 Sen. Greg Hertz

Public Comment on Governor's Property Tax Task Force Update

16:45:42 Bob Story

Public Comment on any Other Topic Within the Committee's Jurisdiction

16:47:11 Bob Story

ADJOURNMENT

16:48:43 Presiding Officer Becky Beard adjourned the meeting.