



REVENUE INTERIM COMMITTEE

69th Montana Legislature

SENATE MEMBERS

Becky Beard
Dave Fern
Greg Hertz
Mike Yakawich

HOUSE MEMBERS

Larry Brewster
Ed Byrne
Valerie Moore
James Reavis
Mark Thane

COMMITTEE STAFF

Megan Moore – Lead Staff
Jaret Coles – Legal Staff
Jolanda Pennington - Secretary

MINUTES LOG

May 28, 2026
Room 152
Helena, Montana

Minutes logs provide an annotation of the time elapsed between the beginning of a meeting and the time at which a topic is presented or discussed, a motion made, or a vote taken. The time designation may be used to locate the referenced discussion in the video. The minutes log is only a guide to the video of the meeting. The official record of the meeting is the video. Minutes logs can be accessed at <https://committees.legmt.gov> and videos can be accessed at <https://media.legmt.gov>.

For more information, please contact:

The Legislative Services Division at 406-444-3064 for policy committees;
The Legislative Fiscal Division at 406-444-2986 for fiscal committees; or
The Legislative Audit Division at 406-444-3122 for the Legislative Audit Committee.

MEMBERS PRESENT:

Rep. Larry Brewster, Presiding Officer (R)
Sen. Dave Fern, Vice Presiding Officer (D)
Rep. Ed Byrne (R)
Sen. Greg Hertz (R)
Rep. Valerie Moore (R)
Rep. James Reavis (D)
Rep. Mark Thane (D)
Sen. Mike Yakawich (R)

MEMBERS EXCUSED:

Sen. Becky Beard (R)

MEMBERS ABSENT:

STAFF PRESENT:

Megan Moore, Lead Staff
Jaret Coles, Legal Staff
Maddelyn Pennington, Secretary

AGENDA ([Attachment 1](#))

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

CALL TO ORDER/ROLL CALL

- 08:59:37 Presiding Officer Larry Brewster called the meeting to order at 8:59 AM. The committee secretary took roll.
- 09:00:15 Presiding Officer Larry Brewster

TAX CREDIT REVIEW: CREDIT FOR TRADES AND EDUCATION TRAINING

- 09:01:43 Megan Moore, Lead Staff, Legislative Services Division (LSD)
- 09:04:13 Presiding Officer Larry Brewster
- 09:04:17 Megan Moore, LSD
- 09:06:38 Derek Bell, Administrator, Business & Income Taxes Division, Department of Revenue (DOR)
- [EXHIBIT 1](#)

Public Comment

- 09:11:55 Jay Reardon, Montana State Building Construction Trades Council
- 09:15:41 Margaret Morgan, Montana Independent Electrical Contractors
- 09:18:51 Bill Ryan, Director of Workforce Development, Dick Anderson Construction

Committee Questions / Discussion

- 09:20:14 Vice Presiding Officer Dave Fern
- 09:21:21 Megan Moore, LSD
- 09:22:08 Rep. Mark Thane
- 09:23:26 Sen. Greg Hertz
- 09:23:47 Megan Moore
- [EXHIBIT 2](#)
- 09:24:57 Presiding Officer Larry Brewster

Motion

- 09:25:14 Vice Presiding Officer Dave Fern moved to continue the tax credit for trades and education training unamended.

Discussion on the Motion

- 09:25:25 Megan Moore
- 09:25:35 Vice Presiding Officer Dave Fern

Vote

- 09:25:53 Carried 8 – 1 by voice vote with Sen. Greg Hertz voting 'no'. Sen. Becky Beard by proxy.

TAX CREDIT REVIEW: GROW MONTANA JOBS CREDIT

09:26:42 Megan Moore, Lead Staff, Legislative Services Division (LSD)

09:27:01 Sen. Greg Hertz

09:27:11 Megan Moore, LSD

[EXHIBIT 3](#)

09:38:39 Aaron McNay, Senior Economist, Department of Revenue (DOR)

[EXHIBIT 4](#)

Committee Questions / Discussion

09:43:32 Rep. Mark Thane

09:43:55 Aaron McNay, DOR

Public Comment

09:44:32 Bill Ryan, Director of Workforce Development, Dick Anderson Construction

Committee Questions / Discussion

09:48:41 Vice Presiding Officer Dave Fern

09:49:19 Bill Ryan, Dick Anderson Construction

09:50:19 Rep. Mark Thane

09:50:56 Bill Ryan, Dick Anderson Construction

09:52:49 Vice Presiding Officer Dave Fern

09:54:48 Presiding Officer Larry Brewster

Motion

09:55:03 Rep. Mark Thane moved for the committee to retain the Grow Montana Jobs tax credit.

Discussion on the Motion

09:55:17 Rep. James Reavis

09:55:48 Megan Moore, LSD

Vote

09:55:59 Carried unanimously by voice vote.
Sen. Becky Beard voted 'aye" by proxy.

REVENUE ESTIMATING & MONITORING

General Fund Update

09:56:56 Sam Schaefer, Lead Revenue Analyst, Legislative Fiscal Division (LFD)

[EXHIBIT 5](#)

Committee Questions / Discussion

10:14:43 Rep. Mark Thane

10:15:17 Sam Schaefer, LFD

REVENUE ESTIMATING & MONITORING - Continued
HB 924 And Capital Gains Modeling Options

10:18:11 Sam Schaefer, LFD

[EXHIBIT 6](#)

[EXHIBIT 7](#)

Committee Questions / Discussion

10:29:47 Vice Presiding Officer Dave Fern

10:30:13 Sam Schaefer, LFD

10:33:31 Rep. James Reavis

10:34:01 Sam Schaefer, LFD

REVENUE ESTIMATING & MONITORING - Continued
Revenue Sources Based on Flat Fees

10:34:51 Joe Baan, Fiscal Analyst, LFD

[EXHIBIT 8](#)

Committee Questions / Discussion

10:42:03 Rep. Ed Byrne

10:42:19 Joe Baan, LFD

REVENUE ESTIMATING & MONITORING - Continued
Revenue Sources Based on Flat Fees – Continued

10:44:07 Alice Hecht, Fiscal Analyst, LFD

(See Exhibit 8)

Committee Questions / Discussion

10:47:12 Sen. Mike Yakawich

10:47:38 Alice Hecht, LFD

10:48:20 Joe Baan, LFD

10:48:52 Vice Presiding Officer Dave Fern

10:49:20 Alice Hecht, LFD

10:50:07 **Recessed**

10:59:48 **Reconvened**

SENATE JOINT RESOLUTION 8: SPECIAL DISTRICT STUDY
Audit Concerns for Special Districts

11:00:05 Megan Moore, Lead Staff, Legislative Services Division (LSD)

[EXHIBIT 9](#)

Committee Questions / Discussion

11:10:03 Sen. Mike Yakawich

11:10:37 Megan Moore, LSD

11:12:28 Sen. Greg Hertz
11:12:39 Megan Moore, LSD
11:13:49 Vice Presiding Officer Dave Fern
11:14:36 Presiding Officer Larry Brewster
11:16:42 Rep. Ed Byrne
11:17:03 Megan Moore, LSD
11:17:52 Rep. James Reavis

**SENATE JOINT RESOLUTION 8: SPECIAL DISTRICT STUDY
Special Purpose District Annual Financial Reports**

11:18:59 Megan Moore
11:20:47 Danielle Vincent, Local Government Services Bureau, Department of
Administration (DOA)
[EXHIBIT 10](#)
[EXHIBIT 11](#)
[EXHIBIT 12](#)

Committee Questions / Discussion

11:33:00 None

**SENATE JOINT RESOLUTION 8: SPECIAL DISTRICT STUDY
Senate Bill 539 Discussion**

11:33:33 Megan Moore, LSD

Committee Questions / Discussion

11:34:45 Sen. Greg Hertz
11:37:08 Presiding Officer Larry Brewster
11:38:16 Megan Moore, LSD

Public Comment

11:38:40 Allan Lloyd, Montana Society of CPAs
11:43:14 Presiding Officer Larry Brewster
11:43:29 Bob Story, Montana Taxpayers Association (MTA)

Committee Questions / Discussion

11:46:22 Vice Presiding Officer Dave Fern
11:47:06 Rep. James Reavis
11:47:15 Allan Lloyd, Montana Society of CPAs
11:51:49 Megan Moore, LSD
11:52:59 Rep. James Reavis
11:54:04 Presiding Officer Larry Brewster
11:54:30 Vice Presiding Officer Dave Fern
11:55:42 Rep. James Reavis

11:56:28 Presiding Officer Larry Brewster
11:57:03 Megan Moore, LSD
11:57:23 Vice Presiding Officer Dave Fern
11:57:38 Allan Lloyd, Montana Society of CPAs

VOTED LEVIES & BONDS STUDY

11:58:42 Megan Moore, Lead Staff, Legislative Services Division (LSD)

Committee Questions / Discussion

11:59:13 None

Public Comment

12:00:03 Bob Story, Montana Taxpayers Association (MTA)

Committee Questions / Discussion

12:02:24 Presiding Officer Larry Brewster
12:03:03 Megan Moore, LSD
12:03:16 Rep. Mark Thane

12:04:30 **Recessed**

12:59:38 **Reconvened**

AGENCY MONITORING: DEPARTMENT OF REVENUE (DOR)

Introduction

13:00:06 Scott Mendenhall, Deputy Director, DOR

AGENCY MONITORING: DEPARTMENT OF REVENUE (DOR) - Continued

Major Case Update

13:02:13 Tony Zammit, Deputy Chief Legal Counsel, DOR
[EXHIBIT 13](#)

AGENCY MONITORING: DEPARTMENT OF REVENUE (DOR) - Continued

Income Tax Season Update

13:06:06 Jill Hamilton, Administrator, Information Management and Collection Division,
DOR

AGENCY MONITORING: DEPARTMENT OF REVENUE (DOR) - Continued

Reappraisal Update

13:08:46 Bryce Kaatz, Bureau Chief, Property Assessment Division, DOR

Committee Questions / Discussion

13:13:44 Sen. Mike Yakawich
13:13:54 Bryce Kaatz, DOR

**AGENCY MONITORING: DEPARTMENT OF REVENUE (DOR) - Continued
Required Report: Periodic Review of Exempt Property**

13:16:53 Bryce Kaatz, DOR

Committee Questions / Discussion

13:18:39 Vice Presiding Officer Dave Fern

13:19:04 Bryce Kaatz, DOR

Public Comment

13:20:43 Bob Story, Montana Taxpayers Association (MTA)

IMPLEMENTATION OF SENATE BILL 542 / HOUSE BILL 231

Update on Administration

13:22:41 Bryce Kaatz, Bureau Chief, Property Assessment Division, DOR

[EXHIBIT 14](#)

Committee Questions / Discussion

13:28:50 Rep. Ed Byrne

13:29:11 Bryce Kaatz, DOR

13:32:29 Sen. Greg Hertz

13:33:37 Bryce Kaatz, DOR

13:36:24 Rep. Mark Thane

13:37:03 Bryce Kaatz, DOR

IMPLEMENTATION OF SENATE BILL 542 / HOUSE BILL 231 - Continued

Comparison Of 2025 Taxes Paid with Estimates

13:40:45 Eric Dale, Director, Tax Policy & Research Division, DOR

[EXHIBIT 15](#)

Committee Questions / Discussion

14:05:49 Vice Presiding Officer Dave Fern

14:06:03 Eric Dale, DOR

14:08:20 Sen. Greg Hertz

14:09:52 Eric Dale, DOR

IMPLEMENTATION OF SENATE BILL 542 / HOUSE BILL 231 - Continued

Mobile Homes

14:14:17 Eric Dale, DOR

Committee Questions / Discussion

14:27:38 Sen. Mike Yakawich

14:28:25 Eric Dale, DOR

14:28:53 Vice Presiding Officer Dave Fern

14:29:51 Eric Dale, DOR

**IMPLEMENTATION OF SENATE BILL 542 / HOUSE BILL 231 - Continued
Bill Drafts**

14:32:43 Megan Moore, Lead Staff, Legislative Services Division (LSD)
[EXHIBIT 16](#)

Committee Questions / Discussion

14:35:02 Presiding Officer Larry Brewster

**IMPLEMENTATION OF SENATE BILL 542 / HOUSE BILL 231 - Continued
Bill Drafts - Continued**

14:35:13 Megan Moore, LSD
[EXHIBIT 17](#)

Committee Questions / Discussion

14:38:06 Vice Presiding Officer Dave Fern

14:38:09 Megan Moore, LSD

Public Comment

14:38:17 Presiding Officer Larry Brewster

14:40:36 Mitch Price

[EXHIBIT 18](#)

[EXHIBIT 19](#)

14:46:06 Presiding Officer Larry Brewster

14:46:25 Bob Bachman

14:51:32 Zoe Smith, Helena

14:54:19 Jane Van Dyk

[EXHIBIT 20](#)

14:58:20 Mary Pitch

[EXHIBIT 21](#)

14:59:05 Jane Van Dyk

15:01:41 Michael Blatnick, Camp Senia Historical District

15:05:07 Matt Van Syckle

15:08:03 Rose Bender, Montana Budget & Policy Center (MBPC)

15:10:38 Bob Story, Montana Taxpayers Association (MTA)

15:15:58 Vice Presiding Officer Dave Fern

Committee Questions / Discussion

15:16:44 Megan Moore, LSD

15:16:53 Presiding Officer Larry Brewster

15:17:09 Vice Presiding Officer Dave Fern

15:17:25 Megan Moore

15:17:58 Rep. James Reavis

EXEMPT REAL PROPERTY AUDIT FOLLOW-UP

Consideration of Exempt Property Review Process

15:20:32 Megan Moore, Lead Staff, Legislative Services Division (LSD)

[EXHIBIT 22](#)

Committee Questions / Discussion

15:32:58 Rep. James Reavis
15:33:37 Megan Moore, LSD
15:35:33 Vice Presiding Officer Dave Fern
15:36:43 Megan Moore, LSD
15:37:13 Rep. Mark Thane
15:38:48 Presiding Officer Larry Brewster
15:39:02 Megan Moore, LSD
15:43:46 Rep. Ed Byrne

Public Comment

15:48:16 Bob Story, Montana Taxpayers Association (MTA)
15:51:45 Rose Bender, Montana Budget & Policy Center (MBPC)

TAX CREDIT REVIEW: ELDERLY HOMEOWNER AND RENTER CREDIT

15:53:41 Megan Moore, Lead Staff, Legislative Services Division (LSD)

[EXHIBIT 23](#)

15:54:10 Dylan Cole, Economist, Department of Revenue (DOR)

[EXHIBIT 24](#)

[EXHIBIT 25](#)

Committee Questions / Discussion

16:03:55 Sen. Mike Yakawich
16:04:15 Dylan Cole, DOR
16:05:03 Shailyn Daigle, DOR

TAX CREDIT REVIEW: ELDERLY HOMEOWNER AND RENTER CREDIT - Continued

16:06:41 Megan Moore, LSD

(See Exhibit 23)

Committee Questions / Discussion

16:14:29 Rep. James Reavis
16:15:23 Shailyn Daigle, DOR
16:17:41 Sen. Mike Yakawich
16:17:56 Megan Moore, LSD
16:18:24 Vice Presiding Officer Dave Fern
16:19:00 Presiding Officer Larry Brewster
16:21:13 Megan Moore

16:22:44 Rep. Mark Thane
16:23:12 Dylan Cole, DOR
16:24:44 Rep. James Reavis
16:25:40 Megan Moore, LSD
16:26:09 Rep. Ed Byrne
16:26:13 Dylan Cole, DOR

Public Comment

16:28:33 Rose Bender, Montana Budget & Policy Center (MBPC)
16:30:15 Bob Story, Montana Taxpayers Association (MTA)

Committee Questions / Discussion

16:32:04 Megan Moore

Motion

16:32:18 Vice Presiding Officer Dave Fern moved for the committee to continue with the elderly homeowner and renter tax credit; and for committee staff to explore the potential amendment of the tax credit based on input from discussion.

Discussion on the Motion

16:33:08 Megan Moore, LSD
16:33:53 Rep. Valerie Moore

Substitute Motion

16:34:13 Vice Presiding Officer Dave Fern moved for the committee to continue with the elderly homeowner and renter tax credit and for committee staff to review past legislation to draft similar legislation for the committee.

Discussion on the Motion

16:35:07 Megan Moore
16:35:39 Vice Presiding Officer Dave Fern
16:36:03 Presiding Officer Larry Brewster

Vote

16:36:40 Carried unanimously by roll call vote.
Sen. Greg Hertz and Sen. Becky Beard voted 'aye' by proxy.

DISABLED VETERAN PROPERTY TAX ASSISTANCE

16:37:42 Megan Moore, Lead Staff, Legislative Services Division (LSD)
[EXHIBIT 26](#)

Committee Questions / Discussion

16:42:21 Presiding Officer Larry Brewster
16:42:37 Vice Presiding Officer Dave Fern
16:43:09 Rep. Ed Byrne

16:44:32 Megan Moore, LSD

Public Comment

16:45:38 None

AGENCY MONITORING: ADMINISTRATIVE RULE REVIEW

Administrative Rule Report

16:46:03 Jaret Coles, Legal Staff, Legislative Services Division (LSD)

[EXHIBIT 27](#)

Public Comment

16:47:03 None

Committee Questions / Discussion

16:47:09 None

PUBLIC COMMENT ON ANY OTHER TOPIC WITHIN THE COMMITTEE'S JURISDICTION

16:47:46 Jenny Buddenbag, Preserve Montana

[EXHIBIT 28](#)

16:51:18 Randy Hayfer, Billings

16:56:08 Amanda Cooley, Powell County

17:00:32 David Mark, One Health

17:03:35 Heather McMillin, Homeward

17:05:57 Pete Brown, Montana Historic Preservation Officer

17:06:11 Presiding Officer Larry Brewster

Committee Questions / Discussion

17:06:20 Vice Presiding Officer Dave Fern

17:06:40 Megan Moore, Lead Staff, Legislative Services Division (LSD)

17:06:58 Randy Hayfer, Billings

17:08:54 Sen. Greg Hertz

17:09:38 Jenny Buddenbag, Preserve Montana

17:11:05 Rep. Valerie Moore

17:11:12 Jenny Buddenbag, Preserve Montana

17:12:45 Randy Hayfer, Billings

WORK SESSION

17:14:30 Megan Moore, Lead Staff, Legislative Services Division (LSD)

Motion

17:16:00 Vice Presiding Officer Dave Fern moved for provisional draft 0004 and provisional draft 0005 to move forward as committee bills.

Discussion on the Motion

17:16:14 Megan Moore, LSD
17:16:25 Vice Presiding Officer Dave Fern
17:16:44 Sen. Mike Yakawich
17:17:08 Sen. Greg Hertz

Vote

17:17:30 Carried unanimously by voice vote.
Sen. Becky Beard vote 'aye" by proxy.

WORK SESSION - Continued

17:18:00 Presiding Officer Larry Brewster
17:18:11 Sen. Mike Yakawich
17:19:22 Vice Presiding Officer Dave Fern
17:19:36 Megan Moore, LSD

Bill Assignment

17:19:56 Vice Presiding Officer Dave Fern
17:20:01 Rep. Ed Byrne
17:20:07 Presiding Officer Larry Brewster
17:20:20 Vice Presiding Officer Dave Fern and Sen. Mike Yakawich will each carry one of the provisional drafts moved this meeting.
17:20:31 Megan Moore, LSD

ADJOURNMENT

Adjournment: 17:20:51