

# Legislative VOTING REVIEW 2023

*A snapshot of the voting  
record of Billings area  
state legislators and  
summaries of the  
bills selected.*





## SUPERMAJORITY AND SURPLUS

*Despite controversy, a good session for business*

Montana's 68th Legislative Session began on January 2, 2023 and concluded 87 days later on May 2nd, the longest session to take place since 1997. It was also the busiest legislative session since 1973, with introduced bills totaling 1,697. Legislators leapt from their starting blocks and sprinted all the way to the end with a furious pace and little pause.

The hasty pacing was partly the result of the Governor putting forward a bundle of nearly 200 agency bills, dubbed the "Red Tape Relief" package, which were conveniently positioned at the front of the legislative queue. Ironically, the Red Tape Relief package served as metaphorical red tape, holding up the process for the unprecedented number of bills requested by legislators. Thanks to a legislative election cycle that ushered in a GOP supermajority, along with a multi-billion dollar surplus, optimism and ideas for legislation abounded. The result was a backlog of bill draft requests that would require a frenetic schedule of committee hearings for the seventeen weeks the legislature was in session.

Prior to the 2021 and 2023 sessions my predecessor at the Billings Chamber, the late Bruce MacIntyre, used to tell me,

"This'll be a good session." After giving me a moment to puzzle over his predictive powers he'd offer, "because there's no extra money to fight over."

Indeed, excess funding lead to fights. Republicans decried excessive government spending—Senate Majority Leader Steve Fitzpatrick dubbed it the, "session of gluttony"—while Democrats were critical there wasn't enough spending on their priorities.

At the end of the day, it might seem that nobody left Helena happy. But despite the controversy, it turned out to be a pretty good session for business. We are thankful to our local legislative delegation for prioritizing public safety this legislative session, sponsoring numerous bills aimed at addressing public safety issues we face. Additionally, a suite of pro-housing reforms, labeled the "Montana miracle" in one Bloomberg article, passed the legislature, rolling back local regulations that slow the development of needed housing. And substantial progress was made in the priority areas set forth by our membership: Montana's workforce, tax reform, and public safety.

### Montana's Workforce

We hear from businesses about the challenge of attracting workers due to the undersupply and unaffordability of housing. Fortunately, pro-housing bills were passed this session to prohibit exclusionary zoning, allow multifamily housing in any commercial zone, reduce onerous parking requirements, and return property rights to homeowners who might add housing on their lot. Additionally, the Montana Land Use Planning Act requires cities to analyze current and projected housing needs and revise regulations to allow for the provision of needed housing.

### Tax Reform

Two tax bills will have significant benefits for Billings businesses. For the 502 Yellowstone County businesses paying business equipment taxes, half will be removed from business equipment tax rolls thanks to a bill that raises the exemption threshold from \$300,000 to \$1 million. The estimated tax savings in Yellowstone County is \$1.3 million. A second bill lowers the top marginal income tax rate, resulting in a savings of \$20.5 million for Yellowstone County taxpayers. For small business that file income taxes, this could mean more investment in their businesses.

### Public Safety

The Yellowstone County Detention Facility has been overcrowded for years. Police officers report taking offenders to the jail, only to see the offenders leave before they do. Officers refer to this as "catch-and-release" policing, and has led some to leave the department. Fortunately, the legislature made improvements by increasing the reimbursement paid by the state for their inmates. While it won't completely cover the cost of housing state inmates, it is a big step in the right direction, demonstrating our legislators' leadership on local public safety issues. Additionally, a bill that passed will require the registration, and

in certain circumstances certification, of recovery residences which have popped up in Billings recently.

### Thank You

While much was accomplished in the chamber's priority areas, more work remains. I've greatly enjoyed the opportunity to represent and advocate for the Billings business community and look forward to building on previous successes in the interim and into next session.

Lastly, I want to thank our citizen legislators for their hard work and long hours representing their constituents in Helena. We know it's not an easy task and there are many sacrifices along the way. Thank you, and we look forward to working together on the continuing issues we face.

**Daniel J. Brooks**  
*Business Advocacy Director*



MONTANA SENATE	House Bill 245 Revise trades education credit Chamber Supports	Senate Bill 104 Retired veteran pension reform Chamber Supports	House Bill 648 Childcare scholarship program Chamber Supports	House Bill 212 Biz equipment tax exemption Chamber Supports	Senate Bill 121 Reduce income tax rate Chamber Supports	Senate Bill 14* Revise MEDIA Act tax credit cap Chamber Supports	Senate Bill 523** Revise tax increment finance Chamber Opposes	House Bill 174 Increase jail reimbursement Chamber Supports
Barry <b>USHER</b>	+	+	○	+	+	+	○	+
Jason <b>SMALL</b>	+	+	+	+	+	+	+	+
Daniel <b>ZOLNIKOV</b>	+	+	+	+	+	○	○	+
Tom <b>McGILLVRAY</b>	+	+	○	+	+	+	○	+
Kathy <b>KELKER</b>	+	+	+	○	○	+	+	○
Jen <b>GROSS</b>	+	+	EXC	○	○	+	+	○
Chris <b>FRIEDEL</b>	+	+	+	+	+	+	○	+
Dennis <b>LENZ</b>	+	+	○	+	+	○	○	+
Brad <b>MOLNAR</b>	+	+	○	○	+	○	○	+
Forrest <b>MANDEVILLE</b>	+	+	○	+	+	+	○	+

Senate Bill 94 Revise recovery residence law Chamber Supports	House Bill 639 DOC purpose to reduce recidivism Chamber Supports	Senate Bill 323 Prohibit exclusionary zoning Chamber Supports	Senate Bill 382 Land use and planning act Chamber Supports	House Bill 819 Reinvestment act for housing Chamber Supports	House Bill 447 Income tax exemptions Chamber Supports	Senate Bill 216 Litigation and products law Chamber Supports	House Bill 652 Reduce UI benefit duration Chamber Supports	VOTING SCORE
+	+	+	+	○	+	+	+	81.3 %
+	+	+	+	+	+	+	○	93.8 %
+	+	+	+	+	EXC	+	+	86.7 %
+	+	+	+	+	+	+	+	87.5 %
+	+	○	+	○	+	○	○	56.3 %
+	+	+	+	○	+	○	○	60.0 %
+	+	+	+	+	+	+	+	93.8 %
+	+	+	+	+	+	+	+	81.3 %
+	+	○	+	+	○	○	○	50.0 %
+	+	+	+	+	+	+	+	87.5 %

## SCORECARD METHODOLOGY

### // BILL SELECTION

Bills were selected with consideration for our policy issue areas: workforce development, tax reform, public safety, business issues and housing. Preference was largely given to bills that passed the legislature, allowing an apples-to-apples comparison of 3<sup>rd</sup> reading votes across our entire delegation.

### // FAVORING BIPARTISANSHIP

While the selection of bills and resulting votes favors Republicans, a conscious effort was made to include bills that garnered votes from members of both parties. Of the 16 bills selected, only one resulted in party line voting.

\* - House 2<sup>nd</sup> Reading Vote

\*\* - Senate Blast Motion Vote

### // CALCULATING SCORES

Voting Scores were calculated by taking the number of Business Positive votes and dividing by the total number of votes. Instances where legislators were excused or absent were not factored in to the final Voting Score.

## SCORECARD KEY

⊕ : Business Positive Vote  
○ : Business Negative Vote

**ABS** : Absent  
**EXC** : Excused



# BILL SUMMARIES

HB = House Bill  
SB = Senate Bill

Red = Republican  
Blue = Democrat

**BILL #**

**Bill Sponsor**

**Chamber Position**

Senate vote: 25 - 25

House vote: 50 - 50

## Short Description

Each bill has a summary section describing what the bill does and why it is important.

**HB 245**  
**Rep. Vinton**

**Chamber Supports**  
Senate vote: 49 - 1  
House vote: 90 - 5

*Revise trades education credit*

This bill expands the MT Trades Education and Training Tax Credit, established last legislative session, which offers a credit for 50% of an employee's education, up to \$2,000 annually. HB 245 expands the number of occupations and industries that qualify for the tax credit. The Department of Labor estimates the current credit covers 38,000 employees. The expansion offered by HB 245 would include an additional 31,130 employees.

**SB 104**  
**Sen. Fuller**

**Chamber Supports**  
Senate vote: 47 - 2  
House vote: 72 - 27

*Retired veteran pension reform*

The bill exempts the lesser of 50% military retirement pay or the taxpayer's Montana wage income for up to five years for taxpayers who became residents of the state after June 30, 2023, or who were a resident of the state before receiving military retirement income and remained a resident. The tax exemption sunsets after tax year 2033 and would need reapproval to continue. This helps MT compete with states that offer veteran tax benefits.

**HB 648**  
**Rep. Buckley**

**Chamber Supports**  
Senate vote: 29 - 20  
House vote: 65 - 34

*Childcare scholarship program*

The bill appropriates \$7 million to DPHHS to increase entry eligibility for the Best Beginning Scholarship program from 150% of federal poverty level to 185% of federal poverty level. The increase is expected to increase participation by 25%, amounting to an additional 723 children served through the program. The program helps pay for childcare when parents are working, in school, or receive TANF.

**HB 212**  
**Rep. Kassmier**

**Chamber Supports**  
Senate vote: 33 - 17  
House vote: 67 - 32

*Business equipment tax exemption*

This bill increases the business equipment tax exemption from \$300,000 to \$1 million. For Yellowstone County, that means significant savings to our business community. There are 502 entities with business equipment tax liability in tax year 2022. House Bill 212 would fully exempt 273 entities, reduce liabilities for the remaining 229, and provide a total savings of \$1.293 million to businesses in Yellowstone County.

**SB 121**  
**Sen. Beard**

**Chamber Supports**  
Senate vote: 34 - 16  
House vote: 68 - 30

*Reduce top income tax rate*

This bill lowers the top marginal income tax rate from 6.5% to 5.9% and increases the state earned income tax credit (EITC) from 3% to 10% of the federal EITC. The Dept. of Revenue estimates SB 121 will result in a tax savings of \$20.5 million for Yellowstone County taxpayers in tax year 2024. With many of our small businesses filing as pass-throughs, this means more money to reinvest in their businesses and in our local economy.

**SB 14**  
**Sen. Hertz**

**Chamber Supports**  
Senate vote: 30 - 20  
House vote\*: 50 - 50

*Revise MEDIA Act film credit cap*

This bill would have increased the MEDIA Act tax credit from \$12 million annually to \$20 million annually and requires that 25% of the credits each year be allocated for expenditures related to the rental costs of a qualified Montana facility. It would have also created an additional credit component for wages paid to Montana veterans and enrolled tribal members and extended the sunset date to 2031.

(\* - 2<sup>nd</sup> Reading Vote failed)

**SB 523**  
**Sen. Hertz**

**Chamber Opposes**  
Senate vote: 28 - 22  
House vote\*\*: 39 - 58

*Revise tax increment finance laws*

This bill would have, among other things, placed a cap on administrative costs for TIF districts, cap TIF duration at 30 years (currently 40), and exclude all school mill levies from increment calculation. It would have likely led to the folding of the Billings Industrial Revitalization District (BIRD) and reduced increment funds in our other two districts by 30 - 50%, limiting the positive impact TIF districts can have.

(\*\* - Blast Motion Vote failed)

**HB 174**  
**Rep. Seekins-Crowe**

**Chamber Supports**  
Senate vote: 34 - 16  
House vote: 91 - 6

*Increase jail reimbursement*

The bill requires the state to increase reimbursement to county jails from \$69/day to the greater of \$82/day or 10% below the daily rate for the private prison in Shelby for every state inmate housed in county facilities. While the estimated cost of housing inmates in the Yellowstone County Detention Facility is about \$100/day, this bill is a significant improvement, reducing the effective subsidy county taxpayers pay for state inmates.





**SB 94**  
**Sen. Usher**

**Chamber Supports**  
Senate vote: 48 - 2  
House vote: 97 - 0

*Revise recovery residence law*

The bill requires the registration of sober living residences. It also requires sober living residences to have administrative oversight, quality standards, emergency, eviction, and resident policies and protocols. In order for sober living residences to receive referrals from a judge, justice of the peace, or magistrate they must be certified by a recovery residence certifying organization recognized by DPHHS.

**HB 639**  
**Rep. Mercer**

**Chamber Supports**  
Senate vote: 49 - 0  
House vote: 96 - 3

*DOC purpose to reduce recidivism*

A one-page bill that adds to the purpose of Dept. of Corrections statute, "The department of corrections shall use at maximum efficiency the resources of state government in a coordinated effort to: ... *minimize recidivism among offenders during and after their participation in the department's programs and monitor the rate of recidivism to determine the success of efforts to reduce recidivism.*"

**SB 323**  
**Sen. Trebas**

**Chamber Supports**  
Senate vote: 35 - 14  
House vote: 72 - 26

*Prohibit exclusionary zoning*

This bill eliminates exclusionary zoning, also known as single-family-only zoning by allowing additional homes to be built on a lot. Many local zoning codes mandate exclusionary zoning throughout a majority of residential areas, including Billings, making housing less available and more expensive. The Governor's Housing Task Force identified this as recommendation (3B) in its final report.

**SB 382**  
**Sen. Mandeville**

**Chamber Supports**  
Senate vote: 50 - 0  
House vote: 95 - 5

*MT Land Use Planning Act*

This bill makes a number of changes to local land use and planning processes. It requires cities to analyze existing and projected housing needs and provide regulations that allow for the rehabilitation, improvement, or development of the number of housing units needed. Cities must select a minimum of five housing strategies listed in the bill to accommodate needed housing.

**HB 819**  
**Rep. Green**

**Chamber Supports**  
Senate vote: 27 - 23  
House vote: 58 - 38

*Reinvestment act for housing*

This bill appropriates or authorizes \$225 million for affordable and workforce housing. An affordable housing mortgage buy-down program will get \$50 million. The Board of Investments will receive \$106 million for an affordable housing revolving loan fund. And low- and moderate-income multifamily housing projects will have access to \$50 million in Coal Tax Trust monies through a revolving loan fund which has proven successful in the past.

**HB 447**  
**Rep. Thane**

**Chamber Supports**  
Senate vote: 43 - 5  
House vote: 97 - 1

*Income tax exemptions*

This bill provides a 30-day window before incurring a personal income tax liability in Montana and employers from incurring withholding obligations for those employees. The legislation also has a reciprocity provision to offer Montana's 30-day safe harbor to only those non-resident employees whose resident state provides the same protection to Montana employees. The bill reduces the cost of doing business in Montana.

**SB 216**  
**Sen. Fitzpatrick**

**Chamber Supports**  
Senate vote: 32 - 17  
House vote: 52 - 48

*Litigation and products law*

This bill makes a number of common sense changes to protect our Montana manufacturing and retail businesses from unfair claims, including: strengthening product misuse defense by allowing product sellers to argue the product was used contrary to warnings or instructions, and allows for an innocent-seller defense, protecting retailers that sell products unchanged from manufacturers.

**HB 652**  
**Rep. Galloway**

**Chamber Supports**  
Senate vote: 27 - 23  
House vote: 65 - 31

*Reduce UI benefit duration*

This bill revises the duration of unemployment benefits from 28 weeks to 24 weeks. Currently, Montana has one of the longest unemployment benefit durations in the U.S. Our businesses face continual workforce shortage challenges and a reasonable reduction in the length of unemployment benefits is likely to result in more unemployed people returning to the workforce and helping our businesses.



WE OFFER A SPECIAL THANKS TO OUR ADVISORY BOARD MEMBERS FOR THEIR TIME AND INSIGHT



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