

*The Big Sky Country*

## MONTANA HOUSE OF REPRESENTATIVES

**REPRESENTATIVE TOM MCGILLVRAY**  
HOUSE DISTRICT 50

HELENA ADDRESS:  
CAPITOL BUILDING  
PO BOX 200400  
HELENA, MONTANA 59620-0400  
PHONE: (406) 444-4800

HOME ADDRESS:  
3642 DONNA DR.  
BILLINGS, MT 59102  
PHONE: (406) 656-7542

COMMITTEES:  
JUDICIARY  
HEALTH & HUMAN SERVICES  
LOCAL GOVERNMENT  
ETHICS

### House Bill No. 769

#### Legislative Intent- Representative Tom McGillvray

Pursuant to the assignment of the Rail Service Competition Council (RSCC) during its meeting of January 19, 2006, I have prepared the following remarks regarding the legislative intent of House Bill 769.

I spoke with Rep. Golie, the primary sponsor of HB 769 and Senator Schmidt who sponsored SB 315 and was a Senate sponsor along with Sen. Hansen of HB 769. House Bill 769 rose out of the Rail Freight Competition Study as provided by Senate Bill 315. This study was completed on Oct. 29, 2004 and focused on conditions affecting rail freight competition in Montana and analyzed the possibilities to improve it.

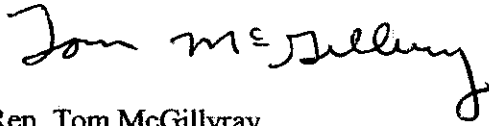
Other than the intent of the bill found by reading the bill, comments by Sen. Schmidt and Rep. Golie indicated that the legislature believed that Montana shippers needed a deliberative body to give them a voice in rail service competition issues. To that end the RSCC was created to legitimize the voice of Montana shippers via a council which has official capacity on behalf of the state of Montana.

Therefore, HB 769 authorizes the RSCC to address the following issues. These issues should be on the agenda of the RSCC:

1. Develop a comprehensive and coordinated plan to increase rail service competition in the state of Montana.
2. Evaluate the state's railroad taxation policies to ensure reasonable competition while minimizing any transfer of tax burden to shippers. This evaluation should include: (see page 98-103 of the Rail Freight Competition Study)
  - a. Property taxes
  - b. taxes that minimize highway damage
  - c. special fuel taxes
  - d. corporate tax rates
3. Analyze the development of legal structures to facilitate the growth of producer transportation investment cooperatives and rural transportation infrastructure authorities.

4. Provide advice and recommendation to the department of transportation for the departments' rail planning activities.
5. Coordinate efforts and develop cooperative partnerships with other states and federal programs
6. Act as a liaison between shippers and class I railroads to promote rail service competition
7. Report and be accountable to any standing or interim legislative committee that is assigned to provide oversight for rail service competition issues.

Respectfully submitted,

A handwritten signature in cursive script that reads "Tom McGillvray". The signature is written in dark ink and is positioned above the printed name.

Rep. Tom McGillvray