

50TH LEGISLATIVE SESSION  
MINUTES OF THE MEETING  
LOCAL GOVERNMENT COMMITTEE  
MONTANA STATE SENATE

January 20, 1987

The fourth meeting of the Local Government Committee was called to order at 1 p.m. on January 20, 1987 by Chairman Bruce Crippen in Room 405 of the Capitol.

ROLL CALL: All members were present, with the exception of Senator Hammond who was excused.

As no bills were scheduled for hearing, Chairman Crippen immediately called the committee into Executive Session.

DISCUSSION ON SENATE BILL 55: Chairman Crippen told the committee that the leadership had asked that this bill be considered further by the committee and not acted upon at this time. He asked for further discussion on this bill.

Sen. Story handed out to committee members a table showing information on local government units with sales taxes. See Exhibit 1. He asked the committee to note that many states have more than one kind of sales tax i.e. city, county, state. He stated that his proposed tax was not a back door approach to a sales tax -- it is limited to districts of 10 square miles or less, can be seasonal and is designed with tourist areas in mind. He felt that non-tourist communities would not invoke this law. He felt it would be an advantage to communities such as Cooke City, Gardner, Seely Lake and to ski areas such as Big Sky. He said the bill defined a resort area, inserted the word "substantial" (portion of its economic well-being), and told how an area could become a resort area. It also had a seasonal stipulation and defined the county commissioners authority in appropriating and expending revenues. He also stated that a resort area is unincorporated and that a resort community is incorporated.

Chairman Crippen asked how "substantial" was determined, and Sen. Story said that the county commissioners would. He said "substantial" was replacing "major" because, while Park County benefits greatly from tourism, only 13% of the residents are employed in the tourist industry. He also felt that conflict could arise between the tourist industry and other types of industry that might want to come into the area if the word "major" stayed in place.

Sen. Eck asked for information on the 10-square mile stipulation and Sen. Story said the residents could determine their own boundaries in order to delete areas not participating.

Some areas, such as Seely Lake, are spread out and the 10-square mile stipulation will enable them to use the tax. He did not want Cooke City and Gardner to be in the same resort area and have the funds collected spent in Gardner, he said. His purpose was that the funds collected were for local use. Gardner and Cooke City are 60 miles from the county seat and are not able to get street and road improvements that are badly needed. He also did not want county commissioners to declare the entire county a resort area.

Chairman Crippen asked if the law would allow a bond to be floated for improvements and Sen. Story said that West Yellowstone was doing just that.

When asked why non-tourist towns would not invoke the tax, Sen. Story said they would not because of fear of competition from retailers in nearby communities who didn't have the tax.

Sen. Eck asked if the funds could be used for a water project and was told yes by Sen. Story. He said that there is 15 miles of road between Cooke City and Yellowstone Park which the state ignores and the federal government is not obligated to maintain because it's out of the Park. Funds there would maintain that road.

Sen. Eck felt the context would be stronger if a resort district governing body were written into the bill. Sen. Story agreed, but felt the Association of Counties would object. Sen. Beck felt the county commissioners would have to handle these funds.

Sen. Vaughn asked about the tax reduction that was supposed to result from the resort tax being invoked in an area. Sen. Story said there would be no reduction the first year but that a 5% reduction would occur the second year. Sen. Harding felt that the establishing of a district required establishing a governing board.

Karen Renne, the staff researcher, said she would refine the amendments and propose them at the next meeting.

DISPOSITION OF SENATE BILL 28: Karen distributed amendments requested by Senator Lynch. The amendments take "publicly-owned" water service companies or municipalities out of the bill entirely, she said, as well as "construction."

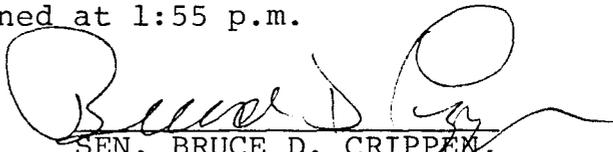
Senator Walker moved that the amendments DO PASS. After further discussion on refining the amendments, he recinded his motion.

Local Government Committee  
January 20, 1987  
Page 3.

Sen. Walker made a new motion on the amendments being corrected by Karen to DO PASS. The motion carried unanimously.

Sen. Walker then moved that Senate Bill 28 DO PASS AS AMENDED. The motion carried unanimously.

ADJOURNMENT: The meeting adjourned at 1:55 p.m.



SEN. BRUCE D. CRIPPEN,  
Chairman

ROLL CALL

SENATE LOCAL GOVERNMENT COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 1-20-87

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NAME	PRESENT	ABSENT	EXCUSED
BRUCE CRIPPEN	X		
R. J. PINSONEAULT	X		
TOM BECK	X		
DOROTHY ECK	X		
H. "SWEDE" HAMMOND			X
ETHEL HARDING	X		
LES HIRSCH	X		
PETER STORY	X		
ELEANOR VAUGHN	X		
MIKE WALKER	X		

Each day attach to minutes.

TABLE 63--LOCAL GOVERNMENT UNITS WITH SALES TAXES, SELECTED YEARS

Type of Government	1985	1984	1981	1979	1976	State, Type of Government	1985	1984	1981	1979	1976
Idaho (Total)	368	353	321	301	265	Nevada* (Total)	2	1	n.a.	13	12
Municipalities	318	310	281	270		Municipalities	n.a.	n.a.	n.a.	1	
Counties	50	43	40	31		Counties	2	1	n.a.	12	
Alaska (Total)	92	99	92	93	86	New Mexico (Total)	124	120	84	99	32
Municipalities	85	92	85	86		Municipalities	98	98	76	93	
Boroughs	7	7	7	7		Counties	26	22	8	6	
Arizona (Total)	65	70	59	39	--	New York (Total)	85	87	74	70	68
Municipalities	64	70	59	39	38	Municipalities	27	29	29	25	
Counties	1	--	--	--	--	Counties	57	57	45	45	
Arkansas (Total)	79	60	2	1	1	Transit District	1	1	--	--	
Municipalities	59	44	2	1		North Carolina					
Counties	20	16	--	--		Counties	100	100	99	99	96
California (Total)	497	497	442	442	455	North Dakota					
Municipalities	434	434	381	381		Municipalities	1	--	--	--	--
Counties	58	58	58	58		Ohio (Total)	77	65	55	51	33
Transit District	5	5	3	3		Counties	75	62	52	50	
Colorado (Total)	211	205	183	165	121	Transit District	2	3	3	1	
Municipalities	181	175	159	144		Oklahoma (Total)	462	447			
Counties	29	29	23	20		Municipalities	449	441	398	398	356
Transit District	1	1	1	1		Counties	13	6	--	--	--
Florida						South Dakota					
Counties	12	--	--	--	--	Municipalities	72	82	61	46	18
Georgia (Total)	143	133	104	84	16	Tennessee (Total)	105	102	105	104	115
Municipalities	0	0	0	3		Municipalities	11	8	11	12	
Counties	142	132	103	80		Counties	94	94	94	92	
Transit District	1	1	1	1		Texas (Total)	1122	1120	949	946	854
Idaho (Total)	1373	1353	1359	1359	1342	Municipalities	1117	1117	921	921	
Municipalities	1269	1249	1256	1256		Transit District	5	3	28	25	
Counties	102	102	102	102		Utah (Total)	248	248	n.a.	230	204
Transit District	2	2	1	1		Municipalities	219	219	n.a.	201	
Kansas (Total)	163	139	40	20	7	Counties	29	29	29	29	
Municipalities	104	87	35	15		Virginia (Total)	136	136	136	136	133
Counties	59	52	5	5		Municipalities	41	41	41	41	
Louisiana (Total)	267	253	251	217	183	Counties	95	95	95	95	
Municipalities	173	158	152	136		Washington (Total)	305	306	302	302	300
Parishes	41	30	30 <sup>est.</sup>	21		Municipalities	266	267	264	264	
School Districts	53	65	66	60		Counties	39	39	38	38	
Minnesota						Wisconsin					
Municipalities	2	2	1	1	1	Counties	2	--	--	--	--
Missouri (Total)	528	487	333	215	152	Wyoming					
Municipalities	439	406	332	214		Counties	14	15	15	13	5
Counties	89	81	1	1		U.S. Total	6668	6492	5702 1/	5448	4893
Nebraska						Percentage change					
Municipalities	15	12	7	4	--	from previous					
						year cited	3%	14%	5%	11%	

1/ In a small number of states, the exact number of units using the tax in 1981 is not provided. Total figure is an estimate.

Note: NV: In 1981, the state made the 3.75% county tax mandatory, which in essence raises the state rate and dedicate the tax for special purposes. That same year, authority was granted for counties to levy a transit tax and two counties currently exercise this option.

Note: ACIR staff compilations based on Commerce Clearinghouse, State Tax Reporter; and National Conference of State Legislatures, Legislative Finance Paper #24, "Local Sales and Income Taxes: How Much Are They Used? Should They Be More Widespread?" Denver, CO, 1982.

TABLE 64--USE OF LOCAL SALES TAXES  
(As of November 1985)

SENATE LOCAL GOVERNMENT  
EXHIBIT NO. 1, 2  
DATE 1-20-87  
BILL NO. 5055

State, Type of Government	Tax Rates Employed	Tax Rate Limit	No. of Jurisdictions Levying Tax	% of Jurisdictions Levying Tax	Voter Approval Required	Local Tax Coordination	Revenue Redistribution
Alabama Counties Municipalities	0.5-3.0 0.5-3.0	None None	50 318	75% 73%	No No	Overlap, but some counties do not apply tax within cities with sales tax	None
Alaska Boroughs Municipalities	1.0-4.0 1.0-5.0	6.0 6.0	7 85	88% 60%	Yes No	Overlap with cooperative administration	None
Arizona* Counties Municipalities	0.5 1.0-2.0	Not more than 10% of state tax None	1 64	7% 84%	Yes No	Overlap	Counties must use for transportation purposes.
Arkansas Counties Municipalities	1.0 1.0-2.0	2 2+1% tem.	20 59	27% 13%	Yes Yes	Overlap	1% or 0.5% may be levied by cities for 2 years for parks and recreation facilities.
California Counties Municipalities Transit Dists. <sup>1</sup>	1.25 1.0 0.5	1.25 1.0 .5	58 434 5	100% 100% n.a.	No No Yes	City retailers credit against county collections	.25% of the county tax is used for streets & highways.
Colorado Counties Municipalities Transit Dist. <sup>1</sup>	0.25-3.0 1.0-4.0 0.6	Total state, county & city tax may not exceed 7.0% 0.6	29 181 1	47% 68% n.a.	Yes Yes Yes	4% maximum local rates; this does not preclude counties from a tax not to exceed 1%.	None
Florida Counties*	0.25-1.0	2.0	12	18%	Yes	Exclusive authority	1% tax to be used only for a rapid transit system; 1% may be used only during 1985 for construction of criminal justice facilities
Georgia Counties Transit Dist. <sup>1</sup>	1.0-2.0 1.0	2.0 1.0	142 1	90% n.a.	Yes	Cities contract with counties for share of tax; if no agreement is reached then no tax is levied. Also 7 counties share tax with school districts.	1% must be used for property tax relief; 1% may be used for streets and bridges for 1-4 years; 1% may be levied for school districts.
Idaho Municipalities (Resort)	0.0	None	0	0	Yes*	Exclusive authority only for resort communities with population under 10,000	None
Illinois Counties Municipalities Transit Dist. <sup>1</sup>	1.0 0.5-1.0 0.25-1.0	1.0* 1.0* 1.0	102 1269 2	100% 47% n.a.	No No No	Nonoverlapping jurisdictions, since county tax applies only to unincorporated areas	None

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TABLE 64--USE OF LOCAL SALES TAXES  
(As of November 1985)  
(continued)

State, Type of Government	Tax Rates Employed	Tax Rate Limit	No. of Jurisdictions Levying Tax	% of Jurisdictions Levying Tax	Voter Approval Required	Local Tax Coordination	Revenue Redistribution
Iowa Counties Municipalities	0 1.0	1.0 1.0	0 10	0	Yes Yes	No overlap; although the county places issue on ballot, the incorporated and incorporated areas vote separately on whether to adopt tax.	Formula distribution: 75% based on population and 25% on property tax valuations.
Kansas Counties Municipalities	0.5-1.0 0.5-1.0	1.0 1.0	59 104	56% 17%	Yes Yes	Overlap; maximum combined local rate is 2%.	None
Kentucky Transit Dist. <sup>1</sup>	0	0.5	0	0	Yes	Exclusive authority	Transit purposes
Louisiana Parishes Municipalities School Dist. Special Dist.	0.5-5.0 0.3-3.0 0.5-2.0 0.125-1.5	Combined local tax of 4% unless authorized	41 173 53 24	66% 57% 80% n.a.	Yes Yes Yes Yes	Some cooperative administration	None
Minnesota* Municipalities	1.0	1.0	2 (Duluth & Rochester)	(X)	Yes	Exclusive authority	The city of Rochester must allocate the revenue for flood control.
Missouri* Counties Municipalities	0.375-1.0 0.5-1.0	1.5 2.975	89 439	78% 47%	Yes Yes	Overlap, except for St. Louis county where county tax does not apply in St. Louis City.	Counties may levy 1/2% for general use; 1/2% capital projects; 1/2% property tax relief; 1/10% storm water control; 7/8% tourism. Cities may levy 1% for general use; 1/2% transit.
Nebraska Municipalities	1.0-1.5	2.0% allowed for Lincoln 1.5 others	15	3%	Yes	Exclusive authority	None
Nevada* Counties	0.25	0.25	2 (Washoe)	12%	Yes	Exclusive authority	Dedicated for mass transit purposes or tourist promotion.
New Mexico* Counties Municipalities	0.125-.625 0.25-1.125	.625 1.5	26 98	78% 100%	Yes Yes	Overlap	Cities may adopt .5% special tax for infrastructure needs. County portion may be dedicated for county fire districts or indigent hospital patients.
New York* Counties Municipalities Transit Dist. <sup>1</sup>	1.0-3.0 1.0-3.0 .25	Combined city & county tax of 3% .25	57 27 1	100% 4% N/A	No No No	City can pre-empt 1.5% of sales tax from county, but generally cities & counties will negotiate for split.	Not mandated by state, but counties share revenue w/cities
North Carolina* Counties	1.0-1.5	1.5	100	100%	No (for 1st 1%) Yes (for last .5%)	Exclusive authority	Apportioned w/cities on basis of population or property tax levy

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TABLE 64--USE OF LOCAL SALES TAXES  
(As of November 1985)  
(continued)

State, Type of Government	Tax Rates Employed	Tax Rate Limit	No. of Jurisdictions Levying Tax	% of Jurisdictions Levying Tax	Voter Approval Required	Local Tax Coordination	Revenue Redistribution
North Dakota Municipalities	1.0	None	1	(X)	Yes	Home rule cities only; exclusive authority	None
Ohio Counties	0.5-1.0	1.0	75	85%	No*	Exclusive authority	None
Transit Dist. <sup>1</sup>	0.5-1.0	1.5	2	n.a.	Yes		
Oklahoma Municipalities	1.0-4.0	None	449	77%	Yes	Overlap	None
Counties	1.0	2.0	13	17%	Yes		
South Dakota* Municipalities	1.0-2.0	2.0	72	23%	Yes	Exclusive authority	None
Tennessee* Counties	.75-2.25	2.75	94	100%	Yes	County precedence, but city can levy difference between cnty. tax & state max. tax.	One-half of county portion must go for local school purposes.
Municipalities	0.25-1.5	2.75 (or 1/2 of state tax)	11	3%	Yes		
Texas Municipalities	1.0	1.0	1117	100%	Yes	Exclusive authority	None
Transit Dist. <sup>1</sup>	0.25-1.0	1.0	5	N/A	Yes		
Utah* Counties	0.75-1.125	1.125	29	100%	No	Do not overlap; cities have precedence; County must enact tax before city can.	First 1/4% must go for transit purposes.
Municipalities	0.75-1.125	1.125	219	98%	No		
Virginia Counties	1.0	1.0	95	100%	No	Do not overlap; independent cities have precedence	County portion divided w/towns on basis of school age population.
Municipalities	1.0	1.0	41	100%	No		
Washington* Counties	0.5-1.0	1.0	39	100%	No (for 1st .5% Yes (for 2nd .5%)	City tax may not exceed .425% if county has tax. Any county tax must have full credit for city taxes paid by retailers.	None
Municipalities	0.5-1.0	1.0	266	100%			
Wisconsin Counties	0.5	0.5	2	3	No	Exclusive authority	None
Wyoming Counties	1.0	2.0	14	61%	Yes	Exclusive authority	1% is divided between counties, cities & town based on population; 1% is dedicated for capital construction.

<sup>1</sup> Transit tax is in addition to county and municipal taxes and dedicated for public transportation purposes.

(X) less than 1 percent.

\*See notes on next page.

Source: ACIR staff compilations from *Sales Taxation: State and Local Structure and Administration*, John E. Due and John L. Mikesell, Johns Hopkins University Press, 1983; *State Tax Reporter*, Commerce Clearinghouse, and discussions with state revenue department personnel.

TABLE 65--LOCAL SALES TAXES, AMOUNT OF REVENUE COLLECTED, AND DEGREE OF RELIANCE FOR SELECTED LARGE CITIES AND COUNTIES, 1984 1/

State/City (County)	1985			1984			City Share of Local Sales Tax Revenue			County Share of Local Sales Tax Revenue		
	State Sales Tax Rate	Local Sales Tax Rate 2/	Total Sales Tax Rate	FY84 City Sales Tax Revenue (000s)	FY84 City Sales Tax as a % of Total City General Revenue	FY84 City Sales Tax Revenue Per Capita 3/	FY84 County Sales Tax Revenue (000s)	FY84 County Sales Tax as a % of Total County Revenue	FY84 County Sales Tax Revenue Per Capita			
<b>ALABAMA</b>												
Birmingham (Jefferson)	4%	3%	7%	\$18,982	10%	\$67.02	\$34,616	20%	\$51.47			
<b>ARIZONA</b>												
Phoenix (Maricopa)	5%	1%	6%	67,947	11%	82.44	N/A	N/A	N/A			
Tucson (Pima)	5%	2%	7%	60,851	26%	172.65	N/A	N/A	N/A			
<b>ARKANSAS</b>												
Little Rock (Pulaski)	4%	1%	5%	N/A	N/A	N/A	24,623	34%	71.43			
<b>CALIFORNIA</b>												
Long Beach (Los Angeles)	4.75%	1.75%	6.5%	21,455	6	57.76	40,316	1%	5.25			
Los Angeles (Los Angeles)	4.75%	1.75%	6.5%	208,758	10	69.07	40,316	1%	5.25			
Oakland (Alameda)	4.75%	1.75%	6.5%	22,433	6	65.09	8,339	--	7.33			
San Diego (San Diego)	4.75%	1.25%	6.0%	66,610	14	72.72	10,889	1%	5.55			
San Francisco (San Francisco)	4.75%	1.75%	6.5%	64,907	4	93.85	--	--	--			
San Jose (Santa Clara)	4.75%	1.75%	6.5%	48,001	12	72.82	60,831	7%	45.76			
<b>COLORADO</b>												
Denver (Denver)*	3.0%	3.6%	6.6%	133,623	20	264.31	N/A	N/A	N/A			
<b>GEORGIA</b>												
Atlanta (Fulton-DeKalb)	3%	2%	5%	N/A	N/A	N/A	83,466 6/	31% 6/	138.81 6/			
<b>ILLINOIS</b>												
Chicago (Cook)	5%	3%	8%	202,991	10	67.73	3,184	--	.61			
<b>KANSAS</b>												
Kansas City (Wyandotte)	3%	1.5%	4.5%	3,172 5/	3	19.68	5,114	22%	29.43			
Wichita (Sedgwick)	3%	0%	3%	N/A	N/A	N/A	N/A	N/A	N/A			
<b>LOUISIANA</b>												
Baton Rouge (East Baton Rouge)*	4%	3%	7%	64,722	18	179.00	N/A	N/A	N/A			
New Orleans (Orleans)*	4%	5%	9%	112,379	21	199.06	N/A	N/A	N/A			
<b>MISSOURI</b>												
Kansas City (Jackson-Clay)	4.225%	2.0%	6.225%	39,143	10	87.92	26,225 4/	21% 4/	34.19 4/			
St. Louis (St. Louis)	4.225%	2.25%	6.475%	43,660	9	99.83	103,391	37%	105.89			
<b>NEBRASKA</b>												
Omaha (Douglas)	3.5%	1.5%	5.0%	38,233	22	116.37	188	--	.47			
<b>NEW MEXICO</b>												
Albuquerque (Bernalillo)	3.75%	.875%	4.652%	29,596	10	86.54	3,218	7	7.40			
<b>NEW YORK</b>												
Buffalo (Erie)	4%	3%	7%	N/A	N/A	N/A	162,377	22%	162.98			
New York City*	4%	4.25%	8.25%	1,685,583	8	237.87	N/A	N/A	N/A			
<b>NORTH CAROLINA</b>												
Charlotte (Mecklenburg)	3%	1.5%	4.5%	12,403	6	38.28	34,113	9%	81.33			

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TABLE 65--LOCAL SALES TAXES, AMOUNT OF REVENUE COLLECTED, AND DEGREE OF RELIANCE FOR SELECTED LARGE CITIES AND COUNTIES, 1984 <sup>1/</sup>  
(Continued)

State/City (County)	1985			1984			City Share of Local Sales Tax Revenue			County Share of Local Sales Tax Revenue		
	State Sales Tax Rate	Local Sales Tax Rate 2/	Total Sales Tax Rate	FY84			FY84					
				FY84 City Sales Tax Revenue (000s)	Sales Tax as a % of Total City General Revenue	City Sales Tax Per Capita 3/	FY84 County Sales Tax Revenue (000s)	Sales Tax as a % of Total County Revenue	FY84 County Sales Tax Per Capita			
<b>OHIO</b>												
Cincinnati (Hamilton)	5%	.5%	5.5%	N/A	N/A	N/A	21,846	8%	25.06			
Cleveland (Cuyahoga)	5%	1.5%	6.5%	N/A	N/A	N/A	32,054	5%	21.76			
Columbus (Franklin)	5%	.5%	5.5%	N/A	N/A	N/A	N/A	N/A	N/A			
Toledo (Lucas)	5%	1%	6%	N/A	N/A	N/A	20,467	15%	43.65			
<b>OKLAHOMA</b>												
Oklahoma City (Oklahoma)	3%	2%	5%	82,713	28%	193.38	N/A	N/A	N/A			
Tulsa (Tulsa)	3%	3%	6%	101,002	34	269.12	N/A	N/A	N/A			
<b>SOUTH DAKOTA</b>												
Sioux Falls (Minnehaha)	4%	2%	6%	9,079	20	108.73	N/A	N/A	N/A			
<b>TENNESSEE</b>												
Memphis (Shelby)	5.5%	2.25%	7.75%	28,979	4	44.88	67,835	15%	86.51			
Nashville (Davidson)*	5.5%	2.25%	7.75%	84,678	17	186.00	N/A	N/A	N/A			
<b>TEXAS</b>												
Austin (Travis)	4.125%	1%	5.125%	28,097	10	76.32	N/A	N/A	N/A			
Dallas (Dallas)	4.125%	2%	6.125%	83,064	14	88.01	N/A	N/A	N/A			
El Paso (El Paso)	4.125%	1%	5.125%	15,596	8	35.04	N/A	N/A	N/A			
Fort Worth (Tarrant)	4.125%	1.25%	5.375%	26,161	12	65.17	N/A	N/A	N/A			
Houston (Harris)	4.125%	2%	6.125%	144,475	14	83.72	N/A	N/A	N/A			
San Antonio (Bexar)	4.125%	1.5%	5.625%	41,596	13	50.79	N/A	N/A	N/A			
<b>UTAH</b>												
Salt Lake City (Salt Lake)	4.625%	.375%	5.75%	17,485	12	106.71	21,990	11%	33.33			
<b>VIRGINIA</b>												
Norfolk	3%	1%	4%	16,427	5	61.55	N/A	N/A	N/A			
<b>WASHINGTON</b>												
Seattle (King)	6.5%	1.4%	7.9%	34,076	8	69.53	18,821	5%	14.35			
<b>WYOMING</b>												
Casper (Natrona)	3%	1%	4%	N/A	N/A	N/A	Information not available					

NOTE: This table of local general sales tax information only includes information on selected large cities. See the preceding two tables for information on the extent of usage of local income taxes in all states.

- 1/ Local sales taxes may include city, county, school district, or transit sales taxes if applicable.
- 2/ Tax rates as of October 1984.
- 3/ Based on 1982 population figures.
- 4/ Information combines revenue for both counties.
- 5/ Data is for FY 82.
- 6/ Information for Fulton County only.
- \* Combined city-county government.

Sources: ACIR computations based on Commerce Clearinghouse, State Tax Reporter; Bureau of the Census, City Government Finance in 1983-84 and County Government Finances in 1983-84.

Senate Local Government Committee

January 20, 1987

AMENDMENTS TO SENATE BILL 28  
(requested by Senator Lynch)

1. Title, line 6.  
Following: line 5  
Strike: "CONSTRUCTION AND"  
Following: "MAINTENANCE OF"  
Strike: "PUBLICLY OR"
2. Page 1, line 13.  
Following: "costs of"  
Strike: "construction and maintenance of publicly or"  
Insert: "constructing"
3. Page 1, line 15.  
Following: "from"  
Insert: "the main to his premises, and for maintaining  
service pipelines from"  
Following: "private"  
Strike: "or public"
4. Page 1, line 17.  
Following: line 16  
Strike: "constructing and"
5. Page 1, line 18.  
Following: "line"  
Insert: ", except that the property owner shall pay for  
pipe and other supplies used in maintaining water  
service lines between the main and his property line"
6. Page 1, line 20.  
Following: "excavation in"  
Strike: "constructing or"
7. Page 3, line 20.  
Following: line 19  
Insert: "water service pipelines from the main to his  
premises"  
Following: "and"  
Insert: "for"
8. Page 3, line 21.  
Following: "private"  
Strike: "or municipal"

9. Page 3, line 22.  
Following: "cost of"  
Strike: "constructing and"

10. Page 3, line 24.  
Insert: ", except that the consumer shall pay for pipe and  
other supplies used in maintaining water service  
lines between the main and his property line"

1 SENATE BILL NO. 55

2 INTRODUCED BY STORY

3 BY REQUEST OF THE JOINT INTERIM SUBCOMMITTEE

4 ON INFRASTRUCTURE

5  
6 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE DEFINITION  
7 OF A RESORT COMMUNITY FOR PURPOSES OF THE RESORT COMMUNITY  
8 TAX; PROVIDING FOR A RESORT TAX IN UNINCORPORATED AREAS;  
9 EXTENDING THE TAX TO SKI RESORTS AND OTHER RECREATIONAL  
10 FACILITIES; AMENDING SECTION SECTIONS 7-6-4461, 7-6-4463  
11 THROUGH 7-6-4465, MCA; AND PROVIDING AN APPLICABILITY DATE  
12 AND AN EFFECTIVE DATE."

13  
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

15 Section 1. Section 7-6-4461, MCA, is amended to read:

16 "7-6-4461. Resort community tax -- definitions. As  
17 used in 7-6-4461 through 7-6-4467, the following definitions  
18 apply:

19 (1) "Luxuries" means any gift item, luxury item, or  
20 other item normally sold to the public or to transient  
21 visitors or tourists. The term does not include food  
22 purchased unprepared or unserved, medicine, medical supplies  
23 and services, or any necessities of life.

24 (2) "Medical supplies" means items that are sold to be  
25 used for curative, prosthetic, or medical maintenance

1 purposes, whether or not prescribed by a physician.

2 (3) "Medicine" means substances sold for curative or  
3 remedial properties, including both physician prescribed and  
4 over-the-counter medications.

5 (4) "RESORT AREA" MEANS AN AREA THAT:

6 (A) DERIVES A SUBSTANTIAL PORTION OF ITS ECONOMIC  
7 WELL-BEING FROM BUSINESSES CATERING TO THE RECREATIONAL AND  
8 PERSONAL NEEDS OF PERSONS TRAVELING TO OR THROUGH THE AREA  
9 FOR PURPOSES NOT RELATED TO THEIR INCOME PRODUCTION;

10 (B) HAS BEEN DECLARED A RESORT AREA BY THE COUNTY  
11 COMMISSIONERS AS PROVIDED IN [SECTION 2]; AND

12 (C) (I) IS AN UNINCORPORATED TOWN DEFINED IN THE MOST  
13 RECENT DECENNIAL CENSUS CONDUCTED BY THE U.S. BUREAU OF THE  
14 CENSUS AS A CENSUS DESIGNATED PLACE; OR

15 (II) IS AN AREA COMPRISING NOT MORE THAN 10 SQUARE  
16 MILES THAT DOES NOT INCLUDE ANY PORTION OF AN INCORPORATED  
17 CITY OR TOWN.

18 ~~(4)~~ (5) "Resort Community" means a community that:

19 (a) is an incorporated municipality;

20 ~~(b) has a population of less than 2,500 according to~~  
21 ~~the most recent federal census or federal estimate;~~

22 ~~(c)~~ (b) derives the major A SUBSTANTIAL portion of its  
23 economic well-being from businesses catering to the  
24 recreational and personal needs of persons traveling to or  
25 through the municipality for purposes not related to their

1 income production, ~~and.~~

2 ~~(d)(e) has been designated by the department of~~  
 3 ~~commerce as a resort community."~~

4 NEW SECTION. SECTION 2. RESORT AREA -- TAXING  
 5 AUTHORITY. (1) THE BOARD OF COUNTY COMMISSIONERS, UPON  
 6 RECEIVING A WRITTEN PETITION CONTAINING A DESCRIPTION OF THE  
 7 PROPOSED RESORT AREA AND SIGNED BY AT LEAST 10 REGISTERED  
 8 VOTERS RESIDING IN THE PROPOSED DISTRICT, SHALL BY  
 9 RESOLUTION ESTABLISH A RESORT AREA.

10 (2) THE PETITION MUST INCLUDE A PROPOSAL TO IMPOSE A  
 11 RESORT TAX WITHIN THE PROPOSED RESORT AREA, INCLUDING THE  
 12 RATE, DURATION, EFFECTIVE DATE, AND PURPOSE OF THE TAX AS  
 13 PROVIDED IN 7-6-4464.

14 SECTION 3. SECTION 7-6-4463, MCA, IS AMENDED TO READ:

15 "7-6-4463. Limit on resort community tax rate -- goods  
 16 and services subject to tax. (1) The rate of the resort tax  
 17 must be established by the election petition or resolution  
 18 provided for in 7-6-4464, but the rate may not exceed 3%.

19 (2) (a) The resort tax is a tax on the retail value of  
 20 all goods and services sold within the resort community or  
 21 area by the following establishments:

22 (i) hotels, motels, and other lodging or camping  
 23 facilities;

24 (ii) restaurants, fast food stores, and other food  
 25 service establishments;

1 (iii) taverns, bars, night clubs, lounges, and other  
2 public establishments that serve beer, wine, liquor, or  
3 other alcoholic beverages by the drink; and

4 (iv) ski resorts and other recreational facilities.

5 (b) ~~establishments~~ Establishments that sell luxuries  
6 must collect a tax on such luxuries."

7 SECTION 4. SECTION 7-6-4464, MCA, IS AMENDED TO READ:

8 "7-6-4464. Resort ~~community~~ tax -- election required  
9 -- procedure. (1) A resort community may not impose or,  
10 except as provided in 7-6-4465, amend or repeal a resort tax  
11 unless the resort tax question has been submitted to the  
12 electorate of the resort community and approved by a  
13 majority of the electors voting on the question.

14 (2) (a) The resort tax question may be presented to  
15 the electors of the a resort community by:

16 ~~(a)~~(i) a petition of the electors as provided by  
17 7-1-4130, 7-5-132, and 7-5-134 through 7-5-137; or

18 ~~(b)~~(ii) a resolution of the governing body of the  
19 resort community.

20 (b) The resort tax question must be presented to the  
21 electors of a resort area by a resolution of the board of  
22 county commissioners following receipt of a petition of  
23 electors as provided by [section 2].

24 (3) The petition or resolution referring the taxing  
25 question must state:

- 1           (a) ~~must-state~~ the exact rate of the resort tax;
- 2           (b) ~~must-state~~ the duration of the resort tax;
- 3           (c) ~~must--state~~ the date when the tax becomes
- 4 effective, which date may not be earlier than 35 days after
- 5 the election; and
- 6           (d) ~~may-specify~~ the purposes that may be funded by the
- 7 resort tax revenue.

8           (4) The petition or resolution referring the resort

9 tax question may provide for a seasonal tax that would be

10 effective for a period of at least 3 but less than 12 months

11 of each calendar year.

12           ~~(4)~~(5) Upon receipt of an adequate petition the

13 governing body may:

14           (a) call a special election on the resort tax

15 question; or

16           (b) have the resort tax question placed on the ballot

17 at the next regularly scheduled election.

18           ~~(5)~~(6) The question of the imposition of a resort tax

19 may not be placed before the electors more than once in any

20 fiscal year."

21           SECTION 5. SECTION 7-6-4465, MCA, IS AMENDED TO READ:

22           "7-6-4465. Resort community tax administration. (1) In

23 this section, "governing body" means the governing body of

24 an incorporated resort community or, if the resort tax has

25 been approved by the electors of an unincorporated resort

1 area, the board of county commissioners.

2 (2) Not less than 30 days prior to the date the resort  
3 tax becomes effective, the governing body ~~of-the-resort~~  
4 ~~community~~ shall enact an administrative ordinance governing  
5 the collection and reporting of the resort taxes. This  
6 administrative ordinance may be amended at any time  
7 thereafter as may be necessary to effectively administer the  
8 resort tax.

9 ~~(2)~~(3) The administrative ordinance shall specify:

10 (a) the times taxes collected by business are to be  
11 remitted to the ~~resort-community~~ governing body;

12 (b) the local government office, officer, or employee  
13 responsible for receiving and accounting for the resort tax  
14 receipts;

15 (c) the local government office, officer, or employee  
16 responsible for enforcing the collection of resort taxes and  
17 the methods and procedures to be used in enforcing the  
18 collection of resort taxes due; and

19 (d) the penalties for failure to report taxes due,  
20 failure to remit taxes due, and violations of the  
21 administrative ordinance. The penalties may include:

22 (i) criminal penalties not to exceed a fine of \$1,000  
23 or 6 months imprisonment or both the fine and imprisonment;

24 (ii) civil penalties if the ~~resort-community~~ governing  
25 body prevails in a suit for the collection of resort taxes,

1 not to exceed 50% of the resort taxes found due plus the  
 2 costs and attorney fees incurred by the ~~resort-community~~  
 3 governing body in the action;

4 (iii) revocation of the offender's county or municipal  
 5 business license; and

6 (iv) any other penalties that may be applicable for  
 7 violation of an ordinance.

8 ~~(3)~~(4) The administrative ordinance may include:

9 (a) further clarification and specificity in the  
 10 categories of goods and services that are subject to the  
 11 resort tax consistent with 7-6-4463;

12 (b) authorization for business administration and  
 13 prepayment discounts. The discount authorization may allow  
 14 each vendor and commercial establishment to:

15 (i) withhold up to 5% of the resort taxes collected to  
 16 defray their costs for the administration of the tax  
 17 collection; or

18 (ii) receive a refund of up to 5% of the resort tax  
 19 payment received from them by the ~~resort--community~~ county  
 20 governing body 10 days prior to the collection due date  
 21 established by the administrative ordinance; and

22 (c) other administrative details necessary for the  
 23 efficient and effective administration of the tax."

24 NEW SECTION. SECTION 6. USE OF RESORT AREA TAX --  
 25 PROPERTY TAX RELIEF. (1) UNLESS OTHERWISE PROVIDED BY

1 7-5-4464, THE BOARD OF COUNTY COMMISSIONERS MAY APPROPRIATE  
2 AND EXPEND REVENUES DERIVED FROM A RESORT AREA TAX FOR THE  
3 PURPOSE STATED IN THE RESOLUTION APPROVED BY THE ELECTORS.

4 (2) (A) ANTICIPATED REVENUES FROM A RESORT AREA TAX  
5 MUST BE APPLIED TO REDUCE THE TAX LEVY ON PROPERTY WITHIN  
6 THE RESORT AREA FOR THE FISCAL YEAR IN AN AMOUNT EQUAL TO AT  
7 LEAST 5% OF THE RESORT TAX REVENUES DERIVED DURING THE  
8 PRECEDING FISCAL YEAR.

9 (B) WHEN REVENUES FROM A RESORT AREA TAX EXCEED THE  
10 ANTICIPATED AMOUNT, THE BOARD OF COUNTY COMMISSIONERS SHALL  
11 ESTABLISH A PROPERTY TAX RELIEF FUND FOR THE RESORT AREA.  
12 ALL RESORT AREA TAX REVENUES RECEIVED IN EXCESS OF THE  
13 ANTICIPATED AMOUNT MUST BE PLACED IN THE FUND, AND THE  
14 ENTIRE FUND MUST BE USED TO REPLACE THE EQUIVALENT AMOUNT OF  
15 PROPERTY TAXES IN THE RESORT AREA IN THE ENSUING FISCAL  
16 YEAR.

17 NEW SECTION. Section 7. Applicability. This act  
18 applies to any community that applies to the department of  
19 commerce for designation as a resort community AND TO ANY  
20 UNINCORPORATED AREA DECLARED A RESORT AREA BY THE BOARD OF  
21 COUNTY COMMISSIONERS AS PROVIDED IN [SECTION 2] after  
22 January 1, 1987.

23 NEW SECTION. Section 8. Effective date. This act is  
24 effective July 1, 1987.

-End-

DATE 1-20-87

COMMITTEE ON Local Government

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Julie Haider	Monta Co Truckers	141		✓
Keara Lehman	Monta Co "	141		✓
Don DeLan	Billings Chamber of Comm	141	✓	
Joel Wiley	MT. ASSOC. OF PLANNERS	135		✓
Maryann Clark	Dept of Commerce	135	✓	
Arden Morris	M.A.C.	141	✓	
Dave Fuller	Leucis & Clark Co. Commis.	141	✓	
Ann Wirtz	MPC			
Brookes Morin	City of Helena	SB 135		✓
A.R. (Tami) Hagan	maeo	135 141	✓	
Dwight Marking	Yellowstone Co.	141	✓	
Bob Holding	MT. ASSOC. REALTORS	135	✓	
Rich Meis	MT Environmental Info Center	135		
Jim Van Cusabel	City of Billings	141	✓	
Breg Jackson	MTCIK-Rec Assn	135 141	✓	✓
Dennis Burr	MONTAX	141		✓
Dennis Burr	MONTAX	135	✓	
W <sup>m</sup> M. Spicer	Mont Ass of Realtors	135	✓	
Carol Mearns	Mt. Battle Home	141		✓

500 TRANSWESTERN PLAZA II  
490 NORTH 31ST STREET  
BILLINGS, MONTANA 59101

January 21, 1987

Senator Al Bishop  
Montana State Senate  
P. O. Box 9  
Capitol Station  
Helena, Montana 59620

Re: Senate Bill No. 135

Dear Senator Bishop:

I appreciate your notifying me this morning that Senate Bill No. 135, which you introduced at my request, will be the subject of a hearing before the Local Government Committee, tomorrow at 1:00 p.m. Since I will be unable to be present at the meeting, I am hopeful that my comments in this letter can be taken into account as my written testimony for the benefit of the committee members.

Under the Montana Subdivision and Platting Act (Section 76-3-101 et. seq.), the general rule is that any division from an existing parcel of land is considered a subdivision, and necessitates a full subdivision review process.

Part 2 of Title 76, Chapter 3 then contains a number of miscellaneous exemptions which are not considered to constitute subdivisions. In each instance, the exemptions do not apply if the method of disposition is adopted for the purpose of evading the general subdivision requirements.

Prominent among the exceptions are those set out in §76-3-207, which enumerates a number of subdivisions which are exempted from the subdivision review process, but not from survey requirements. Among those are exemptions provided when there is to be a mere change in a boundary line between adjoining parcels:

- (a) Change of Boundary Lines Between Lands Outside a Platted Subdivision. The first exemption is set out in §76-3-207(1)(a), and states that if there is to be a boundary line change between two parcels that are outside of platted subdivisions, the same is considered to be an exempted subdivision (again, unless done for the purpose of evading the act), and is subject only to the survey requirement.
- (b) Boundary Line Changes Between Subdivided Lots. In addition, subsection (e) considers a relocation of common

SENATE LOCAL GOVERNMENT

EXHIBIT NO. /

DATE \_\_\_\_\_

BILL NO. \_\_\_\_\_

Senator Al Bishop  
Page 2  
January 21, 1987

boundary lines within a platted subdivision, if applicable to five or fewer lots, to also be an exempted subdivision.

Thus, we have exemptions for a change in boundary lines between adjoining subdivided lots, and also a change in the boundary line between adjoining unplatted lots. If the statute is read literally, there is no similar exemption if a boundary line is being changed in a situation where there is a "mix" of the two lots, in the case of two parcels adjoining each other where one is a platted lot, and the other is an unplatted lot.

Though I feel that the statute can be interpreted to mix the two exemptions so as to allow the exemption for a platted-unplatted situation, that is not the interpretation which has been furnished to me by the City of Billings or the Yellowstone City-County Planning Board. My dwelling house is located on a platted lot. My immediate neighbor to the south is the owner of an unplatted lot. Several years ago I agreed to convey to my neighbor the south 15 feet of my lot so that my neighbor would have a larger lot and I would have a smaller lot. We engaged a surveyor to draw a plat so that I could legally describe in a deed the 15-foot strip I was transferring to my neighbor. When submitted for review, the governmental officials said they would not accept the mere filing of the certificate of survey, but instead would process it as a "minor plat", which would require park dedication and street dedication.

Although I disagree with the position of the City, I am unable to complete the project without going through the minor plat review process.

I am unaware of any specific legislative intent which would distinguish between the moving of a boundary line between a platted and unplatted lot, while at the same time providing for an exemption when the adjoining lots are either two platted lots or two unplatted lots. For that reason, we are proposing enactment of an additional exemption under §76-3-201, which would permit the relocation of a common boundary line where the adjoining parcels consist of an unplatted lot and a platted lot.

I would be happy to furnish any additional information which the Committee may desire.

Sincerely yours,

*David L. Johnson*

DAVID L. JOHNSON

*Presented by Margaret Clark*  
of the DEPARTMENT OF COMMERCE  
LOCAL GOVERNMENT ASSISTANCE DIVISION

TED SCHWINDEN, GOVERNOR

COGSWELL BUILDING—ROOM C 211  
CAPITOL STATION

## STATE OF MONTANA

(406) 444-3757

HELENA, MONTANA 59620

January 26, 1987

Summary of Testimony on SB135 by Margaret Clark representing the Department of Commerce.

The Department agrees with Senator Bishop in trying to find solutions to relocating a boundary line between a lot in a platted subdivision and adjoining land outside of the subdivision.

However we would suggest that any action that affects a platted subdivision should be handled by an amended plat and not a certificate of survey (COS) for the following reasons:

1. COS's are filed separately from subdivision plats and although a COS may affect a lot in a subdivision, COS's are not referenced on the face of the subdivision plat. This may cause problems for a member of the public who may have questions about a particular subdivision and who goes to the subdivision plat and is not made aware of changes that were made by a COS filed separately.

2. We would also suggest that a provision be added to allow boundary line adjustments between more than one lot in a platted subdivision and adjoining land outside of the subdivision, e.g., this situation may arise when an error in a survey results in the original landowner/subdivider owning a 10' wide strip outside the subdivision along the boundary of a number of lots. This was never the intention. Therefore a boundary line adjustment would be necessary to deed this strip to the landowners within the subdivision.

3. We would further suggest that in cases where the boundary line adjustment would make significant changes e.g., changes that could have made a difference in the original plat approval that the amended plat be reviewed by the governing body and that lot owners in the subdivision be notified. For example if a landowner is proposing to sell part of his lot within the subdivision to an adjacent property owner outside of the subdivision, this would decrease his lot size which might make the lot non-conforming to the minimum area requirements of the zoning ordinance (if one is in place) or may cause the lot to be substandard in terms of health department requirements if a septic tank is utilized.

Thus, in summary DOC is in favor of the bill but would suggest three amendments:

Ex. 1, p. 2  
1-22-87  
SB 135

1. The proposed changes be done on an amended plat.
2. For housekeeping purposes, to allow more than one lot within the platted subdivision to be involved in a boundary line adjustment with adjoining property outside of the subdivision.
3. Allow the governing body to determine whether a proposed boundary line adjustment would have a significant change on the approved subdivision. In such a case, the governing body shall review it as a minor subdivision with the authority to notify other property owners within the subdivision. If the proposed change would be insignificant, the amended plat should be reviewed only for compliance with surveying requirements.

Bill, p. 3  
1-22-87  
50125

AMENDMENT TO SENATE BILL NO. 135  
BY THE DEPARTMENT OF COMMERCE

1. Page 2, Line 11  
Strike: ~~(f) divisions made for the purpose of relocating a common boundary line between a single lot within a platted subdivision and adjoining land outside a platted subdivision.~~
  
2. Page 2, Line 22  
Insert: "(b) divisions made for the purpose of relocating a common boundary line between a single lot or more than one lot within a platted subdivision and adjoining land outside a platted subdivision must be filed as an amended plat with the county clerk and recorder. If the governing body determines that such relocation of a common boundary line will be a significant change, it should be reviewed and approved by the governing body. If the change is determined to be insignificant, review shall be only for conformance with surveying and filing requirements."
  
3. Renumber subsequent sections.

*as bill should look after Amendment.*

*Senate* BILL NO. 135  
*Billings*

1 sale or agreement to buy and sell where the parties to the  
2 transaction enter a covenant running with the land and  
3 revocable only by mutual consent of the governing body and  
4 the property owner that the divided land will be used  
5 exclusively for agricultural purposes;  
6 (d) a single division of a parcel outside of platted  
7 subdivisions when the transaction is an occasional sale;  
8 (e) for five or fewer lots within a platted  
9 subdivision, relocation of common boundaries and the  
10 aggregation of lots;

1 INTRODUCED BY \_\_\_\_\_  
2  
3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING THE  
5 RELOCATION OF A COMMON BOUNDARY LINE BETWEEN LOTS WITHIN AND  
6 ADJOINING PLATTED SUBDIVISIONS FROM THE MONTANA SUBDIVISION  
7 AND PLATTING ACT; AND AMENDING SECTION 76-3-207, MCA."  
8  
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
10 Section 1. Section 76-3-207, MCA, is amended to read:

11 (2) Notwithstanding the provisions of subsection (1):  
12 (a) within a platted subdivision filed with the county  
13 clerk and recorder, any division of lots which results in an  
14 increase in the number of lots or which redesigns or  
15 rearranges six or more lots, must be reviewed and approved by  
16 the governing body, and an amended plat must be filed with  
17 the county clerk and recorder;

11 "76-3-207. Subdivisions exempted from review but  
12 subject to survey requirements -- exceptions. (1) Except as  
13 provided in subsection (2), unless the method of disposition  
14 is adopted for the purpose of evading this chapter, the  
15 following divisions of land are not subdivisions under this  
16 chapter but are subject to the surveying requirements of  
17 76-3-401 for divisions of land not amounting to  
18 subdivisions:

19 (1) (f) divisions made for the purpose of relocating a  
20 common boundary line between a single lot within a platted  
21 subdivision and adjoining land outside a platted  
22 subdivision.

19 (a) divisions made outside of platted subdivisions for  
20 the purpose of relocating common boundary lines between  
21 adjoining properties;  
22 (b) divisions made outside of platted subdivisions for  
23 the purpose of a gift or sale to any member of the  
24 landowner's immediate family;  
25 (c) divisions made outside of platted subdivisions by

15 department to be reviewed and approved by the  
16 for (check appropriate box) original and  
17  
18  
19  
20  
21  
22  
23  
24  
25

EX 204  
1-22-87  
SB 135

(b) any change in use of the land exempted under subsection (1)(c) for anything other than agricultural purposes subjects the division to the provisions of this chapter.

- 1 (3) No division of land may be made under this section
- 2 unless the county treasurer has certified that no real
- 3 property taxes assessed and levied on the land to be divided
- 4 are delinquent."

-End-

MONTANA  
ASSOCIATION OF  
COUNTIES

CONCIT NO. \_\_\_\_\_  
DATE 1-20-87  
BILL NO. SA 141

1802 11th Avenue  
Helena, Montana 59601  
(406) 442-5209

ALL PURPOSE LEVY

The proposed "All Purpose Levy" is endorsed by MACo from the standpoint that "Such an all purpose levy would allow Commissioners greater flexibility in managing county operations and achieve greater efficiency managing county operations and achieve greater efficiency in the delivery of services and the cost associated with those services."<sup>1</sup>

(1) general fund levy, as approved in 7-6-2501;	25/27 mills
(2) bridge levy, as provided in 7-14-2052;	4
(3) recreation levy, as provided in 7-16-101;	1
(4) museum levy, as provided in 7-16-2205;	2
(5) county fair levy, as provided in 7-21-3410;	1.5
(6) weed levy, as provided in 7-22-2142;	2
(7) insect pest levy, as provided in 7-22-2142;	3
(8) poor fund levy, as provided in 53-2-321; OR	13.5
(9) developmental disabilities facility levy, as provided in 53-20-208.	<u>1</u>
	53/55 mills

The aggregate total, while lower than the 55 mill authority proposed is justified from the standpoint that most of these levies have been fixed by state law dating back to 1973.

<sup>1</sup> Revenue Enhancement Report, MACo, P. 8

# County of Yellowstone



1-20-87  
SA 141

COMMISSIONERS

(406) 256-2701

Box 35000  
Billings, MT 59107

MEMORANDUM:

TO: Honorable Chairman Bruce Crippen  
and  
Members of the Senate Local Government Committee

FROM: Dwight MacKay, Yellowstone County Commissioner

DATE: January 21, 1987

RE: 55 Mill All Purpose Levy

Because the financial condition of counties is similar to that of the State of Montana, we all need new ways to manage our governments in order to survive. Each county has needs that are different and we each should be allowed flexibility to meet our individual needs. Let us manage our tax dollars as each of our communities sees fit.

Our intent of support is not for more tax collections, but to allow us to be better managers of our funds. In light of frozen collections, we must and will have to begin for the first time to prioritize our services. Government must review what its role is locally and state-wide. We cannot afford to do all that we have done in the past. Yes, in our county we will have to begin to establish what are essential services and what are not. Commissioners may not like this but that is what we are here for - to insure the best service with the funds available.

Support of this bill would also lend itself for better reporting, easier documentation, audits, and consolidated accounting for a cost saving.

Yellowstone County is one of the most conservative counties in the State, and when 105 was passed, it froze us far below many other counties' levy amounts. Therefore, for us to operate efficiently and effectively, we must roll these funds together in order to operate our jail, Youth Services Center and our essential services.

There is discussion of tax roll backs and if this does happen, we will need to expand this bill further in order for us to operate local government.

Thank you for your consideration. We need your help!

DM:an

# MONTANA ASSOCIATION OF COUNTIES

## ALL PURPOSE LEVY

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(4) museum levy, as provided in 7-16-2205;	2
(5) county fair levy, as provided in 7-21-3410;	1.5
(6) weed levy, as provided in 7-22-2142;	2
(7) insect pest levy, as provided in 7-22-2142;	3
(8) poor fund levy, as provided in 53-2-321; OR	13.5
(9) developmental disabilities facility levy, as provided in 53-20-208.	<u>1</u>
	53/55 mills

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<sup>1</sup> Revenue Enhancement Report, MACo, P. 8

EX 4  
1-20-87  
SB 141

FY 1987 COUNTY GENERAL FUND BUDGETS  
BUDGETED PROPERTY TAX REQUIREMENTS FY 87

COUNTY	POPULATION	COUNTY MILL VALUE	TOTAL BUDGETED EXPENDITURES	TOTAL NON-TAX REVENUES	PROPERTY TAX REVENUE	FY 86-87 MILL LEVY	PER CAPITA LEVY	BUDGETED CASH RESERVE	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MUSKOGEE	4,700	\$23,773	\$1,282,582	\$612,027	\$320,340	13.475	\$68.16	\$191,897	37	28	29	30	31	32	33	34
PARK	13,300	\$20,722	\$1,041,760	\$413,045	\$431,184	23.800	\$37.08	\$34,438	14	22	23	24	25	26	27	28
PETRELEUM	700	\$5,657	\$237,478	\$170,000	\$33,942	6.000	\$8.49	\$30,793	56	53	54	55	56	57	58	59
MILLERS	5,700	\$27,111	\$1,178,212	\$428,353	\$331,109	14.500	\$68.97	\$59,872	36	27	28	29	30	31	32	33
PONDERA	7,100	\$22,090	\$1,439,616	\$430,460	\$552,281	25.001	\$77.79	\$68,776	28	30	31	32	33	34	35	36
PONDER RIVER	2,500	\$37,533	\$1,165,768	\$356,774	\$720,068	19.184	\$288.01	\$360,212	47	18	19	20	21	22	23	24
POWELL	6,900	\$13,821	\$817,138	\$391,285	\$373,167	27.000	\$54.08	\$260,843	29	40	40	40	40	40	40	40
PRELIE	1,900	\$6,115	\$449,152	\$156,300	\$161,264	26.372	\$84.88	\$143,729	50	51	51	51	51	51	51	51
RAVOLI	24,800	\$28,213	\$1,845,566	\$1,013,807	\$513,073	18.186	\$20.69	\$273,000	8	26	26	26	26	26	26	26
RICHLAND	14,400	\$102,199	\$2,059,841	\$815,450	\$628,458	6.149	\$43.64	\$242,770	12	6	6	6	6	6	6	6
ROSELAND	11,600	\$77,143	\$2,394,391	\$962,000	\$1,170,935	15.179	\$100.94	\$798,122	18	10	10	13	13	13	13	13
ROSBIRD	13,200	\$223,943	\$3,307,546	\$1,458,787	\$318,664	1.423	\$24.14	\$392,264	15	1	1	1	1	1	1	1
SANDERS	9,200	\$30,902	\$1,292,315	\$304,893	\$602,602	19.500	\$65.50	\$32,924	23	22	22	25	25	25	25	25
SHERIDAN	5,900	\$87,472	\$1,483,700	\$421,665	\$701,986	8.025	\$118.98	\$489,621	33	9	9	21	21	21	21	21
SILVER BOW	35,200	\$34,974	\$6,034,948	\$2,982,925	\$2,427,097	69.397	\$68.95	\$833,357	20	20	20	20	20	20	20	20
STILLWATER	6,000	\$17,021	\$946,269	\$431,568	\$482,545	28.350	\$80.42	\$312,210	32	38	38	38	38	38	38	38
SHEET BRASS	3,300	\$7,464	\$500,530	\$214,403	\$289,376	36.090	\$81.63	\$100,106	41	41	41	46	45	45	45	45
TETON	6,400	\$19,257	\$856,587	\$251,824	\$481,425	25.000	\$75.22	\$295,501	30	34	34	39	39	39	39	39
TOOLE	5,700	\$43,499	\$1,487,079	\$582,112	\$275,181	6.326	\$48.28	\$495,000	35	16	16	20	23	23	23	23
TERREBURE	1,000	\$5,326	\$281,090	\$80,478	\$143,792	26.998	\$143.79	\$92,878	55	56	56	54	54	54	54	54
WALLEY	10,000	\$43,342	\$1,639,343	\$793,223	\$502,772	11.600	\$50.28	\$528,826	22	17	17	18	18	18	18	18
WHEATLAND	2,300	\$7,235	\$347,597	\$218,018	\$195,742	27.055	\$85.11	\$76,957	48	49	49	53	53	53	53	53
WIBOUX	1,500	\$22,899	\$1,390,231	\$223,056	\$357,230	15.600	\$238.15	\$200,000	29	29	29	24	24	24	24	24
YELLOWSTONE	118,700	\$211,949	\$7,182,308	\$2,777,173	\$3,983,383	18.794	\$33.56	\$1,701,283	1	2	2	2	3	3	3	3
TOTAL	823,900	\$2,297,339	\$100,786,738	\$40,800,346	\$42,936,557	18.690	\$52.11	\$15,940,504								
FY 86 TOTAL	804,400	\$2,354,012	\$99,719,137	\$42,525,780	\$42,028,643	17.854	\$52.25	\$15,387,327								
X CHANGE		-2.5%	1.1%	-4.2%	2.1%	4.5%	-0.3%	3.5%								

PROLAD  
MILL VALUE  
MILL SUBJECT  
MILL TAX  
Prop. Tax Lev.  
Per Capita Levy

FILE  
1-20-87  
SB

FY 1987 COUNTY GENERAL FUND BUDGETS  
BUDGETED PROPERTY TAX REQUIREMENTS FY 87

COUNTY	POPULATION	COUNTY MILL VALUE	TOTAL BUDGETED EXPENDITURES	TOTAL NON-TAX REVENUES	PROPERTY TAX REVENUE	FY 86-87 MILL LEVY	PER CAPITA LEVY	BUDGETED CASH RESERVE	(1)	(2)	(3)	(4)	(5)	(6)	(8)
BEAVERHEAD	8,700	\$14,795	\$1,154,653	\$632,756	\$355,080	24.000	\$40.81	\$130,045	24	29	22	17	37	46	
BIG HORN	11,500	\$124,860	\$5,469,540	\$1,451,787	\$2,734,068	21.897	\$237.75	\$1,006,971	19	4	4	9	3	3	
BLAINE	7,100	\$43,658	\$1,476,632	\$349,881	\$805,200	18.443	\$113.41	\$100,000	27	15	22	24	13	10	
BROADWATER	3,400	\$11,463	\$682,717	\$412,227	\$254,245	22.180	\$174.78	\$204,000	20	41	41	34	45	28	
CARSON	8,600	\$29,383	\$1,234,018	\$432,954	\$731,778	24.905	\$85.09	\$411,339	25	23	29	27	16	19	
CARTER	1,800	\$5,675	\$355,035	\$88,130	\$153,246	27.004	\$85.14	\$34,234	31	32	32	34	51	17	
COSGROVE	81,800	\$22,168	\$4,543,944	\$2,321,561	\$2,304,200	25.000	\$28.17	\$700,931	2	8	7	4	6	52	
CHOUTEAU	6,200	\$29,173	\$1,307,897	\$325,670	\$631,179	21.636	\$101.80	\$140,000	31	24	25	35	19	11	
CUSTER	13,500	\$17,157	\$1,028,932	\$623,804	\$463,239	27.000	\$34.31	\$179,134	13	13	37	19	31	19	
DANIELS	2,800	\$8,220	\$472,021	\$193,080	\$221,929	26.999	\$79.36	\$0	43	46	48	48	47	25	
DAWSON	12,700	\$28,543	\$1,282,836	\$502,945	\$766,682	26.861	\$60.37	\$273,736	17	25	27	25	14	8	
DEER LODGE	11,200	\$8,850	\$2,767,294	\$1,316,664	\$1,426,300	161.164	\$127.35	\$0	21	45	10	10	7	7	
FELLOW	3,800	\$129,378	\$1,974,096	\$485,688	\$356,810	2.526	\$86.00	\$657,365	38	3	15	26	28	16	
FERRIS	12,900	\$21,341	\$1,153,263	\$425,705	\$533,525	25.000	\$41.36	\$144,409	16	31	33	18	23	44	
FORTHEAD	53,900	\$93,627	\$4,566,806	\$1,980,682	\$2,489,061	26.585	\$46.18	\$431,208	4	7	6	5	4	4	
GARLAND	47,600	\$66,636	\$2,723,266	\$1,108,782	\$1,597,927	22.623	\$31.68	\$590,000	5	12	11	11	7	7	
GRAFFIETH	1,700	\$9,506	\$502,076	\$208,726	\$337,723	25.008	\$139.84	\$108,724	32	44	44	45	46	51	
GRACIER	11,300	\$47,121	\$1,510,116	\$391,850	\$917,438	19.470	\$81.19	\$362,349	20	14	19	47	11	23	
GOLDEN VALLEY	1,100	\$5,460	\$230,105	\$82,956	\$131,410	24.068	\$119.46	\$76,701	34	35	35	35	35	8	
GRANITE	2,800	\$6,177	\$469,521	\$204,918	\$148,258	24.002	\$32.95	\$22,325	42	50	49	41	21	42	
HILL	18,500	\$48,061	\$1,699,223	\$606,355	\$834,285	17.353	\$45.10	\$218,000	11	13	17	17	12	12	
JEFFERSON	8,000	\$17,576	\$1,049,946	\$600,539	\$474,559	27.000	\$59.32	\$367,121	26	36	35	22	22	30	
JUDITH BASIN	2,700	\$9,511	\$439,623	\$163,561	\$266,635	28.034	\$98.75	\$40,000	45	43	47	47	50	44	
LAKE	20,400	\$31,480	\$4,623,074	\$834,635	\$355,520	24.000	\$37.04	\$236,264	9	21	5	5	14	15	
LEWIS & CLARK	45,800	\$66,800	\$3,296,095	\$1,766,999	\$1,039,343	15.559	\$22.69	\$500,000	6	33	42	6	10	54	
LIBERTY	2,500	\$19,708	\$682,548	\$125,368	\$435,538	22.150	\$174.62	\$25,000	46	11	9	42	32	4	
LINDSEY	18,700	\$37,506	\$2,556,277	\$1,470,575	\$360,471	9.611	\$19.28	\$140,000	19	19	12	7	53	22	
MADISON	5,800	\$17,643	\$1,076,674	\$422,346	\$476,385	27.000	\$82.13	\$0	34	34	34	34	46	31	
MCDONE	2,700	\$10,117	\$572,663	\$211,301	\$271,722	26.858	\$100.64	\$183,269	44	42	42	42	42	42	
MEIGHER	2,300	\$7,841	\$361,968	\$129,380	\$210,933	26.901	\$95.88	\$45,000	49	47	51	52	48	48	
MINERAL	3,700	\$5,625	\$316,533	\$344,248	\$151,878	27.001	\$41.05	\$0	39	39	44	39	39	35	
MISSOULA	76,500	\$112,620	\$8,320,569	\$3,534,688	\$4,417,444	39.224	\$57.74	\$125,000	3	5	1	1	1	35	

POPULATION  
MILL VALUE  
TOTAL BUDGET  
NON TAX REV  
PROPERTY TAX  
PER/CAPITA LEVY

# MISSOULA COUNTY

BOARD OF COUNTY COMMISSIONERS

• Missoula County Courthouse • Missoula, Montana 59802  
(406) 721-5700

EX. 5  
1-20-87  
SB 141

BCC-87-041  
January 21, 1987

SENATE LOCAL GOVERNMENT

EXHIBIT NO. 45

DATE \_\_\_\_\_

BILL NO. \_\_\_\_\_

Bruce Crippen, Chairman  
Senate Local Government Committee  
Montana State Senate  
Capitol Station  
Helena, MT 59601

Dear Senator Crippen:

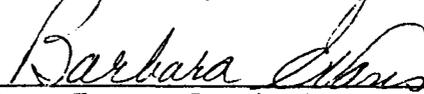
We are writing in support of Senate Bill 141, which would authorize counties to consolidate certain mill levies into an "all purpose levy." We have consistently supported this legislation, believing that it would give us greater flexibility to manage our diminishing property tax revenues, while at the same time making it easier to deal with any possible property tax limitations or freezes that might occur in the future. Counties vary considerably as to tax base and services that their citizens need and want. Some counties find that they need more property tax dollars than the statutes allow for a county fair, while others do not come close to reaching the mill levy cap on the fair, but find they need more levy authority for, say, museums or bridges.

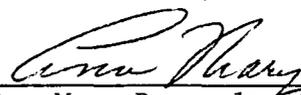
We believe that having a cap on property taxes as a whole, rather than on individual mill levies, would better enable us to meet local needs. While some argument can be made that other individual mill levies should be added into the all purpose levy, or possibly that one of those specified in section 3 of Senate Bill 141 should be taken out, we believe that the concept is an excellent one, and we are sure that we can live with virtually any all purpose levy bill that emerges from the Legislature.

Sincerely,

MISSOULA BOARD OF COUNTY COMMISSIONERS

  
\_\_\_\_\_  
Janet L. Stevens, Chairwoman

  
\_\_\_\_\_  
Barbara Evans, Commissioner

  
\_\_\_\_\_  
Ann Mary Dussault, Commissioner

BCC/HS/lm

cc: Committee Members  
Missoula Senators

## SENATE LOCAL GOVERNMENT

EXHIBIT NO. 6DATE 1-20-87BILL NO. SB 141

1-22-87

COMMENT ON SENATE BILL 141  
(Senate Local Government Committee)

The maximum number of mills currently allowed for each of the levies in Section 3 is as follows:

General fund	25 (27 in 4th-7th class counties)
Bridges	4 (plus 1-2 more in some counties)
Recreation (elderly)	1
Museum	2
County fair	1.5
Weed control	2
Insect control	3
Poor fund (welfare)	13.5
Developmental disability	1
TOTAL	53

Other levies not included in this bill are:

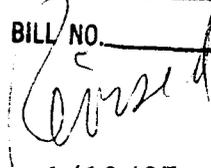
Roads	15 (18 in 4th-7th class counties)
Public library	5
District court	6 (down to 4 in 5th-7th class counties)
Planning board	2 (first class; up to 5 in 5th-7th class counties)

SENATE LOCAL GOVERNMENT

EXHIBIT NO. 6

DATE \_\_\_\_\_

BILL NO. \_\_\_\_\_



1/13/87

Senate Local Government Committee

AMENDMENTS TO SENATE BILL 55  
(requested by Senator Story)

1. Title, line 8.  
Following: "TAX;"  
Insert: "PROVIDING FOR A RESORT TAX IN UNINCORPORATED  
AREAS; EXTENDING THE TAX TO SKI RESORTS AND OTHER RECREA-  
TIONAL FACILITIES;"

2. Title, line 8.  
Following: "AMENDING"  
Strike: "SECTION"  
Insert "SECTIONS"

3. Title, line 8.  
Following "7-6-4461,"  
Insert: "7-6-4463 THROUGH 7-6-4465,"

4. Page 1, line 13.  
Following: "Resort"  
Strike: "community"

5. Page 2, line 2.  
Following: line 1  
Insert: "(4) "Resort area" means an area that

(a) derives a substantial portion of its economic well-being from businesses catering to the recreational and personal needs of persons traveling to or through the area for purposes not related to their income production;

(b) has been declared a resort area by the county commissioners as provided in [section 2]; and

(c)(i) is an unincorporated town defined in the most recent decennial census conducted by the U.S. bureau of the census as a census designated place; or

(ii) is an area comprising not more than 10 square miles that does not include any portion of an incorporated city or town.

Renumber: subsequent subsection

6. Page 2, line 6.  
Following: "derives"  
Strike: "the major"  
Insert: "a substantial"

SENATE LOCAL GOVERNMENT

EXHIBIT NO. 7

DATE \_\_\_\_\_

BILL NO. \_\_\_\_\_

EX 7, 2.0  
1-26-77  
SB 55

7. Page 2, line 11.  
Following: line 10  
Strike: subsection (c) in its entirety

8. Page 2, line 13.  
Following: line 12  
Insert: "NEW SECTION. Section 2. Resort area -- taxing authority. (1) The board of county commissioners, upon receiving a written petition containing a description of the proposed resort area and signed by at least ten registered voters residing in the proposed district, shall by resolution establish a resort area.

(2) The petition must include a proposal to impose a resort tax within the proposed resort area, including the rate, duration, effective date, and purpose of the tax as provided in 7-6-4464.

Section 3. Section 7-6-4463, MCA, is amended to read:

"7-6-4463. Limit on resort ~~community~~ tax rate -- goods and services subject to tax. (1) The rate of the resort tax must be established by the election petition or resolution provided for in 7-6-4464, but the rate may not exceed 3%.

(2) (a) The resort tax is a tax on the retail value of all goods and services sold within the resort community or area by the following establishments:

- (i) hotels, motels, and other lodging or camping facilities;
- (ii) restaurants, fast food stores, and other food service establishments;
- (iii) taverns, bars, night clubs, lounges, and other public establishments that serve beer, wine, liquor, or other alcoholic beverages by the drink; and
- (iv) ski resorts and other recreational facilities.

(b) ~~establishments~~ Establishments that sell luxuries must collect a tax on such luxuries."

Section 4. Section 7-6-4464, MCA, is amended to read:

"7-6-4464. Resort ~~community~~ tax -- election required -- procedure. (1) A resort community may not impose or, except as provided in 7-6-4465, amend or repeal a resort tax unless the resort tax question has been submitted to the electorate of the resort community and approved by a majority of the electors voting on the question.

EN 7, C.3  
1-20-81  
SB 55

(2) The resort tax question may be presented to the electors of the:

(a) a resort community by:-(a) a petition of the electors as provided by 7-1-4130, 7-5-132, and 7-5-134 through 7-5-137; or (b) a resolution of the governing body of the resort community; or

(b) a resort area by a resolution of the board of county commissioners following receipt of a petition of electors as provided in [section 2].

(3) The petition or resolution referring the taxing question must state:

(a) ~~must-state~~ the exact rate of the resort tax;

(b) ~~must-state~~ the duration of the resort tax;

(c) ~~must-state~~ the date when the tax becomes effective, which date may not be earlier than 35 days after the election; and

(d) ~~may-specify~~ the purposes that may be funded by the resort tax revenue.

(4) The petition or resolution referring the resort tax question may provide for a seasonal tax, which would be effective for a period of at least 3, but less than 12 months of each calendar year.

~~(4)~~ (5) Upon receipt of an adequate petition the governing body may:

(a) call a special election on the resort tax question; or

(b) have the resort tax question placed on the ballot at the next regularly scheduled election.

~~(5)~~ (6) The question of the imposition of a resort tax may not be placed before the electors more than once in any fiscal year."

Section 5. Section 7-6-4465, MCA, is amended to read:

"7-6-4465. Resort ~~community~~ tax administration. (1) In this section, "governing body" means the governing body of an incorporated resort community or, if the resort tax has been approved by the electors of an unincorporated resort area, the board of county commissioners.

(2) Not less than 30 days prior to the date the resort tax becomes effective, the governing body ~~of-the-resort-community~~ shall enact an administrative ordinance governing the collection and reporting of the resort taxes. This administrative ordinance may be amended at any time thereafter as may be necessary to effectively administer the resort tax.

38 11-29-87  
SB 55

{2} (3) The administrative ordinance shall specify:

(a) the times taxes collected by business are to be remitted to the resort-community governing body;

(b) the local government office, officer, or employee responsible for receiving and accounting for the resort tax receipts;

(c) the local government office, officer, or employee responsible for enforcing the collection of resort taxes and the methods and procedures to be used in enforcing the collection of resort taxes due; and

(d) the penalties for failure to report taxes due, failure to remit taxes due, and violations of the administrative ordinance. The penalties may include:

(i) criminal penalties not to exceed a fine of \$1,000 or 6 months imprisonment or both the fine and imprisonment;

(ii) civil penalties if the resort-community governing body prevails in a suit for the collection of resort taxes, not to exceed 50% of the resort taxes found due plus the costs and attorney fees incurred by the resort-community governing body in the action;

(iii) revocation of the offender's county or municipal business license; and

(iv) any other penalties that may be applicable for violation of an ordinance.

{3} (4) The administrative ordinance may include:

(a) further clarification and specificity in the categories of goods and services that are subject to the resort tax consistent with 7-6-4463;

(b) authorization for business administration and prepayment discounts. The discount authorization may allow each vendor and commercial establishment to:

(i) withhold up to 5% of the resort taxes collected to defray their costs for the administration of the tax collection; or

(ii) receive a refund of up to 5% of the resort tax payment received from them by the resort-community county governing body 10 days prior to the collection due date established by the administrative ordinance; and

(c) other administrative details necessary for the efficient and effective administration of the tax."

ROLL CALL VOTE

SENATE COMMITTEE LOCAL GOVERNMENT

Date 1-20-87 Senate Bill No. 28 Time 1:50 p.m.

NAME	YES	NO
BRUCE CRIPPEN	X	
R. J. PINSONEAULT	X	
TOM BECK	X	
DOROTHY ECK	X	
H. "SWEDE" HAMMOND	X	
ETHEL HARDING	X	
LES HIRSCH	X	
PETER STORY	X	
ELEANOR VAUGHN	X	
MIKE WALKER	X	

Rosemary Jacoby  
Secretary

Bruce Crippen  
Chairman

Motion: Walker - Do Pass as Amended

January 20, 1987

MR. PRESIDENT

We, your committee on LOCAL GOVERNMENT

having had under consideration SENATE BILL No. 28

first reading copy ( white )  
color

**PROPERTY OWNERS' RESPONSIBILITY/LIABILITY FOR WATER SERVICE PIPELINES**

Respectfully report as follows: That SENATE BILL No. 28

**BE AMENDED AS FOLLOWS:**

- 1. Title, line 6.  
Strike: "CONSTRUCTION AND"  
Following: "MAINTENANCE OF"  
Strike: "PUBLICLY OR"
- 2. Page 1, lines 13 and 14.  
Following: "costs of"  
Strike: "construction and maintenance of publicly or"  
Insert: "constructing"
- 3. Page 1, line 15.  
Following: "from"  
Insert: "the main to his premisses, and for maintaining service pipelines from"
- 4. Page 1, lines 15 and 16.  
Following: "private" on line 15  
Strike: "or public"
- 5. Page 1, line 17.  
Strike: "constructing and"

~~XXXXXX~~  
~~XXXXXX~~  
~~DO PASS~~

CONTINUED

~~XXXXXX~~

.....  
Chairman.

January 20, 87

19.....

6. Page 1, line 18.

Following: "line"

Insert: ", except that the property owner shall pay for pipe and other supplies used in maintaining water service lines between the main and his property line"

7. Page 1, lines 20 and 21.

Following: "excavation in"

Strike: "constructing or"

8. Page 3, line 19.

Following: "constructing"

Insert: "water service pipelines from the main to his premises"

9. Page 3, line 20.

Following: "and"

Insert: "for"

10. Page 3, line 21.

Following: "private"

Strike: "or municipal"

11. Page 3, line 22.

Following: "cost of"

Strike: "constructing and"

12. Page 3, line 24.

Following: "line"

Insert: ", except that the consumer shall pay for pipe and other supplies used in maintaining water service lines between the main and his property line"

AND AS AMENDED  
DO PASS