

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

February 3, 1987

The eighth meeting of the Local Government Committee was called to order at 1:00 p.m. on February 3, 1987, by Chairman Bruce D. Crippen in Room 405 of the Capitol.

ROLL CALL: All members were present.

CONSIDERATION OF SENATE BILL NO. 206: Senator Les Hirsch, Miles City, District 13, presented Senate Bill 206 to the committee. He said he would also be presenting amendments to the bill. Basically the bill was presented because a county commissioner was "districted" out of his position. When time came for reelection, he ran, but was challenged. This bill is being amended to require candidates to be residents of the county, not residents of the district, for two years. He felt the law should not deny anyone an opportunity to serve as county commissioner. As originally written, it stated a person must be a resident at the time of filing for election. See Exhibit 1.

PROPOSERS: Gordon Morris, representing MACO, agreed with the amendment and the purpose of the bill. The county would still be protected from a newcomer coming in and running by use of the amendment.

OPPOSERS: There were no opposers.

QUESTIONS FROM THE COMMITTEE: Senator Beck asked about the election problem in Big Horn County. Mr. Morris said that the method of election was challenged and the court found for the plaintiffs and stated that the districting was unconstitutional. The candidate could be elected at large rather than from the district, but would be representing the district.

Senator Eck said in Bozeman, the 3 commissioners come from one small part of the town and asked how Morris felt about retaining the districts. Mr. Morris felt there were definitely good reasons for retaining the districts as there

are urban and rural constituents to be represented. If the commissioners were elected at large, there might be a lack of equity. This bill states the candidate must be a resident of the district on the day of the filing and a 2 year county resident.

Senator Hirsch closed the hearing on Senate Bill 206.

ACTION ON SENATE BILL 206: Senator Hirsch moved the amendments do pass. The motion carried unanimously.

Senator Walker moved the bill DO PASS AS AMENDED. The motion carried UNANIMOUSLY.

ACTION ON SENATE BILL 203: Senator Eck moved that Senate Bill 203 BE TABLED. The motion CARRIED UNANIMOUSLY.

CONSIDERATION OF HOUSE BILL 204: Representative Harry Fritz, Missoula, District 56, presented this bill. HB 204 is a repealer of a 1895 law, which held the cities responsible for property damage by mobs or riots. He said the law had been invoked only once when a Union Hall in Butte had been destroyed by a riot and the city had to pay \$65,000 to rebuild the hall. In a short informative speech, he told of the historical tradition of this type of law which dates back to English common law. He closed the speech saying that this law could still be invoked and felt the legislature should take it off the books as soon as possible.

PROPONENTS:

Alex Hansen, lobbyist for the Montana League of Cities and Towns, said his organization adopted a resolution in September urging this bill be passed. The law does cause the cities some concern because it establishes absolute responsibility for damage by mobs or riots. There are still union disputes and sporting events in which damage has been caused, and the cities should not be responsible.

John Laughton, Finance and Administrative Services Director for the city of Helena, and chairman of the Montana Municipal Insurance Authority, which is a self-insurance authority insuring for liability in the 80 cities around the state, appeared as a proponent of the bill. His insurance covers 85-90% of the population that lives in the cities. Repealing this law should help from an insurance standpoint, even though it wasn't greatly feared at this time.

OPPONENTS: There were no opponents.

QUESTIONS FROM THE COMMITTEE: Senator Hammond asked if it wasn't the responsibility of the cities to keep law and order. Rep. Fritz agreed, and said they will still be liable if it can be proved they contributed by lack of action. There are, and will still be, laws of negligence which will apply.

Rep. Fritz closed the hearing on House Bill 204.

CONSIDERATION OF SENATE BILL 204: Senator Gene Thayer, Great Falls, District 19, presented Senate Bill 204 at the request of the County Treasurers. It provides a \$5 fee be paid to the county treasurers to defray the cost of issuing the Centennial license plates.

PROPONENTS: Cort Harrington, representing the Montana County Treasurers Association, said by law, these license plates are to be issued at no cost to the state. He felt the treasurers should be reimbursed for the extra cost that is incurred by handling these plates.

Dick Michelotti, Cascade County Treasurer and past president of the Montana County Treasurers Association, presented Exhibit 2, a copy of the Montana codes relating to the subject and costs to the county treasurers of various counties of issuing the Centennial license plates. The costs listed are for a 4 month period only. He said that changing the computers cost \$500. There are requests for special numbers on the licenses. Dealing with the citizen takes time and, notification of the state and county treasurers office by computer takes time. Notifications are also sent to the penalty and accounting departments.

May Jenkins, Yellowstone County Treasurer, said in many instances it takes one full hour to process an application for a Centennial license plate. Because of this, she is going to have to hire a part-time employee just to process them. The treasurer's offices will not encourage the sale without a reimbursement fee.

Billie Ann Bricker, Mineral County Treasurer and vice president of Montana Treasurers' Association, also agreed that handling the plates was a considerable additional expense. She said small counties cannot afford to hire additional help, and infact, she lost her part-time help.

Gordon Morris, Montana Association of Counties, asked the committee to support the bill. In 1985, a Centennial plate

bill was proposed selling the plates for \$25, which would go to local governments. Another bill asked for the \$19.89 fee to go to the Centennial Commission.

OPPONENTS: Marilyn Bogut Frazier, Great Falls, and a member of the Montana Statehood Centennial Commission rose in opposition to the bill. Her statement is attached as Exhibit 3.

QUESTIONS FROM THE COMMITTEE: Senator Pinsoneault asked Senator Thayer how the \$5 figure was reached. Mr. Michelotti said the state had set a \$5 renewal fee as well for custom plates.

Senator Eck asked how the county treasurers would collect the money since the effective date is January 1. Mr. Michelotti said the money would be placed in the county General Fund and if the treasurers office overspent, they could get additional funds from it. The January 1 date was chosen since the plates were supposed to be out on that date in the original plan. Senator Eck asked how the \$5 could be collected from the purchasers who have already paid for their plates. Mr. Michelotti said there would be no increase to the purchaser, that the cost would remain at \$19.89.

Senator Beck asked what effect was anticipated on the Centennial funding if this fee was added. Mr. Duda thought about 28%, or nearly a third of the funding would be drained from the Centennial fund.

Senator Walker asked how much money had been made through sale of the Centennial Acre. Mr. Duda said the plates were to have been the major source of funding and that all other sources have been very modest. The Centennial Acre is supposed to net \$19,000 at maximum, chips off the granite have netted about \$82 so far, and framed warrants have netted about \$600.

Chairman Crippen asked how many plates had been sold. Mr. Michelotti said there had been less than 100 sold in Cascade County, less than 44 in Yellowstone County. He felt a lot more would be encouraged to buy the plates if the counties were to have the \$5 handling fee.

Senator Crippen felt if that was all that had been sold in the two major counties in the state, the Centennial Commission must be very disappointed. Mike Shields, from Lt. Governor Turman's office said the plates were originally to have been ready for sale on January 1, but were not ready and wouldn't be ready until the middle of February.

Chairman Crippen suggested a compromise that the counties add up to \$5 for those sold after a certain date and when they are renewed, additional funds would be given to the treasurers. Senator Thayer said he had intended to suggest that idea. Mr. Duda felt a compromise could be reached. Chairman Crippen asked Senator Thayer to come up with amendments for the committee's consideration.

Senator Thayer closed the hearing on Senate Bill 204.

EXECUTIVE SESSION:

ACTION ON HOUSE BILL 204: Senator Story moved that House Bill 204 BE CONCURRED IN. The motion was seconded and PASSED UNANIMOUSLY. Senator Walker was assigned to carry the bill in the Senate.

The meeting adjourned at 2:30 p.m.



SENATOR BRUCE D. CRIPPEN, Chairman

ROLL CALL

Senate Local Government

COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date Feb. 3, 1987

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.

NAME: Mary Jenkins DATE: 2-3-87

ADDRESS: 2613 Augusta Ln

PHONE: 406 256-2802

REPRESENTING WHOM? County Treasurer

APPEARING ON WHICH PROPOSAL: SB 204

DO YOU: SUPPORT? Yes AMEND? _____ OPPOSE? _____

COMMENTS: Treasurer needs to push these
plates if they are going to sell. As of
now we do not have the power
to do this. \$5 reimbursement would
allow the large counties to hire
part time help to "really" push these
plates

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Hirsch Amendments

AMENDMENT TO SB 206 - County Commissioner Residency Requirements

7-4-2104 (2) (line 20 of present bill changed to read):

"has not resided in said county for at least two years next preceding the time when he shall become a candidate for said office and was not a resident of the district at the time of filing for the primary elect."

1938: re-en. Sec. 10519; R.C.M. 1921: Cal. C. Ch. Proc. Sec. 1858; re-en. Sec. 10519; R.C.M. 1938: R.C.M. 1947: 93-401-14(part).

1-2-102. Intention of the legislature — particular and general provisions. In the construction of a statute, the intention of the legislature is to be pursued if possible. When a general and particular provision are inconsistent, the latter is paramount to the former, so a particular intent will control a general one that is inconsistent with it.

History: En. Sec. 613, p. 198, l. 1877; re-en. Sec. 613, 1st Div. Rev. Stat. 1879; re-en. Sec. 611, 1st Div. Comp. Stat. 1887; re-en. Sec. 5135, C. Ch. Proc. 1895; re-en. Sec. 7876, Rev. C. 1907; re-en. Sec. 10520, R.C.M. 1921: Cal. C. Ch. Proc. Sec. 1859; re-en. Sec. 10520, R.C.M. 1938: R.C.M. 1947: 93-401-14(part).

1-2-112. Statutes imposing new local government duties. (1) Any law enacted by the legislature after July 1, 1979, which requires a local government unit to perform an activity or provide a service or facility which will require the direct expenditure of additional funds must provide a specific means to finance the activity, service, or facility other than the existing authorized mill levies or the all-purpose mill levy. Any law that fails to provide a specific means to finance any service or facility other than the existing authorized mill levies or the all-purpose mill levy is not effective until specific means of financing are provided by the legislature.

(2) The legislature may fulfill the requirements of this section by providing for an increase in the existing authorized mill levies or the all-purpose mill levy, special mill levies, or remission of money by the state of Montana to local governments; however, an increase in the existing authorized mill levies or the all-purpose mill levy or any special mill levy must provide an amount necessary to finance the additional costs and if financing is provided by remission of funds by the state of Montana, the remission shall bear a reasonable relationship to the actual cost of performing the activity or providing the service or facility.

(3) No subsequent legislation shall be considered to supersede or modify any provision of this section, whether by implication or otherwise, except to the extent that such legislation shall do so expressly.

(4) This section shall not apply to any law under which the required expenditure of additional local funds is incidental to the main purpose of the law.

History: En. 43-517, 43-518 by Secs. 1, 2, Ch. 275, L. 1974; R.C.M. 1947: 43-517, 43-518; re-en. Sec. 1, Ch. 217, L. 1979.

EXPENDITURES

Flat HEAD County	\$ 15 to 18 ⁰⁰⁰	
YELLOWSTONE "	24,050	
CASCADE "	20,000	
SILVER BOW "	10,020	
MAGHER County	848. ⁰⁰	
Phillips "	610. -	
POWELL "	\$420	Just Computer Chan
PARK "	\$500	" " "
CARBON "	\$500	" " "

SENATE LOCAL GOVERNMENT

EXHIBIT NO. 2

DATE 2-3-1987

BILL NO. SB 204

TESTIMONY OF MARILYN BOGUT FRAZIER
ON BEHALF OF THE MONTANA STATEHOOD CENTENNIAL COMMISSION
BEFORE THE SENATE LOCAL GOVERNMENT COMMITTEE
CONCERNING S.B. 204
TUESDAY, FEBRUARY 3, 1987

Mr. Chairman and members of the Committee, I am Marilyn Frazier of Great Falls and a member of the Montana Statehood Centennial Commission. I am here this afternoon to oppose the enactment of S.B. 204 on behalf of the Commission.

As you know, the 1985 Legislature created the Montana Statehood Centennial Office and Commission to plan and coordinate the commemoration of the 100th anniversary of Montana's admission into the Union. Lieutenant Governor George Turman is chairman of the Centennial Commission.

Unlike the other five states in the region celebrating centennials in 1989 or 1990, no funding was appropriated in Montana for Centennial administration or programs. The state of Washington, for example, has a \$10.1 million biennial budget and a Centennial staff of eight. In Montana, the Centennial Commission was given authority to borrow - - - which we have done very cautiously - - - to begin Centennial planning. The major sources of funding authorized by the 1985 Legislature were the proceeds from Centennial acre and commemorative license plates sales. The passage of S.B. 204 would reduce by nearly 30 percent the amount of revenues from the license plate program earmarked for Centennial activities.

Let me briefly explain our objections to the bill.

84.3, p.2
2-3-87
SB 204

The 1985 Legislature considered two bills dealing with Centennial license plates. One would have returned a portion of sales to the counties. The other, which was enacted, dedicated all proceeds to Centennial activities. Clearly, it was the intention of the legislature that the commemorative license plates program would be an exclusive funding source for the Centennial celebration.

There is no legislative precedent for paying fees to the counties for handling other special plates such as disabled and veterans plates.

Additionally, counties and cities already receive \$5/\$10 based upon vehicle weight for processing registrations under the existing fee structure.

S.B. 204 makes reference to mailing costs associated with the commemorative license plates. Under the gift certificate program, the certificate is simply presented at the time of purchase like a check. No notification is required.

Montana's Centennial budget is hardly exorbitant. The Lieutenant Governor's Office and the other state agencies have been forced to absorb much of the cost of Centennial functions in their existing budgets.

Montana's Statehood Centennial Commission is working hard to ensure that 1989 will be a year to remember all across Montana. S.B. 204 hinders the quality of our efforts. I strongly urge you to vote against S.B. 204.

This concludes my testimony. With me today is Ron Duda, acting Centennial Coordinator. If you have any questions, Ron and I would be more than happy to answer them. Thank you for your consideration.

STANDING COMMITTEE REPORT

February 3, 19 37

MR. PRESIDENT

We, your committee on **Local Government**

having had under consideration **HOUSE BILL** No. **204**

Third reading copy (**blue**)
color

REPEALING LIABILITY FOR MOB DAMAGE

Respectfully report as follows: That **HOUSE BILL** No. **204**

BE CONCURRED IN

~~SENATOR~~

~~SENATOR~~

SENATOR BRUCE D. CRIPPEN Chairman.

STANDING COMMITTEE REPORT

SCRSB206.TXT

.....February 4,..... 1987.....

MR. PRESIDENT

Local Government

We, your committee on.....

Senate Bill

206

having had under consideration..... No.....

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color

REVISE COUNTY COMMISSIONER RESIDENCY REQUIREMENTS

Respectfully report as follows: That.....Senate Bill..... No...206.....

BE AMENDED AS FOLLOWS:

1. Page 1, line 22.

Following: "effice"

Insert: "has not resided in the county for at least 2 years
next preceding the time when he shall become a candidate for
said office and"

AND AS AMENDED

DO PASS

~~DO NOT PASS~~

.....
Chairman.

Senator Grimmer