

MINUTES

**MONTANA SENATE
55th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By **CHAIRMAN TOM BECK**, on March 4, 1997, at 3:16 p.m., in Room 405.

ROLL CALL

Members Present:

Sen. Thomas A. "Tom" Beck, Chairman (R)
Sen. Mike Sprague, Vice Chairman (R)
Sen. Dorothy Eck (D)
Sen. Sharon Estrada (R)
Sen. Wm. E. "Bill" Glaser (R)
Sen. Don Hargrove (R)
Sen. John "J.D." Lynch (D)
Sen. Walter L. McNutt (R)
Sen. Fred R. Van Valkenburg (D)

Members Excused: None

Members Absent: None

Staff Present: Martha Colhoun, Legislative Services Division
Jodi Jones, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 60 Posted 2/20/97
HB 211 Posted 2/20/97
HB 69 Posted 2/20/97

Executive Action: HB 60 To Be Concurred In
HB 211 To Be Concurred In
HB 69 To Be Concurred In
HB 255 Tabled

HEARING ON HB 211

Sponsor: REPRESENTATIVE SAM ROSE, HD 87, Choteau

Proponents:

Alec Hansen, MT League of Cities and Towns
Bob Worthington, MMIA
Tim Bergstrom, MT State Firemen's Assoc.

Opponents: None

Opening Statement by Sponsor:

REPRESENTATIVE SAM ROSE, HD 87, Choteau, presented HB 211. He said this is to amend a law that is causing problems for Rural Fire Departments. Under current law, all cities and towns have to maintain separate fire departments, however municipal and rural fire departments often work together. But municipal departments are still required to be separate from rural departments and this is where the problem has developed. In Choteau many of the volunteers belong to both departments. The conflict is who pays the Workmen's Compensation. Because the law is not clear, they must provide Workmens Comp. for both the city and the county. These double premiums increase the cost of fire protection to the people in the district. This will give cities the option to contract and cooperate with rural fire districts. This will create better and more efficient fire districts in our rural communities and it is entirely optional. Fire protection will still be required by cities and towns but the law will allow the service to be provided to contract or consolidated fire departments. This will also provide services at a more reasonable rate.

Proponents' Testimony:

Alec Hansen, MT League of Cities and Towns, spoke in favor of HB 211. Under the old law a fire department is required in every city and town and they have separate management. If this bill was passed, a third class city or town, which is anything under 5000 inhabitants, could contract with a rural fire department to provide services within the town or they could consolidate. For years the county has been able to contract with other counties for police protection and this has saved a lot of money. It will make the fire departments more efficient, save the tax-payers money and create less jurisdictional confusion.

Bob Worthington, MMIA, supported HB 211. There are several problems with duplication of insurance issues. This bill will clear the lines of liability and make it simpler for these organizations to operate.

Tim Bergstom, MT State Firemen's Assoc., said their organizations strongly supports this bill.

Opponents' Testimony: None

Questions From Committee Members and Responses: None

Closing by Sponsor:

REPRESENTATIVE ROSE, closed on HB 211.

{Tape: 1; Side: A; Approx. Time Count: 3:23 p.m.; Comments: .}

HEARING ON HB 60

Sponsor: REPRESENTATIVE SAM ROSE, HD 87, Choteau

Proponents:

Albert Carlson, Teton Co. Commissioner

Opponents: None

Opening Statement by Sponsor:

REPRESENTATIVE SAM ROSE, HD 87, Choteau, presented HB 60. This bill is an act extending to all classes of counties the option of financing a city-county board of health by mutual agreement between the county and the cities forming the city-county board of health. He said often in first class counties there are two or three ambulances bidding for service. But in rural counties the ambulance service can only provide and pay for itself to a certain point. The regulations are such that it is hard to pay for improvements or meet regulations. He used the example of Fairfield having to build a new ambulance garage. After they started to build it, they found out state regulations require they have a four foot frost shield. And they also must have a handicap bathroom in the ambulance service. The ambulance is very important to this small community but they cannot meet state regulations. The bill is asking to form a mutual agreement with the city and the county to share the expenses of emergency services.

Proponents' Testimony:

Albert Carlson, Teton Co. Commissioner, spoke in favor of HB 60. Ambulance service is very costly to keep up with when taking into factor ambulance replacements, providing storage, and general upkeep. Within Teton Co. they have four ambulances but only three ambulance barns to keep them in. The county is restricted on the number of mill levies and it is a burden on lower class counties. He used the example of Cascade Co. with a mill levy that exceeds \$100,000. In Teton Co. a mill is worth \$15,949 and does not go very far. The opportunity to go to the tax-payers and ask for extra mills will help lower class counties.

Opponents' Testimony: None

Questions From Committee Members and Responses:

SENATOR WALTER MCNUTT asked if this will affect the ambulance district or the whole county. Albert Carlson said it is a county wide measure. Teton Co. would like to get their ambulances spread throughout the county if enough volunteers can be recruited.

SENATOR DOROTHY ECK asked what exempts this operation from a freeze on taxes. Mr. Carlson said it will give the county the opportunity to go to the tax-payers and ask them for funding.

SENATOR ECK said a lot of counties have a city-county board of health and deal with such things as expenses with ambulances. But there are some counties that don't get state funds because they do not have a board of health. Is this because they do not have a director? Mr. Carlson said this was probably true. On their board they have a representative from each incorporated town, the Co. Commissioners, and the health nurse. The board not only deals with ambulances, they have a clinic, health nurse and mental health all under the board of health.

Closing by Sponsor:

REPRESENTATIVE ROSE said this is good legislation for the rural communities.

{Tape: 1; Side: A; Approx. Time Count: 3:33 p.m.; Comments: .}

HEARING ON HB 69

Sponsor: TONI HAGENER, HD 90, Havre

Proponents:

Mary Phippen, MT Assoc. of Clerks of District Court
Nancy Sweeny, Lewis and Clark Clerk of District Court
Anita Vandaloh, Pondera Clerk of District Court

Opponents: None

Opening Statement by Sponsor:

TONI HAGENER, HD 90, Havre, presented HB 69. This bill is a request of the Clerk of Courts Association. They are struggling under increased loads and are trying to become more efficient. Tracing unlocatable mineral rights for five years for the Department of Revenue is one such area the clerks would like to abolish from their jobs. An unlocatable mineral right comes about when a person pulls a mineral right that may produce income. The amount is usually small enough that it is easily ignored or forgotten. Then the person sells the land but keeps the mineral right and moves away with no forwarding address or they die. A producer, usually oil or gas, comes along that wants the lease and petitions the court to execute the lease. The body of the trust is reverted to the Department of Revenue. Only one half of the interest is allowed to remain with the county. Once the lease is executed the interest is deposited to the trust until it is terminated. The clerk must invest the income earned into an interest bearing account. The income may come monthly, quarterly, or biennially and the trust stays in place until claimed. The clerk of court holds the trust for five years at which time it is

transferred to the Department of Revenue abandoned property section. In those five years the clerk must handle the book-keeping for any and all deposits, some as small as two and three cents. The clerk is required to do a lot of detailed work for the Department of Revenue. The county is allowed to retain half of the earnings on the trust. This brings in \$12,000 per year but requires a minimum of 720 hours per year to administer. Not all counties have unlocatable mineral rights, the bill does have a permissible clause which gives the court in that county permission to transfer the duty if it desires. It will relieve the duties of the clerks and let them do the work that is required of them.

Proponents' Testimony:

Mary Phippen, MT Assoc. of Clerks of District Court, spoke in favor of HB 69. (EXHIBIT 1)

Nancy Sweeny, Lewis and Clark Co. Clerk of District Court, spoke in favor of HB 69. She said Lewis and Clark Co. does not have to administer mineral rights. She read a letter in the packet handed out by **Mary Phippen** from Dena Tippetts (EXHIBIT 1).

Anita Vandaloh, Pondera Co. Clerk of District Court, supported HB 69. She said she will receive a check for two or three cents and spend 16 hours doing the book work. The money received last year was less than \$110.00 on interest.

{Tape: 1; Side: A; Approx. Time Count: 3:44 p.m.; Comments: .}

Opponents' Testimony: None

Questions From Committee Members and Responses:

SENATOR MIKE SPRAGUE wanted to know if escheatment regulations had been changed recently. **Mary Phippen** thought it had been changed to comply with federal mandates but it doesn't affect this piece of legislation.

SENATOR SPRAGUE asked if the counties wanted to take the ones that were profitable, or get out of the business all together. **Mary Phippen** said initially the clerks wanted to get out completely, because most counties do have unlocatable mineral trusts that do not generate enough revenue to cover the administrative costs. However, there are a few counties that generate enough money to cover the administration and they opposed the bill. This is why an amendment was put in to accommodate these concerns.

SENATOR SPRAGUE asked if this is only an option for the county. **Mary Phippen** said this was correct.

Closing by Sponsor:

REPRESENTATIVE HAGENER said this bill has created a lot of interest on finding some lost relatives on mineral rights. She closed on the bill.

EXECUTIVE ACTION ON HB 211

Motion/Vote:

SENATOR SHARON ESTRADA MOVED HB 211 BE CONCURRED IN. MOTION CARRIED UNANIMOUSLY.

EXECUTIVE ACTION ON HB 60

Motion/Vote:

SENATOR J.D. LYNCH MOVED HB 60 BE CONCURRED IN. MOTION CARRIED UNANIMOUSLY.

EXECUTIVE ACTION ON HB 69

Motion/Vote:

SENATOR J.D. LYNCH MOVED HB 69 BE CONCURRED IN. MOTION CARRIED UNANIMOUSLY.

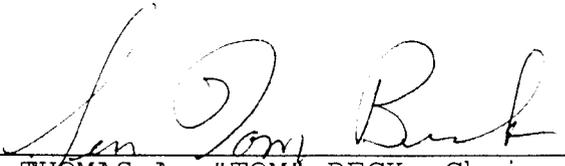
EXECUTIVE ACTION ON HB 255

Motion/Vote:

SENATOR ESTRADA MOVED HB 255 BE TABLED. MOTION CARRIED 6-3 ON A ROLL CALL VOTE (EXHIBIT 2).

ADJOURNMENT

Adjournment: 3:50 p.m.



SEN. THOMAS A. "TOM" BECK, Chairman



JODI JONES, Secretary

TB/jj