

JANUARY 7, 1977
PROCEEDINGS OF THE
LOCAL GOVERNMENT COMMITTEE

The meeting was called to order at 3:50 P.M. by Chairman Robbins. The secretary called roll; Representative Colburn was excused. All other members were present.

The meeting was called to discuss the Summary of Proposed Local Government Code and Financial Recommendations.

Chairman Robbins called on Gregg L. McCurdy, Montana Association of Counties, who gave a short talk on the historical and present operation of local government.

Dave Wanzenried representing the State Commission on Local Government spoke next. Mr. Wanzenried referred the committee members to Summary of Financial Recommendations on page 21 of the Summary of Proposed Local Government Code (exhibit 1) and brought to their attention the following alternatives for local government financing the Commission is proposing:

The code proposes that beginning in fiscal year 1978 both municipalities and counties will be required to operate under an all-purpose mill levy for property taxation

Local option taxes will be found in Chapter 9 of the Code. Local option taxes recommended are income tax, tax on all hotel and motel facilities, motor vehicle license fee, and on fuels.

Beginning on page 22 are alternative sources of revenue the Commission has considered to provide local government with the opportunity to hold or reduce, the current level of property taxes.

The revenue sharing proposal is a separate bill.

State assumption of district courts is a separate bill and proposes the state should assume the costs of the district court.

State assumption of economic assistance. The Commission recommended the funding and change in the administration of the programs in the second year of the 1980 biennium after a study and proposal.

State sharing of local public health costs is a separate bill, and the state should share with local governments the financial responsibility for local public health services.

The state should fully fund the payments to counties for state lands that are exempt from taxation.

County retention of license proceeds.

State financing of county attorney's offices is recommended for the 1979 biennium and that the legislature appropriate sufficient monies to fund up to one-half of the total expenditures, not to exceed \$50,000.

New state programs for local government on page 24 was mentioned briefly.

The Commission is recommending that the committee on priorities give high priority to the study and revision of Title 23, of the Revised Codes of Montana, and other state laws governing elections.

The Local Government Code is proposed to repeal 2554 sections of law, amend 203 sections and to enact 701 new sections.

Chairman Robbins told the committee members to direct their questions to Dave Wanzonried, Representative Gerke, Larry Weinberg, and Representative South.

During the question and answer period it was noted that a tentative schedule had been set for informational meetings and for formal hearings. Representative Gerke said the informational sessions of joint House and Senate will be conducted by the State Commission staff and will be January 17, 18, and 19. After that there will be the formal hearing on Saturday January 22, 1977, at 11:00 A.M., in the House Chambers.

Chairman Robbins asked Dan Mizner, executive director of the Montana League of Cities and Towns, the League's position on the Code. Mr. Mizner said the League of Cities and Towns have endorsed the Code.

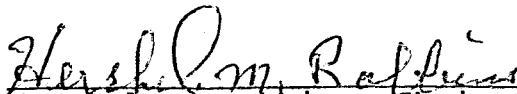
Dean Zinnecker, executive director of the Montana Association of Counties, spoke next and said they also voted for the Code.

Chairman Robbins announced there will be a hearing on Monday, January 10, 1977 to hear House Bill 2.

Motion was made to adjourn.

The meeting adjourned at 4:55 P.M.

Respectfully submitted


Hershel M. Robbins, Chairman