

February 9, 1977

A meeting of the Local Government Committee was called to order by Chairman Robbins at 4:40 PM in Room 225. The secretary called roll; Representative Colburn was excused and Representative Gould was absent. All other members were present.

HOUSE BILL 521: Representative Bradley, chief sponsor, said this bill would set up a state-local revenue sharing program. Page 2, section 4, gives the allocation system and 60% of the revenues would be divided by the same method as the federal revenue sharing program. On page 3, the remainder of the funding would be allocated by population and the minimum allocation to any local government would be at least \$200 per year. This bill would only set up the mechanism.

Proponents were:

D. Robert Lohn, Counsel from the Governor's Office, strongly supports this bill and pointed out this is not the money but the formula. The monetary part is in the Taxation Committee.

Harold Fryslie, Department of Community Affairs, and Mr. Dundas are available to answer any questions.

Steve Turkiewicz, representing the Montana Association of Counties, explained that in 1976 Governor Judge made a request for legislation, and the Montana League of Cities and Towns and the Montana Association of Counties came up with a proposal for a revenue sharing plan. The purpose of this act is to provide a portion of money on a broad basis other than property tax. Additional information is - exhibit 1.

Dan Mizner, representing the Montana League of Cities and Towns, said we have no other place to go but to property tax. The cities and counties got together and the result is this proposal.

J. Michael Pichette, representing the Montana Democratic Party, supports this legislation.

Al Sampson, representing the Montana Firefighter's Association, said they support this bill and feel the state owes this to local government.

Don Judge, representing AFSME, AFL-CIO, supports this bill.

Opponents were:

Ed Nelson, representing the Montana Taxpayers' Association, said they have some concern with the proposal. He would like to point out, as a sales pitch, the legislation comes on in terms of let's do this because it is going to reduce property tax. There is no indication that property tax will not go up at the same time. The state of Montana cannot create a revenue sharing program and do as federal government does. You will have to support the program, and once you start the program, you will be unable to reduce it.

Questions were asked by the committee. It was asked could the local government body could use this money for any purpose and the answer was, the use would be determined by the local governing bodies.

Representative Bradley closed on House Bill 521.

HOUSE BILL 537: Representative South, sponsor, said this bill is a suggestion that was brought to the State Commission on Local Government. They considered the suggestion but did not incorporate it in House Bill 122. However, they did decide it worth hearing in legislature. Further comments are - exhibit 2.

Clyde Peterson, staff member of the State Commission on Local Government, read a letter from Thomas Payne, Professor of Political Science, University of Montana; and member of the State Commission on Local Government - exhibit 3.

There were no opponents.

Questions were asked by the committee. Jensen - will this change boundaries within counties and the answer was no. South - this is amending alternative forms of local government.

Representative South closed on House Bill 537.

The committee went into executive session to consider amendments to House Bill 122.

HOUSE BILL 122: Larry Weinberg explained that Lee Heiman, staff member of State Commission on Local Government, had put together the amendments on the justice of the peace and municipal courts. The first 58 amendments were suggestions from Supreme Court. Mr. Heiman will explain the amendments which are - exhibit 4.

Representative O'Connell moved that amendments 1 through 58 BE ADOPTED. Mr. Heiman said most are noncontroversial. The first four amendments are by the justice of peace and is the first major changes.

Representative Hurwitz moved to have Larry Weinberg prepare an amendment that the justice of the peace salary be set at the local level. There was a brief discussion on who should set the salary. Representative Waldron made a substitute motion to let legislature set the salaries for the justice of the peace. Question, 2 voted YES. Motion failed.

Representative Pistoria came in.

Question was called on Representative Hurwitz motion that salary be set at local level. Motion carried. Representatives Waldron and Ramirez voted NO. (SCR 362)

Representative Ramirez made a substitute motion that amendments 1, 2, 3, and 4 BE NOT ADOPTED. Hurwitz - would like a sub-committee to study this. Gerke - maybe should let go to print

and amend anytime after that. South - what do you see wrong, HB 122 is present law. Ramirez - on page 566, the JP does not have jurisdiction the amendments would give it. Robbins - would make a suggestion that the motion be withdrawn and ask Larry to come up with something tomorrow night and at that time the committee can make some decision. Representative Ramirez withdrew his motion. Representative Palmer moved that amendments 1 and 2 DO NOT PASS. Question, motion carried unanimously.

Representative Waldron moved to delete amendment 29. Question, roll call vote was taken: 11 voted NO and 5 voted YES. Motion failed. Representatives Gunderson, Palmer, Pistoria, Stobie, and Waldron voted YES.

Question was called on Representative O'Connell's motion TO ADOPT amendments 3 through 58, motion carried. (SCR 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 348, 349, 350, 351, 353, 354, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372)

Representative Halvorson asked the committee to reconsider their actions taken on February 8, 1977, in executive session on firemen's retirement. Question, motion carried with 5 voting NO.

Representative Halvorson made a motion to insert on page 180: " ; and (b) pay the full premium of each firefighter's and law enforcement officer's insurance, including the premium for coverage of dependents." Question, roll call vote was taken: 8 voted YES and 5 voted NO. Motion carried. Representatives Hurwitz, Ramirez, South, Stobie, and Vinger voted NO and Representative Gerke passed. Representatives Roth and O'Connell had left. Representative Colburn was excused and Gould was absent. (SCR 126)

The meeting adjourned at 6:25 PM.

Respectfully submitted,

  
HERSHEL M. ROBBINS, Chairman

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