

MINUTES OF THE MEETING  
LOCAL GOVERNMENT COMMITTEE  
MONTANA STATE SENATE

January 7, 1977

The second meeting of the Local Government Committee was called to order by Chairman McCallum on January 7, 1977 in Room 410 of the State Capitol Building at 9:33 A.M.

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

The following witnesses were present to testify at the meeting: James H. Sadler, Missoula; French Kellogg, Missoula; Dan Mizner, Montana League of Cities and Towns; David Wanzenried, State Commission on Local Government; Gregg L. McCurdy, Montana Association of Counties.

The following visitors were present: Mike Kellogg, Missoula, Intern (Aide to Senator Thomas); Jenny Rehberg, Aide - Senator Lockrem and Stephen Turkiewicz, Montana Association of Counties.

Senator Lockrem made a motion not to read the minutes of the previous meetings at subsequent meetings. Each committee member is to receive a copy of the minutes. Senator Thomas seconded the motion. The motion carried.

CONSIDERATION OF SENATE BILL 23: Senator Watt, sponsor of the bill, gave a brief resume of the bill, stating many problems exist all over the state as streets and alleys not in use now go to the adjoining property owners. This property has usually changed hands many times from original property owners. This bill gives adjoining property owners first chance to purchase the property at 90% of its value.

French Kellogg, Missoula Acting Councilman, stated they have received 30 requests for street and alley closure recently. The law now gives this property to adjoining property owners. If there is no original grantor, this proposal would allow the city the privilege of selling the property at 90% of its market value.

Jim Sadler, Ward 5 Councilman, Missoula, stated that many streets are 100 feet wide and there have been requests

that multi-family or commercial zoned areas the street be narrowed to 60 feet as there is a need for wider lots. Alley closures have been asked for the same reason. The city has some streets that were bought or deeded and the city cannot sell these. Also there are some dedicated streets. He would like these streets included in the bill. The money from sale of such streets would go into the general fund. He did not see this bill as a revenue generating measure.

Dan Mizner, Montana League of Cities and Towns, supported the idea as presented.

Gregg McCurdy pointed out there might be come conflict with 32-4001. It was the consensus of the committee that there was no conflict with this code.

Chairman McCallum called for questions from committee members.

Senator Thomas wanted to know who would appraise the land and the method to be used. Senator Watt suggested a certified appraiser be hired.

Senator Lockrem asked Mr. Kellogg if high priced land values in Missoula were due to adjacent property. Mr. Kellogg stated this was not necessarily the property adjacent but also property in the surrounding area. Senator Lockrem noted that it was indicated monies from sale of property would go into the general fund. Wouldn't it be reimbursing local government who paid nothing for the land in the first place? Mr. Kellogg stated that instead of just the adjoining property owners making money, it would benefit all taxpayers. Senator Lockrem wanted to know about the provision for utility and utility easements. Mr. Kellogg stated these would continue.

Senator Thomas wanted to know what method would be used if several buyers wanted the property. Mr. Sadler stated the adjacent property owner would have first choice. Senator Thomas then wanted to know if the adjacent property owner didn't want it, then what? Mr. Sadler stated the property would go to the highest priced bidder. Senator Thomas wanted to know if the bidding process would be used. Mr. Sadler thinks so. Chairman McCallum asked what if both adjacent property owners wanted to purchase the property. Mr. Sadler stated it would be divided down the middle.

Senator Lockrem felt there was inconsistency regarding this bill. This bill would allow cities to sell at substantial profit in which case this property should be exempt from property taxes.

Mr. Mizner stated this would affect other property owned by the cities including trust funds and would have long-term effects on new streets.

Senator Thomas asked if this bill pertains to state lands also. Senator Watt stated it would pertain only to cities and counties.

Senator Watt moved the following amendments to Senate Bill 23:

1. Amend title, line 5.  
Following: "by"  
Insert: ",or dedicated to,"
2. Amend title, line 6.  
Following: "county"  
Insert: ";and providing an effective date."
3. Amend page 1, section 1, line 11.  
Following: "alley"  
Strike: "deeded"  
Insert: "dedicated"
4. Amend page 1, section 1.  
Following: line 22  
Insert: "Section 2. Exemption. The original owner is exempted from this act.  
Section 3. Effective date. This act shall become effective upon passage and approval."

Senator Lockrem seconded the motion. A roll call vote was called by the Secretary (attached). The motion carried.

Senator Watt moved that Senate Bill 23 be given a "Do Pass as Amended" recommendation. Senator Thomas seconded the motion. A roll call vote was called by the Secretary (attached). The motion carried.

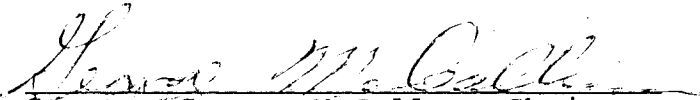
Chairman McCallum stated the local government code revision bill, proposed Title 47A, will be introduced in the House. He read the schedule for Title 47A (see attached). The joint public hearing on Title 47A will be 11:00 A.M., Saturday, January 22, 1977.

Chairman McCallum discussed the possibility of introducing the bill into both houses at the same time.

Chairman McCallum introduced David Wanzenried to explain the Local Government Review Bulletin (see attached).

Senator Lockrem stated he thought the Chairman should exercise his prerogative as to importance of cost concerning introducing this bill into both houses at the same time.

ADJOURN: The meeting adjourned at 10:35 A.M. with the next meeting to be Monday, January 10, 9:30 A.M. to discuss Title 47A.

  
Senator George McCallum, Chairman

ROLL CALL

LOCAL GOVERNMENT COMMITTEE

45th LEGISLATIVE SESSION - - 1977

Date 1-2-77

NAME	PRESENT	ABSENT	EXCUSED
George McCallum	✓		
Robert Watt	✓		
Pete Story			✓
Frank Dunkle	✓		
Lloyd Lockrem	✓		
Bob Peterson	✓		
Cornie Thiessen			
Bill Thomas	✓		

Each day attach to minutes.

SENATE COMMITTEE LOCAL GOVERNMENT

Date Jan. 7, 1977 Senate Bill No. 23 Time 10:15

NAME	YES	NO
George McCallum, Chairman	✓	
Robert Watt, Vice Chairman	✓	
Pete Story		
Frank Dunkle	✓	
Lloyd Lockrem	✓	
Bob Peterson	✓	
Cornie Thiessen		
Bill Thomas	✓	

Mary Miller  
Secretary Mary Miller

George McCallum  
Chairman Senator George McCallum

Motion: To amend Senate Bill 23.

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(include enough information on motion--put with yellow copy of committee report.)

SENATE COMMITTEE LOCAL GOVERNMENT

Date Jan. 7, 1977 Senate Bill No. 23 Time 10:17

NAME	YES	NO
George McCallum, Chairman	✓	
Robert Watt, Vice Chairman	✓	
Pete Story		
Frank Dunkle	✓	
Lloyd Lockrem		✓
Bob Peterson	✓	
Cornie Thiessen		
Bill Thomas	✓	

Mary Miller  
Secretary Mary Miller

George McCallum  
Chairman Senator George McCallum

Motion: Senate Bill 23 do pass as amended.

(include enough information on motion--put with yellow copy of committee report.)