

MINUTES OF THE MEETING
SENATE STATE ADMINISTRATION COMMITTEE
MARCH 7, 1977

The meeting was called to order by Senator Towe, Chairman, at 11:00 a.m. in Room 410 of the Capitol Building. Committee members present were Senators Towe, Story, Blaylock, Jergeson, Rasmussen, Brown, and Roskie.

The following bills were discussed: HB 67
HB 123
HB 178
HB 203
HB 275
HB 24

HOUSE BILL 67

Representative Hershel Robbins, District 46, sponsor of the bill, stated the purpose of the bill is to create a fire marshall advisory council, raise the tax on fire insurance premiums for maintenance of the fire marshall bureau, and providing for disposal of the money collected. For complete discription see attachment #1 in the minutes of March 4, 1977 and attached #1 of these minutes).

PROPOSERS

Al Sampson, Montana Firemen's Association, urged support of the bill.

Mike McGrath, Department of Justice, stated his full support of the bill.

Dave Fisher, Montana Fire Chief's Association, stated his support of the bill.

Art Korn, Secretary-Treasurer of the Montana Volunteer Firefighters Asso., urged support of the bill.

Bob Kelly, Fire Chief from Missoula, urged support of the bill.

Henry Lohr, Broadwater County Rural Firefighters, supported the bill.

Gerald Sagmiller, President of the Montana Fire Chiefs, stated he supports the bill.

Glen Drake, League of Cities and Towns, stated that group supports the bill.

Boyce Clark, Independent Insurers of Montana, presented his testimony in support of the bill.

Don Allen, Executive Director of the Montana Petroleum Association, stated he is concerned that the Fire Marshall be given the benefit of the full amount of the tax assessed. He urged support of the bill.

There being no further proponents and no opponents to the bill, the hearing was closed and discussion by the committee followed.

HOUSE BILL 123

Senator Jergeson carried the bill for the sponsor, Representative Sivertson, District 7. The purpose of the bill is to allow the state to provide fire protection for certain state-owned buildings such as the high-rise dormitories at Montana State University, the Capitol Building, etc. The Fire Marshall will determine what buildings fall into this category and the Department of Administration can contract with local agencies for their services.

PROPOSERS

Ray Blehm, Montana State Firemen's Association, presented his written remarks to the committee (attached #2).

Bob Kelly, Fire Chief of Missoula, stated 2-3% of their responses have been to state-owned property, mainly the University. He stated it costs the Missoula Department approximately \$16,000-22,000 to provide that percentage of service.

R.A. Ellis, Montana Firefighters Association, urged support of the bill.

Dave Fisher, Montana Firechief's Association, urged support of the bill.

Art Korn, Volunteer Firefighters Association, urged support of the bill.

There were no further proponents and no opponents to the bill and the hearing was closed and discussion by the committee followed.

HOUSE BILL 178

Representative Harrington, District 88, and sponsor of the bill, stated the purpose of the bill is to require the Department of Justice to compile and make available in pamphlet form all Montana statutes relating to fire protection and to revise and publish the same within 90 days of the end of each legislative session.

PROPOSERS

Al Sampson, Montana State Firemen's Association, stated the pamphlet is most helpful and urged it's continuance.

Art Korn, Volunteer Firefighters, urged support of the bill.

Dave Fisher, Montana Firechief's Association, urged support of the bill.

Page 3
Minutes
March 7, 1977

There were no further proponents and no opponents to the bill and the hearing was closed.

HOUSE BILL 203

Representative Sheldon, District 22, stated the bill was introduced at the request of the Department of Natural Resources and Conservation. The bill eliminates one unnecessary step in depositing fire protection tax assessments. It would deposit directly into the federal and private revenue fund instead of into the federal and private grant clearance fund and then into the federal and private revenue fund.

There were no proponents and no opponents to the bill.

Senator Story moved House Bill 203 Be Concurred In. THE MOTION CARRIED UNANIMOUSLY WITH SENATORS RASMUSSEN AND DEVINE ABSENT.

HOUSE BILL 275

Representative Mular, District 85, sponsor of the bill, stated the purpose of the bill is to require certificates of volunteer fire companies to be filed annually instead of quarterly.

PROPOSERS

Art Korn, Montana State Volunteer Firefighters Association spoke in support of the bill saying it cuts down tremendously on the paperwork.

Dave Fisher, Montana Firechief's Association, stated the quarterly report was required in the days of the poor tax and now that that tax has been abolished, the extra paperwork should be also.

There being no further proponents and no opponents, the hearing was closed.

Senator Blaylock moved House Bill 275 Be Concurred In. THE MOTION CARRIED UNANIMOUSLY WITH SENATORS TOWE, BLAYLOCK, ROSKIE, BROWN, STORY, JERGSON PRESENT.

HOUSE BILL 24

Senator Brown moved to reconsider action on HB 24 and strike section 2 in its entirety. THE MOTION CARRIED UNANIMOUSLY WITH SENATORS TOWE, BLAYLOCK, ROSKIE, JERGSON, STORY AND BROWN PRESENT.

Senator Blaylock moved House Bill 24 Be Concurred In As Amended. THE MOTION CARRIED UNANIMOUSLY WITH SENATORS TOWE, BLAYLOCK, ROSKIE, JERGSON, STORY AND BROWN PRESENT.

There being no further business, the meeting adjourned to reconvene March 9, 1977.

[Handwritten signatures]

State Administration COMMITTEE

Date 3/2/77

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1.3 67

1.3

103

SENATE STATE ADMINISTRATION COMMITTEE

BILL 175

178

VISITORS' REGISTER

DATE 3/7/77

NAME	REPRESENTING	BILL #	(check one)	
			SUPPORT	OPPOSE
W. Boyce Clarke	Independent Ins. Agents of Mont	HB 67 HB 67, 123	Qualified	
Bill Penttila	State FIRE MARSHAL		neither	
Earl Kaler	League of Cities	HB 67	opposed	
Ray Simon	Mont. State Firemen's Assoc.	HB 123	X	
W. Simpson	"	HB 67		
Henry F. Lohr	Mont. State Vol. Firemen's Assoc.	HB 123	X	
Harold Lagomilla	Mont. Fire chief guild	HB 67		
Ed Johnston	Montana State Fireman	HB 67	X	
John	Mont. State Fireman	HB 123	X	
ABE KORN	MONT. STATE VOL. FIREMEN'S ASSOC.	HB 67	X	
Norm Incher	Montana Fire Chiefs	HB 67		
Ed Shelden	Montana Vol. Firemen's Assn	HB 203	spouse - DNR	
Ted J. Donoy	DNR & C	HB 203	X	
Mike McGRATH	ATTY GENL	HB 67	X	
R.H. Ellis	Mont State Vol Firemen Assn West Helena Vol Fire Dept	HB 67 HB 123		

Stripped from the House version were provisions for an extra \$50 a month to legislative leaders and \$100 a month in expense money for legislators between legislative sessions.

Lynch said that under his amendment, legislators would make a flat \$685 a month during legislative sessions. He said the daily amount would work out to \$26.34.

On Monday, Sen. Richard Colberg, D-Missoula, assailed the time-honored practice of paying more expense money than salary to lawmakers.

He said the effect was that members of the legislature could avoid paying income taxes on money that was really income. He said it does not cost legislators \$40 a day each to live in Helena during legislative sessions.

#1
HB 67

HB 67 increases the tax on fire insurance premiums that are designated for maintenance of the fire marshal bureau and designates a new source of funding for local fire prevention programs. This bill implements a recommendation of the interim subcommittee on fire laws that the state fire marshal should be given a greater ability to promote fire prevention activities, especially in rural areas, by working with local agencies. Under section 3 of the bill both county governments and fire departments would be encouraged to participate in fire prevention programs developed by the fire marshal.

Note that section 1 of this bill is the same as section 1 of HB 90. This section clarifies the existing status of the Fire Marshal Bureau and reestablishes the Fire Marshal Advisory Council. If this office is to be moved, this section would need to be changed to reflect that move.

A REVIEW OF THE FIRE MARSHAL BUDGET PROCESS
COMPARISONS

	<u>FIRE MARSHAL BUREAU REQUEST</u>		<u>DEPT. OF JUSTICE CENTRAL SERVICES RECOMMENDED</u>		<u>LEGISLATIVE APPRO. SUB-COMMITTEE</u>		<u>GOVERNOR'S BUDGET PROPOSAL</u>	
	<u>1978</u>	<u>1979</u>	<u>1978</u>	<u>1979</u>	<u>1978</u>	<u>1979</u>	<u>1978</u>	<u>1979</u>
PERSONAL SERVICES	\$159,338	\$163,056	\$119,677	\$123,249	\$116,108	\$119,581	\$114,075	\$116,755
OPERATING EXPENSES	52,394	54,526	42,957	45,089	42,327	43,327	42,390	42,390
EQUIPMENT	<u>7,200</u>	<u>7,632</u>	<u>7,200</u>	<u>7,632</u>	<u>7,200</u>	<u>7,632</u>	<u>6,672</u>	<u>6,672</u>
TOTAL PROGRAM	\$218,932	\$225,214	\$169,834	\$175,970	\$165,635	\$170,540	\$163,137	\$165,817

FIRE MARSHAL TAX

DISTRIBUTION OF THE REVENUE GENERATED BY THE TAX ON FIRE INSURANCE PREMIUMS BY SECTION 82-1231, R.C.M. 1947, FOR MAINTENANCE OF THE STATE FIRE MARSHAL OFFICE.

	<u>Amt. Generated</u>	<u>Fire Marshal Budget</u>	<u>Tax remaining in General Fund</u>
1971	\$129,231	\$ 84,776	\$44,555 34%
1972	147,829	100,000	47,829 32%
1973	158,521	131,744	26,777 16%
1974	182,858	149,541	33,317 18%
1975	191,133	159,066	32,067 15%
1976 (est)	204,000	160,271	43,729 21%
1977 (est)	220,000	165,635	54,365 25%
1978 (est)	238,000	170,540	67,460 30%

40-2826

10.4 m.
already -
decid-

382% of 1962
*172% of 1962

NAME ART KORN Bill No. HB 67-HB178
IFB 875
ADDRESS 1916 S.W. Date _____
WHOM DO YOU REPRESENT? MONT. STATE VOL. FIREMEN'S ASSOC.
SUPPORT ✓ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

NAME: Henry E Lohr DATE: March 7, 1977

ADDRESS: Townsend, MT.

PHONE: 266-4272

REPRESENTING WHOM? Bozwater Cultural Trust (Mont State Val. Treasures Assn)

APPEARING ON WHICH PROPOSAL: HB 67- HB 123

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME:

Donald Sigmiller

DATE:

3-6-77

ADDRESS:

Trinity Baptist pulpar Mont

PHONE:

887 2557

REPRESENTING WHOM?

Mont State Fire Chief

APPEARING ON WHICH PROPOSAL:

HB 123 HB 67

DO YOU:

SUPPORT?

X

AMEND?

OPPOSE?

COMMENTS:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

#2

NAME:

Ray Blum

DATE:

3/7/77

ADDRESS:

623 Ave B Billings, MT

PHONE:

252-7051 Helena 443-4344

REPRESENTING WHOM?

Mont State Firemen Assoc

APPEARING ON WHICH PROPOSAL:

HB 123

DO YOU:

SUPPORT?

X

AMEND?

OPPOSE?

COMMENTS:

This will provide information for the next legislature to consider an appropriation to defray some of the cost of special hazards in state buildings. There will be no cost this year.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME:

Ed. Johnston

DATE:

ADDRESS:

2009 Bailey Ave.

PHONE:

443-4344

REPRESENTING WHOM?

Montana State Teachers Assoc.

APPEARING ON WHICH PROPOSAL:

- 67-123.

DO YOU:

SUPPORT?

☒

AMEND?

OPPOSE?

COMMENTS:

firm need these Bills
to make our work more efficient.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

The following are suggested amendments to House Bill 67 by the Department of Justice, in the event that SB 401 becomes law.

That House Bill No. 67 be amended as follows:

1. Amend Page 1, Section 1, lines 17 - 19.

Following: "in the department of"

Strike: "justice which is under the supervision and control of the attorney general"

Insert: "administration"

2. Amend page 1, section 1, lines 21 and 22.

Following: "appointed by the ~~commissioner-of-insurance~~"

Strike: "attorney general"

Insert: "director of the department of administration"

3. Amend page 3, section 1, line 8.

Following: "The"

Strike: "attorney general"

Insert: "director of the department of administration"

MONTANA STATE FIREMEN'S ASSOCIATION

OFFICE OF THE SECRETARY-TREASURER

POINTS TO CONSIDER ON HB 123

1. There will be no cost this biennium as there will be no requests included for Fire Protection in the Department of Administration's Budget and, therefore, no appropriation in this area.
2. The next Legislature will have the facts for their consideration and a budget request for consideration.
3. The next Legislature is not bound or required to pay all or for that matter any of this cost, but will be bound to some extent to consider this matter. They may in their wisdom determine a proportionate share of a fixed dollar appropriation be distributed on an equitable basis among the various public paid and volunteer departments for the protection provided.
4. This Legislation provides a starting point on needed aid to relieve the impact of large amounts of State property located in various areas of the State.

MONTANA STATE FIREMEN'S ASSOCIATION

OFFICE OF THE SECRETARY-TREASURER

of Mills for Fire Department

(Appraised Value)
Cost per Million
for Fire Protection

1. Anaconda	44.23	\$ 5,307.60
5. Billings	23.28	\$ 2,793.60
3. Bozeman	24.30	\$ 2,916.00
2. Butte	37.45	\$ 4,494.00
13. Glendive	12.49	\$ 1,498.80
6. Great Falls	22.16	\$ 2,659.20
7. Havre	21.46	\$ 2,575.20
12. Helena	14.96	\$ 1,795.20
8. Kalispell	21.19	\$ 2,542.80
11. Lewistown	15.11	\$ 1,813.20
10. Livingston	20.12	\$ 2,414.40
9. Miles City	21.16	\$ 2,539.20
4. Missoula	23.72	\$ 2,846.40

MONTANA STATE FIREMEN'S ASSOCIATION

OFFICE OF THE SECRETARY-TREASURER

AN EXAMPLE BASED ON GREAT FALLS

	<u>Building</u>	<u>Contents</u>
1. Grain Inspection Lab	\$ 87,100	\$ 25,000
2. School for the Deaf & Blind	2,368,200	264,400
3. Fish and Game	78,300	6,000
4. Giant Springs	32,100	-0-
5. Highway Dept.	420,200	162,000
6. Employment Service	391,200	35,200
	<u>\$3,377,100</u>	<u>\$ 492,600</u>
	+ 492,600	
1974 Listed Value	\$3,869,700	
	x .40	
Assessed Value	<u>\$1,550,840</u>	
	x .30	
Taxable Value	\$ 465,252	
22.16 Mills for Fire Service =	<u>x .02216</u>	
Cost to Nearest Dollar =	<u>\$ 10,310</u>	

If the State paid an amount equal to the rate paid by other property, the cost for fire protection would be \$10,310 in the City of Great Falls.

MONTANA STATE FIREMEN'S ASSOCIATION
OFFICE OF THE SECRETARY-TREASURER

For the 1975-1976 Fiscal Year, Missoula County lists six (6) Fire Districts according to the Montana Taxpayers Guide. They are as follows with the corresponding cost per \$1,000,000 of appraised value.

	<u># of Mills</u>	<u>\$ Cost/Million \$ Appraised Value</u>
1.	12.09	\$ 1,450.80
2.	11.21	\$ 1,345.20
3.	7.74	\$ 928.80
4.	5.46	\$ 655.20
5.	6.37	\$ 764.40
6.	4.22	\$ 506.40

No figures are available on the amount of State property located in these Fire Districts, but the figures would be available for the next Legislature's consideration.

MONTANA STATE FIREMEN'S ASSOCIATION

OFFICE OF THE SECRETARY-TREASURER

(Same as appraised value)

Value all State Buildings
Approximate 20% unprotected

\$ 294,607,400
x .20
\$ 25,921,500

Assessed Value

\$ 235,635,900
x .40
\$ 94,274,360

Taxable Value

x .30
\$ 28,282,308

STANDING COMMITTEE REPORT

March 7

1977

MR. President

We, your committee on State Administration

having had under consideration House Bill No. 203

Respectfully report as follows: That House Bill No. 203

~~BE CONCURRED IN~~ BE CONCURRED IN

NAME: Rep James T. Mular

DATE: 3/7

ADDRESS: Dist 85

PHONE:

REPRESENTING WHOM? SPONSOR

APPEARING ON WHICH PROPOSAL: HB 275

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

STANDING COMMITTEE REPORT

March 7

19 77

MR. President

We, your committee on State Administration

having had under consideration House Bill No. 275

Respectfully report as follows: That House Bill No. 275

~~DO PASS~~ BE CONCURRED IN

STANDING COMMITTEE REPORT

March 7

19 77

MR. President

We, your committee on State Administration

having had under consideration House Bill No. 24

Respectfully report as follows: That House Bill No. 24

third reading bill, be amended as follows:

1. Amend page 2, section 2, lines 14 through 22.
Following: line 13
Strike: section 2 in its entirety
Renumber: subsequent sections

~~RECORDED~~ AND AS SO AMENDED, BE CONCURRED IN

Chairman.