

MINUTES OF THE MEETING  
TAXATION COMMITTEE  
MONTANA STATE SENATE

March 30, 1977

The fifty-eighth meeting of the committee was held on the above date in Room 415 of the Capitol Building, called to order by Chairman Mathers.

ROLL CALL: Roll call found all the members present

The following witnesses were present:

Rod Wilson	Billings Chamber of C.
Don Grvel	Dept. of Highways
James Luch	"
John Prebil	"
Larry Tobiason	Mont. Auto Assoc.
Steve Turkiewicz	Mont. Assoc. of Counties
Glen Drake	League Cities & Towns.

CONSIDERATION OF HB769: Rep. Baeth said the bill had been introduced at the request of the Highway Department and introduced Mr. Beck to further explain the bill. Mr. Beck said as a result of reclassification by the Federal, 760 miles of secondary road was transferred to primary and of this total 246 miles had been maintained by the Department. The remaining 334 miles will be assumed by the Department also and the 1/4¢ additional tax is necessary to raise additional funds to help with this added cost. Other proponents of the bill included Mr. Turkiewicz and Mr. Drake.

There were no opponents and Rep. Baeth then closed. Exh. #1 was introduced to illustrate maintenance costs across the state.

The committee then asked questions and Mr. Beck explained the added miles had to be reclassified because of new criterion. Mr. Grvel also gave input into the discussion, saying the burden of maintaining the mileage referred to had been undertaken by the Department because of the burden on counties. The mileage is mainly interconnecting roads, generating through traffic. Chairman Mathers asked if it was necessary to have storage buildings in each of the areas and was informed the buildings were for equipment storage. The committee discussed the fact that there were several other bills they would like to see before approving this bill. The hearing was then closed.

CONSIDERATION OF HB527: Rep. Fagg presented his bill which he was was for the Billings Chamber of Commerce and the Traffic Commission to try to come up with some answers for their city streets. He said the \$10 fee would be put on the vehicle at the time the license is purchased and an amendment in the House made it a permissive levy. Other proponents of the bill included Mr. Wilson who said the fee was not mandatory for any city. Mr. Tobiason said he was not opposing the bill as long as Section 4 remains in the bill so it is on a local level and the people have a

voice. Mr. Drake said the League also supports the bill.

The Chairman called for other witnesses and following, Rep. Fagg closed. He said questions had been asked as to why they didn't use the SID, however, he believed this would involve people who had homes but no cars, and felt this was the most fair of the two proposals.

There followed a discussion by the committee and Rep. Fagg told the committee the city's roadwork done 20 years ago was done at a minimum cost and for this reason the streets are in constant need of repair and maintenance.

It was brought out that Billings has a charter form of government and after consulting the Codes it was determined the city is at present empowered to levy a fee on vehicles up to \$50. With this bill a city that does not have this type of government could vote such a levy. The committee felt that an amendment should perhaps be added stating that 'the restrictions imposed by this section shall not be considered inconsistent with any such restrictions under Title 47-A, Chapter 20.'

Sen. Towe Moved this amendment and the motion passed unanimously. He also Moved to amend page 5, line 15, after "\$10" add "per year" and this motion carried unanimously.

DISPOSITION: Sen. Towe Moved HB527 As Amended Be Concurred In. A roll call vote was taken which resulted in motion carrying by a 7-3 vote.

The Chairman then directed the committee to review other bills heard and not acted upon by the committee.

DISPOSITION: Sen. Goodover Moved HB489 Be Not Concurred In. Motion passed unanimously, note absence of Sen. Roskie.

Sen. Turnage then Moved to amend HB215, strike lines 14 through 17, page 9. Motion carried unanimously.

The committee then asked Mr. Tippy to work out another amendment to assess residences for first \$35,000 in Class 8, and value over that at the usual rate.

They next considered HB198. Sen. Norman expressed his concern that averaging the tax would have an adverse impact on Granite County even though Silver Bow County officials were proponents of the legislation. Sen. Healy said the bill as amended had been agreed on by the small miners' association. Mr. Tippy said if the committee wanted to work out the bill, there would have to be an amendment to make it conform to HB70. Mr. Tippy was instructed to define 'gross proceeds' tying it in with market value, merchantable value, in the amendments.

The meeting then adjourned.



House

SENATE

TAXATION

COMMITTEE

BILL 527,769

VISITORS' REGISTER

DATE 3/30/77

NAME	REPRESENTING	BILL #	(check one)	
			SUPPORT	OPPOSE
ROD WILSON	BILLINGS CHAMBER OF COMMERCE	H.B. 527	✓	
LEN GRUEL	Dept of Highways	H.B. 769	-	
WILLIAM H. LUCK	DOH	769	✓	
John Dutil	-	-	-	
Kary Robinson	Montana Auto Assoc	H.B. 271 769		
<del>Howard Thacker</del>	<del>Dept. of Revenue</del>	<del>768</del>		amend
Rep Wm R Baeth	Sponsor	769	-	
State Treasurer	Mr. Assoc. of Counties	769	✓	
Bill Hark	Greg Altman	769 <sup>27</sup>	✓	

SENATE COMMITTEE TAXATION

Date 3/30 House Bill No. 527 Time 8:50 a.m.

NAME	YES	NO
SEN. WATT	X	
SEN. BROWN	X	
SEN. GOODOVER	X	
SEN. HEALY <i>(held)</i>		X
SEN. MANNING	X	
SEN. NORMAN		X
SEN. ROSKIE	X	
SEN. TOWE	X	
SEN. TURNAGE		X
CHAIRMAN MATHERS	X	

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Nita Fjeseth  
Secretary

William L. Mathers  
Chairman

Motion: As Amended - Be Conc. In.

Motion Carried

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

# MAINTENANCE ESTIMATE FOR HIGHWAY ADDED

<u>ROUTE.</u>	<u>LOCATION</u>	<u>MILES</u>	<u>COST/MI.</u>	<u>MAINT. COSTS</u>	<u>ADD. F.T.E.</u>	<u>EQUIP.</u>	<u>STORAGE BLDGS, ETC.</u>	<u>REMARKS</u>
35	St. Regis - Paradise	21.465	3,247	69,487	2	60,000	40,000	Work from Plains & St. Regis(land) (2) Trucks (1) Loader
39	Forsyth - Lane Deer	50.713	2,200	111,568	2	120,000	45,000	Establish section @ Colstrip, (2) Trucks (1) Loader, Motor Patrol, (1) Tar Pot Fuel Storage
41	Avon - Helmville	32.503	2,800	91,008	2	60,000	42,500	Establish storage at Avon (land) & Clearwater, (2) Trucks, (1) Loader
44	I 15 - Valier - US 89	28.385	2,100	59,608	2	120,000	55,000	Establish section @ Conrad (land) & add to Dupuyer, (2) Trucks, (1) Loader, Motor Patrol, (1) Tar Pot
56	Bull Lake Road	34.620	3,100	107,322	2	60,000	45,000	Addition @ Noxon & Addition @ Troy, (1) Sand- house, (2) Trucks, (1) Loader
59	Boulder - Whitehall	38.402	2,400	92,164	2	40,000	20,000	Addition @ Whitehall None req'd @ Boulder, (2) Trucks
68	Columbus - Red Lodge	47.681	2,800	133,506	3	96,000	45,000	Addition to Red Lodge (land) & Columbus, (2) Trucks, (1) Diesel Truck, (1) Loader
71	Brooks - Denton - Arrow Creek	42.467	2,100	89,180	2	120,000	10,000	Establish section @ Denton, (2) Trucks, Loader Motor Patrol, Fuel Storage, (1) Tar Pot
6	Bozeman - Wilsal	38.228	2,800	107,038	3	76,000	15,000	Addition @ Wilsal (2) Truck, (1) Diesel Truck, Sanders, Plows
		<u>334.464</u>		<u>850,881</u>	<u>20</u>	<u>752,000</u>	<u>317,500</u>	

TOTAL ..... 1,930,381

Exp. #1

BUILDINGS REQUIRED

Rte 35

Plains .....	1 stall	- \$15,000
St. Regis .....	1 stall	- \$15,000
Fuel Storage .....		- \$ 2,500
Land .....		- \$ 7,500
TOTAL .....		- \$40,000

Rte 39

Colstrip .....	3 stall	- \$25,000
Land .....		- \$10,000
Fuel & Road Oil Storage..		- \$10,000
TOTAL .....		- \$45,000

Rte 41

Avon .....	2 stall	- \$20,000
Land .....		- \$ 5,000
Fuel Storage .....		- \$ 2,500
Clearwater .....	1 stall	- \$15,000
Land .....		- \$ 5,000
TOTAL .....		- \$42,500

Rte 44

Conrad .....	2 stall	- \$20,000
Land .....		- \$ 5,000
Fuel & Road Oil Storage..		- \$10,000
Dupuyer .....		- \$15,000
Land .....		- \$ 5,000
TOTAL .....		- \$55,000

Rte 56

Noxon .....	1 stall	- \$15,000
Troy .....	1 stall	- \$15,000
Sand House .....		- \$15,000
TOTAL .....		- \$45,000

Rte 69

Boulder .....		- \$
Whitehall .....	2 stall	- \$20,000
TOTAL .....		- \$20,000

Rte 78

Columbus .....	1 stall	- \$15,000
Land .....		- \$ 5,000
Red Lodge .....	1 stall	- \$15,000
Land .....		- \$10,000
TOTAL .....		- \$45,000

BUILDINGS REQUIRED  
(cont.)

Rte 81

Denton ..... - \$  
Fuel & Road Oil Storage .... - \$10,000  
TOTAL ..... - \$10,000

Rte 96

Bozeman ..... - \$  
Wilsal ..... 1 stall .. - \$15,000  
TOTAL ..... - \$15,000

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GRAND TOTAL ..... \$317,500



COLUMBUS - RED LODGE

47.681 Miles

PERSONAL SERVICES:

3 F.T.E.	\$36,777
+ 15.5%	5,700
Overtime	<u>3,398</u>
	45,775

OPERATIONS:

Equipment Rental	\$19,000
Gravel	40,000
Road Oil	6,000
Paint, Signs, Misc.	<u>22,731</u>
	87,731

TOTAL .....\$133,506

BROOKS- DENTON - ARROW CREEK

42.467 Miles

PERSONAL SERVICES:

1 F.T.E.	\$15,428
1 F.T.E.	12,259
+ 15.5%	4,291
Overtime	<u>2,600</u>
	\$34,578

OPERATIONS:

Equipment Rental	\$15,000
Gravel	25,000
Road Oil	4,000
Signs, Paint, Misc.	<u>6,072</u>
	50,072

TOTAL .....\$89,180

BULL LAKE ROAD

34.620

PERSONAL SERVICES:

2 F.T.E.	\$24,518
+ 15.5%	3,800
Overtime	<u>2,265</u>
	\$30,583

OPERATIONS:

Equipment Rental	\$17,000
Gravel	30,000
Road Oil	5,000
Signs, Paint, Misc.	<u>24,739</u>
	\$76,739

TOTAL .....\$107,322

BOULDER- WHITEHALL

38.402

PERSONAL SERVICES:

2 F.T.E.	\$24,518
+15.5%	3,800
Overtime	<u>2,265</u>
	\$30,583

OPERATIONS:

Equipment Rental	\$14,000
Gravel	28,000
Road Oil	3,500
Signs, Paint, Misc.	<u>16,126</u>
	\$61,626

TOTAL..... \$92,164

AVON - HELMVILLE

32.503 Miles

PERSONAL SERVICES:

2 F.T.E.	\$24,518
+15.5%	3,800
Overtime	<u>2,265</u>
	30,583

OPERATIONS:

Equipment Rental	\$13,000
Gravel	30,000
Road Oil	3,500
Signs, Paint, Misc.	<u>13,925</u>
	60,425

TOTAL ..... \$91,008

I-15 VALIER - US 89

28.385 Miles

PERSONAL SERVICES:

1 F.T.E.	\$15,428
1 F.T.E.	12,259
+ 15.5%	4,291
Overtime	<u>2,600</u>
	\$34,578

OPERATIONS:

Equipment Rental	\$ 7,000
Gravel	11,000
Road Oil	2,500
Signs, Paint, Misc.	<u>4,530</u>
	25,030

TOTAL ..... \$59,608

COST OF ADDED SECONDARY ROAD MILEAGE TO PRIMARY SYSTEM

ST. REGIS - PARADISE

21.465 Miles

PERSONAL SERVICES:

2 F.T.E.	\$24,518
+ 15.5%	3,800
Overtime	<u>2,265</u>
	\$30,583

OPERATIONS:

Equipment Rental	\$12,000
Gravel	18,000
Road Oil	2,500
Signs, Paint & Misc.	<u>6,404</u>
	\$68,904

TOTAL .... \$69,487

FORSYTH-LAME DEER

50.713 Miles

PERSONAL SERVICES:

2 F.T.E	\$24,518
+ 15.5%	3,800
Overtime	<u>2,265</u>
	30,583

OPERATIONS:

Equipment Rental	\$18,000
Gravel	40,000
Road Oil	6,000
Signs, Paint, Misc.	<u>16,985</u>
	\$80,985

TOTAL ....\$111,568

BOZEMAN - WILSAL

38.228 Miles

PERSONAL SERVICES:

3 F.T.E.	\$36,777
+ 15.5%	5,700
Overtime	<u>3,398</u>
	\$45,775

OPERATIONS:

Equipment Rental	\$16,000
Gravel	28,000
Road Oil	5,000
Signs, Paint, Misc.	<u>12,263</u>
	61,263

TOTAL ..... \$107,038

# STANDING COMMITTEE REPORT

March 30 19 77

MR. PRESIDENT

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 489

Respectfully report as follows: That HOUSE Bill No. 489

BE NOT CONCURRED IN

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