

BUSINESS AND INDUSTRY COMMITTEE

January 12, 1981

SUMMARY OF HOUSE BILL 14

Introduced by Rep. Manuel, amends the current statute to expand the field of membership of a credit union by eliminating the restriction against eligibility solely on the basis of place of residence. A credit union may offer its membership and services only to those persons who fall within its clearly defined field of membership, which has been limited "to a common bond" of similar occupation, common employment, or other stipulated association. Place of residence is not now a sufficient common bond.

The Federal Depository Institutions Deregulation and Monetary Control Act of 1980 gave credit unions, along with savings and loan associations, the right to solicit demand accounts through offering of share drafts. Liberalization of a credit union's field of membership, as allowed by HB 14, would expand the number of its potential customers and give it a stronger competitive position in relation to other financial institutions.

SUMMARY OF HOUSE BILL 21

Introduced by Rep. Harrington, allows the Department of Revenue, in the interim between decennial censuses, to use the most recent population estimates issued by the Bureau of the Census as the basis for establishing beer and liquor license quotas. Under present law, the alternative to the decennial census figures is a direct count of residents made by the state or a municipality. In censuses taken to determine the population of the area within five miles of a city, present law calls for the count to be at the expense of the license applicant. HB 21 would eliminate the necessity for these special counts.

HOUSE BILL 104

Introduced by Rep. Manuel, amends the present law on rural utility cooperatives to allow a change of location of an annual meeting. Under present law, a co-op is required, unless its bylaws state otherwise, to hold meetings in the town where its principal office is located. The amendment would allow the co-op's board to choose the meeting site.

The bill also amends the present law to define a quorum as five percent of all members or 50 members present, whichever is smaller. Present law sets five percent as a quorum.

HOUSE BUSINESS AND INDUSTRY COMMITTEE

Chairman Rep. W. J. Fabrega called the B&I committee to order on January 12, 1981, at 8:00 a.m. in Room 129 Capitol Building, Helena. All members were present before the meeting was over. Bills to be heard were HBs 14, 21, and 104.

HOUSE BILL 14 -

REP. REX MANUEL, House District #11, Teton County, sponsor, said HB 14 is an act to revise the definition of credit union membership. It provides that residence in a community is sufficient to be considered as a common bond that is required for membership.

JEFFRY M. KIRKLAND, Director of Governmental Relations for the Montana Credit Unions League which represents 133 credit unions, 108 of which are federally-chartered and 25 are state-chartered in Montana. He supports HB 14. See his testimony, EXHIBIT A.

EUGENE RICE, Chairman of the Montana Credit Unions League and Manager of the State Capital Employees Credit Union in Helena, supports HB 14. Community residence common bond should be allowed so credit unions could serve customers better by having community credit unions. See EXHIBIT B.

HERBERT WALLBERG, JR., Montana Credit Unions League, also supports HB 14.

OPPONENTS -

JOHN CADBY, Montana Bankers Association, opposes HB 14. Common bonds do make an impact on any community. Credit unions are growing at four times the rate as banks and savings and loan associations. Banks 20 years ago had 80% of all deposits. Competition from credit unions and other financial institutions which are protected from federal-state regulation and from taxation have advantages. More expertise will be required. Credit Unions use volunteer workers who are not qualified or trained to make loans. Passage of HB 14 will make credit unions into basically cooperative banks. Interest bearing checking accounts - last major hindrance from making them into banks. If credit unions are to be made the same as banks, they should be under the same requirements as for banks and taxed the same. He suggests repealing the common bond altogether.

\$50 in goods from a cooperative and a person is eligible to be a member. You can be a member of the Valley Credit Union for a \$50 purchase. They solicit members from throughout the State of Montana and Wyoming. You can remain a member, your children and all of your relatives can be members. They should be required to compete on the same equal level with S&Ls and banks. The Legislature should impose the same regulations, the same reserve requirements, and the same taxation as for banks.

QUESTIONS -

Rep. Kessler asked if there is legislation in to repeal the common law. Mr. Cadby said there is none. He suggested a package approach where all the relevant laws are repealed. Subject them to the same set of laws.

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Rep. Andreason - common bond, is it unfair competition due to regulations. Mr. Cadby explained members of credit unions are all a part of the organization. Banks are playing with public money and are subject to much more strict regulations. If credit unions can solicit from persons in a certain area, you are allowing them to go beyond what they were set up to be. Soliciting deposits from a community, but they are not under restrictions to protect those dollars as are banks.

Rep. Andreason - do you see any abuses of this that would be detrimental? Mr. Cadby - if you look at failures, credit unions have more failures and do not have the expertise. They are asking for a fair competitive basis.

Rep. Ellison -- what are the differences in establishing credit unions and banks? Mr. Kirkland - not much difference. If you already have the federal, what is the necessity of having the state community? Mr. Kirkland believes in the dual chartering system that can charter both a federal or state credit union. The federal has taken on a lot of responsibility and the state should be able to take care of this also.

Rep. Schultz - they are audited practically the same.

Rep. Wallin - is there a basis for a local credit union as to where its loans could be placed, or is it up to the membership. Legitimate borrowers could not borrow because of long-term loans. What terms would protect depositors? Mr. Kirkland said that long-term lending is up to the board of directors. Only one credit union is in that type of lending. Rep. Wallin continued - what would keep others from getting into this? Mr. Kirkland said they could be doing that now since they do have access to second mortgage markets.

Rep. Ellison asked if a credit union is both federally and state chartered? Mr. Kirkland said they are one or the other. Federal credit unions have used the community residence as a common bond for years and years.

Rep. Jensen - in a credit union's day to day function, to what extent does volunteer workers contribute? Rep. Manuel said the directors volunteer their time and labor. The manager is paid and all the office workers are usually paid, but sometimes they are volunteers.

Rep. Ellerd - do credit unions come under all the taxation? Rep. Robbins - are the boards elected without any special qualifications? Mr. Kirkland said many have no special expertise in lending.

Rep. Bergene - the common bond idea is beginning to blur and credit unions are not holding to it? Mr. Kirkland - No. The origin of the common bond goes back to the beginning of credit unions when first established in the United States. The first credit unions were community unions. It is not blurring. HB 14 would allow a mechanism providing a community bond that people can operate under. Residence in a community the size of Lincoln is certainly a common bond. There are some very, very well-defined common bonds.

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Rep. Manning - do credit unions have the same kind of requirements such as insurance and bonding of officers, and insurance of deposits? Mr. Kirkland advised national credit organizations are insured for \$100,000 for each account.

Rep. Fabrega asked if a credit union can lend to a non-member? Mr. Kirkland - you have to be a member to avail yourself of any credit union service. Rep. Fabrega - how are the state credit unions insured? Mr. Kirkland NCUA insures every state credit union that is chartered - must have the share insurance prior to setting up its national credit union insurances. It is through a different agency, but it has the same provisions, same extent of insurance. Rep. Fabrega - how are the credit unions protected from taxation? Mr. Cadby - they shall share net income as a private enterprise and it doesn't show any gross earnings. Any cooperative should be subject to the same property taxation. The savings they enjoy are tremendous. They have grown from \$6 million to over... The Valley Bank has had distinct advantages. They are able to pay a higher rate of interest on savings accounts.

Rep. Fabrega - credit unions make a profit - how is it taxed? Mr. Cadby said it isn't taxed - it is paid back to the members. A credit union member does not get a fixed rate of interest. Under a profit institution, in lieu of this, they are paid a fixed amount of interest. Rep. Fabrega - is it not taxed to members? Mr. Cadby - perhaps it is taxed. A bank is taxed first and when those profits are paid to individuals, they are taxed again. Rep. Fabrega - could a bank dispose of all of its income to its depositors?

Rep. Robbins - in a bank it is well protected up to a certain amount. Are credit unions protected? Mr. Kirkland - they are protected the same as banks - protected up to \$100,000.

Rep. Fabrega - what are the bulk of the loans of credit unions? Mr. Kirkland said typical credit union loans portfolio consists of primarily consumer loans. They do not make commercial loans, nor commercial agricultural loans. Valley Credit Union is state chartered.

Rep. Schultz - it will automatically go to the federal channel anyway? Mr. Kirkland - passage of the bill gives credit unions most of the power federal chartered unions have had. The federal government has been allowed to take a little more than it ought to and there should be a mechanism that the state could do the same in the state as in the federal. Rep. Fabrega - this would apply to a federal credit union in Washington D.C., and for a state-chartered one in Helena.

Rep. Wallin - could 5 or 6 members get together then and loan themselves back money at a very favorable rate? Mr. Kirkland - strick regulations control directors from borrowing at a better advantage than regular members.

Rep. Manuel closed saying HB 14 deals with community credit unions. Valley Credit Union isn't a community union. He thinks it is just the

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opposite - banks are trying to get into the credit unions' business. Credit unions were set up because they deal with consumers - people - banks didn't used to lend money to small borrowers. In a credit union you have to be a member to borrow and the credit unions know their people. The default rate on a credit union is 1/4 of 1%.

Unfair competition - directors of banks would be for free enterprise and so are credit unions. This is the way their charters read. Banks can pay all their money back to the depositors the same as credit unions can.

HOUSE BILL 104 -

REP. REX MANUEL, House District #11, Teton County, sponsor, said HB 104 is a housekeeping bill which would allow boards of rural utility cooperatives to choose a place for their annual meeting.

RILEY CHILDERS said this bill was introduced because of a court case where a cooperative had moved their annual meetings from one place to another and some of the members opposed, and the judge said the annual meeting should be held in the headquarters town. This presented a problem. Some annual meetings are so large that the annual meeting has to be moved because of better facilities. Some have written in such provisions. But about 50% do not have that provision in the by-laws and are acting outside their by-laws and there is some question as to whether they are acting without proper authorization. HB 104 would take care of this. Getting a quorum at meetings - it is difficult to get a required number of people to a meeting and this new provision would take care of this problem.

PAT MCKITTRICK, Montana Association of Utilities, said there is a question raised by the supreme court decision. This would address the cooperatives under the Rural Cooperative Act only. There is no precedent.

OPPONENTS: None

QUESTIONS -

Rep. Ellison - wouldn't it just be simpler to change the by-laws?
Mr. McKittrick - some by-laws say the annual meeting is to be held in Great Falls, and this is set rather than designating a particular place as shown you could do on lines 17-20. The by-laws say meetings could be held at some designated place as set by the board. They would say that the board of directors would have flexibility - that the flexibility was not sufficient to comply with the statute. This would allow the cooperative to include that flexibility into their by-laws to accommodate the size of a meeting.

Mr. McKittrick said the reason he wanted to change the quorum vote was because some coops have grown to where it is very difficult to get a quorum of 5%. Five percent of all members present or 50 members present would reduce the number required for a quorum so they could conduct their business. Rep. Manuel explained a terrific storm could come up and there would no way be 5% of the members present. Rep. Kessler asked the size of the membership. Mr. Childers said 6,000-7,000.

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Rep. Fabrega - even though some of the by-laws allow the board of directors to call a meeting in some other way. Mr. McKittrick - the court questioned that wording. This also happened in Jordan and it was challenged. Line 19 - the by-laws did not designate Roundup, Montana. The by-laws, while it doesn't designate a specific place, the language will say that the board of directors will have the power to set a meeting place if there is not a specific place in the by-laws. Rep. Fabrega - if a specific place in the by-laws is set, it cannot be changed. Jordan was certified as headquarters when the cooperative was formed.

Rep. Vincent - what is the smallest cooperative? Mr. Childers - 1,200 - 1,500 members. Rep. Fabrega - what percentage of the members appear at the meetings? Mr. Childers - difficult to say. In some instances, if a cooperative has 6,000 members yet you cannot get 300 members out even though you try very hard. A lesser number would serve the purpose.

Rep. Ellison - this bill just applies to the rural electric and telephone utilities? Mr. Childers - yes.

Rep. Manuel closed saying the Sun River Electric Cooperative headquartered in Fairfield has 700-800 members saying they will come to a meeting, so they have it in Great Falls and HB 104 would just legalize this.

HOUSE BILL 21 -

REP. DAN HARRINGTON, House District #88, Silver Bow County, sponsor, introduced HB 21 at the request of the Revenue Oversight Committee as a result of an interim study of liquor laws in Montana. HB 21 sets out the use of population estimates issued by the Bureau of the Census between decennial censuses for establishing liquor license quotas. This bill would also limit the special censuses that are currently allowed when persons outside the city but within a five mile limit wish to obtain a license. See EXHIBIT C. Appendix A contains county population estimates published in the Bureau of Census. Recently Congress mandated the Bureau of Census to set up a five-year census which will probably be a survey that will not be of much value to Montana.

BOB DURKEE, Montana Tavern Association, Helena, explained this estimate census bill is a product of the interim study committee to relieve the system in establishing a system for more licenses. The Montana quota system is already 600 licenses over. They presently operate with 1156. The new census would create 54 more all-beverage licenses. Hope census estimate would alleviate that by OK-ing 5-10 as time goes on without the sudden deluge at the end of the census. The industry tries to help the problem of the quota system, and you are aware of the number of bills floating around that will eliminate the quota system

The association proposes the use of an estimated census program. He thinks if it is alright to use estimates for disbursing federal money, it is sensible to use them in distributing licenses.

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PHIL STROPE, Montana Tavern Association, Helena, supports HB 21.

OPPONENTS: None

Rep. Harrington explained this is one thing that will gradually bring into the system growing population instead of a sudden number of licenses being requested. Other bills will be brought before you and will be opposed by the Tavern Association. Protection of this industry in the value of their licenses would guarantee the growth within the industry and protect their interests.

QUESTIONS -

These are new licenses, Rep. Vincent asked. Rep. Harrington - new licenses. They will go into the area where the growth of population designates.

Rep. Ellison - will there be a great number of licenses? Mr. Durkee - there will be 54, mostly in the counties.

Rep. Ellerd - is there a hardship when licenses all come out at once? Rep. Harrington said it would affect a business community when all the licenses are issued overnight because there would be more confusion. Rep. Ellerd - this will give an opportunity to obtain licenses between the 10 years of the decennial censuses? Rep. Harrington - Yes, if an estimate reaches a population growth requirement. P25 Census runs about 2 years behind. Every year the estimate is made but they run about 2 years behind. Rep. Ellerd - you refer to other bills coming in, they can't be tied together? Rep. Harrington - basically, this is our effort to help alleviate the burden.

Rep. Manning - could you explain to the committee what the quota system is and who was involved in getting the quota system in place in Montana? Rep. Harrington - the quota system came into being when the liquor system was strictly a controlled system. Many felt that a quota system was necessary to control the outlets for the disbursing of liquor. In 1937 it was based on one license for so many people. The unfortunate part was that when the quota system was adopted, the existing licenses were all grandfathered into the system which caused the excess over quota. Montana is a controlled state, ranked fourth in the per capita per license. One license for every 447 people. That is not an economic possibility - you couldn't survive on one license for 447, it should be one for 1500.

Rep. Vincent - is it fair to say that 2-4-6 years ago you would have argued against this bill? Rep. Harrington - we advocate this. We were forced to do so in front of the ROC committee.

Rep. Wallin - the majority of these will go to growth areas outside of the cities? Rep. Harrington - the present new licenses under the new census will go outside the cities? The cities are all overquotaed already.

Rep. Metcalf - Why would all 54 licenses have to be issued? Rep. Harrington - the law requires that they be issued. You are overquotaed in

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some areas but not in new growth areas. None will be issued in areas that are overquotaed.

Rep. Andreason - what is the methodology of new population estimates?
Rep. Harrington - they use schools, power hookups. There is a lag difference. The Department of Labor uses estimates for persons who are working. Rep. Andreason - is this particular method used by any other organization? Rep. Harrington - P25 gets a more rural census as well as metropolitan. P26 stays more with the large towns.

Rep. Fabrega - the whole liquor control system is a fairly complex thing pertaining to licenses. What is the exact change that this bill makes? Rep. Harrington - population estimates was authorized in the interim which is a special census that could be set up in certain areas. If areas grow, they could call for a special census and estimated census could be used by the Department of Revenue to issue new licenses.

PHIL STROPE - under present law for issuance, the Department of Revenue has authority to use the last census figures, and they are operating under the 1970 census at the moment. As of the new year, after the President certified the new 1980 census, they will use the 1980 figures. Under present law without Rep. Harrington's bill 54 new licenses can be issued - 6 to Billings, 3 to Bozeman, a few to Ravalli, Lake, Flathead counties, big counties on the western rim of Montana. One of the biggest problems in areas having constant growth is that they have been unable to use estimates. It will be 1982 before they can look at the estimates. This allows them to keep a running account.

The Department now under present law can utilize any official U.S. census. In 1975 the county commissioners in Rosebud County could tell that if they conducted a special census, it would exceed the estimates they had accumulated in the past 5 years. If they could get that and they could get all those things that flow from the 1975 census, it would be worthwhile to have a special census.

Rep. Ellerd - they would have to take a census every two years. Mr. Strobe - the U.S. takes estimates, but they are about two years behind. This bill would allow the Department of Revenue to make new census estimates and the Department of Revenue could issue new licenses. Rep. Ellerd - how are you going to take the difference between counties and cities? Will you estimate on incorporated cities?

Rep. Fabrega - how does the 5-mile limit differ under these population estimates? Mr. Strobe - the basis for determination for the license to be issued within the city and 5 miles outside the city should be based upon the number of outlets within the city. Rep. Fabrega - the city census plus the census within 5 miles affects the issuance of licenses? Mr. Strobe - yes.

Rep. Wallin - in an area where the population is going down, can a license be sold to an area of growth population? Rep. Harrington - the floating license provision takes care of this - the number of licenses now will exceed the quota over 105% and those licenses can be floated out. A new license in Billings will be floated from Anaconda.

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Mr. Strobe - a license floated in has to be owned by a natural person, it cannot be sold or transferred except by death. They will be asking the Senate committee to change that. After five years the prohibitions would be taken off and then it could be handled as any other license. Licenses issued under regular censuses are regular licenses.

Rep. Ellerd - if you have that floater license, it is worth nothing and five years from now what would it be worth? Mr. Strobe - license values would vary. Some rural communities that have had licenses are not so valuable when the population declines. Floater licenses are available in Butte. There are about 50 floaters. Anaconda has about 15-18 that could legally be floated out. Other places have some, too. Rep. Ellerd - they are limited? Mr. Strobe - yes.

Rep. Manning - the only time a floater license can be floated is when there is a need for additional licenses in the area. Mr. Strobe - you can take out of an area that exceeds 125% into an area that is 125% short.

Rep. Robbins - is it possible to float a license out of a rural area into a city? Mr. Strobe - you can float a license out of a surplus rural area into a city that would be less than 125%, if you had a floater license.

Rep. Fabrega - we will be hearing a lot of liquor control bills and it would be a benefit to be brought up to date as to how the system works. He will ask Ms. Feaver to make a presentation to the committee on Wednesday to help the committee understand.

EXECUTIVE SESSION -

HB 21 will allow the department to use census estimates. Rep. Ellison sees no problem if the estimated census is reasonably accurate. Rep. Pavlovich recommended waiting until the Senate bills get here. A license in an area 125% over quota can be floated into an area having 125% under quota licenses.

Rep. Fabrega - the estimating system would be put out annually. They use reliable estimators and make a quota from that. This bill has to do with the present mechanics of the law.

Rep. Kitselman moved that HOUSE BILL 21 DO PASS. Rep. Wallin - looks like we are about 475 long based on present population, and HB 21 would increase that another 54 making it over 525. That would be detrimental. A large number would be in here. There is good police protection - some would be put in outlying areas. Rep. Ellison - that is one of the drawbacks of our system - way over in some places and no way except floaters to get them out of there. Those 54 licenses are going to go out anyway. HB 21 would allow some now on instead of waiting 10 years to issue a license. You could issue some out on estimates and you wouldn't have 54 again in 10 years - they would be strung out.

Rep. Fabrega - this will allow growth of licenses over 10 years in accordance with growth of population rather than all at once. Rep. Jacobsen - some areas are really growing. Rep. Robbins - think this is a pretty good bill. Coal impact areas - when you jam 300 people into a small area you have problems.

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Rep. Ellerd - has some problems with the bill.

Rep. Andreason - what are licenses worth in the Bozeman area? Rep. Ellerd said they are worth \$125-130,000.

Rep. Fabrega - new license based on population goes for \$20,000 paid to the state. You can pay for the census or pay \$130,000 for a license from someone else. Rep. Andreason - the philosophy of tavern owners is the fewer licenses, the more they are worth and they are a more valuable asset, and so they don't want more licenses. Rep. Kitselman - banks are holding a lot of licenses as collateral.

The motion that HOUSE BILL 21 DO PASS carried with Rep. Ellerd voting No, and Rep. Wallin abstaining.

Rep. Fabrega asked Paul Verdon, the committee researcher, to look at the court decision referred to in testimony on HB 104. Unless the by-laws give the directors the position of being able to name the meeting place, it is presumed that it has to be in that town - that there is nothing that allows the board of directors to make a meeting in another place.

Rep. Jacobsen - the particular question is where they have moved the annual meeting to another town. Rep. Fabrega - the by-laws did not call for the meeting to be in Jordan. The directors had the right to call a meeting. Rep. Ellison - if not listed in the by-laws, they have to hold it in the headquarters town.

Rep. Robbins - the only place in the town that could accommodate a meeting was not available. It is a tremendous job to get a quorum of members. Think we need this bill.

Paul Verdon - the place of business of a corporation states the name of the headquarters city. Place of meeting is specified in 35-18-303.

Rep. Ellison - why not change the by-laws? Rep. Fabrega - that seems to run into problems with the courts. The researcher is to study the court case.

Rep. Kitselman suggested changing the 50 to 51 members necessary for a quorum. Rep. Vincent - 5% of 7,000 members is tremendously different from 51. Fifty-one may not be a representative group. Rep. Kessler - think everyone can go and decision making goes to those who attend. Large distances or storms could preclude many people from attending. Rep. Jacobsen said many times members cannot get to a meeting - directors are usually representative of areas. Rep. Robbins - very hard to get people to attend annual meetings. Rep. Bergene - by-laws allow proxy voting which might take care of that concern. Rep. Jensen - you become a member by just trading there, and members do not care about the organization. Rep. Fabrega - this is a utility coop law.

Meeting adjourned at 11:00 a.m.

REP. W. J. FABREGA, Chairman

Josephine Lahti, Secretary

TESTIMONY OF
JEFFRY M. KIRKLAND
DIRECTOR OF GOVERNMENTAL RELATIONS
MONTANA CREDIT UNIONS LEAGUE

HOUSE BILL 14
TESTIMONY OF JEFFRY M. KIRKLAND
DIRECTOR OF GOVERNMENTAL RELATIONS
MONTANA CREDIT UNIONS LEAGUE

BEFORE THE HOUSE BUSINESS & INDUSTRY COMMITTEE
ON MONDAY, 12 JANUARY, 1981

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, FOR THE RECORD I AM JEFF KIRKLAND, DIRECTOR OF GOVERNMENTAL AND COMMUNITY RELATIONS FOR THE MONTANA CREDIT UNIONS LEAGUE. OUR LEAGUE REPRESENTS 133 CREDIT UNIONS IN MONTANA, 108 OF WHICH ARE FEDERALLY-CHARTERED AND 25 OF WHICH ARE STATE-CHARTERED. ON THEIR BEHALF I THANK YOU FOR THE OPPORTUNITY TO TESTIFY IN SUPPORT OF HOUSE BILL 14.

HOUSE BILL 14, QUITE SIMPLY, WOULD ALLOW THE STATE OF MONTANA TO CHARTER COMMUNITY CREDIT UNIONS, A POWER THAT IS CURRENTLY PROHIBITED BY STATE LAW.

BEFORE DISCUSSING THE MERITS OF THE BILL, I WOULD LIKE TO ACQUAINT YOU WITH TWO TERMS UNIQUE TO CREDIT UNIONS: "COMMON BOND" AND "FIELD OF MEMBERSHIP." THEY WORK LIKE THIS: CREDIT UNIONS ARE COOPERATIVE, NON-PROFIT MEMBERSHIP ORGANIZATIONS, AND THE MEMBERSHIP REQUIREMENTS ARE DETERMINED BY THE CREDIT UNION'S COMMON BOND. A PERSON MUST BE A MEMBER OF THE CREDIT UNION TO BE ABLE TO UTILIZE ITS SERVICES.

TO COMPLICATE THINGS FURTHER, A PERSON CAN ONLY BECOME A MEMBER OF THE CREDIT UNION IF HE COMES WITHIN THE CREDIT UNION'S FIELD OF MEMBERSHIP. THAT FIELD OF MEMBERSHIP IS DEFINED BY THE COMMON BOND UNDER WHICH THE CREDIT UNION WAS CHARTERED.

BOTH TRADITIONALLY AND STATUTORILY, FEDERAL CREDIT UNIONS HAVE BEEN CHARTERED BY THE FEDERAL GOVERNMENT ON THE BASIS OF ONE OF THREE DIFFERENT TYPES OF COMMON BOND: OCCUPATIONAL, ASSOCIATIONAL, OR COMMUNITY.

AND TRADITIONALLY AND STATUTORILY, TOO, STATE-CHARTERED CREDIT UNIONS HAD BEEN CHARTERED ON THE SAME BASIS--OCCUPATIONAL, ASSOCIATIONAL, OR COMMUNITY--UNTIL MONTANA'S CREDIT UNION LAW WAS RECODIFIED. AT THAT TIME THE STATE'S POWER TO CHARTER A STATE CREDIT UNION ON THE BASIS OF COMMUNITY RESIDENCE WAS STRICKEN FROM THE LAW. HOWEVER, BECAUSE THERE WERE TWO STATE-CHARTERED COMMUNITY CREDIT UNIONS IN EXISTENCE AT THAT TIME, THE WHITEFISH CREDIT UNION ASSOCIATION AND THE MISSION RANGE CREDIT UNION IN CHARLO WERE ALLOWED TO KEEP THEIR COMMUNITY COMMON BOND.

BUT JUST WHAT IS THIS COMMON BOND? TYPICAL EXAMPLES OF OCCUPATIONAL CREDIT UNIONS ARE THE BUTTE TELEPHONE EMPLOYEES FEDERAL CREDIT UNION, THE COLUMBUS HOSPITAL FEDERAL CREDIT UNION IN GREAT FALLS, THE GAZETTE EMPLOYEES CREDIT UNION IN BILLINGS, THE ZONOLITE EMPLOYEES CREDIT UNION IN LIBBY, AND THE MONTANA FOREST PRODUCTS FEDERAL CREDIT UNION IN MISSOULA. MEMBERS AND POTENTIAL MEMBERS OF EACH OF THOSE CREDIT UNIONS MUST FALL WITHIN THE SPECIFIC FIELD OF MEMBERSHIP REQUIREMENTS OF BEING A BUTTE TELEPHONE EMPLOYEE, AN EMPLOYEE OF COLUMBUS HOSPITAL, AN EMPLOYEE OF THE BILLINGS GAZETTE, AND SO ON.

EXAMPLES OF ASSOCIATIONAL CREDIT UNIONS ARE THE IBEW LOCAL 653 FEDERAL CREDIT UNION IN MILES CITY, THE GREAT FALLS CATHOLIC FEDERAL CREDIT UNION, BUTTE METAL TRADES FEDERAL CREDIT UNION, YELLOWSTONE CONFERENCE FEDERAL CREDIT UNION IN BOZEMAN, OR THE

BILLINGS STUDENT CREDIT UNION. EACH OF THOSE CREDIT UNIONS HAS A COMMON BOND OF ASSOCIATION RESULTING FROM MEMBERSHIP IN NON-CREDIT UNION ORGANIZATIONS, THE PARTICIPATION IN WHOSE ACTIVITIES DEVELOPS COMMON LOYALTIES, MUTUAL BENEFITS, AND MUTUAL INTERESTS. THE ORGANIZATION OR ASSOCIATION SHOULD HOLD REGULAR MEMBERSHIP MEETINGS OR SHOULD SPONSOR OTHER ACTIVITIES THAT PROVIDE FOR CONTACT AMONG MEMBERS.

NOW BACK TO HOUSE BILL 14. UNDER FEDERAL LAW, THE FEDERAL GOVERNMENT HAS THE AUTHORITY TO CHARTER FEDERAL COMMUNITY CREDIT UNIONS IRRESPECTIVE OF STATE LAW AND, IN FACT, HAS CHARTERED SOME 35 FEDERAL COMMUNITY CREDIT UNIONS IN MONTANA.

WHAT IS THE COMMON BOND OF THOSE 35 FEDERAL COMMUNITY CREDIT UNIONS? IT IS PRIMARILY RESIDENCE WITHIN A WELL-DEFINED NEIGHBORHOOD, COMMUNITY, OR RURAL DISTRICT.

HOUSE BILL 14 WOULD ALLOW THE STATE OF MONTANA TO CHARTER COMMUNITY CREDIT UNIONS USING THAT SAME COMMON BOND OF RESIDENCE "WITHIN A WELL-DEFINED NEIGHBORHOOD, COMMUNITY, OR RURAL DISTRICT." HOUSE BILL 14 WOULD ALLOW THE STATE TO CHARTER THE SAME TYPE CREDIT UNION AS CAN BE CHARTERED BY THE FEDERAL GOVERNMENT.

WE CONTEND THAT A COMMON BOND BASED ON COMMUNITY RESIDENCE MEETS A DEFINITE NEED, AND THE EXISTENCE OF 35 FEDERALLY-CHARTERED COMMUNITY CREDIT UNIONS MAKES A STRONG CASE FOR THAT NEED.

ON THE FOLLOWING PAGE WE HAVE LISTED 23 OF THE 35 FEDERAL COMMUNITY CREDIT UNIONS THAT RESPONDED TO A SURVEY LAST SEPTEMBER. LISTED ARE COMMUNITY CREDIT UNIONS RANGING IN SIZE FROM \$7,225,000 IN ASSETS TO \$36,044 AND FROM 3,999 MEMBERS TO 180 MEMBERS.

YOU WILL NOTE THAT 15 OF THE 23 CREDIT UNIONS ARE MARKED BY

FEDERALLY-CHARTERED COMMUNITY CREDIT UNIONS

Federal Credit Unions	No. of Members	Location	Assets
1. Fergus Co. FCU	1,915	Lewistown	\$ 2,630,070
* 2. Ft. Peck Community FCU	567	Fort Peck	692,981
* 3. Greenfield Community FCU	921	Fairfield	843,741
4. Helena FCU	3,999	Helena	5,407,669
* 5. McCone FCU	374	Circle	219,124
6. North Central Montana FCU	813	Havre	642,571
* 7. Shelby Community FCU	1,337	Shelby	1,658,657
8. Tri-Valley FCU	732	East Helena	647,344
9. Valley County FCU	1,266	Glasgow	1,552,862
*10. West Sanders FCU	211	Trout Creek	36,044
*11. Bitterroot Community FCU	327	Darby	163,512
12. Daniels County FCU	1,937	Scobey	3,609,698
*13. Harlowton Community FCU	499	Harlowton	462,335
*14. Liberty County FCU	262	Chester	79,323
*15. Nashua Community FCU	334	Nashua	142,978
*16. Opheim Community FCU	303	Opheim	144,807
17. Richland FCU	2,700	Sidney	7,225,000
18. Riverview FCU	3,721	Great Falls	5,031,391
*19. Tobacco Root FCU	286	Whitehall	108,834
*20. Toole County FCU	375	Sunburst	179,610
*21. West Blaine FCU	180	Chinook	68,718
*22. Carter County FCU	500	Ekalaka	81,044
*23. Froid Federal	379	Froid	330,831

*No industrial base or sufficient population in any one interest group.

ASTERISKS. WE HAVE DETERMINED THAT THE AREAS IN WHICH THOSE CREDIT UNIONS ARE LOCATED HAVE NO INDUSTRIAL BASE NOR EMPLOYERS LARGE ENOUGH TO EMPLOY ENOUGH PEOPLE TO MAINTAIN AN OCCUPATIONAL COMMON BOND. WE HAVE ALSO DETERMINED THAT NONE OF THESE AREAS HAVE SUFFICIENT POPULATION IN ANY ONE INTEREST GROUP OR ORGANIZATION TO MAINTAIN AN ASSOCIATIONAL COMMON BOND.

THE ONLY TYPE OF COMMON BOND REMAINING THAT WOULD ALLOW RESIDENTS OF THOSE AREAS TO ENJOY CREDIT UNION SERVICE IS THAT OF COMMUNITY RESIDENCE. SO THE FEDERAL GOVERNMENT SAW FIT TO CHARTER COMMUNITY CREDIT UNIONS IN THOSE COMMUNITIES.

NATIONALLY, OF SOME 12,000 FEDERAL CREDIT UNIONS, ONLY ABOUT 4% ARE COMMUNITY CREDIT UNIONS. HOWEVER, IN MONTANA, OUT OF 110 FEDERAL CREDIT UNIONS, 35 ARE COMMUNITY CREDIT UNIONS--ABOUT 33%. WHY?

SPARSELY-POPULATED, LITTLE-OR-NO-INDUSTRIAL-BASE AREAS WITHOUT LARGE EMPLOYERS PRECLUDE, FOR THE MOST PART, OCCUPATIONAL OR ASSOCIATIONAL COMMON BONDS. RESIDENTS OF SUCH AREAS CAN ONLY BE SERVED BY COMMUNITY CREDIT UNIONS.

AND BECAUSE OF MONTANA'S PROHIBITION AGAINST STATE-CHARTERED COMMUNITY CREDIT UNIONS, THOSE COMMUNITY CREDIT UNIONS CAN ONLY BE CHARTERED BY THE FEDERAL GOVERNMENT. BECAUSE OF MONTANA'S PROHIBITION AGAINST STATE-CHARTERED COMMUNITY CREDIT UNIONS, THE STATE HAS ABROGATED ITS RESPONSIBILITY TO PROVIDE FOR THE NEEDS OF ITS CITIZENS BY CHARTERING AND SUPERVISING CREDIT UNIONS THAT WOULD SERVE THEIR FINANCIAL NEEDS.

ON THE FOLLOWING PAGE WE HAVE IDENTIFIED 12 MONTANA COMMUNITIES OR AREAS SERVED NEITHER BY CREDIT UNIONS NOR BY COMMERCIAL BANKS.

MONTANA COMMUNITIES WITHOUT
CREDIT UNIONS OR BANKS

County	Community	Population
1. Mineral	Alborton	379
2. Lewis & Clark	Augusta Division	847
3. Yellowstone	Broadview	125
4. Judith Basin	Hobson	253
5. Carbon	Joliet	412
6. Big Horn	Lodge Grass	776
7. Sheridan	Medicine Lake	407
8. Fergus	Moore	229
9. Phillips	Saco	251
10. Lincoln	Troy	1084
11. Petroleum	Winnett	209
12. Beaverhead	Wisdom/Big Hole Basin Division	741

Population figures are based on 1980 preliminary census data.

WHAT DO THESE COMMUNITIES OR AREAS HAVE IN COMMON? ALL ARE LOCATED IN SPARSELY-POPULATED AREAS IN WHICH THERE IS LITTLE OR NO INDUSTRIAL BASE, AREAS IN WHICH THERE IS NEITHER AN OCCUPATIONAL NOR AN ASSOCIATIONAL COMMON BOND, AND AREAS IN WHICH ONLY THE FEDERAL GOVERNMENT COULD CHARTER A COMMUNITY CREDIT UNION SHOULD THE RESIDENTS FEEL THE NEED TO ESTABLISH A LOCAL FINANCIAL INSTITUTION.

COULD THEY CHARTER A COMMERCIAL BANK? CHANCES ARE THEY COULD NOT, FOR ACCORDING TO THE DEPARTMENT OF BUSINESS REGULATION, NEW BANKS TODAY NEED BE CAPITALIZED AT ABOUT \$1 MILLION. CHANCES ARE THAT THERE IS NOT THAT TYPE OF INVESTMENT CAPITAL IN ANY OF THOSE COMMUNITIES OR AREAS.

A COMMERCIAL BANK IS A STOCK CORPORATION, AND THE OBJECTIVE OF ANY STOCK CORPORATION IS TO MAXIMIZE THE RETURN ON INVESTMENT TO ITS INVESTORS. FEW STOCK CORPORATIONS COULD ESTABLISH THEMSELVES IN COMMUNITIES SUCH AS OUR 12, SINCE THE POTENTIAL FOR REALIZING A SATISFACTORY RETURN ON INVESTMENT IS JUST NOT THERE.

HOWEVER, ANY SEVEN OR MORE RESIDENTS OF THE STATE OF LEGAL AGE WHO HAVE A COMMON BOND OF OCCUPATION, ASSOCIATION, OR COMMUNITY RESIDENCE (EXCEPT FOR STATE-CHARTERED CREDIT UNIONS) MAY ESTABLISH EITHER A FEDERAL OR STATE CREDIT UNION BY FILING ARTICLES OF INCORPORATION AND OBTAINING A CERTIFICATE OF APPROVAL FROM EITHER THE FEDERAL GOVERNMENT OR THE STATE.

THE CREDIT UNION CAN INITIALLY BE CAPITALIZED FOR AS LITTLE AS \$35 (ONE \$5 SHARE PER PERSON), ALTHOUGH THAT HAS NEVER BEEN THE CASE IN MONTANA. THE LAST TWO CREDIT UNIONS CHARTERED IN MONTANA--ALTHOUGH BOTH FEDERAL CREDIT UNIONS, ONE OCCUPATIONAL AND ONE ASSOCIATIONAL--WERE CAPITALIZED AT \$7,000 AND \$20,000 RESPECTIVELY.

SO YOU CAN SEE THAT IT IS MUCH MORE FEASIBLE TO ESTABLISH A CREDIT UNION IN SUCH COMMUNITIES AND AREAS, SIMPLY BECAUSE OF THEIR NON-PROFIT STRUCTURE AND MUCH LOWER CAPITALIZATION REQUIREMENTS. AND, FOR THE MOST PART, COMMUNITY RESIDENCE IS THE ONLY TYPE OF COMMON BOND AVAILABLE TO THE RESIDENTS OF THOSE COMMUNITIES.

BUT WHAT ABOUT THE COMPETITIVE ASPECTS OF CHARTERING COMMUNITY CREDIT UNIONS IN COMMUNITIES SERVED BY ONE OR MORE COMMERCIAL BANKS, S&LS, OR OTHER CREDIT UNIONS? WITH THE ABILITY TO ACCEPT ANYONE LIVING WITHIN A SPECIFICALLY-DEFINED GEOGRAPHIC AREA AS A MEMBER, WON'T THAT CUT INTO THE BUSINESS OF THOSE OTHER FINANCIAL INSTITUTIONS COMPETING IN THAT MARKET AREA?

WE THINK NOT--OR IF THERE IS SOME COMPETITIVE DISPLACEMENT, IT SHOULD BE NEGLIGIBLE. AGAIN, WE DRAW YOUR ATTENTION TO THE LIST OF FEDERAL COMMUNITY CREDIT UNIONS ON PAGE 4. YOU CAN SEE THAT THE LARGEST COMMUNITY CREDIT UNION SHOWN IS RICHLAND FEDERAL CREDIT UNION IN SIDNEY, WITH ASSETS OF \$7,225,000. IT WAS CHARTERED IN 1939. FIRST UNITED BANK OF SIDNEY WAS CHARTERED IN 1975; ITS TOTAL ASSETS ARE \$13,393,000.

IN GREAT FALLS THERE ARE CURRENTLY TWO FEDERAL COMMUNITY CREDIT UNIONS, RIVERVIEW FEDERAL CREDIT UNION AND WESTSIDE FEDERAL CREDIT UNION. BOTH HAVE ASSETS IN EXCESS OF \$5,000,000, AND BOTH HAVE SOME 3,500 MEMBERS. HOWEVER, IN SPITE OF HAVING TO COMPETE WITH TWO COMMUNITY CREDIT UNIONS THAT CAN ACCEPT ANYONE LIVING IN THE COMMUNITY AS MEMBERS, THE VILLAGE BANK IN GREAT FALLS, ACCORDING TO THE DEPARTMENT OF BUSINESS REGULATION, WAS THE BIGGEST PERCENTAGE GAINER IN THE STATE DURING THE PERIOD FROM 1975 TO 1979.

THE FOLLOWING CLIPPING FROM THE GREAT FALLS TRIBUNE MAKES

INTERESTING READING AND ALSO TENDS TO REFUTE SOME OF THE CLAIMS THAT COMMUNITY CREDIT UNIONS REALLY HAVE NO COMMON BOND AND THAT THEY COMPETE DIRECTLY, AGGRESSIVELY, AND SUCCESSFULLY (AND PERHAPS UNFAIRLY) AGAINST COMMERCIAL BANKS. THE STATISTICS JUST DO NOT BEAR THAT OUT.

State taps Village Bank for top percentage gain

Village Bank was the biggest percentage gainer in the state during the period from 1975 to 1979, according to resource figures compiled by the Montana Department of Business Regulation. The figures were released by the Great Falls Area Chamber of Commerce.

Relatively new in 1975, Village Bank's resources jumped from \$8,366,000 to \$16,732,000 during the four years for a 94 percent gain. However, at the end of 1979 it ranked No. 6 in resources among Great Falls' seven banks.

Biggest in the area in respect to resources was First Bank Great Falls. During the four years its resources increased from \$113.6 million to \$162.5 million — a 43 percent gain.

Second largest in the Golden Triangle is Northwestern Bank, whose resources jumped from \$93.1 million in 1975 to \$127.3 million in 1979, for a 36 percent gain.

The two largest banks in the city rank No. 3 and No. 5 in the state as far as resources go, according to the state report.

Elsewhere, Montana Bank saw its

resources increase from \$55.9 million to \$92.9 million, a 67 percent hike; First Bank West, from \$32.6 million to \$61.7 million an 89 percent gain; Central Bank, from \$11.5 million to \$19.9 million, a 73 percent increase, and Eastside Bank, from \$9.2 million to \$15.8 million, a 72 percent gain.

THE STATE OF MONTANA SHOULD BE ABLE TO CHARTER COMMUNITY CREDIT UNIONS RATHER THAN LEAVING IT UP TO THE FEDERAL GOVERNMENT TO MEET THE FINANCIAL NEEDS OF MONTANA'S CITIZENS. THERE IS A DEFINITE NEED FOR THE ESTABLISHMENT OF COMMUNITY CREDIT UNIONS IN RURAL, SPARSELY-POPULATED COMMUNITIES AND AREAS OF THE STATE WHERE THERE IS NO INDUSTRIAL BASE NOR LARGE EMPLOYERS. AND THE

COMPETITIVE IMPACT ON OTHER FINANCIAL INSTITUTIONS--AT LEAST FROM ASSESSING PAST IMPACT FROM FEDERAL COMMUNITY CREDIT UNIONS--SHOULD BE MINIMAL.

FOR THOSE REASONS, WE ASK THAT THIS COMMITTEE RECOMMEND THAT HOUSE BILL 14 DO PASS. THANK YOU.

Meyer Exhibit B

HOUSE BILL 14
TESTIMONY OF T. EUGENE RICE
CHAIRMAN
MONTANA CREDIT UNIONS LEAGUE

BEFORE THE HOUSE BUSINESS & INDUSTRY COMMITTEE
ON MONDAY, JANUARY 12, 1981

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, FOR THE RECORD I AM GENE RICE, CHAIRMAN OF THE MONTANA CREDIT UNIONS LEAGUE AND MANAGER OF STATE CAPITAL EMPLOYEES CREDIT UNION HERE IN HELENA. I TOO STAND IN SUPPORT OF HOUSE BILL 14.

HOUSE BILL 14 ADDRESSES AN INEQUITY IN OUR STATE CREDIT UNION LAW THAT PREVENTS THE STATE FROM CHARTERING COMMUNITY CREDIT UNIONS. THERE IS A DEFINITE NEED TO BE ABLE TO ESTABLISH COMMUNITY CREDIT UNIONS IN THE OUTLYING AND RURAL AREAS OF MONTANA, BUT THE STATE IS CURRENTLY UNABLE TO MEET THAT NEED. UNFORTUNATELY, THAT PLACES THE RESPONSIBILITY ON THE FEDERAL GOVERNMENT, WHICH HAS RESPONDED BY CHARTERING 35 FEDERAL COMMUNITY CREDIT UNIONS OVER THE YEARS.

WE BELIEVE VERY STRONGLY IN THE DUAL-CHARTERING SYSTEM, THE SYSTEM THAT ALLOWS A FINANCIAL INSTITUTION TO BE CHARTERED EITHER UNDER FEDERAL OR UNDER STATE LAW. IN THE PAST, THE DUAL-CHARTERING SYSTEM HAS BEEN RESPONSIBLE FOR ANY NUMBER OF INNOVATIONS THAT HAVE SINCE BEEN IMPLEMENTED TO PROVIDE CONSUMERS BETTER FINANCIAL SERVICES.

FOR EXAMPLE, OUR STATE-CHARTERED CREDIT UNIONS WERE ABLE TO MAKE MORTGAGE LOANS YEARS BEFORE THE FEDERAL REGULATORS ALLOWED FEDERAL CREDIT UNIONS THAT AUTHORITY. ON THE OTHER HAND, THE

FEDERAL CREDIT UNIONS WERE ALLOWED TO OFFER SHARE DRAFTS (CHECK-LIKE INTEREST-BEARING TRANSACTION ACCOUNTS) WHEN STATE LAW PREVENTED OUR STATE-CHARTERED CREDIT UNIONS FROM OFFERING THE SAME TYPE OF ACCOUNT. TODAY, HOWEVER, BOTH FEDERAL AND STATE CREDIT UNIONS CAN OFFER SUBSTANTIALLY THE SAME TYPES OF SERVICES; BUT IT WAS THE DUAL-CHARTERING SYSTEM THAT MADE IT POSSIBLE.

THE BEAUTY OF THE DUAL-CHARTERING SYSTEM IS THAT IT PROVIDES AN ENVIRONMENT FOR INNOVATION AND CHANGE. NORMALLY, WHEN THE FEDERAL REGULATORS SEE THAT SOMETHING WORKS WELL FOR STATE CREDIT UNIONS, THEY USUALLY ALLOW--AT LEAST AFTER A WHILE--FEDERAL CREDIT UNIONS TO OFFER THAT SERVICE. AND VICE VERSA. WHEN THE STATE SEES THAT SOMETHING IT PROHIBITS WORKS WELL FOR FEDERAL CREDIT UNIONS, IT NORMALLY WILL ALLOW STATE CREDIT UNIONS TO IMPLEMENT IT.

OCCASIONALLY, HOWEVER, EITHER THE FEDERAL GOVERNMENT OR THE STATE WILL IGNORE THE VALIDITY OF THE OTHER'S POSITION OR WILL FAIL TO SEE THE NEED IT MEETS. IN THIS CASE, THE FEDERAL GOVERNMENT IS MEETING A NEED THAT THE STATE SHOULD ALSO BE MEETING, AND THAT IS TO PROVIDE THE OPPORTUNITY FOR A NUMBER OF THE STATE'S CITIZENS TO ENJOY CREDIT UNION SERVICES. WE BELIEVE THAT THE STATE SHOULD FOLLOW THE FEDERAL GOVERNMENT'S EXAMPLE AND ALLOW THE CHARTERING OF STATE COMMUNITY CREDIT UNIONS.

THE DIRECTOR OF THE DEPARTMENT OF BUSINESS REGULATION IS RESPONSIBLE FOR APPROVING STATE CREDIT UNION CHARTERS, AND SHOULD THIS COMMITTEE GIVE HOUSE BILL 14 A "DO PASS" AND SHOULD THE BILL FINALLY BECOME LAW, THE DIRECTOR WOULD BE RESPONSIBLE FOR ESTABLISHING GUIDELINES FOR THE CHARTERING OF A COMMUNITY CREDIT UNION.

IN SUMMARY, IF IN SPARSELY-POPULATED AREAS OF THE STATE COMMUNITY RESIDENCE IS THE ONLY TYPE OF COMMON BOND THAT WOULD ALLOW MONTANANS TO BECOME CREDIT UNION MEMBERS, WE DON'T BELIEVE THAT THE STATE SHOULD PROHIBIT CREDIT UNION MEMBERSHIP BY PROHIBITING THE CHARTERING OF COMMUNITY CREDIT UNIONS.

WE ALSO BELIEVE THAT THE STATE HAS A REGULATORY RESPONSIBILITY TO CHARTER AND SUPERVISE STATE CREDIT UNIONS. IF THE STATE PROHIBITS A TYPE OF CREDIT UNION THAT MEETS A DEFINITE NEED, RESULTING IN THE FEDERAL GOVERNMENT HAVING TO MEET THAT NEED, THEN THE STATE HAS DELIBERATELY SIDESTEPED ITS RESPONSIBILITY TO ITS CITIZENS.

THANK YOU FOR THIS OPPORTUNITY TO TESTIFY IN SUPPORT OF HOUSE BILL 14. AND I URGE THAT THE COMMITTEE RECOMMEND THAT THE BILL DO PASS.

NAME HERBERT WALLACE JR. BILL NO. HB14
ADDRESS Blue Sky NEIGHB. CLARK, MT. DATE 1/12/81
WHOM DO YOU REPRESENT MONTANA CREDIT UNION LEAGUE
SUPPORT ☒ OPPOSE ☐ AMEND ☐

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

COMMENTS:

NAME JOHN CARBY

BILL NO. HB 11

ADDRESS 706 HARRISON

DATE 1-12-81

WHOM DO YOU REPRESENT MT BARBERS ASSN

SUPPORT

OPPOSE

☒

AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

APPENDIX A

Table 1. July 1, 1977 Population Estimates for the State, Counties, and Subcounty Areas

AREA	JULY 1, 1977	APRIL 1, 1970 CENSUS	CHANGE, 1970 TO 1977		AREA	JULY 1, 1977	APRIL 1, 1970 CENSUS	CHANGE, 1970 TO 1977	
			NUMBER	PERCENT				NUMBER	PERCENT
STATE OF MONTANA.....	765 680	694 409	71 271	10.3	DENTON.....	383	398	-15	-3.8
BEAVERHEAD COUNTY.....	8 252	8 187	65	0.8	GRASS RANGE.....	188	181	7	3.9
DILLON.....	4 366	4 548	-182	-4.0	LEWISTOWN.....	6 733	6 437	286	4.4
LIMA.....	305	351	-46	-13.1	MOORE.....	231	219	12	5.2
HIG HORN COUNTY.....	10 675	10 057	618	6.1	WINIFRED.....	167	190	-23	-12.1
HARDIN.....	3 177	2 753	444	16.2	FLATHEAD COUNTY.....	46 937	39 460	7 477	18.9
LODGE GRASS.....	520	806	-286	-35.5	COLUMBIA FALLS.....	3 124	2 652	472	17.8
BLAINE COUNTY.....	7 092	6 727	365	5.4	KALISPELL.....	15 652	10 526	5 126	48.7
CHINOOK.....	1 718	1 813	-95	-5.2	WHITEFISH.....	3 674	3 349	325	9.7
HARLER.....	1 299	1 094	205	18.7	GALLATIN COUNTY.....	38 803	32 505	6 298	19.4
BROADWATER COUNTY.....	3 149	2 526	623	24.7	BELOGRADE.....	2 037	1 307	730	55.9
TURNSEND.....	1 719	1 371	348	25.4	BOZEMAN.....	20 304	18 635	1 669	8.9
CARBON COUNTY.....	8 104	7 080	1 024	14.5	MANHATTAN.....	955	816	139	17.0
BEAR CREEK.....	48	31	17	54.8	THREE FORKS.....	1 403	1 188	215	18.1
BRIDGER.....	805	717	88	12.3	WEST YELLOWSTONE.....	790	756	34	4.5
FRONTERA.....	468	364	104	28.6	GAFFNEY COUNTY.....	1 763	1 746	-17	-1.0
JUDITH.....	559	412	147	35.7	JORDAN.....	553	529	24	4.5
RED LODGE.....	2 002	1 844	158	8.6	GLACIER COUNTY.....	11 050	10 783	267	2.5
CARTER COUNTY.....	1 846	1 950	-110	-5.6	BROWNING.....	1 894	1 700	194	11.4
ERLAKA.....	646	663	-17	-2.6	CUT BANK.....	3 765	4 004	-239	-6.0
CASCADE COUNTY.....	85 116	81 804	3 312	4.0	GOLDEN VALLEY COUNTY.....	926	931	-5	-0.5
BEAUTY.....	722	656	66	10.1	LAVINA.....	147	169	-22	-13.0
CASCADE.....	732	714	18	2.5	RYEGATE.....	241	261	-20	-7.7
GREAT FALLS.....	60 334	60 091	243	0.4	GRANITE COUNTY.....	2 714	2 737	-23	-0.8
NELSON.....	121	109	12	11.0	OHMUND.....	466	444	-22	-5.7
CHOUTEAU COUNTY.....	6 460	6 473	-13	-0.2	PHILIPSBURG.....	449	1 128	-179	-15.9
BIG SANDY.....	782	827	-45	-4.2	HILL COUNTY.....	18 308	17 358	950	5.5
FORT BENTON.....	1 843	1 883	-40	-2.1	HAYRE.....	10 575	10 556	19	0.2
GERALDINE.....	364	370	-6	-1.6	HIGHAM.....	210	262	-52	-19.8
CUSTER COUNTY.....	13 072	12 174	898	7.4	JEFFERSON COUNTY.....	7 112	5 238	1 874	35.8
ISMAY.....	32	40	-8	-20.0	BOULDER.....	1 076	1 342	-266	-19.8
MILES CITY.....	9 691	9 023	668	7.4	WHITEHALL.....	1 360	1 035	325	31.4
DANIELS COUNTY.....	3 104	3 083	21	0.7	JUDITH BASIN COUNTY.....	2 860	2 667	193	7.2
FLAXVILLE.....	184	185	-1	-0.5	HOBSON.....	181	192	-11	-5.7
SCOBEE.....	1 593	1 486	107	7.2	STANFORD.....	658	505	153	30.3
DAWSON COUNTY.....	11 389	11 269	120	1.1	LAKE COUNTY.....	17 607	14 445	3 162	21.9
GLENDIVE.....	5 683	6 305	-422	-6.7	POLSON.....	2 977	2 464	513	20.8
RICHEY.....	392	389	3	0.8	ROMAN.....	1 452	1 347	105	7.8
ANACONDA-DEER LODGE COUN	14 338	15 652	-1 314	-8.4	ST. IGNATIUS.....	958	925	33	3.6
ANACONDA-DEER LODGE.....	14 338	15 652	-1 314	-8.4	LEWIS AND CLARK COUNTY..	39 609	33 281	6 328	19.0
FALLON COUNTY.....	3 982	4 050	-68	-1.7	EAST HELENA.....	2 202	1 651	551	33.4
BAKER.....	2 636	2 584	52	2.0	HELENA.....	28 142	22 730	5 412	23.8
PLEVNA.....	174	189	-15	-7.9	LIBERTY COUNTY.....	2 627	2 359	268	11.4
FERGUS COUNTY.....	13 277	12 611	666	5.3	CHESTER.....	1 038	936	102	10.9
					LINCOLN COUNTY.....	16 686	18 063	-1 377	-7.6
					EUREKA.....	1 059	1 195	-136	-11.4

NAME Bob Durbin BILL NO. HB 21
ADDRESS HELENA DATE 1-12
WHOM DO YOU REPRESENT MONT TAVERN ASSN
SUPPORT X OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

NAME Phil STROPE BILL NO. AB 21
ADDRESS HELENA DATE 1-12-81
WHOM DO YOU REPRESENT MONT TAVERN Ass.
SUPPORT ☒ OPPOSE ☐ AMEND ☐

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: