

MINUTES OF THE MEETING OF THE LOCAL GOVERNMENT COMMITTEE
March 19, 1981

The House Local Government Committee convened at 12:30 p.m., on March 19, 1981, in Room 103, State Capitol, with CHAIRMAN BERTELSEN presiding and all members present except REPS. HURWITZ and MCBRIDE, who were excused.

CHAIRMAN BERTELSEN opened the meeting to a consideration of the following bills: SBs 343, 345, 362 and 465.

SENATE BILL 345

SENATOR MICHAEL LEWIS HALLIGAN, District 48, chief sponsor, said this is an act to allow rural and city special improvement districts to extend within or outside city boundaries, respectively, under certain circumstances. Where a city and county line joins, rather than have both a rural special improvement district and a city special improvement district, 60% of the voters outside the line and 60% inside the line can form one improvement district. This will be more efficient and nonduplicating.

TOM CROWLEY, City Engineer, City of Missoula, said they support the bill. It provides flexibility for the SID laws where city and county lines join. Work will be done at a cheaper cost and there will be a one-time interruption of the area. He recommended a do pass. His testimony is Exhibit 1 and attached to the minutes.

DAN MIZNER, Executive Director, League of Cities and Towns, said the northside of East Helena is an example. The center of the street is the city limits and the northside is gravel and the other side is oil. If this piece of legislation had been law when that was done, more than 60% of the people would have wanted a single SID. People in those areas that will benefit most make the decision of whether they want in or not. It provides the service those people want. He urged a do pass.

There were no opponents.

SENATOR HALLIGAN closed. He said the Senate Local Government had amended "majority" to "60%" to be sure the rural citizens would not be forced to get involved in something they didn't want.

SENATE BILL 343

SENATOR GARY C. AKLESTAD, District 6, chief sponsor, said the bill generally revises the refuse disposal districts. Under the old law the county commissioners exercise the authority of starting the refuse disposal districts. Problems have arisen in northeast Montana, in places where there should be a disposal district,

because of animosity. The problem has built up because of the procedure. If we change the procedure we will get the districts formed. The new procedure will be: 25% of the property owners sign the petition which goes to the county commissioners and then to a vote of the people. Before it is sent to a vote of the people, a hearing is held to go over the proposed lines and different ramifications that exist within the district. The county commissioners would still have an input and they would be working with the people. The commissioners and the people would designate the lines and then go to an election and at that time choose a five man board. This board would be elected on a staggered yearly basis. SENATOR AKLESTAD left a group of amendments(EXHIBIT 2 and attached them to the minutes) with the secretary. He didn't think they were needed, but some people appear concerned that districts already formed might fall into this category. Any disposal district should be able to keep functioning the way they have. Other amendments have been proposed but not sure by whom. If inserted, he said he would like to have the bill killed. SENATOR AKLESTAD said he would be glad to answer any questions. Most of the proponents are from the part of the state where the snow storm hit, and were unable to attend the meeting.

OPPONENTS

PETER M. FRAZIER, City-County Health Department, Great Falls, spoke in opposition and a copy of his testimony is EXHIBIT 3 and 3A of the minutes. He left a letter from the Cascade County Commissioners and this is EXHIBIT 4 of the minutes.

WILLIAM L. ROMINE, Clerk and Recorders, spoke in opposition and a copy of his testimony is EXHIBIT 5 of the minutes.

BILL BURLEY, Lake County Commissioner, Polson, spoke next in opposition and a copy of his testimony is EXHIBIT 6 of the minutes.

BOB STORY, Madison County Commissioner, Ennis, said he concurred with the previous opponents' testimony. He said they were just in the process of forming a district and this would just complicate matters.

BOB ADAMS, Attorney for the Department of Health and Environmental Sciences, spoke next in opposition and a copy of his testimony is EXHIBIT 7 of the minutes.

In closing, SENATOR AKLESTAD said the bill does not pertain to the regulations but to the election process. On the question of cost, the mailings done under the existing law is costly. The cost for the entire election will be only \$6,000 in many counties. The people directly affected are the only ones who can be part of the 25% signup. If it is hard to get 25% it is even harder to get the 51% needed to try to protect themselves under the existing law. If the existing law is working so well, why are there so many lawsuits on this in the eastern part of the state. The law is not working well and it is keeping garbage districts from being started.

Questions were asked by the committee. REP. VINGER said at Fort Peck they have been working for two years to get an agreement and they feel by July 1 they may have their district together. What effect would there be from this bill? SENATOR AKLESTAD said many laws do not apply since it is on the reservation and wasn't sure this law would. REP. VINGER said they are afraid this might swallow them up. SENATOR AKLESTAD said this bill will not swallow up anybody. It will not take anyone in that doesn't want to be. If they want in - take; and if they don't want to be, they don't have to be.

REP. KESSLER asked how the Senator felt about the entire county sharing the cost for one district, while the people voting will be only the ones in the district. SENATOR AKLESTAD said it would not be feasible to segregate them out at this time. He didn't think the cost will be that prohibitive.

REP. SALES said the committee has two choices. Either kill the bill or allow an optional method of setting up districts. Many problems could arise if we try to replace the method that has worked out in so many areas. The Senator responded that with the amendment, which he was not in favor of, it would be an optional method. The existing ones would stay on the books. He stated he does not want to hinder the ones that are already there, and is not against the district process.

Letters received in opposition to the bill include: Russell Hodge, Chairman, Judith Basin Solid Waste, EXHIBIT 8 of the minutes, Irvin Larson, Chairman, Judith Basin City-County Planning Board, EXHIBIT 9, Lauren Granmo, Chairman, Flathead Disposal District Board, EXHIBIT 10 Fact Sheet in opposition to SB 343, EXHIBIT 11.

SENATE BILL 465

SENATOR J. DONALD OCHSNER, District 26, chief sponsor, said this is an act to be known as the "Fire Territory Act of 1981," and is to provide procedures for organizing and administering

fire protection in unincorporated areas not in a fire district. He suggested a new amendment to New Section 6 on page 4: strike the \$30,000 and insert \$15,000; line 19, strike the 12 years and insert 6 years, and strike the \$30,000 and insert \$15,000. SENATOR OCHSNER went through the bill. He said his fire association is a rural fire association made up of volunteers and their budget is never over \$20,000. They bought their equipment with donated funds. He said their problem is lack of liability money.

JIM TURCOTTE, Public Employees Retirement Division, spoke in opposition and a copy of his testimony is EXHIBIT 12.

ART KORN, Montana State Volunteer Firemens' Association, Butte, spoke next in opposition. He questioned the language on lines 7 and 8, page 3 - where the corporation may not give fire protection service, but may answer an alarm to save a life. What would happen if a life is lost? Page 4, lines 13-19 provides for double taxation of city folks as well as those that already have a fire district. Page 6, line 9 - insurance classification - the insurance service will tell you the distance for response is necessary for any classification. He said adding another type of fire district would just add to the confusion already present. He said if this particular bill had been presented at our convention, we could have worked out something. He said they don't like the bill and oppose it.

RICHARD J. SANDMAN, Chief, Firemanagement Bureau, Division of Forestry, Department of Natural Resources and Conservation, spoke in opposition and a copy of his testimony, which includes twenty specific problems they have with the bill, is EXHIBIT 13 and part of the minutes.

DAVE FISHER, Montana Volunteer Firemens' Association, said they couldn't support this bill in its present form, but given two more years he felt it could be made more workable.

DAN MIZNER, Executive Director, League of Cities and Towns, said they were not in opposition but one section was of concern. Section 6 - what happens is that 67% of the tax is paid by the taxpayers inside the city limits. You are taxing the people in the cities for the operation of the program. I know \$15,000 is not a big amount, but \$25,000 here and \$40,000 there and it starts to add up. This means taxing people living in the cities and receiving no services for it. The statement "covers those areas outside of the city limits" should be added.

In closing, SENATOR OSCHNER said ten years ago the city came to them as they were losing two grades in their fire insurance, and the volunteer department bought a new truck with an agreement

to work with them and their truck has gone to the city fires. He said they have their own fire equipment that meets the city regulations and they cover a 30 mile radius of the city. Their volunteers were trained by the city and meet all qualifications. They are not interested in retirement but in protecting their own property. He said the main part of the county doesn't want a fire district. They would have to go into the district on a unit basis and not an acreage basis. The main thing we want is to get the liability taken care of. He said there was a fire on the outskirts of the town and the city wouldn't go into a trailer. Their people did and found a dead child.

Questions were asked by the committee. REP. MATSKO asked of the possibility of striking new section 6. SENATOR OSCHNER asked what have they got for an emergency fund when they are fighting everybody's fires? He said he thought they could get by - all they need to do is to have some recognition.

SENATE BILL 362

SENATOR FRED VAN VALKENBERG, District 50, chief sponsor, said he introduced the bill for a mixed bag of reasons, but one of the most important is when a major city starts discussing the possibility of disincorporation that dialogue really ought to take place in a public format and among the elected officials of that city. The statutes say if disincorporation is to take place there has to be a 25% petition to request it to be put on the ballot, and at the election it be approved by 60% plurality. Witnessing what has happened to the initiatives and other frustrations, and the possible annexation bills, this bill needs to be enacted. He said this was discussed in Missoula. This bill would not change the law with respect to who makes the decision as the electorate will still decide whether the city disincorporates. This would provide an alternative method of putting that before the electorate. Two-thirds vote of the city governing body would be sufficient to put the bill on the ballot, but it would still require a 60% vote in the election to be adopted. In addition, Section 2 addresses a negative treatment of the municipality's assets. Under the present law after the liabilities have been satisfied, if any assets remain, they will be deposited in the county's general fund. SENATOR VAN VALKENBERG said he didn't think the county ought to benefit for what the city taxpayers have paid for. The money should be distributed to the city's taxpayers. The bill was amended in the Senate to say it is to be distributed equitably among the taxpayers. As the city's government body would be gone, the governing body would be the county commissioners. If disincorporation is voted for, the county would be allowed to receive state revenue that would otherwise go to the municipality. Dave Wanzienried drafted

language that would allow for the revenue to go to the county. A copy of these amendments is EXHIBIT 14. In some ways this would be a tool to facilitate the legitimate annexation that ought to come about in our urban areas. Also after what has happened in the past 60 days in the session, with the beating the cities have taken, this might be the only real alternative the cities have when the legislature gets done.

DAN MIZNER, Montana League of Cities and Towns, said the Senator has made a good presentation of the bill. He felt this was one of the best bills the legislature could pass as it would help the people at the local level make a determination of what their future will be. He thought it could be passed without political concern. He said the county might jump up in arms and say they can't handle this - but they can. They just don't want to. He urged the passage of the bill as amended.

There were no opponents.

In closing, SENATOR VAN VALKENBERG said this is not just a Missoula bill. Billings testified for it in the Senate. There was no negative response from city people on this bill. He said he was pleasantly surprised that he got the bill out of the Senate. This was an unusual decision for the Senate Local Government Committee. SENATOR VAN VALKENBERG said we need this bill and hope you will give it your favorable consideration.

Questions were asked by the committee. REP. SALES asked about the wording "deliver equitably to taxpayers." He wondered if that could be changed so it would say whatever is left over would be used to carry on the services in that unincorporated area. SENATOR VAN VALKENBERG said he had no objection and perhaps it would be more practical than handing out \$65 checks.

In response to another question by REP. ANDREASON on this, SENATOR VAN VALKENBERG said he had envisioned the money would be returned to the people on the same basis on which it was gathered - a reverse assessment evaluation. REP. ANDREASON said he was concerned with how this could be done equitably. People in the county would have to be paying more in and he was not sure that he could see the direct need of that line.

REP. DUSSAULT asked SENATOR VAN VALKENBERG to speak briefly about the proposed amendment. The Senator said the city presently receives at least gas tax money for street and road purposes. What the amendment does is simply say if the city disincorporates, the money that would have gone to the city will now go to the county to be used within the former city until the liabilities are taken care of and then can be used by the full county.

REP. HANNAH said he favored the bill. He preferred thinking more along the line of distributing the wealth and giving it back to the people who gave it; a percentage wise payback.

REP. SALES said this would be a real problem as you have collected the tax from property tax and not on income tax from the people. The process established over many years would give the money back to the individual who happens to be there at the time. A method must be devised to provide services in that unincorporated area.

REP. SWITZER reminded them the prime reason for disincorporation would be financial so there would not necessarily be a surplus.

REP. KESSLER said another reason for disincorporation that could apply to Billings would be an inability to get a handle on the growth. Reasons will vary from city to city.

REP. HANNAH said disincorporation could be a more fair way than double tax. Counties won't let the cities grow. He still felt the most equitable way was to divide it back to the people who gave it.

CHAIRMAN BERTELSON said it could be used for maintenance funds for the streets. He felt there was nothing wrong with the way it was stated in the law. The county commissioners should be able to put that back into the service of the former city. SENATOR VAN VALKENBERG said "equitably" could be determined in that fashion. If clarity was wanted it would be possible.

CHAIRMAN BERTELSON closed the hearing and opened the meeting to an executive session on the following bills:

EXECUTIVE SESSION

SENATE BILL 362 - REP. SALES said there are other funds that go to the cities like alcoholism, road distribution, and federal grants. REP. DUSSAULT felt the bill was broad enough in scope to receive all funds. She moved the bill BE CONCURRED IN. REP. SALES felt the bill should be given to a select subcommittee and have David Wanzenried spend a little time on these amendments and see if it could be made more workable. REP. SALES made a substitute motion to put the bill in the hands of the subcommittee. CHAIRMAN BERTELSON said this was a good suggestion and appointed the following subcommittee: REPS. HANNAH (Chairman), KESSLER and DUSSAULT. REP. ANDREASON suggested the surplus funds be directed toward providing service in the area in which it was collected.

SENATE BILL 343 - REP. WALDRON moved the bill BE NOT CONCURRED IN. This motion carried with all voting yes except REP. GOULD who voted no and absent were REPS. HURWITZ, MCBRIDE and NEUMAN.

SENATE BILL 345 - REP. SALES moved the bill BE CONCURRED IN. This motion carried with all voting yes except REP. SWITZER and REP. KITSELMAN who voted no and absent were REPS. HURWITZ, MCBRIDE and NEUMAN. REP. WALDRON will carry this bill on the floor.

SENATE BILL 465 - REP. SALES moved the bill BE NOT CONCURRED IN. REP. SWITZER moved a substitute motion of BE CONCURRED IN. REP. SWITZER said there was no reason for shooting the ground out from under them. They seem to have a functioning organization. Possibly the counties will want some of this funding. They are more efficient than the city fire department; don't care about the retirement system and don't get paid. REP. SALES said you will have to get the references to the retirement system out, otherwise you will create it. This shouldn't be funded on a county wide levy - that is not proper. There should be a much better way to work out their particular problem. The bill must have been written by a local fire department as it doesn't consider any laws affected by it.

CHAIRMAN BERTELSON said he was impressed with Mr. Sandman's testimony as it listed the problems. He called for a roll call vote and the motion failed with two voting for (VINGER AND SWITZER), 14 opposed and 3 absent (HURWITZ, NEUMAN and MCBRIDE). REP. VINGER moved the vote be reversed on the previous motion of BE NOT CONCURRED IN. This was done.

SENATE BILL 353 - REP. DUSSAULT moved the bill BE NOT CONCURRED IN. She said usually when a bill comes in it is pretty easy to understand the purpose and what is going on. Everything I see raises a lot of questions. I don't see what the committee would be getting into under this kind of bill.

REP. ANDREASON said he was feeling positive toward the bill. Basic concern is that we have a lot of useful vehicles or vehicle parts that are crushed and sent out of the state without being able to purchase them. If we can take care of that concern, I am not sure the bill would be necessary.

REP. GOULD said he agreed with REP. DUSSAULT. In many instances a person wants some parts out of a vehicle. It is bought for the parts and left to set. The county goes out and has to pick the vehicle up again.

REP. SALES said change the wording to be sure that they don't sell for just the part, but full price of retrieval. He feels it is a good bill. A lot of parts are sent out of state and crushed. Many people are having problems getting parts. Junk business can't provide parts any more because it is too easy to get rid of the car as junk. REP. SALES moved a substitute motion of BE CONCURRED IN.

REP. DUSSAULT said if the issue is the ability to get parts, she doesn't think we need the bill to do that. She suggested TABLING the bill to look into that.

REP. BERGENE said if the policy within the counties determines this, the rule could be repealed by the counties.

REP. DUSSAULT said the reason the ruling was promulgated was that was what the junk people wanted.

REP. SALES withdrew his motion and made a motion to TABLE.

REP. SWITZER said he felt cars were pretty well cannibalized before they get into the hands of the county junk dealer. Not too much problem with the crushing.

CHAIRMAN BERTELSEN said since the hearing, he had heard from the people. The junk dealers are opposed to the bill as it now stands. They decided after being fully cognizant of the fact they might have to be open every day, all day. This creates a problem for them of a county paid organization competing with them in their business. REP. BERTELSEN mentioned that he had not stated his opinion either way.

REP. SWITZER said he thought a wrecked car becomes the property of the insurance company. Under this system the vehicles are picked up and are cannabilized locally before they are disposed of.

REP. DUSSAULT said if the issue is whether or not the state rules will allow for the selling of parts, my understanding is they will go for repealing the rule they had prohibiting that.

MR. LEE HEIMAN will check into this.

CHAIRMAN BERTELSEN called for a vote on the motion to TABLE. The motion carried with all voting yes except REPS. GOULD and SWITZER who voted no and absent were REPS. HURWITZ, MCBRIDE, NEUMAN and KITSELMAN.

CHAIRMAN BERTELSEN said the next meeting will be 7:00 a.m.
on Saturday.

Meeting adjourned at 2:30 p.m.

Respectfully submitted,


VERNER L. BERTELSEN, Chairman

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TO: The Chairman of Members of the House Local Government Committee

FROM: Lee Heiman, Committee Counsel

DATE: March 19, 1981

RE: Summaries of Senate Bills 343, 345, 362, 465

SB 343 (Aklestad). Provides for creation of a refuse disposal district by election. Upon petition by 25% of the property taxpaying electors of the proposed district a hearing is held on the election. Registered electors of the proposed district may vote. The 5 directors are elected. Repeals current section on creation of district by county commissioners upon hearing and 50% protest provisions.

SB 345 (Halligan). Allows rural improvement districts to include incorporated areas and SID's to include unincorporated areas. The extension area must be if 60% of the property owners agree. They are to be treated the same as those in the regular area of the district.

SB 362 (Van Valkenberg). Provides that disincorporation may be put to a vote by a two-thirds vote of a city governing body. Provides that any surplus upon disincorporation shall be equitably distributed to former municipal taxpayers.

SB 465 (Ochsner). Provides for a fire territory in areas not incorporated and not in a fire district. Run by a non-profit corporation that establishes a volunteer fire company. The county is notified and establishes an emergency fund of \$30,000 for the territory from its general fund or county-wide levy. Territory residents may be corporate members and pay assessments. If not they receive no fire protection, but if provided they are liable for costs. The firefighters of the territory are eligible for volunteer firefighters' pension benefits.

7-10-1951

NOV 1968

[illegible]

DATE: 11-19

WNSR HALLIGAN

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

NAME Tom Crowley BILL NO. SB 345
ADDRESS 201 West Spruce - Missoula DATE March 19, 1981
WHOM DO YOU REPRESENT City of Missoula
SUPPORT ✓ OPPOSE AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. This bill provides flexibility to the present SID laws to aid in completion of street and other improvements where City & County lands joint. This avoids duplication of SID & RSID efforts
2. This bill provides a use of this proposed law only if a majority (60%) of the property owners outside the particular jurisdiction agrees.
3. This bill will allow work to be done at the same time with ~~less~~^{cheaper} cost and ~~less~~ only one time construction project interruption to the area.
4. I Recommend that your Committee provide a do-pass on HB 345

Respectfully Submitted
Tom Crowley

1990-1991

10-509 1041 GOVERNMENT OFFENSES

[illegible]

Date 3/29

NSOR ARLESTAD

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

1. Title, line 9

Following: ~~SECTION~~ "ELECTION;"

Insert: "PRESERVING THE ORGANIZATION OF EXISTING REFUSE
DISPOSAL DISTRICTS;"

2. Title, line 11

Following: "7-13-213,"

Insert: "7-13-214,"

3. Title, line 12

Following: "THROUGH"

Strike: "7-13-214"

Insert: "7-13-213"

4. Page 8, following line 25

Insert: NEW SECTION. Section 20. Functions of refuse
disposal districts created before July 1, 1981. [Sections 1
through 19] do not ~~affect~~ the organization, operations
or funding of a refuse district in existence on June 30,
1981.

Remember: subsequent sections

5. Page 10, following line 3

Insert: "Section 23. Section 7-13-214, MCA, is amended to read:

"7-13-214. ~~Composition~~ Continuation of board of directors created before
July 1, 1981. With respect to any refuse disposal district created before July 1,

(1) The board shall consist of not less than five members appointed
by the commission.

(b) The rest of the board shall consist of interested citizens, distributed equally throughout the district.

(3) In those counties where full-time city-county health departments exist, the city-county board of health may be designated as the board of directors for the refuse disposal district."

Remember: subsequent actions

6. Page 12, line 6

Following: "through"

Strike: "19"

Insert: "20"

7. Page 12, line 10

Strike: "7-13-214"

Insert: "7-13-213"

NAME JOE FARRER BILL NO. SB 243
ADDRESS 3000 17th N.E. E., JAMES FALLS DATE 3/10/81
WHOM DO YOU REPRESENT City - County Health Dept
SUPPORT _____ OPPOSE X AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

This bill would make it virtually impossible to enact any further reform of local districts. Districts are the only funding mechanism available to counties to comply with the solid waste rules & regulations that have been passed by the legislative assembly.

In addition, SB 243 would require existing district districts to abolish their existing Board of Directors & require that new Board be elected. This is an unnecessary requirement which will add extra administrative & election costs to the county.

If the committee does not see fit to kill the bill, I recommend that lines 8-13 on page 7 be amended to allow existing reform district districts continue to utilize their existing Board & be exempt from the election requirement. However, I urge the committee to kill this Bill.

Mr. Chairman, Committee members, my name is Pete Prazier. I am the Environmental Health Coordinator with the City-County Health Department in Great Falls. I also serve as Director of the Cascade County Solid Waste Disposal District. I appreciate the opportunity to testify on SB 343.

When the existing refuse disposal districts law was passed in the mid 1960's, its purpose was to provide a funding mechanism by which counties could provide the necessary solid waste disposal services in order to comply with State and Federal laws and rules governing solid waste disposal. Since that time, the Federal and State Solid Waste Disposal Rules and Regulations have become even more stringent. County Commissioners and local health departments and other local government agencies are responsible for meeting these stringent requirements. Small communities, both incorporated and unincorporated, often with only a few hundred residents or less, are required to meet the same stringent State Solid Waste Disposal Regulations as are the largest communities of thousands of people. Under the existing Refuse Disposal District Law, local government officials could develop a refuse district, in order to obtain the necessary funds to meet the stringent State Solid Waste Disposal Laws. However, before such a district can be created, the taxpayers within the proposed boundaries of the district are given an opportunity to be heard prior to the district's creation. Each resident within the boundaries of a proposed district must be sent by 1st class mail a copy of the County Commission Notice of Passage of Resolution of intention to creat such a district.

This Notice must include the boundaries, estimated costs, brief description of district activities and the time and place where a Public Hearing on the creation of such a district will be held. In addition, the Notice must be published for ten (10) consecutive days in a daily newspaper nearest the proposed district or in two (2) issues of a weekly newspaper and posted in three (3) public places. Also, after the first date of publication thirty (30) days must be provided for written protests. If, over 50% of the residents in the proposed district protest the creation of the district, no district can be created. Under the current law governing the creation of refuse disposal districts, local government officials, such as County Commissioners and Health Departments, who are responsible for conforming to the State's stiff Solid Waste Disposal Laws, can initiate the creation of such a district when they see that they are in violation. On the other hand, ^{the} existing refuse disposal district law ALSO provides more than adequate public involvement and notification so that the affected taxpayer has an opportunity to protest creation of a refuse disposal district.

However, SB 343 will make it almost impossible to creat any future districts for several reasons. First, unless the local government officials who are responsible for complying with the State Solid Waste Disposal rules and regulations reside within the boundaries of a proposed district, they can not initiate the creation of a district, since SB 343 requires that only persons qualified to sign a petition can circulate them. This means, in order to begin to comply with the State Solid Waste Laws local officials must find residents residing within the proposed area for a district who will be willing to circulate petitions requesting the creation of a district.

Since many taxpayers don't care if their communities comply with the solid waste laws, since it is not their responsibility to comply, it will be extremely difficult to find people willing to circulate such petitions. In addition, it will be virtually impossible to obtain a petition signed by 25% of the qualified electors residing within the boundaries of a proposed district, since most people don't care if the state law is complied with, as long as they can get rid of their garbage. In essence, the legislature will make it virtually impossible to create a refuse disposal district, should SB 343 be passed, yet the stringent solid waste laws that have been adopted by past legislatures will still be on the books, and local governments will still be required to comply with these laws.

In this day and age, when the public is demanding less government and reduced bureaucracy, SB 343 is providing for just the opposite approach. By requiring petitions, a public hearing, and an election for the creation of a refuse disposal district, this bill is adding a tremendous amount of cost and work to the local government when it attempts to provide solid waste disposal services that are dictated by State Law.

The County Clerk and Recorder will be required to certify each name on the petition to certify that the signature is a qualified elector within the boundaries of the proposed district. In addition there will be the added cost of including the creation of the district on the ballot during the next primary, general or school election.

Cascade County has had a refuse disposal district in operation for over eight years that has been operating smoothly since its adoption. No complaints or problems have occurred with regard to our District's administrative and organizational structure under a Board of Directors appointed by the County Commissioners. If SB 343 is adopted, districts with active organized Boards containing knowledgeable members, will have to abolish their existing Boards, in order to go through the unnecessary time and expense of holding a special election to elect new Boards. Each year, thereafter, the Counties will have to hold a special election to elect one Board member. This appears to be an unnecessary burden and expense to place on the Counties, since prior to appointing new Board members, the County Commissioners announce the need for Board designees and allow for public input in their selection. The current refuse Districts Act also allows that in Counties where full time City-County Health Departments exist the City-County Board of Health may be designated as the District Board of Directors. This procedure makes sense, since solid waste disposal is a public health related matter. In addition it reduces the number of boards necessary within local government, reduces administrative costs, and allows for sharing of equipment and manpower. All of these items are beneficial to the taxpayer through reduced costs. Should this bill be passed, City-County Boards of Health will no longer be allowed to act as Refuse District Boards, thus eliminating all of these benefits to the taxpayers.

In addition, the requirement for an elected Board of Directors, under SB 343, undoubtedly will create some conflicts between the elected Board and the County Commissioners. Under the existing Refuse Districts Law, the appointed Board of Directors sets a fee for service, with approval of the County Commissioners. This procedure has worked well, since the appointed Board of Directors works concurrently with the County Commissioners. However, an elected Board of Directors will be somewhat autonomous from the County Commissioners. The Commissioners will have no control over the elected Board of Directors and their actions, yet the County Commissioners will still be required to approve the established fees for service.

The current legislation allowing for creation of refuse disposal districts is much less costly and time consuming, yet provides more than adequate public notification and input opportunities. The existing Refuse Districts Law has worked extremely well over the past ten years. To change it will be a step backward. I, therefore, urge this committee to kill SB 343.

Should you have any questions, I will be happy to answer them.
Thank you.

Cascade County

State of Montana

1111-ONE - 1111-ONE - 1111

Great Falls, Montana 59401

March 13, 1981

Rep. Verner Bertelsen, Chairman
House Local Government Committee
House of Representatives
Capitol Station
Helena, Mt. 59620

Re: SB 343

Dear Representative Bertelsen:

The Board of Cascade County Commissioners wishesto take this opportunity to express our opposition to SB 343, an act generally revising the law on creation of refuse disposal districts and requiring an elected board of directors for such a district rather than an appointed board.

Cascade County has had an active Solid Waste Disposal District for the past eight (8) years. As the current law allows, the Solid Waste District Board of Directors has been the City-County Board of Health. This Board oversees all health related matters within Cascade County, including solid waste disposal. There have been no citizen complaints with regard to the current solid waste district board organization. This board is comprised of knowledgeable, well qualified individuals who have been effective in governing the solid waste district's operations. However, should SB 343 pass, lines 8-13 on page 7 of this bill would require that the Board of Directors for existing Solid Waste Districts be abolished and a new board be elected. This would add extra costs to the County for conducting the election each year and administration of a separate board. It would appear that it is more economical and efficient to continue to allow the City-County Boards of Health to serve as refuse district boards, as the current law allows, since solid waste is a health related matter. This procedure reduces the number of boards within County government, thus reducing administrative costs as well as allowing shared manpower and equipment.

Rep. Verner Bartelsen, Chairman
March 13, 1981
Page 2

In Cascade County the City-County Board of Health currently serves as the Board of Directors of the Solid Waste Disposal District, as well as overseeing other programs, such as the County Junk Vehicle Disposal Program. This administrative organization has allowed for joint equipment purchases and joint manpower for both programs, thus allowing for a savings to the taxpayer. Should the law be changed, requiring a totally separate elected Board of Directors for The Solid Waste District, this cost sharing mechanism would be eliminated, creating a serious economic hardship on the county. It would be necessary to totally separate the Solid Waste Program from the Junk Vehicle Program and require each program to purchase separate equipment and hire separate staffs at a much higher cost to the taxpayer due to duplication of capital expenditures and manpower. This would be a most inefficient use of tax dollars. It is our understanding that several counties within the state have similar administrative organizations for these programs.

In addition, the current refuse districts act requires that the County Commissioners approve the user fees of the refuse disposal district that has been recommended by the Board. With an elected board of directors, the County Commissioners will have little or no control over the Board of Directors actions, yet they will still be required to approve the user fees set by the elected board.

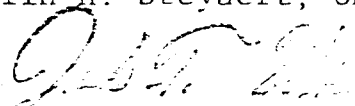
Due to the problems associated with SB 343, the Board of County Commissioners of Cascade County hereby goes on record urging the House Local Government Committee to recommend a DO NOT PASS on SB 343.

Thank you.

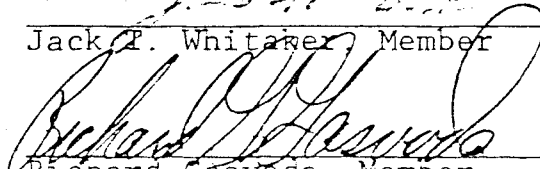
Sincerely,



Franklin H. Steyaert, Chairman



Jack P. Whitaker, Member



Richard Gasvoda, Member

NAME William L. Turner BILL No. SB 343
ADDRESS P.O. Box 1031 Helena DATE 7-19-81
WHOM DO YOU REPRESENT Clerks & Recorders
SUPPORT _____ OPPOSE X AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: This bill is really not designed to promote or create refuse disposal districts. The effect of the bill will probably be to stop future districts. The clerks oppose the bill because it creates a new election process. These are expensive. For instance, such an election in Stillwater county would cost \$6,000.

Secondly, aside from cost, it is doubtful that there are many individuals who want to run for a member seat. Experience has shown that it is difficult to get people to sit on these types of boards. If the election process is adopted, even fewer people will be interested. In Lewis & Clark county, such elections would cost about \$10,000 to \$15,000 each.

LAKE COUNTY, MONTANA

Ex. 6

COUNTY COMMISSIONERS

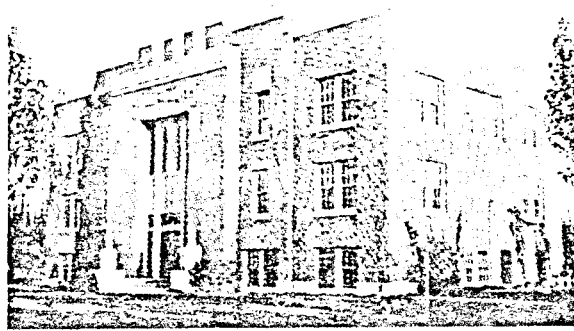
DON CORRIGAN
Polson

WESLEY W. LEISHMAN
St. Ignatius

WILSON A. BURLEY
Ronan

TREASURER
MARJORIE D. KNAUS

CLERK AND RECORDER
ETHEL M. HARDING



ASSESSOR
WILL TIDDY

SHERIFF AND CORONER
GLENN FRAME

CLERK OF COURT
ETHEL M. HARRISON

SUPERINTENDENT OF SCHOOLS
GLENNADENE FERRELL

COUNTY ATTORNEY
RICHARD P. HEINZ

COUNTY SURVEYOR

POLSON, MONTANA 59860

March 19, 1981

The Board of Lake County Commissioners, the Lake County Refuse Disposal District, the office of the Lake County Clerk and Recorder and the Lake County Health and Sanitation Department would like to go on record in strong opposition to Senate Bill 343. This legislation, as proposed, puts undue and unnecessary restrictions on local government who are desirous to form a refuse disposal district to properly handle and dispose of solid waste generated within their jurisdiction.

Laws and Regulations, governing the property handling disposal of solid waste, have been dictated by past legislature and now through S.B. 343, it would appear, that the mechanism for refuse disposal district formation which is, to date, the most equitable and efficient means of providing monies for operation and maintenance of districts, becomes so cumbersome and complicated that it is unlikely that districts will even be pursued. Since districts are the only feasible way to finance rural solid waste management systems, and if commissioners can't form refuse disposal districts under provisions of proposed S.B. 343, do they have an argument against not complying with Solid Waste disposal regulations?

The present districting law has been working satisfactorily for several years. The question must be raised as to why is it necessary to revise legislation which has proven satisfactory in the past.

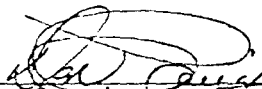
In these times when people are very skeptical about the growth of government a conscientious effort must be made to limit spending and be conservative with hiring practices. S.B. 343 requires considerable effort on the Clerk and Records of each and every county where districts are proposed and presently existing. The potential for increased government and thus public criticism, as a result of legislation such as this, is very real.

S.B. 343 is very ambiguous inasmuch as the powers and duties of the board are not clearly stated. For example, being elected, are the directors to have total control of the budget or do the commissioners still have budgetary authority? Who handles the day to day operations of districts functions? Can the board of directors establish assessment fees and if so are they required to conduct a public hearing on said fee and subsequent fee increases?

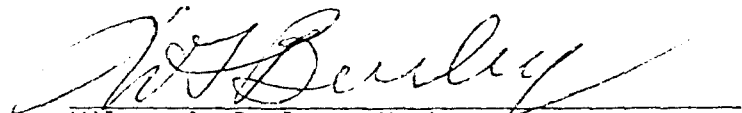
S.B. 343 has the potential for creating serious conflicts of interest. Since directors are not compensated for their duties who then is likely to run for a directorship? Obviously, the potential exists for a special interest, who may not have the interest of the taxpayer in mind, to control the refuse district. This situation is certainly lessened when the county commissioners have appointment authority.

A final basic criticism of the bill deals with district boundaries themselves. Present legislation allows incorporated municipalities the option to join the proposed district. S.B. 343 takes this explicit right away and uses unclear language such as "may include cities and towns"

Lake County local government officials urge that this legislation be killed. It is arbitrary, ambiguous and most of all totally unnecessary. This on top of the fact that implementation of the legislation provides increased time and monetary demands on county government.



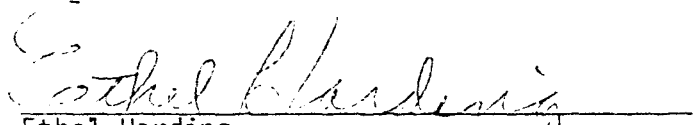
Don Corrigan - Chairman
Lake County Commissioners
Lake County Refuse Disposal



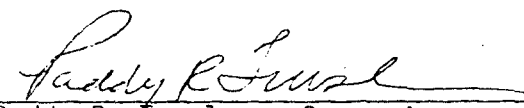
Wilson A. Burley - Member
Lake County Commissioners



Harold Fitzner - Member
Lake County Commissioners



Ethel Harding
Lake County Clerk and Recorder



Paddy R. Trusler - Supervisor
Lake County Health & Sanitation

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COMMENTS OF DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES ON SB343

The Department's Solid Waste Management Bureau has worked closely with counties and other local government units in planning for solid waste management systems. The Department would like for counties and their citizens to be able to choose whether to establish refuse disposal districts in a democratic manner with the greatest amount of information and with the least amount of administrative expense, confusion and difficulty possible. Our review of SB343 prompts us to comment on a number of problems for the counties in implementing the bill as written. The following are examples of the problems:

1) If the bill is amended to set up two separate procedures for establishing districts, the old law for pre-July, 1981 districts and the bill's procedure for post-July, 1981 districts, with former districts created by resolution and their boards being appointed and new districts and their boards set by election, a constitutional equal protection problem is raised. Two separate types of district formation are created which economically burden the citizens subject to the new type by reason of the election expense. There is no compelling or rational state purpose to be served by creating such a distinction. The Legislative Council should be consulted as to the existence of this problem.

2) There appears to be no rational basis for choosing precinct lines as the boundaries for the districts. Because precincts may be multi-county, questions of how to set user fees are generated. County commissioners from multiples of counties would be involved in those cases. How will 25% of the petitioning voters be certified?

3) How change district boundaries? Section 7-13-217 MCA says to use the present notice and hearing procedure; must elections be held in new districts?

4) If cities choose not to be part of the district (precinct), how keep their citizens from voting at the election for the remainder of the precinct?

5) Must there be multi-county hearings where multi-county precincts exist?

6) There is potentially an excessive period of time between the hearings and the election under the bill as proposed; arguments pro and con are easily forgotten.

The Department doubts the sponsors intended that the bill would create the potential administrative headaches noted above. The Department would like to see workable, legal districts and boards created to join the 33 presently functioning in the counties. Thus it offers this criticism of the bill as written.

March 12, 1971

Dear Representative Peterson:

Helena, Montana 59601

Dear Representative Peterson:

This letter is being written in regard to Senate Bill 343. We would ask that you vote against this bill.

Those of us who are on the Judith Basin Solid Waste Planning Committee feel that this bill would greatly hinder any implementation of a disposal district in our area. We have been working for the past several months on a project that would give us several different options as to how we can dispose of our solid waste and still comply with state laws and regulations. Once a decision has been made by the committee concerning the best way to dispose of the garbage, a district will have to be formed. The current laws pertaining to setting up disposal districts are much clearer and easier to follow. We feel the proposed new law is much too long and complicated.

We appreciate your consideration of this matter.

Sincerely,



Russell Hodge, Chairman

Judith Basin Solid Waste

Planning Committee

Harold Peterson

Logan Haven

Darrell Watkins

Bill Annala

Irv Larson

Fred Youdavian

Don Billadeau

Herman Richard

Debbie Cheek

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Judith Basin City-County Planning Board

STANFORD, MONTANA 59479

February 5, 1981

Verner Bertelsen, Chairman

State Capitol

Helena, Montana 59601

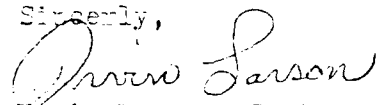
Dear Chairman Bertelsen:

On behalf of the Judith Basin City-County Planning Board members I would like to ask you to vote against Senate Bill 343.

Many of the residents in this county have been working for the past several months on a solid waste improvement project. The members of the Planning Board feel that if the residents decide to change our present policy of handling solid waste, the formation of a disposal district under Senate Bill 343 would be much more involved and lengthy. The current laws pertaining to solid waste districts are easier to implement and are, therefore, less costly to the county.

We thank you for your consideration of our views regarding this bill.

Sincerely,


Irvin Larson, Chairman

Edward Conventre

Logan Hazen

Bob Noel

Harold Peterson

Jack Wright

Lawrence Dickson

Archie Yonderian

Darrell Watkins

Dorothy Cheek

FLATHEAD COUNTY

REFUSE DISPOSAL DISTRICT

FLATHEAD COUNTY

BOX 168
HELENA, MONTANA 59601

March 13, 1981

The Honorable V. Bertelsen
Chairman, House Local Government Committee
Capital Station
Helena, Montana 59620

Dear Sir:

The Flathead Refuse Disposal District would like to go on record in strong opposition to Senate Bill #343.

The District was formed in mid-1970 soon after the passage of the present Solid Waste Law. Our district is one of the largest and through our history can be used as an example of how the present law can be used to effectively serve the taxpayers. The responsibility for providing a sanitary environment for its citizens squarely rests with local government. The formation of a Refuse Disposal District and its ability to fund and effectively manage the handling of solid waste will be in serious jeopardy under the proposed revision in Senate Bill #343.

Senate Bill #343 would take from the commissioners one method of forming a district as outlined in the present law. Under the revision voter apathy could prevent formation of a district.

The present law allows for the proper representation on the board of informed, concerned citizens. We feel that Senate Bill #343 by allowing only five (5) board members and requiring an election, will result in the majority of the current board members disassociating themselves from any involvement with a district. In our place we see individuals who have single interests and who are not responsible to local government, therefore not necessarily concerned with truly representing the total citizens of a refuse disposal district.

March 13, 1981

The current Refuse Disposal District Law has been in effect since 1969 and has proven to be very effective and representative tool by which local governments can manage their wastes. We do not see any good reason to revise it to the point that it becomes totally ineffective and unworkable as Senate Bill #343 would make it.

In other words, "our district works so well, don't screw it up".

Sincerely,



Lauren Granmo

Chairman

Flathead Disposal District Board

LG/pml

cc: District 8 Sen. Roger Elliott
District 9 Sen. Matt Himsl
District 10 Sen. Bob Brown
District 15 Rep. Gary Bennett
District 16 Rep. Bob Anderson
District 17 Rep. Alison Conn
District 18 Rep. Mike Keedy
District 19 Rep. John Harp
District 20 Rep. Aubyn Curtiss
Honorable James Azzara
Honorable Ann Mary Dussault
Honorable Bud Gould
Honorable Steve Waldron
Tom Cowan
William Krall
Mel Wollan
Charleen Lyngstad
James Kline
Paul Wells
Flathead County Board of Commissioners

SB 343 revises the method of creating refuse disposal districts. The present method, in use since 1969, has not only been successful, but is virtually unchallenged.

Presently, the county commissioners can decide to organize a refuse disposal district. Each property taxpayer in the proposed district is sent a letter by first class mail, informing him/her of the intent to create a district. If, after a certain amount of time, 51% of those taxpayers have not protested, a public hearing date is set, and the district created.

By requiring that creation of a r.d.d. be initiated by a petition signed by not less than 25% of the qualified electors of each voting precinct within the proposed district, creation of new districts would be effectively eliminated.

The proposed system would be cumbersome and costly, not to mention unfair and unworkable. Requiring the signatures of 25% of the voters in each precinct within the proposed district to initiate creation of the district is an obvious attempt to subvert creation of the districts. Water and sewer districts require only 10%, and conservation districts require only 10 signatures on a petition.

Since voting precincts do and districts could cross county lines, fee collection could be difficult, and property tax adjustments would be quite confusing.

Costly elections would occur on creation of the district and election of the directors, who are presently appointed. It would be in the best interest of the district for the board of directors to remain appointed so that once a member has gained some knowledge he cannot be removed & replaced by an uninformed opponent.

It is important that creation of districts not be eliminated, as this bill would do. The 33 operating districts have received praise and satisfied customers. Advantages of the districts include that they:

- a. Result in lower fees for disposal of refuse.
- b. Charge fees based on how much garbage is produced by each household, not by how much property is owned.
- c. Clean up counties and enhance proper solid waste disposal.
- d. Charge everyone fairly. Perhaps some oppose creation of districts for this very fact. Without districts, some rural dwellers use the landfill for free, since counties usually cannot afford a full-time fee-collector at the landfill site.

Since the present method of creation of refuse disposal districts is successful and SB 343 would be expensive and difficult to administer, we request that you vote against it.

Garbage-disposal districts opposed as a ballot issue

By Jeff Cole
Correspondent

MISSP 2-24-81
DEER LODGE — Plans to dispose of garbage properly in Powell County and around the state could be further forestalled by a bill pending before a state Senate committee, a state official said recently.

Senate Bill 342 would require petitions and meetings to create garbage disposal districts. The measure would require the county clerk and recorder to appear across the state, one Powell County official said this week, because it will further press the management of elections in small counties. The bill is scheduled for a second reading in the Senate Tuesday.

The bill, sponsored by Sen. Gary Aklestad, R-Shelby, requires that 25 percent of the voters in a proposed refuse district petition the county for creation of the district. Following a hearing conducted by the affected commission board, the county must place the district-creation proposal on the ballot — and must call for the election of unpaid district directors at the same. Aklestad could not be reached for comment on the legislation.

A \$25,000 state-funded study of what to do with garbage in Powell, Granite and Deer Lodge counties, was completed last fall. It recommends the replacement of dumps throughout the tri-county area with a system of

strategically placed 40-cubic-yard containers. Under the recommended plan, a contractor would haul the full containers to one of several approved landfills in or near the tri-county area.

Deer Lodge County withdrew from the study as it neared completion and in the remaining two counties, only dumps at Deer Lodge and Philipsburg comply with state and federal regulations. The regulations call for such measures as regular covering of the trash with dirt and they generally demand that non-complying landfill dumps be closed by 1992.

The study recommended that the redesigned garbage service in northern Powell County be paid for by the residents of a new district designated there by the county commissioners.

The commissioners said last week they are unsure how the new law would affect the creation of a disposal district in the north county if it went into effect next July as proposed. The study recommends formation of the district by March 1, but the commissioners are obligated only to bring the disposal practices there into compliance, Bill Potts of the state Solid Waste Bureau said this week. They are not obligated to the plan's recommendation or its proposed schedule.

Commissioners have at times expressed apprehension about the cost-to-users of the container-placement plan. After excluding an existing dis-

posal district around Deer Lodge, families in the rest of the county would pay \$85 or more annually for the container system, according to the study.

Regarding the proposed law, Commissioner Tom Beck said last week, "I don't think it's so bad. It gives the people a chance to vote on something like this. I think people are tired of having government jammed down their throats."

But county clerk and recorders across the state don't feel that way, according to Powell County Clerk and Recorder Bonnie Miller, past president of the state County Clerk and Records Association. "I hope we can kill that bill," Miller said last week. "It'll just create another election for us."

Miller said there are already too many elections for districts, such as fire or soil and conservation districts, and their directors, for which candidates are often few.

The refuse district directors would be elected by the public and "the time is over when people will do something like this. The new elections would be so costly and there's so little interest," she said. "There's no competition."

Plus, said Miller, "they're putting so many elections in that it's forcing every county to have an election department."

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IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

S.B. 465

WE HAVE NOT BEEN ABLE TO ASCERTAIN THE PURPOSE OF THIS BILL AS THERE WAS NO PROPONENT DISCUSSION, PRIOR TO PASSAGE IN THE SENATE, EXCEPT ON THE FLOOR OF THE SENATE.

THE P.E.R.D. DOES NOT HAVE THE EXPERTISE TO DETERMINE THE FIRE PROTECTION NEEDS OF ANY AREA IN MONTANA.

WE OPPOSE THIS BILL STRICTLY ON THE BASIS OF THE RETIREMENT PROVISIONS CONTAINED HEREIN. IT IS OUR RECOMMENDATION THAT SECTIONS 12 AND 16 BE STRICKEN FROM THE BILL FOR THE FOLLOWING REASONS:

1. ADDITIONAL PENSION LIABILITIES WILL ACCRUE TO THE VOLUNTEER FIREMEN'S PENSION FUND WITHOUT ANY ADDITIONAL FUNDING. THIS COULD DETRACT FROM THE FUTURE BENEFITS THAT WILL BE RECEIVED BY CURRENT RETIREES AND MEMBERS.

2. SECTION 12 PROVIDES QUALIFICATION OF PRIOR SERVICE CREDIT. IF THIS MEANS SERVICE IN UNINCORPORATED FIRE COMPANIES, IT IS NOT NEEDED. IF IT MEANS PRIOR SERVICE IN THE NON-PROFIT CORPORATIONS CREATED IN THIS BILL, THERE IS NO PRIOR SERVICE BEFORE THE ENACTMENT OF THIS BILL.

3. TO PROVIDE RETIREMENT COVERAGE FOR A NON-PROFIT CORPORATION IN A PUBLIC RETIREMENT SYSTEM IS CONTRARY TO THE PRACTICES CURRENTLY FOUND IN PUBLIC PLANS. THERE ARE A LOT OF PRIVATE NON-PROFIT CORPORATIONS SUCH AS HOSPITALS AND CHARITIES THAT ARE NOT CURRENTLY ELIGIBLE FOR PUBLIC RETIREMENT COVERAGE. THE PROVISIONS OF THIS BILL, RELATIVE TO PENSIONS, COULD BE OPENING A "CAN OF WORMS" WITH ADDITIONAL PENSION FUND LIABILITIES ACCRUING TO THE TAXPAYERS OF THE STATE.

SENATE BILL 465

TESTIMONY BY: Richard J. Sandman, Chief
Fire Management Bureau
Division of Forestry
Department of Natural Resources
and Conservation

Senate Bill 465 as written is in direct conflict with the 7-33-2200 series of fire statutes, and could also result in double taxation within forest fire districts in Central and Western Montana.

The present 2200 set of statutes obligate the county to assist landowners in fighting fires outside of municipalities and outside of rural fire districts. The 2200 statutes also provide funding for fire emergencies in the county based on a county wide levy. SB 465 confuses this issue.

Passing SB 465, without deleting the 2200 statutes, would only create utter confusion in dealing with fire services at the local level. It will place an unnecessary paperwork burden and legal cost burden on the county government. On the other hand, passing SB 465 and deleting the 2200 statutes will leave large areas of the State with no fire protection whatsoever.

SB 465 should not be passed without making the necessary adjustments to the 2200 statutes. The futility of this action, is that with only a slight adjustment in the 2200 statutes, you can accomplish everything being asked for in SB 465, without creating another whole layer of fire laws, as in SB 465.

RECOMMENDATION:

You may wish to ask the sponsor to work with the State, County Commissioners Association, Fireman's Association, etc., to draft a bill for consideration to the next session which will confront the real problems of FF in rural areas as expressed here in SB 465. This draft should insure that all conflicts between statutes and responsibilities are resolved. Passing SB 465 at this time without taking the necessary corrective measures will only confuse an already frustrating situation.

Specific Problem: SB 465

Page 1, Section 2: Would allow double taxation within forest fire districts and Affidavit Units.

Would allow an incorporated fire territory to overlap a volunteer fire company area.

Page 1, Section 3: The county may contract after receiving the Petition. How does the county determine if the corporation will be able to provide fire services, what level, at what cost, to how many people?

Page 2, Section 3, Line 4: How does one determine what it takes to become a corporation member, if at this time we still don't know how many people will sign up--or Petition out?

Page 2, Section 3(2): How do absentee landowners receive notification? The boundaries may change after original incorporation. They could be added to a district without their knowledge.

Page 2, Section 4: If I read this Section properly, once the 30 days are up, no one can get out unless they join an RFD or Municipal FD. (See Section 10)

Page 3, Section 4(2): If people are allowed to join, and then withdraw, and then sign up, and then withdraw depending on their own financial condition, it could result in a fluctuating budget.

It would normally be much cheaper for people to not join a territory and wait to see if they do have a fire, and then attempt to let their insurance provide coverage. This would not provide the necessary operating funds for ongoing operations. This type of system would also result in a patchwork protection system.

What if the landowner does not need or want the fire suppressed. Can he be billed for putting the fire out? (2200 statutes say no).

Page 3, Section 4(3): The listing to the Insurance Commissioner may not accomplish anything. Not all insurance companies use the ISO rating standard in Montana. There presently is no teeth in the rating system.

Page 3, Section 5: It sounds as if the corporation could bail out in the middle of a tough fire season and leave the county high and dry.

What happens to the assets of the corporation if it stops providing protection?

Could someone incorporate, buy equipment with members' money, disincorporate, sell the equipment and pocket the money?

Page 4, Section 6:

The county presently has a \$15,000 fire emergency fund authority. (HB 111 proposes raising this to \$40,000).

If there are 10 fire territories, does this amount to a \$300,000 emergency fund?

- (2) State Statutes 7-33-2200 directs the county to provide fire protection at no additional cost to the landowner. These two Statutes (2200 and SB 465) are in direct conflict with each other.

Page 5, Section 6(3), Line 6: What is a major fire?

Line 7: Could be construed to allow normal operating purchases to be charged off against a fire and pad the fire cost to increase funds for operating from day-to-day.

Line 9: Equipment is also damaged, etc., on "minor" fires.

Line 11: Should read "County governing body."

Section 3: Sounds as if the county must automatically pay any bills--or only those of a non-member? Contract cost should cover all other costs, not open-ended as written here.

Page 5, Section 7:

Once a corporation has a contract, and the equipment, then they virtually have the county and the taxpayers over the barrel. Could the officers in a "non-profit" corporation pad their pockets from increased contract costs?

Rural landowners could have to negotiate annually with "unionized firemen."

Page 6, Section 8:

What if a very large fire occurs that exceeds the corporation's capabilities--can they disincorporate and leave the county and members holding the bag?

Page 6, Section 8, Line 5:

Unincorporated municipalities don't have any legal standing to sign mutual aid agreements--or do they?

Page 6, Section 9:

Not all insurance companies honor the ISO rating system.

Page 7, Section 12:

What if a Fire Company is not formed? Does the volunteer firefighter then forfeit all the rights of a volunteer FF?

Page 7, Section 13:

Does this mean that the Fire Chief works for the Department of Administration and not local government?

Page 7, Section 14:

Does this allow the corporation to enter non-member property against the landowner's wishes?

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NORFOLK SOUTHERN CORPORATION

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Amend Senate Bill 301, Third Reading Copy as follows:

1. Amend page 1, line 9
Following: "MUNICIPALITY;"
Insert: "AUTHORIZING THE COUNTY GOVERNMENT IN WHICH A
MUNICIPALITY DISINCORPORATES TO RECEIVE STATE
SHARED REVENUE ON BEHALF OF THE DISINCORPORATED
MUNICIPALITY;"
2. Amend page 2, line 14
Insert: new bill section
NEW SECTION. Section 3. State shared revenue. (1) If
a municipality disincorporates, any state funds which
the municipality was entitled to receive shall be
transferred to the special fund provided in 7-2-4912.
(2) If State funds are available to a municipality only
after application, the governing body of the county may
apply for funds on behalf of the disincorporated munici-
pality.
(3) State funds shall be credited to the special fund
as long as liabilities of the disincorporated municipality
exists.
(4) After the liabilities of the disincorporated munici-
pality have been satisfied, upon receipt the state funds
shall be deposited in the county general fund.
(5) The amount of entitlement of state funds will be
established by treating the area included within the
disincorporated municipality as a municipality and by
determining its population to be used in the formulas
allocating state revenues to local governments.

STANDING COMMITTEE REPORT

March 22, 19 21

MR. SPEAKER

We, your committee on LOCAL GOVERNMENT

having had under consideration SENATE Bill No. 343

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE LAW ON CREATION OF REFUSE DISPOSAL DISTRICTS TO PROVIDE FOR CREATION BY ELECTION AFTER SUBMISSION OF PETITIONS BY RESIDENTS OF THE AREA; PROVIDING FOR A BOARD OF DIRECTORS AND THEIR ELECTION; REVISING PROCEDURES FOR CREATION OF A JOINT REFUSE DISPOSAL DISTRICT; AMENDING SECTIONS 7-13-202, 7-13-203, 7-13-241, 7-13-242, AND 20-15-403, MCA; REPEALING SECTIONS 7-13-204 THROUGH 7-13-214 AND 7-13-217, MCA; AND PROVIDING AN EFFECTIVE DATE."

Respectfully report as follows: That SENATE Bill No. 343

BE NOT CONCURRED IN

DO PASS

STANDING COMMITTEE REPORT

March 22, 1961

MR. SPEAKER

We, your committee on LOCAL GOVERNMENT

having had under consideration SENATE Bill No. 345

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW RURAL AND CITY SPECIAL IMPROVEMENT DISTRICTS TO EXTEND WITHIN OR OUTSIDE CITY BOUNDARIES, RESPECTIVELY, UNDER CERTAIN CIRCUMSTANCES; AMENDING SECTIONS 7-12-2102 AND 7-12-4102, MCA."

Respectfully report as follows: That SENATE Bill No. 345

BE CONCURRED IN
DO PASS.

STANDING COMMITTEE REPORT

March 26, 1931

MR. SPEAKER

We, your committee on LOCAL GOVERNMENT

having had under consideration SENATE Bill No. 362

A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE THE METHOD OF DISINCORPORATION OF A MUNICIPALITY; PROVIDING FOR A DISINCORPORATION: ELECTION UPON TWO-THIRDS VOTE OF THE CITY GOVERNING BODY; PROVIDING THAT UNDISTRIBUTED PROCEEDS OF A DISINCORPORATED MUNICIPALITY SHALL BE DISTRIBUTED TO THE TAXPAYERS IN THE FORMER MUNICIPALITY; AMENDING SECTIONS 7-2-4902 AND 7-2-4919, MCA."

Respectfully report as follows: That SENATE Bill No. 362

1. Title, lines 7 through 9.
Following: "BODY;"
Strike: line 7 through "MUNICIPALITY;" on line 9

2. Title, line 9.
Following: "AMENDING"
Strike: "SECTIONS"
Insert: "SECTION"

3. Title, line 10.
Following: 7-2-4902
Strike: "AND 7-2-4919"

4. Page 2, lines 4 through 14.
Following: line 3
Strike: Section 2 in its entirety

AS AMENDED BY CONCURSED IN
DO-PASS

STANDING COMMITTEE REPORT

..... 19.....

MR. SPEAKER.....

We, your committee on LOCAL GOVERNMENT.....

having had under consideration SENATE..... Bill No. 465.....

A BILL FOR AN ACT ENTITLED: "AN ACT TO BE KNOWN AS THE
"FIRE TERRITORY ACT OF 1981"; PROVIDING PROCEDURES FOR
ORGANIZING AND ADMINISTERING FIRE PROTECTION IN
UNINCORPORATED AREAS NOT IN A FIRE DISTRICT; AMENDING
SECTIONS 7-33-4114 AND 19-12-401, MCA; AND PROVIDING AN
IMMEDIATE EFFECTIVE DATE."

Respectfully report as follows: That SENATE..... Bill No. 465.....

DO NOT CONCURRED IN
DEPASS:

Verner L. Bertelsen
Verner L. Bertelsen Chairman.