

MINUTES OF THE MEETING OF THE LOCAL GOVERNMENT COMMITTEE  
January 13, 1983

The Local Government Committee meeting was called to order on January 13, 1983, 12:30 p.m., Room 224A by Chairman Kathleen McBride. All members were present except Rep. Waldron who was excused.

HOUSE BILL 77. REP. ASAY, sponsor, introduced the bill as having the purpose to remove from the Legislature the responsibility of trying to figure out the salaries for various county employees. In view of Senate Bill 50, passed last session, he had agreed to ask that this bill be tabled.

PROPOSERS: None

OPPOSERS:

CHUCK O'REILLY, Sheriff of Lewis and Clark County and also representing the Montana Sheriffs and Peace Officers Association, stated he would like to go on record as opposing the bill.

RICHARD TREWISE, Lewis and Clark County Superintendent of Schools representing the Montana Association of County Superintendents, wanted to go on record as opposing House Bill 77.

LORRAINE VAN AUSTOL, Secretary for the Clerk of Court Association, opposed the bill.

BILL ROMINE, representing the Clerks and Recorders, opposed the bill saying that with the present law, it is no longer necessary to annually set salaries by the Legislature (EXHIBIT 1).

GREG GROEPPER, Department of Revenue, took no position on this bill but reminded the Committee that the county assessors' salaries are paid for out of General Fund appropriations (EXHIBIT 2).

REP. ASAY closed on House Bill 77.

Additional letters of opposition are attached (EXHIBIT 3).

HOUSE BILL 121. REP. VELEBER, sponsor, said the purpose of the bill was to ensure that the period between the general election in November 1983 and the general election in November 1986 will be considered to be three years for the purposes of Sec. 7-3-155 of the Montana Codes Annotated (EXHIBIT 4).

PROPOSERS:

AL SAMSON, member of the Coalition Committee in Missoula, concurred in testimony that was given.

SEN. FRED VAN VALKENBURG, co-sponsor of House Bill 121, stated that some may think that the bill is only theoretically necessary. However, the situation in Missoula has caused a lot of bills to be generated particularly on the subject of annexation. There is a proposal, created by a private citizen organization, that looks like it is going to go before the Missoula voters this fall with respect to city-county consolidation. There are many Missoula citizens who would like to preserve their options in 1986 when the Constitutional Local Government Study Review is mandated. He hoped that they would not be precluded from doing that because the matter went up for a vote this fall.

OPPONENTS: None

REP. VELEBER closed by reading a letter from Rosalie Buzzas, a member of the Executive Board of the Coalition for Local Government Study, who wrote, "We are hoping that the question of consolidation passes in 1983, but want to protect the community's right to consider a change in 1986 by establishing a study commission, should our effort fail in November. The proposed temporary change in the law, provided by House Bill 121 would allow that to happen, should the voters so choose" (EXHIBIT 5).

QUESTIONS:

REP. PISTORIA said you are having an election this fall to change the form of government. Would this delay it for three years?

SEN. VAN VALKENBURG answered that the individuals involved have to get a petition signed to consider an alternative form of government. It would not postpone the election. The present law says that if the voters are presented with an alternative form of government and they act on it, then no alternative form of government may be presented for three years. We need to give the alternative form of government a three-year chance to see if people like it or not. This bill says that we would like that three years to have a common-sense meaning to it and that just because the calendar happens to fall four days short of three years, we don't want to get into a lawsuit in 1986 about whether three years has really gone by or not.

REP. BERTELSEN stated that there should be some way to write this bill so that it is not specific to that particular time period. He asked if there was any way this could be written so that it would permit running from one election three years previous to that election time so the three days would not be a problem.

SEN. VAN VALKENBURG questioned whether the bill could be amended within the scope of the title. We may have made too specific a drafting request here in the Legislative Council.

REP. PISTORIA asked whether there was going to be a study commission formed in 1986 like they did in 1974 throughout the whole state to give a chance to change the form of government.

SEN. VAN VALKENBURG replied that the question of whether a study commission should be created will be submitted to the voters in 1986. A study commission will not be created unless the voters want to have a study commission created. But the matter has to be put on the ballot according to the Constitution.

The hearing on House Bill 121 closed.

HOUSE BILL 58. REP. RYAN, sponsor. The idea of the bill is to allow us to raise mill levies to raise sufficient funds to run the hospital.

PROPOSERS:

KENNETH COULTER, Chairman of the County Commission, Garfield County, said that the number one priority of the people of Garfield County has been to maintain some kind of medical service in Jordan. In order to keep the hospital open, commissioners are levying maximum levies from the poor fund of 13.5 mills; 10 mills of that goes to the hospital. They have put their entire revenue sharing into the hospital which amounts to \$50,000. They feel they could be in jeopardy of losing the hospital immediately if revenue sharing was terminated. The hospital district law does not provide them the ability to generate enough revenue. Presently what is on the books on hospital district legislation--commissioners may levy a three mill levy. In an emergency, they may levy an additional six mills which has to be voted on every two years and approved by the general public for a maximum of 9 mills. Some money can be taken out of the poor fund. (In that event, they could go eleven mills and still maintain the care of their indigent.) There has been no incentive

for them to change the hospital district concept. They do not think the poor fund is a good avenue for maintenance of the hospital. This proposal is to expand to 10 mills in order that the commissioners may levy and take the limit off what may be voted on. Additional mills would have to be approved by the public (EXHIBIT 6).

BEVERLY GIBSON, representing the Montana Association of Counties, supports this bill because it allows the taxpayers the flexibility to support county medical facilities. Suggested amendments are attached (EXHIBIT 7).

MARY MUNSELL, Administrator of Prairie County Hospital Nursing Home, supports this bill with the amendments (EXHIBIT 8).

JOHN WILKINSON on the Board of County Commissioners of Lewis and Clark County supports House Bill 58 but is primarily concerned with the first and last sections which remove the support for nursing homes from the poor fund.

WILLIAM LEARY, President of the Montana Hospital Association supports the passage of House Bill 58. In the State of Montana, we have 60 general hospitals. Of those 60, 42 are 50-bed and under. In 1981, of those 42 hospitals, 27 operated with significant deficits. The passage of this bill will permit the county to levy those 10 mills, continue their support of the kind of health-care service that is practical.

LEE J. TICKELL, Deputy Administrator, Economic Assistance Division of the Department of Social and Rehabilitation Services, supports either House Bill 145 or House Bill 58. One of our principal concerns is the relationship that the county hospitals typically have with the poor fund.

REP. VINGER stated that a lot of the nursing homes were established in areas. Wolf Point is no longer an area home; it is a community home and we would like to have this opportunity to ask the people in our area if they would be willing to support a nursing home and hospital in our area.

REP. SWITZER would like to support House Bill 58 and testified to the importance of the small local hospitals.

OPPONENTS: None

REP. RYAN closed by reading Fiscal Note to House Bill 58 (EXHIBIT 9).

QUESTIONS:

REP. HANSON asked what will this do to the county poor fund.

LEE TICKELL responded. A significant portion of the 13.5 mills that counties raise or up to the 8 mill when the matching grant comes into play, that a large portion of the money is used as the subsidy for the local and county facility. If you find that the county poor fund expenditures are going to exceed and compete for the dollars that are going into that county facility, we are in a position of having to disallow those costs that are going to the county facility because they are not being used for care of the indigent. This bill would alleviate pressure of having to disallow these costs and allow county support at whatever level they wish.

REP. HANSON asked what would happen in a case where the county's poor fund goes broke.

LEE TICKELL, stated that under current legislation, House Bill 13, First Special Session, 1981, if there is 8 mills levy of expended funds, the state comes in with a matching grant aid and at the 13.5 expenditure level, the state comes in with 100% General Fund. The poor fund is never broke. It may run out of local levies for local revenue but the state would pick up that deficit.

REP. WALLIN asked REP. RYAN if it would disturb or destroy the intent of his bill if the new section suggested by BEVERLY GIBSON was included in this bill.

REP. RYAN had no objections to the amendments.

CHAIRMAN McBRIDE stated there is no real problem. The additions seem to fall within the realm of what a medical facility would be.

REP. SANDS asked if on line 20, page 1, the "must" should be a "may."

BEVERLY GIBSON responded saying that if the district is set up--yes, it must. We are talking about two different types of funding for medical facilities. A hospital district can be a portion of the county and the people must set up a levy to support that. On the other hand, for county-wide, it is not necessary to set up a hospital district. A neighboring county may not wish to set up a hospital district and may not need to set up a levy. It depends on the needs within each county.

REP. SANDS asked if the amount of the levy is determined by the people in the district.

MARY MUNSELL answered that it is not necessary under the current hospital district law to levy the first three mills. But if the three mills levied are not sufficient, then the hospital district trustees have to request voter approval for up to an additional six mills for the hospital district.

REP. SANDS asked in a case where the district does not include the whole county, who determines the amount of money to be raised. Is it the trustees or does it require a vote of the people?

MARY MUNSELL stated that the trustees have to know their particular area of the county that the district is defined in and what the mill value assessment is and in their budget project to the county commissioners and to the electorate exactly how many mills they need to raise. There is a cap on that right now--you cannot go over nine.

The hearing on House Bill 58 closed.

HOUSE BILL 109, REP. WINSLOW stated that this bill pertains to the coal tax and some of the money that is being used in the local impact funds. At the present time 8.75% of the coal tax funds go into local impact funds. These funds are granted by an appointed Coal Board which gives grants to those areas which are impacted according to their need and various specifications. The question today is that at the end of the year, the money that had not been granted was reverted to the Educational Trust Fund. He feels that is not a proper way to handle funds that were set aside for impact. The second thing this bill would do is give the Coal Board more encouragement to go ahead and scrutinize some of the grants a little closer. In the impact there is going to be less money than we have had in the past because of the recent ruling on the Crow Indians. There is one amendment to House Bill 109 that he would like to recommend: Page 8, lines 13 and 14, insert "." after "impact" and the words "or for transfer to a permanent trust for education" should be struck.

PROPONENTS:

JAMES MOCKLER, Executive Director of the Montana Council, stated that the problem that they see is that the trust fund is a "catch-up" situation. There are very few funds available to handle the impacts that a large part of the severance tax was to be designated to because they revert back to the Educational Trust Fund.

MURDO CAMPBELL, Administrative Officer of the Montana Coal Board, stated that by carrying over, the Board would be able to plan their full year's activity. The fact that the federal court decision last week to allow Westmoreland Coal Company's collection to go into escrow would amount to \$900,000 - \$1,000,000 that will not go into the coal impact fund.

GARY STOVALL, Office of Public Instruction. While the correction that REP. WINSLOW made significantly changes this bill, the OPI still supports the concept of the bill. OPI believes this bill establishes and guarantees the integrity of the local impact and the educational trust fund.

REP. ASAY said he felt very strongly about the idea to allow the impact funds to build in that fund.

PAT WILSON, Montco Thermal Energy, hopes to be one of the companies providing a mine in the Ashland-Birney area in the next couple of years. They hope to plan with the Coal Board the activities they see coming up in the next two years. They want to be able to go in and allow the people in the community to work with developers to have the kind of town they want.

OPPONENTS: None

REP. WINSLOW closed saying that it would impact the educational trust. If one tracked what has been done in those impacted areas by the Coal Board, one would see that 50% of the money that they have granted has been for educational purposes. He thought the money that doesn't go back into educational trust will probably continue to go to building schools and be used for educational purposes.

QUESTIONS:

REP. HAND stated that REP. WINSLOW had said that 8.75% would not take care of these social impacts if you revert back to the educational trust fund.

REP. WINSLOW said that 8.75 would in no way take care of all the needs. At the present time, money is reverting back to the educational trust fund.

REP. HAND asked REP. WINSLOW if it was the Coal Board's prerogative not to fund these social services.

Discussion followed as to whether social problems are being addressed.

REP. KADAS asked how much reverted back last time to the educational trust. Is excess being invested?

MURDO CAMPBELL stated that the total amount of money that has been reverted since 1976 is \$6,866,047 or around 1 million per year. Under the current legislation, it is invested through the Board of Investments and the interest goes to the Educational Trust Fund.

CHAIRMAN McBRIKE asked (1) what the total amount that you have since 1976 and (2) why is language on page 9, lines 9 and 10, struck?

MURDO CAMPBELL answered that since 1976, the Coal Board has awarded 36 million dollars and has denied 35 million dollars so we would be looking at 70 million dollars.

JIM MOCKLER answered that this is not part of that trust fund.

REP. HANSON asked that this money would not revert to the educational trust fund and would stay in the impacted fund. It would allow the money to be available when you needed it.

CHAIRMAN McBRIDE asked if a cap of some level would allow the fund to build up to some level and then revert to Educational Trust Fund might be some way of addressing some of the questions that have come up of building up a very large fund.

REP. WINSLOW said that we are setting up an impact account-- not a trust. If we were to set up a trust fund, then you would not have any expenditures of principal adding up over a long period of time.

CHAIRMAN McBRIDE said in this case you are talking about building up a very large fund. Would you think that a cap is something we might want to consider?

REP. WINSLOW replied, "Yes, definitely." Whenever you set up a trust, you should put a cap on it. We are not at this measure setting up a trust. We are just putting it into an account.

The hearing on HOUSE BILL 109 closed.

EXECUTIVE SESSION:

HOUSE BILL 121.

REP. DARKO recommended that HOUSE BILL 121 DO PASS.

REP. HANSEN seconded the motion.



REP. BERGENE asked if we could expand this bill so that the concern would be taken care of in the future regarding a particular time period.

CHAIRMAN McBRIDE said we may run into a problem with the title being drafted as narrowly as it is. She was not sure it could be expanded.

LEE HEIMAN stated he thought we may be able under the title to expand it and put in a substitute bill. There may be a mechanical problem because there is no requirement for these elections to be held on a general election date, so you may want to provide that it is three years from any regular election date or that minor date that was three years brought hence and the general election date which is three years hence and that would confuse the bill. In considering this bill and talking it over before the Committee started, it is not imperative that this bill pass because a local government alternative-forms election can take place on a special election date.

REP. BERTELSEN objected to this type of legislation as it creates a problem if we start putting in exceptions that are set up to help other particular entities.

REP. HANSON made a motion that amendments to the bill be drafted.

Motion to have amendments to House Bill 121 drafted, PASSED UNANIMOUSLY.

HOUSE BILL 77.

REP. KITSELMAN MOVED that the bill be tabled.

REP. BERGENE SECONDED the motion.

The motion CARRIED UNANIMOUSLY.

The meeting adjourned at 2:15 p.m.

Kathleen McBride  
Chairman Kathleen McBride

Jan Barrett  
Secretary

NAME: W. L. Romine DATE: 1-13-83ADDRESS: HelenaPHONE: 442-2220REPRESENTING WHOM? Clerks & Recorders.APPEARING ON WHICH PROPOSAL: H.B. 77DO YOU: SUPPORT?            AMEND?            OPPOSE? X

COMMENTS: this bill is not necessary. As a result of extensive  
study from 1979-1981 and Hearings before the last  
Legislature, the present law was passed, no longer  
making it necessary to annually set salaries by the  
legislature.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

WITNESS STATEMENT

NAME Larry Hoopes BILL No. HB-77  
ADDRESS 501 Adams DATE 1/13/83  
WHOM DO YOU REPRESENT Dept of Revenue  
SUPPORT \_\_\_\_\_ OPPOSE \_\_\_\_\_ AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: Remind Committee that assessors are paid out of general fund, regardless of final decision

R.D. McPHILLIPS  
JUDGE OF THE DISTRICT COURT

PATRICIA BOUMA  
DEPUTY CLERK OF THE DISTRICT COURT

KAREN BROWN  
Clerk of the District Court

9th JUDICIAL DISTRICT  
TETON COUNTY  
CHOTEAU, MONTANA 59422

January 11, 1983

Ms. Kathleen McBride, Chairperson  
Local Government Committee  
House of Representatives  
State of Montana  
State Capitol Building  
Helena, Mont. 59620

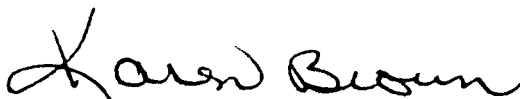
Dear Ms. McBride:

I am the Clerk of District Court in Choteau, Montana. I am writing in opposition to House Bill, 77. "An Act Changing the Method of Establishing Salaries for County Elected Officials and Other County Employees; Providing For a County Salary Commission; Providing For a Public Hearing".

This same bill was introduced in the last Legislative Session and was very strongly opposed by County Elected Officials. Allowing the County Commissioners to set salaries of various elected county officials would cause friction among the county officials.

The County Commissioners are not aware of the day to day operations of the individual offices. For this reason, I don't believe they could have the knowledge to set a fair salary for each elected official.

Yours truly,



Karen Brown  
Clerk of District Court  
Teton County

cc: Members—Local Government Committee  
Rex Manuel  
Gary Akelstad

P.O. BOX 337  
CHOTFAU, MONTANA 59422  
January 11, 1983

Ms. Kathleen McBride  
Chairperson  
Local Government Committee  
House of Representatives  
State of Montana  
State Capitol Building  
Helena, Montana 59620

Dear Ms. McBride:

I am a Justice of the Peace in Teton County. I am writing in opposition to House Bill 77 which would allow County Commissioners to establish salaries for local government officials.

Last Legislative Session, the State Legislature passed a comprehensive bill concerning salaries for county officials. That bill was passed after many meetings by local officials regarding what their salaries should be. All of the work of that Committee would be for nothing if this bill is passed.

To my knowledge, the present method of setting salary according to population of the County has been successful. I don't know of any reason to change it.

Some Justices of the Peace have their salaries set by the County Commissioners. This is done by reducing the office hours that a Justice of the Peace works. This has caused some disagreements between Justices of the Peace and County Commissioners. In one county, the Montana Magistrates Association filed a complaint with the Commission on Lower Courts because the salary of the Justice of the Peace was not commensurate with his duties.

I believe that the present system is working successfully. I believe that changing to allow the County Commissioners to set the salary will lead to disputes between County Officials. I urge you oppose House Bill 77.

Yours truly,



John Albrecht  
Justice of the Peace  
Teton County

cc: Members--Local Government Committee  
Rex Manuel

# TETON COUNTY

STATE OF MONTANA

CHOTEAU

59422

January 11, 1983

Ms. Kathleen McBride, Chairperson  
Local Government Committee  
House of Representatives  
State of Montana  
State Capitol Building  
Helena, Montana 59620

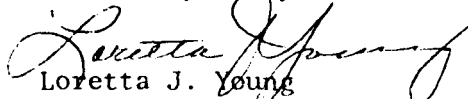
Dear Ms. McBride:

I am the County Clerk and Recorder of Teton County, Choteau, Montana. I am writing in opposition to House Bill 77 which would allow County Commissioners to establish salaries for local government officials.

To my knowledge, the present method of setting salary according to population of the County has been successful. I have no reason to want to change it. This keeps the salaries within reason for the number of individuals or population the County officials deal with from a day to day basis.

I believe that the present system is working successfully. If salaries are set by the County Commissioners, it may tend to cause disputes between County Officials. I urge you to oppose House Bill 77.

Yours very truly,



Loretta J. Young  
Teton County Clerk & Recorder  
Choteau, Montana

cc: Members of Local Government Committee  
Rex Manuel  
Gary Akelstad

# TETON COUNTY

STATE OF MONTANA

CHOTEAU

59422

M. CONNIE KUSTER  
COUNTY TREASURER

January 11, 1983

Ms. Kathleen McBride, Chairperson  
Local Government Committee  
House of Representatives  
State of Montana  
State Capitol Building  
Helena, Montana 59620

Dear Ms. McBride:

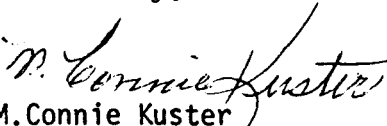
I am writing this in regards to House Bill 77 "An Act Changing the Method of Establishing Salaries for County Elected Officials and other County Employees Providing for a County Salary Commission: Providing for a Public Hearing."

I very much oppose this bill. This same bill was introduced in the last legislative Session and was very strongly opposed by all County Elected Officials.

I believe that the present system is working successfully. I believe changing this law to the above law would cause friction among the elected officials and the county commissioners.

I urge you to oppose house bill 77.

Sincerely,

  
M. Connie Kuster  
Teton County Treasurer  
Choteau, Montana

cc: Members Local Government Committee  
Rex Manuel  
Gary Akelstad

CHOTEAU, MONTANA 59422  
January 11, 1983

Ms. Kathleen McBride  
Chairperson  
Local Government Committee  
House of Representatives  
State of Montana  
State Capitol Building  
Helena, Mont. 59620

Dear Ms. McBride:

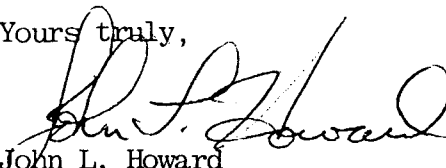
I am writing this is regards to House Bill 77 which would allow County Commissioners to establish salaries for local government officials.

I very much oppose this bill. This same bill was introduced in the last Legislative Session and was very strongly opposed by all County Elected Officials.

believe that the present system is working successfully. I believe that changing to allow the County Commissioners to set the salary will lead to disputes amoung County Officials.

I urge you to oppose House Bill 77.

Yours truly,



John L. Howard  
Sheriff - Teton County  
Choteau, Mont.

cc: Members - Local Government Committee  
Rex Manuel  
Gary Akelstad



6771

The League of Women Voters of Montana would like to speak in support of House Bill 77.

The League believes strongly in more control at the local level and more citizen participation in government. This bill addresses both of these matters.

The legislature is far too busy to concern itself with such small and unimportant items as setting county salaries and passage of this bill would help relieve some of the pressures so time could be spent on more important issues.

Thank you for your time and attention.

*In addition - this bill provides for the creation of a County Salary Commission which would be good.*

January 12, 1983

Local Government Committee  
State Capitol Building  
Helena, Montana 59620

Dear Kathleen McBride, Chairman, and All Committee Members;

I would like to take this means to enter my testimony to you in strong opposition to House Bill 77. I understand a hearing will be held on this bill Jan. 13th, I regret that I will be unable to attend.

As background for your members: I appeared before your Comm. as a member of the County Compensation Board 2 years ago. I am attaching the fiscal note connected with that bill, we complied with those provisions and met in Helena 14 times. The Committee members, at their own expense, appeared at the Comm. meetings of both House and Senate when our Bill was considered. A final Salary Bill for Elected County Officials was passed and has been in effect for two years.

The main purpose of our Comm. was to draft a Bill that would perpetuate itself so that the hassle over compensation for County Officials would not be before the Legislature every two years. We did a lot of research, we heard testimony from all Citizens who wished to offer their advise, we sincerely felt that we had come up with a good Bill. Now to our dismay we note that House Bill 77 has been introduced----was all that work and expense for nothing? The same concept was brought before our Comm. for consideration and we had a much greater amount of opposition to it than we did in favor. Not only from other elected officials, but also, business men and accountants. The general consensous was that we could have 56 different salaries for persons doing the same job throughout the State. In re. the part on Local Salary Boards the general public is not aware of our duties, the laws we comply with and the work-load we have. I don't know of any other business or group of employees that is required to go to the general public to determine their salaries. It is my contention that if Elected County Officials are required to do this,

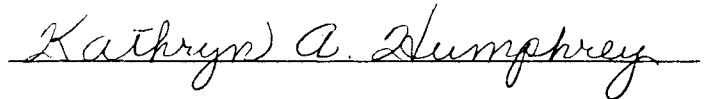
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all others employed who have their salaries paid by taxes should have to do the same thing.

I fully realize that my last statements are somewhat erratic, but I feel very strongly about this. It just doesn't make sense that Legislators have to face this problem, along with many others, which keep coming back to you every two years. Thank you for your kind consideration in reading my letter and please try to kill House Bill 77 in Committee.

My very Best Wishes to you All for a successful Session.

Sincerely,

A handwritten signature in cursive script, reading "Kathryn A. Humphrey", written over a horizontal line.

Kathryn A. Humphrey, Clerk of District Court  
Box 307  
Stanford, Mt. 59479

## FISCAL NOTE

Form BD-15

compliance with a written request received DASH 28, 19 79, there is hereby submitted a Fiscal Note for Senate Bill 352 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

## DESCRIPTION OF PROPOSED LEGISLATION:

Senate Bill 352 establishes a County Compensation Board which shall develop a compensation schedule. The Board is attached to the Department of Community Affairs for administrative purposes only.

## ASSUMPTIONS:

1. There will be 6 meetings of the Board during FY 80 and 8 meetings during FY 81.
  2. All meetings will be held in Helena.
  3. Meetings will last one day.
  4. Members will have to travel an average of 250 miles, one way, for the meetings.
  5. Approximately  $\frac{1}{2}$  of the members will have to be reimbursed for two night's lodging. The rest will have to be reimbursed for one night's lodging.
  6. Approximately  $\frac{1}{2}$  of the members will have to be reimbursed for two meals on the day before and after the meeting because of travel, as well as for three meals on the meeting day. The rest of the members will have to be reimbursed for three meals on the meeting day and either the evening meal on the day before the meeting or breakfast and lunch on the day after the meeting.
- The assignment of the Board to the Department of Community Affairs for administrative purposes will not require any additional F.T.E.'s for the Department.

## FISCAL IMPACT:

	<u>FY 80</u>	<u>FY 81</u>
Total Expenditures Under Proposed Law	\$ 7,687.00	\$ 10,004.00
Expenditures Under Current Law	<u>-0-</u>	<u>-0-</u>
Increased Expenditures Under Proposed Law	<u>\$ 7,687.00</u>	<u>\$ 10,004.00</u>

The above expenditures are based on the current meal, room and mileage allowances.

The additional cost must be funded from the State General Fund.



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 3/31/79

## VISITORS' REGISTER

HOUSE            LOCAL GOVERNMENT            COMMITTEE

BILL HOUSE BILL 77

Date 1-13-83

SPONSOR ASAY

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

HB 121 has been introduced to insure that the period between the general election in November 1983 and the general election in November 1986 will be considered to be three years for the purposes of Sec. 7-3-155 of the Montana Codes Annotated.

This is necessary because a strict computation on the calender would mean that a period, which for all practical purposes is three years, would be four days less than three years.

The need for this bill is not only theoretical but also actual.

An organization known as the Missoula Local Government Study Coalition has been studying, debating, and proposing an alternative form of government for the city and county of Missoula during the last year. It is expected that this organization will gather signatures or petitions this spring and in all likelihood put a proposal for an alternative form of government on the ballot this November.

If that happens and the voters approve an alternative form of government no great problem will probably result. However, if the voters reject a proposal this November, those voters under present law, might well be precluded from considering another alternative in November of 1986.

The reason that the consideration of a possible alternative in 1986 is important is because 1986 is the year in which local government review is mandated by the constitution.

Under Article XI Section 9 of 1972 Constitution, an election is required every ten years to determine whether the voters want to undertake the review procedure. Since the last such election took

place in 1976, the forthcoming election must be held in 1986.

If that election took place in the 1986 primary and the voters approved the idea of reviewing the form of local government, the passage of this bill would clearly permit the review commission to place an alternative form on the general election ballot in November of 1986.

In conclusion, your support for HB 121 would be appreciated because its passage will ensure that common sense reading of present law will prevail over a legalistic and impractical interpretation. Thank you for your consideration.

January 11, 1983

Representative Kathleen McBride  
Chairperson  
House Local Government Committee  
Montana State Legislature  
Capitol Building  
Helena, Montana 59620

Dear Chairperson McBride and Members of the Committee:

I regret that I am unable to attend your Committee meeting on January 13, 1983. Please consider this letter as testimony for the hearing on HB 121, sponsored by Dennis Veleber and Fred Van Valkenburg of Missoula.

I am a member of the Executive Board of the Coalition for Local Government Study, a grass-roots citizens group organized last year to study Missoula's local governments and recommend changes in those forms of government. Our group anticipates a November 8, 1983, election on the question of consolidation of Missoula City and County governments.

According to M.C.A. Section 7-3-155, the electors of a city and/or county who have voted on such a change in local government "may not vote on the question of changing or amending the form of local government for 3 years."

While I understand that the intent of the law is to protect a newly instituted government, it may cause problems for Missoula because of the dates of the November elections in 1983 and 1986.

1986 would be the scheduled time for a study commission to raise the question of change, should the electors desire to establish a study commission on local government. The election dates between November, 1983, and 1986 fall short of the 3-year moratorium established in M.C.A. 7-3-155 by 4 days.

We are hoping that the question of consolidation passes in 1983, but want to protect the community's right to consider a change in 1986 by establishing a study commission, should our effort fail in November. The proposed temporary change in the law, provided by HB 121 would allow that to happen, should the voters so choose.

Thank you for your consideration of this matter.

Sincerely,

*Rosalie Buzzas*  
Rosalie Buzzas  
215 Dixon  
Missoula, Montana 59801  
Phone: 728-0289



WITNESS STATEMENT

NAME KENNETH A. COULTER BILL No. H.B. 58  
ADDRESS Box 36 BRUSETT, MONT 59318 DATE 1-13-83  
WHOM DO YOU REPRESENT GARFIELD COUNTY COMMISSIONER  
SUPPORT X OPPOSE \_\_\_\_\_ AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

I FAVOR ALLOWING COUNTIES AND COMMUNITIES TO RAISE SUFFICIENT MONEY, IN A CLEAR CUT METHOD, TO PROVIDE THEMSELVES THE NECESSARY MEDICAL SERVICES THEY ARE WILLING TO PAY FOR.

THE POOR FUND SECTION OF LAW HAS BEEN USED BY MANY COUNTIES TO SUPPORT MEDICAL FACILITIES FOR THE GENERAL PUBLIC. OUR COUNTY PREFERS USING A HOSPITAL LEVY FOR THE EXPRESS PURPOSE OF MAINTAINING THIS SERVICE.

ALL FEDERAL REVENUE SHARING NOW RECIEVED BY GARFIELD COUNTY IS BUDGETED TO HOSPITAL FACILITY OPERATION. IF REV. SHARING IS TERMINATED WE NOW HAVE NO METHOD OF RAISING SUFFICIENT MONEY TO MAINTAIN THE SERVICE.

4B58

WITNESS STATEMENT

NAME Beverly Gibson BILL No. HB 58  
ADDRESS 1802 11<sup>th</sup> Ave. Helena DATE 1-13-83  
WHOM DO YOU REPRESENT MT. Assoc. of Counties  
SUPPORT X OPPOSE \_\_\_\_\_ AMEND X

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: allows flexibility to support  
county medical facilities. Benefits  
both large and small counties.  
Amendment attached.

NEW SECTION. Section 1. Levy of county taxes. The board of county commissioners ~~must~~ may annually at the time of levying county taxes, fix and levy a tax, not to exceed 10 mills on each dollar of taxable valuation of property, upon all property within the county for the erection, maintenance, and operation of county-owned or county-operated hospitals, and nursing homes, or other hospital facilities created under 7-8-2102, 7-34-2201, 7-34-2301, and 7-34-2502. "Hospital facilities" means a hospital or hospital-related facility, including out-patient facilities, public health centers, rehabilitation facilities, long-term care facilities, and infirmaries. A higher levy may be made upon compliance with 7-6-2531 through 7-6-2537.

NEW SECTION. Section 6. Effective date. This act is effective on July 1, 1983.

WITNESS STATEMENT

NAME MARY MUNSELL BILL No. 58  
ADDRESS Box 156, Terry, MT 59349-0156 DATE Jan 13, 83  
WHOM DO YOU REPRESENT Prairie County Hospital District - Administrator  
SUPPORT \_\_\_\_\_ OPPOSE \_\_\_\_\_ AMEND X

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

## Comments:

I am in favor of H.B. 58 which addressed two areas; the deletion of a section of poor fund linked together with a new section providing a method whereby a county owned or operated health facility, and an enhancement to the existing Hospital District law as it relates to funding via taxing hospital district mills.

This proposal does not include any request for funds from the state. The proposal does enable the county hospital district constituents the avenue of voting for support over 10 mills.

## STATE OF MONTANA

REQUEST NO. 048-83

## FISCAL NOTE

Form BD-15

In compliance with a written request received January 6, 19 83, there is hereby submitted a Fiscal Note for House Bill 58 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 58 would restructure the mill levies for local government medical facilities by removing the current medical facility authorization from the county poor fund and establishing a new medical facility mill levy authorization.

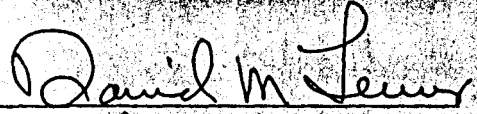
ASSUMPTIONS:

- 1) Assumes the state is not presently subsidizing county medical facilities through poor fund grants-in-aid.
- 2) Assumes that county poor funds would continue to pay for medical services for the indigent sick.

FISCAL IMPACT:

There is no known impact on state revenue or expenditures. Any impact on county revenue or expenditures would be at the option of individual counties. The potential exists to raise local property taxes in those counties with county medical facilities or those counties who build one.

FISCAL NOTE2:FF/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-11-83

## VISITORS' REGISTER

HOUSE LOCAL GOVERNMENT COMMITTEEBILL HOUSE BILL 58Date 1-13-83SPONSOR RYAN

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
<del>Richard Trejace</del>	<del>Helena</del>	<del>MT Assoc to Supts</del>		X77
<del>William E. Leary</del>	<del>Helena</del>	<del>MT Hospital Assn</del>	X	
<del>Kenneth Aboulter</del>	<del>JORDAN, MONT</del>	<del>GARFIELD Co. Comm.</del>	X	
<del>Beverly Gibson</del>	<del>MACO - Helena</del>		X	
<del>Robert O. Connor</del>	<del>Jordan, MT</del>	<del>Garfield Co Hosp</del>	X	
<del>Mary Murrell</del>	<del>Terry</del>	<del>Prairie Co. Hosp Dis</del>	X	
<del>Star</del>				
<del>JOHN WILKINSON</del>	<del>LEWIS &amp; CLARK CO.</del>	<del>CO. COMMISSION</del>	X	
<del>LEE J. TICKELL</del>	<del>HELENA, MT</del>	<del>S.R.S.</del>	X	
<del>Lawrence McElhenny</del>	<del>Cascade Co</del>	<del>Clerk of Dist Court</del>		X
<del>Margaret Shaw</del>	<del>Bozemanhead Co.</del>	<del>/ / / /</del>		X
<del>Harry Hargre</del>				
<del>Prohanna Smith</del>	<del>Bozeman, MT.</del>	<del>Myself &amp; Lev. Bryan</del>		
<del>Rose Leavitt</del>	<del>Helena</del>	<del>LWV</del>	X	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

## VISITORS' REGISTER

HOUSE LOCAL GOVERNMENT COMMITTEE

BILL HOUSE BILL 109

Date 1-13-83

SPONSOR WINSLOW

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

# STANDING COMMITTEE REPORT

Page 1 of 3

January 25,

1983

MR. SPEAKER

We, your committee on LOCAL GOVERNMENT

having had under consideration HOUSE Bill No. 58

first reading copy ( white )  
Color

A BILL FOR AN ACT ENTITLED: "AN ACT TO RESTRUCTURE THE MILL LEVIES  
FOR LOCAL GOVERNMENT MEDICAL FACILITIES; AMENDING SECTIONS 7-34-2133,  
7-34-2134, 7-34-2417, AND 53-2-321, MCA."

Respectfully report as follows: That HOUSE Bill No. 59

## AMEND HOUSE BILL 58, AS FOLLOWS

1. Title, line 6.  
Following: "7-34-2417,"  
Strike: "AND"

2. Title, line 7.  
Following: line 6  
Insert: "AND 53-2-322,"

3. Title, line 7.  
Following: "MCA"  
Insert: "; AND PROVIDING AN EFFECTIVE DATE"

DOCKASSX



January 25, 1983

## 4. Page 1, line 11.

Following: "commissioners"

Strike: "must"

Insert: "may"

## 5. Page 1, line 15.

Following: "operation of"

Insert: "county-owned or"

## 6. Page 1, line 16.

Following: "homes"

Insert: ", or other hospital facilities created under 7-8-2102, 7-34-2201, 7-34-2301, and 7-34-2502. "Hospital facilities" as used in this section means a hospital or hospital-related facility, including out-patient facilities, public health centers, rehabilitation facilities, long-term care facilities, and infirmaries "

## 7. Page 3.

Following: line 12

Insert: "Section 6. Section 53-2-322, MCA, is amended to read:

"53-2-322. County to levy taxes, budget, and make expenditures for public assistance activities. (1) The board of county commissioners in each county shall levy 13.5 mills for the county poor fund as provided by law or so much thereof as may be necessary. The board shall budget and expend so much of the funds in the county poor fund for public assistance purposes as will enable the county welfare department to pay the general relief activities of the county and to reimburse the department of social and rehabilitation services for the county's proportionate share of the administrative costs of the county welfare department and of all public assistance and its proportionate share of any other public assistance activity that may be carried on jointly by the state and the county.

(2) The amounts set up in the budget for the reimbursements to the department of social and rehabilitation services shall be sufficient to make all of these reimbursements in full. The budget shall make separate provision for each one of these public assistance activities, and proper accounts shall be established for the funds for all such activities.

(3) As soon as the preliminary budget provided for in 7-6-2315 has been agreed upon, a copy thereof shall without delay be mailed to the department of social and rehabilitation services, and at any time before the final adoption of the budget, the department shall make such recommendations with regard to changes in any part of the budget relating to the county poor fund as considered necessary in order to enable the county to discharge its obligations under the public assistance laws.

(4) The department of social and rehabilitation services shall promptly examine the preliminary budget in

January 25, 1983

order to ascertain if the amounts provided for reimbursements to the department are likely to be sufficient and shall notify the county clerk of its findings. The board shall make such changes in the amounts provided for reimbursements, if any are required, in order that the county will be able to make the reimbursements in full.

(5) The board of county commissioners may not make any transfer from the amounts budgeted for reimbursing the department of social and rehabilitation services without having first obtained a statement in writing from the department to the effect that the amount to be transferred will not be required during the fiscal year for the purposes for which the amounts were provided in the budget.

(6) No part of the county poor fund, irrespective of the source of any part thereof, may be used directly or indirectly for the erection or improvement of any county building so long as the fund is needed for general relief expenditures by the county or is needed for paying the county's proportionate share of public assistance or its proportionate share of any other public assistance activity that may be carried on jointly by the state and the county. Expenditures for improvement of any county buildings used directly for care of the poor, except a county hospital or county nursing home, may be made out of any moneys in the county poor fund, whether such moneys are produced by the 13.5-mill levy provided for in subsection (1) of this section or from any additional levy authorized or to be authorized by law. Such expenditure shall be authorized only when any county building used for the care of the poor must be improved in order to meet legal standards required for such buildings by the department of health and environmental sciences and when such expenditure has been approved by the department of social and rehabilitation services."

NEW SECTION. Section 7. Effective date. This act is effective July 1, 1983."

AND AS AMENDED  
DO PASS

# STANDING COMMITTEE REPORT

January 20,

1983

MR. **SPEAKER**

We, your committee on **LOCAL GOVERNMENT**

having had under consideration **HOUSE** Bill No. **109**

**first** reading copy ( **white** )  
color

**A BILL FOR AN ACT ENTITLED: "AN ACT TO SEPARATE THE LOCAL IMPACT AND EDUCATION TRUST FUND ACCOUNT INTO TWO ACCOUNTS: PROVIDING FOR THE DISPOSITION AND INVESTMENT OF UNEXPENDED BALANCES IN THE LOCAL IMPACT ACCOUNT; AMENDING SECTIONS 15-35-108, 20-9-343, 90-1-108, 90-6-202, 90-6-205, 90-6-207, AND 90-6-211, MCA; AND PROVIDING AN EFFECTIVE DATE."**

Respectfully report as follows: That **HOUSE** Bill No. **109**

**BE AMENDED AS FOLLOWS:**

**1. Page 8, lines 13 and 14.**

**Following: "impact"**

**Strike: Line 13 and line 14 through "education"**

**AND AS AMENDED**

**DO PASS**

# STANDING COMMITTEE REPORT

January 19, 1983

MR. SPEAKER

We, your committee on LOCAL GOVERNMENT

having had under consideration HOUSE Bill No. 121

first reading copy ( white )  
color

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT FOR PURPOSES OF AN ELECTION FOR CHANGING THE FORM OF LOCAL GOVERNMENT, NOVEMBER 8, 1983, IS CONSIDERED TO BE 3 YEARS PRIOR TO NOVEMBER 4, 1986."

Respectfully report as follows: That HOUSE Bill No. 121

AMEND HOUSE BILL 121 AS FOLLOWS:

1. Title, line 6.

Following: "GOVERNMENT,"

Insert: "AN ELECTION CONDUCTED IN"

Following: "NOVEMBER"

Strike: " 8, 1983,"

Insert: "3 YEARS EARLIER"

~~NOT FORWARDED~~  
~~DO PASS~~

2. Title, line 7.

Following: "PRIOR TO"

Strike: "NOVEMBER 4, 1986"

Insert: "A GENERAL ELECTION DATE; AMENDING SECTION 7-3-155, MCA"

3. Line 10.

Strike: all of the bill following the enacting clause

Insert: "Section 1. Section 7-3-155, MCA, is amended to read:

"7-3-155. Three-year moratorium. (1) Unless the constitution requires otherwise, the electors of any unit of local government which has voted upon the question of changing the form of local government, charter, or consolidation plan or upon the question of amending the alternative form, charter, or consolidation plan may not vote on the question of changing or amending the form of local government for 3 years.

(2) For the purposes of this section general election dates are considered to be 1 year apart and may be used in computing the 3-year moratorium. No election on the question of changing an alternative form of a unit of local government may be challenged as failing to conform with the moratorium provisions of this section because 3 full calendar years may not have elapsed."

AND AS AMENDED

DO PASS