

MINUTES OF THE MEETING OF THE LOCAL GOVERNMENT COMMITTEE  
January 20, 1983

The meeting of the Local Government Committee was called to order by Chairman Kathleen McBride on January 20, 1983, at 12:30 p.m. in Room 224A. All members were present except Rep. Sands who was absent and Rep. Waldron who was excused.

CHAIRMAN McBRIDE introduced Cheryl Hutchinson from the Lt. Governor's office and Lee Heiman, Staff Attorney for the Legislative Council, who presented an overview of local government to help committee members understand the laws and history of local government and to enable them to better understand the problems of local government under the 1972 Constitution.

EXECUTIVE SESSION:

HOUSE BILL 115. REPS. WALDRON, HANSON and SANDS were appointed to serve as a subcommittee to work on various amendments and report to the committee on Saturday in order that action might be taken.

HOUSE BILL 109. The purpose of this bill is to separate the local impact fund from the educational trust fund. The local impact money will stay available for local impact needs. An amendment was suggested--page 8, lines 13 and 14--strike "or for transfer to a permanent trust fund for education."

REP. VINGER moved HOUSE BILL 109 DO PASS.

REP. HAND moved to amend the bill. It was seconded by REP. KADAS. The motion was passed unanimously.

REP. HAND moved HOUSE BILL 109 DO PASS AS AMENDED. REP. NEUMAN seconded the motion.

REP. PISTORIA questioned whether any educational funds would be lost.

REP. BERTELSEN responded by saying that in their appropriation from the fund, there is no loss. If there was a surplus, it is reverted to the education fund.

REP. BERTELSEN added that the point of this bill is simply to provide an adequate fund so that when you have a large impact, you will be able to take care of it. With a cap on it, it would be a very good move to make.

Question was called and HOUSE BILL 109 passed DO PASS AS AMENDED unanimously.

CHAIRMAN McBRIDE took the committee out of Executive Session and opened the hearing on HOUSE BILL 189.

HOUSE BILL 189. REP. BENGTON, sponsor, said that HOUSE BILL 189

addresses some problems of some inequities arising from voting on consolidation or transfer of services between cities and counties. Attention was called to page 2, line 14, "Among those electors voting in any election involving the question of service consolidation or transfer, an affirmative vote of a simple majority of those residing in each of the municipalities and of those residing in the remainder of the county." This does not comingle votes between a municipality and a county. Each of the local government entities working by a simple majority have to approve of it for the service consolidation to be effective. When we take the votes of the total government entity, we disenfranchise the minority. In the case of Yellowstone County, the City of Billings constitutes a majority and the rural area would then be disenfranchised. This bill is speaking to equity and a sense of fairness. She referred to pages 4 and 5 regarding the procedure for determining the consolidation. If one can get into a consolidation, there should be an orderly way of terminating it. That is accomplished by 15% of the voters signing a petition and getting it on the ballot. The city or the county could do it. (EXHIBIT 1)

PROPOSERS:

JOHN BROWN, rancher from Yellowstone County, stated that the people of Yellowstone County do not want to consolidate with the city because they feel that they would lose control of the sheriff's department. He requested that the Committee send HOUSE BILL 189 to the floor with a do pass recommendation.

JOHN PATTERSON, Yellowstone County, said this bill will help correct some of the shortcomings of the rules on the books today. This bill would make the people who write these service plans include everybody in the county--whether voting on law enforcement, refuse districts, or fire. The taxpayers will pay for any type of service that is going to be combined. This bill will give guidance to people who are writing service plans for their own individual needs in their respective counties.

JO BRUNNER, representing Women Involved in Farm Economics organization, supported HOUSE BILL 189. She felt that those in rural areas should have a fair opportunity to share in decisions to consolidate services (EXHIBIT 2).

PHIL JOHANNES, northeast of Billings, said if this bill passes, he feels that his vote will count. He urged passage of this bill.

WILL BROOKE, representing the Montana Woolgrowers and Montana Stockgrowers Assn., stated the bill gives the constituents more of a voice in the decision-making process.

REP. DAVE BROWN appeared in favor of this bill. The items one needs to concentrate on in determining the merits of this bill are the differences between having a unified county government and having special issues that are attempted to be consolidated. He urged serious consideration of this bill and amendments to get it on the House floor.

REP. HOLLIDAY went on record as supporting HOUSE BILL 189.

REP. SWITZER endorsed the idea of this bill.

OPPONENTS:

DAVID WILCOX, representing the City of Missoula, stated the consolidation of city and county services is made more difficult by requiring extraordinary voter approval (EXHIBIT 3).

DAVID G. GOSS, representing the Billings Area Chamber of Commerce, felt there was a problem with the constitutionality of this bill. He also opposed the bill because it would allow decisions to be made by a minority of those voting, rather than the majority (EXHIBIT 4).

JIM VAN ARSDALE requested being noted as opposing HOUSE BILL 189.

ALEC HANSON, Montana League of Cities and Towns, stated consolidation works as it is a very effective method of controlling costs in local government. He said this preempts any future consolidation in the State of Montana.

ANN MULRONEY, League of Women Voters, stated this bill ignores the central fact that residents of municipalities are also residents of the county (EXHIBIT 5).

REP. BENGTON closed the hearing by saying she wanted to make it clear that she didn't oppose consolidation or transfer of services. The whole question is protection of minority rights. Signatures of constituents supporting this legislation are attached (EXHIBIT 6).

QUESTIONS:

REP. KITSELMAN asked JOHN PATTERSON what the taxable valuation is of county versus city. JOHN PATTERSON stated that 1 mill levy to Yellowstone County would bring in \$190,000. One mill levy in the city was just slightly half.

REP. KITSELMAN asked JOHN PATTERSON what percentage of the evaluation lies in which boundary. JOHN PATTERSON answered the higher classification does rely in your larger cities.

REP. KITSELMAN asked DAVE GOSS what portion is the city actually paying for county sheriff's services? DAVE GOSS answered that 46% of the sheriff's budget comes from the tax base.

REP. WALLIN asked what would this do to a town that would like to incorporate so that they could have a sheriff and police service. Would there be any incentive for towns to incorporate or disincorporate.

LEE HEIMAN responded that there is no relationship. This has nothing to do with alternative forms; it only involves services.

REP. SALES asked LEE HEIMAN how the consolidation effort is initiated. LEE HEIMAN stated by two ways--by petition or by the commission. Either one prepares this service plan which is the item voted on. REP. SALES inquired if it was a petition from the electors; and if so, what percentage is required. Is 15% required from each of the units that is going to be consolidated or can it be just 15% of one of them? LEE HEIMAN stated that it is 15% from each of the units in which a service is going to be consolidated. You must have either that or the commission has the authority to put one of these plans on the ballot. Members of this commission are appointed by the county commissioners and the city council.

REP. VINGER asked that once this is formed into one consolidation, doesn't it take 15% on a petition of the consolidated voters? REP. BENGTSON responded that it takes 15% of the voters in their area. She stated the termination policy was not in the original bill and that if there was any problem with the termination, she would be willing to sacrifice it. It is more important to be able to vote in individual units of government.

REP. VINGER asked if a portion of the county could form a little district or do they have to go with the county? REP. BENGTSON stated she didn't think that could be done. There is a bill before the committee that addresses service districts that want additional service. They could establish boundaries and levy a tax on a particular service.

REP. KADAS asked REP. BENGTSON if she felt that this sets up a separate jurisdiction within the county that excludes city residents. REP. BENGTSON responded that they are, in a way. We have county levies that don't affect the city and the city has taxes and functions in which the county is not involved with.

CHAIRMAN McBRIDE closed the hearing on HOUSE BILL 189.

SENATE BILL 13.

SENATOR MAZUREK, sponsor, stated that this bill allows municipalities to set their own interest rates on bonds. This bill simply reenacts SENATE BILL 15 of last session. He handed out a copy of the session law, Chapter 500 of the laws of 1981, (EXHIBIT 7). If you look through the session law, you will see that on all types of municipal bonds, the interest rate ceiling (prior to 1981 varied from 6 to 10% depending on the type of bond) is repealed. During the last session, SENATE BILL 15 lifted those ceilings for two years. It terminates on July 1 of this year. It is necessary to go back and remove those ceilings.

The bonds that are affected are general obligation bonds, municipal general obligation bonds (7-7-4251). Section 7-7-4245 deals with refunding; Section 7-7-4432--municipal revenue bonds; television district bonds, transportation district bonds, urban renewal bonds, emergency and protective service bonds, county nursing home bonds, all of the school bonds are also involved. There are a number of sections because interest rate ceilings would be retained in all of the notice provisions. Virtually, every municipal bond including industrial revenue bonds would have the interest rate ceiling repealed. The repealer, Section 7-7-2208, are the statutory limitations for interest rates on county general obligation bonds. The other repealer 7-40-4207, is the municipal general obligation limitation and Section 20 of Chapter 500 is the two-year applicability provision which would make the interest rate ceiling limitation repealed permanently. Another handout indicates how local governments have fared during this two-year interim; a history of sales before 1980 and after the passage of the bill in 1981 are included. (EXHIBIT 8)

There are only two bond issues where the interest rate paid by the local government was higher than the bond buyer's index. The purpose of the handout is to show that municipal governments have sold their bonds at competitive rates generally lower than interest rates around the country. The final handout (EXHIBIT 9) shows where Montana fits in with the rest of the states in the United States. We are the fourteenth lowest in terms of the average net interest paid by taxpayers on bonds. He hoped that the committee would conclude that Montana has fared well during this two-year period when interest ceilings have been suspended.

The bill has an immediate effective date and voters in Helena recently approved a new county nursing home. The county is up against its bond indebtedness limit. The commissioners want to make provisions to start selling the bonds but are up against the July 1 deadline. They need to know whether the ceiling is going to be deleted entirely. Therefore, we would appreciate your favorable and prompt consideration.

PROPOSERS:

GENE HUFFORD, D. A. Davidson, Great Falls, stated that the bond buyers index is an average of 20-year nationwide bonds. The average rating within that index is A rated. It is something that does reflect the national market for tax exempt bonds and is something that can be used to compare rates that Montana municipalities are selling their bonds at. The City of Great Falls sold \$6,900,000 worth of water and sewer bonds at an average rate of 8.77 with the bond buyer's index being 9.36. The point is that the market sets the interest rates that communities receive on their bonds and the fact that there is a limitation in the law does not affect what the municipality is going to get on their bond. In 1974 and 1975 when the communities could not sell their bonds, the Legislature in 1975 raised the limitation to 7% on general obligation bonds and 9% on revenue bonds. The last Legislature took the limits off for a two year period. This bill would make this permanent and it would enable the communities, if they so desire, to raise money when it is needed by them, notwithstanding they still have their right to reject the bids if interest rates are too high on their bonds.

ALEC HANSON, League of Cities and Towns, supports this bill. He believes the local governments have done a good job during the time the limitation has been off. The League supports eliminating these limitations permanently.

BOB SULLIVAN, Head of the Legal Department, Montana Power Company, Butte, gave an example of how the removal of the interest ceiling was beneficial to the customers of the Montana Power Company. When construction was resumed in 1979, it was estimated that the total cost of that project would be \$1,800,000,000. With strict monitoring of construction and high productivity, it is estimated it will be \$1,700,000,000. In May, 1981, after this legislature passed and declared a moratorium on the ceiling rates, three of the participants sold short-term bonds at an equivalent rate of 9 1/2%--a little bit over the ceiling if it had still been in affect. At that time, if we had gone to the long term bond market, the cost to the participants would have been 16 1/2% to 17% so it was a difference of 8%. This savings was passed on to the consumers of Montana Power. It is important that this ceiling on bonds be repealed. He supports Senate Bill 13 which would repeal the ceilings on interest rates.

JOHN CAMPBELL, Business Manager of the Helena School District, representing the Montana School Business Officials Association, stated it would be impossible for the Helena High School District to sell bonds. He asked that the sunset be lifted on this legal provision.

CHIP EDMONDS, Montana School Board Association, supports passage of this bill.

DAVID W. WILCOX, City of Missoula, also strongly supports this bill.

BILL VERWOLF, City of Helena, supports this bill for the same reasons that have already been stated. The limitation would not prevent high interest rates, but would prevent issuance of bonds when interest rates go higher. The impact is that bonds for mandated improvements can't be issued now. One has to wait until the interest rates drop below the legal limit and construction costs continue to escalate, so you get into a trade-out situation. We feel this should become permanent legislation.

OPPONENTS: None.

SEN. MAZUREK closed.

QUESTIONS:

REP. HAND asked if we were going to cancel the situation--not just have another moratorium. SEN. MAZUREK replied that this is true. The ceilings are gone forever unless future legislation would be enacted.

REP. SALES asked what is included by the term "all issues?" GENE HUFFORD, D. A. Davidson, replied that this includes all of the bond sales reported to the Public Securities Association in the home office, all the sales that took place in the various states, including Montana, and the par amount of all those issues and the average net affecting interest rate of those issues.

The hearing was closed by CHAIRMAN McBRIDE.

HOUSE BILL 193. REP. PISTORIA, sponsor, stated that this bill amends municipal contracts and franchises. The present law (EXHIBIT 10) and an amendment by Sonny Hansen, (EXHIBIT 11) were passed out. REP. PISTORIA suggested deleting "professional and technical" and adding "medical, nursing, architectural, financial." On page 2 of the law you will note that any sum exceeding \$10,000 must be let out for bids. Referring to page 1 of the law, subsection (2) of 7-5-4301, all necessary contracts for professional, technical, engineering, and legal services are excluded from the provision of 7-5-4302. In 1982 a contract for \$1.2 million to run a sewer plant in Great Falls came under controversy. It was felt it could come

under "professionalism." "Professional" was not even mentioned in the contract; the description used was "maintenance." The amendment that Sonny Hansen passed out to you, following "financial," add "landscape architecture, land surveyors."

PROPOSERS: None

OPPOSERS:

DAVID WILCOX, City of Missoula, felt that the law as it previously read gave them the flexibility that they needed to contract for professional services. It does not help to eliminate professional and technical and add a list of what might be considered professional and technical because there are a whole host of other professionals that we might contract with. As a result of this legislation requiring a competitive bid, we would be faced with having to accept a bid from, possibly, an unqualified bidder who would not be able to do the best job we have laid out for him. An example would be obtaining an appraisal for a large piece of property. Appraising is certainly a profession and a very technical and complicated field. Even though we may get a competent appraiser, it may not be the most competent appraiser available for the money if we were forced to accept the bidding process. This law imposes a restriction on our flexibility to contract our services that we find somewhat unacceptable. We feel the solution to the problem might be to try to define in a broader sense "professional and technical" so as not to restrict their flexibility at the local level in contracting for the best available services at the lowest possible price as long as it is under \$10,000. He urged the Committee to vote against this legislation.

BILL VERWOLF, City of Helena, stated his concern is that the list proposed in the legislation says "architectural engineering." The amendment says "landscape architecture, land surveyors." That indicates there is going to be a more strict definition of these terms than we would like. One doesn't want the low bidder unless he happens to be the best. His concern was to make the list broad enough to include all kinds of professionals. We need more flexibility in this particular phrase.

ALEC HANSON, League of Cities and Towns, stated he is opposed to the bill for the same reasons cited by the cities of Helena and Missoula. He stated there is no reasonable way to interpret the code. He hoped that the Committee would arrive at a broader definition.

Written testimony is attached (EXHIBIT 12)

REP. PISTORIA closed the hearing on HOUSE BILL 193.



Hearing closed on HOUSE BILL 193.

*Kathleen McBride*  
CHAIRMAN KATHLEEN McBRIDE

*Gene Beusert*  
\_\_\_\_\_  
Secretary  
gb:dh

Lee Keman

Legal considerations relating to separate majorities.

Constitutional requirements:

1. Referendum and initiative reserved to the people, but apparently to be exercised according to state law. There are no provisions on majorities. Art. III, sections 4 and 5.

2. For changes in counties, a separate majority in each county is required. "No county boundary may be changed or county seat transferred until approved by a majority of those voting on the question in each county affected." Art. XI, section 2.

3. For optional or alternative forms of government a separate majority is not allowed. Art. XI, section 3(1). This is the closest to the problem. Is a service agreement under the provisions of the chapter here an adoption of an alternative or optional form of government? Probably not. Such changes are made under Title 7, chapter 3. Includes various items such as a 3 year moratorium and filing of the change. Section 7-3-101, states that the chapter is specifically to implement the constitutional provision in question.

The problem arises that one service agreement may be very minor -- say garbage collection. Another may be so major that its effect is to change the form of government. Does the service agreement conflict with the alternative forms law or is it an exception to it.

The fact that the an elected officer may be eliminated by a service agreement does not in itself give rise to a change in a form of government requiring a vote. Section 7-4-2310, that was originally passed in 1895, is a method for the board of county commissioners to consolidate county offices. This change does not become a change in a form of government.

Statutory considerations:

1. The alternative forms law at 7-3-149 mirrors the constitution (separate for counties and simple majority for other alternative forms).

2. Petition requirements may be separate. Initiative petitions state wide with percentages in each of a percentage of counties to get on ballot. Art. III, section 4(5). Petitions for city-county consolidation (at 7-3-125) and for city-county service consolidation (at 7-11-303(3)) both require 15% from separate residents.



# WIFE Women Involved in Farm Economics

## WITNESS STATEMENT

NAME JO BRUNNER BILL NO. HB 189  
 ADDRESS 563 3rd St Helena DATE 1/20/83  
 REPRESENT Women Involved in Farm Economics  
 SUPPORT X OPPOSE AMEND

*Mr. Bill*  
 Mr. Chairman, members of the committee, my name is Jo Brunner and I am testifying in support of HB 189 for the Women Involved in Farm Economics organization. We wish to go on record as concurring whole-heartedly with the changes in the original law recommended by the bill.

W.I.F.E. recognizes that there are instance when it is beneficial for the city and county governments to consolidate their services. We do feel, however that those in the rural areas should have a fair opportunity to share in these decisions.

This was not possible as the original law stood and we commend Mr.s Bengston for introducing a bill that will provide for ~~the~~ rural approval and *we* will not be forced into participation because the municipalities have the votes to override our objections. We are also hopeful it will eliminate or at least reduce the idea that many of our rural citizens have that it is useless to vote on such measures because of the strength of the city vote.

Thank you.

## WITNESS STATEMENT

Name David W. Wilcox Committee On \_\_\_\_\_  
 Address 1024 Taylor Missoula Date 1-20-83  
 Representing City of Missoula Support \_\_\_\_\_  
 Bill No. 189 Oppose  \_\_\_\_\_  
 Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

## Comments:

1. House Bill 189 makes the consolidation of city and county services more difficult by requiring extraordinary voter approval. Residents of the City as well as residents of the County outside incorporated areas must cast a majority vote in favor, instead of one majority of all.
2. The bill presumes that residents of municipalities are not residents of Counties. In fact residents of municipalities are also county residents and would be disenfranchised by the proposed bill.
3. HB 189 discriminates against residents of a County who also happen to live with an incorporated area. City and Town residents pay taxes to the County to support County services. They should be permitted to vote on the status of those services when other County residents are asked to vote.

The bill (HB 189) makes the provision of services in the most efficient manner more difficult. Consolidating services is one way to be more efficient. This should not be made even more difficult than it already is under the law unamended.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

WITNESS STATEMENT

NAME David E. Gess BILL No. HB 189  
ADDRESS Billings, MT DATE 1/20/53  
WHOM DO YOU REPRESENT Billings Area Chamber of Commerce  
SUPPORT \_\_\_\_\_ OPPOSE  AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

statement left w/ secretary.



HOUSE BILL 189

TESTIMONY OF THE BILLINGS AREA CHAMBER OF COMMERCE

The Billings Area Chamber of Commerce is opposed to House Bill 189 for several reasons.

The Chamber believes there may be a constitutional question involved with HB 189. In particular, Article XI, Section 3 allows for the consolidation of entire government units through a simple majority of those voting on the issue. The Chamber questions whether this provision applies strictly to the consolidation of entire government units or if it is also intended to apply to the consolidation of parts of those government units.

In Article XI, Section 7, local governments are granted the authority to cooperate, transfer, or delegate any function, power or responsibility. This section also states that this cooperation may be brought about through initiative and referendum, which is the procedure allowed in the state law which House Bill 189 is attempting to amend. The Chamber would like to point out that the state law dealing with initiative and referendum calls for the approval of a referendum by a simple majority of those voting on the issue.

Therefore, a question raised by House Bill 189 is whether an exception is going to be made to the existing initiative and referendum law. And if an exception is made here, what other exceptions will be sought in the future. Is a point going to be reached where statewide referendums, for example, will have to be approved by majorities in each Senate or House District, or in each county, or in each city, or in each precinct?

The Chamber also opposes House Bill 189 because it would allow decisions to be made by a minority of those voting, rather than the majority. In other words, a decision could be made because of the wishes of 1,000 voters rather than the wishes of 10,000 voters.

In conclusion, the Chamber also opposes this bill because the present system works. The present law does not automatically conclude that a heavily populated area will be able to push their desires onto a sparsely populated area. For example, in Yellowstone County recently there was an election on a plan to consolidate the three existing law enforcement agencies into one. Despite the fact that consolidation would have meant a substantial tax savings to the residents in the cities of Laurel and Billings, the plan failed because it did not get a simple majority of all those persons voting.

The Chamber urges that House Bill 289 be given a "do not pass" recommendation.

Testimony Presented By:  
David G. Goss, Director  
Governmental/Political Affairs  
Billings Area Chamber of Commerce

WITNESS STATEMENT

NAME Ann McLeoney BILL No. 189  
 ADDRESS 700 Power DATE 1/19/83  
 WHOM DO YOU REPRESENT League of Women Voters  
 SUPPORT \_\_\_\_\_ OPPOSE X AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

The policy statement of the Interlocal Cooperation Commission Statutes (7-11-201) written by the League and passed in 1969 states that it is the public policy of Montana "to provide residents of the state the means of improving their local governments. The rather unusual voting requirements in HB 189 would just about eliminate their ability to do so. This attempt to require an affirmative vote by a majority of those residing in both the affected municipalities and the remainder of the County is not only unreasonable but ignores the obvious that residents of municipalities are also residents of the County.

The statutes governing an election on the question of consolidation of local governments are of value on this question. Title 7, Chapter 3 Part 149 (3)(b) states, "In any election involving the question of consolidation each question shall be submitted to the electors in the County and requires an affirmative vote of a simple majority of the votes cast in the County on the question for adoption. There is no requirement for separate majorities in local governments voting on consolidation.

To provide for an informed electorate and maximum voter turnout the interlocal cooperation commission statutes require that the proposed service plan be made available to the public 30 days prior to election and that a summary be published at least twice. These provisions are the same as those statutes governing the alternate form of government process.

The new section proposed for these statutes has the same problem regarding the "pending" language. Providing an opportunity for terminating an adopted service arrangement is reasonable but we recommend the three year moratorium in the alternative form of government statutes.



PROPOSED LEGISLATION TO BE INTRODUCED BY ESTHER PRAGG, H.D. #59, IN THE  
1983 LEGISLATURE

Apprent,  
1,75

When property taxes are used to fund cooperative agreements between cities and counties, the vote in the unincorporated areas must be separated from the urban areas. The rural areas and the urban areas must each be given the option of approving or disapproving consolidation of services.

Cooperative agreements must have incorporated in their body orderly procedures for the termination of service agreements at the option of either the city or county.

THE FOLLOWING PEOPLE ENDORSE THIS LEGISLATION:

Leo K Reuter	Hunting, mt
Ronald J. Propp	Worden, Mont.
Robert M. Ponce	worden mont.
Robert R. Reed	worden mont
Patricia L. Dager	Worden, Mont
Nadean Shepard	worden mont
Alice Shepard	Ballantyne, Montana
Frankfort Oberlander	" "
Mae-Lyn Sander	worden mont
Dora Schlicht	worden mont
Alma Peterson	worden mt
Wally F. H. Swartz	worden mont.
Erwin Nassy	

Janne Zapata	Worden, mt
John H. Reisdorff	Worden, mt.
Irving Berg	Pompey, Pillar
Marion C. Berg	Pompey Pillar
Barbara Berg	Pompey Pillar
Esther Prapp	Worden mt.
Mary Hoehne	Worden Mt
Anita Alberti	Worden
Virginia Daylis	worden
Conrad Fricke	Worden
Vernon C. Fricke	
Howard L. Smith	Worden Mt.
Merle Busby	Hunting, MT

Est 1 Oct 1984

PROPOSED LEGISLATION TO BE INTRODUCED BY ESTHER BENGTON, H.D. #59, IN THE

1983 LEGISLATURE

When property taxes are used to fund cooperative agreements between cities and counties, the vote in the unincorporated areas must be separated from the urban areas. The rural areas and the urban areas must each be given the option of approving or disapproving consolidation of services.

Cooperative agreements must have incorporated in their body orderly procedures for the termination of service agreements at the option of either the city or county.

THE FOLLOWING PEOPLE ENDORSE THIS LEGISLATION:

<u>Name</u>	<u>address</u>	Matthias Hunt <sup>rd</sup> Worden
Esther Olander	Ballantine	
Jessie Roberts	Ballantine	
Philip O Reiter	Worden Mont	
Charles Hoff	Worden	
Judy Hoff	Worden, Mont.	
John Mucca	Worden Mont	
Amelia Balzer	Worden	
Eva E. Staley	Worden Mt	
Christina Schardt	Worden Mt.	
Frank Sindelar	Ballantine, Mt.	
Jack J. Allen	Worden Mt	
Arnold R. Larson	Ballantine, Mont	
John Moh	Huntley mt	
William Bower	Worden Mont	
Zetty Ann Raucke	Worden, Mt.	
Joel Sindelar	Ballantine, Mont	
John Proff	Worden Mt.	
J. F. Leper	Ballantine Mt	
James Ewen	" "	
Tom Bowen	Worden "	
Carl M. Carlson	worden "	
Allen Proff	Worden "	

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Cooperative agreements must have incorporated in their body orderly procedures for the termination of service agreements at the option of either the city or county.

THE FOLLOWING PEOPLE ENDORSE THIS LEGISLATION:

Shirley Gurnels

Warden, Mt.

Eui Sun

Billingp Mt

Sandy Sherman

Sunley Mt

W. James Kratochvil

Pompeys Pillar Mt.

Robert Kratochvil

Pompeys Pillar, mt.

Lynaya Kratochvil

Pompeys Pillar, Mt.

Viola C. Kratochvil

Pompeys Pillar, MT.

Ulla Robson

Pompeys Pillar, Mt

Larry S. Robson

Pompeys Pillar, mt.

Lee Miller

Pompeys Pillar, Mt. 59064

Keith A. Oblander

Pompeys Pillar, mt. 59064

Luetta Oblander

Pompeys Pillar, mt. 59064

George Bohl

Pompeys Pillar, mt. 59064

Bentura Parale, Jr

Pompeys Pillar, MT 59064

Kelly Dunne

Ballantine, mt. 59006

Egny Propp

Warden, mt 59088

Leo Atthoff

Pompeys Pillar mt

Bill Spear

Pompeys Pillar, Mont.

Lynaa Sherwood

Pompeys Pillar, mt.

Marge Sherwood

Pompeys Pillar, Mt.

Harold Worn

Pompeys Pillar Mt

Kim Duneman

Ballantine Mt 59006

Clancy Black

Pompeys Pillar mt 59064

Linda Christen

Pompeys Pillar 59064

PROPOSED LEGISLATION TO BE INTRODUCED BY ESTHER HENGTSON, H.D. #59, IN THE

1983 LEGISLATURE

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Cooperative agreements must have incorporated in their body orderly procedures for the termination of service agreements at the option of either the city or county.

THE FOLLOWING PEOPLE ENDORSE THIS LEGISLATION:

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John Patterson	Custer mt - 59024
Ruth Ann Patterson	Custer, Mont. 59024
Junda R. Kueber	Pompey Pillar, Mt. 59064
Denni Klakke	Pompey Pillar, Mt. 59064
Maryann Latta	Pompey Pillar
J & S Tron	Pompey Pillar, Mt. 59064
Kenneth R. Christ	"
Bob Sherrill	"
Joe Kueber	"
Ed Kramer	Pompey's Pillar
Cecile Klakke	Pompey Pillar, Mt.
Margaret Althoff	Pompey's Pillar Mont.

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Wm W Zetters	Box 197	Worden Mont
Spence Hoff	Box 223	Worden, Mt.
Lucinda Shapp	Box 147	Worden Mt.
Robert W. Jackson	Box 234	Worden, MT
Kenny Weber	Worden	Box 152 <del>Worden</del> Mont
Melb Naezy	Worden	Mont
Lo Schlander	Worden	Mt.
Eileen Jensen	Ballantine,	mt
Fith Elk	Ballantine	MT.
Philip O Reiter	Worden	Mont
Alvin Baldry	Ballantine	Mt.
Harry Pearson	Worden	Mont
Eva E. Pearson	Worden	Mont.

PROPOSED LEGISLATION TO BE INTRODUCED BY ESTHER PENTSON, H.D. #59, IN THE

1983 LEGISLATURE

When property taxes are used to fund cooperative agreements between cities and counties, the vote in the unincorporated areas must be separated from the urban areas. The rural areas and the urban areas must each be given the option of approving or disapproving consolidation of services.

Cooperative agreements must have incorporated in their body orderly procedures for the termination of service agreements at the option of either the city or county.

THE FOLLOWING PEOPLE ENDORSE THIS LEGISLATION:

Ron Kautz	Ballantine Mont.
Ernsald M. Alexander	Pompey's Pillar Mont
Robert S. Newin	Woodson Mont
Matt Synek	Belling Montou.
Fred Thacker	Pompey's pillar
Tim P. Grammer	Pompey's Pillar
Sherley Pollack	Pompey Pillar
Larry S. Block	Pompey Pillar
Herman Sian	P
Randy Sian	P
Arthur White	"
	"
	Ballantine
Bert Cice	Pompey Pillar
Linda Cahill	Pompey Pillar
Ken Cahill	Pompey Pillar
Joe Welborn	Pompey's Pillar
Larry M. French	Pompey's Pillar
Jennifer M. French	Pompey's Pillar
Paul A. Sian	Pompey's Pillar
Steven P. Sian	Pompey's Pillar
Lori Sian	Pompey's Pillar

PROPOSED LEGISLATION TO BE INTRODUCED BY ESTHER PENTSON, H.D. #59, IN THE

1983 LEGISLATURE

When property taxes are used to fund cooperative agreements between cities and counties, the vote in the unincorporated areas must be separated from the urban areas. The rural areas and the urban areas must each be given the option of approving or disapproving consolidation of services.

Cooperative agreements must have incorporated in their body orderly procedures for the termination of service agreements at the option of either the city or county.

THE FOLLOWING PEOPLE ENDORSE THIS LEGISLATION:

- 
- N. Fredericks      Box 89      Ballantine, MT      59006
  - George Jensen      Rd 15 N      Ballantine MT.      59006
  - Jim Stout      —      Ballantine, MT.      59006
  - Bud Burnett      —      Ballantine Mont.      59006
  - Jack Light      PO BOX 57      BALLANTINE, MT      59006
  - Sam Craft      Box 56      Ballantine MT      59006
  - Kyrlewig Huck      Box 34      Ballantine Mont      59006
  - Jeff Burns      RR 1      Ballantine Mt.      59006
  - Kathy McNaney      Gen. Del.      Ballantine, mt      59006
- 
- A.P. Johnson      R.I. BALLANTINE MONT 59006
  - Ralph Drenfield      Worden Mont
  - Edith M. Drenfield      Worden, Mont.
  - Wald Kuyell      Worden, Mont.
  - Lois Carlstrom
  - Rebie Carr      Ballantine Mont
  - Elizabeth L. Marsel - Worden
  - Frances Thomahlen      Worden, Montana
  - Gene E. Nupoll      Worden, Montana
  - Pete Becker      Ballantine - mt
  - Melvin Shear      Worden Mt.
  - Valentine Shear      Worden, mt.
  - Lydia Weber      Worden Mont
  - Bill Elander      Ballantine

PROPOSED LEGISLATION TO BE INTRODUCED BY ESTHER ENGTON, H.D. #59, IN THE  
1983 LEGISLATURE

When property taxes are used to fund cooperative agreements between cities and counties, the vote in the unincorporated areas must be separated from the urban areas. The rural areas and the urban areas must each be given the option of approving or disapproving consolidation of services.

Cooperative agreements must have incorporated in their body orderly procedures for the termination of service agreements at the option of either the city or county.

THE FOLLOWING PEOPLE ENDORSE THIS LEGISLATION:

Walter N. Larson  
Judith M. Osmondson

Ballantine, Mt.  
Worden, Mt.

Larry Van Tackere  
Worden, Mt.

Worden, Mt.  
Ballantine, Mt.

Pauline L. Mohr - Worden Mt. Jan Willms, Ballantine  
Howard W. George - Worden Mt. Betty Johnson Shepherd  
Cecil Bond - Worden Mt. John Burghous Shepherd  
Dick Cook - Worden Mt.

Don Becker Ballantine, Mont.  
Ruby L. Leeters - Worden, Mont.  
Arlis Ewen Ballantine, Mt.

Nancy J. Juby Worden, Mt.  
Jane C. Russell Worden, Mont.

Bill Russell Worden, Mont.  
James J. Cleveland Ballantine, Mont.

James Cleveland Ballantine, Mont.

Kath Ewen Ballantine, Mt.

Rod Ross Worden, Mt.

Richard Raucke Worden, Mont.

Jerry Stappell Ballantine, Mont.

Walter John Ballantine, Mont.

PROPOSED LEGISLATION TO BE INTRODUCED BY ESTHER WENDELL, H.O. 259, IN THE  
1983 LEGISLATURE

When property taxes are used to fund cooperative agreements between cities and counties, the vote in the unincorporated areas must be separated from the urban areas. The rural areas and the urban areas must each be given the option of approving or disapproving consolidation of services.

Cooperative agreements must have incorporated in their body orderly procedures for the termination of service agreements at the option of either the city or county.

THE FOLLOWING PEOPLE ENDORSE THIS LEGISLATION:

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<i>Glady K. Johnson</i>	<i>Route 1</i>	<i>Ballantine Mont. 59006</i>
<i>Pete Johnson</i>	<i>Route 1</i>	<i>Ballantine Mont. 59006</i>
<i>Walter Johnson</i>	<i>Route 1</i>	<i>Ballantine Mont. 59006</i>
<i>Walter Johnson</i>		<i>Ballantine Mont. 59006</i>

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<i>Pete Danyanovich</i>	<i>Ballantine</i>
<i>Judy Weeks</i>	<i>Ballantine</i>
<i>Edwin Weeks</i>	<i>Ballantine</i>
<i>Thomas Riley</i>	<i>Ballantine</i>
<i>James H. Christman</i>	<i>Ballantine</i>



PROPOSED LEGISLATION TO BE INTRODUCED BY ESTHER PENTSON, H.D. #59, IN THE  
1983 LEGISLATURE

When property taxes are used to fund cooperative agreements between cities and counties, the vote in the unincorporated areas must be separated from the urban areas. The rural areas and the urban areas must each be given the option of approving or disapproving consolidation of services.

Cooperative agreements must have incorporated in their body orderly procedures for the termination of service agreements at the option of either the city or county.

THE FOLLOWING PEOPLE ENDORSE THIS LEGISLATION:

Walter M. Larson  
Judith M. Osmundson

Ballantine Mt  
H. Willey, Mt

Larry Van Sackere  
Ann O.

Warden, Mt.  
Ballantine, Mt

Pauline L. Mohr - Warden Mt. Jan Willoms, Ballantine  
Howard W. George - Warden Mt. Betty Kingham Shepherd  
Cecil Bond - Warden Mt. John Kingham Shepherd  
Dick Castle - Warden Mt.

Min Bicker Ballantine, Mont.  
Ruby L. Leeters - Warden, Mont.  
Aris Ewen Ballantine, Mt.

Nancy Bailey Warden Mt.  
Jan E. Russell Warden, Mont.  
Wall Haggerty Warden Mont.

James L. Cleveland Ballantine, Mont.  
Finna Cleveland Ballantine Mt.  
Keith Ewen Ballantine, Mt.

WITNESS STATEMENT

NAME JOHN C BROWN BILL No. 189  
ADDRESS WORDEN MONT DATE 1-20-82  
WHOM DO YOU REPRESENT SELF  
SUPPORT  OPPOSE AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

WITNESS STATEMENT

*John W. Patterson*

NAME JOHN W. PATTERSON BILL No. H-B-189

ADDRESS CUSTER, MT. 59024 DATE 20 JAN 83

WHOM DO YOU REPRESENT SELF TAXPAYER

SUPPORT X OPPOSE \_\_\_\_\_ AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

WITNESS STATEMENT

NAME Phil Johannes BILL No. H.B. 189  
ADDRESS Ballantyne Mt. DATE 1-20-83  
WHOM DO YOU REPRESENT Self  
SUPPORT  OPPOSE  AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

WITNESS STATEMENT

NAME Will Brooke BILL No. AB 189  
ADDRESS 420 No. California DATE \_\_\_\_\_  
WHOM DO YOU REPRESENT Mt Wodysraweys / Mt Stockraweys  
SUPPORT X OPPOSE \_\_\_\_\_ AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:



enable Montana, in concert with other states, to submit an application to the rail passenger corporation for institution of rail passenger service under the provisions of the Rail Passenger Service Act (45 U.S.C. 563(b)). The governor may not participate in the submission of an application until the base agreement and any application have been approved by the legislature.

Approved April 22, 1981.

**CHAPTER NO. 499**

**AN ACT TO REQUIRE FORMULATION OF A COUNTY ALCOHOL TREATMENT AND PREVENTION PLAN ANNUALLY; AMENDING SECTION 53-24-211, MCA.**

*Be it enacted by the Legislature of the State of Montana:*

Section 1. Section 53-24-211, MCA, is amended to read:

"53-24-211. County plan to be submitted to department. (1) By January 1 of each year, each county must submit to the department a comprehensive countywide plan for the treatment, rehabilitation, and prevention of alcoholism.

(2) The plan must have been approved by the board of county commissioners and must contain information regarding existing nonprofit and local government programs within the county. The plan must also contain information regarding the current and future needs of the county for the treatment, rehabilitation, and prevention of alcoholism.

(3) The department shall approve or disapprove the countywide plan. If the department disapproves a plan, the county may submit another plan to the department. In distributing funds to approved programs in a county, the department shall give consideration to the county plan.

(4) (a) After January 1 of each year, no money may be distributed to a county by the department for the treatment, rehabilitation, and prevention of alcoholism if the county has not submitted a plan as required by subsection (1).

(b) After June 30 of each year, no money may be distributed to a county by the department for the treatment, rehabilitation, and prevention of alcoholism if a county plan has not been approved by the department.

(5) The department may adopt rules regarding the submission, approval, and disapproval of plans."

Approved April 22, 1981.

**CHAPTER NO. 500**

**AN ACT TO ALLOW POLITICAL SUBDIVISIONS OF THE STATE TO SET THE INTEREST RATE FOR BONDS BY DELETING SPECIFIC MAXIMUM RATES ALLOWABLE; AMENDING SECTIONS 7-7-2251, 7-7-4251, 7-7-4275, 7-7-4432, 7-13-2510, 7-14-2745, 7-15-4322, 7-7-2251, 7-34-2415, 17-5-102, 20-9-410, 20-9-426, 20-9-427, 20-9-430, 67-11-303, AND 69-4-332, MCA; SUSPENDING THE OPERATION OF SECTIONS 7-7-2208 AND 7-7-4207, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE.**

*Be it enacted by the Legislature of the State of Montana:*

Section 1. Section 7-7-2251, MCA, is amended to read:

"7-7-2251. Form of notice of sale of bonds. The notice of sale shall state the purpose or purposes for which the bonds are to be issued and the amount proposed to be issued for each purpose and shall be substantially in the following form:

**NOTICE OF SALE OF COUNTY BONDS**

Notice is hereby given by the board of county commissioners of ... County, state of Montana, that the board will on the ... day of ..., 19... at the hour of ... m., at the office of the board in the courthouse in the (town or city) of ... in the said county, sell to the highest and best bidder for cash, either amortization or serial bonds of the said county in the total amount of ... dollars (\$....) for the purpose of ...

Amortization bonds will be the first choice and serial bonds will be the second choice of the said board.

If amortization bonds are sold and issued, the entire issue may be put into one single bond or divided into several bonds, as the board may determine at the time of sale, both principal and interest to be payable in semi-annual installments during a period of ... years from the date of issue.

If serial bonds are issued and sold, they will be in the amount of ... dollars (\$....) each, except the last bond which will be in the amount of ... dollars (\$....); the sum of ... dollars (\$....) of the said serial bonds will become payable on the ... day of ..., 19... and a like amount on the same day each year thereafter until all of such bonds are paid, except that the last installment will be in the amount of ... dollars (\$....).

The bonds, whether amortization or serial bonds, will bear date of ..., 19... and will bear interest at a rate not exceeding ...% per annum, payable semiannually, on the ... day of ... (month) and ... (month) in each year, and will be redeemable in full (here insert the optional provisions, if any, to be recited in the bonds).

The bonds will be sold for not less than their par value with accrued interest to date of delivery, and all bidders must state the lowest rate of interest at which they will purchase the bonds at par. The board reserves the right to reject any and all bids and to sell the bonds at private sale.

All bids other than by or on behalf of the board of investments of the state of Montana must be accompanied by a certified check in the sum of ... dollars, (\$....), payable to the order of the clerk, which will be forfeited by the successful bidder in the event that he shall fail or refuse to complete the purchase of the bonds in accordance with the terms of his bid.

All bids should be addressed to the board of county commissioners of said county and delivered to the county clerk of said county.

ATTEST:
.....
(Chairman, Board of County Commissioners)
of .....County
State of Montana
.....
(Clerk of the Board of County Commissioners)
of .....County, Montana
Address ..... Montana"

Section 2. Section 7-7-4251, MCA, is amended to read:
"7-7-4251. Form of notice of sale of bonds. The notice of sale shall state the purpose or purposes for which the bonds are to be issued and the amount proposed to be issued for each purpose and shall be substantially in the following form:

NOTICE OF SALE OF (CITY OR TOWN) BONDS

Notice is hereby given by the council of the (city or town) of ...., Montana, that the council will, on the ... day of ...., 19.., at the hour of ... m., at its council chamber in the (city or town) of ...., Montana, sell to the highest and best bidder for cash either amortization or serial bonds of the said (city or town) in the total amount of .... dollars, (\$....) for the purpose of ....

Amortization bonds will be the first choice and serial bonds will be the second choice of the council.

If amortization bonds are sold and issued, the entire issue may be put into one single bond or divided into several bonds as the council may determine at the time of sale, both principal and interest to be payable in semiannual installments during a period of ... years from the date of issue.

If serial bonds are issued and sold, they will be in the amount of ... dollars (\$....) each, except the last bond which will be in the amount of ... dollars (\$....); the sum of ... dollars (\$....) of said serial bonds will become due and payable on the ... day of ...., 19.., and a like amount on the same day each year thereafter until all such bonds are paid, except that the last installment will be in the amount of ... dollars (\$....).

The bonds, whether amortization or serial bonds, will bear date of ...., 19.., will bear interest at a rate not exceeding ...% per annum, payable semiannually, on the ... day of .... and on the ... day of ... in each year and will be redeemable (here insert the optional provisions, if any, recited in the bonds).

Said bonds will be sold for not less than their par value with accrued interest to date of delivery, and all bidders must state the lowest rate of interest at which they will purchase the bonds at par. The council reserves the right to reject any and all bids and to sell said bonds at private sale.

All bids other than by or on behalf of the board of investments of the state of Montana must be accompanied by a certified check in the sum of ... dollars (\$....), payable to the order of the (city or town) clerk, which will be forfeited by the successful bidder in the event he shall fail or refuse to complete the purchase of said bonds in accordance with the terms of his bid.

All bids shall be addressed to the council of the (city or town) of .... and delivered to the clerk of said (city or town).

ATTEST:
.....
Mayor of the (city or town) of
....., Montana

Section 3. Section 7-7-4275, MCA, is amended to read:
"7-7-4275. Refunding of bond issue held by state by exchange for amortization bonds. (1) Subject to the approval of the board of investments, the council of any city or town is hereby authorized to issue amortization bonds for the purpose of refunding any outstanding bonds of such city or town held by the state and which were not issued either as amortization or serial bonds and to exchange the same for such outstanding bonds.

(2) Such amortization bonds shall conform in all respects to the definition of amortization bonds as set forth in 7-7-4209 and shall bear interest at such rate as may be agreed upon between the council of such city or town and the board of investments pursuant to 17-5-102. Such amortization bonds may be issued and exchanged for such outstanding bonds without submitting the question of issuing the same at an election, and it shall not be necessary to publish any notice of sale of such bonds.

(3) This section shall not be construed so as to deprive city or town councils of the right to advertise, sell, and issue refunding bonds in the manner provided in part 43."

Section 4. Section 7-7-4432, MCA, is amended to read:
"7-7-4432. Details relating to revenue bonds. Bonds authorized to be issued under this part shall bear interest at such rate or rates not exceeding the limitation of 17-5-102, payable semiannually; may be in one or more series; may bear such date or dates; may mature at such time or times not exceeding 40 years from their respective dates; may be payable in such place or places; may carry such registration privileges; may be subject to such terms of redemption; may be executed in such manner; may contain such terms, covenants, and conditions; and may be in such form,



either coupon or registered, as such resolution or subsequent resolutions may provide."

Section 5. Section 7-13-2510, MCA, is amended to read:

**"7-13-2510. Powers of district.** A television district organized under this part, acting through its board of trustees herein provided for, may:

(1) perform all the acts and take all the necessary or proper steps to assure that there will be a fair, efficient, and equitable distribution of television services within the area in order that all persons within such service area shall be supplied by means of an appropriate electrical or electronic system for television program distribution, such authorized system to provide such flexibility as to permit radical improvements in technical quality without rendering inoperative receivers therein, but discontinuance of service by the district for improvements or repairs for a temporary period shall not be construed as rendering inoperative;

(2) if necessary or proper in the furtherance of the objects of this part, acquire, build, construct, repair, own, maintain, and operate any necessary stations transmitting simultaneous visual and aural signals intended to be received by the general public, relay stations, pickup stations, or any other necessary electrical or electronic system;

(3) make contracts to compensate any owner of land or other property for the use of such property for the purposes of this part;

(4) make contracts with the United States, any state or municipality, or any department or agency of those entities for carrying out the general purposes for which the district is formed;

(5) acquire, by gift, devise, bequest, lease, or purchase, real and personal property, tangible or intangible, including lands, rights-of-way, and easements, necessary or convenient for its purposes;

(6) to make contracts of any lawful nature (including labor contracts or those for employees' benefits) and employ engineers, laboratory personnel, attorneys, other technical or professional assistants, and any other assistants or employees necessary to carry out the provisions of this part;

(7) issue warrants, payable at the time stated therein, to evidence the obligation to repay money borrowed or any other obligation incurred by the district, warrants so issued to draw interest at a rate fixed by the board, payable annually or semiannually as the board may prescribe;

(8) contract indebtedness or borrow money for corporate purposes and issue revenue bonds therefor to be repaid from rates and charges, bearing interest at a rate not exceeding the limitation of 17-5-102 payable semiannually, the bonds not to be sold for less than par and accrued interest;

(9) prescribe tax rates for the providing of services throughout the area in accordance with the provisions of this part;

(10) prescribe such installation or ready-to-serve charges to be used for any costs connected with preparation, acquisition, or construction of the system;

(11) apply for, accept, and be the holder of any permit or license issued by or required under federal or state law; and

(12) provide FM translator services if authorized as provided in 7-13-2512."

Section 6. Section 7-14-2745, MCA, is amended to read:

**"7-14-2745. Mode of payment of assessment — installment payments.** (1) Installment payments shall be made in six equal portions, in 1, 2, 3, 4, 5, and 6 years.

(2) Payments shall be in the form of bonds which shall draw interest, not to exceed the limitations of 17-5-102, per annum from the date they are issued until they are paid.

(3) If the mode of payment is to be by installments, the board and the committee shall approve and certify the assessment roll.

(4) The board and the assessor shall, at the time of levying the assessment and in their order setting the levy, declare that the sum charged against each parcel of land may be paid in equal annual installments with interest upon the whole sum at the rate fixed by the board of county commissioners in accordance with law. The order shall specify the number of installments which shall be equal to the number of years for which the bonds may run.

(5) Each year thereafter, the treasurer shall collect one of the installments, together with the interest due thereon and the interest due on the installments thereafter to become due.

(6) Provisions concerning delinquency and the sale of land set forth with relation to the mode of immediate payment shall be likewise applicable to installment payments."

Section 7. Section 7-15-4322, MCA, is amended to read:

**"7-15-4322. Details relating to urban renewal bonds.** (1) Bonds issued under 7-15-4301 may be issued in one or more series and shall bear such date or dates, be payable upon demand or mature at such time or times, bear interest at such rate or rates not exceeding the limitation of 17-5-102, be in such denomination or denominations, be in such form (either coupon or registered), carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment at such place or places, be subject to such terms of redemption (with or without premium), be secured in such manner, and have such other characteristics as may be provided by the resolution, ordinance, or trust indenture or mortgage authorized pursuant thereto.

(2) (a) The bonds may be sold at not less than 98% of par at public or private sale or may be exchanged for other bonds on the basis of par.

(b) The bonds may be sold to the federal government at private sale at not less than par, and if less than all of the authorized principal amount of the bonds is sold to the federal government, the balance may be sold

at public or private sale at not less than 98% of par at an interest cost to the municipality of not to exceed the interest cost to the municipality of the portion of the bonds sold to the federal government."

Section 8. Section 7-31-112, MCA, is amended to read:

"7-31-112. Details relating to bonds. (1) The bonds to be issued upon the conditions and under the provisions aforesaid shall:

- (a) bear the date of their issuance;
  - (b) be designated as sanitary coupon bonds of the county, city, or town issuing the same;
  - (c) be of a denomination not less than \$500 or more than \$1,000 each;
  - (d) be payable at such place in New York City or elsewhere, at the discretion of the board or council issuing the same;
  - (e) bear interest at a rate not exceeding the limitations of 17-5-102, payable 30 years after the date thereof, with the privilege of paying the same at any time after 5 years from such date, which interest shall be payable semiannually at the place whereat the principal is payable and for which interest coupons shall be attached to said bonds.
- (2) If said bonds and coupons are issued by any county, they shall be signed by the chairman of the board of county commissioners of such county and attested by the clerk thereof and his seal attached thereto. If the bonds and coupons are issued by any incorporated city or town, the same shall be signed by the mayor and attested to by the city or town clerk and the seal thereof attached."

Section 9. Section 7-34-2415, MCA, is amended to read:

"7-34-2415. Details of bonds. (1) The bonds may be sold at public or private sale and shall bear interest at a rate or rates not exceeding the limitation of 17-5-102. The bonds may be for a 40-year period.

(2) Except as otherwise provided in 7-34-2411 through 7-34-2418, any bonds issued pursuant to 7-34-2411 through 7-34-2418 by a county shall be payable as to principal and interest solely from revenues of the county and shall state on their face the applicable limitations or restrictions regarding the source or sources from which such principal and interest are payable."

Section 10. Section 17-5-102, MCA, is amended to read:

"17-5-102. Rate of interest on bonds to be determined by governing bodies. (1) Bonds of a political subdivision shall bear interest at such rate or rates as its governing body shall determine.

(2) The provisions of this section establish the rate of interest on bonds of political subdivisions as defined in 17-5-101 and expressly supersede any other statutory limitation on the rate of interest to be borne by bonds of political subdivisions."

Section 11. Section 20-9-410, MCA, is amended to read:

"20-9-410. Limitation of term and interest — timing for redemption. School district bonds shall not be issued for a term longer

than 20 years, except that bonds issued to refund or redeem outstanding bonds shall not be issued for a term longer than 10 years unless the unexpired term of the bonds to be refunded or redeemed is in excess of 10 years, in which case the refunding or redeeming bonds may be issued for such unexpired term. All bonds issued for a longer term than 5 years shall be redeemable at the option of the school district on any interest payment date after one-half of the term for which they were issued has expired, and it shall be so stated on the face of the bonds. The interest shall not exceed the limitation of 17-5-102 and shall be payable semiannually."

Section 12. Section 20-9-426, MCA, is amended to read:

"20-9-426. Preparation and form of ballots for bond election. The school district shall cause ballots to be prepared for all bond elections, and whenever bonds for more than one purpose are to be voted upon at the same election, separate ballots shall be prepared for each purpose. All such ballots shall be substantially in the following form:

#### SCHOOL DISTRICT BONDELECTION OFFICIAL BALLOT

INSTRUCTIONS TO VOTERS: Make an X or similar mark in the vacant square before the words "BONDS—YES" if you wish to vote for the bond issue; if you are opposed to the bond issue make an X or similar mark in the square before the words "BONDS—NO".

Shall the board of trustees be authorized to issue and sell bonds of this school district in the amount of .... dollars (\$....), bearing interest at a rate not more than .... percent (...%) per annum, payable semiannually, during a period not more than .... years, for the purpose .... (here state the purpose the same way as in the notice of election)?

BONDS — YES.

BONDS — NO."

Section 13. Section 20-9-427, MCA, is amended to read:

"20-9-427. Notice of bond election by separate purpose. (1) Any school district bond election shall be conducted in accordance with the school election provisions of this title, except that the election notice required therein shall be in substantially the following form:

#### NOTICE OF SCHOOL DISTRICT BONDELECTION

Notice is hereby given by the trustees of School District No. .... of .... County, state of Montana, that pursuant to a certain resolution duly adopted at a meeting of the board of trustees of said school district held on the ... day of ..., A.D., 19..., an election of the registered electors of School District No. .... of .... County, state of Montana, will be held on the ... day of ..., A.D., 19..., at .... for the purpose of voting upon the question of whether or not the trustees shall be authorized to issue and sell bonds of said school district in the amount of .... dollars (\$....), bearing interest at a rate not more than .... percent (...%) per annum, payable semiannually, for the purpose of .... (here state purpose). The bonds to be issued will be either amortization or serial bonds, and amortization bonds will be the first choice of the board of trustees. The bonds to be issued, whether

amortization or serial bonds, will be payable in installments over a period not exceeding ... (state number) years.

The polls will be open from ... o'clock ...m. and until ... o'clock ...m. of the said day.

Dated and posted this ... day of ..., A.D., 19...

.....  
Chairman, School District No... of  
.....County  
Address .....

(2) If the bonds proposed to be issued are for more than one purpose, then each purpose shall be separately stated in the notice, together with the proposed amount of bonds therefor."

Section 14. Section 20-9-430, MCA, is amended to read:

"20-9-430. Notice of sale of school district bonds. The trustees shall cause the notice of the sale of the bonds to be given. The notice shall state the purpose for which the bonds are to be issued and the amount proposed to be issued and shall be substantially in the following form:

NOTICE OF SALE OF SCHOOL DISTRICT BONDS

Notice is hereby given by the trustees of School District No. ... of ... County, state of Montana, that the trustees will on the ... day of ..., 19... at the hour of ... o'clock ...m. at ..., in the school district, sell to the highest and best bidder for cash either amortization or serial bonds of the school district in the total amount of ... dollars (\$....), for the purpose of ...

Amortization bonds will be the first choice and serial bonds will be the second choice of the trustees.

If amortization bonds are sold and issued, the entire issue may be put into one single bond or divided into several bonds, as the trustees may determine upon at the time of sale, both principal and interest to be payable in semiannual installments during a period of ... years from the date of issue.

If serial bonds are issued and sold, they will be in the amount of ... dollars (\$....) each, the sum of ... dollars (\$....) of the serial bonds will become payable on the ... day of ..., 19..., and the sum of ... dollars (\$....) will become payable on the same day each year thereafter until all of the bonds are paid.

The bonds, whether amortization or serial bonds, will bear date of ... 19..., and will bear interest at a rate not exceeding ...% per annum, payable semiannually, on the ... day of ... (month) and ... (month) in each year, and will be redeemable in full. (Here insert optional provisions, if any, to be recited on the bonds.)

The bonds will be sold for not less than their par value with accrued interest, and all bidders must state the lowest rate of interest at which

they will purchase the bonds at par. The bonds shall be sold in open competition bidding, by written bids, or by sealed bids. The trustees reserve the right to reject any and all bids and to sell the bonds at private sale.

All bids other than by or on behalf of the state board of land commissioners must be accompanied by money, a certified check, cashier's check, bank money order, or bank draft drawn and issued by a national banking association located in Montana or by any banking corporation incorporated under the laws of Montana, in the sum of ... dollars-(\$....) payable to the order of the district, which will be forfeited by the successful bidder in the event that he shall refuse to purchase the bonds.

All bids should be addressed to the undersigned district.

.....  
Chairman, School District No... of  
.....County  
Address: .....

ATTEST: Subscribed and sworn to before me this ... day of ..., 19...  
..... Notary Public for the State Residing at ..., Montana. My Commission expires ....."

Section 15. Section 67-11-303, MCA, is amended to read:

"67-11-303. Bonds and obligations. (1) An authority may borrow money for any of its corporate purposes and issue its bonds therefor, including refunding bonds, in such form and upon such terms as it may determine, payable out of any revenues of the authority, including revenues derived from:

- (a) an airport or air navigation facility or facilities;
- (b) taxes levied pursuant to 67-11-301 or other law for airport purposes;
- (c) grants or contributions from the federal government; or
- (d) other sources.

(2) The bonds may be issued by resolution of the authority, without an election and without any limitation of amount, except that no such bonds may be issued at any time if the total amount of principal and interest to become due in any year on such bonds and on any then outstanding bonds for which revenues from the same source of sources are pledged exceeds the amount of such revenues to be received in that year as estimated in the resolution authorizing the issuance of the bonds. The authority shall take all action necessary and possible to impose, maintain, and collect rates, charges, rentals, and taxes, if any are pledged, sufficient to make the revenues from the pledged source in such year at least equal to the amount of such principal and interest due in that year.

(3) The bonds may be sold at public or private sale and may bear interest at a rate not exceeding the limitation of 17-5-102. Except as otherwise provided herein, any bonds issued pursuant to this chapter by an authority may be payable as to principal and interest solely from revenues

of the authority and shall state on their face the applicable limitations or restrictions regarding the source from which such principal and interest are payable.

(4) Bonds issued by an authority or municipality pursuant to the provisions of this chapter are declared to be issued for an essential public and governmental purpose by a political subdivision within the meaning of 15-30-111(2)(a).

(5) For the security of any such bonds, the authority or municipality may by resolution make and enter into any covenant, agreement, or indenture and may exercise any additional powers authorized to be exercised by a municipality under Title 7, chapter 7, parts 44 and 45. The sums required from time to time to pay principal and interest and to create and maintain a reserve for the bonds may be paid from any revenues referred to in this chapter, prior to the payment of current costs of operation and maintenance of the facilities.

(6) Subject to the conditions stated in this subsection (6), the governing body of any municipality having a population in excess of 10,000, with respect to bonds issued pursuant to this chapter by the municipality or by an authority in which the municipality is included, may by resolution covenant that in the event that at any time all revenues, including taxes, appropriated and collected for such bonds are insufficient to pay principal or interest then due, it will levy a general tax upon all of the taxable property in the municipality for the payment of such deficiency; and may further covenant that at any time a deficiency is likely to occur within 1 year for the payment of principal and interest due on such bonds, it will levy a general tax upon all the taxable property in the municipality for the payment of such deficiency, and such taxes are not subject to any limitation of rate or amount applicable to other municipal taxes but are limited to a rate estimated to be sufficient to produce the amount of the deficiency. In the event more than one municipality having a population in excess of 10,000 is included in an authority issuing bonds pursuant to this chapter, the municipalities may apportion the obligation to levy taxes for the payment of, or in anticipation of, a deficiency in the revenues appropriated for such bonds in such manner as the municipalities may determine. The resolution shall state the principal amount and purpose of the bonds and the substance of the covenant respecting deficiencies. No such resolution becomes effective until the question of its approval has been submitted to the qualified electors of the municipality at a special election called for that purpose by the governing body of the municipality and a majority of the electors voting on the question have voted in favor thereof. The notice and conduct of the election is governed, to the extent applicable, by [7-7-4227 through 7-7-4234] for an election called by cities and towns, and [7-7-2229 through 7-7-2236] for an election called by counties. If a majority of the electors voting thereon vote against approval of the resolution, the municipality has no authority to make the covenant or to levy a tax for the payment of deficiencies pursuant to this section, but such municipality or authority may nevertheless issue bonds under this chapter payable solely from the sources referred to in subsection (1) above."

Section 16. Section 69-4-332, MCA, is amended to read:

"69-4-332. Issuance of bonds. (1) After the expiration of 30 days from the date of the adoption of the ordinance levying the assessments, the governing body may issue negotiable, interest-bearing bonds in a principal amount not exceeding the unpaid balance of the assessments levied. Whenever any ordinance authorizing the issuance of any bonds pursuant to the improvement contemplated shall have been adopted, such ordinance shall be published once in a newspaper in which the original notice of hearing was published.

(2) The bonds shall bear interest at a rate not exceeding the limitations of 17-5-102, payable as specified by the governing body over a period not exceeding 20 years. The bonds shall be of such form and denomination and shall be payable in principal and interest at such times and place and shall be sold, authorized, and issued in such manner as the governing body may determine. The bonds shall be dated no earlier than the date on which the special assessment shall begin to bear interest and shall be secured by and payable from the levy and collection of the special assessments in anticipation of the collection of which they are issued. Any premium received on the sale of the bonds may be applied as other bond proceeds, or if not so applied, the same shall be placed in the fund for the payment of principal of and interest on the bonds.

(3) The bonds shall be signed by a member of the governing body designated by the governing body and shall be countersigned by the appropriate treasurer, with the corporate seal thereto affixed as appropriate, and attested to by the clerk of the governing body. Interest may be evidenced by interest coupons attached to such bonds and signed by a facsimile signature of one of the individuals who signed the bond."

Section 17. Effect on bonds previously authorized. If prior to the effective date of this act a political subdivision was authorized to issue bonds pursuant to a law that limited the rate of interest on the bonds, it may issue all of the bonds so authorized under the provisions of 17-5-102 even if the rate of interest on the bonds exceeds the maximum rate permissible prior to [the effective date of this act].

Section 18. Redemption of bonds — optional method. Between the effective date and termination date of this act, a governing body in connection with the issuance of bonds may, at its option, provide that such bonds shall be redeemable at such time or times and upon such terms and conditions as the governing body shall deem to be in the best interest of the public, notwithstanding any statutory provision to the contrary.

Section 19. Codification instruction. Sections 17 and 18 are intended to be codified as an integral part of Title 17, chapter 5, part 1.

Section 20. Suspension. The operation of sections 7-7-2208 and 7-7-4207, MCA, is suspended until July 1, 1983.

Section 21. Effective date — termination. This act is effective on passage and approval and terminates on July 1, 1983.

Approved April 23, 1981.

Exhibit 8  
5813

*2 instances of G.O. + School Bonds  
paying over BBI*

<u>1980</u>	<u>G.O.</u>	<u>DATE</u>	<u>NIC</u>	<u>BBI</u>
104,500	Gallatin Co., SD #41	01/24/80	7.00%	8.20%
,600,000	Richland Co., SD #505	01/24/80	6.93	8.20
304,000	Flathead Co., SD #1	02/26/80	7.00	9.14
550,000	Richland Co., SD #4	05/14/80	7.00	7.11
,460,000	Bozeman Library G.O.	06/18/80	7.00	7.53
350,000	Jefferson Co., SD #27	06/23/80	6.90	7.55
304,000	Flathead Co., SD #1	07/13/80	7.00	8.70
268,000	Flathead Co., SD #10	07/15/80	6.81	7.95
99,000	Belgrade, G.O.	08/18/80	7.00	8.53
<u>1981</u>	<u>G.O.</u>	<u>DATE</u>	<u>NIC</u>	<u>BBI</u>
45,000	Sidney G.O.	01/19/81	7.00	9.57
95,000	Sidney, G.O.	01/19/81	7.00	9.57
1,376,362	Culbertson SD #17-J	05/19/81	10.75	10.83
926,638	Culbertson SD #17-C	05/19/81	10.75	10.83
225,000	Centerville SD #5G	05/26/81	10.69	10.73
225,000	Centerville SD #5	05/26/81	10.69	10.73
500,000	Missoula Co., Open Space G.O.	06/01/81	10.68	10.64
,966,590	Lewis & Clar Co., SD #1	06/02/81	9.78	10.64
1,595,000	Glendive ESD #1	06/04/81	10.03	10.59
324,000	Flathead Co., SD #4	06/15/81	9.90	10.63
350,350	Bainville ESD #64	06/29/81	10.00	10.74
188,650	Bainville HSD #64D	06/29/81	10.00	10.74
475,000	Yellowstone Co., SD #4	06/29/81	10.75	10.74
27,000	Rosebud Co., SD #19	07/09/81	11.75	10.97
,400,000	Dawson Co., Community College District	07/13/81	11.20	10.97
<u>1982</u>	<u>G.O.</u>	<u>DATE</u>	<u>NIC</u>	<u>BBI</u>
,300,000	Hill Co., MT SD #16 (Havre)	01/12/82	12.13	13.44
9,706,741	Rosebud Co., MT SD #19 (Colstrip)	03/30/82	11.75	13.04
,191,684	Butte-Silver Bow HSD #1 (Butte)	04/20/82	11.89	12.54
,345,000	Lake Co., ESD #23 (Polson)	05/18/82	9.99	11.82
900,000	Yellowstone Co., MT SD #7 (Laurel)	05/20/82	10.75	11.96
300,000	Yellowstone Co., MT SD #7-70	05/20/82	10.85	11.96
350,000	Lincoln Co., MT SD #1 (Troy)	06/03/82	11.75	12.13
,190,000	Lewis & Clark Co., MT G.O.	08/17/82	10.01	11.86
1,450,000	Gallatin Co., Sd #44 (Belgrade)	10/28/82	9.09	9.69
800,000	Roosevelt Co., SD #3 (Frontier)	11/08/82	8.83	9.96
,990,000	Custer Co., HSD (Miles City)	12/21/82	9.50	10.05

<u>A</u>	<u>S.D.</u>	<u>DATE</u>	<u>NIC</u>	<u>BB1</u>
375,000	Sanders Co. SD #6	01/04/78	5.06%	5.71%
296,700	Powell Co. SD #1	01/31/78	4.86	5.03
110,000	Missoula Co. SD #7	05/15/78	5.34	5.99
590,000	Lincoln Co. SD #1	05/22/78	5.24	5.98
330,738	Lincoln Co. HSD #1	05/22/78	5.29	5.98
295,905	Gallatin Co. SD #35	05/31/78	5.63	6.16
125,000	Richland Co. HSD #3	06/05/78	5.14	6.19
225,000	Richland Co. SD #3	06/05/78	5.14	6.19
1,150,000	Yellowstone Co. SD #26	07/10/78	6.09	6.31
590,900	Missoula Co. SD #4	08/14/78	5.90	6.03
150,000	Flathead Co. SD #58	08/28/78	5.68	6.11

G.O.

100,000	Fort Benton G.O.	03/10/78	5.32	5.61
75,000	Broadus G.O.	06/15/78	6.00	6.16

1979

G.O.

		<u>DATE</u>	<u>NIC</u>	<u>BB1</u>
2,642,481	Gallatin Co. GO	02/13/79	5.57%	6.50%
90,000	East Helena GO	01/25/79	6.15	6.30
125,000	Stevensville GO	* 07/26/79	6.40	6.19
133,334	Three Forks GO (odd amounts)-	* 05/17/79	6.71	6.30
1,800,000	Laurel GO -	* 08/01/79	6.30	6.19
850,000	Lewistown, MT GO	12/31/79	5.69	7.77

S.D.

350,000	Yellowstone Co. SD #37	02/22/79	5.98	6.31
40,000	Flathead Co. SD #39 ~	03/15/79	7.00	6.33
431,100	Teton Co. SD #30	06/26/79	6.05	6.13
503,300	Teton Co. HSD #30	06/26/79	6.05	6.13
250,000	McCone Co. HSD #1 -	06/07/79	6.17	6.13
149,000	Missoula Co. SD #20 -	06/08/79	6.75	6.13
379,500	Lewis & Clark Co. SD #38	05/23/79	6.03	6.25

<u>1975</u>	<u>G.O.</u>	<u>DATE</u>	<u>NIC</u>	<u>PEI</u>
898,000	Culbertson Hospital G.O.	03/15/76	5.81%	6.92%
750,000	Eureka Hospital District G.O.	11/10/76	5.34	6.39
55,000	Scobey, MT G.O. (est. Baa)	03/10/77	6.00	6.00
<u>S.D.</u>				
1,046,000	Rosebud County HSD #19	02/08/75	6.605	7.15
1,847,730	Rosebud County SD #19	12/08/75	6.605	7.05
215,000	Lake County HSD 7J	03/22/76	5.97	6.92
215,000	Lake County SD 7J	03/22/76	5.97	6.92
319,400	Stillwater County HSD #5	03/29/76	5.73	6.72
279,700	Stillwater County SD #5	03/29/76	5.73	6.72
325,000	Madison County SD #52	05/19/76	5.52	6.83
100,000	Cascade Co. SD #97	06/03/76	5.34	6.89
25,000	Flathead Co. SD #20	07/06/76	7.00	6.87
30,000	Flathead Co. SD #26	08/30/76	7.00	6.58
95,500	Flathead Co. SD #15	12/01/76	5.69	6.16
708,000	Pondera Co., SD #10	12/16/76	4.9398	5.96
1,164,460	Big Horn Co. SD #17H	12/20/76	4.57	5.95
935,540	Big Horn Co. HSD #1	12/20/76	4.57	5.95

<u>1977</u>	<u>G.O.</u>	<u>DATE</u>	<u>NIC</u>	<u>PEI</u>
230,000	Bridger G.O.	05/19/77	5.46%	5.70%
765,000	Madison County G.O.	03/25/77	5.25	5.88
<u>S.D.</u>				
215,000	Flathead County SD #50	01/11/77	4.17	5.78
980,000	Flathead & Lake Counties HSD #38	01/06/77	4.88	5.83
145,000	Flathead County SD #9	01/12/77	5.14	5.78
650,000	Lewis & Clark County SD #5	01/13/77	4.97	5.89
775,000	Flathead County HSD #5	01/11/77	5.02	5.78
300,000	Big Horn County SD #27	01/18/77	5.45	5.89
2,825,000	Big Horn County SD #2	01/18/77	5.70	5.89
1,400,172	Lake Co. SD #30	01/20/77	5.28	5.90
600,000	Silver Bow Co. SD #3	11/15/77	6.00	5.89
980,000	Cascade Co. HSD #3	02/14/77	5.19	5.86
120,000	Cascade Co. SD #38	02/14/77	5.48	5.86
260,000	Jefferson County SD #1	03/29/77	5.15	5.88
195,000	Yellowstone Co. SD #52	05/18/77	5.31	5.82
845,000	Powell Co. SD #1	05/24/77	5.47	5.70
98,000	Missoula Co. SD #20	06/13/77	5.31	5.65
1,000,000	Lewis & Clark Co. SD #9	07/18/77	6.00	5.64
1,100,000	Gallatin Co. SD #44	07/25/77	4.93	5.62
745,000	Gallatin Co. HSD #44	07/25/77	4.93	5.62
507,000	Carbon Co. SD #7	08/01/77	4.88	5.63
92,500	Gallatin Co. HSD #60	08/02/77	4.62	5.63
651,000	Flathead Co. HSD #44	11/28/77	4.80	5.65
325,000	Ravalli & Missoula Co. SD 15-6	11/29/77	5.09	5.65
325,000	Ravalli & Missoula Co. HSD 15-6	11/29/77	5.09	5.65

TABLE 7 - VOLUME BY STATE - JAN THRU AUG 1982

*** STATE ***	ALL ISSUES		
	SALES	AMOUNT	ANIC
50 States	3,431	42,015,310	12.01
Alabama	47	716,223	12.29
Alaska	27	816,464	12.89
Arizona	71	1,011,256	11.49
Arkansas	18	379,340	0.00
California	192	3,752,522	11.94
Colorado	108	1,266,587	10.53
Connecticut	56	530,151	10.80
Delaware	14	257,481	13.17
Florida	102	2,239,333	12.34
Georgia	38	750,421	11.34
Hawaii	7	202,800	12.22
Idaho	13	68,581	11.54
Illinois	175	1,916,434	11.07
Indiana	72	528,714	12.40
Iowa	160	255,519	11.59
Kansas	39	208,630	10.65
Kentucky	84	610,910	11.49
Louisiana	74	1,190,195	11.48
Maine	22	192,701	12.20
Maryland	34	730,834	11.23
Massachusetts	69	1,306,689	11.29
Michigan	177	1,133,247	11.38
Minnesota	180	899,692	11.14
Mississippi	21	319,840	13.77
Missouri	51	431,991	12.80
Montana	20	207,804	11.10
Nebraska	54	406,461	13.00
Nevada	19	559,370	10.79
New Hampshire	15	242,135	10.62
New Jersey	88	994,606	11.87
New Mexico	44	454,988	10.59
New York	88	2,274,269	11.79
N. Carolina	53	1,230,582	10.23
N. Dakota	41	173,559	12.88
Ohio	175	1,621,713	12.63
Oklahoma	57	352,410	11.21
Oregon	40	267,926	10.93
Pennsylvania	112	1,471,260	12.28
Rhode Island	6	75,165	13.31
S. Carolina	59	840,175	10.76
S. Dakota	10	43,520	11.09
Tennessee	59	498,990	11.92
Texas	360	3,816,898	11.92
Utah	37	496,930	11.06
Vermont	19	206,892	11.46
Virginia	39	910,796	11.46
Washington	58	2,268,137	13.75
W. Virginia	24	170,910	12.23
Wisconsin	86	615,443	11.09
Wyoming	17	97,816	10.66

- Amounts in thousands.  
- ANIC - average net interest cost weighted by average maturity (life) and size of issue.



WITNESS STATEMENT

NAME Gene Hufford BILL No. SB13  
ADDRESS Great Falls DATE 1-20-83  
WHOM DO YOU REPRESENT D.A. Davidson + Co  
SUPPORT X OPPOSE \_\_\_\_\_ AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

WITNESS STATEMENT

NAME Bill Verwolf BILL No. SB 13

ADDRESS Helena DATE 1-20-83

WHOM DO YOU REPRESENT City of Helena

SUPPORT X OPPOSE \_\_\_\_\_ AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:



HB 193

GENERAL OPERATION AND CONDUCT OF BUSINESS

(c) sections of Title 7, chapter 5, part 1 that address procedures or effects which are neither addressed by this part nor in conflict with any provision of this part.

History: En. Sec. 1, Ch. 315, L. 1981.

Compiler's Comments

Erroneous Reference: The reference in (1) which suggests that this part has provisions governing initiative and referendum procedures is erroneous. Those provisions were repealed by sec. 407, Ch. 571, L. 1979. For the current provisions governing initiative and referendum

procedures, see Title 7, chapter 5, part 1, as referred to in (2).

Codification Instruction: Section 2, Ch. 315, L. 1981, provided: "Section 1 is intended to be codified as an integral part of Title 7, chapter 5, part 42, and the provisions of section 1 apply to Title 7, chapter 5, part 42."

7-5-4209 and 7-5-4210 reserved.

7-5-4211 through 7-5-4225. Repealed. Sec. 407, Ch. 571, L. 1979.

Compiler's Comments

Histories of Repealed Sections:

7-5-4211 through 7-5-4216. En. Ch. 167, L. 1907; Sec. 3266, Rev. C. 1907; re-en. Sec. 5058, R.C.M. 1921; re-en. Sec. 5058, R.C.M. 1935; amd. Sec. 1, Ch. 24, L. 1951; amd. Sec. 1, Ch. 126, L. 1967; R.C.M. 1947, 11-1104.

7-5-4217. (1)En. Ch. 167, L. 1907; Sec. 3269, Rev. C. 1907; re-en. Sec. 5061, R.C.M. 1921; re-en. Sec. 5061, R.C.M. 1935; amd. Sec. 1, Ch. 94, L. 1967; Sec. 11-1107, R.C.M. 1947; (2)En. Ch. 167, L. 1907; Sec. 3276, Rev. C. 1907; re-en. Sec. 5068, R.C.M. 1921; re-en. Sec. 5068, R.C.M. 1935; Sec. 11-1114, R.C.M. 1947; R.C.M. 1947, 11-1107, 11-1114.

7-5-4218. En. Ch. 167, L. 1907; Sec. 3275, Rev. C. 1907; re-en. Sec. 5067, R.C.M. 1921; re-en. Sec. 5067, R.C.M. 1935; R.C.M. 1947, 11-1113.

7-5-4219. En. Ch. 167, L. 1907; Sec. 3274, Rev. C. 1907; re-en. Sec. 5066, R.C.M. 1921; re-en. Sec. 5066, R.C.M. 1935; R.C.M. 1947, 11-1112(part).

7-5-4220. En. Ch. 167, L. 1907; Secs. 3267, 3270, 3271, Rev. C. 1907; re-en. Secs. 5059, 5062, 5063, R.C.M. 1921; re-en. Secs. 5059, 5062, 5063, R.C.M. 1935; R.C.M. 1947, 11-1105, 11-1108, 11-1109.

7-5-4221. En. Ch. 167, L. 1907; Sec. 3272, Rev. C. 1907; re-en. Sec. 5064, R.C.M. 1921; re-en. Sec. 5064, R.C.M. 1935; R.C.M. 1947, 11-1110.

7-5-4222. En. Ch. 167, L. 1907; Sec. 3273, Rev. C. 1907; re-en. Sec. 5065, R.C.M. 1921; re-en. Sec. 5065, R.C.M. 1935; R.C.M. 1947, 11-1111(part).

7-5-4223. En. Ch. 167, L. 1907; Sec. 3274, Rev. C. 1907; re-en. Sec. 5066, R.C.M. 1921; re-en. Sec. 5066, R.C.M. 1935; R.C.M. 1947, 11-1112(part).

7-5-4224 and 7-5-4225. En. Ch. 167, L. 1907; Sec. 3273, Rev. C. 1907; re-en. Sec. 5065, R.C.M. 1921; re-en. Sec. 5065, R.C.M. 1935; R.C.M. 1947, 11-1111(part).

Use FOR H.B. 193



Part 43

Municipal Contracts and Franchises

7-5-4301. Power to enter and execute contracts. (1) The city or town council has power to make any and all contracts necessary to carry into effect the powers granted by this code and to provide for the manner of executing the same.

(2) All necessary contracts for professional, technical, engineering, and legal services are excluded from the provisions of 7-5-4302 through 7-5-4304, 7-5-4306, and 7-5-4307.

History: (1)En. Subd. 63, Sec. 5039, R.C.M. 1921; amd. Sec. 1, Ch. 115, L. 1925; amd. Sec. 1, Ch. 20, L. 1927; re-en. Sec. 5039.62, R.C.M. 1935; Sec. 11-965, R.C.M. 1947; (2)En. Sec. 1, Ch. 48, L. 1907; Sec. 3278, Rev. C. 1907; re-en. Sec. 5070, R.C.M. 1921; amd. Sec. 1, Ch. 22, L. 1927; re-en. Sec. 5070, R.C.M. 1935; amd. Sec. 1, Ch. 18, L. 1939; amd. Sec. 1, Ch. 59, L. 1941; amd. Sec. 1, Ch. 153, L. 1947; amd. Sec. 1, Ch. 139, L. 1949; amd. Sec. 1, Ch. 220, L. 1959; amd. Sec. 1, Ch. 26, L. 1963; amd. Sec. 1, Ch. 121, L. 1969; amd. Sec. 1, Ch. 371, L. 1971; Sec. 11-1202, R.C.M. 1947; R.C.M. 1947, 11-965, 11-1202(part).

\* 7-5-4302. Competitive, advertised bidding required for certain purchase and construction contracts. (1) Except as provided in 7-5-4303, all contracts for the purchase of any automobile, truck, other vehicle, road machinery, or other machinery, apparatus, appliances, or equipment, or any materials or supplies of any kind, or for construction, repair, or maintenance for which must be paid a sum exceeding \$10,000, must be let to the lowest responsible bidder after advertisement for bids.

(2) Such advertisement shall be made in the official newspaper of the city or town if there be such official newspaper, and if not, it shall be made in a daily newspaper of general circulation published in the city or town if there be such and, otherwise, by posting in three of the most public places in the city or town. Such advertisement, if by publication in a newspaper, shall be made once each week for 2 consecutive weeks, and the second publication shall be made not less than 5 days or more than 12 days before the consideration of bids. If such advertisement is made by posting, 15 days must elapse, including the day of posting, between the time of the posting of such advertisement and the day set for considering bids.

(3) The council may postpone action as to any such contract until the next regular meeting after bids are received in response to such advertisement and may reject any and all bids and readvertise as provided herein.

History: En. Sec. 1, Ch. 48, L. 1907; Sec. 3278, Rev. C. 1907; re-en. Sec. 5070, R.C.M. 1921; amd. Sec. 1, Ch. 22, L. 1927; re-en. Sec. 5070, R.C.M. 1935; amd. Sec. 1, Ch. 18, L. 1939; amd. Sec. 1, Ch. 59, L. 1941; amd. Sec. 1, Ch. 153, L. 1947; amd. Sec. 1, Ch. 139, L. 1949; amd. Sec. 1, Ch. 220, L. 1959; amd. Sec. 1, Ch. 26, L. 1963; amd. Sec. 1, Ch. 121, L. 1969; amd. Sec. 1, Ch. 371, L. 1971; R.C.M. 1947, 11-1202(part); amd. Sec. 1, Ch. 429, L. 1981.

**Compiler's Comments**

1981 Amendment: Extended the coverage of the types of contracts to include repair and

maintenance; increased the minimum contract amount requiring bids from \$4,000 to \$10,000 in (1).

\* 7-5-4303. Exemptions from bidding or advertising requirements for certain contracts. (1) The provisions of 7-5-4302 as to advertisement for bids shall not apply upon the happening of any emergency caused by fire, flood, explosion, storm, earthquake, riot, insurrection, or other similar emergency, but in such case the council may proceed in any manner which, in the judgment of three-fourths of the members of the council present at the meeting, duly recorded in the minutes of the proceedings of the council by aye and nay vote, will best meet the emergency and serve the public interest. Such emergency shall be declared and recorded at length in the minutes of the proceedings of the council at the time the vote thereon is taken and recorded.

(2) When there are sufficient funds in the budget for supplies or equipment, a city or town may, without bid, purchase such supplies or equipment from government agencies available to cities or towns when the same can be purchased by such city or town at a substantial saving to such city or town.

History: En. Sec. 1, Ch. 48, L. 1907; Sec. 3278, Rev. C. 1907; re-en. Sec. 5070, R.C.M. 1921; amd. Sec. 1, Ch. 22, L. 1927; re-en. Sec. 5070, R.C.M. 1935; amd. Sec. 1, Ch. 18, L. 1939; amd. Sec. 1, Ch. 59, L. 1941; amd. Sec. 1, Ch. 153, L. 1947; amd. Sec. 1, Ch. 139, L. 1949; amd. Sec. 1, Ch. 220, L. 1959; amd. Sec. 1, Ch. 26, L. 1963; amd. Sec. 1, Ch. 121, L. 1969; amd. Sec. 1, Ch. 371, L. 1971; R.C.M. 1947, 11-1202(part).

\* 7-5-4304. Certain contracts to be submitted to voters. No contract may be let extending over a period of 5 years or more without first submitting the question to a vote of the electors of the city or town.

History: En. Sec. 1, Ch. 48, L. 1907; Sec. 3278, Rev. C. 1907; re-en. Sec. 5070, R.C.M. 1921; amd. Sec. 1, Ch. 22, L. 1927; re-en. Sec. 5070, R.C.M. 1935; amd. Sec. 1, Ch. 18, L. 1939; amd. Sec. 1,

Exhibit 11  
HB 193

By Henry H. ...

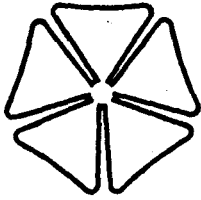
PROPOSED AMENDMENT TO HOUSE BILL NO. 193

Page 1, line 17.

Following: "financial."

Strike: "."

Insert: ", landscape architecture, land surveyors,"



THE GARDEN CITY  
HUB OF FIVE VALLEYS

# Missoula, Montana 59802

January 19, 1983

OFFICE OF CITY ATTORNEY  
201 West Spruce Street  
Phone 721-4700

83-44

Local Government Committee  
Members Montana State House of  
Representatives  
Montana State Capitol  
Helena, Montana 59620

Re: House Bill 193 delineating specific  
professions from municipal  
contract restrictions

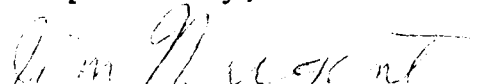
House Local Government Committee Members:

The City of Missoula would like to speak in opposition to House Bill 193 pertaining to "Delineating Specific Professions from Municipal Contract Restrictions". This is a bill that causes the City of Missoula great concern. HB 193 narrows or further restricts the type of city or town contracts that are presently excluded from the competitive advertised bidding requirements established in Sections 7-5-4302 through 7-5-4304, 7-5-4306, and 7-5-4307, M.C.A., by eliminating the words "professional and technical". Obviously, House Bill 193 takes power and flexibility away from cities and towns by virtue of its more restrictive language. Once again the state legislature is interfering with the ability of cities and towns to manage their own affairs.

Individual professional and technical talents by their very nature vary dramatically in experience and quality. HB 193 would require a city or town to accept the lowest responsible bidder after advertised competitive bidding for most professional and technical talents, such as labor negotiators, expert witnesses, real estate appraisers, etc. A responsible bidder very likely may be lacking in experience and quality of talent. House Bill 193 will do a disservice to city and town taxpayers by increasing the possibility that inadequate or lesser quality talents will be required to be retained by cities and towns.

Therefore, the City of Missoula urges each of you to vote against House Bill 193. Thank you for considering our comments on this Bill.

Respectfully,

  
\_\_\_\_\_  
Jim Nugent, City Attorney

JN/jd





# STANDING COMMITTEE REPORT

February 1, 19 83

MR. SPEAKER

We, your committee on LOCAL GOVERNMENT

having had under consideration HOUSE Bill No. 189

first reading copy (white)  
Color

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE APPROVAL OF ELECTORS RESIDING IN EACH MUNICIPALITY AND OF THOSE RESIDING IN THE REMAINDER OF THE COUNTY FOR ADOPTION OF A PLAN CONSOLIDATING OR TRANSFERRING SERVICES BETWEEN OR AMONG LOCAL GOVERNMENT UNITS; AND PROVIDING PROCEDURES FOR THE ELECTORS TO TERMINATE A SERVICE CONSOLIDATION OR TRANSFER PLAN; AMENDING SECTIONS 7-11-304 AND 7-11-308, MCA."

Respectfully report as follows: That HOUSE Bill No. 189

be amended as follows:

1. Page 2, line 14.  
Following: "in"  
Strike: "Among those electors voting in"  
Insert: "In"

2. Page 2, line 17.  
Following: "question"  
Insert: "voting on the question"  
Following: "and"  
Insert: "a simple majority"

3. Page 2, line 18.  
Following: "those"  
Insert: "voting on the question"

ERRATA

February 1, 1983

.....19.....

4. Page 5, line 6.

Following: "(4)"

Strike: "Among those electors voting in"

Insert: "In"

5. Page 5, line 9.

Following: line 8

Insert: "voting on the question"

Following: "and"

Insert: "a simple majority"

Following: "those"

Insert: "voting on the question"

AND AS AMENDED

DO NOT PASS

# STANDING COMMITTEE REPORT

January 26, 19 83

MR. SPEAKER

We, your committee on LOCAL GOVERNMENT

having had under consideration HOUSE Bill No. 193

first reading copy ( white )  
color

**A BILL FOR AN ACT ENTITLED: "AN ACT DELINEATING SPECIFIC PROFESSIONS EXCLUDED FROM MUNICIPAL CONTRACT RESTRICTIONS; AMENDING SECTION 7-5-4301, MCA; AND PROVIDING AN EFFECTIVE DATE."**

Respectfully report as follows: That HOUSE Bill No. 193

**BE AMENDED AS FOLLOWS:**

1. Title, line 4.

Following: "DELINEATING"

Strike: "SPECIFIC"

2. Page 1, line 17.

Following: "technical"

Insert: "professional, technical,"

Strike: "medical, nursing, architectural, financial,"

3. Page 1.

Following: line 20

Insert: "(3) In subsection (2) each of the enumerated services are intended to include only those services that require advanced or specialized intellectual education, knowledge, and training and that involve exercise of discretion and judgment. Such services do not include services characterized as routine mental, manual, physical or mechanical."

**AND AS AMENDED**

**DO PASS**

STANDING COMMITTEE REPORT

January 25,

19 83

MR. **SPEAKER** .....

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

having had under consideration **SENATE** .....

Bill No. **13**

five reading copy ( three )  
color

**A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW POLITICAL SUBDIVISIONS OF THE STATE TO CONTINUE TO SET THE INTEREST RATES FOR BONDS BY CHANGING OR REPEALING TERMINATION PROVISIONS OF CHAPTER 500, LAWS OF 1981; AMENDING SECTION 21, CHAPTER 500, LAWS OF 1981; REPEALING SECTION 20, CHAPTER 500, LAWS OF 1981, AND SECTIONS 7-7-2208 AND 7-7-4207, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."**

Respectfully report as follows: That **SENATE** .....

Bill No. **13**

**BE CONCURRED IN  
XXXXXX  
DO PASS**