

MINUTES OF THE MEETING OF THE LOCAL GOVERNMENT COMMITTEE  
February 1, 1983

The meeting of the Local Government Committee was called to order by Chairman Kathleen McBride, February 1, 1983, 12:30 p.m., in Room 224A of the Capitol Building. All members were present.

SENATE BILL 44

SEN. HIMSL, sponsor. This bill provides that money from state and federal sources may be appropriated to utility districts or fire services. If the utility or fire service is not county-wide, the appropriation must be repaid within 5 years. Presently, these entities are not eligible for such appropriations. Federal revenue sharing must be used for jurisdiction-wide services to benefit all the taxpayers of the jurisdiction. A review of history in order to understand SENATE BILL 44 is attached (EXHIBIT 1).

PROPOSERS:

STEVE PILCHER, Chief of Water Quality Bureau, Department of Health and Environmental Sciences, has the state responsibility for administering one of the programs that SENATOR HIMSL made reference to in his opening statements, that being the federally funded construction grant program. Under this program, the government will pay up to 75% of the costs for constructing new or expanding waste water treatment facilities. In the past this grant program has been broken down into three segments: (1) to provide planning monies to do the actual preliminary planning work; (2) to design the waste water treatment facility; and (3) to do the actual construction. The change that SENATOR HIMSL mentioned took place in December 1981 and has eliminated the Step (1) grant for the monies that would be available for local units of government to conduct the necessary planning and come up with the information that the people need to make these decisions. SENATE BILL 44 would provide that front-end money to enable the communities to assess their situation and take advantage of the financial assistance. He asked that the Committee support SENATE BILL 44.

BEVERLY GIBSON, Montana Association of Counties, supports SENATE BILL 44 as it allows flexibility to counties to decide when and where funds are needed. (EXHIBIT 2)

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OPPONENTS: None

SENATOR HIMSL closed.

QUESTIONS: None

CHAIRMAN McBRIDE closed the hearing on SENATE BILL 44.

HOUSE BILL 383

REP. DAVE BROWN, sponsor, said this bill increases the minimum wage for police officers of first- and second-class cities from \$750 to \$1,100 per month; increases the longevity allowance from 1% to 2%, and increases the length of time--longevity payments are to be made from the 20th year to the 30th year of service. He felt the main reason of the bill was to address the inequity in the present system.

PROPOSERS:

GENE HARADA, police officer for the City of Havre and President of the Montana Police Protective Association, appeared in support of HOUSE BILL 383. He stated the increase to \$1,100 per month would be an average increase of only 7% over these past 7 years. As he interpreted longevity, it is a small increase in pay for each year an employee stays with the employer. By increasing the base to \$1,100 per month, it would give a new longevity rate of \$11 per month and with the proposed 2% increase, it would then make it \$22 per month. This bill also includes an increase in paying the longevity through the 30th year of service. He urged support of HOUSE BILL 383. (EXHIBIT 3)

JOHN SCULLY, Montana Police Protective Association, stated that the concern that he had was looking at the base salary of police officers. One item is not very often mentioned and that is--for any city or local government that engages in law enforcement activity, they are forced into the education of those law enforcement individuals by sending them to the law enforcement academy. That training is not cheap. Twenty years later when the individuals are forty years old and have no real reason to stay in the department, it would seem to be a wise policy to be generating at the state level the continuity of law enforcement for those dollars invested in younger years and experiences received in both the intellectual as well as the ability to mature and to understand the pressures that involve law enforcement.

The two priorities that he would like to see raised out of the three would be the raise in the base salary and the raise in the years of longevity. He stated that the information given is for confirmed officers who are those officers who have made it through the preliminary probationary stage.

SGT. LARRY CONNER, Bozeman, representing Montana Police Protective Association, stated they believe in this bill and would greatly appreciate the Committee's support on this bill.

STAN TENNY, Bozeman, Police Protective Association, supports HOUSE BILL 383.

The following individuals also supported HOUSE BILL 383: GEORGE OLSON, Helena Police Protective Association; TROY McGEE, Helena Police Protective Association; DUANE LARSON, Helena Police Protective Association; MARK LEWN, Helena Police Protective Association; DENNIS DAVIS, Helena Protective Association; GARY LOWE, Helena Police Protection Association; and OFFICER BILLI HEIGH, Helena Police Protective Association.

OPPONENTS:

MAY NAN ELLINGSON, Deputy City Attorney for the City of Missoula, appeared in opposition to HOUSE BILL 383 for the following reasons: (1) the Legislature should not be establishing wages and salaries for employees of local governments; (2) establishing local government wages by statute hampers the collective bargaining process; (3) this act does not comply with the spirit and intent of the Drake amendment; and (4) the potential economic impact of this bill is overly burdensome to local governments (EXHIBIT 4).

BILL VERWOLF, representing the City of Helena, opposed HOUSE BILL 383 for the reason that it exposes them financially and the fact that they are in a situation of rule bargaining. The police officers have the right to enter into collective bargaining agreements to be represented by union or employee associations. To turn around and have the same people bargaining with the state is a double system. If we are going to have collective bargaining, then that should be the means of determining the pay scale.

ALEC HANSEN, Montana League of Cities and Towns, stated that the League opposes this bill for reasons mentioned. He also passed out a letter from AL THIELEN, City Manager of Billings, Montana, who opposes HOUSE BILL 383 (EXHIBIT 5).

REP. DAVE BROWN closed by saying he did not feel the 2% was nearly as important an item as the inequity he mentioned in his opening remarks. He hoped that the Committee would address the increase in the base wage. He stated that the reason the Legislature decided to establish a base wage is for the protection of those covered under those statutes in the cities involved. He encouraged being able to negotiate the base wage. He stated that the majority of these cities are well over the \$1,100. All this bill does is offer base protection and all of the cities that are on this list are not union shops. I think it is reasonable that the Legislature try to correct this situation. I also think you need to look at the 20-30 years and also consider reducing the 2% to 1% to reduce the fiscal impact of this measure.

QUESTIONS:

REP. WALDRON stated that the amendment added to the Drake Amendment in 1979 requires a local government unit performing an activity or providing a service or facility requiring direct expenditures of additional funds must provide specific means to finance the activity. The law goes on to say that the law does not become effective until means of financing is provided. Where in the bill do you provide a means of financing. The question was referred to JOHN SCULLY. He replied that it is not in the bill. He stated that you folks have \$3.5 million of General Fund money right now that really doesn't belong to you and so we were going to send all that money right back to local government. Then we discovered with regard to the pension fund system and the problems with it, presenting a bill to you would minimize the city's contribution of 7% instead of 14% and 16% that they are now doing. We discovered there is also a statute that provides for that to levy the tax to get that money so maybe there wouldn't be any benefit to them. The money comes from a tax imposed many years ago on the premiums that were issued for fire and building protection under the theory that there are services rendered by police and firemen for the benefit of that industry. That money has gone into the insurance commissioner's office and was directed to the payment of salaries and pensions for those officers. The basic reason for a base salary is that police officers are also engaged in enforcement of state statutes as well as the local city ordinances.

REP. BERGENE: Why have you found it impossible to come to a better wage scale through collective bargaining. Isn't this something that could be eased in eventually?

JOHN SCULLY: The underlying issue in law enforcement is the struggle for years not to be involved with collective bargaining. The major cities are under collective bargaining. The minimum base should be applied state wide. There are still a lot of smaller cities who do not bargain. If you plug in a minimum at the state level, that becomes the salary.

REP. PISTORIA: Would going from \$750 to \$1,100 be too much of a burden on local government?

JOHN SCULLY: Anytime you add a dollar, it is a burden on local government. It is a matter of paying what is fair. Most of the officers throughout the state have already received that minimum salary. We feel it would be fair for the base salary to be raised for the rest of those to that level. He pointed out that the 1% longevity will still apply to the minimum in some areas. In those areas that use the longevity of 1% based upon the minimum state salary, longevity would be increased. The \$7.50 would go to \$11.

REP. KADAS: What communities do not have collective bargaining?

JOHN SCULLY: I do not have a list but would be glad to find out.

REP. WALLIN: Under the proposed formula taking 10 years of service at 2% raise factor, would the cost be \$1,079,000? At 1%, would it be \$539,000?

JOHN SCULLY: That would be the impact if everyone paid longevity.

MAY NAN ELLINGSON: If you decrease the 2% to 1% of the \$1,100, that would cost the City of Missoula an additional \$6,000 per year. We currently pay \$10 a month longevity.

REP. WALLIN: Taking that down to 1%, does that eliminate the financial burden of the bill?

MAY NAN ELLINGSON: It makes it more palatable for the City of Missoula.

REP. HOLLIDAY: Do sheriffs have a longevity clause?

JOHN SCULLY: County officials' salaries were figured using the appraised value of the county to reflect a standard of salary. A two-year study reflected that the real problem of the community is not the appraised value you have. You should be dealing with the population increase and they fixed those in that arena. He stated that there is a good reason to keep law enforcement people in service and not encourage early retirement after 20 years. He thought that with the cost for longevity, there is, within the sheriffs as well, that same posture that it costs a lot of money to send people to school which is mandated training.

REP. HOLLIDAY: In previous legislation, what did we do regarding longevity for the deputies that we did not do for the sheriffs?

JOHN SCULLY: In some instances, a sheriff's deputy that had had thirty years of service who came in working for a sheriff that was 25 years old but who had no previous law enforcement experience because he came in as an elected official--that deputy received a higher salary than the elected official.

REP. HOLLIDAY: I thought we did something that projected the deputy above the sheriff.

JOHN SCULLY: You did when you switched from the appraised value to population. In the populated areas, it did that.

REP. HANSEN: Are there any deputies that are now getting \$750?

JOHN SCULLY: I am not aware of any.

REP. HANSEN: Most of them get the base pay of \$1,100.

JOHN SCULLY: Most of them get base pay that is higher than \$750. The incidental raise is that 1% longevity is figured on the base pay. When you apply the 1% longevity to the base pay, it would raise the expense in those communities.

REP. WALDRON: Where did you get the 15% difference?

MAY NAN ELLINGSON: Last session the sheriffs' wages were increased statutorily by 7.82% but because of the way longevity grows, it averaged 15% for the sheriff's deputies in Missoula.

REP. SWITZER: How is this going to affect the little towns that have a bare-bones budget.

JOHN SCULLY: These are the first- and second-class cities that are under the Municipal Police Act so the very small towns would not be under that Act.

CHAIRMAN McBRIDE: As I recall, the pension program and the benefits paid to retired police officers are based on the current salaries paid to police officers.

REP. SALES: The retirement is based on the wage of the newly confirmed officer in that city.

CHAIRMAN McBRIDE: What we may be doing is having an effect on those under the \$1,100; thus also increasing to those local governments increased costs to those people who are retired?

JOHN SCULLY: That is a possibility. Assuming that their average now is below the \$1,100 figure--I point out to you that the levy is there and is exercised for the payment of that contribution by the cities at the present time.

CHAIRMAN McBRIDE: There are seven or eight of the ones listed on the fiscal note that are below the \$1,100 level and that while they may have the ability to tax to gain additional money, we are looking at a dollar figure that is greater than the figure listed on the back of the fiscal note because the actual cost to local government would also include an increased cost to cover the pension benefits.

JOHN SCULLY: You would certainly have that circumstance but the numbers involved make that minuscule.

REP. SALES: It would be a very small effect on the retirement system as far as the part that the PERS oversees but taking an individual city like Lewistown, it could be drastic.

CHAIRMAN McBRIDE closed the hearing on HOUSE BILL 383.

#### HOUSE BILL 344

REP. SPAETH, sponsor. This bill states that if a county welfare agency transfers an individual into a nursing home, in another county, they will continue to pay the welfare assistance. He stated that this bill would eliminate some inter-county disputes that have arisen in the past.

#### PROPOSERS:

BEVERLY GIBSON, Montana Association of Counties, stated that if amended, she could support the basic concept of this bill in that a county placing a client outside the county would remain the financial responsibility of the placing county. She said there could be some problem in

establishing residency. If a client was identified as a client of a certain county and that county ran out of nursing home space, both private and public, the original county could then put that patient into a neighboring county where there was space and at that time the county placing the client would retain the financial responsibility for that client. Although most of these individuals are under Medicaid-Medicare, there are a certain number of indigent burials occurring in every county. The typical one is about \$1,000 per burial. (EXHIBIT 6)

OPPONENTS:

LEE TICKELL, Deputy Administrator of the Economic Assistance Division, Department of Social and Rehabilitation Services, appeared in opposition to the passage of this bill. He stated a case where a party was transferred from Musselshell County to a Carbon County nursing home. Through the paramedic process, it was adjudicated that that individual was a resident of Carbon County as they had been in the Carbon County nursing home. Therefore, Carbon County was responsible for burial costs. He indicated that this may be a lone incidence because there are individuals going from rural areas into large metropolitan areas and receiving no-care costs and ending up on general assistance. He said there are extremely few cases where a client would end up on general assistance that would not be covered by Medicaid, end up in a nursing home, and be a responsibility of that county. The family is really the one who determines where that individual goes and he was not sure the language in the bill gets at the problem. Another problem he saw was a person who is a privately paid patient and during his stay may become a burden of the county. The person who would be transferred into Carbon County would be buried by a funeral home in the community. You would have a funeral home in one county dictating how much they are going to pay to a funeral home in another county.

REP. SPAETH closed by saying he didn't want to get all the problems LEE TICKELL alluded to. He did not want to involve where the family wanted to place the person.

QUESTIONS:

REP. KADAS: Is the intent just for the people that the County Board of Public Welfare assigns to another county?

REP. SPAETH: Yes.



REP. PISTORIA: What are your suggestions to remedy this situation?

LEE TICKELL: In the long run, it would balance itself out. People are going from the rural to the city and people in the larger communities will take care of the problem.

REP. SALES: This section applies only to the county's liability for general funds and is it still true that only county money is involved in this section or are there some state or federal funds that could be mixed in at this time?

LEE TICKELL: Typically, the person that ends up in a nursing home is going to be Medicaid eligible. For those limited number of people, they would become the liability of the county and subject to support.

REP. HANSEN: Wouldn't this apply to a disabled person being placed in a rest home--not necessarily an old person?

LEE TICKELL: In most cases, they would be eligible for SSI.

REP. BERGENE: Which county pays burial expenses?

REP. SPAETH: Under this bill, the placing county is responsible.

LEE TICKELL: My understanding is wherever the person is residing, that is his place of residence. Therefore, that county would be responsible for burial.

REP. SWITZER: How much of the total cost to the county is picked up by Medicaid.

LEE TICKELL: None of the costs of Medicaid are picked up by the county for that program.

REP. SWITZER: Does the person ever become the responsibility of anything except Medicaid?

LEE TICKELL: There might be limited circumstances where the county would pick up such things as vitamins or some pharmaceuticals.

REP. KEENAN: Can the county request the body be returned back to the county.

REP. SPAETH: You are only a resident when you are alive.

REP. VINGER: If a person receiving welfare is accepted by Medicaid to be placed in a nursing home, does the county issue a welfare check or does the county issue a check and the nursing home keep part of it.

LEE TICKELL: If they are receiving social security, the amount that they receive less \$40 is deducted from the cost of the care.

REP. VINGER stated that in Yellowstone County, if the nursing home is full and the individual does not want to go to another county, he may be put in the hospital and Medicare will pay the expenses. Is that true?

LEE TICKELL: They may remain in the hospital at an unreduced price; otherwise, they would try to find them a place in another county on an interim basis.

REP. VINGER: Can he be forced to go to another county if he didn't want to go?

REP. SPAETH: It would be difficult to force one into another area.

REP. VINGER: Does this bill have any effect on taking a loved one to another county in Montana if one's employment moves?

LEE TICKELL: I don't think it would.

CHAIRMAN McBRIDE: Are there counties who do not have a county nursing home?

LEE TICKELL: Yes.

CHAIRMAN McBRIDE: In those counties, where do they put people who need nursing home care?

LEE TICKELL: They would go into a privately paid facility.

CHAIRMAN McBRIDE: If they are not on Medicaid, just general assistance, would they be transferred to another county facility and that new county would pick up the cost?

LEE TICKELL: There could be an arrangement made between the counties.

CHAIRMAN McBRIDE closed the hearing on HOUSE BILL 344.

EXECUTIVE SESSION  
HOUSE BILL 44

SEN. HIMSL, sponsor. The main issue that was addressed is having a county wanting to provide some sort of service but not covering the whole county. With the Attorney General's opinion, they are prevented from granting or appropriating funds to do that.

REP. HAND: Moved HOUSE BILL 44 BE CONCURRED IN. The motion PASSED UNANIMOUSLY.

REP. BERTELSEN was appointed to carry the bill in the House.

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HOUSE BILL 344

REP. SPAETH, sponsor. This bill states that if a county welfare agency transfers an individual into a nursing home, in another county, they will continue to pay the welfare assistance.

REP. SALES: Moved HOUSE BILL 344 DO NOT PASS. He stated that if the counties had gone into a written agreement, the whole thing would not have come up.

The motion of DO NOT PASS CARRIED, with REPS. SWITZER, PISTORIA and DARKO voting no.

The meeting adjourned at 2:15 p.m.

Kathleen McBride  
CHAIRMAN KATHLEEN MCBRIDE

Geri Brucett  
Secretary

(Steve Pilcher, Bureau Chief to testify)

~~Steve Pilcher~~ \*\*\*\*\*

To understand Senate Bill #44 it is necessary to review some history. Counties have been grantees of federal revenue sharing funds, and the law allows counties to accept and appropriate the money, usually, any way they want to use it.

In February of 1981 the Board of County Commissioners of Teton County asked for an Attorney General's opinion on their status as a grantor to help establish a water district. The Attorney General, in Opinion # 6, Volume 39, ruled while the water district could accept the funds, "there is no apparent power anywhere for the county to be in effect, a general fund donor to the district". In other words, the county could be a grantee but not a grantor to the political subdivisions.

Senate Bill # 44, in paragraph 3, provides that the county may make an appropriation to the following governmental entities: Utility districts as authorized in Title 7, chapter 13, and Fire services authorized in Title 7, chapter 33.

Further, the bill provides that if the district is less than countywide, the appropriation resolution shall require the entity to repay the county on terms agreed to and full payment to be made within 5 years, and interest may be required on the repayment.

The act would be effective on passage and approval because of the time element which may be critical.

A case in point may make the issue clear. A community which has a sewer district established may be eligible for a federal grant. Before December 1981 federal funds were available for planning and design grants. That funding has been eliminated. Funds will be available for qualified construction grants until October 1984 on a 75/25 ratio, after which the ratio drops to 55/45.

When the voters establish a district they have no planning funds, this bill would allow counties to advance funds for planning and design so the people in the district could know costs and vote to bond for construction. If the project goes to construction and a grant is made, it is possible to recover some, if not all the planning and design costs. If the project does not pass or fails to qualify for a construction grant, the law allows the district directors to go to the county commissioners to put an assessment on the district to pay the debt of the district.

There are county commissioners who are willing to help districts preserve a good environment, reduce pollution and develop central collection systems such as around Flathead Lake, and this legislation would make it possible. It is permissive legislation that could really help those who have the desire to really correct serious community problems.

I hope you will see the merit in this bill, and I urge your support.

7-7-2103

Title 7, Ch. 13, parts 22 & 23

VOLUME NO. 32

OPINION NO. 6

COUNTIES - Federal Revenue sharing funds, allocation of water and sewer districts.

WATER AND SEWER DISTRICTS - Counties, federal revenue sharing funds.

MONTANA CODES ANNOTATED - Title 7, Chapter 13, parts 22 and 23.

HELD: A Board of County Commissioners does not have authority to allocate federal revenue sharing funds to a water and sewer district.

9 February 1981

Mr. Myron Wheeler  
Board of County Commissioners  
Teton County Courthouse  
Choteau, Montana 59422

Dear Mr. Wheeler:

You have requested my opinion on the following question:

Does the Board of County Commissioners have the authority to allocate federal revenue sharing funds to a water and sewer district?

A group of rural residents in Teton County has organized to develop a rural water distribution system to provide water to families who presently have to haul their domestic water supplies. These residents propose to create a water district pursuant to Title 7, Ch. 13, pts. 22 and 23, MCA, and have requested that the county grant the district \$10,000 in federal revenue sharing funds to use for water quality testing and test drilling.

Federal revenue sharing funds may be spent for any purpose for which local governments may spend or pledge general tax revenues under state law. 37 OP. ATT'Y GEN. NOS. 61 and 105. A county such as Teton County which has not adopted a self-government form of local government has only the powers that are expressly conferred by statute or that are necessarily implied therefrom. Roosevelt County v. State Board of Equalization, 118 Mont. 31, 37, 162 P.2d 397 (1945); State ex rel. Bowler v. County Commissioners, 106 Mont. 251, 257, 76 P.2d 648 (1933).

Article V § 11(5) of the Montana Constitution prohibits appropriations "for religious, charitable, individual, educational or benevolent purposes" unless made to an organization "under the control of the state." This provision has been applied to subdivisions of the state such as counties. 37 OP. ATT'Y GEN. NOS. 25 and 105. Section 7-7-2103, MCA, provides:

No county must ever give or loan its credit in aid of or make any donation or grant, by subsidy or otherwise, to any individual, association or corporation . . . .

Counties may pay money to individuals or organizations on an exchange basis to provide services or materials that they are authorized by statute to provide to their constituents. 37 OP. ATT'Y GEN. NO. 105. Thus the first difficulty with the instant proposal is that no power can be found or necessarily implied to allow counties to directly provide for rural water distribution systems.

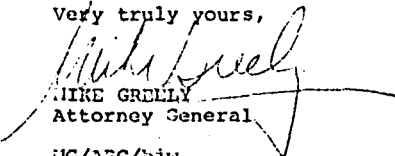
To the contrary, there are specific mechanisms provided in the statutes to provide for the establishment of these services. One of these mechanisms is the water district provided for by Title 7, Ch. 13, parts 22 and 23. See, e.g., 7-13-2218, MCA. While 7-13-2221, MCA, empowers the districts to accept funds from "federal, state, and other public or private sources" there is no apparent power anywhere for the county to be in effect a general fund donor to the district. The financing of district operations is specifically provided for (7-13-2301 et seq., MCA), and the county's only specific involvement is the duty to levy an assessment on the land in the district when the district's revenues are insufficient to pay the principal and interest on any district bonded indebtedness 7-13-2302, MCA.

Therefore, since the county has no specific or necessarily implied power to make the proposed grant, and since specific means of financing and county involvement are provided for, the conclusion is that the county may not make the proposed grant.

THEREFORE IT IS MY OPINION:

A Board of County Commissioners does not have authority to allocate federal revenue sharing funds to a water and sewer district.

Very truly yours,

  
MIKE GREILLY  
Attorney General

MG/ABC/bjw

WITNESS STATEMENT

Name Beverly Gibson Committee On Loc. Gov.  
Address 1802 11<sup>th</sup> Ave. Helena Date Feb. 1. 1983  
Representing MACo Support ✓  
Bill No. SB 44 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. Permissive - allows flexibility to decide if the funds are needed - & provides those funds
2. Provides start-up funds for worthwhile programs based on merit
3. Guarantees that all taxpayers are not charged for selective services
4. allows planning expenditures

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



# VISITOR'S REGISTER

HOUSE                      LOCAL GOVERNMENT                      COMMITTEE

BILL            SENATE BILL 44

DATE 2-1-83

SPONSOR SEN. HIMSL

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

My name is Gene Harada. I have been a police officer for the City of Havre for the past 8 years. I am presently a Sgt. on that department. I am also President of the Montana Police Protective Association. As you are probably aware of, the membership of the Montana Police Protective Assn. is mainly made up of police departments from the 1st and 2nd Class cities throughout Montana. Membership is over 300.

I am here in support of HB 383 which deals with the minimum wage of police officers in the 1st and 2nd class cities in Montana.

At the present time, our minimum wage is \$750.00 per month or \$4.26 per hour. At the time this was made into law in 1976, it was not too bad of a wage. But now, 7 years later, it is way behind. When you consider that the present Federal minimum wage is \$3.65 per hour - it is only a difference of \$.61¢ per hour and this Federal minimum wage has no employment standards.

Whereas, the employment standards for 1st and 2nd class police officers are citizens of the U.S., at least 20 years of age, no felony record, good moral character, H.S. graduate, physically fit. The reason for these employment standards is for the protection of the citizens of Montana, so you have quality people in this area of great responsibilities. With the extensive training that the present day Montana law enforcement officer receives, the public gets and receives the professional officer working and protecting them.

This increase to \$1,100.00 per month would be an average increase of only 7% over these past 7 years and with the past years of double-digit inflation, this is not much to ask.

As you can see by the hand out I have given you, the base wage for police officers in these 15 1st and 2nd class cities is now over \$1,100.00 per month. If this is passed, it is not going to require any city to increase their base pay for a confirmed Police Officer. The only area it is going to cost the cities is in longevity.

As I interpret longevity, it is a small increase in pay for each year an employee stays with the employer. The employer and public both benefit by keeping these trained and experienced officers working.

At the present, 13 out of these 15 cities pay their longevity on the state base pay., so these officers are receiving a longevity raise of \$7.50 per month per year of service. Not really much of an incentive.

By increasing the base to \$1,100.00 per month, it would give a new longevity rate of \$11.00 per month and with the proposed 2% increase it would then make it

\$22.00 per month.

As you can see with the more years of service, the more the longevity is attached to your base pay, the more favorable it would be for an officer to maintain his status with that department.

On the right hand side of the hand out you have received, you can see what the Sheriff Deputy's are receiving in those counties in which these 1st and 2nd class cities are in. The over-all average of the Sheriff longevity is \$14.58 per month. This is almost twice in what we receive in longevity.

Take for example, a young person who is considering L.E. as a career. That individual would naturally look into both Police and Sheriff departments for a career, and seeing that the Sheriffs department has a much better incentive plan, due to the fact that the longevity rate is double of that of a city police officer, that individual would most likely hire on with a Sheriff's dept.

On this bill, it also includes an increase in paying the longevity through the 30th year of service. The present bill states 20 years. When the new retirement date was established for police at 20 years and 50 years of age, we have many officers that will be putting 28-29 years before retiring. As it is now stated, these officers would be working these last years with no longevity increase.

So committee members, as you have heard from myself and will hear from some of my other colleagues, we have quite a conviction for this bill. I feel you will be conscientious in your deliberations on this proposed bill. The Law Enforcement officers throughout the state greatly appreciate your consideration on this matter.

Thank you for your time and I will be around for any questions you may have concerning my testimony.

Billing	Base pay of a confirmed officer	\$1,435.00	Sheriff longevity pay	\$17.16
Bozeman	" " " " " "	1,364.00	" " "	12.48
Butte	" " " " " "	1,385.00	" " "	16.46
Glasgow	" " " " " "	1,220.00	" " "	12.75
Glendive	" " " " " "	1,341.50	" " "	16.28
Great Falls	" " " " " "	1,467.00	" " "	16.34
Havre	" " " " " "	1,230.00	" " "	14.50
Helena	" " " " " "	1,277.26	" " "	14.06
Kalispell	" " " " " "	1,244.00	" " "	13.99
Laurel	" " " " " "	1,462.56	" " "	17.16
Lewistown	" " " " " "	1,161.00	" " "	13.15
Livingston	" " " " " "	1,147.50	" " "	12.09
Miles City	" " " " " "	1,237.25	" " "	13.13
Missoula	" " " " " "	1,471.93	" " "	15.10
Sidney	" " " " " "	1,404.00	" " "	14.13

\*-denotes that this is what they would be paid if their longevity was figured on the Sheriffs pay.

The average longevity for a sheriff deputy in the State of Montana is \$14.58. .

KX 4  
HB 383

TO: KATHLEEN McBRIDE, CHAIR  
MEMBERS OF HOUSE LOCAL GOVERNMENT COMMITTEE

FROM: MAE NAN ELLINGSON, DEPUTY CITY ATTORNEY FOR THE  
CITY OF MISSOULA

RE: HOUSE BILL 383

DATE: FEBRUARY 1, 1983

The City of Missoula strongly opposes HB 383 for philosophical, legal, and economic reasons.

1. The Legislature Should Not Be Establishing Wages And Salaries For Employees Of Local Governments.

Duly elected local government representatives are responsible and answerable to their constituents for the amount of taxes levied to run their cities. They should control the level of expenditures for which the taxes are levied. If the legislature mandates a level of salaries for local employees, the locally elected representatives do not have the necessary control over their budgets.

2. Establishing Local Government Wages By Statute Hampers The Collective Bargaining Process.

The City of Missoula and the Missoula Police Protective Association collectively bargain over hours of work, wages, and other conditions of work pursuant to the Public Employees Collective Bargaining Act. We feel that from a practical and financial point of view our ability to bargain is diminished when the legislature intrudes into what should be a two-party process. After negotiating contracts for the City of Missoula for 5 years, several facts are clear to me: (1) When the legislature mandates the payment of "X" wage or benefit and the cost of the City's complying with that mandate is 5 or 6%, the union or association refuse to acknowledge that 5 or 6% as part of the wage package. Their attitude is generally "you're required by law to do that; now let's start negotiating." This is particularly true with the concept of longevity, which this Bill apparently tries to affect.

(2) Most public employers try to treat all of its employees equally and equitably in terms of raises; and even though this Bill applies only to police officers, it sets standards and expectations for every other City employee. Consequently the potential financial impact of the Bill is even greater than that indicated on the fiscal note. To the extent that we do not increase the salaries of our other employees in a like amount, you are likely to see more and more public employee groups coming to the legislature to have you set their salaries. Indeed, this Bill is a direct response to legislative action last session that increased the sheriff's and deputy sheriffs salary by about 15%. Our police officers felt they should receive a similar raise. The City simply could not afford that type of raise. Even though the City ultimately gave the police officers a 7% increase, it will

continues that they were not give a raise commensurate with their counterparts across the street.

3. This Act Does Not Comply With The Spirit And Intent of the Drake Amendment.

M.C.A. 1-2-112 provides that:

"Any law enacted by the legislature after July 1, 1979, which requires a local government unit to perform an activity or provide a service or facility which will require the direct expenditures of additional funds must provide a specific means to finance the activity, service or facility other than the existing authorized mill levies or the all-purpose mill levy. Any law that fails to provide a specific means to finance any service or facility other than the existing authorized mill levies or the all-purpose mill levy is not effective until specific means of financing are provided by the legislature."

This Act, depending on how it is interpreted, could cost the City of Missoula \$92,220.00 for police officers alone this coming fiscal year. During this session of the legislature, we hope that you will be considering ways to make up the nearly \$ 600,000.00 the City has lost in the biennium as a result of legislative, administrative, and judicial action. It would seem ironic indeed that the legislature would continue to impose new burdens on local governments without providing a way of funding the obligation imposed.

4. The Potential Economic Impact Of This Bill Is Overly Burdensome To Local Governments.

At the outset it is fair to say that this Act and the statute it amends is subject to several interpretations. The critical issue is whether this Act has as its purpose mandating a minimum yearly increase or mandating a minimum yearly salary.

The Fiscal Note accompanying the Bill seems to assume that the purpose of the Act is to mandate a minimum yearly increase. If that is the case, the price tag on the Bill is \$711,660.00. The City of Missoula's share of that is \$92,220.00. This would result in an average salary increase of 13.7% to each officer for fiscal year 1983-84. The City of Missoula cannot afford that type of salary increase. Nor in these economic times is that type of raise justified. While our police officers perform an important job for our City and we would like to raise their salaries as much as possible, their current salaries are competitive both nationally and statewide and are not in need of a 13.7% adjustment.

If the legislature's goal is to increase the minimum wage for police officers to \$1,100.00 a month, I would suggest the following amendment:

Page 1, line 15

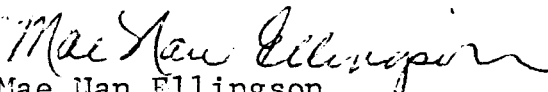
Following "service"

Strike: "remainder of lines 15 through 18 in  
their entirety"

Insert: " . (period)"

The increase of the minimum wage to \$1,100.00 would not hurt the City and to the extent the legislature wants to do that alone, Missoula could support the Bill, even though we believe you should not be setting wages for local government employees.

Respectfully,

  
Mae Nan Ellingson  
Deputy City Attorney

MNE/jd

Ex 5  
HB383



## CITY OF BILLINGS

220 NORTH 27TH STREET  
P. O. BOX 1178  
BILLINGS, MONTANA 59103  
PHONE (406) 248-7511

February 1, 1983

### STATEMENT BY AL THELEN REGARDING HB383 TO THE HOUSE COMMITTEE ON LOCAL GOVERNMENT

House Bill 383 is contrary to the principles of self-government in that the state is negotiating salaries and fringe benefits with police officers that should be negotiated at the bargaining table of each city. It may be easy for the legislature to grant this request to the law enforcement officers since the State is not required to be responsible for funding the bill. Surely, we have learned from our past mistakes regarding state mandates to local government! If the state wants to control the salaries of the police officers in the cities, let them assume the fiscal responsibility as well.

If one assumes that the longevity benefit of 2% is mandatory, House Bill 383 could cost Billings \$188,400 annually. I urge you to vote against this bill, which will in turn be a vote to strengthen city government.

Thank you.



## VISITOR'S REGISTER

HOUSE LOCAL GOVERNMENT

COMMITTEE

BILL HOUSE BILL 383

DATE 2-1-83

SPONSOR REP. D. BROWN

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
John Sully	Bozeman	Police Prot. Assoc	✓	
Ken Nelson	Missoula	Mayor		✓
Mr. Nan. Ellington	Missoula	City of Missoula		X
Steve Spade	Helena	Mont. Police Protective Assn.	✓	
Steve Conroy	Bozeman	Police Prot Assoc	✓	
Kevin Olson	Helena	Helena Police Protective Assn.	✓	
George Olson	HELENA	HELENA POLICE PROTECTIVE ASSN	✓	
Gary Lowe	HELENA	HELENA POLICE PROTECTIVE ASSN	✓	
Billi Heigh	Helena	Helena Police Prot. Assn	✓	
DENNIS G. DAVIS	HELENA	HELENA PROTECTIVE ASSN	✓	
Mark Lewis	Helena	Helena Police Protective Assn.	✓	
Quinn Lewis	Helena	Helena Police Protective	✓	
Troy McGee	Helena	Helena Police Protective	✓	
Larry Carver	Bozeman	Boz Police Protective Assn	✓	
John Scully	Bozeman	Lobbyist-MT Police Assn	✓	
Dave Brown	Butte	Dist. 83	✓	
Bill Verwolf	Helena	City of Helena		✓
Alec Hanson	Helena	Mont. Leag. Cities & Towns		✓

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

WITNESS STATEMENT

Name Beverly Gibson Committee On Loc. Gov.  
 Address 1802 11<sup>th</sup> Ave - Helena Date Feb. 1 - 1983  
 Representing MACo Support ☒  
 Bill No. HB 344 Oppose ☐  
 Amend ☐

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. Fairly charges the resident county when placement occurs in another county because of lack of space in home county
2. Burial costs can mount up when there are no private funds to pay for them  
\$1,000+ per burial
3. Sometimes ~~res~~ residency cannot be clearly established - which would be a problem
4. Support basic concept of bill (fairness)

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

## VISITOR'S REGISTER

HOUSE LOCAL GOVERNMENT

COMMITTEE

BILL HOUSE BILL 344

DATE 2-1-83

SPONSOR REP. SPAETH

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

# STANDING COMMITTEE REPORT

February 1, 1983

MR. **SPEAKER**

We, your committee on **LOCAL GOVERNMENT**

having had under consideration **SENATE** Bill No. **44**

blue third reading copy (blue)  
Celer

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW COUNTIES TO APPROPRIATE FEDERAL OR STATE FUNDS TO COUNTY UTILITY DISTRICTS AND FIRE SERVICES BUT REQUIRING THAT THE APPROPRIATION MUST BE REPAID TO THE COUNTY WITHIN 5 YEARS IF COUNTYWIDE SERVICES ARE NOT PROVIDED BY THE RECIPIENT; AMENDING SECTION 7-6-2218, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Respectfully report as follows: That **SENATE** Bill No. **44**

BE CONCURRED IN

**DOBBINS**

# STANDING COMMITTEE REPORT

February 1, 19 83

MR. **SPEAKER**

We, your committee on **LOCAL GOVERNMENT**

having had under consideration **HOUSE** Bill No. **344**

\_\_\_\_\_ reading copy (\_\_\_\_\_)  
color

**A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT A COUNTY THAT  
PLACES A PERSON RECEIVING GENERAL ASSISTANCE IN A NURSING HOME IN  
ANOTHER COUNTY RETAINS FINANCIAL RESPONSIBILITY FOR THE PERSON;  
AMENDING SECTION 53-3-306, MCA."**

Respectfully report as follows: That **HOUSE** Bill No. **344**

**DO NOT PASS**

**DO NOT PASS**

# STANDING COMMITTEE REPORT

February 8,

1983

MR. SPEAKER

We, your committee on LOCAL GOVERNMENT

having had under consideration HOUSE Bill No. 383

first reading copy ( white )  
color

**A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE THE MINIMUM WAGE OF  
POLICE OFFICERS IN FIRST- AND SECOND-CLASS CITIES; AMENDING SECTION  
7-32-4116, MCA."**

Respectfully report as follows: That HOUSE Bill No. 383

**DO NOT PASS**

**REPORT**