

MINUTES OF THE MEETING OF THE HOUSE STATE ADMINISTRATION  
COMMITTEE  
February 18, 1983

VICE CHAIRMAN O'CONNELL OPENED THE MEETING AT 8:00 A.M. IN THE ABSENCE OF CHAIRMAN BRAND. ALL MEMBERS OF THE COMMITTEE WERE PRESENT (CHAIRMAN BRAND CAME INTO THE MEETING LATER.)

Vice Chairman O'Connell opened the hearing on HB 882, sponsored by Representative Eudaily.

Representative Eudaily made his opening statement: "HB 882 is the same bill that you had before this Committee two years ago. It was an outgrowth of a two year study of the retirement systems of the State of Montana. Generally the Montana Legislature has used the ad hoc method of adjusting the retirement benefits of public employees. Between 1971 and 1979, the Highway Patrol, Public Employees', Police Officers', and Teachers' Retirement Systems received ad hoc increases. Three retirement systems, the Firefighters, the Judges, and some of the Police Officers, are covered by automatic cost-of-living adjustments. Not all public employees have received cost-of-living adjustments. The Game Wardens' and the Sheriffs' Retirement Systems have received no post-retirement increases since their creation in 1963 and 1974. After weighing the pros and cons of ad hoc versus automatic adjustments and considering the effects of past legislation, the committee agreed to adopt the automatic method of adjusting benefits. This proposal provides an automatic cost-of-living increase in service and disability retirement and survivorship allowances payable to members of the Public Employees', Teachers', Highway Patrol, Sheriffs', and Game Wardens' Retirement Systems and their beneficiaries and to members of the Municipal Police Officers' Retirement System retired after July 1, 1975."

G.V. Erickson, Chairman of the Legislative Committee for the Retired Teachers Association: "This bill is laid out in such a manner that all people who have given the same number of years would receive the same amount of increase regardless of what their benefits are at this time. This bill also means that only those people who retire over a period of three years would receive the full benefit to begin with." (Additional testimony attached.)

Bob Johnson, Administrator of the Teachers Retirement Division: "The board would like to go on record as supportive of the measure if the proper contributions are allotted."

Tom Schneider, Executive Director of the Montana Public Employees Association: "We want to go on record as supporting

this bill. I think the bill has been explained. If we had a bill like this, we would not be hasseling for these raises every two years. Because the bill provides a future benefit which would cover employees who are now working, current employees would also pay for the benefit as well as the employers. It is not a benefit that is totally paid for by employers' contribution. It covers members of all the systems instead of just the PERS."

Charles Johnson, Member of the State Legislation Committee of the Association of Retired Persons: "In our meetings, we have considered this bill, and we are in favor of it."

Larry Nachtsheim, Administrator of the Public Employees Retirement Division: "I am speaking neither as a proponent nor an opponent. My Board does not support benefit enhancements. We feel that the legislature is the body that should fund these benefits. However, I would like to comment on this bill. The bill does cover a great number of employees. It covers not only the people who are currently retired but also the people who are going to retire. Conceptionally, this is probably a good idea. If I were a legislator, I would like to see a plan like this."

There were no opponents to HB 882.

Representative Eudaily made his closing statements: "I don't have the complete current list but I do have the number of the people that we are talking about that are currently retired up to 1981. PERS had 5,905; Teachers' Retirement had 4,529; Game Wardens' had 35; Highway Patrol had 105; Police had 317; Sheriffs' had 60, for a total of 10,951 retired people."

Representative Driscoll: "I have a question about the formula. Are all the systems based on 30 years?"

G.V. Erickson: "That is for the Public Employees' Retirement System. For Highway Patrolmen, it is 25 years and for Game Wardens, 25 years."

Representative Driscoll: "Under PERS, the average is 18 years. Under this example you have it would be \$113. Six percent is the smallest raise that will work. If CPI goes under 6%, there is no raise."

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G.V. Erickson: "Or very minute. There is one other thing, too. There is a cap on this. The CPI could never go beyond 12%, so there would never be more than a 6% raise, regardless of what happens to the CPI."

Representative Koehnke: "What would happen if the CPI went down? Would it work in reverse?"

G.V. Erickson: "I don't believe so; no."

Representative Phillips: "What is the bottom line on this, Larry? What is the cost?"

Larry Nachtsheim: "We just got this bill this morning; so we haven't figured out the cost."

Representative Sales: "It was indicated that the cost of this increase would be shared by both those on the payroll and the governing body."

Tom Schneider: "That would be up to the legislature. The costs usually are shared on a 50-50 basis; but there is nothing in the law that says it has to be that way."

VICE CHAIRMAN O'CONNELL OPENED THE HEARING ON HB 847, SPONSORED BY Rep. DRISCOLL.

Representative Driscoll made his opening statements: "This is the bill the Salary Commission presented. It has been amended quite a bit. This increases the salaries by 2% each year for each elected official."

Steve Brown, representing the Montana Judges Association: "We are in support of this bill. The fact sheet that I have handed out provides you with a comparison of the Montana Judicial salaries and those of nine neighboring states. One of the significant comparisons, in my opinion, is the salaries paid to the chief justice, the associate justice, and the district court judges in the state of Wyoming. You will notice that they are substantially higher than the current salaries for judges in the state of Montana. However, if you go down further to the bottom of that page, you will notice that the Montana Supreme Court handles 2 1/2 times the cases that the Wyoming Supreme Court handles. The objective in any occupation is to attract the most capable and the most intelligent people to those positions. Because,

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after all, you can write and pass the laws, but somebody has to decide the rights of various individuals who are affected by those laws." (Additional testimony attached.)

Justice Gulbranson, Montana State Supreme Court: "There are seven new district judges throughout the state. I would like to point out that those seven new judges probably are not sleeping as well as they did before. They probably, now, have had the experience of putting their first several people in prison; they have had their first custody battles. There is a changeover -- a turnover -- in judges. They don't stay forever. Many judges go back to private practice. If you make it as attractive as you can, you are going to have some interest. It is easy to say that there is always somebody looking for a job. And, usually, there is at least one applicant. But, if you look at the last election, there were three district judgeships where only one person filed. That shows that that job is not that attractive to a lot of people. What you do is not going to be as important to the judges as it is to the state of Montana."

Justice Harrison, Montana State Supreme Court: "I want to talk about some of the things that Judge Gulbranson talked about: the new justices coming on the court; the fact that you cannot buy them cheap. You cannot get a man to leave a good practice with a growing family to take a chance on the judiciary without offering him a decent salary. I am outraged by the way the judicial branch of government has been treated by the legislature. We have never been competitive with the states around us. Montana is as rich a state as Wyoming and far better. They bit the bullet there. They realize what you are dealing with. I have had a son out of work for a whole year and I realize the trauma that causes. The amount of money that you put into the court system of this state is less than 1% of the total budget. This is one of the smallest percentages of any state in the union. You, as our legislators, have to reassess the importance of the judiciary and recognize it salary-wise."

William Opitz, Executive Director for the Public Service Commission: "The Commission wants to go on record in support of HB 847. Four of the Commissioners would like the Committee to consider a pay differential between the chairman and the other four Commissioners. The only person that does not want that considered is the chairman. We would suggest a differential similar as the one you have between the Chief Justices and the Associate Justices, which is about \$100 a month."

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Helen Peterson, Member of the State Tax Appeal Board: "I think one reason that STAB is not paid better is because people don't know what we do. So, I am going to tell you some of the things we do. Of course we have hearings; that is our principal job. We have hearings on property tax and most of our hearings are for small taxpayers and we travel throughout the state. And we have hearings for large taxpayers like ARCO and Mountain Bell." (Additional material attached.)

Jack Lowe, Attorney for Commissioner of Political Practices: "Mrs. Krivec wanted me to appear before you as an opponent in regard to a pay increase for herself. Montana is facing a tight budget and a biennium of austerity. This is 1983, and times are not good. She is happy to have a job at all."

Representative Driscoll gave his closing statement: "I would support the amendment that the chairman of the PSC would receive more money. The percentages in this bill should be at least what public employees get. Originally, when this bill was put in, I thought it would go to appropriations. But because of an argument in the Senate over what is appropriations, I don't know if this will go through appropriations or not. Whatever happens to the bill, I do not want this funded out of vacancy savings."

Representative Smith to Steve Brown: "We have a comparison here on salaries. What about retirements?"

Steve Brown: "I haven't done that yet, but I will."

Representative Bliss: "As long as you are doing some calculating, would you figure out what lawyers in private practice are getting?"

Steve Brown: "OK, but I don't know if that can be done because each individual law firm is different."

Representative Hand to Steve Brown: "It was pointed out that several judges ran without opposition. What would you attribute that to?"

Steve Brown: "There are a couple factors that I think are quite important. One is, if lawyers have a successful practice, they have to make a value judgment about whether they want to run for that job for that salary. The second factor is, if you understand what a district judge has to do on a

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daily basis, I personally do not think that I was meant to do that on a daily basis."

VICE CHAIRMAN O'CONNELL OPENED THE HEARING ON HB 885 sponsored by Representative Jacobson.

Representative Jacobson gave his opening statement: "HB 885 is quite a comprehensive bill, and actually it started with the passage of SB 409 last session. It authorizes the bonding of the coal tax as a backup for some of these water projects and there are several projects here and you can see by their sponsors that these projects are in various districts across the state. We have been talking about using Montana water and these projects are designed so that we can make better use of Montana water across the state."

Representative Bachini spoke as a sponsor for the South Kremlin-Gildford Water Development and urged passage of HB 885.

Representative Keyser spoke as a proponent for the East Bench Gravity Company and for the town of Ennis.

Senator Ed Smith spoke as a proponent for Roosevelt County and for the city of Culbertson.

Representative Thoft spoke as a proponent for the Three Mile Bitterroot Project.

Representative Bengtson spoke as a proponent for the Huntley Project Irrigation.

Representative Underdal spoke as a proponent for Pend'-Oreille Canal.

Leo Berry, Director of the Department of Natural Resources and Conservation, spoke as a proponent for the Department of Natural Resources and explained how the bill works.

Representative Spaeth spoke on behalf of the Cooney Dam Project as a proponent.

Nancy Griffin, Town Council, town of Ennis, spoke as a proponent for additions to the Ennis sewage treatment project.

Ron Paige, President of the East Bench Gravity Company, spoke as a proponent for that project.

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Representative Koehnke spoke as a proponent for the Broadwater Hydro Development Project.

Paul Krenebush from Conrad, Montana, spoke as a proponent for the Pend'Oreille Irrigation project.

Gerald Vandenacre, Chairman of the Board of the Water Company, spoke for the Pend'Oreille Irrigation project.

Lloyd Bjerum, Administrator for the Geraldine Rural Water System, spoke as a proponent for the Geraldine Rural Water System.

Ken England, Chairman of the Board for the Geraldine Rural Water System, spoke as a proponent for the Geraldine Rural Water System.

Ron Smith from Havre, spoke as a proponent for the South Kremlin-Gildford Water Development.

Leonard Liese, Chairman of the Board of the Bitterroot Irrigation District, spoke as a proponent of the bill.

CHAIRMAN BRAND TOOK OVER THE MEETING.

Skip Lynch of the Resource Conservation Project in Ravalli County spoke as a proponent of the bill.

Pete Bertels, Roosevelt Rural Water Project, spoke as a proponent.

Roger Ashley, representing the City of Culbertson, spoke as a proponent for the Roosevelt County Rural Water District.

Gregg Lebotte spoke for the towns of Froid and Culbertson for the Roosevelt County Rural Water District.

Tom Eggenberger, City Engineer from Culbertson, spoke as a proponent for the Roosevelt County Rural Water District.

Doug Daniels, City Engineer for Three Forks, spoke as a proponent of the bill.

Bob Braico, with the Consulting Engineering Firm of Hydro-metrics, spoke as a proponent for the Geraldine Rural Water Users.

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Representative Solberg spoke as a proponent of the bill for the E. Roosevelt project.

George Barnard, Manager of the Huntley Project Irrigation District, spoke in favor of the bill.

Representative Jacobsen made his closing statements: "Every sponsor on this bill has a project that he or she is supporting. So, we are equal sponsors. One of the problems that we are running up against is that we thought it would be an appropriations bill. Now, with the ruling over in the Senate, we don't know whether this meets the criteria of a revenue bill or not because it doesn't affect the general fund. This bill does require a 3/4 vote on the House floor, being it comes out of the Coal Trust Fund. We have been talking about using Montana water for Montanans. This is a good way to use it." (Additional testimony attached.)

Representative Sales to Leo Berry: "I would like to have Leo explain the financing on this thing. How did we arrive at the 2% financing?"

Leo Berry: "The major water bill that I spoke of is SB 409, and it called for the issuance of bonds which would basically be loaned out. The legislature would decide how those bonds would be paid back. One, from revenue from projects themselves; and two, if revenues are short it calls for the flow of money going into the trust account to pay the difference. Many people last session were concerned about the permanent trust paying for these projects. What SB 409 did was to add a provision that 15% of the interest off of the permanent trust goes back into the trust to replace any lost revenue. So, the permanent trust is always made whole under the water development program. The 2% figure was arrived at by the individual project sponsors. Some of these projects could afford different paybacks, but it was decided that, in order to be consistent from project to project, all the projects would be at an interest rate of 2%"

Representative Brand: "If this bill didn't get in, would the trust have made more money?"

Leo Berry: "Sure; \$620,000 more."

Representative Driscoll: "What was the criteria that decided who got into the bill?"



Leo Berry: "Anyone is eligible under the water development program. You received, earlier in the session, a green book and a yellow book listing all the projects that we reviewed under this project. All the smaller projects are included for recommendations for grants and loans. The bigger projects, the ones you have here, are the ones that require a major bonding effort."

Chairman Brand opened the hearing on HB 846 sponsored by the Committee.

Jack Lowe, Staff Attorney for Political Practices: "This bill would broaden the protection that public employees have against coercion. A prior version of the bill prohibited any coercion by means of soliciting anything of value. It turns out that there are ways to coerce people that don't have anything to do with monetary value. In this bill, we have simply made it illegal to coerce public employees to support candidates at all or with regard to ballot issues. There is one little feature of this bill that I should point out. Subsection 3, the part that deals with politicking on the job, has been amended to prohibit politicking in favor of or opposition to ballot issues. Every ten years in this state, we have an issue that comes up called the six mill levy. Traditionally, administrators of the university system get out and publicly support that bill. Under this version of the bill, that would be illegal."

Larry Weinberg, Staff Attorney with the Montana University System: "From my own personal experiences in other positions that I have had, the changes that are suggested for subsection 2, I think are good changes. Whenever you work in state government, you are exposed to that risk of pressure being put on you for political purposes. In a small state like Montana, this can have an adverse effect on the operation of state government. As far as the restrictions go on political activities by state employees, I think in general we should not be fighting for candidates while we are on the job. If we want to take vacation time or comp time to go out and take political positions I think that is all right. I do have some concerns in the area of the ballot issue, however. From the standpoint of the six mill levy, which directly affects the university system, the other one is a little bit more general. Very frequently, you are going to have, not just at the university but throughout the public school system, issues that come up such as the nuclear

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moratorium or the issues that, so often are the meat of discussions. I hope that it is not the committee's intent to prohibit discussions in the classroom of various issues that are of concern at the time."

There were no opponents to HB 846.

Jack Lowe made the closing statements on HB 846: "I don't have any position whatsoever on this ballot issue business."

Representative Driscoll: "You said that some administrators take time off to push the six mill levy. This bill wouldn't stop that."

Jack Lowe: "It would stop them from doing it unless they were to take annual leave."

HOUSE STATE ADMINISTRATION COMMITTEE IN EXECUTIVE SESSION:

Chairman Brand asked the Committee what action it would like to take on HB 846.

Representative Koehnke moved and Representative Hammond seconded the motion that the Committee pass HB 846.

There was some discussion as to the comments that Larry Weinberg had brought up in regard to discussion of issues in the classroom. It was unanimous that this bill was not intended to prohibit open classroom discussion.

HB 846 PASSED THE COMMITTEE BY UNANIMOUS CONSENT.

Chairman Brand asked what action the Committee would like to take in regard to HB 847.

Representative Driscoll explained the amendment: "The Chairman of the Public Service Commission would get \$100 more a month."

Representative Driscoll moved that the amendment be accepted. Representative McCormick seconded the amendment.

THE AMENDMENT TO HB 847 PASSED THE COMMITTEE with Representative Pistoria voting no.

Representative Driscoll moved and Representative Bliss seconded the motion that HB 847 pass as amended.

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HB 847 PASSED THE COMMITTEE AS AMENDED.

Chairman Brand asked the Committee what action it would like to take on HB 882.

Representative Mueller moved that the Committee Do Not Pass HB 882.

Representative Sales seconded the motion.

Representative Mueller explained what he thought were the problems with this bill. He felt that this would cost the state too much money.

Representative Hammond explained that this could be covered by a 1% increase on the part of the employees and 1% on the part of the employers. This could still be amended into the bill.

There was much discussion as to whether you could change the contribution amount for present employees, and whether this would give the average employee any increase at all.

Representative Driscoll made a substitute motion to table HB 882.

Representative Smith seconded the motion.

HB 882 WAS TABLED IN COMMITTEE BY A UNANIMOUS DECISION.

Chairman Brand asked the Committee what action it would like to take on HB 885?

Lois Menzies explained that there were two technical amendments for the Committee's consideration. Representative Sales moved and Representative Mueller seconded the motion that the amendments to HB 885 do pass.

THE AMENDMENTS TO HB 885 PASSED THE COMMITTEE BY UNANIMOUS CONSENT.

Representative Solberg moved and Representative Koehnke seconded the motion that HB 885 do pass as amended.

HB 885 PASSED AS AMENDED BY UNANIMOUS CONSENT.

Representative Mueller moved to adjourn at 10:45 a.m.

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Representative JOE BRAND, Chairman

# STANDING COMMITTEE REPORT

FEBRUARY

18

19 83

MR. **SPEAKER**

We, your committee on **STATE ADMINISTRATION**

having had under consideration **HOUSE** Bill No. **846**

first reading copy ( white )  
color

"AN ACT EXPENDING THE PROHIBITIONS AGAINST POLITICAL CORRCION OF  
PUBLIC EMPLOYEES AND POLITICAL ACTIVITIES OF PUBLIC EMPLOYEES WHILE  
ON THE JOB; AMENDING SECTION 13-35-226, MCA."

Respectfully report as follows: That **HOUSE** Bill No. **846**

DO PASS

# STANDING COMMITTEE REPORT

FEBRUARY XX 18, 19 83

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 847

first reading copy ( white )  
color

"AN ACT INCREASING SALARIES FOR Elected STATE OFFICIALS, SUPREME COURT JUSTICES, DISTRICT JUDGES, THE COMMISSIONER OF POLITICAL PRACTICES, AND THE CHAIRMAN AND MEMBERS OF THE STATE TAX APPEAL BOARD; AMENDING SECTIONS 2-16-405, 3-5-211, 13-37-106, AND 15-2-102, MCA; AND PROVIDING AN EFFECTIVE DATE."

Respectfully report as follows: That HOUSE Bill No. 847  
be amended as follows:

1. Page 2,  
Following: line 15  
Insert: "Public service  
commission chairman \$35,544 \$36,255"

2. Page 2, line 16.  
Following: "commissioners"  
Insert: ", other than chairman"

AND AS AMENDED

DO PASS

# STANDING COMMITTEE REPORT

FEBRUARY 18,

19 83

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 982

first reading copy (white)

"AN ACT PROVIDING AN AUTOMATIC COST-OF-LIVING INCREASE IN SERVICE AND DISABILITY RETIREMENT AND SURVIVORSHIP ALLOWANCES PAYABLE TO MEMBERS OF THE PUBLIC EMPLOYEES', TEACHERS', HIGHWAY PATROLMEN'S, SHERIFFS', AND GAME WARDENS' RETIREMENT SYSTEMS AND THEIR BENEFICIARIES AND TO MEMBERS OF THE MUNICIPAL POLICE OFFICERS' RETIREMENT SYSTEM RETIRED ON OR AFTER JULY 1, 1975, AND THEIR BENEFICIARIES; PROVIDING A MINIMUM MONTHLY BENEFIT ALLOWANCE FOR CERTAIN MEMBERS OF THESE RETIREMENT SYSTEMS AND THEIR BENEFICIARIES; PROVIDING FUNDING FOR THE COST-OF-LIVING INCREASE AND MINIMUM MONTHLY BENEFIT ALLOWANCE; AMENDING SECTIONS 19-3-701, 19-3-801, 19-4-602, 19-4-605, 19-4-802, 19-4-1001, 19-6-402, 19-6-404, 19-7-403, 19-7-404, 19-8-502, 19-8-504, 19-9-601, 19-9-702, AND 19-9-703, MCA; AND PROVIDING AN EFFECTIVE DATE."

Respectfully report as follows: That HOUSE Bill No. 982

~~DO PASS~~

*Tabled*

# STANDING COMMITTEE REPORT

FEBRUARY ~~1st~~ 13, 19 83

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 395

at first reading copy ( white )  
Color

"AN ACT TO APPROVE THE ISSUANCE OF STATE OF MONTANA COAL SEVERANCE TAX BONDS TO FINANCE THE DEVELOPMENT OF CERTAIN STATE HYDROELECTRIC PROJECTS, THE REHABILITATION AND REPAIR OF CERTAIN STATE PROJECTS, AND LOANS TO POLITICAL SUBDIVISIONS AND LOCAL GOVERNMENTS FOR CERTAIN APPROVED WATER DEVELOPMENT PROJECTS; TO APPROPRIATE COAL SEVERANCE TAX TRUST PROCEEDS FOR DEBT SERVICE; TO AUTHORIZE THE CREATION OF A STATE DEBT; TO ALLOW THE PRIVATE SALE OF MUNICIPAL REVENUE BONDS TO THE STATE OF MONTANA; AMENDING SECTION 7-7-4433, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Respectfully report as follows: That HOUSE Bill No. 395  
be amended as follows:

1. Page 5, line 10.

Strike: "2835"

Insert: "2853"

2. Page 8, lines 18 and 19.

Following: "\$12,982,281" on line 18

Strike: "or" through "]" on line 19

AND AS AMENDED

DO PASS

## VISITORS' REGISTER

HOUSE COMMITTEE

BILL 882

Date 2/18/82

SPONSOR Eudora, Va

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.



C. O. L. A.

$$\frac{2}{3} (C. P. I. - 3\%) \times \frac{\text{Average Salary}}{2} \times$$

$$\frac{\text{Creditable years}}{30} = C. O. L. A.$$

$$\frac{2}{3} (6 - 3) = 2\% \times \frac{18,000}{2} \times \frac{30}{30} = 180.$$

#### ADVANTAGES OF THIS FORMULA

1. Non accumulative
2. All retirees regardless of when they retired are given the same cost of living increases if they have the same number of years of service.
3. Future increases are automatically adjusted by using the use the average salary and C.P.I.
4. Using the years of service will give the greater increases to those who have given the most years of service.
5. Increases in C.O.L.A. will not be based on amount of benefits now being received.

Submitted by  
G.V. Erickson Chm. Legislative  
Committee of M.R.T.A.

## VISITORS' REGISTER

HOUSE

COMMITTEE

BILL

HB 847

Date \_\_\_\_\_

SPONSOR

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

COMPARISON OF JUDICIAL SALARIES -- HOUSE BILL 847

	<u>Chief Justice Supreme Court</u>	<u>Associate Just. Supreme Court</u>	<u>District Judge</u>
Montana (Present)	\$48,204	\$47,023	\$45,841
Montana (Proposed, second year of biennium)	50,151	48,923	47,693
Arizona	57,500	57,500	53,000
Colorado	58,936	55,600	47,260
Idaho	47,300	47,300	45,300
Kansas	53,250	50,558	48,860
Nevada	N/A	61,500	56,000
New Mexico	50,500	49,500	45,000
North Dakota	55,400	53,900	50,600
South Dakota	48,000	46,900	43,750
Utah	50,500	50,000	45,000
Wyoming	63,500	63,500	61,000

AVERAGE SALARIES OF OTHER STATES

<u>Chief Justice Supreme Court</u>	<u>Associate Just. Supreme Court</u>	<u>District Judge</u>
\$53,021.91	\$52,683.67	\$49,108.67

COMPARISON OF APPELLATE CASE FILINGS - 1981

Montana	574
Idaho	455
North Dakota	382
South Dakota	343
Wyoming	205

\*The salary figures for the other states do not take into account any increases in salary being considered by the 1983 legislatures of these states.

*Helen Peterson*

TABLE I: Salaries of various positions in the Department of Revenue,  
compared to salaries of the State Tax Appeal Board.

NAME	POSITION	Salary	
		FISCAL '82	FISCAL '83
Gregg Groepper	Administrator Property Tax <u>Division</u>	37,731	\$41,806
Howard Heffelfinger	Administrator Liquor <u>Division</u>	34,095	37,773
Kenneth K. Morrison	Administrator Income Tax Division	31,000	34,343
Gerald Foster	Administrator Natural Resources and Corporation Tax <u>Division</u>	34,316	38,016
Jon A. Meredith	Administrator Legal and Enforcement <u>Division</u>	35,247	39,051
Ellen Feaver	Director	43,002	46,500
John Clark	Deputy Director	40,092	43,532
Randy Wilke	<u>Bureau Chief</u> Real Property	26,024	28,826
Jess Munro	<u>Bureau Chief</u> Personal Property	24,877	27,552
Bruce McGinnis	Tax Counsel	28,979	32,102
Robert S. Raundal	Chairman State Tax Appeal Board	23,554	25,493
Helen M. Peterson) James A. Steffeck	Members State Tax Appeal Board	22,924	24,809

TABLE II - Case load, staffing and salaries of full-time tax appeal board in five other states compared to Montana

STATE	CASE LOAD	NUMBER OF		CURRENT SALARIES	
		MEMBERS-STAFF		Chairman	Members
Kansas	1978-2,413	5	10*	\$46,860	\$44,730
	1979-6,339				
	1980-5,760				
	1981-5,002				
Michigan	1978-1,039	6	21.5	45,700	45,700
	1979-1,037				
	1980- 785				
	1981-1,130				
Washington	1978-1,003	3	9	45,500	43,200
	1979- 838				
	1980-1,778				
	1981-1,880				
New Hampshire	1978-1,018	3	4	29,615	29,615
	1979- 967				
	1980- 980				
	1981-1,250				
Ohio**	1981- 958	3	21	28,638	28,638
Montana***	1978-1,409	3	2.5	25,193	24,804
	1979-2,672				
	1980-2,420				
	1981-1,151				

\*Includes two full-time attorneys

\*\*Case loads for years prior to 1981 not furnished

\*\*\*With its heavy appeal load and its tiny staff, the Montana State Tax Appeal Board has an additional responsibility. STAB is required by law to administer the affairs of 56 Montana County Tax Appeal Boards and their employees

WITNESS STATEMENT

Name Bill Opitz Committee On \_\_\_\_\_  
Address 1227 11<sup>th</sup> Ave Date 2/18/83  
Representing MT. PSC Support X  
Bill No. HB-847 Oppose \_\_\_\_\_  
Amend X

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. The PSC wants to go on record in support
2. of HB-847. Four Cms. feel the Chairman
3. of the Comm is should be given add'l
4. compensation because of the administrative
- duties imposed on that position. They
- feel the pay differential should be approximately
- in the range proposed for the Chief Justice
- and the assoc. justices.

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

# COMMISSIONER OF POLITICAL PRACTICES



TED SCHWINDEN, GOVERNOR

PEG KRIVEC, COMMISSIONER  
1205 EAST EIGHTH AVENUE

## STATE OF MONTANA

(406) 449-2942

CAPITOL STATION  
HELENA, MONTANA 59620

Joe Brand, Chairman  
State Administration Committee  
State Capitol  
Helena, MT 59620

Dear Chairman Brand:

I would like to convey my regards to the Committee and my warmest thanks to Representative Driscoll for his introduction of House Bill 847, proposing a pay increase for me.

However, I would also like to say that I have not requested a pay raise, nor do I need it at this time. Montana is facing a tight budget and a biennium of austerity. This is 1983 and times are not good. Things being what they are, I am happy to have a job at all.

For these reasons, I respectfully suggest to the Committee that HB 847 be amended to eliminate subsection (1) of Section three, and that succeeding sections be renumbered.

Sincerely,

A handwritten signature in cursive script that reads "Peg Krivec".

PEG KRIVEC  
Commissioner

## VISITORS' REGISTER

HOUSE \_\_\_\_\_

COMMITTEE \_\_\_\_\_

BILL HB 885

Date \_\_\_\_\_

SPONSOR \_\_\_\_\_

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
DOUG DANIELS	BELGRADE	CITY OF THREE FORKS TOWN OF MANHATTAN	X	
Gerald Vandemare	Conrad	Pondera Soil Conserv. & Pondera Co. Canal Co.	X	
Jay Stokes	Valin	Pondera Cty Canal & Res.	X	
Bill Stokes	VALIER	Pondera Cty Canal & Res.	X	
GERALD JOHNSON	CONRAD	PONDERA Co. CONS. DIST.	X	
Roman W. Smith	Harve	Geraldine Co. Water	X	
Ken Engellant	Geraldine	So. K.G. Water	X	
Ken Engellant	Geraldine	Geraldine Co. Water	X	
Carl Kneibach	Conrad	Pondera Canal & Res. Co.	X	
Jack Arnst	GERALDINE	GERALDINE RURAL WATER	X	
Nancy Guffin	Ennis	Town of Ennis	X	
Earl Kneibach	Geraldine	Geraldine Rural Water	X	
Robert D. Brisco	Helena	Geraldine Rural Water	X	
George A. Barnard	Ballantyne	Monthly Project Alignment Ballantyne Mt.	X	
Tom Eggen	Ballantyne	City of Culbertson	X	
Elmer Kneibach	Harve	Geraldine Rural Water	X	
Ron Paige	alder	East Beach Gravity Co.	X	
Lowell Schellack	Dillon	East Beach Gravity Co.	X	
Red Hye	Twid Bridge 2	" " " "	X	
Walt Morris	Twid Bridge	" " " "	X	
Ed Smith	Daguer	Senate Dist #1	X	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.



## VISITOR'S REGISTER

HOUSE

COMMITTEE

BILL

N.B. 885

DATE \_\_\_\_\_

SPONSOR

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

TESTIMONY OF THE DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION

---

H.B. 885

AN ACT TO APPROVE THE ISSUANCE OF STATE OF MONTANA COAL SEVERANCE TAX BONDS TO FINANCE THE DEVELOPMENT OF CERTAIN STATE HYDROELECTRIC PROJECTS, THE REHABILITATION AND REPAIRS OF CERTAIN STATE PROJECTS, AND LOANS TO POLITICAL SUBDIVISIONS AND LOCAL GOVERNMENTS FOR CERTAIN APPROVED WATER DEVELOPMENT PROJECTS; TO APPROPRIATE COAL SEVERANCE TAX TRUST PROCEEDS FOR DEBT SERVICE; TO AUTHORIZE THE CREATION OF A STATE DEBT; AND TO PROVIDE AN IMMEDIATE EFFECTIVE DATE.

---

The Department supports this bill which will promote water development in the state. In 1981, S.B. 409 created a \$250 million coal severance tax bonding authority which can be used to finance water projects. These would be revenue bonds backed by the project revenues as well as by the constitutional trust fund. This bill presents requests of \$56.5 million for the sale of these bonds for the following:

- 1) The development of hydropower in three state-owned projects (\$45 million).
- 2) The rehabilitation of three state-owned projects (\$.5 million).
- 3) eleven projects proposed by local government entities which are : four irrigation projects; three municipal water systems; three rural water systems and one municipal sewer system. (\$11 million).

This bonding authority is structured so that requests come directly to the legislature and the legislature determines how the bonds will be repaid. The law allows for the repayment to

be made in whole or in part by the coal severance tax trust fund proceeds or in whole or in part by project revenues. Because of this option, this bill requests a 2% interest rate on all projects. The Department has information on repayment capacity available, which shows that some of these projects cannot repay an interest rate greater than 2%.

## ESTIMATED PROJECT COST IMPACT—VARYING RATES OF INTEREST

(Big Bond Financing-30 Year Amortization)

PROJECT NAME	ESTIMATED PROJECT COST	BOND FUNDING REQUEST	RESIDUAL PROJECT FINANCING	INTEREST RATES	APPROXIMATE COST PER ACRE OR USER		
					CURRENT	PROJECT	TOTAL
City of Culbertson- Water Supply	\$1.229 Million	\$704,000	\$400,000 Community Develop. Grant & \$125,000 DNRC Grant	0%	Cost Per User Per Month		
				2%	405 Users @ \$10.40	\$4.83	\$15.23
				4%		\$6.47	\$16.87
				6%		\$8.38	\$18.78
				8%		\$10.52	\$20.92
				10%		\$12.87	\$23.27
				12%		\$15.37	\$25.77
East Bench Gravity Irrigation Project	\$4.383 Million	Up To \$4.383 Million	Possible Bureau of Rec. Zero % Loan for \$3.383 Mil. <del>490,000 Grant</del>	0%	Cost Per Acre Per Year		
				2%	6300 Acres @ \$6.00	\$23.19	\$29.19
				4%		\$31.06	\$37.06
				6%		\$40.23	\$46.23
				8%		\$50.54	\$56.54
				10%		\$61.80	\$67.80
				12%		\$73.80	\$79.80
East Bench Gravity Irrigation Project (Alternative 2)	\$3.230 Million	\$3.230 Million	None      <del>490,000 Grant</del>	0%	Cost Per Acre Per Year		
				2%	6300 Acres @ \$6.00	\$17.09	\$23.09
				4%		\$22.89	\$28.89
				6%		\$29.65	\$35.65
				8%		\$37.25	\$43.25
				10%		\$45.54	\$51.54
				12%		\$54.39	\$60.39
City of Ennis- Sewage Treatment	\$600,000	\$180,000	75 % E.P.A. Grant	0%	Cost Per User Per Month		
				2%	330 Users @ \$3.25	\$1.52	\$4.77
				4%		\$2.03	\$5.28
				6%		\$2.63	\$5.88
				8%		\$3.30	\$6.55
				10%		\$4.04	\$7.29
				12%		\$4.82	\$8.07
Geraldine Rural Water System	\$1.858 Million	\$1.733 Million	\$125,000 DNRC Grant	0%	Cost Per Acre Per Year		
				2%	112 Users @ \$100 to \$150.00	\$42.98	\$42.98
				4%		\$57.58	\$57.58
				6%		\$74.58	\$74.58
				8%		\$93.69	\$93.69
				10%		\$114.55	\$114.55
				12%		\$136.80	\$136.80
Huntley Irrigation Project	\$180,000	\$162,000	\$18,000 DNRC Grant	0%	Cost Per Acre Per Year		
				2%	27,300 Acres @ \$12.50	\$12.70	\$12.70
				4%		\$12.76	\$12.76
				6%		\$12.84	\$12.84
				8%		\$12.93	\$12.93
				10%		\$13.03	\$13.03
				12%		\$13.13	\$13.13

1 Does not reflect avoided costs from project construction.

2 Includes domestic and livestock use. Current costs zero if project constructed.

3 Does not include additional operating/maintenance costs after construction.

# ESTIMATED PROJECT COST IMPACT—VARYING RATES OF INTEREST

(Big Bond Financing-30 Year Amortization)

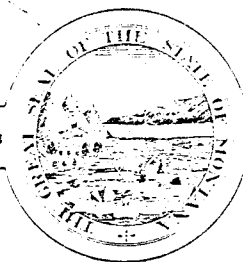
PROJECT NAME	ESTIMATED PROJECT COST	BOND FUNDING REQUEST	RESIDUAL PROJECT FINANCING	INTEREST RATES	APPROXIMATE COST PER ACRE OR USER		
					CURRENT	PROJECT	TOTAL
City of Manhattan-Water & Sewer Project	\$690,000	\$300,000	\$390,000 E.P.A. Grant for Sewer	0%	Cost Per User Per Month		
				2%	420 Users @ \$12.24	\$1.98	\$14.22
				4%		\$2.66	\$14.90
				6%		\$3.44	\$15.68
				8%		\$4.32	\$16.56
				10%		\$5.29	\$17.53
				12%		\$6.31	\$18.55
Pondera County Conservation District Irrigation System Rehabilitation	\$1.78 Million	\$555,000	\$1,100,000 S.C.S. Cost Share & \$125,000 DNRC Grant	0%	Cost Per Acre Per Year		
				2%	75,727 Acres @ \$6.10	\$2.24	\$6.34
				4%		\$3.33	\$6.43
				6%		\$4.42	\$6.52
				8%		\$5.53	\$6.63
				10%		\$6.65	\$6.75
				12%		\$7.78	\$6.88
Roosevelt County Water Distribution System	\$1.915 Million	\$1.79 Million	\$125,000 DNRC Grant	0%	Cost Per User Per Month		
				2%	140 Users @ \$100.00	\$35.52	\$35.52
				4%		\$47.57	\$47.57
				6%		\$61.62	\$61.62
				8%		\$77.41	\$77.41
				10%		\$94.64	\$94.64
				12%		\$113.02	\$113.02
South Kremlin & Gildford Rural Water System	\$336,000	\$248,000	\$88,000 DNRC Grant	0%	Cost Per User Per Month		
				2%	28 Users @ \$100.00	\$24.60	\$24.60
				4%		\$32.96	\$32.96
				6%		\$42.68	\$42.68
				8%		\$53.62	\$53.62
				10%		\$65.56	\$65.56
				12%		\$78.30	\$78.30
City of Three Forks-Water Project	\$1.036 Million	Up To \$1.1 Million	Applying for a \$400,000 Community Develop. Grant	0%	Cost Per User Per Month		
				2%	580 Users @ \$3.60	\$5.27	\$8.87
				4%		\$7.06	\$10.66
				6%		\$9.14	\$12.74
				8%		\$11.48	\$15.08
				10%		\$14.04	\$17.64
				12%		\$16.77	\$20.37
Three Mile Bitterroot Irrigation Project	\$2.36 Million	\$1.18 Million	\$1,180,000 S.C.S. Cost Share	0%	Cost Per Acre Per Year		
				2%	3258 Acres @ \$11.00	\$12.07	\$23.07
				4%		\$16.17	\$27.17
				6%		\$20.95	\$31.95
				8%		\$26.31	\$37.31
				10%		\$32.17	\$43.17
				12%		\$38.42	\$49.42
						\$44.96	\$55.96

1 Does not reflect avoided costs from project construction.

2 Includes domestic and livestock use. Current costs zero if project constructed.

3 Does not include additional operating/maintenance costs after construction.

DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION  
WATER RESOURCES DIVISION



TED SCHWINGEN, GOVERNOR

32 SOUTH EWING

STATE OF MONTANA

406-449-2872 ADMINISTRATOR  
406-449-2864 ENGINEERING BUREAU  
406-449-3760 WATER DEVELOPMENT BUREAU  
406-449-2872 WATER MANAGEMENT BUREAU  
406-449-3962 WATER RIGHTS BUREAU

HELENA, MONTANA 59620

MEMORANDUM

February 15, 1983

TO: Gary Fritz, Administrator  
Water Resources Division

FROM: Water Development Staff

SUBJECT: Cost of subsidizing interest rate on coal severance tax bonds

During a discussion with legislators regarding their proposed projects for the use of coal severance tax bonds, the question arose as to whether the 15% of the interest on the trust fund would be adequate to cover the costs of subsidizing the interest (to 2%) on the proposed projects.

The 15% will be \$3,421,235 in FY 84 and \$4,464,000 in FY 85. This number should be compared to costs of subsidizing a given number of interest points as shown below. For example, bonds sell at 10% and we subsidize to 2%, the average annual cost of subsidizing the 8% spread is \$620,530 (Table 1) if only the projects proposed by local governments are involved and \$2,637,745 (Table 2) if all proposed projects are included.

Table 1. Cost of subsidizing interest rate a given number of points if only the projects proposed by local governments are included.

Number Of Interest Points Paid By Trust Fund (ie. difference between rate on bonds and amount paid by sponsor)	Annual Bond Debt Service	First Year Interest Payment	Average Total Interest Paid By Trust Fund	Annual Cost To Trust Fund
2%	\$ 499,271	\$ 223,638	\$ 3,796,230	\$125,541
4%	570,492	335,457	5,932,869	197,762
4%	646,650	447,276	8,217,614	273,920
5%	727,399	559,095	10,640,062	354,669
6%	812,353	670,914	13,198,689	439,623
7%	901,109	782,733	15,851,377	528,379
8%	992,260	894,552	18,615,889	620,530
9%	1,088,406	1,006,371	21,470,266	715,675
10%	1,186,168	1,118,190	24,403,133	813,438

Table 2. Cost of subsidizing the interest rate a given number of points if all projects proposed by local and state government are included.

<u>Number Of Interest Points Paid By Trust Fund (ie. difference between rate on bonds and amount paid by sponsor)</u>	<u>Annual Bond Debt Service</u>	<u>First Year Interest Payment</u>	<u>Average Total Interest Paid By Trust Fund</u>	<u>Annual Cost To Trust Fund</u>
2%	\$2,122,300	\$ 950,640	\$ 16,137,003	\$ 537,900
4%	2,425,047	1,425,960	25,219,423	940,647
4%	2,748,780	1,901,280	34,931,402	1,164,380
5%	3,092,025	2,376,600	45,228,744	1,507,625
6%	3,453,148	2,851,920	56,062,442	1,868,748
7%	3,830,433	3,327,240	67,380,988	2,246,033
8%	4,222,146	3,802,560	79,132,367	2,637,746
9%	4,626,591	4,277,880	91,265,743	3,042,191
10%	5,042,159	4,753,200	103,732,764	3,457,759

Project	Interest	Total Project Cost	Total Interest Paid	Total Project Cost With All Grants	Total Project Cost with DNRC Grant Only	Total Interest Paid	Total Interest	Total Interest Paid	Approximate Effective Interest Rate	Approximate Decrease in Effective Interest Rate	
										Due To Grants	DNRC Grants
City of Culbertson	2% 9%	\$ 1,229,000 1,229,000	417,242 2,359,791	704,000 704,000	1,104,000 1,104,000	239,006 1,351,744	374,805 2,119,780	0.83% 3.85%	0.20% 0.90%		
East Bend Irrigation	2% 9%	3,720,000 3,720,000	1,262,931 7,142,737	3,230,000 3,230,000	3,230,000 3,230,000	1,096,577 6,201,892	1,096,577 6,201,892	0.26% 1.20%	0.26% 1.20%		
City of Emis	2% 9%	600,000 600,000	203,699 1,152,054	180,000 180,000	600,000 600,000	61,110 345,616	203,699 1,152,054	1.40% 6.30%	0.00% 0.00%		
Geraldine Rural Water	2% 9%	1,858,000 1,858,000	630,000 3,567,528	1,733,000 1,733,000	1,733,000 1,733,000	588,349 3,327,517	588,349 3,327,517	0.13% 0.61%	0.13% 0.61%		
Puntley Irrigation	2% 9%	180,000 180,000	61,110 345,616	162,000 162,000	162,000 162,000	54,999 311,055	54,999 311,055	0.20% 0.90%	0.20% 0.90%		
City of Panhattan	2% 9%	690,000 690,000	234,253 1,324,860	300,000 300,000	690,000 690,000	101,849 576,027	234,253 1,324,862	1.15% 5.12%	0.00% 0.00%		
Pondara Irrigation	2% 9%	1,780,000 1,780,000	604,306 3,417,761	555,000 555,000	1,655,000 1,655,000	188,421 1,065,650	561,869 3,177,750	1.70% 6.20%	0.15% 0.63%		
Roosevelt Co. Water System	2% 9%	1,915,000 1,915,000	650,138 3,616,973	1,790,000 1,790,000	1,790,000 1,790,000	607,700 3,436,962	607,700 3,436,962	0.13% 0.45%	0.13% 0.45%		
So. K & C Rural Water	2% 9%	336,000 336,000	114,071 645,150	248,000 248,000	248,000 248,000	84,195 476,182	84,195 476,182	0.52% 2.35%	0.52% 2.35%		
City of Three Forks	2% 9%	1,036,000 1,036,000	351,720 1,989,213	636,000 636,000	1,036,000 1,036,000	215,920 1,221,178	351,720 1,989,213	0.75% 3.47%	0.00% 0.00%		
Three Mile Irrigation	2% 9%	2,360,000 2,360,000	801,215 4,531,414	1,180,000 1,180,000	2,360,000 2,360,000	400,607 2,265,707	801,215 4,531,414	1.00% 4.50%	0.00% 0.00%		



# WITNESS STATEMENT

Name Nancy Shiffin Committee On \_\_\_\_\_  
 Address Ennis Date \_\_\_\_\_  
 Representing Town of Ennis Support ✓  
 Bill No. 885 Oppose \_\_\_\_\_  
 Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

## Comments:

1. Town of Ennis has exceeded sewage output levels into the Madison River since 1976. Since then the town has experienced a 32% population increase.
2. The state DHES has curtailed all additional sewer hookups, therefore stopping housing construction in the city limits. Recent annexation of 150 lots are 20-30% sold.
3. A lawsuit settlement mandates that improvements be made to the existing sewage treatment facilities.
4. All feasible resources to acquire the town's 25% match for an EPA construction grant awarded in 1981 have been exhausted.

Protection of the Madison River depends upon securing a low interest Water Development loan.

Loan Request: \$175,000 - repaid by a user rate increase from \$3% household/month to \$8%

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

WITNESS STATEMENT

Name Ron Paige Committee On State Admin.  
Address alder Date 2/14/83  
Representing East Bend Gravity Co. Support X  
Bill No. HB 885 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. as president of group - support the concept of our project as an energy conservation measure.
2. Explain our ability to repay the requested loan and interest.
3. Explain, if necessary, the <sup>economic</sup> reasons that make it very difficult to pay our higher interest
4. rate than the 2% as requested in the bill.

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

WITNESS STATEMENT

Name Lloyd B. BjERLIN - Coordinator Committee On Adm  
Address P.O. Box - 1673 - 7th Date 2-18-82  
HAVRE - MT  
Representing Guiding Rock - Mont. Support X  
Bill No. 885 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. BRIEF - INTRODUCTORY STATEMENT  
ABOUT THE PROJECT -

2.

3.

4.

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

WITNESS STATEMENT

Name Ken Engellant Committee On Admin.  
Address Box 314, Goshute, T.S. 89406 Date 2-18-83  
Representing Goshute Indian Tribe Support X  
Bill No. HB 885 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. H.B. 885 is designed to utilize interest from coal severance tax monies to promote economic benefit & prosperity for Mont. citizens.
2. Our Area has severe problems with water quality & quantity for domestic & livestock use.
3. We have been actively involved in trying to secure a supply source, studying investigating notes and funding possibilities for over 2 years.
4. The coal severance tax is the only alternative that is economically feasible at present. This Bill is necessary to our water district so that water availability for domestic & livestock purposes can take place.

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

WITNESS STATEMENT

Name Ronald W Smith Atty Committee On \_\_\_\_\_  
Address 312 3<sup>rd</sup> St HAZE Date 2-18-83  
Representing Goulding Co. Water Dist Support X X  
Bill No. South K-G Co. Water Oppose \_\_\_\_\_  
HB 885 Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. Both Goulding & South K-G will be a political entity at the time the money will be appropriated for use. They will be created as county water districts.
2. Sections 7-13-2201 et seq

- The area where these districts will operate are in areas where water is of poor quality and quantity. Money from other public agencies are not available. There is a need for this type of money to assist those people who wish to venture forth and create viable water projects.
- 3.
  - 4.

These projects as created under this statute guarantee the repayment of the money which will be loaned to them if this bill is passed.

In both area where districts will be created the public interest is extremely high. Petitions for the creation of these district exceed 75% signups of potential users, and will likely be enlarged to cover other interested parties. Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

later. It is possible that another 300 to 400 users maybe added to the projects after the creation.

WITNESS STATEMENT

Name DOUGLAS E. DANIELS Committee On \_\_\_\_\_  
Address DEGRADE MT. Date 2/18/83  
Representing CITY OF THREE FORKS  
TOWN OF MANHATTAN Support ✓  
Bill No. 885 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. THE IMPROVEMENTS THAT ARE TO BE FUNDED BY THIS BILL ARE BADLY NEEDED BY THE CITY OF THREE FORKS AND THE TOWN OF MANHATTAN. THE IMPROVEMENTS WILL BRING THESE COMMUNITIES INTO COMPLIANCE WITH STATE AND FEDERAL LAWS.
2. FUNDING THROUGH THE OPEN MARKET BY SALE OF BONDS IS NEARLY IMPOSSIBLE, RESULTING IN PROHIBITIVELY HIGH CONSUMER COSTS.
3. OTHER FUNDING METHODS ARE BEING USED WHERE AVAILABLE, HOWEVER FUNDING SOURCES ARE DIFFICULT TO FIND AND ARE DIMINISHING
4. ENGINEERING REPORTS AND FINANCIAL DATA WILL BE PROVIDED IF NECESSARY.

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

WITNESS STATEMENT

Name Robert D. Braico Committee On Administration  
Address 1615 Hauser Blvd Date 2/18  
Representing <sup>Helen</sup> Geraldine Rural Water Support X  
Bill No. 885 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. Consulting engineer for project. Intend to provide brief statement explaining the project.
- 2.
- 3.
- 4.

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

WITNESS STATEMENT

Name JACK ARNST Committee On Administration  
Address GERALDINE Date 2-18-83  
Representing GERALDINE RURAL WATER LINE Support YES  
Bill No. H-885 Oppose \_\_\_\_\_  
Amend NONE

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. THIS BILL REPRESENTS THE USE OF DNRC COAL TAX MONEY FOR WATER DEVELOPMENT WHICH IS BADLY
2. NEEDED IN OUR AREA DUE TO VERY LOW WATER QUALITY AND LACK OF SUFFICIENT QUANTITY FOR LIVESTOCK AND HOUSEHOLD CONSUMPTION.
- 3.
- 4.

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



WITNESS STATEMENT

Name Earl Russell Jr Committee On Administration  
Address Geraldine Mont Date 2/18/83  
Representing Geraldine Rural Support yes  
Bill No. HB 885 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. ~~HB~~ 885 is needed in my area because of very low quality and quantity of present water supplies.
- 2.
3. Over 50% of the people in this area haul drinking and or livestock water.
4. With increased use of fertilizer present quality of water will probably deteriorate further.

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

## VISITOR'S REGISTER

HOUSE

COMMITTEE

BILL

HB 846

DATE \_\_\_\_\_

SPONSOR

Brand

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.