

MINUTES OF THE MEETING
LOCAL GOVERNMENT COMMITTEE

January 22, 1983

The fourth meeting of the Senate Local Government Committee was called to order at 12:35 p.m. by Chairman George McCallum on January 22, 1983 in Room 405, Capitol Building.

ROLL CALL: Roll was called with Senators Crippen and Story excused.

CONSIDERATION OF SENATE BILL NO. 130: Sen. Mazurek, Senate District #16, appeared before the committee as a sponsor of the bill and handed out Exhibit #1. (Attached). He stated that the bill was very simple in what it does; it requires a fiscal note on legislation having a fiscal impact on local government. He felt this was something the Legislature must do as many of our actions have a dramatic effect on local governments. We not only deprive local governments of some tax money by our actions but make decisions for them that require them to spend money. He felt there should be a fiscal note to assess the impact. He suggested an amendment on page 1, line 23:

Following: "officials"

Insert: "or organizations representing local agencies or officials".

PROPOSERS: Bill Verwolf, Finance Officer for the City of Helena, stated that there were four different items that were of utmost importance before the Legislature and this is one of them. He believed that the people in the Legislature should know what it is going to cost local governments before the bill is passed.

George Bousliman, Urban Coalition, said that the fiscal note bill is consistent with some legislation that is now on the books, namely the so-called "Drake Amendment" and voiced his support of the bill.

Alec Hansen, Montana League of Cities and Towns, stated that the League supports this bill. He felt it is essential that the Legislature understand the effect of its actions on local governments. He did not feel it would be necessary to have a fiscal note on every small bill but the people back home that pay the taxes should know what the impact will be.

Dave Wilcox, City of Missoula, agreed with the above comments.

John Wilkinson, Lewis and Clark County, stated that we have to be responsive to our constituents and gave his support for the bill.

Dave Lewis, Office of Budget and Planning, stated that he certainly agreed with the concept of the bill but explained that the information is not readily available at this time. He felt that the Legislature should not expect immediate perfect data. If this is the case, it is going to be very costly.

Mike Stephens, Montana Association of Counties, supported SB 130.

He said that the Association, last year, was involved in 525 bills that affected local governments. He stated that they were pretty well prepared with their own materials but could not keep up with 525 bills. In referring to the third option on the fiscal note attached to this bill, the Association does do this now but with a staff of four it is impossible to provide enough information.

There were no further proponents.

There were no opponents.

In closing, Sen. Mazurek said that 37 other states do have this requirement and if we have this information we can do a better job making our decisions.

DISCUSSION OF SENATE BILL NO. 130: Sen. Boylan asked if this was going to be broken down on a county basis. Sen. Mazurek said it would be the dollar level statewide.

Mr. Don Dooley, Department of Administration, said they are getting annual reports from all cities and counties but some are using old accounting systems and they are trying to update these systems. Some of the information that is sent in is not reliable.

Sen. Fuller asked if there was an appropriation made in this session if they would support it to which Mr. Lewis replied that it was a very good idea but it is a little ways down the list. Even if the bill is passed and no additional appropriation is made, they will still have to ask for a fiscal note.

There being no further questions on SB 130, the hearing was closed.

CONSIDERATION OF SENATE BILL NO. 162: Sen. Mazurek, also sponsor of this bill, said that this is an 1895 requirement and it is not being complied with now. (Exhibit #2 attached). It is obsolete and urged the committee's favorable consideration.

PROPONENTS: Bill Verwolf, representing the Municipal Clerks, Treasurers and Finance Officers Association, said they felt this was a good opportunity to clean up the law. Most of them were ignorant that it existed and since it is not being adhered to it should be taken off the books.

Alec Hansen also supported the bill.

There were no further proponents and no opponents. Hearing on SB 162 was closed.

CONSIDERATION OF SENATE BILL NO. 135: Sen. Halligan, Senate District #48, sponsor of the bill, said it was not a new idea and it had been submitted in 1981 and he believed it was killed in the Senate. It does not authorize any new taxing authority, simply

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allows flexibility. He explained the bill section by section. He said that there should be an amendment on page 3, line 3:

Following: "of the"

Strike: "elected county body"

Insert: "voters"

PROPOSERS: Mike Stephens supported the bill in that it does not give any more mill levies. It does allow more flexibility in the budget for the needs that the people desire.

John Wilkinson supported SB 135. It is very unflexible in allowing local officials to decide according to the local needs. The all purpose levy would be optional and could be changed back after a one year period. He felt that Section 4 was an unnecessary section and that this should be submitted to the vote of the people. There have been some problems in other counties and they are trying to work those out so they can submit some amendments to the committee.

George Bousliman strongly supported the bill. He also wanted to work with some of the cities and towns that have looked at it and present some amendments.

Alec Hansen said that in Section 3 the word "may" bothers the cities. Also, not included in the list is the counties' share of the health department costs and would like the chance to study some amendments.

Ann Mulroney, League of Women Voters, submitted her written testimony, which was read by Mike Stephens. Copy of written testimony attached. (Exhibit #3).

There were no further proponents.

OPPOSERS: Dennis Burr, Montana Taxpayers' Association, handed out a book "Montana Taxation - 1983" to each member of the committee. (Exhibit #4). He referred to page 16 of the book. This bill is contemplating a 55 mill levy plus other levies. He felt this is more than just flexibility. Their opposition is not to the flexibility but what they see to be pretty much a blanket to increase the mill levy.

There were no further opponents.

In closing, Sen. Halligan said he was willing to work with the committee as the bill does have some problems and does need some amendments. He said he would like to request a subcommittee and would like to maintain the integrity of the bill.

DISCUSSION OF SENATE BILL NO. 135: In answer to Sen. Conover's question concerning libraries, it was stated that libraries would be included in the all purpose levy.

There being no further questions from the committee, the hearing on SB 135 was closed.

CONSIDERATION OF SENATE BILL NO. 175: Sen. Elliott, sponsor of SB 175, explained what the bill would do. One of the main purposes of the bill is to raise the allowable maximum from 3 mills to 6 mills. Ten counties do exceed this 3 mill levy. The city's 4 1/2 mill levy should not be in addition to the county levy when it is serving all people in the county. He suggested an amendment on page 1, line 18:

Following: "property"

Insert: "outside of incorporated municipalities"

Another amendment on page 1, line 24 was also suggested.

Following: "no"

Insert: "permissive"

We must have local control of our money and these people that have been elected are responsible people.

There were no further proponents.

OPPONENTS: Mike Stephens felt that in view of the economic times that an increase in mill levies at this time would compete with other entities.

Sarah Parker, State Librarian, and also representing the Montana State Library Commission, said there are some very real problems and the laws are very much out of date. They would like to review the laws over the next two years and work up a comprehensive revision of library law to present to the next session. They would like the committee to defer action on this to give them a chance to work on it.

Bill Snyder, City County Library, Missoula, submitted written testimony, copy of which is attached. He also stated HB 212 would be much more helpful with the funding crunch we are experiencing.

Millie Sullivan, Montana Library Association, stated that for the same reasons Sarah Parker pointed out, they want to do a responsible study and come back in two years, and because of the fact that this piece of legislation could be very detrimental, she asked that the committee table the bill until they can come up with a better way of financing public libraries statewide.

Dennis Frederickson, Interim Director, Lewis & Clark Library voiced his opposition to subsection (b).

In closing, Sen. Elliott said his intent in introducing this bill was to get it before the committee. He was aware of other bills being processed and concurred with the intent of HB 212. This bill will be here for consideration when the other bills come before the committee so hopefully we can be of help to the libraries.

There being no questions from the committee, the hearing was closed.

CONSIDERATION OF HOUSE BILL NO. 75: Rep. Abrams, sponsor of HB 75 read the title of the bill explaining what it would accomplish. A copy of Rep. Abrams testimony is attached. This was requested by the League of Cities and Towns.

Bill Verwolf said this was a very simple and straightforward bill.

This would allow the city council to set a date for the monthly report by the city treasurer and do away with the "first Monday" requirement.

Alec Hansen appeared in support of the bill saying that it would not change any other part of the law. This date would be set for a period of a year or longer and not be changed every month. It would be a regular, scheduled report.

Don Dooley supported the bill.

There were no further proponents and no opponents. The hearing on HB 75 was closed.

CONSIDERATION OF SENATE BILL NO. 176: Sen. Marbut, District #49, explained the purpose of his bill and stated that since it had "hit the public" he realized there are problems with the bill. This would require only the easements and rights-of-way that are of record to be on the certificate of survey.

Sen. Marbut offered some proposed amendments and wanted them to be before the committee before any testimony was given as it might have a bearing on the testimony. He would like to work with Dave Bohyer before this bill is considered further. He had checked with the title companies in Missoula and in their opinion, the range of cost would be between \$65 and \$210 to the owner. He also wants to work to exempt some types of easements such as boundary locations and court ordered surveys.

There were no further proponents.

OPPONENTS: Dennis Rehberg, Montana Association of Realtors, said he would like to work on some amendments and felt that the bill would be costly and unnecessary. The easements of record show up at the time of sale and these would be additional costs to the seller.

There were no further opponents. There being no questions from the Committee, the hearing on SB 176 was closed.

DISCUSSION OF SENATE BILL 176: In answer to a question from Sen. Fuller, Sen. Marbut explained the situation in his district that gave rise to this bill. There was a logging road easement not shown at the time two persons purchased property and now the logging road would be built directly between these two homes by Champion International. He didn't feel these people would have built their homes there if they had known about this easement.

The hearing on SB 176 was closed.

MEETING ADJOURNED 2:06 p.m.


SENATOR GEORGE MCCALLUM, CHAIRMAN

(Type in committee members names and have 50 printed to start.)

ROLL CALL

LOCAL GOVERNMENT

COMMITTEE

48th LEGISLATIVE SESSION -- 1983

Date _____

NAME	PRESENT	ABSENT	EXCUSED
OCHSNER	✓		
CRIPPEN			✓
HAMMOND	✓	✓	
STORY			✓
MARBUT	✓		
CONOVER	✓		
FULLER	✓		
THOMAS	✓	✓	
VAN VALKENBURG	✓		
BOYLAN	✓		
McCALLUM	✓		

DATE

COMMITTEE ON

BILL NO.

VISITOR'S REGISTER

NAME	REPRESENTING	Check One	
		Support	Oppose
Mike Stephen	MPCo	X	
George & Buchanan	Urban Coalition	130 & 135	
Ann Mulvaney	League of Women Voters	135	
Dennis Bohberg	Bealtors	X	176
Dave Lewis	O B P P	130	X
Robert Abrams	Dist #56		
Lura Parker	State Librarian		
Dave Wilcox	City of Missoula	130 & 135	
John Wilkinson	Henry's & Clark Co	130 & 135	
Bill Vengoroff	City of Helena	130, 135	
John Vengoroff	Senate District	48 72	X
Jack Hargis	M.L.C.T.	130	72
Bill Snyder	City of Helena		176
Dennis Burr	MONTAX		X 135
BILL SPILKER	SELF		*58 176
Bruce Newell	Self		
Rebecca Newell	Self		
Thelma Sullivan	Nat Librarian Association		175
Suzanne Holt	public library user - Self		175
John Butler	Flathead County		175
Dennis Fredericksen	Lewis & Clark Library		175

(Please leave prepared statement with Secretary)

NAME: Sara Parker DATE: 1/22/83

ADDRESS: 135 Seventh, Helena

PHONE: 449-3115

REPRESENTING WHOM? Montana State Library Commission

APPEARING ON WHICH PROPOSAL: SB175

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? ☒

COMMENTS: Commission wants to spend
the years between sessions reviewing
the public ~~library~~ library law.
We ask action be deferred pending
full revision.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

1 Government Impact Fiscal Notes Act

Section 1. This act often involves additional costs to state government, local government, or both. The attachment of estimates of such costs (fiscal notes) to bills moving through the legislative process assures that legislators know the impact of a new or expanded program they authorize or of the new or more stringent requirements they impose. It also enables interested citizens to fix responsibility for increased governmental costs and taxes. The Advisory Commission on Intergovernmental Relations, therefore, recommended that, as a part of a package providing citizens complete information about fiscal matters, states include, with all major state legislation and proposed administrative actions affecting local government revenues or expenditures, an explicit note pointing out the fiscal impact on those local governments of the legislation or actions.

A majority of states provides some formal or informal procedure for attaching notes to pending legislation affecting state finances. Less than one half of them have a similar procedure for legislation affecting local governments. Among the only nine require the procedure as a matter of statutory law, most such fiscal procedures have been established by joint rules of the legislature. Moreover, few states require the attachment of fiscal notes to proposed administrative or regulatory

attachment of fiscal notes adds a new dimension to the legislative process—an added sense of responsible questioning and examination on the part of state actors. With full knowledge of the estimated cost of proposed legislation, they accept accountability for their acts. The taxpaying public is bound to benefit—in tax savings or in more considered public programs, or both.

States move toward reimbursement of local governments for mandated items. The attachment of fiscal notes becomes an essential part of any such procedure. The fiscal note will provide a basis for estimating the cost of such current and then initiating the actual reimbursement process.

The suggested legislation requires that fiscal notes be attached to legislation or administrative actions affecting local governments. It comprises a full fiscal note and can be made to apply to legislation affecting state government only. States that already have adequate state fiscal note legislation may simply wish to use applicable local government provisions as amendatory to their present statutes. It could also be noted that states may also require such fiscal notes by legislative rather than by statute.

Section 3 requires that fiscal notes be attached to all bills with a fiscal impact on government, over a specified dollar amount, and Section 4 provides for a legislative requirement regarding administrative actions. Section 5 specifies the kinds of information to be contained in a fiscal note.

Section 6 requires the official responsible for preparing the fiscal note or for reviewing it. A fiscal note is not necessary. It also calls upon such official to request the assistance of local government officials, when appropriate. Section 7 provides for revision of notes and replacement of waivers with notes

Local Government Impact Fiscal Notes

as bills move through the legislative process, to take account of amendments. Section 9 requires that fiscal notes be made available for public inspection.

This act was developed by the Advisory Commission on Intergovernmental Relations. An amended version of this act is available from ACIR.

Suggested Legislation

(Title, enacting clause, etc.)

1 Section 1. [Short Title.] This act may be cited as the [state] Local Government Impact Fiscal Notes Act.

1 Section 2. [Definitions.] As used in this act, "fiscal note" means a realistic statement of the estimated financial cost of implementing or complying with the proposed law, regulation, rule, order, or administrative law [upon local political subdivisions] to which the proposed law, regulation, rule, order, or administrative law applies.

1 Section 3. [Fiscal Note Required on Legislation.] Before any vote is taken in a committee of the [legislature] or on the floor of either house thereof upon any bill requiring an expenditure of at least \$[] of public funds by a [local political subdivision], or otherwise pertaining to the fiscal affairs of any [local political subdivision], a fiscal note shall be filed with the chairman of the committee and the chief clerk of each house. Any representative of any [local political subdivision] requesting a copy of the fiscal note shall be furnished with a copy immediately upon request. The sponsor of the bill shall be responsible for causing copies of the fiscal note to be furnished as required by this act.

1 Section 4. [Fiscal Note Required on Administrative Actions.] No regulation, rule, order, or administrative law which would have a fiscal impact of at least \$[] on any [local political subdivision] in this state shall be valid unless 30 days prior to its adoption by a board, commission, agency, department, officer, or other authority of the government of this state, except the [legislature, the courts, and the governor], such board, commission, agency, department, officer, or other authority shall file a fiscal note with the [secretary of state]. Any [local political subdivisions] that will be affected by the proposed regulations, rule, policy, order, or administrative law, upon request, shall immediately be furnished with a copy of the fiscal note by the board, commission, agency, department, officer, or other authority.

1 Section 5. [Contents of Fiscal Note.] A fiscal note shall contain an estimate of the fiscal impact of a bill, a joint resolution, or an administrative

Local Government Impact Fiscal Notes

action on [local political subdivisions] for the fiscal year in which it would become effective if enacted and for the next [four] succeeding fiscal years. If the fiscal impact of the bill, joint resolution, or administrative action is not expected to be totally evident within the applicable period, the estimate shall be projected beyond that period to include an estimate for the first fiscal year in which it is expected to be fully effective.

Section 6. [Preparation of Note or Waiver.] The [chief fiscal officer, legislative research director] shall have the fiscal note prepared by his office or by the other departments or agencies of the state government. Where appropriate, he shall seek the advice and assistance of local government officials or their representatives. A waiver of the fiscal note shall be prepared by the [chief fiscal officer, legislative research director] for any bill that does not have an effect upon the revenues or expenditures of [local political subdivisions]. If the fiscal note is not prepared by the [chief fiscal officer, legislative research director] the department or agency of state government preparing the fiscal note shall be clearly indicated on the fiscal note along with the signature of the [chief fiscal officer, legislative research director] or his authorized representative indicating that the [chief fiscal officer, legislative research director] agrees with the fiscal impact estimated thereon.

7: Either the chief fiscal officer of the executive branch or of the legislature may be designated in 6 as the official responsible for preparation of the fiscal note. The choice of executive or legislative officer should also be made in Sections 7 and 9.

Section 7. [Revision of Note.] A fiscal note that is attached to a bill or joint resolution shall be revised at each successive stage of the legislative process in which an amendment is adopted that changes the fiscal effect of the bill or joint resolution, unless this requirement is waived by the chairman of the committee to which the bill was referred, the president of the senate or the speaker of the [house], provided, that the waiver shall apply only to technical changes. The revised fiscal note shall be prepared by the [chief fiscal officer, legislative research director] and returned as quickly as possible to the committee or the clerk of the [house] or [senate] if one of the latter has the custody of the bill at that time.

Section 8. [Repeal of Waiver with Note.] A waiver of a fiscal note shall be replaced at any time with a fiscal note if an amendment to a bill or joint resolution causes the bill or joint resolution to have an effect upon the revenues or expenditures of local political subdivisions.

Section 9. [Retention of Copy of Fiscal Note or Waiver Inspection.] [Insert name of officer.]

Local Government Impact Fiscal Notes

3 (a) A copy of each fiscal note or waiver of a fiscal note shall be retained
4 by the [chief fiscal officer, legislative research director], and be reason-
5 ably available for public inspection, for [at least three years following its
6 preparation, the duration of the program]. The fiscal note or waiver of a
7 fiscal note shall be published in the journal of each house of the [legisla-
8 ture].

9 (b) A fiscal note, upon being filed as herein provided, is a public record
10 within the meaning of the [cite state freedom of information act].

1 Section 10. [Severability.] [Insert severability clause.]

1 Section 11. [Repeal.] [Insert repealer clause.]

1 Section 12. [Effective Date.] [Insert effective date.]

This "Model Legislation" came from
1979 Suggested State Legislation, Vol. 38;
pp. 190-193; Pub. by Council of State Govts.

7-5-4304

LOCAL GOVERNMENT

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

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

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

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

7-5-4305. Prohibition on division of contracts to circumvent bidding requirements. Whenever any law of this state provides a limitation upon the amount of money that a city or town can expend upon any public work or construction project without letting such public work or construction project to contract under competitive bidding procedures, a city or town shall not circumvent such provision by dividing a public work or construction project or quantum of work to be performed thereunder, which by its nature or character is integral to such public work or construction project or serves to accomplish one of the basic purposes or functions thereof, into several contracts or separate work orders or by any similar device.

History: En. Sec. 1, Ch. 183, L. 1971; R.C.M. 1947, 11-1202.1.

7-5-4306. Use of installment purchase contract. (1) Subject to the requirements of subsection (2), when the amount to be paid under any such contract shall exceed \$4,000, the council may provide for the payment of such an amount in installments extending over a period of not more than 5 years, provided that at the time of entering into such contract, there shall be an unexpended balance of appropriation in the budget for the then-current fiscal year available and sufficient to meet and take care of such portion of the contract price as is payable during the then-current fiscal year and the budget for each following year in which any portion of such purchase price is to be paid shall contain an appropriation for the purpose of paying the same.

(2) When such amount is extended over a term of 2 years, at least 40% thereof shall be paid the first year and the remainder the second year. When such amount is extended over a term of 3 years, at least one-third thereof shall be paid each year. If such amount is extended over a term of 4 years, at least one-fourth is to be paid each year. If such amount is extended over a term of 5 years, at least one-fifth is to be paid each year.

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

GENERAL OPERATION AND CONDUCT OF BUSINESS

7-5-4307. Sale or trade-in of old supplies or equipment may be sold by the city or town to the after calling for bid purchasers as herein set forth for bid town may trade in supplies or old equipment on new supply bid price as will result in the lowest net price.

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

7-5-4308. Procedure to modify contract. (1) When in the prosecution of any work to make alterations or modifications or plans of a contract, such alteration or modification by resolution of the council. Such resolution is of no effect paid for the same is agreed to in writing and signed approved by the council.

(2) No contractor must be allowed anything for extra work or modification unless a resolution is made and an order in subsection (1). He must not in any case be alteration than the price fixed by such agreement.

History: En. Secs. 4809, 4810, Pol. C. 1895; re-en. Secs. 1907; re-en. Secs. 5072, 5073, R.C.M. 1921; re-en. Secs. 1907, R.C.M. 1947, 11-1204, 11-1205.

7-5-4309. Oath of contractor required for payment paid to any person claiming under a contract with the council first filed with the clerk a statement under oath disclosing directly or indirectly interested in the contract or the price and declaring that no persons other than those named as person forbidden by this title has any interest in the same.

History: En. Sec. 4808, Pol. C. 1895; re-en. Sec. 3279, 5071, R.C.M. 1921; re-en. Sec. 5071, R.C.M. 1935; R.C.M. 1947, 11-1206.

7-5-4310 through 7-5-4320 reserved.

7-5-4321. Grant of franchise — election required not grant a franchise or special privilege to any person excepted in subsection (2). The powers of the council are only to be by law and those necessarily incident thereto.

(2) No franchise for any purpose whatsoever shall be town or by the mayor or city council thereof to any person without first submitting the application therefor to whose names shall appear on the city or county tax roll pre

History: (1) En. Sec. 4813, Pol. C. 1895; re-en. Sec. 3279, Sec. 1, Ch. 29, L. 1921; re-en. Sec. 5074, R.C.M. 1921; 1935; Sec. 11-1206, R.C.M. 1947; (2) En. Sec. 1, Ch. 85, L. Rev. C. 1907; re-en. Sec. 5075, R.C.M. 1921; re-en. Sec. 11-1207, R.C.M. 1947; R.C.M. 1947, 11-1207.

TESTIMONY OF MONTANA LEAGUE OF WOMEN VOTERS BEFORE THE SENATE
LOCAL GOVERNMENT COMMITTEE ON SB 135, January 22, 1983

Mr. Chairman, members of the Committee. My name is Ann Mulroney representing the Montana League of Women Voters. Since 1964 the League has been working for state laws which allow local governments flexibility in solving financial problems, including flexibility in budgeting their revenue. SB 135 provides the flexibility for counties that cities have had since the sixties. The multiple levy system prevents response to changing needs and local priorities. The budget process is the very heart of government - the process by which elected officials of each level of government make the choices that respond to their jurisdictions unique needs and problems. SB 135 finally enables this process to begin in counties. We are particularly please that the legislation included provisions for a capital improvement fund - a budgeting tool very much needed by counties in Montana.

The League supports SB 135 with amendments to new section 4 which either eliminate the provisions to exceed the mill levy or provide for an election on the question.

Ann Mulroney
League of Women Voters
700 Power
Helena, Montana 59601
442-6227

CITY-COUNTY LIBRARY OF MISSOULA

101 ADAMS

MISSOULA, MONTANA 59801

OFFICE OF
WILLIAM H. SNYDER
LIBRARY DIRECTOR
TELEPHONE:
728-5900

January 22, 1983

Mr. McCallum and Members of the Senate Local Government Committee:

My name is Bill Snyder and I am from Missoula where I am director of the City-County Library.

I am anxious to testify concerning SB 175 because I believe its passage would have grave effects on public libraries in Montana.

The Missoula City-County Library has the responsibility of serving people in the entire county. We make a great effort to see that people outside of the city are served as well as those within the city. To that end, we have established three branch libraries and we also maintain three book-mobile routes. These services are popular and heavily used.

In spite of our efforts, however, it is impossible to give the people outside of the city of Missoula as good library service as people within the city limits receive. City people are either within walking distance or easy driving distance of a library, which has 148,000 book volumes, 340 magazine subscriptions, 19 newspapers, government documents, reference services, children's programs and a spacious comfortable environment in which to browse and read. This is available to them six days a week.

Compare this with a small bookmobile with several thousand volumes of books which makes its appearance in the community several times a month, or compare it with a small branch library open six to ten hours a week.

In spite of all efforts, it is impossible to give outlying rural people the same quality library service as that received by people who live in town. The legislature has recognized this in the past by setting the permissive mill levy for library support higher in cities and towns than in counties.

If the City of Missoula were to have its own library that served only city residents, it could not possibly support it on three mills and have any kind of viable library service. They have been enjoying good library service because the city has been willing to support the Library on a higher level than three mills. If Missoula should stop their support it would be tantamount to asking county residents to subsidize its service. At the three mill level, a rancher from Greenough pays more for library service than a Missoula homeowner who lives a few blocks from the Library. Yet who receives the best library services?

Columbia Falls has a very nice library of which its residents are rightfully proud. They are part of the Flathead County Library System and receive much help from it. Columbia Falls could not provide the same service on three city mills as an independent library. Unless they are willing to enhance the three county mills with additional city support, they are asking county residents to subsidize their library services.

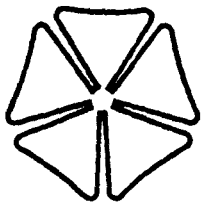
This bill would prevent cities and towns from levying taxes for library support unless the county was levying six mills. This would tend to exclude cities and towns from levying taxes on city property for library support and its effect would be that city and town library services would be subsidized by the county library levy, or deteriorate in quality, or both.

Please do not pass this bill which would be detrimental to libraries. Consider instead, the passage of H. B. 212 which provides for a larger permissive mill levy from both cities and counties. H. B. 212 would be much more helpful in coping with the funding crunch being experienced by public libraries.

Sincerely,

A handwritten signature in cursive script, reading "William H. Snyder".

William H. Snyder, Director
City-County Library of Missoula



THE GARDEN CITY
HUB OF FIVE VALLEYS

Missoula, Montana 59801

Missoula Planning Office
~~CITY ZONING ADMINISTRATION~~

201 W. Spruce St.
Phone 721-4700

January 21, 1983

Members of the Montana State Senate
Montana State Capitol
Helena, Montana 59620

RE: Senate Bill 176 "An act to require that a Certificate of Survey include diagrams of all easements and rights-of-way of record at the time the certificate is filed".

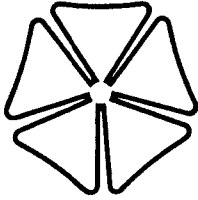
I would urge your support for the passage of Senate Bill 176.

As Assistant Director of the Missoula Planning Office, I have seen many new property owners in trouble because of not being aware of easements or rights-of-way that affect their property. Most of these property owners have purchased the land for their homes and these problems weigh heavily on them. By requiring the placement of all easements and rights-of-way on the Certificate of Survey the prospective property owner is forewarned.

Sincerely,

Daniel A. Obermeyer, AICP
Assistant Director

DAO:dko



THE GARDEN CITY
HUB OF FIVE VALLEYS

Missoula, Montana 59802

CITY ENGINEERING DEPARTMENT
201 West Spruce Street
Phone 721-4700

E-83-0123

January 21, 1983

Members of the Montana State Senate
Montana State Capitol
Helena, Montana 59620

RE: Senate Bill 176 Pertaining to Diagrams
of Easements on Certificates of Survey

Members of the Senate:

I would like to urge your support for the enactment of SB176. This bill would require that all easements and rights-of-way in effect at the time of the survey be shown on the certificate of survey.

During the past year as the Public Works Director of the City of Missoula and formerly the Director of Environmental Health with the Missoula City/County Health Department, I have seen numerous incidents where failure to show all easements and/or rights-of-way has resulted in severe problems for the purchasers of properties. Although such easements and other encumbrances are noted in a title report, very few people have the ability to read a legal description and apply it to a piece of property. Showing the easements on the certificate of survey would protect a purchaser from acquiring a parcel of land and then discovering he cannot use it in the manner intended, because of an easement on right-of-way he was unaware of.

Respectfully,

Joseph L. Aldegarie, P.E.
Director of Public Works

JLA:vm

SENATOR REED MARBUT

SUGGESTED AMENDMENTS TO SENATE BILL 176

Page 2 Line 12

Following: "easements and rights-of-way"

ADD: which are identified in a certified titled report
prepared by a qualified, titled abstractor not
earlier than 90 days before submission of a Certificate
of Survey for recording.

Page 3 Line 12

Following: "easements and rights-of-way"

Strike: "in effect as of the date, the survey is sub-
mitted and recorded"

Mister

~~Madam~~ Chairman and members of the committee:

For the record, my name is Hubert Abrams, Representative District #56.

House Bill #72 is a bill for "an act to allow a city or town council to set the date for the monthly financial report of the city treasurer or town clerk; deleting the requirement that such report be made on the first Monday of each month: amending Sections 7-6-4105 and 7-6-4109, M.C.A., and providing an immediate effective date."

This bill will provide the following advantages for municipal government and eliminate problems that exist under the present system.

1. The bill will provide for timely preparation of the monthly report.
2. It will free city finance officers of the problem of accumulating and preparing information under a deadline that is often only a few days, and on occasion, only 24 hours.
3. It will promote accuracy. It is not reasonable to expect that the entire financial report of a city can be prepared in only a few days.

By allowing the city council to set the deadline, the report will be due on a routine, scheduled date each month. Finance officers will have the time to prepare an accurate, comprehensive report in accordance with the law.

Because of the unrealistic deadline, this essentially is a law that cannot be followed, and the suggested amendments will provide for a much more practical and efficient reporting system.



MISSOULA COUNTY

BOARD OF COUNTY COMMISSIONERS

• Missoula County Courthouse • Missoula, Montana 59802
(406) 721-5700

MEMORANDUM

BCC-83-33

January 20, 1983

TO: SENATE LOCAL GOVERNMENT COMMITTEE MEMBERS
FROM: MISSOULA BOARD OF COUNTY COMMISSIONERS
RE: BILLS BEING HEARD ON SATURDAY, JANUARY 22, 1983

There are seven bills scheduled to be heard at the Senate Local Government Committee Hearing on January 22. We would like to express our position on some of these, and have our comments entered into the permanent record.

We believe that Senate Bill 130, which would require that a fiscal note be attached to all local government bills is a salutary and overdue requirement. Many decisions made by the Legislature affect both our revenues and our expenditures, and the Legislature ought to be aware of the impact of bills it considers.

We, of course, strongly endorse Senate Bill 135, the All-Purpose Levy for Counties. We will be represented at the Hearing by George Bousliman, speaking on behalf of the Urban Coalition; and Mike Stephens, representing the Montana Association of Counties. We believe this bill will enhance our flexibility in budgeting and eliminate the necessity to adjust individual mill levies for special purposes.

Concomitantly, we oppose Senate Bills 173 and 175, which would raise the permissive levies for museums and libraries. If Senate Bill 135 passes, these would be unnecessary. We believe that local governments are already too dependent on property taxes, and simply to allow us to levy more mills for worthy services which we certainly support, is not the best way to finance these services. What we need are other sources of revenue, and not just an increase in property taxing authority.

We are opposed to Senate Bill 140 as drafted. While we believe that local governments are certainly capable of reviewing and approving subdivisions in regard to sanitation requirements, if

Memorandum
Senate Local Government Committee Members
BCC-83-33
January 20, 1983
Page Two

they have the adequate resources to do so, we believe that Senate Bill 140 would not give us those resources. Missoula County, like almost every other County, does not have appropriate technical or legal staff to do these reviews. We do not want the authority to review subdivision sanitation requirements, unless we can set fees to cover costs, which would then enable us to hire or contract for the sanitarians, engineers and lawyers necessary to adequately do the job. The present fee of \$30 per subdivision is entirely too low, and since costs vary from subdivision to subdivision and from county to county, if this bill is going to be faithful to the principle of returning power to local governments, it ought to give those governments the authority to set their own fees to cover their own costs.

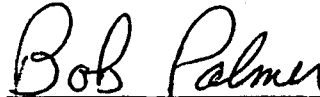
We believe that Senate Bill 176, which would require diagrams of easements on certificates of survey, is an excellent housekeeping bill, and is certainly worth passage.

Sincerely,

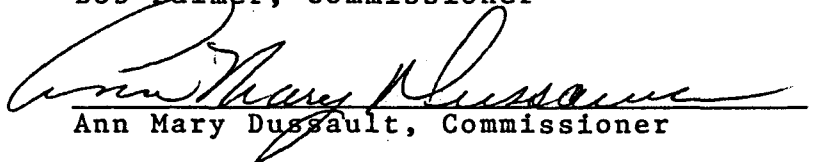
MISSOULA BOARD OF COUNTY COMMISSIONERS

NOT AVAILABLE FOR SIGNATURE

Barbara Evans, Chairman



Bob Palmer, Commissioner



Ann Mary Dussault, Commissioner

BCC/HS/1s

BILL SUMMARIES
SENATE LOCAL GOVERNMENT COMMITTEE

B 130
(Mazurek)

This bill would require a fiscal note on legislation having a fiscal impact on local government.

SB 135
(Halligan)

Currently, counties may levy a maximum 25 or 27 mills for general county expenses depending on their class. In addition, counties may levy for a variety of special purposes.

This bill would permit a county to levy up to 55 mills for general purposes, but would limit levies for special purposes.

SB 162
(Mazurek)

This bill eliminates the contractor oath requirement associated with municipal contracts.

SB 175
(Elliott)

This bill would allow a maximum 6 mill levy on county property for library service. Currently, the maximum levy allowable is 3 mills.

The bill also provides for application of mill levies for libraries which are part of a library system.

SB 176
(Marbut)

This bill requires that easements and rights-of-way be denoted on certificate of survey.

SB 72
(Abrams)

Currently, the city treasurer is required to give a report on the city's finances on the first Monday of each month. This bill would allow the city council to set a date for the report, eliminating the "first Monday" requirement.