

MINUTES OF MEETING  
LOCAL GOVERNMENT COMMITTEE  
MONTANA STATE SENATE

March 8, 1983

The meeting of the Local Government Committee was called to order by Chairman George McCallum on March 8, 1983 at 12:30 p.m. in Room 405, State Capitol.

ROLL CALL: All Senators present except Sen. Thomas who was excused.

CONSIDERATION OF HOUSE BILL NO. 126: Rep. Kitselman, District #60, Billings, said that this bill is designed to comply with the Federal law that takes effect in July of this year. The Federal law affects the way RSID bonds are registered. The county may have to hire a trustee to handle their registration and this would increase the front-end costs. In the larger counties it is very difficult to keep accurate records as to time and costs of RSIDs and would require employing a fulltime person.

Lines 1-6 on page 2 would allow the governing body the option to include an amount not to exceed 3% of the principal amount of any bonds or warrants to be issued and the funds shall be deposited in the revolving fund. This would be a one-time charge against each district. If 1% is all that is needed, then that is all that should be charged. Sub-section 2, page 3, provides for the disbursement of the district fund monies when the bond is paid off. The money left in the account will be returned to the owners of record or may go into that district's operation and maintenance fund after all loans and costs have been fully paid. He also read portions of a letter from Merrill H. Klundt, Yellowstone County Clerk and Recorder, a copy of which is attached to these minutes.

PROPONENTS: Bill Romine, representing the Clerks and Recorders Association, said that these are optional assessments at the discretion of the clerk and recorder and the county commissioners. These are not the minimum; they are the maximum.

There were no opponents to the bill.

DISCUSSION OF HOUSE BILL NO. 126: Sen. Marbut asked why there is a different percentage on line 2 and line 19, page 2. Rep. Kitselman said that the figure on line 2 is the money that is borrowed to set up the district. This should not exceed 3%. On line 19, this is the SID itself and is not to exceed 5% of the bonds or warrants and shall be deposited in the revolving fund. Sen. Marbut felt there was quite a difference between the cost of improvements and the principal amount of bonds. Rep. Kitselman said this is modeled after the cities but it is more restrictive. It would only be 3% for the initial setting up of the district and the counties felt they could do it for 3%

Sen. Marbut said he was worried about the money left in the fund being returned to the landowners of record or the operation and maintenance fund at the discretion of the county commissioners. The option, Rep. Kitselman said, is given to the landowners to take this money, however much it may be, and apply it to the maintenance of that district or

take the money for himself. If there is not enough money they will have to have an assessment for a maintenance bond. Sen. Marbut felt the bill reads that the board, or county commissioners, makes the decision. Rep. Kitselman said that the board offers it to the landowners and they make the decision. Sen. Marbut did not think that is what the bill says and referred to lines 18 through 24 on page 3 - "by order or resolution of the board". It was pointed out by Rep. Kitselman that in the cities the option is not given to the landowner at all. Sen. Crippen liked this provision of the bill and felt that the cities should be required to do it the same way. In Billings they are doing things with that money that was never intended. The cities are using it for other purposes.

Bill Romine said he tended to agree with Sen. Marbut - that the option has been given to the commissioners. Maybe this language should be changed to say what they intend it to say - that the option be given to the landowners. Chairman McCallum asked if they wanted the landowners to have the option to accept or reject this money as it is really their money because they have paid it.

There being no further questions, the hearing on HB 126 was closed.

CONSIDERATION OF HOUSE BILL NO. 129: Rep. Kitselman, District #60, said this provides more authority for cities and counties with home rule to organize their planning operation. The process for amending and changing zoning regulations has not worked well. This is optional. If the self-governing city does not care to change their zoning regulations, the state laws will always be there. The elected officials are the best qualified people to make that judgment. This would be more restrictive than what there is now. The sanitation regulations and other regulations would be underlying and would still be the law. This bill is aimed only at those that are self-ruling.

PROPOSERS: Al Thelen, City Manager for the City of Billings, said this would give them the opportunity to try some experimenting in planning and zoning. Letting self-governing cities do some experimenting has been very helpful and hoped for the approval of the committee.

Bill Verwolf, City of Helena, supported the bill.

Mike Young, City of Missoula, agreed with the principles set forth by Mr. Thelen and supported the bill.

Al Johnson, City of Great Falls, felt that this type of legislation is certainly positive as it allows some creativity and supported the bill.

There were no further proponents.

OPPOSERS: Donald Smith, Anaconda-Deer Lodge County, said he was on the commission that created this monster - self-governing authority. He said if the committee gave this bill approval they might as well resign their legislative positions because the people won't need them anymore. He informed the committee about Deer Lodge trying to pass a

sanitation regulations where the people would have had to seek approval for the color they wanted their house painted. If something like this passes, everyone will have lost their right to petition. If people get a little power, they extend that until the people have to go to court and said most people can't afford to take the commissioners or our government to court. He was opposed to these absolute powers being extended to any person or persons.

Vera Cahoon, Missoula Freeholders Association, was not appearing as an opponent or proponent, but left some thoughts and feelings with the Chairman to be included with the minutes and asked for their careful consideration of the bill.

DISCUSSION OF HOUSE BILL NO. 129: Sen. Crippen asked Mr. Thelen if he could give an example of model planning and zoning. Mr. Thelen said they would like permit zoning in the corridor between the two hospitals and also the 27th Street entrance to the city. They see both of these involving a rather major transition and this would be a permit control type zoning. Sen. Crippen said that state law prohibits some of this that Billings wants to do and Mr. Thelen said it has to be done through the state zoning approach.

Chairman McCallum asked Mr. Thelen if they wanted to be able, by resolution, to create this planning and rezoning. Mr. Thelen replied that it would be by city ordinance rather than state law. Rep. Kitselman said it would be possible to take each project on the merits of that particular project. That permit is issued solely for that individual to develop what he said he was going to do. This would allow us to set up a permit system. If the particular project for which the permit is obtained, is not built, then it reverts back to the original zoning. Sen. Crippen felt that every time there is a new use for the property, they have have to go before the city council. Rep. Kitselman said they are going to have to go through a review process anyway.

Sen. Conover, in talking about line 14 (a), felt there is a lot of power being given to the commissioners but Rep. Kitselman said the power is there now. Sen. Van Valkenburg said there is a limitation on these powers and what Rep. Kitselman is trying to do is broaden these powers as far as zoning and planning.

The hearing was closed on HB 129.

CONSIDERATION OF HOUSE BILL NO. 208: Rep. Kerry Keyser, District #81, said that this bill provides for a deadline for calling a special election. It takes as much time to prepare a special election as it does a regular election. At least 40 days is required to comply with the laws that we now have. He asked for the approval of the committee on this bill and thinks it is a reasonable approach.

PROPOSERS: Bill Romine, representing the County Clerks and Recorders, supported the bill. Presently, an election can be called with very short notice. They need time for the electorate to become educated.

There were no further proponents and no opponents to HB 208.

In closing, Rep, Keyser said that they want to put this at least 40 days after the call for a special election.

DISPOSITION OF HOUSE BILL NO. 208: Sen. Van Valkenburg MOVED THAT HB 208 BE CONCURRED IN. MOTION CARRIED UNANIMOUSLY.

CONSIDERATION OF HOUSE BILL NO. 298: Rep. Verner Bertelsen, District 27 said that this bill was requested by the Department of Administration and it removes the Department as a signatory to the pledged security agreements. A copy of his written testimony is attached to these minutes. He also stated that everyone involved feels it is a necessary process.

PROPOSERS: George Pendergast, Department of Administration, agreed with Rep. Bertelsen's testimony and supported the bill.

Bill Verwolf, City of Helena, said that the transfer to the state is a time delay. This would make it faster and more simple.

There were no further proponents and no opponents.

DISCUSSION OF HOUSE BILL NO. 298: Sen. Crippen mentioned that if the 50% is eliminated they do not have any trouble at all.

The hearing was closed on HB 298:

DISPOSITION OF HOUSE BILL NO. 298: Sen. Boylan MOVED HB 298 BE CONCURRED IN. MOTION CARRIED UNANIMOUSLY.

CONSIDERATION OF HOUSE BILL NO. 477: Rep. Steve Waldron, District 97, said it allows cities and counties to transfer appropriations within funds. If there is a secretary who is funded within a certain fund, and she quits, you cannot use that personnel money to perhaps buy software for a computer rather than replace the secretary, which position may no longer be necessary. He felt this will give the local governments some flexibility to transfer money but only within funds. He also said there was no opposition in the House.

PROPOSERS: Mike Young, City of Missoula, said this would allow city and county governing bodies to amend their budgets midyear. This bill would require the open, public process to be used to amend the budget in the middle of the year and would be limited to transfer of monies within funds.

Ardi Aiken, City Commission, City of Great Falls, supported the bill.

Bill Verwolf, City of Helena, said when something of an unexpected or sizeable nature occurs, there is no flexibility within the budget in the funds. This would give some flexibility to respond to emergencies. Under the commission-manager form of government this can be done now. This would extend it to all forms of government.

Alec Hansen, League of Cities, was in support of this bill for reasons cited by the other proponents. It makes good sense and cities should be able to handle their affairs in this way.

OPPONENTS: Vera Cahoon, Missoula Freeholders, said that if, when they said flexibility, it meant for emergencies, she would be in favor of this bill. She said she did not understand everything that government is telling us and asked for the committee's very careful consideration of this bill. A copy of her testimony is attached to the minutes.

Don Smith, Anaconda-Deer Lodge County, said he called this practice misappropriation of funds, not transfer. He said in his area, the parks and recreation board was using library funds, the telephone operator was being paid out of the maintenance fund. This is clearly misappropriation.

Julie Hacker, Potomac, wondered about the accountability of this bill. Could this bill mean that there would be funding for police but not for fire protection? She said that some years ago in Missoula, sewer funds were used to build a new city hall.

DISCUSSION OF HOUSE BILL NO. 477: Sen. Crippen asked Mr. Smith, since he was concerned about some transfer of funds, if he didn't feel the local governing bodies should have some flexibility. Mr. Smith said that it sounds good. The general fund covers the operation of the county. You offer this to the people for their approval of each of these funds. When we are talking about transfer of funds he believes we have to be very careful. He was told that the bill says "within a fund" and it was felt that he was referring to classification within a fund.

Mr. Verwolf said that under the general fund, you can move money from the library to police as long as you stay within the category. It can't be moved from salaries to capital outlay, etc. Currently, we have the ability to transfer the salary position to another salary position within the general fund. This would allow us to move money from and to anywhere in the general fund.

Sen. Fuller asked Mr. Smith if he felt the Senate and House are more accountable to him than his own city commission. He said he did feel this way. He asked the committee to look at this carefully and make sure that the negative side doesn't override the positive side, because there is a negative side to everything.

Sen. Van Valkenburg asked Mr. Smith if he felt that everybody in the state should lose out on a positive effect because of something that happened in his area. Mr. Smith said he didn't want the rest of the state to go through what they are in Anaconda-Deer Lodge and there is always that possibility. If this is opened up, who is going to be accountable?

Local Government Committee

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Chairman McCallum stated that in the general fund in the cities, under that 65 mills, they pay police, firemen, streets and alleys, etc. - the general operation of the city. Mr. Verwolf said in their case it also covers the administration. We can move money in the general fund as long as we stay in the general fund, however, you have to stay in the same classification - salary to salary but not salary to cars. You can move from department to department but not within the department. In other words, we already can transfer horizontally but this bill would give us the ability for vertical transfer also.

There were no further questions from the committee.

In closing, Rep. Waldron said they would still have to have a public meeting to do these transfers and this would allow a little more management within local governments.

CONSIDERATION OF HOUSE BILL NO. 718: Rep. Bob Ream, District #93, said the bill provides for consistency in costs of elections. The costs are paid out of the general fund. This bill says that the services of the election administrator or capital expenditures are not included in the cost. He explained the bill section by section. He also said that in Missoula they have an urban transportation district. In the even numbered years they pay their share of the local costs but not in odd numbered years. This bill makes the even and odd numbered years consistent.

PROPOSERS: Bill Romine, County Clerks and Recorders, said we should not have to be doing this. County residents are now paying for the cost of a particular local district and felt this is not proper. If they are involved in an election they should have to pay their proportionate share and asked for a favorable recommendation from the committee.

OPPOSERS: Steve Meyer, Executive Vice President, Montana Association of Conservation Districts, said they opposed the bill but not because they do not want to pay their costs of an election. He was uncomfortable with the language on page 1, lines 23-25, "as determined by the county election administrator and the school district election administrator". It seems to give the discretion to the county commissioners to decide what is a proportionate share. His written testimony is attached, as well as some costs for different conservation districts in the state. He felt that an election in the Lower Musselshell should not have the same cost as the district in Yellowstone County, as indicated by the attached information. He urged a do not pass unless some of these problems can be addressed and cleared up.

Rep. Gary Spaeth, District #71, also opposed the bill. He said he voted in favor of this in the House but feels this is directed at the Conservation Districts and he feels it leaves so many unanswered questions. It is not as simple as it seems. These are primarily state and local elections rather than district elections. He urged the committee's serious consideration and possible rejection of this bill.

Bill Verwolf, City of Helena, said that the city does not wish to

shirk its duty but it seems they already pay 2/3 of the costs. In the case of city officials on the ballot, they don't know if they would have to pay more or not. He felt the county should pay for the general election as they have this responsibility.

Al Johnson, City of Great Falls, asked Rep. Ream the intent of the bill and felt this could be a situation of double taxation.

Alec Hansen, League of Cities, said he had more questions than criticism, and one is; is it to have city people help pay for county elections? He was opposed to the bill.

DISCUSSION OF HOUSE BILL NO. 718: Rep. Ream said he did not feel it would be double taxation. If it is added to the ballot for the city, that portion should be paid by the city and didn't feel this is a problem.

Sen. Conover asked Mr. Meyer where the figure of \$4,000 came from for the Lower Musselshell. Mr. Meyer said this was the figure that was given to his secretary.

Sen. Van Valkenburg asked about letting the governing bodies determine the proportionate share of the costs, lines 19 and 20, page 1. Rep. Ream said this is part of the existing law. This does not address what they should pay, only when they should pay.

Mr. Meyer felt there is no way to accurately calculate the cost and they are just going to come up with a figure. Rep. Ream said the bill is talking about incremental increases in costs.

There were no further questions from the committee.

In closing, Rep. Ream said that the city of Missoula has paid their share in even and odd numbered years, however, they do not have to. This bill would state when they must pay.

The hearing was closed on HB 718.

FURTHER CONSIDERATION OF HB 319: Dave Bohyer explained the proposed amendments that were offered which would allow the county governing body to enter into mutual aid agreements. This is all the bill will allow. The rest of the inserted material has been stricken and the original language is reverted to. Sen. Ochsner felt that they can enter into mutual aid agreements now and are doing it, however, Sen. Conover said they had previously done it in his area but when they were audited, the auditor said they couldn't legally do it.

DISPOSITION OF HOUSE BILL NO. 319: Sen. Boylan MOVED ADOPTION OF PROPOSED AMENDMENTS. MOTION CARRIED with Sen. Ochsner voting "no" as he felt we didn't need it and it is just one more thing added to the laws. Sen. Boylan then MOVED HN 319, AS AMENDED, BE CONCURRED IN. MOTION CARRIED UNANIMOUSLY.

FURTHER CONSIDERATION OF HOUSE BILL NO. 718: Sen. Van Valkenburg felt the bill needs an amendment to take care of the Soil Conservation

Districts. No action taken.

FURTHER CONSIDERATION OF HOUSE BILL NO. 126: Dave Bohyer thinks it is 8% instead of the 3% and 5%. Will look into it further. No action taken.

FURTHER CONSIDERATION OF HOUSE BILL NO. 58: This would raise the mill levy to 10 mills for hospitals. Sen. Fuller MOVED HB 58 BE CONCURRED IN.

Sen. Story asked what this does to the poor fund mill levy. Chairman McCallum said this is outside the poor fund mill levy. Mike Stephens said they are allowed to levy in the poor fund for hospitals and nursing homes. This is taking that out. This would allow some very necessary hospitals to keep operating. They would still be able to levy 13 1/2 for the poor fund. For poor fund and hospitals it would be 23 1/2 and it was 19. There was some concern about the language on page 2, lines 3 and 4 but Sen. Crippen said this is in the event bonds are issued.

Mr. Stephens said they just want to be able to levy 10 mills for hospitals and nursing homes. They wanted 13 1/2 but felt they could live with 10.

Sen. Van Valkenburg wanted to know the purpose of section (4) - is it just a clarification - because he did not feel it was related to the rest of the bill.

Sen. Fuller WITHDREW HIS MOTION.


FURTHER CONSIDERATION OF HOUSE BILL NO. 164: Sen. Crippen said this would add snow removal and leaf removal. The general funds are really becoming strapped.

Mike Young, City of Missoula, said as far as the leaf removal, they would issue it against the district's benefactors.

Chairman McCallum wondered how many more mills it will cost the city taxpayers. Mr. Young did not know what it would be, but quite small. Sen. Van Valkenburg said it would depend on the kind of district they want. If they use it in a reasonable fashion it won't cost much. Sen. Crippen said they would have the ability to protest this but not if it was the general fund.

DISPOSITION OF HOUSE BILL NO. 164: Sen. Crippen MOVED HB 164 BE CONCURRED IN. MOTION CARRIED, 7-1. (See Roll Call Vote attached). Sen. Crippen will carry the bill on the floor.

MEETING ADJOURNED 2:50 p.m.

  
GEORGE McCALLUM, CHAIRMAN



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

ROLL CALL

LOCAL GOVERNMENT

COMMITTEE

48th LEGISLATIVE SESSION -- 1983

Date 3/8/83

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

DATE

3/8/83

COMMITTEE ON

## VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Bill Verwoelf	City of Helena	HB 129, 298 477	✓	HB 718
Bill Romine	clerk & Records	HB 208, 129 477		
Julie Hacker	Miss Co. Freeholders	129 477		129 477
Joy Nelson	Miss Co. ' '	129 477		129 477
Lena Carlson	Miss Co. Freeholders	477		477
Donald R. Smith		129 477		✓
Steve Meyer	MACD	718		✓
Franklin Ten	Montana Agr. Assn.	298	✓	
Allyler	city of Billings	129	✓	
Mary Steg	MATCO	298	✓	
George Dushman	URBAN COALITION	HB 129 HB 477	✓	
Julie Allen	City Comm. S. Sen	477	✓	
Alec Hansen	LEAGUE OF CITIES	HB 129 477	✓	HB 718
FD Johnson	City of Great Falls	HB 477 HB 298 HB 129	✓	
Mae Young	CITY OF MISSOULA	HB 477 HB 298 HB 129	✓	



# Montana Association Of Conservation Districts

7 Edwards  
Helena, Montana 59601  
Ph. 406-443-5711

March 8, 1983

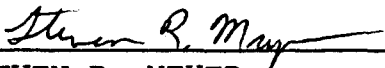
HB 718

MR. CHAIRMAN, MEMBERS OF THE SENATE LOCAL GOVERNMENT COMMITTEE:

I am Steve Meyer, representing the Montana Association of Conservation Districts.

We must oppose passage of HB 718, not because the districts will have to start paying for the costs of their elections, but because it assigns costs "as determined by the county governing body". This seems to allow the board of county commissioners to assess costs of the general election in any manner that they see fit. Such open ended language seems to be a boom for the county general fund by drawing on the accounts of other political subdivisions. Before we could support this bill there would have to be a specified method of determining the local district's proportionate share or a cap on costs should be set as a proportion of the district's budget.

We urge a "Do Not Pass" until these items can be cleared up.  
Thank you.

  
\_\_\_\_\_  
STEVEN R. MEYER  
Executive Vice President

SRM:dv

DICTRICT	ELECTION COST	BUDGET (FY'83)	% (EC/B)	POPULATION (1970)
Jefferson	\$ 96	\$13,859	0.7	5,238
Lake	\$ 144	\$21,162	0.7	14,445
Cascade	\$2306	\$54,272	4.2	81,804
Lower Musselshell	\$4000	\$ 4,665	85.7	4,665
Meagher	\$ 124	\$ 5,490	2.3	2,122
Flathead	\$1500	\$36,642	4.1	39,460
Treasure	\$ 120	\$ 4,633	2.6	1,069
Missoula	\$2350	\$54,448	4.3	58,263
Yellowstone	\$4000	\$24,770	16.1	87,367

Pledged Securities Agreement  
HB 298  
Justification

The purpose of this bill is to remove the Department of Administration as a signatory to pledged security agreements.

Briefly, pledged securities are required when a local government deposits funds in excess of \$100,000 at a depository institution. The law (7-6-207) says that local governments must require a 50% security or collateral for any deposits in excess of available FDIC insurance.

Typically, the situation works like this. A city or county might deposit \$500,000 at Bank A. FDIC insurance covers \$100,000 of that amount so the local government must collateralize 50% of the remaining \$400,000 - i.e. \$200,000 at a second "safe keeping" bank. Finally, the Department of Administration must be a signatory to these agreements.

You can imagine the paper nightmare created by this situation. Each transaction is accompanied by an agreement which must be signed by four parties:

1. The local government
2. The depository bank
3. The safekeeping bank
4. The Department of Administration

There are literally hundreds of transactions. Whenever a local government deposits funds, an agreement is generated. Whenever the amount deposited changes, the agreement must be modified. Whenever the banks want to collateralize deposits with different securities, a substitute agreement must be signed. Last year 400 pledged security agreements were processed by the Department of Administration. Another 400 releases were processed. Another 200 substitution documents were processed. Against this background, the Department created a task force to see what could be done to simplify the process. The task force involved banking interests, representatives of the League of Cities and Towns, and the Montana Association of Counties, and officials from the Department of Administration.

The committee's final recommendation is before you as HB 298. This bill simply removes the Department of Administration as a signatory to the pledged security agreements. If this bill passes, there would be three signatories instead of the current four. Paperwork would be processed substantially faster than is now the case.

Removing the department as a signatory does not adversely affect the pledged security process. The responsibility for adequately collateralizing local public deposits clearly lies with the entity's local governing body (7-6-201 (3), 7-6-207 (1), 7-6-208 (1)). Under current statute, the department plays only an oversight role in processing the local government pledged security agreements. The adequacy and eligibility of pledged security agreements is reviewed in the regular local government audits performed or supervised by the department.

We recommend the passage of HB 298

**QUESTION:**

Why was the department required to sign the agreements?

**ANSWER:**

The department reviews the agreement and confirms local government's initial assessment that the pledged securities are allowed by law. This function is not as important as it once was:

1. The list of eligible securities for pledging has been broadened by the legislature.
2. In 1979, the legislature reduced the pledged security requirement from 100% to 50% of deposits.
3. In its regular audits of local government, the department reviews the adequacy and eligibility of pledged securities.

If as gov't testimony  
suggests - it would  
only serve to save money  
& be used only in  
(necessary) emergencies - then

I could support this bill -  
the however who decides  
when an emergency exists  
& what constitutes an  
emergency.

The private citizen &  
taxpayer must be considered  
before we allow too much  
flexibility by gov't. in  
amending the budget.

1  
Mole Co. Freeholders  
Kera Cahoon -

H.B. 477 - oppose

Public is demanding  
I - More accountability -  
not less -

II - Taxpayers would have  
problems addressing the  
public budget hearings  
- because if transfers are  
allowed in this manner  
it would be meaningless  
anyway.

III - Depts. not popular or  
necessarily vital to the  
taxpayer could be financed  
through transfers - & the Public  
would be unaware of  
such transfers.

IV - It would allow the  
governing body to use  
money as they please -  
& could encourage waste  
or over-expenditure  
some cases as has  
in the planning dept.  
Missouri -



# County of Yellowstone

MERRILL H. KLUNDT  
Clerk & Recorder



BILLINGS, MONTANA  
59101

January 24, 1983

Kathleen McBride, Chairman  
House Local Government Committee  
Capitol Building  
Helena, Montana 59601

Dear Chairman McBride and Members:

House Bill #126 is a bill which provides the following options:

1. Under Section 7-12-2153, the county can charge for incidental expenses to the formation of any special improvement district. The county surveyor in Yellowstone County employs a person full time on R.S.I.D. projects for inspection and problems. My office is involved with the levying of the assessments, publication of notices, mailing of notice, etc. and the levying of maintenance assessments and bond assessments annually.

Further, Federal law was enacted and will become effective July 1, 1983, whereby R.S.I.D. bonds will have to be registered in a different manner and the county may have to hire a trustee and etc. and this will increase costs. (See Exhibit A attached). It is administratively difficult to keep an accurate record as to time and costs and would require employing a full time person in my office for the numerous districts we have in Yellowstone County.

Therefore by adding the language contained in lines 1 through 6 on page 2, under Section 7-12-2153, Sub-Section (2) will allow the governing body the option to include an amount not to exceed 3% of the principal amount of any bonds or warrants to be issued and the funds shall be deposited in the revolving fund created under Section 7-12-2181 or deposited in the County General Fund. This would be a one time charge against each district.

2. The provision under Section 7-12-2182, lines 17 - 21, page 2, Section 2(a) (ii) is a provision for a source of money for the revolving fund. This provision should be used before the method stated in lines 11 through 16, sub-section (1) (a) (i).

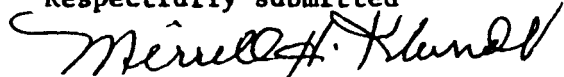
The local governing bodies should use the new provision in lines 17 - 21, page 2 with wise discretion. If 1% is needed, that is all that should be levied under this provision. It should be used wisely. This provision is exactly the same as for the cities under Section 7-12-4222.

3. Section 7-12-2182, subsection 2 is being revised as stated in lines 9 through 22, page 3.

This provision as revised states "Whenever there is money remaining in the district fund after all bonds or warrants and interest thereon, and all loans as provided for in 7-12-2183, have been fully paid on any rural special improvement district, the money remaining in the district fund shall by the order or resolution of the board be transferred ~~to the revolving fund or to the operation and maintenance fund as provided for in 7-12-2162 of such district.~~ *OR THE OWNERS OF RECORD OF THE PROPERTY OF THE DISTRICT*

The Yellowstone County Board of County Commissioners, the County Attorney and myself feel that after all bonds, warrants and loans have been fully paid the remaining funds should be transferred to the operation and maintenance fund as provided for in 7-12-2162 of such district.

Respectfully submitted



MERRILL H. KLUNDT

Yellowstone County Clerk & Recorder  
Chairman, Montana Association of  
Clerks and Recorders

3/8/83

Re - H.B. 129  
Local Gov't Committee, Senate  
Mr. Chairman:

While we in Missoula County do not yet have a Charter form of government that possibility is very real at this point. A study group is now writing a Charter for Miss Co. with a proposed election date of Nov 8, 1983.

For this reason we have a real problem with H.B. 129. It seems to us, this is writing the rule, before the fact. & generally speaking then, it inflicts itself over the entire state indirectly.

The Urban Coalition has proposed a great deal of legislation this session, dealing with power for Charter Gov't & a move to pass Charter home rule over the state inch by inch without a vote of the people. The bulk of this legislation has come from

Missoula for obvious reasons.

The state does retain some very important powers over charter gov't which we feel should not be repealed.

Total power over zoning regulations, county wide would or at best, could create a much too powerful tool by government with home rule charters, over freeholders property rights.

We, therefore ask you, to consider this bill & its implications very carefully before you give any more power to Charter Gov't, which does not seem to be too popular in Counties where it now exists.

Rep. Kitzelman, I am sure is addressing a city situation (Billings) where problems seem to be at a minimum.

Thank you  
Kara Cahoon Chmn  
Missoula County Freeholders

WITNESS STATEMENT

Name Bill Romine Committee On Local Gov.  
Address Helena Date 3-8-83  
Representing Clerks & Recorders Support X  
Bill No. H.B. 126 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. The Amendment on page 1 and the top of page make it clear that the annual assessment roll costs are part of the costs of the improvement, and sets out a formula for assessing such costs. Where the method of actually determining these costs is difficult to delineate with certainty, the county may merely assess a flat fee up to 3%.
2. The amendment on lines 17 thru 21 of page two merely establishes a source of revenue to satisfy the bonds and to pay for emergency repairs, without having to borrow from the general fund. This would also prevent the necessity of having to assess a special tax.
3. The amendments on page 3, merely provides that if money is left in the district fund after the bonds & warrants have been satisfied, it may either be returned pro-rata to the land owners or deposited in the operations & maintenance fund.
- 4.

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

WITNESS STATEMENT

Name Bill Romine Committee On Local Gov.  
Address ~~Monte Vista~~ Helena Date 3-8-83  
Representing Clerks & Recorders Support X  
Bill No. H.B. 208 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. *this bill ensures that there will be sufficient time for the election administrator to prepare the ballots etc for an election which will be held in conjunction with another election.*
2. *In addition, this bill will give the proponents & opponents time within which to get their points of views across to the voters. As it is now, such an election could be held on very short notice, with little time for the voter to become educated on the merits of the proposal.*
- 3.
- 4.

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

WITNESS STATEMENT

Name Bill Ramine Committee On Local Gov.  
Address Helena Date 7-8-83  
Representing Clerks & Records Support X  
Bill No. ~~HB~~ H.B. 718 Oppose \_\_\_\_\_  
Amend \_\_\_\_\_

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. The revisions of the election laws in 1979 intended that all ~~the~~ political subdivisions would ~~also~~ bear their fair share of election costs. In general, they all do, however, a few political subdivisions, primarily conservation districts, were not included because of legal interpretations given by the attorney.
2. General. This bill clarifies the law, and makes sure that any political subdivision using the county election process pays its fair share.
- 3.
- 4.

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

NAME

Julia Hacker

BILL NO.

11B 477

ADDRESS

Star Kto

DATE

3-5-83

WHOM DO YOU REPRESENT

Mesa Co. Truckers

SUPPORT

OPPOSE

X

AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

What is meant by fund?

Would that mean transfers  
between any class in the  
general fund? Could there be police  
no fire?

Some years ago in Missoula,  
several funds were used  
to build a new city hall.



NAME Kara Cahoon BILL NO. 477  
ADDRESS Star Pk - Bonner DATE 3/8/83  
WHOM DO YOU REPRESENT Missoula County Truckers  
SUPPORT \_\_\_\_\_ OPPOSE X AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

I - No control of budget  
by the public

II Loss of accountability  
by ~~public officials~~  
private citizens

III Unawareness by the  
taxpayer as to where  
the money goes

IV - I would hope  
the public  
would not lose  
control of their  
budget

# STANDING COMMITTEE REPORT

March 8 19 83

MR. **PRESIDENT**

We, your committee on **LOCAL GOVERNMENT**

having had under consideration **House** Bill No. **164,**

**Donaldson (Crippen)**

Respectfully report as follows: That **House** Bill No. **164,**  
**third reading copy,**

**BE CONCURRED IN**

**XXXX**

# STANDING COMMITTEE REPORT

March 8

19 83

MR. **PRESIDENT**

We, your committee on **LOCAL GOVERNMENT**

having had under consideration **House** Bill No. **208**

**Keyser**

Respectfully report as follows: That **House** Bill No. **208**,  
**third reading copy,**

**BE CONCURRED IN**

**DEP. SEC.**

# STANDING COMMITTEE REPORT

March 8

19 83

MR. **PRESIDENT**

We, your committee on **LOCAL GOVERNMENT**

having had under consideration **House** Bill No. **319**

**Manuel (McCallum)**

Respectfully report as follows: That **House** Bill No. **319**,

third reading copy,  
be amended as follows:

1. Title, lines 4 and 5.

Strike: "REVISING THE PROVISIONS CONCERNING RURAL FIRE  
PROTECTION,"

2. Title, line 6.

Strike: "ORGANIZE COUNTY VOLUNTEER FIRE COMPANIES,"

3. Title, lines 7 through 10.

Following: "PROTECTION" on line 7

Strike: the remainder of line 7 through "DUTIES" on line 10.

4. Title, lines 10 and 11.

Following: "AMENDING" on line 10

Strike: "SECTIONS 7-33-2201 THROUGH 7-33-2203 and 7-33-2208"

Insert: "SECTION 7-33-2202"

**XXXXXX**

(CONTINUED)

5. Title, line 11.

Following: "MCA;"

Strike: "REPEALING SECTION 7-33-2204, MCA;"

6. Page 1, lines 15 through 24.

Strike: section 1 in its entirety

Renumber: subsequent sections

7. Page 2, line 2.

Strike: "(1)"

8. Page 2, line 3.

Following: "shall"

Insert: "carry out the specific authorities and duties hereinafter imposed"

9. Page 2, line 5.

Following: "{1}"

Strike: "(a)"

Insert: "(1) The governing body shall"

10. Page 2, line 6.

Strike: "AND TRAINING"

11. Page 2, lines 7 through 10.

Following: "crews" on line 7

Strike: the remainder of line 7 through line 10

Insert: "."

12. Page 2, line 11.

Following: "{2}"

Strike: "(c)"

Insert: "(2) The governing body shall"

13. Page 2, line 12.

Following: "rural"

Strike: "county volunteer"

Insert: "district rural"

14. Page 2, line 13.

Strike: "company"

Following: "to"

Strike: "who shall be under"

Insert: "subject to"

(CONTINUED)

15. Page 2, line 15.

Following: "considers"

Strike: "the county governing body considers"

Insert: "consider"

Following: "necessary"

Strike: "; and"

Insert: "."

16. Page 2, line 16.

Following: "{3}"

Strike: "(d)"

Insert: "(3) The county governing body shall,"

17. Page 2, lines 18 and 19.

Strike: "rural structures and natural resources"

Insert: "range, farm, and forest lands"

18. Page 2, line 20.

Strike: "(2)"

Insert: "(4)"

19. Page 2.

Strike: sections 3 through 8 in their entirety

Renumber: subsequent section

AND, AS SO AMENDED,  
BE CONCURRED IN

# STANDING COMMITTEE REPORT

March 8

1983

MR. **PRESIDENT**

We, your committee on **LOCAL GOVERNMENT**

having had under consideration **House** Bill No. **298**

**Bertelsen** <sup>Fuller</sup>  
~~(Boylan)~~

Respectfully report as follows: That **House** Bill No. **298**,  
**third reading copy,**

**BE CONCURRED IN**

**DO PASS**

**George McCallum,**

Chairman.

SENATE COMMITTEE LOCAL GOVERNMENT

Date 3/8 House Bill No. 164 Time 2:45

NAME	YES	NO
OCHSNER, J. Donald, Vice-Chairman	✓	
CRIPPEN, Bruce	✓	
HAMMOND, H.W.		
STORY, Pete	✓	
MARBUT, Reed		
CONOVER, Max	✓	
FULLER, David	✓	
THOMAS, Bill		
VAN VALKENBURG, Fred	✓	
BOYLAN, Paul		✓
MCCALLUM, George	✓	

Louise Sullivan  
Secretary

Sen. George McCallum  
Chairman

Motion: Be Concurred In

(include enough information on motion--put with yellow copy of committee report.)